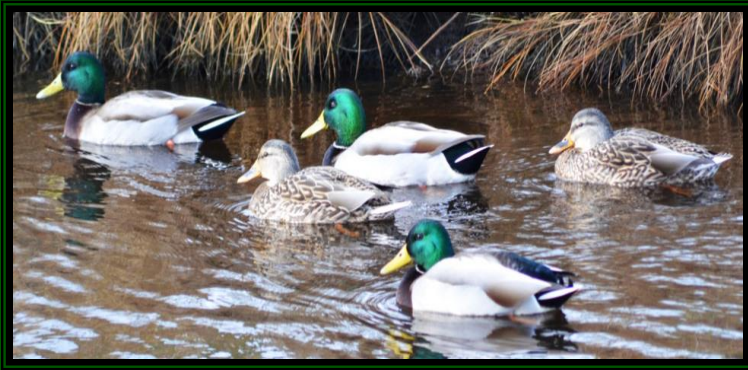




Comprehensive



Annual

Financial

Report

County of Accomack, Virginia

Fiscal Year Ended June 30, 2015



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**COUNTY OF ACCOMACK, VIRGINIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2015**

---

Prepared by:

Accomack County Finance Department  
Accomack County, Virginia

Cover: Photograph taken by Vickie Justice.



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# County of Accomack, Virginia

## Comprehensive Annual Financial Report

### For the Fiscal Year Ended June 30, 2015

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## Comprehensive Annual Financial Report

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# **Introductory Section**



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## COUNTY OF ACCOMACK FINANCE DEPARTMENT

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Michael T Mason, CPA  
Finance Director

[finance@co.accomack.va.us](mailto:finance@co.accomack.va.us)

December 22, 2015

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, 2015. This report was prepared by the County's Finance 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 seven 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.

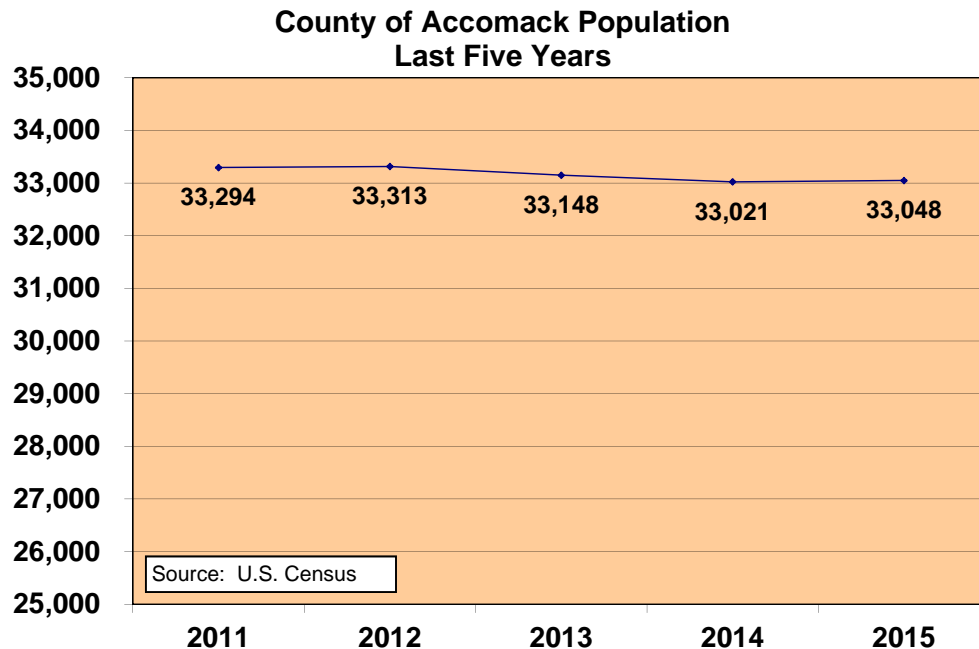
As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to ensure and document compliance with applicable laws and regulations. The audit for the fiscal year ended June 30, 2015 has been completed and no material 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 33,048 as of June 30, 2015, an increase of less than 1% from the previous year.



*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:

- Beginning construction of the Wallops Research Park. The Park represents a unique opportunity for significant investment and job creation from companies engaged in the aerospace and defense industry sectors looking to leverage and enhance the capabilities of Mid-Atlantic Regional Spaceport (MARS) and NASA Wallops Flight Facility.
- By providing centralized wastewater treatment in the Central Accomack area. The County has entered into a contract with the Town of Onancock that increases the wastewater treatment capacity along the Route 13 corridor stretching from the Town of Melfa to the Town of Onancock. The Town of Onancock is one of the few towns in Accomack County that has a wastewater treatment plant.

The manufacturing sector continues to account for the majority of jobs in the County, approximately 24% in 2014. 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	Employment by Sector						Total
	Manuf-acturing	Accom-odations and Food Service	Retail Trade	Public Administ-ration	Health Care & Social Assistance	Other	
2014	3,066	1,227	1,422	1,282	1,252	4,409	12,658
2013	3,000	1,221	1,405	1,250	1,282	4,553	12,711
2012	3,076	1,241	1,343	1,230	1,180	4,577	12,647
2011	3,193	1,212	1,327	1,225	1,204	4,638	12,799
2010	3,451	1,172	1,278	1,214	1,241	4,951	13,307

The retail trade sector makes up the second largest category of average employment representing 11% of jobs.

Health care/social assistance and Public Administration sectors make up the next two largest sectors. The health care sector is expected to grow significantly by 2017 based on the relocation of Riverside Shore Memorial Hospital from Northampton County to Accomack County. Construction of this regional facility near the Town of Onley began late in 2013. It represents one of Riverside's largest projects to date and will result not only in a 136,000 square foot hospital but also a newly constructed cancer center and physician office building. The picture below is an artist's rendering of this project which is expected to be completed in 2016.



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 the 2<sup>nd</sup> best island in the United States by Trip Advisor in 2014.

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

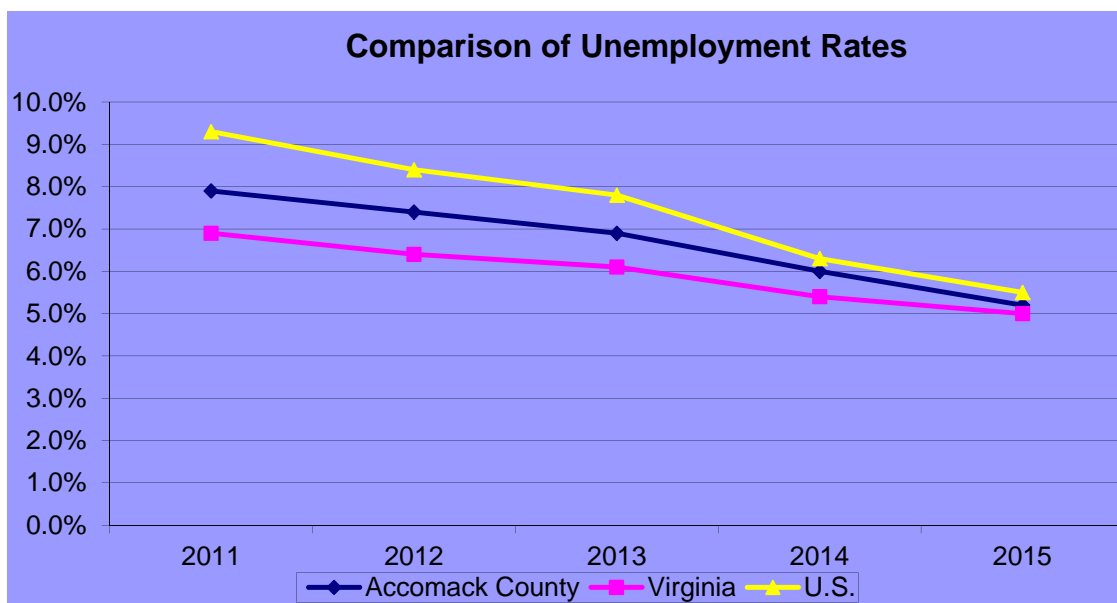
County with a large concentration of these jobs classified as high-skill and high-wage. In all, over 1,000 local military, civilian and contractor jobs are tied to these entities providing a variety of engineering, aerospace and naval operations services.

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 September 2013, Orbital Science Corporation, one of the world's leading space technology companies, successfully launched its Antares rocket carrying the company's Cygnus cargo logistics spacecraft into its intended orbit from MARS. This successful launch marked the beginning of an in-orbit capabilities mission that culminated in rendezvous and birthing with the International Space Station. Also during September 2013, NASA launched the LADEE Mission to the Moon from MARS. 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. The largest initiative is outlined in the "Major Initiatives" section of this letter.

*Unemployment:* Local unemployment rates decreased from the previous calendar year. Accomack County's unemployment rate as of June 2015 is 5.2% well below that of the nation.





**Major Initiatives.** Major initiatives begun, continued, or completed this fiscal year were as follows:

- Construction of the Wallops Research Park continued during fiscal year 2015. The Wallops Research Park represents a unique opportunity for significant investment and job creation from companies engaged in the aerospace and defense industry sectors. The WRP is adjacent to the NASA Wallops Flight Facility and offers tenants a distinctive business advantage not



available anywhere. The Wallops Flight Facility is home to unique and valuable assets that can be leveraged for federal, state and private sector development. In total, there are approximately 6200 acres within the WFF which provide three major capabilities: Research Airport; World Class Launch Range; and end-to-end

engineering design, fabrication, and testing facilities. During fiscal year 2015, the County received over \$3.7 million from the Commonwealth in the form of grants through the Transportation Partnership Opportunity Fund (TPOF) which were used to build a taxiway from the Wallops Flight Facility to the Wallops Research Park. Completion of this project is expected early in fiscal year 2016.

- Continued development of Central Recreation Park, the County's first recreational park which is located close to the Town of Accomac. Phase 1 of the park's development is fully funded and includes recreational fields, walking trails and other multi-use areas. Phase 1 is expected to be completed by the spring of 2016. The Park's master plan includes three additional phases which are all intended to build upon the initial improvements. Phase 2 includes permanent restrooms, a playground and a concession stand. Phase 3 and 4 add additional parking, athletic fields, walking trails and pavilions.



- Set aside an additional \$783,305 to the County's "Rainy Day"/Stabilization Committed Fund Balance bringing the total amount committed to \$8,415,423 or approximately 11.5% of governmental fund revenue of the primary government and School Board component unit.

**Prospects for the Future.** For the 2016 Fiscal Year, the Board of Supervisors adopted a Primary Government operating and capital budget of \$54,208,739 which is an increase of 2% from the previous year.

The 2016 budget does not include any property tax rate increase. The County's real estate tax rate continues to be among the lowest in Virginia as compared to similar counties. Specifics about the Fiscal Year 2016 property tax rates are set forth in the *Management Discussion and Analysis* section of this report.

Significant initiatives funded for Fiscal Year 2016 include:

- Continued development of the Wallops Research Park and Central Recreation Park described above.
- Renovations to the County Health Department and Kegotank Elementary School.
- Construction of a new Public Works Office to be located adjacent to Central Recreation Park.
- Continued investment in the Eastern Shore Community College by satisfying the County's three year commitment to assist with the replacement of the Academic and Administration Building.
- Continued strategic contributions to County's "Rainy Day"/Stabilization Committed Fund Balance in line with the goal of it reaching 16.7% of governmental fund revenue of the primary government and School Board component unit by Fiscal Year 2021.

**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, 2014. 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 Finance Department, 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





Government Finance Officers Association

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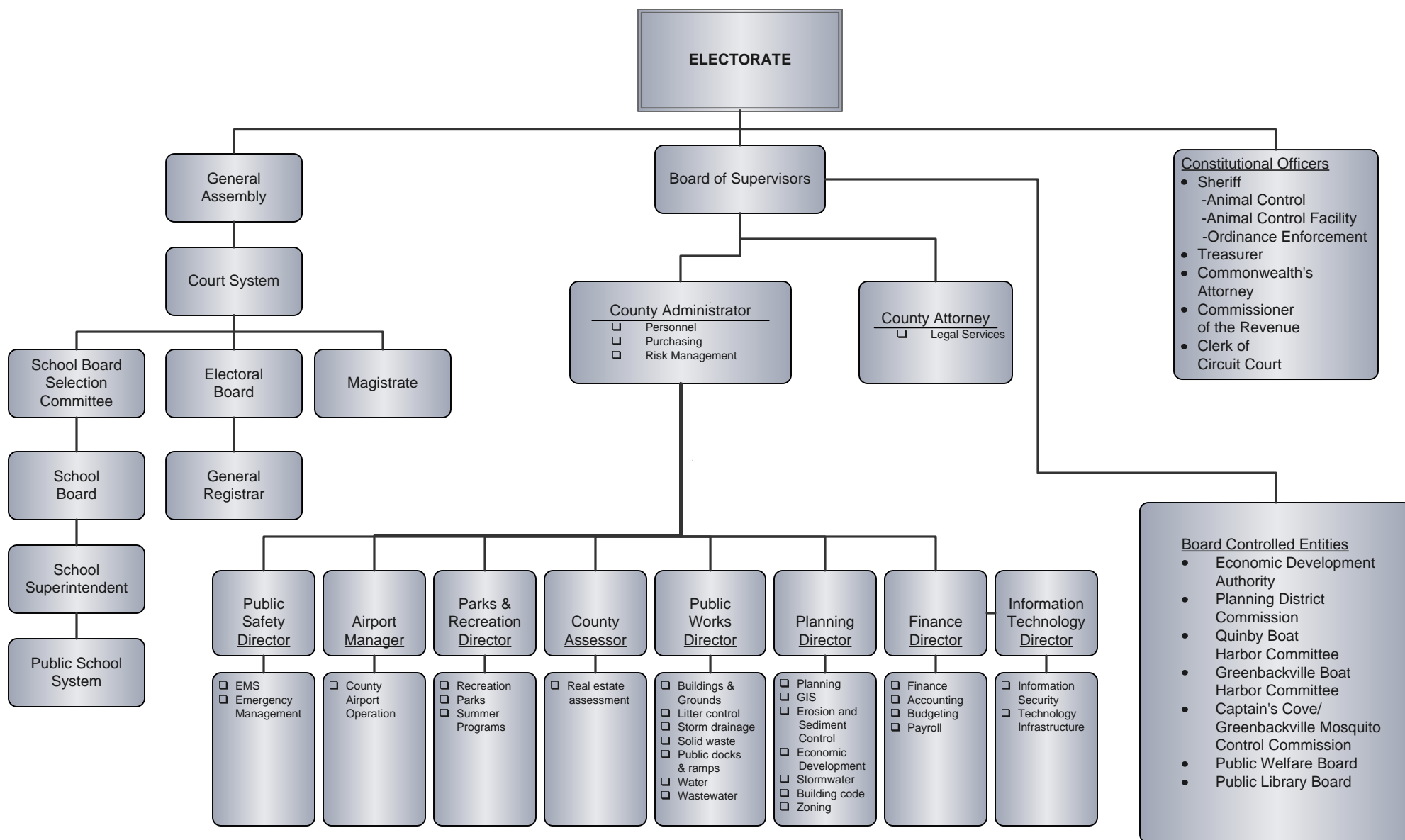
**County of Accomack  
Virginia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# COUNTY OF ACCOMACK, VIRGINIA ORGANIZATION CHART



# **County of Accomack, Virginia**

## **Principal Officials**

### **Board of Supervisors**

C. Reneta Major, Chairperson	Election District 9
Ronald S. Wolff, Vice-Chairperson	Election District 2
Wanda J. Thornton	Election District 1
Grayson C. Chesser	Election District 3
Kay W. Lewis	Election District 4
John C. Gray, Chairperson	Election District 5
Robert D. Crockett	Election District 6
Laura Belle Gordy	Election District 7
Donald L. Hart	Election District 8

### **Constitutional Officers**

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

### **County Administrative Officers**

Dr. Steven B. Miner	County Administrator
Celia J. Burge	County Attorney
Brent A. Hurdle	Director of Assessment
Michael T. Mason, CPA	Director of Finance
Ben T. Fox	Director of Information Technology
Richard L. Morrison	Director of Planning & Community Development
C. Ray Pruitt	Director of Public Safety
Stewart M. Hall	Director of Public Works

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

<b>School Board</b>
---------------------

Margaret T. Miles, Chairperson	Election District 4
J. Travis Thornton, Vice-Chairperson	Election District 1
Audrey A. Furness	Election District 2
Aaron E. Kane	Election District 3
Camesha A. Handy	Election District 5
Paul C. Bull	Election District 6
Janet Turner	Election District 7
Dr. Ronnie E. Holden	Election District 8
Naudya D. Mapp	Election District 9

<b>School Board Administrative Officers</b>
---

Dr. Michael Glascoe	Acting Superintendent
Jason Baldwin	Chief of Staff
Dr. Nancy Lewin	Chief Academic Officer
Mike Tolbert	Chief of Management and Operations
Beth Onley, CPA	Director of Finance



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## **Financial Section**



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# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Accomack, Virginia, as of and for the year ended Financial June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Accomack-Northampton Planning District Commission which represent 3 percent, (33) percent, and 2 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Accomack-Northampton Planning District Commission is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### *Opinions*

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Change in Accounting Principle*

As described in Note 24 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement Nos. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to pension and OPEB funding on pages 21-32, 110-115, and 105-109 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Accomack, Virginia's basic financial statements. The introductory section, other supplementary information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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.

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

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

#### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2015, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Accomack, Virginia's internal control over financial reporting and compliance.

*Robinson, Farnell, Cox Associates*

Charlottesville, Virginia  
December 31, 2015



## 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, 2015. 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 and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$33,250,118 (net position). Of this amount, \$10,692,788 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$7,264,196 (28%). Net position of the governmental-type activities increased \$6,554,058 (31%) and net position of the business-type activities increased \$710,138 (14%). Over half (57%) of the governmental activities net position increase was due to the receipt of \$3,735,700 in capital grants from the Commonwealth used to construct a taxiway at the Wallops Research Park.
- The County's unrestricted nets assets increased by \$911,872 (9%). Unrestricted net position of the governmental-type activities increased 1,116,149 (10%) and unrestricted net position of the business-type activities decreased \$204,277 (11%).
- Program revenues of the County's business-type activities increased by 42% to \$4,513,694 while expenses decreased by 2% to \$3,975,396. Note that one-time capital grants totaling \$1,048,914 received from the Federal Aviation Administration and Virginia Department of Aviation for obstruction removal at the County Airport accounted for the majority of this increase. Without these one-time revenues, the increase in program revenue is 9%.
- The General fund reported an ending fund balance of \$13,070,806, an increase of \$247,126 (2%). Of the ending fund balance, \$135,747 was nonspendable or restricted, \$8,415,423 was committed pursuant to the County's "Rainy Day"/Revenue Stabilization policy, \$3,093,131 was assigned to various projects and \$1,426,505 was unassigned.
  - The amount of General Fund ending fund balance committed pursuant to the County's "Rainy Day"/Revenue Stabilization Policy was equal to 11.5% of total General Fund Revenue and School Operating Revenue less contributions from the Primary Government.
  - The amount of General Fund ending fund balance available for expenditure (Committed Fund Balance + Assigned Fund Balance + Unassigned Fund Balance) was \$12,935,059 or 37 percent of total general fund expenditures.
- The County's outstanding debt decreased by \$3,737,281 or 9.4% 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 position presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position 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, airport operation, water/wastewater services 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 fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Virginia Public Assistance Fund, Comprehensive Youth Services Fund, County Debt Service Fund and County Capital Projects Funds, all of which are considered to be major funds. Data from the remaining eight 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 four 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 in addition to the operation of the County Airport.

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

**Fiduciary funds** - The County uses fiduciary funds to account for assets held in a trustee capacity or as an agent for individuals or other governmental units. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The County's fiduciary funds consist of agency funds (Special Welfare Fund, War Memorial Fund and Sheriff Canteen Fund) and trust funds (Other Postemployment Benefits Trust Fund). The agency funds are custodial in nature and do not involve measurement of operations. Fiduciary activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

**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 position may serve over time as a useful indicator of a County's financial position. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$33,250,118 at year-end.

The largest portion of the County's net position (60%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot readily be used to liquidate these liabilities.

The next largest portion of the County's net position (32%) is unrestricted meaning it may be used to meet the government's ongoing obligation.

County of Accomack, Virginia Net Position						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 38,240,643	\$ 39,625,231	\$ 4,670,156	\$ 4,097,242	\$ 42,910,799	\$ 43,722,473
Capital assets	45,858,587	41,374,780	9,089,054	8,477,622	54,947,641	49,852,402
Total assets	84,099,230	81,000,011	13,759,210	12,574,864	97,858,440	93,574,875
Deferred Outflows of Resources	1,266,758	1,285,048	62,187	69,598	1,328,945	1,354,646
Current liabilities	8,313,184	7,816,161	744,402	607,002	9,057,586	8,423,163
Long -term liabilities	32,657,892	39,843,002	7,164,461	6,984,628	39,822,353	46,827,630
Total liabilities	40,971,076	47,659,163	7,908,863	7,591,630	48,879,939	55,250,793
Deferred Inflows of Resources	16,907,764	13,692,806	149,564	-	17,057,328	13,692,806
Net Position:						
Net investment in capital assets	12,266,262	6,875,692	7,817,113	6,902,698	20,083,375	13,778,390
Restricted	2,473,955	2,426,616	-	-	2,473,955	2,426,616
Unrestricted	12,746,931	11,630,782	(2,054,143)	(1,849,866)	10,692,788	9,780,916
Total net position	\$ 27,487,148	\$ 20,933,090	\$ 5,762,970	\$ 5,052,832	\$ 33,250,118	\$ 25,985,922

An additional portion of the County's net position (8%) 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 position for both governmental activities and business-type activities.

The County's net position increased by \$7,264,196 or 28% during the fiscal year. Governmental activities accounted for 90% of the total increase while business-type activities accounted for



the remaining 10%.

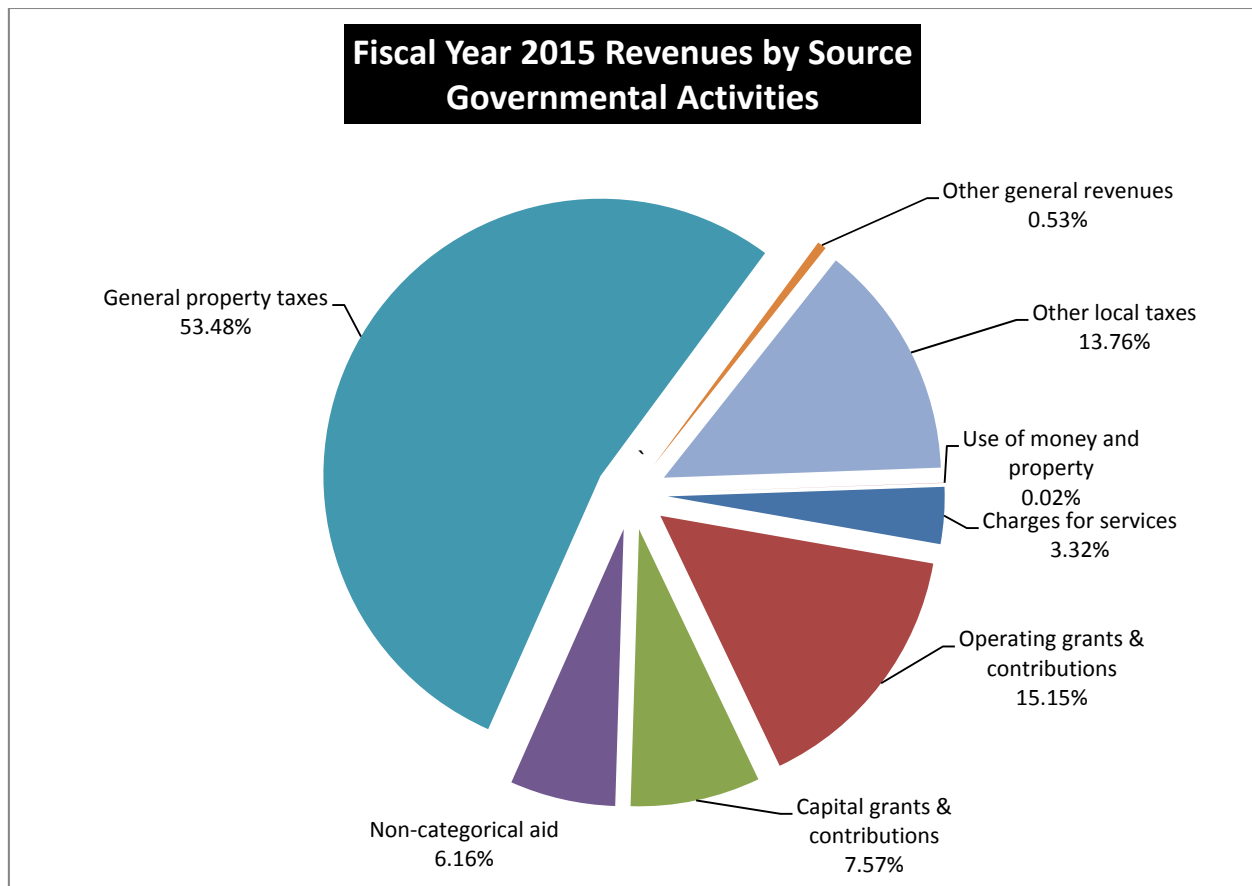
**Governmental Activities** - Governmental activities increased the County's net position by \$6,554,058 or 31% during the fiscal year. Key elements of this increase are as follows:

Accomack County, Virginia Change in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for services	\$ 1,814,944	\$ 1,815,655	\$ 3,444,672	\$ 3,021,231	\$ 5,259,616	\$ 4,836,886
Operating grants & contributions	8,288,541	9,481,299	20,108	149,934	8,308,649	9,631,233
Capital grants & contributions	4,143,748	785,074	1,048,914	-	5,192,662	785,074
General Revenues:						
General property taxes	29,258,518	28,872,306	-	-	29,258,518	28,872,306
Other local taxes	7,529,238	7,173,792	-	-	7,529,238	7,173,792
Investment earnings	13,120	22,857	3,446	4,311	16,566	27,168
Non-categorical aid	3,368,175	3,365,464	-	-	3,368,175	3,365,464
Contribution from Airport Commission	-	-	-	-	-	-
Other general revenues	291,288	845,326	3,457	298	294,745	845,624
Total revenues	54,707,572	52,361,773	4,520,597	3,175,774	59,228,169	55,537,547
Expenses:						
General government administration	3,530,381	3,498,049	-	-	3,530,381	3,498,049
Judicial administration	1,523,767	1,557,904	-	-	1,523,767	1,557,904
Public safety	10,051,732	10,083,890	-	-	10,051,732	10,083,890
Public works	3,879,310	3,586,061	-	-	3,879,310	3,586,061
Health and welfare	5,899,788	5,719,077	-	-	5,899,788	5,719,077
Education	19,091,856	18,708,789	-	-	19,091,856	18,708,789
Parks, recreation and cultural	894,436	961,633	-	-	894,436	961,633
Community development	1,577,928	1,599,584	-	-	1,577,928	1,599,584
Interest on long-term debt	1,539,381	1,761,930	-	-	1,539,381	1,761,930
Business-type	-	-	3,975,396	4,058,100	3,975,396	4,058,100
Total expenses	47,988,579	47,476,917	3,975,396	4,058,100	51,963,975	51,535,017
Increase (decrease) in net position before transfers	6,718,993	4,884,856	545,201	(882,326)	7,264,194	4,002,530
Transfers	(164,935)	(1,900,590)	164,937	1,900,590	2	-
Increase (decrease) in net position	6,554,058	2,984,266	710,138	1,018,264	7,264,196	4,002,530
Net position-Beginning	20,933,090	20,500,822	5,052,832	4,170,472	25,985,922	24,671,294
Restatement of Beginning Net Position	-	(2,551,998)	-	(135,904)	-	(2,687,902)
Net position, June 30	\$ 27,487,148	\$ 20,933,090	\$ 5,762,970	\$ 5,052,832	\$ 33,250,118	\$ 25,985,922

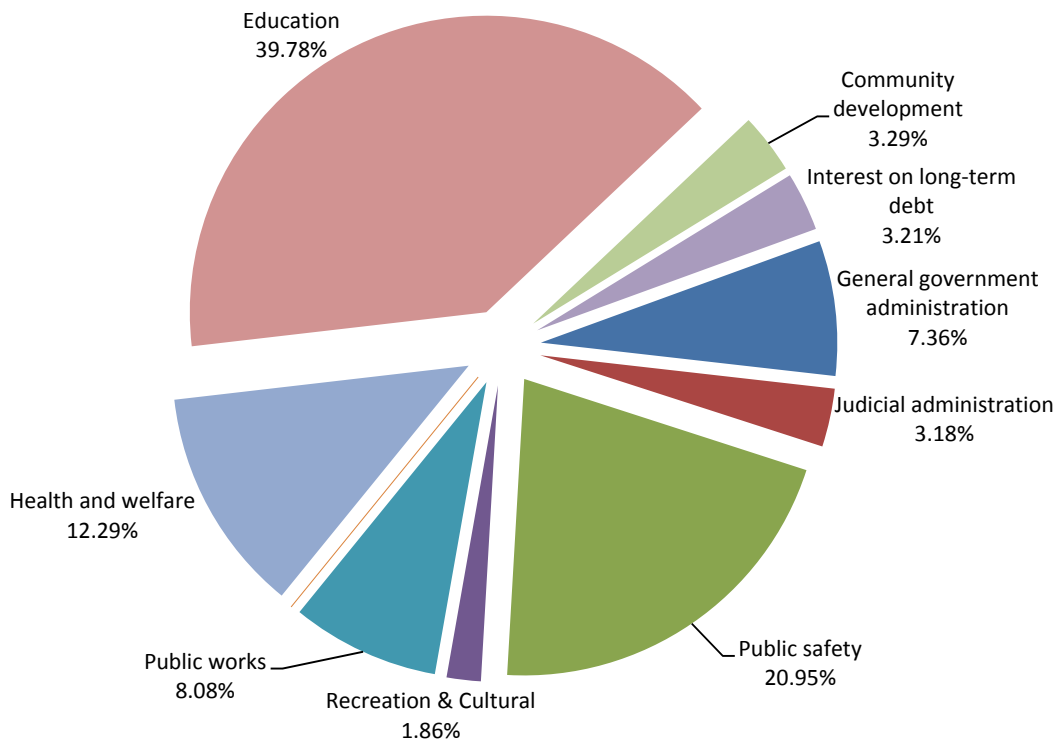
Note: The beginning net position was restated due to the implementation of GASB Statement No. 68.

- Property taxes are the largest single revenue source comprising 53% of total governmental revenues. Property taxes increased by \$386,212 or 1% during the fiscal year.
- Operating grants for governmental activities is the second largest revenue source comprising 15% of governmental revenues. This revenue source decreased by \$1,192,758 or 13% during the fiscal year. In the prior fiscal year, the County received \$1,207,242 in one-time grants for Hurricane Sandy damage, Fire Training Center improvements and other temporary initiatives. Excluding these one-time grants, operating grants are essentially unchanged from the prior year.

- Capital grants and contributions increased by \$3,358,674 or 428%. This large increase is due to the receipt of \$3,735,700 in grants from the Virginia Transportation Partnership Opportunity Fund (TPOF) which were used to construct a taxiway in the Wallops Research Park which connects it with the NASA Wallops Flight Facility.
- Other local taxes increased by 5% primarily due to an increase in local sales and use tax revenue.
- Education expense is the largest single category comprising 40% of total governmental expenses. Expenses for this category increased by \$383,067 or 2% from the previous year.
- Public safety expense is the second largest category comprising 21% of governmental expenses. Expenses for this category decreased \$32,158, less than 1% as compared to the previous year.
- Community development expenses decreased by \$21,656 or 1% from the prior year.



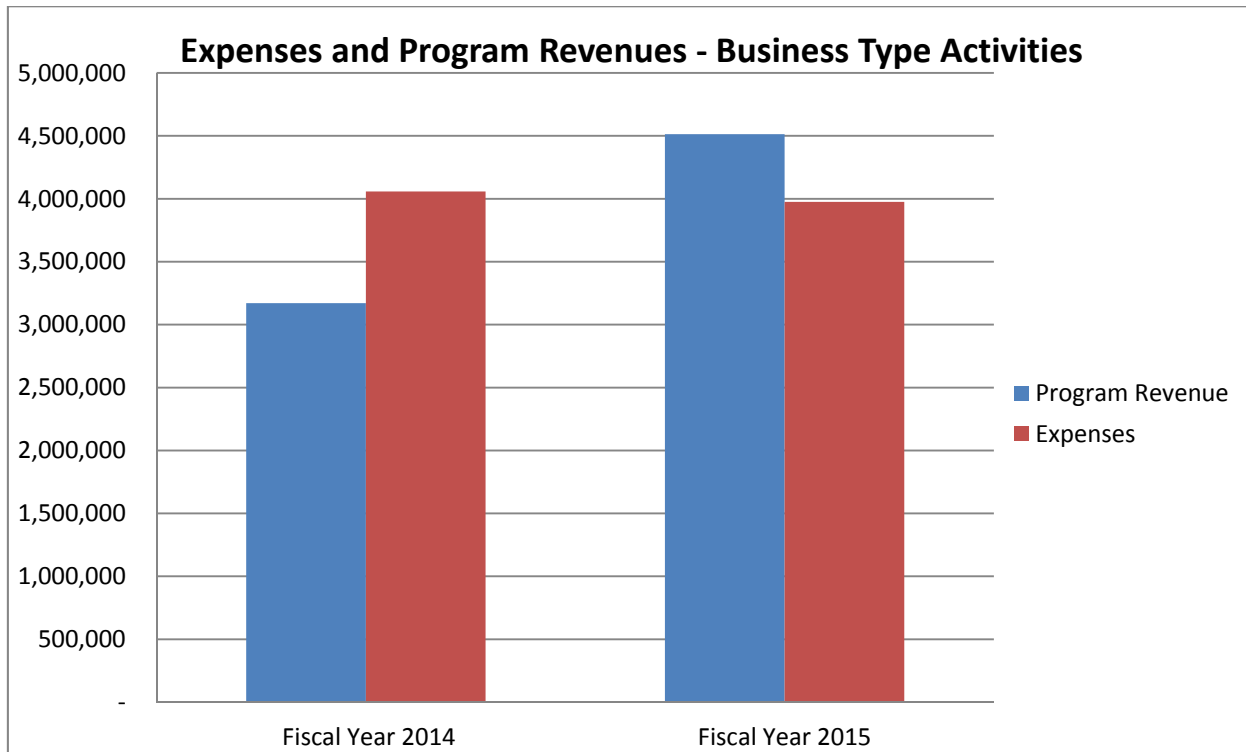
### Fiscal Year 2015 Expenses by Function Governmental Activities



**Business-type Activities** - Business-type activities increased the County's net position by \$710,138 or 3% during the fiscal year.

Business-type revenues increased by \$1,342,529 or 42%. Of this amount, \$1,048,914 was from capital grants received for the purpose of removing obstructions surrounding the runway at the County Airport. The remainder of the increase is associated with charges for services largely from the County's landfill operations. In total, business-type charges for services increased 14% over the prior year.

Business-type expenses decreased by 2% or \$82,704 as compared to the prior fiscal year. Landfill related expenses increased by 14% or \$372,712 however this decrease was offset by a \$353,200 or 59% reduction in water and sewer service expenses. In the prior year, extensive repairs to the County Industrial Park totaling \$189,260 were completed in addition to incurring \$173,414 in one-time sewer system feasibility studies expenses.



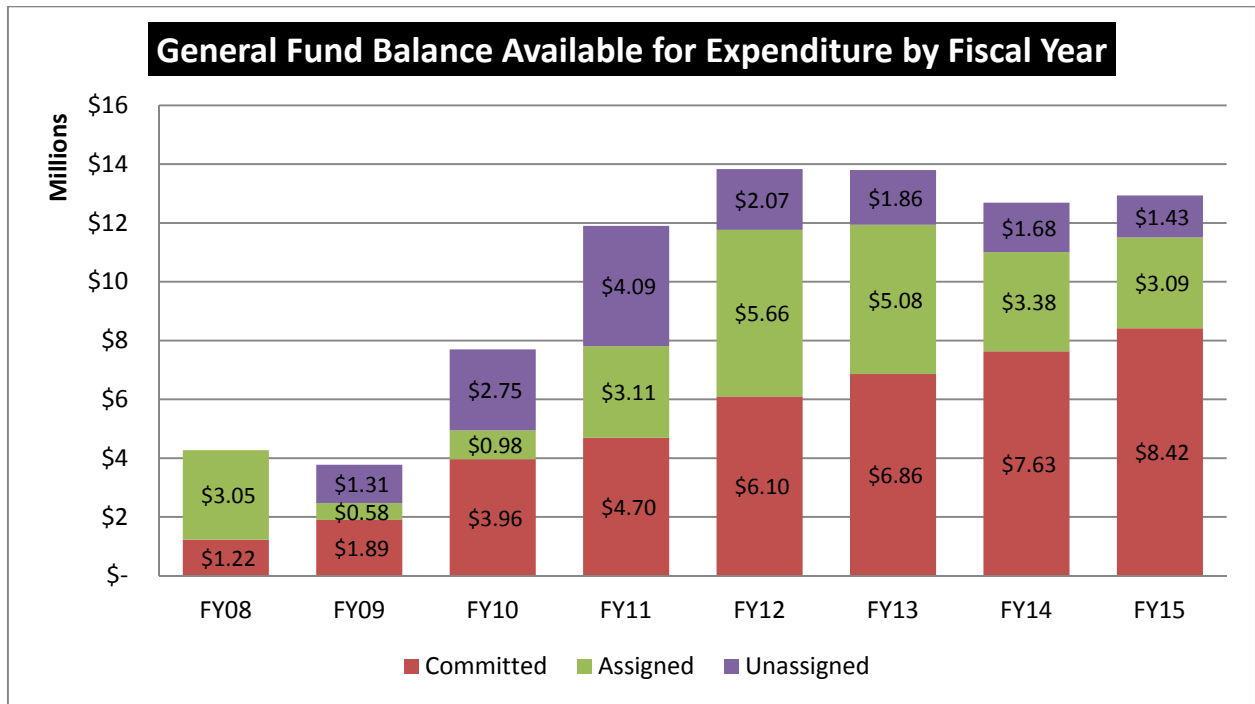
## Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$17,137,586. Details are as follows:

- The General Fund accounted for 76% percent or \$13,070,806 of the combined ending governmental fund balance.
  - Approximately \$1,426,505 or 11% of this balance constitutes unassigned fund balance which is not tied to any specific use and is available for spending at the County's discretion.
  - Approximately \$8,415,423 or 64% is committed for a "Rainy Day" or Revenue Stabilization. This amount represents 11.5% of General Fund Revenue combined with School Operating Fund Revenue less revenue from the Primary Government.
  - Approximately \$3,093,131 or 24% is assigned to various projects yet to be completed.
  - Approximately \$104,700 or less than 1% of this balance is due to noncurrent advances/receivables and is therefore nonspendable.
  - The remainder, \$31,047, of general fund balance is restricted to specific uses by entities external to County government.



- The General Fund reported an increase in fund balance of \$247,126 or 2%. General Fund Committed Fund Balance increased by \$783,305 or 10%. The entire amount of committed fund balance, \$8,415,423, is associated with the County's "Rainy Day"/Revenue Stabilization Policy. The General Fund unassigned fund balance decreased by \$253,523 or 15%.
- The County Debt Service Fund accounted for 8% or \$1,402,488 of the combined ending governmental fund balance. This entire balance is restricted for future debt service.
- The County Capital Projects Fund accounted for 5% or \$881,485 of the total governmental fund balance. Of this amount, \$558,181 is unspent bond proceeds restricted for the construction of the Wallops Research Park and Central Recreation Park.

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

## Budgetary Highlights

### *General Fund Budget Amendments:*

#### Revenues:

The difference between the Primary Government General Fund original budget and final amended budget (schedule 1) was \$460,504 or 1.3%. The majority of the variance was due to budget amendments made to recognize other state and federal grant funds awarded to the County during the fiscal year.

For the most part, the original revenue budget held up favorably to actual revenues. Other than a budget decrease of \$697,196 to address unanticipated aid-to-locality reductions approved by the General Assembly after the County had already adopted its budget and a significant one-time machinery and tools tax refund to one of the largest taxpayers in the County, no material amendments were made during the fiscal year to bring revenue estimates in line with actual revenue.

### Expenditures:

The difference between the Primary Government General Fund original budget and the final amended budget (schedule 2) was \$744,980 or 2%. Significant individual adjustments making up this difference are explained as follows:

- General Government related amendments - The original budget was amended downward by \$233,339 to offset the impact of one-time aid-to-locality reductions and property tax refunds discussed earlier in this section. Most of these reductions were in the form of personnel vacancy savings.
- Public Safety related amendments - The following budget increases were made to reflect the award or carryover of grant funding from the prior year:
  - Amendments totaling \$68,847 were made to recognize Virginia Homeland Security, Department of Transportation and Four for Life grant awards and carryovers. The purpose of these funds was to purchase safety equipment to handle potential hazardous material cleanup situations, to develop a hazardous materials response plan, training of EMS personnel and purchase of equipment and supplies for emergency medical and rescue services.
  - An amendment of \$89,585 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.
- Public Works related amendments - The original budget was amended up by \$584,012, including \$111,208 to reflect the carryover of funds used for storm drainage control, \$229,622 for renovations of a newly purchased office for Public Safety, \$183,182 to capture Garage service recoveries and \$60,000 to carryover funds for docks and ramp projects.
- Parks, Recreation and Cultural amendments - The original budget was increased by \$138,921 to recognize the acceptance of a grant award for the Summer Food/Playground Program.
- Community Development amendments - The original budget was increased by \$77,238 to carryover remaining grant funds from the previous year awarded by the U.S. Department of Defense to conduct a Joint Land Use Study (JLUS) for Surface Combat Systems Center Wallops Island.

### *General Fund Budget Variances:*

The Primary Government General Fund reported a positive variance between actual revenue and the final budget of \$677,236 and a positive variance between actual expenditures and the final budget of \$1,460,830.

There were no significant negative budget variances reported in the General Fund.

## 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, 2015 amounts to \$54,947,641 (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, including unamortized bond premiums, of \$35,828,529. Of this amount, \$25,817,551 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 \$21,175,257 in debt reported on the County's Statement of Net position and an expense increase of \$1,840,735 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**

Overall, General Fund revenues for fiscal year 2016 are forecast to increase slightly (1.8%) from those of FY15. Total General Fund expenditures, including capital expenditures, are forecast to increase by 2.2%.

### **Property Tax Rates/Fees**

The Fiscal Year 2016 budget does not include any increase in the real estate or personal property tax rates. The only fee increase approved pertained to the landfill tipping fee which was increased from \$66.00 to \$69.50 (3%) per ton of waste.

Below are the adopted property tax rates for calendar year 2014 (fiscal year 2015) and calendar year 2015 (fiscal year 2016):

#### **2015 Real Estate Tax Rates:**

Chincoteague.....	\$0.490 per \$100 of assessed valuation
Captains Cove/Greenbackville .....	\$0.605 per \$100 of assessed valuation
All other County areas .....	\$0.580 per \$100 of assessed valuation

#### **2014 Real Estate Tax Rates:**

Chincoteague.....	\$0.490 per \$100 of assessed valuation
Captains Cove/Greenbackville .....	\$0.605 per \$100 of assessed valuation
All other County areas .....	\$0.580 per \$100 of assessed valuation

### **Operating Expenditures**

Fiscal year 2016 operating expenditures are expected to increase due to a slight increase in the budgeted local funding subsidy (\$289,233) for the Accomack County School Board and a 2.5% wage increase for County and state-supported local positions (\$240,508). These are the two most significant planned operating cost increases for the fiscal year 2016 expenditure budget.

### **Capital Expenditures**

The County is scheduled to complete construction of the Wallops Research Park by January of 2016. This park is slated to become a prime location for aerospace and aviation operations offering 226 acres of property available for development adjacent to the NASA Wallops Flight Facility (WFF) and minutes from the Mid-Atlantic Regional Spaceport (MARS) and the U.S. Navy's Surface Combat Systems Center. In addition, the County plans to complete construction of

Phase 1 on Central Recreation Park which includes walking trails and a multi-purpose athletic field. The total investment into these two initiatives from fiscal year 2014 to 2016 is expected to top out at \$8.1 million. All remaining local funding for these initiatives will be derived from unspent bond proceeds currently available and accounted for in the County Capital Projects Fund. There are also plans for the County to issue approximately \$4.35 million in bonds during FY16 to finance various school division and County facility improvements.

### Other Initiatives

The fiscal year 2016 budget continues with the plan implemented in fiscal year 2009 to strengthen the portion of the County's general fund balance that is committed for a "Rainy Day" or revenue stabilization. The plan calls for this fund balance to be at least equal to 16.7% of County and School Board operating revenue by fiscal year 2021. Next year's budget sets aside an additional \$795,054 for this purpose. With this increase, the amount committed is expected to reach 12.4% of General Fund Revenue combined with School Operating Fund Revenue (less revenue from the Primary Government).

### Employment and Population

The local unemployment rate decreased from 6.0% as of June 2014 to 5.2% as of June 2015 but still continues to be above the state average. The current local unemployment rate does compare favorably to the national rate of 5.5%.

	Unemployment Rates		
	June 2013	June 2014	June 2015
Accomack County	6.9%	6.0%	5.2%
Commonwealth of Virginia	6.1%	5.4%	5.0%
USA	7.8%	6.3%	5.5%

According to the Virginia Employment Commission, the number of persons employed increased by 2% from 15,547 in June 2014 to 15,785 in June 2015.

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

### **Requests for Information**

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



## **Basic Financial Statements**



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**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**AT JUNE 30, 2015**

**Exhibit 1**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Other
<b><u>Assets:</u></b>					
Cash and investments	\$ 17,362,708	\$ 4,345,493	\$ 21,708,201	\$ 11,954,031	\$ 1,277,764
Taxes receivable, net	17,400,532	-	17,400,532	-	-
Special assessments receivable, net	22,993	-	22,993	-	-
Accounts receivable, net	413,498	204,652	618,150	67,544	158,763
Loan receivables	-	-	-	-	287,705
Due from other governmental entities	2,457,760	91,787	2,549,547	3,434,999	10,058
Inventory	-	28,224	28,224	-	-
Prepaid items	-	-	-	-	18,855
Notes receivable	24,971	-	24,971	-	-
Restricted assets:					
Cash and cash equivalents	558,181	-	558,181	-	212,295
Capital Assets (net of accumulated depreciation):					
Land	2,157,437	402,064	2,559,501	974,862	702,252
Buildings	28,133,323	916,547	29,049,870	30,143,266	686,688
Improvements other than buildings	5,406,492	5,420,634	10,827,126	1,275,024	107,877
Machinery and equipment	2,316,579	745,456	3,062,035	2,647,889	51,420
Intangibles	20,526	-	20,526	-	-
Construction in progress	7,824,230	1,604,353	9,428,583	-	69,188
Net pension asset	263,020	12,863	275,883	-	-
Total assets	84,362,250	13,772,073	98,134,323	50,497,615	3,582,865
<b><u>Deferred Outflows of Resources:</u></b>					
Deferred amount on refunding	385,019	21,059	406,078	-	-
Pension contributions subsequent to measurement date	881,739	41,128	922,867	3,954,021	77,429
Pension changes in proportion	-	-	-	493,000	-
Total deferred outflows of resources	1,266,758	62,187	1,328,945	4,447,021	77,429
<b><u>Liabilities:</u></b>					
Accounts payable	1,854,082	274,265	2,128,347	2,494,055	80,217
Wages and benefits payable	38,851	6,243	45,094	4,257,391	26,924
Retainage payable	296,353	-	296,353	-	-
Due to other governmental entities	212,458	-	212,458	-	-
Accrued interest payable	637,455	991	638,446	-	-
Unearned revenue	19,301	5,839	25,140	477,963	178,194
Customer deposits	101,217	23,774	124,991	-	-
Long-term Liabilities:					
Due within one year	5,153,467	433,290	5,586,757	2,001,737	163,334
Due in more than one year	32,920,912	7,177,324	40,098,236	44,979,120	88,896
Total liabilities	41,234,096	7,921,726	49,155,822	54,210,266	537,565
<b><u>Deferred Inflows of Resources:</u></b>					
Deferred property tax revenue	14,019,522	-	14,019,522	-	-
Items relating to measurement of net pension liability	2,888,242	149,564	3,037,806	7,040,635	261,990
Total deferred inflows of resources	16,907,764	149,564	17,057,328	7,040,635	261,990
<b><u>Net Position:</u></b>					
Net investment in capital assets	12,266,262	7,817,113	20,083,375	35,041,041	955,152
Restricted:					
Future debt service	1,402,488	-	1,402,488	-	773,820
Grant purposes	241,541	-	241,541	-	-
Public safety	760,050	-	760,050	-	-
Health and welfare	15,833	-	15,833	-	-
Judicial administration	37,113	-	37,113	-	-
Community development	16,930	-	16,930	-	-
Unrestricted	12,746,931	(2,054,143)	10,692,788	(41,347,306)	1,131,767
Total net position	\$ 27,487,148	\$ 5,762,970	\$ 33,250,118	\$ (6,306,265)	\$ 2,860,739

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE, 30 2015**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government administration	\$ 3,530,381	\$ 429,272	\$ 263,715	\$ -
Judicial administration	1,523,767	89,168	1,064,072	-
Public safety	10,051,732	452,767	2,636,992	-
Public works	3,879,310	207,649	13,881	-
Health and welfare	5,899,788	433,837	3,955,826	-
Education	19,091,856	-	-	-
Parks, recreation and cultural	894,436	72,419	124,516	408,048
Community development	1,577,928	129,832	229,539	3,735,700
Interest on long-term debt	1,539,381	-	-	-
Total governmental activities	<u>47,988,579</u>	<u>1,814,944</u>	<u>8,288,541</u>	<u>4,143,748</u>
Business-type activities:				
Landfill	2,951,816	2,832,220	-	-
Airport	731,287	288,003	20,108	1,048,914
Water and sewer	243,334	270,507	-	-
Parks and recreation	48,959	53,942	-	-
Total business-type activities	<u>3,975,396</u>	<u>3,444,672</u>	<u>20,108</u>	<u>1,048,914</u>
Total primary government	<u><u>\$ 51,963,975</u></u>	<u><u>\$ 5,259,616</u></u>	<u><u>\$ 8,308,649</u></u>	<u><u>\$ 5,192,662</u></u>
<b>Component Units:</b>				
School Board	\$ 55,897,150	\$ 877,288	\$ 37,184,226	\$ -
Economic Development Authority	8,727	8,248	-	-
Public Library	695,232	32,670	197,431	-
Planning District Commission	1,188,755	1,077,865	90,101	-
Quinby Harbor Committee	26,283	19,869	-	-
Greenbackville Harbor Committee	11,670	24,205	-	-
Captain's Cove/Greenbackville Mosquito Control Commission	68,043	48,865	-	-
Total component units	<u><u>\$ 57,895,860</u></u>	<u><u>\$ 2,089,010</u></u>	<u><u>\$ 37,471,758</u></u>	<u><u>\$ -</u></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

Contributions from Accomack County Airport Commission

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 position

Net position-beginning, as restated

Net position-ending

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

Exhibit 2

Net (Expense) Revenue and  
Changes in Net Position

Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	School Board	Other
\$ (2,837,394)	\$ -	\$ (2,837,394)	\$ -	\$ -
(370,527)	-	(370,527)	-	-
(6,961,973)	-	(6,961,973)	-	-
(3,657,780)	-	(3,657,780)	-	-
(1,510,125)	-	(1,510,125)	-	-
(19,091,856)	-	(19,091,856)	-	-
(289,453)	-	(289,453)	-	-
2,517,143	-	2,517,143	-	-
(1,539,381)	-	(1,539,381)	-	-
(33,741,346)	-	(33,741,346)	-	-
-	(119,596)	(119,596)	-	-
-	625,738	625,738	-	-
-	27,173	27,173	-	-
-	4,983	4,983	-	-
-	538,298	538,298	-	-
(33,741,346)	538,298	(33,203,048)	-	-
-	-	-	(17,835,636)	-
-	-	-	-	(479)
-	-	-	-	(465,131)
-	-	-	-	(20,789)
-	-	-	-	(6,414)
-	-	-	-	12,535
-	-	-	-	(19,178)
-	-	-	(17,835,636)	(499,456)
29,258,518	-	29,258,518	-	-
3,579,831	-	3,579,831	-	-
1,025,176	-	1,025,176	-	-
1,144,722	-	1,144,722	-	-
1,779,509	-	1,779,509	-	-
-	-	-	18,509,079	568,723
-	-	-	-	-
3,368,175	-	3,368,175	-	-
13,120	3,446	16,566	741	2,538
-	-	-	-	12,509
291,288	3,457	294,745	211,917	4,691
(164,935)	164,937	2	-	-
40,295,404	171,840	40,467,244	18,721,737	588,461
6,554,058	710,138	7,264,196	886,101	89,005
20,933,090	5,052,832	25,985,922	(7,192,366)	2,771,734
\$ 27,487,148	\$ 5,762,970	\$ 33,250,118	\$ (6,306,265)	\$ 2,860,739

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

**COUNTY OF ACCOMACK, VIRGINIA**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**AT JUNE 30, 2015**
**Exhibit 3**

	Major Funds						
	General Fund	Virginia Public Assistance Fund	Comprehensive Youth Services Fund	County Capital Projects Fund	County Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>							
Cash and investments	\$ 12,820,061	\$ -	\$ 23,558	\$ 637,453	\$ 1,564,851	\$ 2,316,785	\$ 17,362,708
Taxes receivable, net	12,910,985	-	-	-	2,202,821	2,286,729	17,400,535
Special assessments receivable, net	22,993	-	-	-	-	-	22,993
Accounts receivable, net	389,860	-	15,375	-	-	8,263	413,498
Notes receivable, net	-	-	-	-	-	24,971	24,971
Due from other governmental entities	1,478,454	225,502	325,118	408,686	-	20,000	2,457,760
Interfund receivables	223,601	-	-	-	-	-	223,601
Restricted assets:							
Cash and cash equivalents	-	-	-	558,181	-	-	558,181
Total assets	<u>27,845,954</u>	<u>225,502</u>	<u>364,051</u>	<u>1,604,320</u>	<u>3,767,672</u>	<u>4,656,748</u>	<u>38,464,247</u>
<b>Liabilities:</b>							
Accounts payable	754,933	28,523	309,543	411,516	550	349,017	1,854,082
Wages and benefits payable	16,526	8,537	-	-	-	13,788	38,851
Due to other governmental entities	193,109	-	19,349	-	-	-	212,458
Retainage payable	-	-	-	296,353	-	-	296,353
Customer deposits	86,251	-	-	14,966	-	-	101,217
Interfund payables	-	188,442	35,159	-	-	-	223,601
Unearned revenue	6,358	-	-	-	-	12,943	19,301
Total liabilities	<u>1,057,177</u>	<u>225,502</u>	<u>364,051</u>	<u>722,835</u>	<u>550</u>	<u>375,748</u>	<u>2,745,863</u>
<b>Deferred Inflows of Resources:</b>							
Deferred property tax revenue	10,367,452	-	-	-	1,781,536	1,870,534	14,019,522
Unavailable revenue-property taxes	3,327,526	-	-	-	583,098	602,688	4,513,312
Unavailable revenue-notes receivable	-	-	-	-	-	24,971	24,971
Unavailable revenue-special assessments	22,993	-	-	-	-	-	22,993
Total deferred inflows of resources	<u>13,717,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,364,634</u>	<u>2,498,193</u>	<u>18,580,798</u>
<b>Fund Balances:</b>							
Nonspendable: Noncurrent advances	104,700	-	-	-	-	-	104,700
Restricted for:							
Debt service	-	-	-	-	1,402,488	-	1,402,488
Fire and rescue	-	-	-	-	-	714,007	714,007
Captain's Cove mosquito control	-	-	-	-	-	15,833	15,833
Law library	-	-	-	-	-	37,113	37,113
Drug seizures	-	-	-	-	-	54,434	54,434
Courthouse security	-	-	-	-	-	46,043	46,043
Rehabilitation projects	-	-	-	-	-	204,037	204,037
Wetlands mitigation	31,047	-	-	-	-	-	31,047
Wallops Research Park	-	-	-	558,181	-	-	558,181
Committed to Rainy Day/Stabilization	8,415,423	-	-	-	-	-	8,415,423
Assigned to:							
Storm drainage	205,015	-	-	-	-	-	205,015
Fire and rescue	-	-	-	-	-	711,340	711,340
Building improvement or repair projects	617,817	-	-	-	-	-	617,817
Public boating facility improvement or repair	-	-	-	61,743	-	-	61,743
Subsequent year's expenditures	1,568,328	-	-	-	-	-	1,568,328
Information technology projects	106,523	-	-	-	-	-	106,523
Wallops Research Park	-	-	-	261,561	-	-	261,561
County grants	17,244	-	-	-	-	-	17,244
Other purposes	578,204	-	-	-	-	-	578,204
Unassigned	<u>1,426,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,426,505</u>
Total fund balances	<u>13,070,806</u>	<u>-</u>	<u>-</u>	<u>881,485</u>	<u>1,402,488</u>	<u>1,782,807</u>	<u>17,137,586</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,845,954</u>	<u>\$ 225,502</u>	<u>\$ 364,051</u>	<u>\$ 1,604,320</u>	<u>\$ 3,767,672</u>	<u>\$ 4,656,748</u>	<u>\$ 38,464,247</u>

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**AT JUNE 30, 2015**

**Exhibit 4**

Total fund balances - governmental funds (Exhibit 3) \$ 17,137,586

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

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

Land	2,157,437	
Buildings, net of depreciation	6,958,065	
Improvements other than buildings, net of depreciation	5,406,492	
Machinery and equipment, net of depreciation	2,316,579	
Intangibles, net of amortization	20,526	
Construction in progress	7,824,230	
School Board capital assets, net of depreciation	21,175,258	
Total capital assets		45,858,587

The net pension asset is not an available resource and, therefore, is not reported in the funds. 263,020

Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds. 1,673,031

Pension contributions subsequent to the measurement date will be a reduction to/increase in the net pension liability/asset in the next fiscal year and, therefore, are not reported in the funds. 881,739

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

Virginia Public School Authority bonds	(23,566,069)	
Qualified zone academy bonds	(287,514)	
Lease revenue bonds	(9,747,100)	
Accrued interest on debt	(637,455)	
Bond premiums and discounts, net of amortization	(934,842)	
Bond deferred charge on refunding	385,019	
Compensated absences	(1,855,854)	
Net OPEB obligation	(1,683,000)	
Net adjustment		(38,326,815)

Total net position - governmental activities (Exhibit 1) \$ 27,487,148



**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 5**

	Major Funds						
	General	Virginia	Comprehen-	County	County	Nonmajor	Total
	Fund	Public	sive Youth	Capital	Debt	Governmental	Governmental
	Fund	Assistance	Services	Projects	Service	Funds	Funds
Revenues:							
General property taxes	\$21,171,115	\$ -	\$ -	\$ -	\$3,882,139	\$4,264,156	\$29,317,410
Other local taxes	7,431,369	-	-	-	-	97,869	7,529,238
Permits, fees and licenses	390,542	-	-	-	-	83,900	474,442
Fines and forfeitures	65,622	-	-	-	-	-	65,622
Revenue from the use of money & property	336,728	-	-	2,635	-	50	339,413
Charges for services	406,926	-	-	-	-	-	406,926
Miscellaneous	178,322	700	151,317	-	-	50,745	381,084
Recovered costs	323,467	-	-	14,819	-	16,641	354,927
Intergovernmental	7,322,417	3,117,628	838,198	4,178,624	82,366	261,231	15,800,464
Total revenues	<u>37,626,508</u>	<u>3,118,328</u>	<u>989,515</u>	<u>4,196,078</u>	<u>3,964,505</u>	<u>4,774,592</u>	<u>54,669,526</u>
Expenditures:							
General government administration	3,539,604	-	-	245,001	-	-	3,784,605
Judicial administration	1,396,254	-	-	-	-	90,760	1,487,014
Public safety	6,235,310	-	-	212,603	-	4,062,740	10,510,653
Public works	3,686,051	-	-	526,073	-	-	4,212,124
Health and welfare	794,033	3,787,501	1,277,266	-	-	48,865	5,907,665
Education	16,709,372	-	-	-	-	-	16,709,372
Parks, recreation and cultural	880,044	-	-	545,712	-	-	1,425,756
Community development	1,102,488	-	-	6,325,741	-	129,888	7,558,117
Debt service:							
Principal	623,600	-	-	-	2,720,222	-	3,343,822
Interest	144,416	-	-	-	1,457,816	-	1,602,232
Total expenditures	<u>35,111,172</u>	<u>3,787,501</u>	<u>1,277,266</u>	<u>7,855,130</u>	<u>4,178,038</u>	<u>4,332,253</u>	<u>56,541,360</u>
Revenues over (under) expenditures	<u>2,515,336</u>	<u>(669,173)</u>	<u>(287,751)</u>	<u>(3,659,052)</u>	<u>(213,533)</u>	<u>442,339</u>	<u>(1,871,834)</u>
Other financing sources (uses):							
Transfers in	-	669,173	287,751	1,131,351	-	16,000	2,104,275
Transfers out	(2,268,210)	-	-	-	-	(1,000)	(2,269,210)
Total other financing sources (uses)	<u>(2,268,210)</u>	<u>669,173</u>	<u>287,751</u>	<u>1,131,351</u>	<u>-</u>	<u>15,000</u>	<u>(164,935)</u>
Net changes in fund balance	247,126	-	-	(2,527,701)	(213,533)	457,339	(2,036,769)
Fund balance, beginning of year	12,823,680	-	-	3,409,186	1,616,021	1,325,468	19,174,355
Fund balance, end of year	<u>\$13,070,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 881,485</u>	<u>\$1,402,488</u>	<u>\$1,782,807</u>	<u>\$17,137,586</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, 2015**

**Exhibit 6**

Net changes in fund balances-governmental funds (Exhibit 5) \$ (2,036,769)

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. The net effect is as follows:

Capital asset expenditures	8,180,770	
Depreciation on capital assets	<u>(1,909,225)</u>	
Net adjustment		6,271,545

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets.	52,996
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School Board capital assets financed by are jointly owned by the County and the School Board. The County share of School Board assets is in proportion to the debt owed on such by the County. The transfers to the School Board are affected by the relationship of the debt to assets on a year to year basis. The net transfer resulting from this relationship decreased the transfers to the School Board.	(1,840,735)
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Revenues in the fund statements which were subject to accrual in the prior year are additions to beginning net position and, therefore, are not reported as revenues in the Statement of Activities.	(2,958,571)
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The issue of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, 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.	3,397,885
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest payable	62,848	
Compensated absences	(6,898)	
Net OPEB obligation	(85,000)	
Net Pension asset	3,684,651	
Change in deferred outflows of resources related to pensions	<u>12,106</u>	
Net adjustment		<u>3,667,707</u>

Change in net position of governmental activities (Exhibit 2)	<u>\$ 6,554,058</u>
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**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**AT JUNE 30, 2015**

**Exhibit 7**

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
<b><u>Assets:</u></b>				
Current assets:				
Cash and investments	\$ 3,680,625	\$ 46,557	\$ 618,311	\$ 4,345,493
Accounts receivable (net of allowance for uncollectibles)	152,547	10,191	41,914	204,652
Due from other government entities	-	91,787	-	91,787
Inventory	-	28,224	-	28,224
Total current assets	3,833,172	176,759	660,225	4,670,156
Noncurrent assets:				
Capital Assets (net of accumulated depreciation):				
Land	211,664	190,400	-	402,064
Buildings	800,009	112,248	4,290	916,547
Improvements other than buildings	3,910,681	1,487,093	22,860	5,420,634
Machinery and equipment	717,045	10,290	18,121	745,456
Construction in progress	311,829	1,292,524	-	1,604,353
Total capital assets	5,951,228	3,092,555	45,271	9,089,054
Net pension asset	10,829	2,034	-	12,863
Total assets	9,795,229	3,271,348	705,496	13,772,073
<b><u>Deferred Outflows of Resources:</u></b>				
Deferred amount on refunding	21,059	-	-	21,059
Pension contributions subsequent to measurement date	35,637	5,491	-	41,128
Total deferred outflows of resources	56,696	5,491	-	62,187
<b><u>Liabilities:</u></b>				
Current liabilities:				
Accounts payable	141,634	96,588	36,043	274,265
Wages and benefits payable	2,146	1,869	2,228	6,243
Unearned revenue	-	5,839	-	5,839
Accrued interest payable	991	-	-	991
Customer deposits	23,774	-	-	23,774
Compensated absences-current	48,740	9,648	-	58,388
General obligation bonds payable-current	314,000	-	-	314,000
Landfill closure/post closure care-current	60,902	-	-	60,902
Total current liabilities	592,187	113,944	38,271	744,402
Noncurrent liabilities:				
Compensated absences	6,023	1,193	-	7,216
General obligation bonds payable	979,000	-	-	979,000
Landfill closure/post closure care	6,191,108	-	-	6,191,108
Total noncurrent liabilities	7,176,131	1,193	-	7,177,324
Total liabilities	7,768,318	115,137	38,271	7,921,726
<b><u>Deferred Inflow of Resources:</u></b>				
Items related to measurement of net pension liability	122,880	26,684	-	149,564
Total deferred inflows of resources	122,880	26,684	-	149,564
<b><u>Net Position:</u></b>				
Net investment in capital assets	4,679,287	3,092,555	45,271	7,817,113
Unrestricted	(2,718,560)	42,463	621,954	(2,054,143)
Total net position	\$ 1,960,727	\$ 3,135,018	\$ 667,225	\$ 5,762,970

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 8**

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
Operating revenues:				
Use of property	\$ -	\$ 7,122	\$ -	\$ 7,122
Charges for services	2,774,319	280,881	324,449	3,379,649
Other operating revenue	57,901	-	3,457	61,358
Total operating revenues	<u>2,832,220</u>	<u>288,003</u>	<u>327,906</u>	<u>3,448,129</u>
Operating expenses:				
Personnel services and fringe benefits	595,200	124,243	8,357	727,800
Other operating expenses	1,806,290	310,301	263,504	2,380,095
Depreciation	517,991	296,743	20,432	835,166
Total operating expenses	<u>2,919,481</u>	<u>731,287</u>	<u>292,293</u>	<u>3,943,061</u>
Operating income (loss)	<u>(87,261)</u>	<u>(443,284)</u>	<u>35,613</u>	<u>(494,932)</u>
Nonoperating revenues (expenses):				
Interest income	3,446	-	-	3,446
Interest expense	(32,335)	-	-	(32,335)
State grants	-	114,290	-	114,290
Federal Grants	-	954,732	-	954,732
Total nonoperating revenues (expenses)	<u>(28,889)</u>	<u>1,069,022</u>	<u>-</u>	<u>1,040,133</u>
Income (loss) before transfers	<u>(116,150)</u>	<u>625,738</u>	<u>35,613</u>	<u>545,201</u>
Transfers:				
Transfers in	-	164,937	-	164,937
Total transfers	<u>-</u>	<u>164,937</u>	<u>-</u>	<u>164,937</u>
Changes in net position	(116,150)	790,675	35,613	710,138
Total net position, beginning of year, as restated	2,076,877	2,344,343	631,612	5,052,832
Total net position, end of year	<u>\$ 1,960,727</u>	<u>\$ 3,135,018</u>	<u>\$ 667,225</u>	<u>\$ 5,762,970</u>

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 9**

	Business-type Activities-Enterprise Funds			
	Major Funds		Nonmajor	Total
	Landfill Fund	Airport Fund	Funds	
Cash flows from operating activities:				
Receipts from customers	\$ 2,810,691	\$ 288,559	\$ 314,683	\$ 3,413,933
Payments to suppliers	(1,219,801)	(218,143)	(290,460)	(1,728,404)
Payments to employees and benefits paid on behalf of employees	(642,863)	(134,574)	(8,031)	(785,468)
Other receipts	57,901	-	3,457	61,358
Payments to General Fund for indirect services	204,162	-	-	204,162
Net cash provided by (used for) operating activities	1,210,090	(64,158)	19,649	1,165,581
Cash flows from noncapital financing activities:				
Transfer from the General Fund	-	154,629	-	154,629
Operating grant proceeds from the Commonwealth and Federal Government	-	44,159	-	44,159
Net cash provided by (used for) noncapital financing activities	-	198,788	-	198,788
Cash flows from capital and related financing activities:				
Purchase of capital assets	(393,622)	(1,057,668)	-	(1,451,290)
Capital Transfer from the General Fund	-	10,308	-	10,308
Capital grant proceeds from the Commonwealth and Federal Government	-	947,811	-	947,811
Principal payments on debt	(309,000)	-	-	(309,000)
Interest payments on debt	(26,555)	-	-	(26,555)
Net cash provided by (used for) capital and related financing activities	(729,177)	(99,549)	-	(828,726)
Cash flows from investing activities:				
Interest income	3,446	-	-	3,446
Net increase in cash and cash equivalents	484,359	35,081	19,649	539,089
Cash and cash equivalents, beginning of year	3,196,266	11,476	598,662	3,806,404
Cash and cash equivalents, end of year	\$ 3,680,625	\$ 46,557	\$ 618,311	\$ 4,345,493
<u>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</u>				
Operating income (loss)	\$ (87,261)	\$ (443,284)	\$ 35,613	\$ (494,932)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	517,991	296,743	20,432	835,166
Changes in assets and liabilities:				
(Increase) Decrease in accounts receivable	35,844	684	(9,764)	26,764
(Increase) Decrease in inventory	-	16,463	-	16,463
Increase (Decrease) in wages and benefits payable	1,461	35	352	1,848
Increase (Decrease) in accounts payable	41,810	73,585	(26,984)	88,411
Increase (Decrease) in prepaid rent	-	(128)	-	(128)
Increase (Decrease) in customer deposits	528	-	-	528
Increase (Decrease) in closure/post closure liabilities	747,783	-	-	747,783
Increase (Decrease) in compensated absences payable	(14,113)	(1,878)	-	(15,991)
Increase (Decrease) in net pension asset	(33,953)	(6,378)	-	(40,331)
Total adjustments	779,360	82,383	(36,396)	825,347
Net cash provided (used for) by operating activities	\$ 1,210,090	\$ (64,158)	\$ 19,649	\$ 1,165,581

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

COUNTY OF ACCOMACK, VIRGINIA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
AT JUNE 30, 2015

Exhibit 10

	Other Postemployment Benefits Trust Fund	Agency Funds
<b><u>Assets:</u></b>		
Cash and investments held by Treasurer	\$ 1,064	\$ 42,248
Cash and investments in custody of others	62,406	32,329
Total assets	<u>63,470</u>	<u>74,577</u>
<b><u>Liabilities:</u></b>		
Accounts payable	1,079	-
Amounts held for social service clients	-	39,204
Amounts held for others	-	32,329
Amounts held for war memorial ceremonies	-	3,044
Total liabilities	<u>1,079</u>	<u>74,577</u>
<b><u>Net Position:</u></b>		
Held in trust for other post employment benefits	62,391	-
Total net position	<u>\$ 62,391</u>	<u>\$ -</u>

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**AT JUNE 30, 2015**

**Exhibit 11**

	Other Postemployment Benefits Trust Fund
<b><u>Additions:</u></b>	
Contributions:	
Employer	\$ 90,072
Total contributions	90,072
Investment earnings:	
Increase in fair value of investments	284
Total investment earnings	284
Total additions	90,356
<b><u>Deductions</u></b>	
Health insurance credit payments	1,658
Benefits	25,804
Administrative expenses	503
Total deductions	27,965
Change in net position	62,391
Net position - beginning	-
Net position - ending	\$ 62,391

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



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

At June 30, 2015

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**B. Reporting Entity**

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 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, 2015.

- i. **Accomack County School Board** - The Accomack County School Board was created by state law and is vested with the responsibility of administering the public school system. The School Board is composed of ten members all of whom are appointed by a selection committee established by the Circuit Court. The County levies taxes for its operation, issues 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 issue separate financial statements.

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

At June 30, 2015 (Continued)

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

**B. The Reporting Entity-continued**

- ii. **Economic Development Authority of Accomack County** - The Economic Development Authority of Accomack County (EDA), formerly known as the Industrial Development Authority of Accomack County (IDA), was established to promote industry and develop trade by inducing manufacturing, industrial, government, and commercial enterprises to locate in Accomack County. The IDA changed its mission in fiscal year 2008 to enhance the economy and development of the County hence the name change. The Authority consists of seven directors, all of which are appointed by the County Board of Supervisors. The County approves the annual operating budget of the Authority. The Authority is reported as an enterprise fund type. The Authority does not issue separate financial statements.
- iii. **Eastern Shore Public Library** - The Eastern Shore Public Library was created for the purpose of providing public library services to residents of the Eastern Shore of Virginia. The Library Board consists of five members, a majority of which is appointed by the Accomack County Board of Supervisors. The Library is fiscally dependent upon the County for its annual contribution. Separately issued financial statements can be obtained from the Eastern Shore Public Library, Post Office Box 360, Accomac, Virginia 23301. The Library is reported as a governmental fund type.
- iv. **Accomack-Northampton Planning District Commission** - The Accomack-Northampton Planning District Commission is a multi-jurisdictional entity created for the purpose of promoting the orderly and efficient development of the physical, social, and economic elements in its district. The Commission consists of thirteen members of which seven are appointed by and serve at the pleasure of the County Board of Supervisors. The Commission receives significant financial assistance from the County and is fiscally dependent on this assistance. Separately issued financial statements can be obtained from the Accomack-Northampton Planning District Commission, Post Office Box 417, Accomac, Virginia 23301. The Commission is reported as a governmental fund type.
- v. **Quinby Boat Harbor Committee** - The Quinby Boat Harbor Committee was established to diligently conduct and enforce the rules and regulations regarding the use and occupancy of the Quinby Boat Harbor. The Committee consists of nine members, all of which are appointed and serve at the pleasure of the County Board of Supervisors. 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.

## COUNTY OF ACCOMACK, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

##### **B. The Reporting Entity-continued**

- vi. **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.
- vii. **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:

- i. **Eastern Shore of Virginia 911 Commission** - The County has joined together with Northampton County to create the Eastern Shore of Virginia 911 Commission. The 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 2015, the County contributed \$583,936 to the Commission. The Commission's complete financial activity is included in the financial report of Northampton County, Virginia, its fiscal agent.

##### **Related Organizations**

The following entities are excluded from the accompanying financial statements:

- i. **Eastern Shore Community Services Board** – The County, in conjunction with Northampton County, participate in the Eastern Shore Community Services Board. The County's Board of Supervisors appoints a voting majority of the board members of the Eastern Shore Community Services Board, but the County's accountability for this organization does not extend beyond making the appointments. During fiscal year 2015, 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, 2015 (Continued)

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

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

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

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

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

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

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category-governmental, proprietary, and fiduciary-are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- **General Fund:** The General Fund is the County's primary operating fund. It accounts for and reports financial resources of the general government except those required to be accounted for in another fund. Revenues are primarily derived from property taxes. A significant part of the General Fund's revenues are used to finance operations of the Accomack County School Board.
- **Virginia Public Assistance Fund:** The Virginia Public Assistance Fund accounts for and reports the resources of the Social Services department which is responsible for administering welfare related programs as mandated by the Code of Virginia. Revenues are primarily derived from the intergovernmental funding including significant local funding from the County's General Fund.
- **Comprehensive Youth Services Fund:** The Comprehensive Youth Services Fund accounts for and reports 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

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

At June 30, 2015 (Continued)

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

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

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 and report the acquisition or construction of major capital facilities in the County. This fund also accounts for proceeds from bonds issued on behalf of the Accomack County School Board and disbursed to the school board for education related capital projects.
- **County Debt Service Fund:** The County Debt Service Fund accounts for and reports revenues derived from a special property tax levied on County residents exclusively for the current and future retirement of debt. The majority of the debt service reported by the fund pertains to public school construction. In Virginia, public school systems do not have borrowing authority so all school related debt must be issued and therefore reported by the County.

The County reports the following major proprietary funds:

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

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

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

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

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

At June 30, 2015 (Continued)

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

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

eliminations are made in the preparation of the government-wide financial statements.

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

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

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

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

At June 30, 2015 (Continued)

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

**F. Budgetary Basis of 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 Funds which carry unexpended balances into the following year on a continuing appropriation basis.
- Budget amounts reported in the financial statements are labeled as either original or final. The original budget is the initial adopted budget plus amendments made prior to the beginning of the fiscal year. The final budget is the original budget combined with amendments approved during the fiscal year.

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

**i. 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.

**ii. Receivables**

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



# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

##### **iii. Inventories and Prepaid Items**

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

##### **iv. Capital Assets**

Capital assets, including land, improvements to land, buildings, building improvements, vehicles, machinery, equipment and intangible assets that individually cost \$5,000 and over, with a useful life of greater than one year are reported in proprietary funds and applicable governmental or business-type activities columns in the government-wide financial statements. The County does not capitalize roads and bridges since these assets belong to the Commonwealth of Virginia. Capital assets are stated at historical cost or estimated historical cost. 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

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

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

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

At June 30, 2015 (Continued)

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

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

of the net pension asset or liability next fiscal year. For more detailed information on these items, reference the pension note.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows or resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of property taxes paid in advance and unbilled installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. In addition, the portion of uncollected property taxes due as of June 30 but not considered available is also reported in this section. Under the accrual basis of accounting, only taxes paid in advance and unbilled installments are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension liability are reported as deferred inflows of resources. These include differences between expected and actual experience, change in assumptions, and the net difference between projected and actual earnings on pension plan investments. For more detailed information on these items, reference the pension note.

**vi. Net Position**

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

**vii. Net Position Flow Assumption**

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

**viii. Fund Balance Flow Assumptions**

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

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

At June 30, 2015 (Continued)

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

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

**ix. Fund Balance**

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

<b>Fund Balance Category</b>	<b>Definition</b>	<b>Applicability</b>
Nonspendable	Includes amounts that are not in expendable form.	The County reports long-term receivables that are not available for expenditure in this category.
Restricted	Includes amounts restricted to specific uses by external entities or by law. Externally imposed restrictions include amounts that are restricted for specific purposes.	The County reports residual amounts of taxes levied exclusively for debt service, fire & rescue and mosquito control along with unspent bond proceeds held in trust in this category.
Committed	Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Accomack County Board of Supervisors.	The County reports amounts committed by resolution of the Board of Supervisors for use in emergency situations or when revenue shortages arise as committed fund balance. This amount is shown in the financial statements as committed to <i>Rainy Day/Stabilization</i> . Additions are approved by Board action. Use of these funds is only permitted to address revenue shortages that are greater than 1% of General Fund revenue, an urgent event that jeopardizes public safety or to mitigate damage caused by a natural disaster.
Assigned	Consists of amounts intended to be used by the County for a specific purpose but are neither restricted nor committed.	<i>Assigned for subsequent year's expenditures</i> is the portion of fund balance that has been approved by formal action of the Board of Supervisors for appropriation in the fiscal year 2015 budget. Amendment of this amount requires approval of the Board. Additional assignments for residual funds associated with ongoing capital projects and special revenue funds have been made by the Finance Director who is given that authority.
Unassigned	Fund balance that has not been reported in any other classification.	Positive unassigned fund balance is only reported in the General Fund. In governmental funds other than the General Fund, a negative unassigned fund balance may be reported if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes.

**H. Revenues and expenditures/expenses**

**i. Program Revenue**

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

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

At June 30, 2015 (Continued)

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

**H. Revenues and expenditures/expenses-continued**

**ii. Property Taxes**

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

In 1998, the Virginia General Assembly passed the Personal Property Tax Relief Act (PPTRA). The purpose of this legislation was to gradually eliminate the personal property tax on automobiles by increasing Commonwealth funding to localities. The PPTRA provides tax relief via a tax credit that appears on the citizen's tax assessment as a reduction to taxes due. The credit applies to the first \$20,000 of taxable value of automobiles and motorcycles held for personal use. The tax credit on vehicles valued between \$1,000 and \$20,000 for tax year 2015 was equal to 46% of the tax assessment. The tax credit on vehicles with a taxable value of less than \$1,000 was equal to 100% of the tax assessment. Revenue from the Commonwealth pertaining to PPTRA is recorded as non-categorical aid.

**iii. Compensated Absences**

All County and School Board full-time employees earn annual leave based on years of service. Accumulated annual leave vests immediately. County and School Board employees are paid for unused annual leave, at their normal rate of pay, at termination. Annual leave termination payments are limited only by maximum accumulation policies. All County and School Board Component Unit full-time employees also earn ten hours of sick leave per month. Maximum accumulation is unlimited. Employees of the County are entitled to the lesser of 25% of accrued sick leave or \$5,000 upon termination providing the employee has 5 years of service. Employees of the School Board are entitled to the lesser of 25% of accrued sick leave or \$7,500 upon termination providing the employee has 5 years of service. The amount of unpaid annual, sick and compensatory leave, including applicable payroll taxes, is accrued when incurred in the government-wide and proprietary fund financial statements. Only the current portion due, if any, is recorded in the fund financial statements.

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

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

**v. Use of Estimates**

The preparation of financial statements in conformity with 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.

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### I. Pensions

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

### 2. DEPOSITS AND INVESTMENTS

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

Statutes authorize the County Treasurer, an elected official, to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP). The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP. It is managed in accordance with the "2a7 like pool" risk limiting requirements of GASB Statement No. 31 "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" with the portfolio securities valued by the amortized cost method. Investments with a maturity date of one year or less are stated at amortized cost. The fair value of the County's position in the LGIP is the same as the value of the pool shares. All other investments are stated at fair value.

The carrying amount of cash and investments of the Primary Government and the School Board Component Unit at June 30, 2015 is as follows:

Deposits with Financial Institutions	\$ 26,917,991
Investments	3,906,342
Petty Cash	57,100
Total Cash and Investments of the Primary Government and School Board Component Unit	<u>\$ 30,881,433</u>

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

At June 30, 2015 (Continued)

**2. DEPOSITS AND INVESTMENTS-continued**

A reconciliation to the basic financial statements is as follows:

Primary Government Cash and Investments per Exhibit 1	\$ 19,442,271
School Board Component Unit Cash and Investments per Exhibit 1	11,954,031
Other Component Unit Cash and Investments per Exhibit 1	1,277,764
Fiduciary Funds Cash and Investments per Exhibit 10	138,047
Total Cash and Investments for the Reporting Entity	32,812,113
Less: Primary Government Restricted Cash and Investments held by Bond Trustee per Exhibit 1 not in the custody of the Treasurer	(558,181)
Less: Primary Government Cash and Investments held by Bond Trustee per Exhibit 1 not in the custody of the Treasurer	(2,824,111)
Less: Other Component Unit Cash and Investments per Exhibit 1 not in the custody of the Treasurer	(1,277,764)
Less: Fiduciary Funds Cash and Investments per Exhibit 10 not in the custody of the Treasurer	(94,735)
Total Cash and Investments in the custody of the Treasurer	\$ 28,057,322

**Credit Risk of Debt Securities**

Per state statute requirements, all commercial paper must be rated "prime quality" by at least two nationally recognized statistical rating organizations (A-1 by both Standard & Poor's and Moody's Investor Service) and corporate notes and bonds must be rated in the AAA or AA categories by both Standard & Poor's and Moody's Investor Service. As of June 30, 2015, the County's investments as rated by Standard & Poor's were as follows:

<u>Investment Type</u>	<u>AAAm</u>
State Treasurer's Local Government Investment Pool	\$ 3,348,161
Virginia State Non-Arbitrage Program	558,181
Total Investments	<u>\$ 3,906,342</u>

**Concentration of Credit Risk**

State statute limits the percentage of the portfolio that can be invested in any one issuer, excluding the U.S. Government, U.S. Government Agencies, the Commonwealth of Virginia and its authorities, mutual funds and pooled investment funds. No more than 35% of total available funds may be invested in commercial paper. Furthermore, not more than 5% of the total funds available for investment may be invested in commercial paper of any one issuing corporation. As of June 30, 2015, the County's entire investment portfolio was invested with State Treasurer's Local Investment Pool and State Non-Arbitrage Program both of which are managed in accordance with GASB "2a-7 like" requirements.

**Interest Rate Risk**

The County's investments as of June 30, 2015 are presented below along with their maturity. The County had no policy on interest rate risk at June 30.

	Fair Value	Maturity less than 1 year
<b>Primary Government &amp; School Board Component Unit:</b>		
State Treasurer's Local Government Investment Pool	\$ 3,348,161	\$ 3,348,161
Virginia State Non-Arbitrage Program	558,181	558,181
Total	<u>\$ 3,906,342</u>	<u>\$ 3,906,342</u>

**Custodial Credit Risk**

As of June 30, 2015, all investment securities purchased by the County Treasurer were held by bank trust departments in the County's name and evidenced by safekeeping receipts in the County's name.

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

At June 30, 2015 (Continued)

**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, 2015 are as follows:

**PRIMARY GOVERNMENT:**

Type:	<b>Major Funds</b>			Total
	General Fund	School Debt Fund	Nonmajor Funds	
Taxes receivable	\$ 4,993,368	\$ 668,751	\$ 703,715	\$ 6,365,834
Special assessments receivable	1,090	-	-	1,090
Total Primary Government	<u>\$ 4,994,458</u>	<u>\$ 668,751</u>	<u>\$ 703,715</u>	<u>\$ 6,366,924</u>

**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, 2015. The repayment schedule is as follows:

Year Ending June 30,	<b>Note Receivable</b>		
	Principal	Interest	Total
2016	11,791	588	12,379
2017	12,150	229	12,379
2018	1,030	2	1,032
Total	<u>\$ 24,971</u>	<u>\$ 819</u>	<u>\$ 25,790</u>

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 5. DUE FROM OTHER GOVERNMENTAL ENTITIES

Amounts due from other governments at June 30, 2015 consisted of the following:

#### A. Primary Government:

	Major Governmental Funds				Nonmajor Governmental Funds	Total Primary Government Activities	Major Fund Airport Enterprise Fund	Total Primary Government
	General Fund	Comprehensive Youth Services Fund	Virginia Public Assistance Fund	County Capital Projects Fund				
Miscellaneous government entities:								
Eastern Shore Public Service Authority	\$ 104,700	\$ -	\$ -	\$ -	\$ -	\$ 104,700	\$ -	\$ 104,700
Commonwealth of Virginia:								
Local sales tax	747,341	-	-	-	-	747,341	-	747,341
Recordation tax	17,735	-	-	-	-	17,735	-	17,735
Constitutional officer shared expenses	284,372	-	-	-	-	284,372	-	284,372
Jail per diem for prisoner housing	53,236	-	-	-	-	53,236	-	53,236
Mobile home tax	11,613	-	-	-	-	11,613	-	11,613
Communications tax	168,281	-	-	-	-	168,281	-	168,281
Rescue Squad Assistance Fund	-	-	-	-	20,000	20,000	-	20,000
Miscellaneous	17,085	-	-	-	-	17,085	-	17,085
Harborton boat dock improvements	-	-	-	146,681	-	146,681	-	146,681
Quinby Harbor Improvement	-	-	-	261,367	-	261,367	-	261,367
Hazard Mitigation Grant Fund	-	-	-	134	-	134	-	134
Public assistance funds	-	-	77,126	-	-	77,126	-	77,126
Airport maintenance funds	-	-	-	-	-	-	13,169	13,169
Comprehensive services act reimbursements	-	325,118	-	-	-	325,118	-	325,118
Total due from the Commonwealth	1,299,663	325,118	77,126	408,182	20,000	2,130,089	13,169	2,143,258
Federal Government:								
Joint Land Use Study (JLUS) grant reimbursement	30,353	-	-	-	-	30,353	-	30,353
Summer foods grant	43,637	-	-	-	-	43,637	-	43,637
Miscellaneous	101	-	-	-	-	101	-	101
Hazard Mitigation Grant Fund	-	-	-	504	-	504	-	504
Airport maintenance funds	-	-	-	-	-	-	78,618	78,618
Public assistance funds	-	-	148,376	-	-	148,376	-	148,376
Total due from the Federal Government	74,091	-	148,376	504	-	222,971	78,618	301,589
Total due from other governmental entities	\$ 1,478,454	\$ 325,118	\$ 225,502	\$ 408,686	\$ 20,000	\$ 2,457,760	\$ 91,787	\$ 2,549,547

#### School Board Component Unit:

Commonwealth of Virginia:	
State sales tax contribution	\$ 397,331
SOL web base	617,353
Total due from Commonwealth	1,014,684
Federal Government:	
Title I	987,001
Title II	192,760
Title III	27,414
Title VI	57,178
Title VI-B Special Education	691,807
Vocational education	96,525
Food services	367,630
Total due from Federal Government	2,420,315
Total due from other governmental entities	\$ 3,434,999

### 6. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2015 are as follows:

	Interfund	
	Receivables	Payables
<b>PRIMARY GOVERNMENT:</b>		
<b>Governmental Funds:</b>		
General Fund	\$ 223,601	\$ -
Comprehensive Youth Services Fund	-	35,159
Virginia Public Assistance Fund	-	188,442
Total Primary Government	\$ 223,601	\$ 223,601

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



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

At June 30, 2015 (Continued)

**7. CAPITAL ASSETS**

**A. Primary Government:**

	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,054,237	\$ 103,200	\$ -	\$ 2,157,437
Construction in progress	1,295,526	6,749,883	(221,179)	7,824,230
Total capital assets not being depreciated	3,349,763	6,853,083	(221,179)	9,981,667
Other capital assets:				
Buildings	10,702,035	395,588	-	11,097,623
School buildings	28,549,742	-	(2,703,731)	25,846,011
Improvements other than buildings	8,345,399	589,799	-	8,935,198
Machinery and equipment	6,337,880	818,166	(243,043)	6,913,003
Intangibles	1,128,106	-	-	1,128,106
Total other capital assets	55,063,162	1,803,553	(2,946,774)	53,919,941
Less accumulated depreciation:				
Buildings	(3,846,899)	(292,659)	-	(4,139,558)
School buildings	(5,004,154)	(529,595)	862,996	(4,670,753)
Improvements other than buildings	(2,994,767)	(533,939)	-	(3,528,706)
Machinery and equipment	(4,128,102)	(509,675)	41,353	(4,596,424)
Intangibles	(1,064,223)	(43,357)	-	(1,107,580)
Total accumulated depreciation	(17,038,145)	(1,909,225)	904,349	(18,043,021)
Total governmental activities, net	41,374,780	6,747,411	(2,263,604)	45,858,587
Business-type activities:				
Capital assets not being depreciated:				
Land	396,167	5,897	-	402,064
Construction in progress	368,036	1,236,317	-	1,604,353
Total capital assets not being depreciated	764,203	1,242,214	-	2,006,417
Other capital assets:				
Buildings	2,162,261	-	-	2,162,261
Improvements other than buildings	14,048,516	-	-	14,048,516
Motor vehicles and equipment	4,685,777	204,388	(17,190)	4,872,975
Intangibles	29,710	-	-	29,710
Total other capital assets	20,926,264	204,388	(17,190)	21,113,462
Less accumulated depreciation:				
Buildings	(1,162,652)	(83,062)	-	(1,245,714)
Improvements other than buildings	(8,121,510)	(506,372)	-	(8,627,882)
Motor vehicles and equipment	(3,898,977)	(245,732)	17,190	(4,127,519)
Intangibles	(29,710)	-	-	(29,710)
Total accumulated depreciation	(13,212,849)	(835,166)	17,190	(14,030,825)
Total business-type activities, net	8,477,618	611,436	-	9,089,054
Total primary government, net	\$ 49,852,398	\$ 7,358,847	\$ (2,263,604)	\$ 54,947,641

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

At June 30, 2015 (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 administration	\$ 93,509	\$ -	\$ 93,509
Judicial administration	102,259	-	102,259
Public safety	297,054	-	297,054
Public works	419,023	-	419,023
Health and welfare	146,968	-	146,968
Education	541,749	-	541,749
Parks, recreation and cultural	271,927	-	271,927
Community development	36,736	-	36,736
Landfill	-	517,991	517,991
Airport	-	296,743	296,743
Water and sewer	-	18,007	18,007
Parks and recreation revolving	-	2,425	2,425
Total	<u>\$ 1,909,225</u>	<u>\$ 835,166</u>	<u>\$ 2,744,391</u>

**B. School Board Component Unit:**

	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 974,862	\$ -	\$ -	\$ 974,862
Total capital assets not being depreciated	<u>974,862</u>	<u>-</u>	<u>-</u>	<u>974,862</u>
Other capital assets:				
Buildings	57,639,144	2,703,732	-	60,342,876
Improvements other than buildings	3,640,676	130,984	-	3,771,660
Motor vehicles and equipment	11,261,134	736,071	(171,585)	11,825,620
Total other capital assets	<u>72,540,954</u>	<u>3,570,787</u>	<u>(171,585)</u>	<u>75,940,156</u>
Less accumulated depreciation:				
Buildings	(27,811,624)	(2,387,986)	-	(30,199,610)
Improvements other than buildings	(2,371,638)	(124,998)	-	(2,496,636)
Motor vehicles and equipment	(8,801,959)	(534,175)	158,403	(9,177,731)
Total accumulated depreciation	<u>(38,985,221)</u>	<u>(3,047,159)</u>	<u>158,403</u>	<u>(41,873,977)</u>
Total school board component unit, net	<u>\$ 34,530,595</u>	<u>\$ 523,628</u>	<u>\$ (13,182)</u>	<u>\$ 35,041,041</u>

Total depreciation expense charged to the School Board component unit was \$2,184,163.

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, 2015, is that debt and related assets in the amount of \$25,846,012 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, 2015 (Continued)

**7. CAPITAL ASSETS - continued**

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

	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 315,445	\$ -	\$ -	\$ 315,445
Other capital assets:				
Improvements other than buildings	1,406,601	-	-	1,406,601
Motor vehicles and equipment	-	7,799	-	7,799
Total other capital assets	1,406,601	7,799	-	1,414,400
Less accumulated depreciation:				
Improvements other than buildings	(1,406,601)	-	-	(1,406,601)
Motor vehicles and equipment	-	(585)	-	(585)
Total accumulated depreciation	(1,406,601)	(585)	-	(1,407,186)
Total economic development authority component unit	\$ 315,445	\$ 7,214	\$ -	\$ 322,659

Total depreciation expense charged to the Authority during the fiscal year amounted to \$585.

**8. UNEARNED REVENUE**

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

Unearned revenue at June 30, 2015 consisted of the following:

	General Fund	Special Revenue Funds - Nonmajor	Enterprise Funds	School Board Component Unit
Unearned Revenue				
Advance grant funding received	\$ 6,358	\$ 12,943	\$ -	\$ 477,963
Prepaid rent received	-	-	5,839	-
Total	\$ 6,358	\$ 12,943	\$ 5,839	\$ 477,963

**9. COMPENSATED ABSENCES**

Accrued compensated absences are as follows at June 30, 2015:

	Primary Government	School Board Component Unit
	Governmental Activities	Business-type Activities
Compensated Leave		
Annual	\$ 1,001,022	\$ 37,281
Sick	324,742	25,689
Compensatory	530,090	2,634
Total	\$ 1,855,854	\$ 65,604

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

At June 30, 2015 (Continued)

**10. OPERATING LEASES**

The primary government leases approximately 66.4 acres of land from the National Aeronautics and Space Administration (NASA) Goddard Space Flight Center's Wallops Flight Facility. The leased property is located in the County's Wallops Research Park and will be used to support economic growth opportunities affiliated with activities of the Wallops Flight Facility. The expiration of the lease is September 30, 2099. The lease stipulates an annual base rent equal to no less than 2% of the fair market value of the land currently appraised at \$900,000. Total cost of the lease for the year ended June 30, 2015 was \$19,629. Future rent increases are contingent upon changes in the Consumer Price Index, measured every 5 years, and future property appraisals, scheduled every 20 years. The future minimum lease payments are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2016	\$ 20,174
2017	20,174
2018	20,174
2019	20,174
2020	20,174
2021-2025	100,870
2026-2030	100,870
2031-2035	100,870
2036-2040	100,870
2041-2100	1,195,309
Total	<u>\$ 1,699,659</u>

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 11. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2015:

	Balance as restated July 1, 2014	Additions	Deletions	Balance June 30, 2015	Amount due within 1 year
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,848,957	\$ 1,418,684	\$ 1,411,787	\$ 1,855,854	\$ 1,651,710
Virginia Public School Authority bonds	25,718,250	-	2,152,181	23,566,069	2,237,433
Lease revenue bonds	10,847,700	-	1,100,600	9,747,100	1,170,200
Qualified zone academy bonds	378,555	-	91,041	287,514	94,124
Deferred premiums and discounts, net	1,019,302	-	84,456	934,846	-
Net OPEB obligation	1,598,000	232,000	147,000	1,683,000	-
Total governmental activities long-term obligations	41,410,764	1,650,684	4,987,065	38,074,383	5,153,467
<b>Business-type Activities:</b>					
Compensated absences	81,595	56,629	72,620	65,604	58,388
General Obligation Bonds	1,602,000	-	309,000	1,293,000	314,000
Landfill closure/postclosure	5,504,227	808,685	60,902	6,252,010	60,902
Total business-type entities long-term obligations	7,187,822	865,314	442,522	7,610,614	433,290
Total primary government long-term obligations	\$ 48,598,586	\$ 2,515,998	\$ 5,429,587	\$ 45,684,997	\$ 5,586,757
<b>School Board Component Unit:</b>					
Compensated absences	\$ 1,899,464	1,755,818	\$ 1,690,523	\$ 1,964,759	\$ 1,748,637
Early retirement termination benefits	862,229	485,933	183,681	1,164,481	253,100
Net pension liability - Non-Professional plan	1,003,877	1,055,656	1,941,916	117,617	-
Net pension liability-Teacher Plan	48,249,000	3,499,000	8,894,000	42,854,000	-
Net OPEB obligation	738,000	275,000	133,000	880,000	-
Total School Board long-term obligations	\$ 52,752,570	\$ 7,071,407	\$ 12,843,120	\$ 46,980,857	\$ 2,001,737

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

#### A. Primary Government:

Year Ending June 30,	Governmental Activities						Business-type Activities		
	Qualified Zone								
	VPSA Bonds		Academy Bonds		Lease Revenue Bonds		General Obligation Bonds		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2016	2,237,433	1,115,769	94,124	11,695	1,170,200	323,258	314,000	20,903	5,287,382
2017	2,328,817	997,540	97,320	8,499	1,234,900	287,673	320,000	15,070	5,289,819
2018	2,426,394	874,954	17,194	5,188	785,500	256,377	326,000	9,127	4,700,734
2019	1,329,454	779,112	18,122	4,260	772,900	236,020	333,000	3,064	3,475,932
2020	1,382,753	711,275	19,101	3,281	603,000	215,066	-	-	2,934,476
2021-2025	7,888,840	2,428,570	41,653	2,250	2,220,400	821,811	-	-	13,403,524
2026-2030	5,842,378	584,054	-	-	2,070,200	384,205	-	-	8,880,837
2031-2035	130,000	2,990	-	-	890,000	57,741	-	-	1,080,731
Total	\$ 23,566,069	\$ 7,494,264	\$ 287,514	\$ 35,173	\$ 9,747,100	\$ 2,582,151	\$ 1,293,000	\$ 48,164	\$ 45,053,435

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, 2015 (Continued)

### 11. LONG-TERM OBLIGATIONS - continued

#### B. Details of long-term indebtedness as of June 30, 2015:

Financing Type	Purpose	Amount Issued	Interest Rates	Date Issued	Final Maturity Date	Amount Outstanding
<b>Primary Government:</b>						
<b>Governmental Activities:</b>						
Virginia Public School Authority bond	School construction	\$ 8,422,232	5.15% <sup>1</sup>	11/20/1997	7/15/2017	\$ 1,452,638
Virginia Public School Authority bond	School construction	8,305,000	5.17% <sup>1</sup>	11/20/1997	7/15/2017	1,865,000
Virginia Public School Authority bond	School construction	6,270,000	4.47% <sup>1</sup>	5/15/2003	7/15/2028	4,420,000
Virginia Public School Authority bond	School construction	12,170,000	4.69% <sup>1</sup>	11/6/2003	7/15/2028	8,615,000
Virginia Public School Authority bond	School construction	1,935,000	4.46% <sup>1</sup>	11/10/2005	7/15/2030	1,500,000
Virginia Public School Authority bond	School construction	9,370,000	4.28% <sup>1</sup>	11/10/2005	7/15/2025	5,713,431
Qualified zone academy bond	School construction	1,433,003	3.00% <sup>2</sup>	12/31/2002	12/31/2016	159,648
Qualified zone academy bond	School construction	439,100	5.40% <sup>2</sup>	12/30/2004	12/30/2020	127,866
Lease revenue refunding bond	School construction	2,833,000	1.66% <sup>1</sup>	12/19/2013	3/1/2020	1,996,000
Lease revenue bond	Research park constructor	3,765,000	4.10% <sup>1</sup>	8/14/2013	10/1/2032	3,765,000
Lease revenue refunding bond	Office construction	4,031,900	2.93% <sup>1</sup>	12/19/2013	3/1/2028	3,351,100
Lease revenue bond	Waste collection centers	2,665,000	3.82% <sup>1</sup>	11/29/2006	10/1/2016	635,000
Total governmental activities:						<u>33,600,683</u>
<b>Business-type Activities:</b>						
General obligation refunding bond	Landfill improvements	2,203,000	1.84% <sup>1</sup>	12/8/2011	12/15/2018	1,293,000
Total primary government						<u>\$ 34,893,683</u>

<sup>1</sup> True interest cost

<sup>2</sup> Imputed interest 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 Landfill it stops accepting waste and to perform certain maintenance and monitoring functions at this site for thirty years after closure. Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs in each period based on landfill capacity used as of each balance sheet date.

The \$6,252,010 reported as landfill closure and post-closure care liability at June 30, 2015, represents the cumulative amount reported to date based on the use of 89% of the estimated capacity of the North Landfill Cell Two. The County will recognize the remaining estimated North Landfill cost of closure and post-closure care of \$394,107 as its remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2015. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The North Landfill Cell Two has sufficient capacity to continue accepting waste until early in fiscal year 2017. The County expects to fund landfill closure and post-closure care costs from operating revenues.

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

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

At June 30, 2015 (Continued)

**13. DEFERRED INFLOWS OF RESOURCES**

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

	Primary Government			
	General Fund	County Debt Service Fund	Nonmajor Special Revenue Funds	Total
Unavailable Revenues:				
Uncollected taxes	\$ 3,327,526	\$ 583,098	\$ 602,688	\$ 4,513,312
Note receivable not yet due	-	-	24,971	24,971
Special assessments not yet due	22,993	-	-	22,993
Total unavailable revenue	<u>\$ 3,350,519</u>	<u>\$ 583,098</u>	<u>\$ 627,659</u>	<u>\$ 4,561,276</u>
Deferred Revenue:				
Unbilled property taxes	\$ 8,288,987	\$ 1,452,515	\$ 1,501,315	\$ 11,242,817
Prepaid taxes	2,078,465	329,021	369,219	2,776,705
Total deferred revenue	<u>\$ 10,367,452</u>	<u>\$ 1,781,536</u>	<u>\$ 1,870,534</u>	<u>\$ 14,019,522</u>

**14. INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2015 were made up of the following:

	Transfers In	Transfers Out
<b>Primary Government:</b>		
Governmental funds:		
General fund	\$ -	\$ 2,268,210
Virginia Public Assistance Fund	669,173	-
Comprehensive Youth Services Fund	287,751	-
County capital projects fund	1,131,351	-
Non-major governmental funds	16,000	1,000
Total governmental funds	<u>2,104,275</u>	<u>2,269,210</u>
Enterprise funds:		
Airport fund	164,935	-
Total enterprise funds	<u>164,935</u>	<u>-</u>
Total Primary Government	<u>\$ 2,269,210</u>	<u>\$ 2,269,210</u>

The purpose of the interfund transfers is as follows:

Purpose	Amount
Finance pay-as-you-go capital projects	\$ 1,147,351
Satisfy grant local match requirements	287,751
Supplement operations and local match requirements of the Dept. of Social Services	669,173
Supplement operations of the Accomack County Airport	164,935
Total interfund transfers	<u>\$ 2,269,210</u>

The Primary Government also transferred \$16,668,344 to the School Board Component Unit, \$345,907 to the Eastern Shore Library Component Unit, \$99,639 to the Planning District Component Unit, \$7,500 to the Economic Development Authority and \$48,865 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.

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

At June 30, 2015 (Continued)

**15. 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.

**16. 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.

**17. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

**A. Primary Government:**

For the year ended June 30, 2015, the following expenditures exceeded appropriations:

Major Funds:

General Fund:	
Legal Services	\$ 5,646
Commonwealth's Attorney	743
S.P.C.A. Supplement	279
Medical Examiner	917
Property tax relief for seniors and disabled veterans	279
Total General Fund	<u>\$ 7,864</u>

Nonmajor Funds:

Rehabilitation Projects Fund	<u>\$ 107</u>
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The General Fund variances were funded by unassigned fund balance. All nonmajor fund variances were funded by grant program income or unassigned fund balance.



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

At June 30, 2015 (Continued)

**18. SURETY BONDS**

The following elected officials and County employees were covered by surety bonds at June 30, 2015:

Commonwealth of Virginia Division of Risk Management (Commonwealth funded):	
Dana T. Bundick, Treasurer <sup>(1)</sup>	\$ 500,000
Todd Godwin, Sheriff <sup>(1)</sup>	30,000
Leslie A. Savage, Commissioner of the Revenue <sup>(1)</sup>	3,000
Samuel H. Cooper, Clerk of the Court <sup>(1)</sup>	350,000
Virginia Association of Counties Self Insurance-Risk Pool:	
All County employees - Blanket bond coverage	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

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

**19. TRUST FOR OTHER POSTEMPLOYMENT BENEFITS**

The County Of Accomack has established an irrevocable trust pursuant to Section 15.2-1544 of the Code of Virginia, as amended for the purpose of accumulated and investing assets to fund Other Postemployment Benefits (OPEB) and to participate in the Virginia Pooled OPEB Trust Fund and has established a Local Finance Board to become a Participating Employer in the Trust Fund. The Trust Fund provides administrative, custodial and investment services to the Participating Employers in the Trust Fund. For the fiscal year ending June 20, 2015 the County contributed \$90,072 to the Trust Fund. Expenses allocated to the Trust Fund during the fiscal year ended June 30, 2015 were \$27,965.

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

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

County:

A. Plan Description:

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

- Post-65 Retiree Health Insurance Plan - Provides post retirement supplemental health insurance benefits to employees in the form of a 50% health insurance premium match for employees who retired with at least 15 years of service, were age 65 or older at retirement and were enrolled in Medicare parts A and B. This plan has a sunset date of 1/1/17.
- County Supplemental Health Insurance Credit Plan - Provides a monthly insurance premium reimbursement to employees who retire with 15 more years of VRS service, participate in a County-sponsored or health insurance plan, and were employed by the County as of June 30, 2014. The amount of the monthly reimbursement is based on total VRS years of service.
- Early Retiree Health Insurance Continuation Plan - Allows employees who retire prior to age 65 and have at least 15 years of service to remain on the County's health insurance plan at their own expense until they reach age 65.

Neither plan issues a separate, audited GAAP-basis report.

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

At June 30, 2015 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE-continued**

County-continued:

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

**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 costs 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	\$ 226,000
Interest on net OPEB obligation	84,000
Adjustment to annual required contribution	<u>(78,000)</u>
Annual OPEB cost (expense)	\$ 232,000
Contribution made	<u>147,000</u>
Increase in net OPEB obligation	\$ 85,000
Net OPEB obligation-beginning of year	<u>1,598,000</u>
Net OPEB obligation-end of year	<u><u>\$ 1,683,000</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the two preceding years are as follows:

<b>Fiscal Year Ended</b>	<b>Annual Pension Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
June 30, 2013	614,000	11%	2,365,000
June 30, 2014	651,000	14%	1,598,000
June 30, 2015	232,000	63%	1,683,000

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

At June 30, 2015 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE-continued**

County-continued:

**D. Funded Status and Funding Progress**

The funded status of the plan as of July 1, 2014, date of the most recent actuarial valuation, is as follows:

Actuarial accrued liability (AAL)	\$ 2,719,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	2,719,000
Funded ratio (actuarial value of plan assets / AAL)	0%
Covered payroll (active plan members)	10,973,000
UAAL as a percentage of covered payroll	24.8%

**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 to is broken down into units, each associated with a year of past or future credited service.

Interest Assumptions

In the July 1, 2014, the date of the most recent actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 5.25 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, an inflation rate of 2.5%, and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5.50 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

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

At June 30, 2015 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE-continued**County-continued:

amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at July 1, 2014, was thirty years.

	<u>Unfunded</u>
Discount rate	5.25%
Payroll growth	2.50%

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 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 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	\$	288,000
Interest on net OPEB obligation		30,000
Adjustment to annual required contribution		<u>(43,000)</u>
Annual OPEB cost (expense)	\$	275,000
Contribution made		<u>133,000</u>
Increase in net OPEB obligation	\$	142,000
Net OPEB obligation-beginning of year		<u>738,000</u>
Net OPEB obligation-end of year	\$	<u><u>880,000</u></u>

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

At June 30, 2015 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE-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 2015 and the two preceding years are as follows:

<b>Fiscal Year Ended</b>	<b>Annual Pension Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
June 30, 2013	\$ 230,000	48%	\$ 643,000
June 30, 2014	239,000	60%	738,000
June 30, 2015	275,000	48%	880,000

**D. Funded Status and Funding Progress**

The funded status of the plan as of July 1, 2014, date of the most recent actuarial valuation, is as follows:

Actuarial accrued liability (AAL)	\$ 2,229,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	2,229,000
Funded ratio (actuarial value of plan assets / AAL)	0%
Covered payroll (active plan members)	28,829,000
UAAL as a percentage of covered payroll	7.7%

**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 to is broken down into units, each associated with a year of past or future credited service.

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

At June 30, 2015 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE-continued**

School Board-continued:

Interest Assumptions

In the July 1, 2014, the date of the most recent actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.00 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, an inflation rate of 2.50%, and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5.50 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 July 1, 2014, was 20 years.

	<u>Unfunded</u>
Discount rate	4.00%
Payroll growth	2.50%

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

County:

A. Plan Description

The County began participating in the Health Insurance Credit Program in fiscal year 2015, a plan designed to assist retirees with the cost of health insurance coverage. This program is an agent and 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.

An employee of the County, 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 \$1.50 per year of creditable service up to a maximum monthly credit of \$45. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive the maximum monthly health insurance credit of \$45.

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 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 22.

B. Funding Policy

The County is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is .24% of annual covered payroll. The County's contributions to VRS for the year ended June 30, 2015 was \$12,836, and equaled the required contribution for the year.

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

At June 30, 2015 (Continued)

**21. OTHER POSTEMPLOYMENT BENEFITS-VRS Health Insurance Credit-continued**

School Board:

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 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 22.

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 1.06% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2015, 2014, and 2013 were \$273,013, \$287,645, and \$264,070, respectively and equaled the required contributions for each year.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN**

***Plan Description***

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

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

<b>RETIREMENT PLAN PROVISIONS</b>		
<b>PLAN 1</b>	<b>PLAN 2</b>	<b>HYBRID RETIREMENT PLAN</b>
<p><b>About Plan 1</b>  Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p>	<p><b>About Plan 2</b>  Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p>	<p><b>About the Hybrid Retirement Plan</b>  The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as Plan 1 and Plan 2 members who were eligible and opted into the plan during a special election window. (see "Eligible Members")</p> <ul style="list-style-type: none"> <li>• The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.</li> </ul>



# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>About Plan 1 (Cont.)</b>	<b>About Plan 2 (Cont.)</b>	<b>About the Hybrid Retirement Plan (Cont.)</b> <ul style="list-style-type: none"> <li>In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.</li> </ul>
<p><b>Eligible Members</b> Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p> <p><b>Hybrid Opt-In Election</b> VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p><b>Eligible Members</b> Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p><b>Hybrid Opt-In Election</b> Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p><b>Eligible Members</b> Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> <li>Political subdivision employees*</li> <li>School division employees</li> <li>Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014.</li> </ul> <p><b>*Non-Eligible Members</b> Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> <li>Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.</li> </ul>

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>Hybrid Opt-In Election (Cont.)</b> Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.	<b>Hybrid Opt-In Election (Cont.)</b> Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.	<b>*Non-Eligible Members (Cont.)</b> Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.
<b>Retirement Contributions</b> Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.	<b>Retirement Contributions</b> Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016.	<b>Retirement Contributions</b> A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>Creditable Service</b> Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.	<b>Creditable Service</b> Same as Plan 1.	<b>Creditable Service</b> <b><u>Defined Benefit Component:</u></b> Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.  <b><u>Defined Contributions Component:</u></b> Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p><b>Vesting</b> Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p><b>Vesting</b> Same as Plan 1.</p>	<p><b>Vesting</b> <u><b>Defined Benefit Component:</b></u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><u><b>Defined Contributions Component:</b></u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p>

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>Vesting (Cont.)</b>	<b>Vesting (Cont.)</b>	<b>Vesting (Cont.)</b> <u><b>Defined Contributions Component: (Cont.)</b></u> Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service. <ul style="list-style-type: none"> <li>• After two years, a member is 50% vested and may withdraw 50% of employer contributions.</li> <li>• After three years, a member is 75% vested and may withdraw 75% of employer contributions.</li> <li>• After four or more years, a member is 100% vested and may withdraw 100% of employer contributions.</li> </ul> Distribution is not required by law until age 70½.
<b>Calculating the Benefit</b> The Basic Benefit is calculated based on a formula using the member's average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement.	<b>Calculating the Benefit</b> See definition under Plan 1.	<b>Calculating the Benefit</b> <u><b>Defined Benefit Component:</b></u> See definition under Plan 1

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

***Plan Description (Continued)***

<b>RETIREMENT PLAN PROVISIONS (CONTINUED)</b>		
<b>PLAN 1</b>	<b>PLAN 2</b>	<b>HYBRID RETIREMENT PLAN</b>
<b>Calculating the Benefit (Cont.)</b> An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.	<b>Calculating the Benefit (Cont.)</b>	<b>Calculating the Benefit (Cont.)</b> <u><b>Defined Contribution Component:</b></u> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.
<b>Average Final Compensation</b> A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.	<b>Average Final Compensation</b> A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.	<b>Average Final Compensation</b> Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.
<b>Service Retirement Multiplier</b> <b>VRS:</b> The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.  <b>Sheriffs and regional jail superintendents:</b> The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.  <b>Political subdivision hazardous duty employees:</b> The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.	<b>Service Retirement Multiplier</b> <b>VRS:</b> Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.  <b>Sheriffs and regional jail superintendents:</b> Same as Plan 1.  <b>Political subdivision hazardous duty employees:</b> Same as Plan 1.	<b>Service Retirement Multiplier</b> <u><b>Defined Benefit Component:</b></u> <b>VRS:</b> The retirement multiplier for the defined benefit component is 1.00%.  For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.  <b>Sheriffs and regional jail superintendents:</b> Not applicable.  <b>Political subdivision hazardous duty employees:</b> Not applicable.  <b>Defined Contribution Component:</b> Not applicable.

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>Normal Retirement Age</b> <b>VRS:</b> Age 65.  <b>Political subdivisions hazardous duty employees:</b> Age 60.	<b>Normal Retirement Age</b> <b>VRS:</b> Normal Social Security retirement age.  <b>Political subdivisions hazardous duty employees:</b> Same as Plan 1.	<b>Normal Retirement Age</b> <u><b>Defined Benefit Component:</b></u> <b>VRS:</b> Same as Plan 2.  <b>Political subdivisions hazardous duty employees:</b> Not applicable.  <u><b>Defined Contribution Component:</b></u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.
<b>Earliest Unreduced Retirement Eligibility</b> <b>VRS:</b> Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.  <b>Political subdivisions hazardous duty employees:</b> Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.	<b>Earliest Unreduced Retirement Eligibility</b> <b>VRS:</b> Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.  <b>Political subdivisions hazardous duty employees:</b> Same as Plan 1.	<b>Earliest Unreduced Retirement Eligibility</b> <u><b>Defined Benefit Component:</b></u> <b>VRS:</b> Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90.  <b>Political subdivisions hazardous duty employees:</b> Not applicable.  <u><b>Defined Contribution Component:</b></u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.
<b>Earliest Reduced Retirement Eligibility</b> <b>VRS:</b> Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.	<b>Earliest Reduced Retirement Eligibility</b> <b>VRS:</b> Age 60 with at least five years (60 months) of creditable service.	<b>Earliest Reduced Retirement Eligibility</b> <u><b>Defined Benefit Component:</b></u> <b>VRS:</b> Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service.

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>Earliest Reduced Retirement Eligibility (Cont.)</b>  <b>Political subdivisions hazardous duty employees:</b> 50 with at least five years of creditable service.	<b>Earliest Reduced Retirement Eligibility (Cont.)</b>  <b>Political subdivisions hazardous duty employees:</b> Same as Plan 1.	<b>Earliest Reduced Retirement Eligibility (Cont.)</b>  <b>Political subdivisions hazardous duty employees:</b> Not applicable.  <u><b>Defined Contribution Component:</b></u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.
<b>Cost-of-Living Adjustment (COLA) in Retirement</b> The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.  <u><b>Eligibility:</b></u> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.  For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.	<b>Cost-of-Living Adjustment (COLA) in Retirement</b> The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.  <u><b>Eligibility:</b></u> Same as Plan 1	<b>Cost-of-Living Adjustment (COLA) in Retirement</b> <u><b>Defined Benefit Component:</b></u> Same as Plan 2.  <u><b>Defined Contribution Component:</b></u> Not applicable.  <u><b>Eligibility:</b></u> Same as Plan 1 and Plan 2.



# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<b>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</b>  <b><u>Exceptions to COLA Effective Dates:</u></b> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances: <ul style="list-style-type: none"> <li>• The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013.</li> <li>• The member retires on disability.</li> <li>• The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP).</li> <li>• The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program.</li> <li>• The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.</li> </ul>	<b>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</b>  <b><u>Exceptions to COLA Effective Dates:</u></b> Same as Plan 1	<b>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</b>  <b><u>Exceptions to COLA Effective Dates:</u></b> Same as Plan 1 and Plan 2.

# COUNTY OF ACCOMACK, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

### 22. PENSION PLAN (Continued)

#### Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p><b>Disability Coverage</b> Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.</p> <p>VSDP members are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>	<p><b>Disability Coverage</b> Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.</p> <p>VSDP members are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.</p>	<p><b>Disability Coverage</b> Employees of political subdivisions and School divisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.</p> <p>Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>
<p><b>Purchase of Prior Service</b> Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</p>	<p><b>Purchase of Prior Service</b> Same as Plan 1.</p>	<p><b>Purchase of Prior Service</b> <b><u>Defined Benefit Component:</u></b> Same as Plan 1, with the following exceptions:</p> <ul style="list-style-type: none"> <li>• Hybrid Retirement Plan members are ineligible for ported service.</li> <li>• The cost for purchasing refunded service is the higher of 4% of creditable compensation or average final compensation.</li> <li>• Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one-year period, the rate for most categories of service will change to actuarial cost.</li> </ul> <p><b><u>Defined Contribution Component:</u></b> Not applicable.</p>

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

***Employees Covered by Benefit Terms***

As of the June 30, 2013 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Primary	Component Unit
	Government	School Board
		Nonprofessional
Inactive members or their beneficiaries currently receiving benefits	143	76
Inactive members:		
Vested inactive members	29	19
Non-vested inactive members	80	38
Inactive members active elsewhere in VRS	84	13
Total inactive members	193	70
Active members	255	186
Total covered employees	591	332

***Contributions***

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The County's contractually required contribution rate for the year ended June 30, 2015 was 8.47% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$922,867 and \$912,155 for the years ended June 30, 2015 and June 30, 2014, respectively.

The Component Unit School Board's contractually required contribution rate for nonprofessional employees for the year ended June 30, 2015 was 7.42% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

***Contributions (Continued)***

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board's nonprofessional employees were \$219,411 and \$266,876 for the years ended June 30, 2015 and June 30, 2014, respectively.

***Net Pension Liability (Asset)***

The County's and Component Unit School Board's (nonprofessional) net pension liabilities (assets) were measured as of June 30, 2014. The total pension liabilities used to calculate the net pension liabilities (assets) were determined by an actuarial valuation performed as of June 30, 2013, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

***Actuarial Assumptions – General Employees***

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 5.35%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates: 14% of deaths are assumed to be service related

Largest 10 – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

## COUNTY OF ACCOMACK, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

#### 22. PENSION PLAN (Continued)

##### **Actuarial Assumptions – General Employees (Continued)**

All Others (Non 10 Largest) – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 – Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) – Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

##### **Actuarial Assumptions – Public Safety Employees**

The total pension liability for Public Safety employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 4.75%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

**Actuarial Assumptions – Public Safety Employees (Continued)**

Mortality rates: 60% of deaths are assumed to be service related

Largest 10 – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 – LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) – LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

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

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

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
<b>Total</b>	<b>100.00%</b>		<b>5.83%</b>
		Inflation	2.50%
*Expected arithmetic nominal return			<b>8.33%</b>

\* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

***Discounted Rate***

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the employer for the County and Component Unit School Board (nonprofessional) Retirement Plans will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

***Changes in Net Pension Liability (Asset)***

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2013	\$ 46,670,602	\$ 43,070,545	\$ 3,600,057
Changes for the year:			
Service cost	\$ 1,133,269	\$ -	\$ 1,133,269
Interest	3,205,991	-	3,205,991
Differences between expected and actual experience	-	-	-
Contributions - employer	-	912,155	(912,155)
Contributions - employee	-	538,436	(538,436)
Net investment income	-	6,800,749	(6,800,749)
Benefit payments, including refunds of employee contributions	(1,741,471)	(1,741,471)	-
Administrative expenses	-	(36,498)	36,498
Other changes	-	358	(358)
Net changes	\$ 2,597,789	\$ 6,473,729	\$ (3,875,940)
Balances at June 30, 2014	\$ 49,268,391	\$ 49,544,274	\$ (275,883)



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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

***Changes in Net Pension Liability (Continued)***

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total	Plan	Net
	Pension	Fiduciary	Pension
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2013	\$ 10,656,840	\$ 9,652,963	\$ 1,003,877
Changes for the year:			
Service cost	\$ 317,109	\$ -	\$ 317,109
Interest	730,383	-	730,383
Differences between expected and actual experience	-	-	-
Contributions - employer	-	266,876	(266,876)
Contributions - employee	-	149,754	(149,754)
Net investment income	-	1,525,205	(1,525,205)
Benefit payments, including refunds of employee contributions	(445,583)	(445,583)	-
Administrative expenses	-	(8,164)	8,164
Other changes	-	81	(81)
Net changes	\$ 601,909	\$ 1,488,169	\$ (886,260)
Balances at June 30, 2014	\$ 11,258,749	\$ 11,141,132	\$ 117,617

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

The following presents the net pension liability (asset) of the County and Component Unit School Board (nonprofessional) using the discount rate of 7.00%, as well as what the County's and Component Unit School Board's (nonprofessional) net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	(6.00%)	(7.00%)	(8.00%)
County			
Net Pension Liability (Asset)	\$ 6,067,526	\$ (275,883)	\$ (5,561,146)
Component Unit School Board (nonprofessional)			
Net Pension Liability (Asset)	\$ 1,376,646	\$ 117,617	\$ (949,279)

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

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

For the year ended June 30, 2015, the County/ and Component Unit School Board (nonprofessional) recognized pension expense of \$74,021 and \$61,251, respectively. At June 30, 2015, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -
Change in assumptions	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	3,037,806	-	680,635
Employer contributions subsequent to the measurement date	922,867	-	219,411	-
Total	\$ 922,867	\$ 3,037,806	\$ 219,411	\$ 680,635

\$922,867 and \$219,411 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2016	\$ (759,451)	\$ (170,159)
2017	(759,451)	(170,159)
2018	(759,451)	(170,159)
2019	(759,453)	(170,158)
Thereafter	-	-

The system issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the plans administered by VRS. A copy of the most recent report may be obtained from the VRS website at <http://www.varetire.org/Pdf/Publications/2014-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

**Component Unit School Board (professional)**

***Plan Description***

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

***Contributions***

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

Each School Division's contractually required contribution rate for the year ended June 30, 2015 was 14.50% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013. The actuarial rate for the Teacher Retirement Plan was 18.20%. This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Based on the provisions of §51.1-145 of the Code of Virginia, as amended the contributions were funded at 79.69% of the actuarial rate for the year ended June 30, 2015. Contributions to the pension plan from the School Board were \$3,734,610 and \$3,027,000 for the years ended June 30, 2015 and June 30, 2014, respectively.

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

At June 30, 2015, the school division reported a liability of \$42,854,000 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2014 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2014, the school division's proportion was 0.35461% as compared to 0.35024% at June 30, 2013.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

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

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

For the year ended June 30, 2015, the school division recognized pension expense of \$3,499,000. Since there was a change in proportionate share between June 30, 2013 and June 30, 2014, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

At June 30, 2015, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Change in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	6,360,000
Changes in proportion and differences between employer contributions and proportionate share of contributions	493,000	-
Employer contributions subsequent to the measurement date	3,734,610	-
<b>Total</b>	<b>\$ 4,227,610</b>	<b>\$ 6,360,000</b>

\$3,734,610 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2016	\$ (1,481,000)
2017	(1,481,000)
2018	(1,481,000)
2019	(1,481,000)
Thereafter	57,000

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

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

***Actuarial Assumptions***

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 5.95%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 3 years and females set back 5 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 3 years

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 1 year and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

- Update mortality table
- Adjustments to the rates of service retirement
- Decrease in rates of withdrawals for 3 through 9 years of service
- Decrease in rates of disability
- Reduce rates of salary increase by 0.25% per year

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)****Component Unit School Board (professional) (Continued)*****Long-Term Expected Rate of Return***

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

		Arithmetic	Weighted
		Long-Term	Average
	Target	Expected	Long-Term
Asset Class (Strategy)	Allocation	Rate of Return	Expected
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	100.00%		5.83%
		Inflation	2.50%
*Expected arithmetic nominal return			8.33%

\* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

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

At June 30, 2015 (Continued)

**22. PENSION PLAN (Continued)**

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

***Discount Rate***

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the school division for the VRS Teacher Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, school divisions are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the school division's proportionate share of the net pension liability using the discount rate of 7.00%, as well as what the school division's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	(6.00%)	(7.00%)	(8.00%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan			
Net Pension Liability (Asset) \$	\$ 62,926,000	\$ 42,854,000	\$ 26,327,000

***Pension Plan Fiduciary Net Position***

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2014 Comprehensive Annual Financial Report (CAFR). A copy of the 2014 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2014-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

## COUNTY OF ACCOMACK, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

At June 30, 2015 (Continued)

#### **23. TERMINATION BENEFIT – SCHOOL BOARD EARLY RETIREMENT OPTION PROGRAM**

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

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

During FY 15, the School Board discontinued the Early Retirement Option Program for new entrants. Retired employees already enrolled in the program prior to its discontinuation, shall remain in the program until the earlier of the death of the retired employee, or participation by the retirement employee for seven years in the Early Retirement Option Program after retirement.

The value of the supplement paid to the retiree exceeds the fair value of the services rendered by the retiree. The liability for the this termination benefit is calculated by taking the difference of the supplement received and the fair value of services rendered and multiplied by years remaining in the program. As of June 30, 2015, there were 75 employees enrolled in the Early Retirement Option Program. The liability recognized in the financial states as of June 30, 2015 was \$1,164,481 for the program.

#### **24. ADOPTION OF ACCOUNTING PRINCIPLE**

**Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*:**

The County implemented the financial reporting provisions of the above Statements for the fiscal year ended June 30, 2015. These Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and required supplementary information requirements about pensions are also addressed. The requirements of this Statement will improve financial reporting by improving accounting and financial reporting by state and local governments for pensions. With the implementation of this Statement, certain terminology has changed and financial statement descriptions have changed from “net assets” to “net position.” The implementation of these Statements resulted in the following restatement of net position:



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

At June 30, 2015 (Continued)

**24. ADOPTION OF ACCOUNTING PRINCIPLE-continued**

County

Net Position as reported at June 30, 2014	\$ 28,673,824
Implementation of GASB 68	<u>(2,687,902)</u>
Net Position as restated at June 30, 2014	<u>\$ 25,985,922</u>

School Board

Net Position as reported at June 30, 2014	\$ 39,628,865
Termination benefit	(862,229)
Implementation of GASB 68	<u>(45,959,002)</u>
Net Position as restated at June 30, 2014	<u>\$ (7,192,366)</u>

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

### **Notes to Required Supplementary Information:**

1. Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.
2. Pension Related Information Notes:
  - a. Changes of benefit terms – There have been no significant changes to the System benefit provisions since the prior actuarial valuation. A hybrid plan with changes to the defined benefit plan structure and a new defined contribution component were adopted in 2012. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. The liabilities presented do not reflect the hybrid plan since it covers new members joining the System after the valuation date of June 30, 2013 and the impact on the liabilities as of the measurement date of June 30, 2014 are minimal.
  - b. Changes of assumptions – The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four-year period ending June 30, 2012:
    - i. Largest 10 – Non-LEOS:
      1. Update mortality table
      2. Decrease in rates of service retirement
      3. Decrease in rates of disability retirement
      4. Reduce rates of salary increase by 0.25% per year
    - ii. Largest 10 – LEOS:
      1. Update mortality table
      2. Decrease in male rates of disability
    - iii. All Others (Non 10 largest) - Non-LEOS:
      1. Update mortality table
      2. Decrease in rates of service retirement
      3. Decrease in rates of disability retirement
      4. Reduce rates of salary increase by 0.25% per year
    - iv. All Others (Non 10 largest) – LEOS
      1. Update mortality table
      2. Adjustments to rates of service retirement for females
      3. Increase in rates of withdrawal
      4. Decrease in male and female rates of disability
    - v. Component Unit School Board – Professional Employees
      1. Update mortality table
      2. Adjustments to rates of service retirement
      3. Decrease in rates withdrawals for 3 through 9 years of service
      4. Decrease in rates of disability retirement
      5. Reduce rates of salary increase by 0.25% per year



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COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS  
LAST THREE YEARS

Exhibit 12

Other Postemployment Benefits

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

A. Primary Government:

July 1, 2014	\$	-	\$ 2,719,000	2,719,000	0.0%	10,973,000	24.8%
July 1, 2012		-	6,195,000	6,195,000	0.0%	10,077,000	61.5%
July 1, 2010		-	5,280,000	5,280,000	0.0%	9,863,000	53.5%

B. Discretely Presented Component Unit-School Board:

July 1, 2014	\$	-	\$ 2,229,000	\$ 2,229,000	0.0%	\$ 28,829,000	7.7%
July 1, 2012		-	1,997,000	1,997,000	0.0%	26,292,000	7.6%
July 1, 2010		-	2,329,000	2,329,000	0.0%	25,252,000	9.2%

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF COMPONENTS OF AND CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**PRIMARY GOVERNMENT**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 13**

	<u><b>2014</b></u>
<b>Total pension liability</b>	
Service Cost	\$ 1,133,269
Interest	3,205,991
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments, including refunds of employee contributions	(1,741,471)
<b>Net change in total pension liability</b>	<u>2,597,789</u>
<b>Total pension liability - beginning</b>	<u>46,670,602</u>
<b>Total pension liability - ending (a)</b>	<u><u>\$ 49,268,391</u></u>
 <b>Plan fiduciary net position</b>	
Contributions - employer	\$ 912,155
Contributions - employee	538,436
Net investment income	6,800,749
Benefit payments, including refunds of employee contributions	(1,741,471)
Administrative expense	(36,498)
Other	358
<b>Net change in plan fiduciary net position</b>	<u>6,473,729</u>
<b>Plan fiduciary net position - beginning</b>	<u>43,070,545</u>
<b>Plan fiduciary net position - ending (b)</b>	<u><u>\$ 49,544,274</u></u>
 <b>County's net pension liability (asset) - ending (a) - (b)</b>	 \$ (275,883)
 <b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>	  100.56%
 <b>Covered-employee payroll</b>	 \$ 10,773,964
 <b>County's net pension liability as a percentage of covered-employee payroll</b>	  -2.56%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF COMPONENTS OF AND CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**COMPONENT UNIT SCHOOL BOARD (nonprofessional)**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 14**

	<b><u>2014</u></b>
<b>Total pension liability</b>	
Service Cost	\$ 317,109
Interest	730,383
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments, including refunds of employee contributions	(445,583)
<b>Net change in total pension liability</b>	<b>601,909</b>
<b>Total pension liability - beginning</b>	<b>10,656,840</b>
<b>Total pension liability - ending (a)</b>	<b><u>\$ 11,258,749</u></b>
 <b>Plan fiduciary net position</b>	
Contributions - employer	\$ 266,876
Contributions - employee	149,754
Net investment income	1,525,205
Benefit payments, including refunds of employee contributions	(445,583)
Administrative expense	(8,164)
Other	81
<b>Net change in plan fiduciary net position</b>	<b>1,488,169</b>
<b>Plan fiduciary net position - beginning</b>	<b>9,652,963</b>
<b>Plan fiduciary net position - ending (b)</b>	<b><u>\$ 11,141,132</u></b>
 <b>School Board Component Unit's net pension liability - ending (a) - (b)</b>	 <b>\$ 117,617</b>
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	 <b>98.96%</b>
 <b>Covered-employee payroll</b>	 <b>\$ 2,966,515</b>
 <b>School Board Component Unit's net pension liability as a percentage of covered-employee payroll</b>	 <b>3.96%</b>

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2015

Exhibit 15

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
<b>Primary Government:</b>					
2015	\$ 922,867	\$ 922,867	\$ -	\$ 10,896,299	8.47%
<b>Component Unit School Board (nonprofessional):</b>					
2015	\$ 219,411	\$ 219,411	\$ -	\$ 2,957,026	7.42%
<b>Component Unit School Board (professional):</b>					
2015	\$ 3,734,610	\$ 3,734,610	\$ -	\$ 25,755,930	14.50%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY VRS TEACHER RETIREMENT PLAN**  
**COMPONENT UNIT SCHOOL BOARD**  
**FOR THE YEAR ENDED JUNE 30, 2015\***

**Exhibit 16**

	<u><b>2015</b></u>
Employer's Proportion of the Net Pension Liability (Asset)	0.35461%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 42,854,000
Employer's Covered-Employee Payroll	\$ 25,913,927
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	60.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.7088%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

\* The amounts presented have a measurement date of the previous fiscal year end.



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 17**  
**Page 1 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 21,268,004	\$ 20,699,746	\$ 21,171,115	\$ 471,369
Other local taxes	7,258,374	7,258,374	7,431,369	172,995
Permits, fees and licenses	340,600	340,600	390,542	49,942
Fines and forfeitures	75,000	75,000	65,622	(9,378)
Revenue from the use of money and property	348,040	348,040	336,728	(11,312)
Charges for services	341,488	341,488	406,926	65,438
Miscellaneous	-	75,000	178,322	103,322
Recovered costs	77,527	281,336	323,467	42,131
Intergovernmental	6,779,735	7,529,688	7,322,417	(207,271)
Total revenues	36,488,768	36,949,272	37,626,508	677,236
Expenditures:				
General government administration:				
Legislative:				
Board of supervisors	147,743	147,743	108,031	39,712
General and financial administration:				
County administrator	518,543	520,063	517,015	3,048
Human resources	25,853	25,930	-	25,930
Legal services	234,685	260,090	265,736	(5,646)
Commissioner of the revenue	292,913	293,825	282,201	11,624
County assessor	683,661	571,946	518,414	53,532
Treasurer	554,133	545,076	495,333	49,743
Central accounting	498,597	421,048	390,157	30,891
Information technology	566,655	624,842	580,542	44,300
Risk management	210,650	232,117	231,606	511
Total general and financial administration	3,585,690	3,494,937	3,281,004	213,933
Board of elections:				
Electoral board	48,628	48,628	28,907	19,721
Registrar	135,496	135,853	121,662	14,191
Total board of elections	184,124	184,481	150,569	33,912
Total general government administration	3,917,557	3,827,161	3,539,604	287,557
Judicial administration:				
Courts:				
Circuit court	85,547	85,824	84,766	1,058
General district court	9,971	11,471	10,930	541
Chief magistrate	16,938	16,979	12,321	4,658
Juvenile and domestic relations court	13,650	13,650	8,901	4,749
Clerk of the circuit court	415,057	452,531	436,354	16,177
Sheriff court services	421,852	422,986	361,734	61,252
Commissioner of accounts	214	214	-	214
Victim and witness assistance	60,283	60,517	59,521	996
Total courts	1,023,512	1,064,172	974,527	89,645
Commonwealth's attorney	410,630	420,984	421,727	(743)
Total judicial administration	1,434,142	1,485,156	1,396,254	88,902
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,083,385	2,352,082	2,327,745	24,337

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

**Exhibit 17**  
**Page 2 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Public safety: (continued)				
Fire and rescue services:				
Volunteer fire and rescue	\$ 271,860	\$ 277,110	\$ 221,458	\$ 55,652
Emergency medical services	210,775	211,361	206,027	5,334
Payments to 911 commission	558,611	595,164	583,936	11,228
Total fire and rescue services	1,041,246	1,083,635	1,011,421	72,214
Correction and detention:				
Jail	2,133,117	1,910,667	1,901,924	8,743
Juvenile probation	137,997	138,261	121,880	16,381
Community correction	-	89,585	89,584	1
Total correction and detention	2,271,114	2,138,513	2,113,388	25,125
Other protection:				
Building and zoning	498,620	418,397	364,338	54,059
Ordinance enforcement	62,180	62,369	54,436	7,933
Animal control	101,143	109,758	107,982	1,776
Regional animal control facility	110,720	110,654	76,382	34,272
S.P.C.A. supplement	921	921	1,200	(279)
Emergency management	79,530	170,092	144,095	25,997
Medical examiner	-	2,950	3,867	(917)
E.S. Coalition Against Domestic Violence supplement	10,000	15,000	15,000	-
Cleanup/disposal of hazardous materials	13,000	21,461	15,456	6,005
Total other protection	876,114	911,602	782,756	128,846
Total public safety	6,271,859	6,485,832	6,235,310	250,522
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Storm drainage	183,935	295,143	93,194	201,949
Sanitation and waste removal:				
General operations	188,193	189,027	198,591	(9,564)
Refuse disposal	1,000,000	1,000,000	987,300	12,700
Refuse collection	602,207	565,868	550,223	15,645
Maintenance garage	180,210	362,192	353,690	8,502
Litter control	265,803	287,614	277,986	9,628
Total sanitation and waste removal	2,236,413	2,404,701	2,367,790	36,911
Maintenance of buildings and grounds:				
Buildings and grounds	1,144,413	1,417,227	1,225,067	192,160
Total public works	3,564,761	4,117,071	3,686,051	431,020
Health and welfare:				
Health:				
Local health department supplement	500,833	500,833	500,833	-
Rural health dental program supplement	4,971	4,971	4,971	-
Total health	505,804	505,804	505,804	-
Mental health and mental retardation:				
Community services board supplement	134,995	134,995	134,995	-

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

**Exhibit 17**  
**Page 3 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Health and welfare: (continued)				
Welfare:				
Property tax relief for the elderly	\$ 134,525	\$ 134,525	\$ 134,804	\$ (279)
Area agency on aging supplement	23,430	23,430	18,430	5,000
Total welfare	157,955	157,955	153,234	4,721
Total health and welfare	798,754	798,754	794,033	4,721
Education:				
Contribution to School Board component unit	16,668,344	16,668,344	16,668,344	-
Community College supplement	263,028	263,028	41,028	222,000
Total education	16,931,372	16,931,372	16,709,372	222,000
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	313,100	317,191	293,560	23,631
Summer food program	-	138,921	114,752	24,169
Boating facilities	44,991	104,991	76,270	28,721
Total parks and recreation	358,091	561,103	484,582	76,521
Cultural enrichment:				
Translator television	74,457	74,457	49,555	24,902
Contribution to Public Library component unit	345,907	345,907	345,907	-
Total cultural enrichment	420,364	420,364	395,462	24,902
Total parks, recreation and cultural	778,455	981,467	880,044	101,423
Community development:				
Planning and community development:				
Contribution to Planning Dist. Commission component unit	70,703	70,703	70,703	-
Housing/Redevelopment Corp. supplement	9,215	9,215	9,215	-
Contribution to Economic Dev. Authority component unit	7,500	7,500	7,500	-
Planning	599,155	492,363	460,117	32,246
Tourism Commission supplement	86,853	92,528	92,528	-
Chamber of Commerce supplement	40,000	164,416	131,931	32,485
Star Transit public transportation supplement	124,867	156,000	156,000	-
Transportation District Commission supplement	19,307	19,307	18,665	642
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	962,207	1,016,639	951,266	65,373
Environmental management:				
Johnsongrass/gypsy moth control program	12,166	12,166	11,677	489
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	-
Resource Conservation and Dev. Council supplement	10,183	9,999	9,999	-
Total environmental management	63,224	63,040	62,551	489
Cooperative extension program	91,666	93,277	88,671	4,606
Total community development	1,117,097	1,172,956	1,102,488	70,468
Nondepartmental:				
Contingency	242,457	1,665	-	1,665

COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015 (continued)

Exhibit 17  
Page 4 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Debt service	\$ 770,568	\$ 770,568	\$ 768,016	\$ 2,552
Total expenditures	35,827,022	36,572,002	35,111,172	1,460,830
Revenues over (under) expenditures	661,746	377,270	2,515,336	2,138,066
Other Financing Sources (Uses):				
Transfers out	(1,747,547)	(3,870,166)	(2,268,210)	1,601,956
Total other financing sources (uses)	(1,747,547)	(3,870,166)	(2,268,210)	1,601,956
Net changes in fund balance	(1,085,801)	(3,492,896)	247,126	3,740,022
Fund balance, beginning of year	12,823,680	12,823,680	12,823,680	-
Fund balance, end of year	\$ 11,737,879	\$ 9,330,784	\$ 13,070,806	\$ 3,740,022

**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, 2015**

**Exhibit 18**

	Budgeted Amounts			Variance from Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 700	\$ 700
Intergovernmental	3,261,408	3,278,872	3,117,628	(161,244)
Total revenues	3,261,408	3,278,872	3,118,328	(160,544)
Expenditures:				
Health and welfare:				
Welfare administration	3,127,017	3,150,147	3,111,351	38,796
Public assistance	656,423	643,623	552,795	90,828
Local only administration	35,956	54,786	113,518	(58,732)
CDC quality initiative program	10,558	10,558	9,837	721
Guardian fees administration	5,000	5,000	-	5,000
Service pass-through	150,565	150,565	-	150,565
Total expenditures	3,985,519	4,014,679	3,787,501	227,178
Revenues over (under) expenditures	(724,111)	(735,807)	(669,173)	66,634
Other financing sources (uses):				
Transfers in	724,111	735,807	669,173	(66,634)
Total other financing sources (uses)	724,111	735,807	669,173	(66,634)
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, 2015**

**Exhibit 19**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 100,274	\$ 100,274	\$ 151,317	\$ 51,043
Intergovernmental	914,665	914,665	838,198	(76,467)
Total revenues	<u>1,014,939</u>	<u>1,014,939</u>	<u>989,515</u>	<u>(25,424)</u>
Expenditures:				
Health and welfare:				
Welfare:				
CSA pooled services for youth and families program	1,386,450	1,347,572	1,277,266	70,306
Total expenditures	<u>1,386,450</u>	<u>1,347,572</u>	<u>1,277,266</u>	<u>70,306</u>
Revenues over (under) expenditures	<u>(371,511)</u>	<u>(332,633)</u>	<u>(287,751)</u>	<u>44,882</u>
Other financing sources (uses):				
Transfers in	371,511	332,633	287,751	(44,882)
Total other financing sources (uses)	<u>371,511</u>	<u>332,633</u>	<u>287,751</u>	<u>(44,882)</u>
Net changes in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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## **Other Supplementary Information**





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# **Nonmajor Governmental Funds**

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

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

**COUNTY OF ACCOMACK, VIRGINIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
AT JUNE 30, 2015**

	Special Revenue				
	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund
<b><u>Assets:</u></b>					
Cash and investments	\$ 37,096	\$ 18,921	\$ 54,632	\$ 44,824	\$ 96,226
Receivables (net):					
Taxes, including penalties	-	-	-	-	-
Accounts / other	607	-	-	4,656	3,000
Notes receivable	-	-	-	-	-
Due from other governmental entities:					
Commonwealth of Virginia	-	-	-	-	-
Total assets	<u>37,703</u>	<u>18,921</u>	<u>54,632</u>	<u>49,480</u>	<u>99,226</u>
<b><u>Liabilities:</u></b>					
Accounts payable	590	805	198	-	2,778
Wages payable	-	1,186	-	3,437	-
Unearned revenues	-	-	-	-	12,943
Total liabilities	<u>590</u>	<u>1,991</u>	<u>198</u>	<u>3,437</u>	<u>15,721</u>
<b><u>Deferred Inflows of Resources:</u></b>					
Deferred property tax revenue	-	-	-	-	-
Deferred note receivable collections	-	-	-	-	-
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Fund Balances:</u></b>					
Restricted for:					
Fire and Rescue	-	-	-	-	83,505
Mosquito Control	-	-	-	-	-
Judicial Administration	-	-	18,237	-	-
Courthouse Security	-	-	-	46,043	-
Law Library	37,113	-	-	-	-
Law Enforcement	-	-	36,197	-	-
Community Development	-	16,930	-	-	-
Assigned to:					
Fire and Rescue	-	-	-	-	-
Total fund balances	<u>37,113</u>	<u>16,930</u>	<u>54,434</u>	<u>46,043</u>	<u>83,505</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,703</u>	<u>\$ 18,921</u>	<u>\$ 54,632</u>	<u>\$ 49,480</u>	<u>\$ 99,226</u>

Exhibit 20

Special Revenue				
Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Consolidated Emergency Medical Services Fund	Consolidated Fire and Rescue Fund	Total Nonmajor Governmental Funds
\$ 190,202	\$ 28,807	\$ 753,569	\$ 1,092,508	\$ 2,316,785
-	34,765	1,472,451	779,513	2,286,729
-	-	-	-	8,263
24,971	-	-	-	24,971
-	-	20,000	-	20,000
215,173	63,572	2,246,020	1,872,021	4,656,748
3,095	10,058	11,460	320,033	349,017
-	-	9,165	-	13,788
-	-	-	-	12,943
3,095	10,058	20,625	320,033	375,748
-	28,128	1,206,553	635,853	1,870,534
24,971	-	-	-	24,971
-	9,553	388,340	204,795	602,688
24,971	37,681	1,594,893	840,648	2,498,193
-	-	630,502	-	714,007
-	15,833	-	-	15,833
-	-	-	-	18,237
-	-	-	-	46,043
-	-	-	-	37,113
-	-	-	-	36,197
187,107	-	-	-	204,037
-	-	-	711,340	711,340
187,107	15,833	630,502	711,340	1,782,807
\$ 215,173	\$ 63,572	\$ 2,246,020	\$ 1,872,021	\$ 4,656,748

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Special Revenue					
	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund
Revenues:						
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	7,735	-	-	90,134	-	-
Permits, fees and licenses	-	83,900	-	-	-	-
Revenue from the use of money and property	-	-	16	-	15	19
Miscellaneous	-	-	-	-	34,481	12,379
Recovered costs	-	-	-	-	-	16,641
Intergovernmental	-	50,432	21,391	-	62,913	-
Total revenues	7,735	134,332	21,407	90,134	97,409	29,039
Expenditures:						
Judicial administration	2,920	-	2,983	84,857	-	-
Public safety	-	-	5,426	-	85,634	-
Health and welfare	-	-	-	-	-	-
Community development	-	117,402	-	-	-	12,486
Total expenditures	2,920	117,402	8,409	84,857	85,634	12,486
Revenues over (under) expenditures	4,815	16,930	12,998	5,277	11,775	16,553
Other financing sources (uses):						
Transfers in	-	-	-	-	16,000	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	16,000	-
Net change in fund balances	4,815	16,930	12,998	5,277	27,775	16,553
Fund balance, beginning of year	32,298	-	41,436	40,766	55,730	170,554
Fund balance, end of year	\$ 37,113	\$ 16,930	\$ 54,434	\$ 46,043	\$ 83,505	\$ 187,107

**Exhibit 21**

Special Revenue			
Captains Cove Greenbackville Mosquito Control Fund	Consolidated Emergency Medical Services Fund	Consolidated Fire and Rescue Fund	Total Nonmajor Governmental Funds
\$ 51,537	\$ 2,754,066	\$ 1,458,553	\$ 4,264,156
-	-	-	97,869
-	-	-	83,900
-	-	-	50
-	3,885	-	50,745
-	-	-	16,641
-	85,312	41,183	261,231
51,537	2,843,263	1,499,736	4,774,592
-	-	-	90,760
-	2,668,411	1,303,269	4,062,740
48,865	-	-	48,865
-	-	-	129,888
48,865	2,668,411	1,303,269	4,332,253
2,672	174,852	196,467	442,339
-	-	-	16,000
-	(1,000)	-	(1,000)
-	(1,000)	-	15,000
2,672	173,852	196,467	457,339
13,161	456,650	514,873	1,325,468
\$ 15,833	\$ 630,502	\$ 711,340	\$ 1,782,807

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Law Library Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts			
	Original	Final	Actual	
Revenues:				
General property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	7,000	7,000	7,735	735
Permits, privilege fees and licenses	-	-	-	-
Revenue from the use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental	-	-	-	-
Total revenues	7,000	7,000	7,735	735
Expenditures:				
Judicial administration	7,000	39,298	2,920	36,378
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	7,000	39,298	2,920	36,378
Revenues over (under) expenditures	-	(32,298)	4,815	37,113
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	(32,298)	4,815	37,113
Fund balance, beginning of year	32,298	32,298	32,298	-
Fund balance, end of year	\$ 32,298	\$ -	\$ 37,113	\$ 37,113

Stormwater Ordinance Fund				Drug Seizures Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	66,148	83,900	17,752	-	-	-	-
-	-	-	-	-	-	16	16
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	67,345	50,432	(16,913)	2,000	2,000	21,391	19,391
-	133,493	134,332	839	2,000	2,000	21,407	19,407
-	-	-	-	-	-	-	-
-	-	-	-	-	19,202	2,983	16,219
-	-	-	-	2,000	24,234	5,426	18,808
-	-	-	-	-	-	-	-
-	145,468	117,402	28,066	-	-	-	-
-	145,468	117,402	28,066	2,000	43,436	8,409	35,027
-	(11,975)	16,930	28,905	-	(41,436)	12,998	54,434
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(11,975)	16,930	28,905	-	(41,436)	12,998	54,434
-	-	-	-	41,436	41,436	41,436	-
\$ -	\$ (11,975)	\$ 16,930	\$ 28,905	\$ 41,436	\$ -	\$ 54,434	\$ 54,434



**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

	Courthouse Security Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	75,000	75,000	90,134	15,134
Permits, privilege fees and licenses	-	-	-	-
Revenue from the use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental	-	-	-	-
Total revenues	75,000	75,000	90,134	15,134
Expenditures:				
Judicial administration	75,000	120,105	84,857	35,248
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	75,000	120,105	84,857	35,248
Revenues over (under) expenditures	-	(45,105)	5,277	50,382
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	(45,105)	5,277	50,382
Fund balance, beginning of year	40,766	40,766	40,766	-
Fund balance, end of year	\$ 40,766	\$ (4,339)	\$ 46,043	\$ 50,382

Fire Programs Fund				Rehabilitation Projects Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	15	15	-	-	19	19
14,700	42,481	34,481	(8,000)	-	-	12,379	12,379
-	-	-	-	-	-	16,641	16,641
35,090	69,998	62,913	(7,085)	-	-	-	-
49,790	112,479	97,409	(15,070)	-	-	29,039	29,039
-	-	-	-	-	-	-	-
49,790	192,799	85,634	107,165	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	12,379	12,486	(107)
49,790	192,799	85,634	107,165	-	12,379	12,486	(107)
-	(80,320)	11,775	92,095	-	(12,379)	16,553	28,932
-	16,000	16,000	-	-	-	-	-
-	-	-	-	-	-	-	-
-	16,000	16,000	-	-	-	-	-
-	(64,320)	27,775	92,095	-	(12,379)	16,553	28,932
55,730	55,730	55,730	-	170,554	170,554	170,554	-
\$ 55,730	\$ (8,590)	\$ 83,505	\$ 92,095	\$ 170,554	\$ 158,175	\$ 187,107	\$ 28,932

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

Captains Cove Greenbackville Mosquito Control Fund			
	Budgeted Amounts		Variance From Final Budget Positive (Negative)
	Original	Final	Actual
Revenues:			
General property taxes	\$ 52,500	\$ 52,500	\$ 51,537
Other local taxes	-	-	-
Permits, privilege fees and licenses	-	-	-
Revenue from the use of money and property	-	-	-
Miscellaneous	-	-	-
Recovered costs	-	-	-
Intergovernmental	-	-	-
Total revenues	52,500	52,500	51,537
Expenditures:			
Judicial administration	-	-	-
Public safety	-	-	-
Health and welfare	52,500	65,661	48,865
Community development	-	-	-
Total expenditures	52,500	65,661	48,865
Revenues over (under) expenditures	-	(13,161)	2,672
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in fund balance	-	(13,161)	2,672
Fund balance, beginning of year	13,161	13,161	13,161
Fund balance, end of year	\$ 13,161	\$ -	\$ 15,833

Consolidated EMS Fund				Consolidated Fire & Rescue Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 2,610,668	\$ 2,594,897	\$ 2,754,066	\$ 159,169	\$ 1,453,563	\$ 1,444,802	\$ 1,458,553	\$ 13,751
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	3,885	3,885	-	-	-	-
-	-	-	-	-	-	-	-
64,964	84,964	85,312	348	41,188	41,188	41,183	(5)
2,675,632	2,679,861	2,843,263	163,402	1,494,751	1,485,990	1,499,736	13,746
-	-	-	-	-	-	-	-
2,718,718	2,747,860	2,668,411	79,449	1,494,751	1,675,739	1,303,269	372,470
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,718,718	2,747,860	2,668,411	79,449	1,494,751	1,675,739	1,303,269	372,470
(43,086)	(67,999)	174,852	242,851	-	(189,749)	196,467	386,216
-	-	-	-	-	-	-	-
-	(1,000)	(1,000)	-	-	-	-	-
-	(1,000)	(1,000)	-	-	-	-	-
(43,086)	(68,999)	173,852	242,851	-	(189,749)	196,467	386,216
456,650	456,650	456,650	-	514,873	514,873	514,873	-
\$ 413,564	\$ 387,651	\$ 630,502	\$ 242,851	\$ 514,873	\$ 325,124	\$ 711,340	\$ 386,216

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

**Exhibit 22**  
**Page 4**

	Total Nonmajor Governmental Funds			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ 4,116,731	\$ 4,092,199	\$ 4,264,156	\$ 171,957
Other local taxes	82,000	82,000	97,869	15,869
Permits, privilege fees and licenses	-	66,148	83,900	17,752
Revenue from the use of money and property	-	-	50	50
Miscellaneous	14,700	42,481	50,745	8,264
Recovered costs	-	-	16,641	16,641
Intergovernmental	143,242	265,495	261,231	(4,264)
Total revenues	4,356,673	4,548,323	4,774,592	226,269
Expenditures:				
Judicial administration	82,000	178,605	90,760	87,845
Public safety	4,265,259	4,640,632	4,062,740	577,892
Health and welfare	52,500	65,661	48,865	16,796
Community development	-	157,847	129,888	27,959
Total expenditures	4,399,759	5,042,745	4,332,253	710,492
Revenues over (under) expenditures	(43,086)	(494,422)	442,339	936,761
Other financing sources (uses):				
Transfers in	-	16,000	16,000	-
Transfers out	-	(1,000)	(1,000)	-
Total other financing sources (uses)	-	15,000	15,000	-
Net changes in fund balance	(43,086)	(479,422)	457,339	936,761
Fund balance, beginning of year	1,325,468	1,325,468	1,325,468	-
Fund balance, end of year	\$ 1,282,382	\$ 846,046	\$ 1,782,807	\$ 936,761

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY DEBT SERVICE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 23**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 3,815,351	\$ 3,797,828	\$ 3,882,139	\$ 84,311
Intergovernmental	82,376	82,376	82,366	(10)
Total revenues	<u>3,897,727</u>	<u>3,880,204</u>	<u>3,964,505</u>	<u>84,301</u>
Expenditures:				
Debt Service:				
Principal	2,720,222	2,720,222	2,720,222	-
Interest and fiscal charges	1,463,921	1,463,921	1,457,816	6,105
Total expenditures	<u>4,184,143</u>	<u>4,184,143</u>	<u>4,178,038</u>	<u>6,105</u>
Revenues over (under) expenditures	<u>(286,416)</u>	<u>(303,939)</u>	<u>(213,533)</u>	<u>90,406</u>
Other financing sources (uses):				
Transfers in	<u>101,000</u>	<u>101,000</u>	<u>-</u>	<u>(101,000)</u>
Net changes in fund balance	(185,416)	(202,939)	(213,533)	(10,594)
Fund balance, beginning of year	1,616,021	1,616,021	1,616,021	-
Fund balance, end of year	<u>\$ 1,430,605</u>	<u>\$ 1,413,082</u>	<u>\$ 1,402,488</u>	<u>\$ (10,594)</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 24**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 2,635	\$ 2,635
Recovered costs	-	141,583	14,819	(126,764)
Intergovernmental	-	6,076,192	4,178,624	(1,897,568)
Total revenues	-	6,217,775	4,196,078	(2,021,697)
Expenditures:				
General government administration	110,000	352,067	245,001	107,066
Public safety	-	219,017	212,603	6,414
Public works	202,123	1,098,080	526,073	572,007
Parks and recreation	75,000	652,517	545,712	106,805
Community development	-	9,010,990	6,325,741	2,685,249
Total expenditures	387,123	11,332,671	7,855,130	3,477,541
Revenues over (under) expenditures	(387,123)	(5,114,896)	(3,659,052)	1,455,844
Other financing sources (uses):				
Transfers in	387,123	1,759,164	1,131,351	(627,813)
Net changes in fund balance	-	(3,355,732)	(2,527,701)	828,031
Fund balance, beginning of year	3,409,186	3,409,186	3,409,186	-
Fund balance, end of year	\$ 3,409,186	\$ 53,454	\$ 881,485	\$ 828,031

# Nonmajor Proprietary Funds

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

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



COUNTY OF ACCOMACK, VIRGINIA  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR PROPRIETARY FUNDS  
AT JUNE 30, 2015

Exhibit 25

	Business-type Activities - Enterprise Funds		
	Nonmajor Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
<b><u>Assets:</u></b>			
Current assets:			
Cash and investments	\$ 592,256	\$ 26,055	\$ 618,311
Accounts receivable (net of allowance for uncollectibles)	41,914	-	41,914
Total current assets	634,170	26,055	660,225
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Buildings	4,290	-	4,290
Improvements other than buildings	22,860	-	22,860
Machinery and equipment	4,733	13,388	18,121
Total capital assets	31,883	13,388	45,271
Total assets	666,053	39,443	705,496
<b><u>Liabilities:</u></b>			
Current liabilities:			
Accounts payable	30,238	5,805	36,043
Wages and benefits payable	-	2,228	2,228
Total current liabilities	30,238	8,033	38,271
<b><u>Net Position:</u></b>			
Net investment in capital assets	31,883	13,388	45,271
Unrestricted	603,932	18,022	621,954
Total net position	\$ 635,815	\$ 31,410	\$ 667,225

COUNTY OF ACCOMACK, VIRGINIA  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 NONMAJOR PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

Exhibit 26

	Business-type Activities - Enterprise Funds		
	Nonmajor		
	Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Operating revenues:			
Charges for services	\$ 270,507	\$ 53,942	\$ 324,449
Other operating revenue	-	3,457	3,457
Total operating revenues	270,507	57,399	327,906
Operating expenses:			
Personnel services and fringe benefits	-	8,357	8,357
Other operating expenses	225,327	38,177	263,504
Depreciation	18,007	2,425	20,432
Total operating expenses	243,334	48,959	292,293
Operating income (loss)	27,173	8,440	35,613
Changes in net position	27,173	8,440	35,613
Total net position, beginning of year	608,642	22,970	631,612
Total net position, end of year	\$ 635,815	\$ 31,410	\$ 667,225

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 27**

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		Total
	Water and Sewer Fund	Parks and Recreation Revolving Fund	
Cash flows from operating activities:			
Receipts from customers	\$ 260,742	\$ 53,941	\$ 314,683
Payments to suppliers	(251,994)	(38,466)	(290,460)
Payments to employees and benefits paid on behalf of employees	-	(8,031)	(8,031)
Other receipts	-	3,457	3,457
Net cash provided by (used for) operating activities	8,748	10,901	19,649
Net increase (decrease) in cash and cash equivalents	8,748	10,901	19,649
Cash and cash equivalents, beginning of year	583,508	15,154	598,662
Cash and cash equivalents, end of year	\$ 592,256	\$ 26,055	\$ 618,311
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 27,173	\$ 8,440	\$ 35,613
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	18,007	2,425	20,432
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(9,764)	-	(9,764)
Increase (Decrease) in accrued payroll costs	-	352	352
Increase (Decrease) in accounts payable	(26,668)	(316)	(26,984)
Total adjustments	(36,432)	36	(36,396)
Net cash provided by (used for) operating activities	\$ 8,748	\$ 10,901	\$ 19,649

# Agency Funds

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

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

COUNTY OF ACCOMACK, VIRGINIA  
 COMBINING STATEMENT OF NET POSITION  
 AGENCY FUNDS  
 AT JUNE 30, 2015

Exhibit 28

	Agency Funds			
	Special Welfare Fund	War Memorial Fund	Sheriff Canteen Fund	Total Agency Funds
<b><u>Assets:</u></b>				
Cash & investments held by Treasurer	\$ 39,204	\$ 3,044	\$ -	\$ 42,248
Cash & investments in custody of others	-	-	32,329	32,329
Total assets	<u>39,204</u>	<u>3,044</u>	<u>32,329</u>	<u>74,577</u>
<b><u>Liabilities:</u></b>				
Amounts held for social service clients	39,204	-	-	39,204
Amounts held for others	-	-	32,329	32,329
Amounts held for war memorial ceremonies	-	3,044	-	3,044
Total liabilities	<u>\$ 39,204</u>	<u>\$ 3,044</u>	<u>\$ 32,329</u>	<u>\$ 74,577</u>

COUNTY OF ACCOMACK, VIRGINIA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

Exhibit 29

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
<b>Special Welfare Fund:</b>				
<b><u>Assets:</u></b>				
Cash and investments	\$ 37,656	\$ 49,884	\$ 48,336	\$ 39,204
<b><u>Liabilities:</u></b>				
Amount held for social service clients	37,656	\$ 49,884	\$ 48,336	39,204
<b>War Memorial Fund:</b>				
<b><u>Assets:</u></b>				
Cash and investments	3,044	-	-	3,044
<b><u>Liabilities:</u></b>				
Amount held for War Memorial ceremonies	3,044	-	-	3,044
<b>Sheriff Canteen Fund:</b>				
<b><u>Assets:</u></b>				
Cash and investments	19,605	203,707	190,983	32,329
<b><u>Liabilities:</u></b>				
Amount held for others	19,605	203,707	190,983	32,329
<b>Totals-All Agency Funds:</b>				
<b><u>Assets:</u></b>				
Cash and investments	60,305	253,591	239,319	74,577
<b><u>Liabilities:</u></b>				
Amount held for social service clients	37,656	49,884	48,336	39,204
Amount held for others	19,605	203,707	190,983	32,329
Amount held for War Memorial ceremonies	3,044	-	-	3,044
Total Liabilities	\$ 60,305	\$ 253,591	\$ 239,319	\$ 74,577



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## **Discretely Presented Component Unit School Board**

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



COUNTY OF ACCOMACK, VIRGINIA  
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD  
STATEMENT OF NET POSITION  
AT JUNE 30, 2015

Exhibit 30

	Governmental Activities
<b><u>Assets:</u></b>	
Cash and investments	\$ 11,954,031
Accounts receivable, net	67,544
Due from other governmental entities	3,434,999
Capital Assets (net of accumulated depreciation):	
Land	974,862
Buildings	30,143,266
Improvements other than buildings	1,275,024
Machinery and equipment	2,647,889
Total assets	<u>50,497,615</u>
<b><u>Deferred Outflows of Resources:</u></b>	
Pension contributions subsequent to measurement date	3,954,021
Pension changes in proportion	493,000
Total deferred outflows of resources	<u>4,447,021</u>
<b><u>Liabilities:</u></b>	
Accounts payable	2,494,055
Wages and benefits payable	4,257,391
Unearned revenue	477,963
Noncurrent liabilities:	
Due within one year	2,001,737
Due in more than one year	44,979,120
Total liabilities	<u>54,210,266</u>
<b><u>Deferred Inflows of Resources:</u></b>	
Items relating to measurement of net pension liability	<u>7,040,635</u>
<b><u>Net Position:</u></b>	
Investment in capital assets	35,041,041
Unrestricted	(41,347,306)
Total net position	<u>\$ (6,306,265)</u>

COUNTY OF ACCOMACK, VIRGINIA  
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE, 30 2015

Exhibit 31

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Discretely Presented Component Unit-School Board:					
Governmental activities:					
Education	\$ 55,897,150	\$ 877,288	\$ 37,184,226	\$ -	\$ (17,835,636)
Total governmental activities	<u>\$ 55,897,150</u>	<u>\$ 877,288</u>	<u>\$ 37,184,226</u>	<u>\$ -</u>	<u>(17,835,636)</u>

General Revenues:	
Contribution from local government	18,509,079
Investment earnings	741
Miscellaneous	211,917
Total general revenues	<u>18,721,737</u>
Change in net position	886,101
Net position, beginning of year, as restated	<u>(7,192,366)</u>
Net position, end of year	<u>\$ (6,306,265)</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD**  
**BALANCE SHEET-GOVERNMENTAL FUNDS**  
**AT JUNE 30, 2015**

**Exhibit 32**

	Major Funds		Nonmajor Fund	Total Governmental Funds
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	
<b><u>Assets:</u></b>				
Cash and investments	\$ 10,312,400	\$ 149	\$ 1,641,482	\$ 11,954,031
Accounts receivable, net	67,544	-	-	67,544
Due from the Commonwealth	1,014,684	-	-	1,014,684
Due from the Federal Government	2,052,685	-	367,630	2,420,315
Total assets	<u>13,447,313</u>	<u>149</u>	<u>2,009,112</u>	<u>15,456,574</u>
<b><u>Liabilities:</u></b>				
Accounts payable	2,481,984	-	12,071	2,494,055
Wages and benefits payable	4,257,391	-	-	4,257,391
Unearned revenue	477,963	-	-	477,963
Total liabilities	<u>7,217,338</u>	<u>-</u>	<u>12,071</u>	<u>7,229,409</u>
<b><u>Fund Balances:</u></b>				
Restricted:				
Education	6,229,975	-	-	6,229,975
Capital Projects	-	149	-	149
Assigned:				
Food Services	-	-	1,997,041	1,997,041
Total fund balances	<u>6,229,975</u>	<u>149</u>	<u>1,997,041</u>	<u>8,227,165</u>
Total liabilities and fund balances	<u>\$ 13,447,313</u>	<u>\$ 149</u>	<u>\$ 2,009,112</u>	

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

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

Land	974,862	
Buildings, net of depreciation	51,318,523	
Improvements other than buildings, net of depreciation	1,275,024	
Machinery and equipment, net of depreciation	2,647,889	
School Board capital assets in primary government, net of depreciation	(21,175,257)	
Total capital assets		35,041,041

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

Items related to measurement of pension liability	(7,040,635)
---	-------------

Pension contributions subsequent to the measurement date will be a reduction to the net pension liability in the next fiscal year and, therefore, are not reported in the funds.

3,954,021

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

Compensated absences	(1,964,759)	
Net OPEB obligation	(880,000)	
Net termination benefit obligation	(1,164,481)	
Net pension liability-Nonprofessional Retirement Plan	(117,617)	
Net pension liability-VRS Teacher Retirement Plan	(42,854,000)	
Adjustment for changes in proportionate share of net pension liability	493,000	
Net adjustment		(46,487,857)
Total net position		<u>\$ (6,306,265)</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 33**

	Major Funds		Nonmajor Fund	Total
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	Governmental Funds
Revenues:				
Revenue from the use of money and property	\$ -	\$ -	\$ 741	\$ 741
Charges for services	130,457	-	453,142	583,599
Miscellaneous	211,917	-	-	211,917
Recovered costs	293,689	-	-	293,689
From the local government	16,668,344	-	-	16,668,344
From the Commonwealth	30,773,792	-	55,297	30,829,089
From the Federal Government	4,199,578	-	2,155,559	6,355,137
Total revenues	52,277,777	-	2,664,739	54,942,516
Expenditures:				
Education:				
Instruction	36,993,370	-	-	36,993,370
Administration of schools	1,242,263	-	-	1,242,263
Attendance and health services	1,459,208	-	-	1,459,208
Operation and maintenance services	5,057,089	-	-	5,057,089
Pupil transportation services	3,267,158	-	-	3,267,158
Technology Services	3,604,949	-	-	3,604,949
Food services	72,729	-	2,754,319	2,827,048
Total expenditures	51,696,766	-	2,754,319	54,451,085
Revenues over (under) expenditures	581,011	-	(89,580)	491,431
Net changes in fund balance	581,011	-	(89,580)	491,431
Fund balance, beginning of year	5,648,964	149	2,086,621	7,735,734
Fund balance, end of year	\$ 6,229,975	\$ 149	\$ 1,997,041	\$ 8,227,165
Net changes in fund balance per above				\$ 491,431

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

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

Capital asset expenditures	867,056
Depreciation on capital assets	(2,184,163)
Net adjustment	(1,317,107)

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

(13,182)

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.

1,840,735

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Change in deferred inflows of resources related to the measurement of the net pension liability (6,547,635)

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	(65,294)
Net OPEB obligation	(142,000)
Net termination benefit obligation	(302,252)
Net pension liability-Nonprofessional retirement plan	886,260
Net pension liability-VRS Teacher retirement plan	5,395,000
Change in deferred outflows of resources related to pensions-VRS Teacher retirement plan	707,610
Change in deferred outflows of resources related to pensions-Nonprofessional retirement plan	(47,465)
Net adjustment	6,431,859

Change in net position of governmental activities

\$ 886,101

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, 2015

Exhibit 34

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 125,000	\$ 125,000	\$ 130,457	\$ 5,457
Miscellaneous	194,000	194,000	211,917	17,917
Recovered costs	93,776	93,776	293,689	199,913
From the local government	16,668,344	16,668,344	16,668,344	-
From the Commonwealth	28,779,123	29,942,051	30,773,792	831,741
From the Federal Government	182,730	3,741,663	4,199,578	457,915
Total revenues	46,042,973	50,764,834	52,277,777	1,512,943
Expenditures:				
Education:				
Instruction	33,130,527	38,061,378	36,993,370	1,068,008
Administration of schools	1,189,284	1,189,284	1,242,263	(52,979)
Attendance and health services	1,481,212	1,486,212	1,459,208	27,004
Operation and maintenance services	5,783,475	5,783,475	5,057,089	726,386
Pupil transportation services	3,552,043	3,552,043	3,267,158	284,885
Technology services	2,563,006	2,563,006	3,604,949	(1,041,943)
Food services	-	-	72,729	(72,729)
Total expenditures	47,699,547	52,635,398	51,696,766	938,632
Revenues over (under) expenditures	(1,656,574)	(1,870,564)	581,011	2,451,575
Net changes in fund balance	(1,656,574)	(1,870,564)	581,011	2,451,575
Fund balance, beginning of year	5,648,964	5,648,964	5,648,964	-
Fund balance, end of year	\$ 3,992,390	\$ 3,778,400	\$ 6,229,975	\$ 2,451,575

COUNTY OF ACCOMACK, VIRGINIA  
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD  
STATEMENT OF FIDUCIARY NET POSITION-AGENCY FUNDS  
AT JUNE 30, 2015

Exhibit 35

	School Activities Fund
<b><u>Assets:</u></b>	
Cash and investments in custody of others	\$ 592,820
<b><u>Liabilities:</u></b>	
Amounts held for school activities	\$ 592,820

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, 2015

Exhibit 36

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
<b>School Activities Fund:</b>				
<u><b>Assets:</b></u>				
Cash and investments in custody of others	\$ 546,352	\$ 1,327,891	\$ 1,281,423	\$ 592,820
<u><b>Liabilities:</b></u>				
Amounts held for school activities	\$ 546,352	\$ 1,327,891	\$ 1,281,423	\$ 592,820

## **Nonmajor Discretely Presented Component Units**

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



**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS**  
**AT JUNE 30, 2015**

	Component Units				
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Fund	Greenbackville Harbor Committee
<b><u>Assets:</u></b>					
Cash and investments	\$ 811,109	\$ 281,094	\$ 64,327	\$ 50,182	\$ 39,443
Restricted cash and cash equivalents	212,295	-	-	-	-
Accounts receivables, net	158,763	-	-	-	-
Loan receivables	287,705	-	-	-	-
Due from other governmental entities	-	-	-	10,058	-
Prepaid expenses	18,855	-	-	-	-
Capital Assets (net of accumulated depreciation):					
Land	106,807	280,000	-	-	-
Buildings	26,438	660,250	-	-	-
Improvements other than buildings	71,412	-	36,465	-	-
Machinery and equipment	41,163	2,023	-	-	1,020
Construction in progress	-	52,919	-	-	-
Net pension asset	-	16,269	-	-	-
Total assets	1,734,547	1,292,555	100,792	60,240	40,463
<b><u>Deferred Outflows:</u></b>					
Pension contributions subsequent to measurement date	61,097	16,332	-	-	-
<b><u>Liabilities:</u></b>					
Accounts payable	78,696	-	446	1,075	-
Wages and benefits payable	6,861	20,063	-	-	-
Unearned revenues	167,602	-	10,592	-	-
Noncurrent liabilities:					
Due in more than one year-compensated absences	133,027	30,307	-	-	-
Due in more than one year-Net pension liability	88,896	-	-	-	-
Total liabilities	475,082	50,370	11,038	1,075	-
<b><u>Deferred Inflows:</u></b>					
Items related to measurement of net pension liability	197,011	64,979	-	-	-
<b><u>Net Position:</u></b>					
Net investment in capital assets	245,820	349,188	36,465	-	1,020
Restricted	500,000	273,820	-	-	-
Unrestricted	377,731	570,530	53,289	59,165	39,443
Total net position	\$ 1,123,551	\$ 1,193,538	\$ 89,754	\$ 59,165	\$ 40,463

**Exhibit 37**

Component Units	
Economic Development Authority	Total Nonmajor Discretely Presented Component Units
\$ 31,609	\$ 1,277,764
-	212,295
-	158,763
-	287,705
-	10,058
-	18,855
315,445	702,252
-	686,688
-	107,877
7,214	51,420
-	52,919
-	16,269
354,268	3,582,865
-	77,429
-	80,217
-	26,924
-	178,194
-	163,334
-	88,896
-	537,565
-	261,990
322,659	955,152
-	773,820
31,609	1,131,767
\$ 354,268	\$ 2,860,739

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Component Units			
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Fund
Operating revenues:				
Operating grants and contributions	\$ 90,101	\$ 48,599	\$ -	\$ -
Use of property	38,000	1,411	-	-
Charges for services	1,039,865	31,259	19,869	48,865
Miscellaneous	-	4,691	-	-
Recovered costs	-	-	-	-
Total operating revenues	<u>1,167,966</u>	<u>85,960</u>	<u>19,869</u>	<u>48,865</u>
Operating expenses:				
General and administration	129,522	-	-	-
Contractual services	-	67,433	8,107	67,469
Personnel	-	416,321	-	-
Materials and supplies	-	96,532	-	-
Other operating expenses	-	78,997	3,947	574
Project expenses	1,041,218	-	-	-
Depreciation	18,015	35,949	14,229	-
Total operating expenses	<u>1,188,755</u>	<u>695,232</u>	<u>26,283</u>	<u>68,043</u>
Operating income (loss)	<u>(20,789)</u>	<u>(609,272)</u>	<u>(6,414)</u>	<u>(19,178)</u>
Nonoperating revenues (expenses):				
Contributions from local government	90,424	470,799	-	-
Investment earnings	2,471	-	9	-
State grants	-	148,832	-	-
Gain (loss) on sale of assets	12,509	-	-	-
Total nonoperating revenues (expenses)	<u>105,404</u>	<u>619,631</u>	<u>9</u>	<u>-</u>
Changes in net position	84,615	10,359	(6,405)	(19,178)
Total net position, beginning of year, as restated	<u>1,038,936</u>	<u>1,183,179</u>	<u>96,159</u>	<u>78,343</u>
Total net position, end of year	<u>\$ 1,123,551</u>	<u>\$ 1,193,538</u>	<u>\$ 89,754</u>	<u>\$ 59,165</u>

**Exhibit 38**

Component Units		
Greenbackville Harbor Committee	Economic Development Authority	Total Nonmajor Discretely Presented Component Units
\$ -	\$ -	\$ 138,700
-	-	39,411
24,205	-	1,164,063
-	3,060	7,751
-	5,188	5,188
24,205	8,248	1,355,113
-	-	129,522
10,228	2,337	155,574
-	5,805	422,126
-	-	96,532
440	-	83,958
-	-	1,041,218
1,002	585	69,780
11,670	8,727	1,998,710
12,535	(479)	(643,597)
-	7,500	568,723
46	12	2,538
-	-	148,832
-	-	12,509
46	7,512	732,602
12,581	7,033	89,005
27,882	347,235	2,771,734
\$ 40,463	\$ 354,268	\$ 2,860,739

**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Exhibit 39**

	<u>Component Units</u>
	Economic Development Authority
Cash flows from operating activities:	
Receipts from customers	\$ 221
Payments to suppliers	(5,890)
Payments to employees and benefits paid on behalf of employees	(2,337)
Other receipts	8,248
Net cash provided by (used for) operating activities	<u>242</u>
Cash flows from noncapital financing activities:	
Operating subsidy from Primary Government	<u>7,500</u>
Cash flows from capital and related financing activities:	
Purchase of capital assets	<u>(7,799)</u>
Cash flows from investing activities:	
Interest income	<u>12</u>
Net increase (decrease) in cash and cash equivalents	(45)
Cash and cash equivalents at beginning of the year	31,654
Cash and cash equivalents at end of year	<u><u>31,609</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	(479)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Depreciation	585
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	221
Increase (decrease) in accounts payable	(85)
Total adjustments	<u>136</u>
Net cash provided by (used for) operating activities	<u><u>\$ 242</u></u>

## **Supporting Schedules**

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 12,353,937	\$ 12,358,937	\$ 12,472,572	\$ 113,635
Real and personal public service taxes	1,085,193	1,085,193	1,131,955	46,762
Personal property taxes	5,356,077	5,392,630	5,278,084	(114,546)
Machinery and tools taxes	1,892,797	1,282,986	1,645,170	362,184
Penalties - all taxes	280,000	280,000	299,481	19,481
Interest - all taxes	300,000	300,000	343,853	43,853
Total general property taxes	21,268,004	20,699,746	21,171,115	471,369
Other local taxes:				
Local sales and use taxes	3,700,887	3,700,887	3,579,831	(121,056)
Consumers' utility and consumption taxes	1,015,000	1,015,000	1,144,722	129,722
Public service corporation license taxes	75,000	75,000	64,247	(10,753)
Communications tax	1,055,762	1,055,762	1,025,176	(30,586)
Motor vehicle licenses	523,925	523,925	662,653	138,728
Bank stock taxes	30,000	30,000	43,839	13,839
Taxes on recordation and wills	250,000	250,000	264,318	14,318
Hotel and motel room taxes	525,000	525,000	568,029	43,029
Business, professional and occupational license taxes	60,000	60,000	54,030	(5,970)
Other local taxes	22,800	22,800	24,524	1,724
Total other local taxes	7,258,374	7,258,374	7,431,369	172,995
Permits, Privilege Fees and Licenses:				
Animal licenses	11,000	11,000	9,218	(1,782)
Building permits	183,000	183,000	247,593	64,593
Health department permits	26,000	26,000	29,180	3,180
Land use application fees	65,000	65,000	60,600	(4,400)
Zoning permits	25,000	25,000	28,697	3,697
Erosion & sediment control	20,000	20,000	7,760	(12,240)
Other licenses and permits	10,600	10,600	7,494	(3,106)
Total permits, privilege fees and licenses	340,600	340,600	390,542	49,942
Fines and forfeitures	75,000	75,000	65,622	(9,378)
Revenue from use of money and property:				
From use of money	-	-	10,469	10,469
From use of property	348,040	348,040	326,259	(21,781)
Total revenue from use of money and property	348,040	348,040	336,728	(11,312)
Charges for services:				
General government administration charges	210,433	210,433	239,130	28,697
Judicial administration charges	1,000	1,000	2,961	1,961
Public safety charges	65,055	65,055	87,368	22,313
Public works charges	65,000	65,000	77,467	12,467
Total charges for services	341,488	341,488	406,926	65,438
Miscellaneous revenue	-	75,000	178,322	103,322

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (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	\$ 21,800	\$ 51,800	\$ 119,747	\$ 67,947
Judicial administration	19,019	19,019	18,925	(94)
Public safety	33,708	33,708	23,261	(10,447)
Public works	3,000	143,000	130,182	(12,818)
Nondepartmental (Insurance recoveries)	-	33,809	31,352	(2,457)
Total recovered costs	77,527	281,336	323,467	42,131
Total revenue from local sources	29,709,033	29,419,584	30,304,091	884,507
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carrier's tax	8,000	8,000	14,085	6,085
Rolling stock tax	2,000	2,000	2,839	839
Mobile home titling tax	38,000	38,000	60,526	22,526
Tax on deeds (grantor)	70,000	70,000	77,029	7,029
Personal Property Tax Relief Act	2,866,680	2,866,680	2,866,347	(333)
Total noncategorical aid	2,984,680	2,984,680	3,020,826	36,146
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	338,839	348,403	331,236	(17,167)
Sheriff	2,509,348	2,421,963	2,420,090	(1,873)
Commissioner of the revenue	104,667	104,667	105,634	967
Treasurer	118,431	118,431	117,048	(1,383)
Registrar / electoral board	42,807	42,807	41,033	(1,774)
Clerk of circuit court	275,714	312,149	299,319	(12,830)
Jail	170,000	170,000	202,516	32,516
Total shared expenses	3,559,806	3,518,420	3,516,876	(1,544)
Other categorical aid:				
Litter control	-	20,239	13,881	(6,358)
"Four for Life" program	-	34,836	34,836	-
Juvenile crime control act	39,418	39,418	36,269	(3,149)
Victim / witness assistance grant	50,831	50,831	52,356	1,525
Community corrections grant	-	89,585	89,585	-
Emergency management assistance	-	-	45,608	45,608
Hazardous materials response grants	5,000	5,000	5,000	-
Other	4,000	6,611	10,328	3,717
Total other categorical aid	99,249	246,520	287,863	41,343
Total revenue from the Commonwealth	6,643,735	6,749,620	6,825,565	75,945
Revenue from the Federal Government:				
Payments in lieu of taxes	25,000	25,000	24,562	(438)



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (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: (continued)				
Noncategorical aid:				
Refuge revenue sharing	\$ 80,000	\$ 80,000	\$ 83,068	\$ 3,068
Indirect costs	31,000	31,000	50,858	19,858
Total noncategorical aid	111,000	111,000	133,926	22,926
Categorical aid:				
Summer food service program	-	138,921	121,516	(17,405)
Emergency management assistance	-	357,787	74,180	(283,607)
Homeland security related grants	-	24,125	36,878	12,753
Joint land use study grant	-	94,331	69,043	(25,288)
Selective enforcement grant	-	-	13,407	13,407
Emergency planning grant	-	18,250	18,250	-
Other	-	10,654	5,090	(5,564)
Total categorical aid	-	644,068	338,364	(305,704)
Total revenue from the Federal Government	136,000	780,068	496,852	(283,216)
Total General Fund	36,488,768	36,949,272	37,626,508	677,236
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous revenue	-	-	700	700
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Welfare	1,410,975	1,421,379	1,065,472	(355,907)
Revenue from the Federal Government:				
Categorical aid:				
Welfare	1,850,433	1,857,493	2,052,156	194,663
Total categorical aid	1,850,433	1,857,493	2,052,156	194,663
Total Virginia Public Assistance Fund	3,261,408	3,278,872	3,118,328	(160,544)
Comprehensive Youth Services Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From Northampton County	100,274	100,274	151,317	51,043
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act pooled services grants	895,044	895,044	795,302	(99,742)
Comprehensive Services Act Trust Fund grant	19,621	19,621	19,620	(1)
Total categorical aid from the Commonwealth	914,665	914,665	814,922	(99,743)
Revenue from the Federal Government:				
Categorical aid:				
Comprehensive Services Act pooled services grants	-	-	23,276	23,276
Total Comprehensive Youth Services Fund	1,014,939	1,014,939	989,515	(25,424)

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

**Schedule 1**  
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Law Library Fund:				
Revenue from local sources:				
Other local taxes:				
Taxes on recordation and wills	\$ 7,000	\$ 7,000	\$ 7,735	\$ 735
Stormwater Ordinance Fund:				
Revenue from local sources:				
Permits, Privilege Fees and Licenses:				
Stormwater permits	-	66,148	83,900	17,752
Revenue from the Federal Government:				
Categorical aid:				
Stormwater development and implementation grant	-	67,345	50,432	(16,913)
Total Stormwater Ordinance Fund	-	133,493	134,332	839
Drug Seizures Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	16	16
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical Aid:				
Drug forfeitures and seizures	-	-	14,815	14,815
Revenue from the Federal Government:				
Categorical aid:				
Drug forfeitures and seizures	2,000	2,000	6,576	4,576
Total Drug Seizures Fund	2,000	2,000	21,407	19,407
Courthouse Security Fund:				
Revenue from local sources:				
Other local taxes:				
Court security fees	75,000	75,000	90,134	15,134
Total Courthouse Security Fund	75,000	75,000	90,134	15,134
Fire Programs Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	15	15
Miscellaneous revenue:				
Contributions	8,000	35,781	27,781	(8,000)
From Northampton County	6,700	6,700	6,700	-
Total miscellaneous revenue	14,700	42,481	34,481	(8,000)
Total revenue from local sources	14,700	42,481	34,496	(7,985)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical Aid:				
Fire programs grant	35,090	69,998	62,913	(7,085)
Total Fire Programs Fund	49,790	112,479	97,409	(15,070)

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (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)				
Rehabilitation Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	\$ -	\$ -	\$ 19	\$ 19
Miscellaneous revenue:				
From Truss-Tech	-	12,379	12,379	-
Recovered costs:				
Grant project income	-	-	16,641	16,641
Total revenue from local sources	-	12,379	29,039	16,660
Total Rehabilitation Projects Fund	-	12,379	29,039	16,660
Greenbackville - Captain's Cove Mosquito Control Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	51,500	51,500	50,689	(811)
Penalties - all taxes	500	500	360	(140)
Interest - all taxes	500	500	488	(12)
Total Greenbackville Mosquito Control Fund	52,500	52,500	51,537	(963)
Consolidated Emergency Medical Services Fund				
Revenue from local sources:				
General property taxes:				
Real property taxes	2,231,614	2,231,614	2,272,439	40,825
Public service taxes	177,625	177,625	254,003	76,378
Personal property taxes	111,510	111,510	122,508	10,998
Machinery and tools taxes	43,919	28,148	47,884	19,736
Penalties - all taxes	23,000	23,000	27,775	4,775
Interest - all taxes	23,000	23,000	29,457	6,457
Total general property taxes	2,610,668	2,594,897	2,754,066	159,169
Miscellaneous revenue:				
Other	-	-	3,885	3,885
Total revenue from local sources	2,610,668	2,594,897	2,757,951	163,054
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	64,964	64,964	65,312	348
Categorical Aid:				
Rescue squad assistance fund grant	-	20,000	20,000	-
Total revenue from the Commonwealth	64,964	84,964	85,312	348
Total Consolidated Emergency Medical Services Fund	2,675,632	2,679,861	2,843,263	163,402
Consolidated Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	1,188,917	1,188,917	1,212,266	23,349
Public service taxes	99,758	99,758	103,384	3,626
Personal property taxes	88,012	88,012	78,499	(9,513)
Machinery and tools taxes	27,876	19,115	29,729	10,614
Penalties - all taxes	20,000	20,000	15,607	(4,393)
Interest - all taxes	29,000	29,000	19,068	(9,932)
Total revenue from local sources	1,453,563	1,444,802	1,458,553	13,751

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (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)				
Consolidated Fire and Rescue Fund: (continued)				
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	\$ 41,188	\$ 41,188	\$ 41,183	\$ (5)
Total Consolidated Fire and Rescue Fund	1,494,751	1,485,990	1,499,736	13,746
Total Special Revenue Funds	8,633,020	8,854,513	8,882,435	27,922
Capital Projects Funds:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	-	-	2,635	2,635
Recovered costs:				
From Hazard mitigation grant homeowners	-	114,141	14,819	(99,322)
From Quinby Boat Harbor Committee	-	27,442	-	(27,442)
Total recovered costs	-	141,583	14,819	(126,764)
Total revenue from local sources	-	141,583	17,454	(124,129)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Harbor improvement grants	-	446,075	408,048	(38,027)
Hazard mitigation project	-	388,509	7,342	(381,167)
Transportation Partnership Opportunity Fund grant	-	3,735,700	3,735,700	-
Total revenue from the Commonwealth	-	4,570,284	4,151,090	(419,194)
Revenue from the Federal Government:				
Categorical aid:				
Harbor improvement grants	-	49,000	-	(49,000)
Hazard mitigation project	-	1,456,908	27,534	(1,429,374)
Total revenue from the Federal Government	-	1,505,908	27,534	(1,478,374)
Total County Capital Projects Fund	-	6,217,775	4,196,078	(2,021,697)
Debt Service Funds:				
County Debt Service Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	3,242,490	3,242,490	3,287,798	45,308
Public service taxes	269,984	269,984	279,788	9,804
Personal property taxes	167,325	167,325	165,959	(1,366)
Machinery and tools taxes	54,552	37,029	59,413	22,384
Penalties - all taxes	38,000	38,000	40,265	2,265
Interest - all taxes	43,000	43,000	48,916	5,916
Total revenue from local sources	3,815,351	3,797,828	3,882,139	84,311
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	82,376	82,376	82,366	(10)
Total County Debt Service Fund	3,897,727	3,880,204	3,964,505	84,301
Total revenue-Primary Government	49,019,515	55,901,764	54,669,526	(1,232,238)

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

**Schedule 1**  
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit:				
School Operating Fund:				
Revenue from local sources:				
Charges for services:				
Tuition	\$ 25,000	\$ 25,000	\$ 23,130	\$ (1,870)
Health services	100,000	100,000	107,327	7,327
Total charges for services	125,000	125,000	130,457	5,457
Miscellaneous revenue:				
Miscellaneous	194,000	194,000	211,917	17,917
Recovered costs:				
Project Graduation - Portsmouth	11,909	11,909	11,909	-
Dual enrollment	-	-	77,846	77,846
Miscellaneous	81,867	81,867	203,934	122,067
Total recovered costs	93,776	93,776	293,689	199,913
Revenue from local government:				
Contribution from Accomack County, Virginia	16,668,344	16,668,344	16,668,344	-
Total revenue from local sources	17,081,120	17,081,120	17,304,407	223,287
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Sales tax contribution	4,763,373	4,763,373	4,766,468	3,095
Basic school aid	14,772,778	14,772,778	15,053,333	280,555
Education of the gifted	149,458	149,458	151,846	2,388
Remedial education	874,064	874,064	903,355	29,291
Special education	2,060,616	2,060,616	2,093,542	32,926
School breakfast	305,976	305,976	310,865	4,889
Vocational education	461,095	461,095	468,462	7,367
Social Security	953,989	953,989	969,233	15,244
Retirement	1,942,957	1,942,957	1,974,004	31,047
Group life insurance	60,419	60,419	61,385	966
Governor's School	7,101	7,101	7,101	-
Special Education - homebound	25,551	25,551	24,932	(619)
Special Education - private tuition	12,101	12,101	15,230	3,129
Vocational education-equipment	-	-	9,155	9,155
Vocational education-occupational	64,145	64,145	59,751	(4,394)
Industry based certification	5,000	5,000	6,585	1,585
At risk	1,187,856	1,187,856	1,206,795	18,939
Trans courses	15,717	15,717	15,717	-
Four year old preschool program	407,009	407,009	460,173	53,164
Mentor teacher program	8,585	8,585	6,099	(2,486)
English as a second language	588,940	588,940	525,510	(63,430)
K-3 initiative	-	720,039	720,039	-
Educational technology grant	-	336,000	617,053	281,053
Reading intervention	112,393	112,393	122,611	10,218
Career prep academy	-	-	116,159	116,159
SOL algebra readiness	-	106,889	106,889	-
Other	-	-	1,500	1,500
Total revenue from the Commonwealth	28,779,123	29,942,051	30,773,792	831,741

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (continued)**

**Schedule 1**  
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit: (continued)				
School Operating Fund: (continued)				
Revenue from the Federal Government:				
Categorical aid:				
Vocational Education	\$ 182,730	\$ 182,730	\$ 164,831	\$ (17,899)
Title I-Migrant education	-	229,479	351,559	122,080
Title I-School improvement	-	1,809,934	2,131,044	321,110
Title II	-	289,010	305,886	16,876
Title III	-	85,647	56,706	(28,941)
Title VI	-	90,137	129,946	39,809
Title VI-B Special Education	-	1,049,726	1,058,198	8,472
Title X	-	5,000	1,408	(3,592)
Total revenue from the Federal Government	182,730	3,741,663	4,199,578	457,915
Total School Operating Fund	46,042,973	50,764,834	52,277,777	1,512,943
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	741	741
Charges for services:				
Meal charges	570,000	570,000	453,142	(116,858)
Total revenue from local sources	570,000	570,000	453,883	(116,117)
Revenue from the Commonwealth:				
Categorical aid:				
School food payments	60,544	60,544	55,297	(5,247)
Revenue from the Federal Government:				
Categorical aid:				
School food payments	2,150,000	2,150,000	2,155,559	5,559
Total School Cafeteria Fund	2,780,544	2,780,544	2,664,739	(115,805)
Total Special Revenue Funds	48,823,517	53,545,378	54,942,516	1,397,138
Total revenue-School Board Component Unit	48,823,517	53,545,378	54,942,516	1,397,138
Grand total revenue-Primary Government and School Board Component Unit	\$ 97,843,032	\$ 109,447,142	\$ 109,612,041	\$ 164,899

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Schedule 2**  
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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 147,743	\$ 147,743	\$ 108,031	\$ 39,712
General and financial administration:				
County administrator	518,543	520,063	517,015	3,048
Human Resources	25,853	25,930	-	25,930
Legal services	234,685	260,090	265,736	(5,646)
Commissioner of the revenue	292,913	293,825	282,201	11,624
County assessor	683,661	571,946	518,414	53,532
Treasurer	554,133	545,076	495,333	49,743
Finance	498,597	421,048	390,157	30,891
Information technology	566,655	624,842	580,542	44,300
Risk management	210,650	232,117	231,606	511
Total general and financial administration	3,585,690	3,494,937	3,281,004	213,933
Board of elections:				
Electoral board	48,628	48,628	28,907	19,721
Registrar	135,496	135,853	121,662	14,191
Total board of elections	184,124	184,481	150,569	33,912
Total general government administration	3,917,557	3,827,161	3,539,604	287,557
Judicial administration:				
Courts:				
Circuit court	85,547	85,824	84,766	1,058
General district court	9,971	11,471	10,930	541
Chief magistrate	16,938	16,979	12,321	4,658
Juvenile and domestic relations court	13,650	13,650	8,901	4,749
Clerk of the circuit court	415,057	452,531	436,354	16,177
Sheriff court services	421,852	422,986	361,734	61,252
Commissioner of accounts	214	214	-	214
Victim and witness assistance	60,283	60,517	59,521	996
Total courts	1,023,512	1,064,172	974,527	89,645
Commonwealth's attorney	410,630	420,984	421,727	(743)
Total judicial administration	1,434,142	1,485,156	1,396,254	88,902
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,083,385	2,352,082	2,327,745	24,337
Fire and rescue services:				
Volunteer fire and rescue	271,860	277,110	221,458	55,652
Emergency medical services	210,775	211,361	206,027	5,334
Payments to 911 commission	558,611	595,164	583,936	11,228
Total fire and rescue services	1,041,246	1,083,635	1,011,421	72,214
Correction and detention:				
Jail	2,133,117	1,910,667	1,901,924	8,743
Juvenile probation	137,997	138,261	121,880	16,381
Community correction	-	89,585	89,584	1
Total correction and detention	2,271,114	2,138,513	2,113,388	25,125

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (Continued)**

**Schedule 2**  
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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Public safety: (continued)				
Other protection:				
Building and zoning	\$ 498,620	\$ 418,397	\$ 364,338	\$ 54,059
Ordinance Enforcement	62,180	62,369	54,436	7,933
Animal control	101,143	109,758	107,982	1,776
Regional animal control facility	110,720	110,654	76,382	34,272
S.P.C.A. supplement	921	921	1,200	(279)
Emergency management	79,530	170,092	144,095	25,997
Medical examiner	-	2,950	3,867	(917)
E.S. Coalition Against Domestic Violence supplement	10,000	15,000	15,000	-
Cleanup/disposal of hazardous materials	13,000	21,461	15,456	6,005
Total other protection	876,114	911,602	782,756	128,846
Total public safety	6,271,859	6,485,832	6,235,310	250,522
Public works:				
Maintenance of streets, bridges and sidewalks:				
Storm drainage	183,935	295,143	93,194	201,949
Sanitation and waste removal:				
General operations	188,193	189,027	198,591	(9,564)
Refuse disposal	1,000,000	1,000,000	987,300	12,700
Refuse collection	602,207	565,868	550,223	15,645
Maintenance garage	180,210	362,192	353,690	8,502
Litter control	265,803	287,614	277,986	9,628
Total sanitation and waste removal	2,236,413	2,404,701	2,367,790	36,911
Maintenance of buildings and grounds:				
Buildings and grounds	1,144,413	1,417,227	1,225,067	192,160
Total public works	3,564,761	4,117,071	3,686,051	431,020
Health and welfare:				
Health:				
Local health department supplement	500,833	500,833	500,833	-
Rural health dental program supplement	4,971	4,971	4,971	-
Total health	505,804	505,804	505,804	-
Mental health and mental retardation:				
Community services board supplement	134,995	134,995	134,995	-
Welfare:				
Property tax relief for seniors and disabled veterans	134,525	134,525	134,804	(279)
Area agency on aging supplement	23,430	23,430	18,430	5,000
Total welfare	157,955	157,955	153,234	4,721
Total health and welfare	798,754	798,754	794,033	4,721
Education:				
Contribution to School Board component unit	16,668,344	16,668,344	16,668,344	-
Community College supplement	263,028	263,028	41,028	222,000
Total education	16,931,372	16,931,372	16,709,372	222,000



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (Continued)**

**Schedule 2**  
**Page 3 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	\$ 313,100	\$ 317,191	\$ 293,560	\$ 23,631
Summer food program	-	138,921	114,752	24,169
Boating facilities	44,991	104,991	76,270	28,721
Total parks and recreation	358,091	561,103	484,582	76,521
Cultural enrichment:				
Translator television	74,457	74,457	49,555	24,902
Contribution to Public Library component unit	345,907	345,907	345,907	-
Total cultural enrichment	420,364	420,364	395,462	24,902
Total parks, recreation and cultural	778,455	981,467	880,044	101,423
Community development:				
Planning and community development:				
Contribution to Planning Dist. Commission component unit	70,703	70,703	70,703	-
E.S. of VA Housing Alliance supplement	9,215	9,215	9,215	-
Contribution to Economic Dev. Authority component unit	7,500	7,500	7,500	-
Planning	599,155	492,363	460,117	32,246
Tourism Commission supplement	86,853	92,528	92,528	-
Wallops Research Park	40,000	164,416	131,931	32,485
Star Transit public transportation supplement	124,867	156,000	156,000	-
Transportation District Commission supplement	19,307	19,307	18,665	642
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	962,207	1,016,639	951,266	65,373
Environmental management:				
Johnsongrass/gypsy moth control program	12,166	12,166	11,677	489
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	-
Resource Conservation and Dev. Council supplement	10,183	9,999	9,999	-
Total environmental management	63,224	63,040	62,551	489
Cooperative extension program	91,666	93,277	88,671	4,606
Total community development	1,117,097	1,172,956	1,102,488	70,468
Nondepartmental:				
Contingency	187,687	-	-	-
Annual required contribution for post-employment benefits	54,770	1,665	-	1,665
Contingency	242,457	1,665	-	1,665
Debt service:				
Principal	623,600	623,600	623,600	-
Interest and fiscal charges	146,968	146,968	144,416	2,552
Total debt service	770,568	770,568	768,016	2,552
Total General Fund	35,827,022	36,572,002	35,111,172	1,460,830

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (Continued)**

**Schedule 2**  
**Page 4 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare/social services:				
Welfare administration	\$ 3,127,017	\$ 3,150,147	\$ 3,111,351	\$ 38,796
Public assistance	656,423	643,623	552,795	90,828
Local only administration	35,956	54,786	113,518	(58,732)
CDC quality initiative program	10,558	10,558	9,837	721
Guardian fees administration	5,000	5,000	-	5,000
Service pass-through	150,565	150,565	-	150,565
Total welfare/social services	3,985,519	4,014,679	3,787,501	227,178
Comprehensive Youth Services Fund:				
Health and welfare:				
Welfare:				
CSA pooled services for youth and families	1,386,450	1,347,572	1,277,266	70,306
Total welfare	1,386,450	1,347,572	1,277,266	70,306
Law Library Fund:				
Judicial administration:				
Courts:				
Law library books	7,000	39,298	2,920	36,378
Stormwater Ordinance Fund:				
Community development:				
Environmental management:				
Stormwater ordinance	-	145,468	117,402	28,066
Drug Seizures Fund:				
Judicial administration:				
Commonwealth's attorney	-	19,202	2,983	16,219
Public safety:				
Law enforcement and traffic control:				
Sheriff	2,000	24,234	5,426	18,808
Total drug seizures fund	2,000	43,436	8,409	35,027
Fire Programs Fund:				
Public safety:				
Fire and rescue services:				
Payments to fire companies	24,000	24,000	30,000	(6,000)
Fire training center and other	25,790	168,799	55,634	113,165
Total fire and rescue services	49,790	192,799	85,634	107,165
Rehabilitation Projects Fund:				
Community development:				
Planning and community development:				
CDBG program income costs	-	-	106	(106)
Truss Tech Grant	-	12,379	12,380	(1)
Total planning and community development	-	12,379	12,486	(107)
Captains Cove/Greenbackville Mosquito Control				
Health and welfare:				
Health:				
Contribution to mosquito control commission	52,500	65,661	48,865	16,796
Consolidated Emergency Medical Services:				
Public safety:				
Fire and Rescue Services:				
Emergency Medical Services	2,718,718	2,747,860	2,668,411	79,449

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (Continued)**

**Schedule 2**  
**Page 5 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Consolidated Fire and Rescue Services:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	\$ 1,494,751	\$ 1,675,739	\$ 1,303,269	\$ 372,470
Courthouse Security Fund:				
Judicial administration:				
Courts:				
Court security	75,000	120,105	84,857	35,248
Total Special Revenue Funds	9,771,728	10,404,996	9,397,020	1,007,976
Capital Project Funds:				
County Capital Projects Fund:				
General government administration:				
Software upgrades	-	57,603	-	57,603
VOIP telephone system	-	72,764	23,844	48,920
Voting equipment	110,000	221,700	221,157	543
Total general government administration	110,000	352,067	245,001	107,066
Public safety:				
Sheriff's office addition	-	219,017	212,603	6,414
Total public safety	-	219,017	212,603	6,414
Public works:				
Graingeville convenience center construction	-	691,307	264,929	426,378
Chincoteague convenience center improvements	145,123	249,773	257,322	(7,549)
Tasley convenience center improvements	57,000	57,000	3,822	53,178
Building improvements	-	100,000	-	100,000
Total public works	202,123	1,098,080	526,073	572,007
Parks, recreation and cultural				
Quinby Harbor boating facilities	-	284,767	312,190	(27,423)
Pitt's Creek improvements	-	49,000	11,841	37,159
Harborton barge facilities	75,000	318,750	221,681	97,069
Total parks, recreation and cultural	75,000	652,517	545,712	106,805
Community development:				
Hazard mitigation grant	-	1,959,558	54,667	1,904,891
Wallops research park	-	7,051,432	6,271,074	780,358
Total community development	-	9,010,990	6,325,741	2,685,249
Total County capital projects fund	387,123	11,332,671	7,855,130	3,477,541
Debt Service Funds:				
County Debt Service Fund:				
Debt Service:				
Principal	2,720,222	2,720,222	2,720,222	-
Interest and fiscal charges	1,463,921	1,463,921	1,457,816	6,105
Total County Debt Service Fund	4,184,143	4,184,143	4,178,038	6,105
Total expenditures-Primary Government	50,170,016	62,493,812	56,541,360	5,952,452

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (Continued)**

**Schedule 2**  
**Page 6 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit:				
School Operating Fund:				
Education:				
Instruction Costs:				
Classroom instruction	\$26,086,887	\$30,780,278	\$ 29,601,215	\$ 1,179,063
Guidance services	1,233,662	1,233,662	1,227,225	6,437
Homebound instruction	114,448	114,448	91,760	22,688
Improvement of instruction	\$1,565,651	\$1,803,111	1,883,965	(80,854)
Media services	822,756	822,756	694,489	128,267
Office of the principal	3,307,123	3,307,123	3,494,716	(187,593)
Total instruction costs	33,130,527	38,061,378	36,993,370	1,068,008
Administration of schools:				
Board services	58,137	58,137	64,631	(6,494)
Executive administration services	446,933	446,933	451,139	(4,206)
Personnel services	280,163	280,163	260,773	19,390
Fiscal services	404,051	404,051	465,720	(61,669)
Total administration of schools	1,189,284	1,189,284	1,242,263	(52,979)
Attendance and health services:				
Attendance services	133,458	138,458	93,466	44,992
Health services	690,781	690,781	893,988	(203,207)
Psychological services	251,500	251,500	168,251	83,249
Speech/audiology services	405,473	405,473	303,503	101,970
Total attendance and health services	1,481,212	1,486,212	1,459,208	27,004
Operation and maintenance services:				
Management and direction	126,617	126,617	155,312	(28,695)
Building services	\$5,464,423	\$5,464,423	4,627,119	837,304
Grounds services	136,126	136,126	118,457	17,669
Equipment services	9,809	9,809	2,983	6,826
Vehicle services (other than pupil transportation)	46,500	46,500	153,218	(106,718)
Total operation and maintenance services	5,783,475	5,783,475	5,057,089	726,386
Pupil transportation services:				
Management and direction	94,321	94,321	142,364	(48,043)
Vehicle operation services	\$2,944,947	\$2,944,947	2,656,882	288,065
Vehicle maintenance services	512,775	512,775	467,912	44,863
Total pupil transportation services	3,552,043	3,552,043	3,267,158	284,885
Food Services:				
Food services	-	-	72,729	(72,729)
Technology services:				
Classroom instruction	\$1,784,540	\$1,784,540	2,333,787	(549,247)
Classroom support	-	-	223,710	(223,710)
Instructional support	773,466	773,466	1,040,132	(266,666)
Administration	5,000	5,000	3,995	1,005
Attendance and health	-	-	3,325	(3,325)
Total technology services	2,563,006	2,563,006	3,604,949	(1,041,943)
Total school operating fund	47,699,547	52,635,398	51,696,766	938,632

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015 (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)				
School Cafeteria Fund:				
Education:				
School Food Services:				
Operating costs	\$ 2,780,544	\$ 2,780,544	\$ 2,754,319	\$ 26,225
Total expenditures-School Board Component Unit	50,480,091	55,415,942	54,451,085	964,857
Grand total expenditures-Primary Government and School Board Component Unit	\$ 100,650,107	\$ 117,909,754	\$ 110,992,445	\$ 6,917,309

## **Statistical Section**



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# Statistical Section

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	174
These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	178
These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	184
These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future. <b>Note that no legal debt margin information is presented as the Code of Virginia only sets legal debt limits for towns and cities. Counties have no legal debt limit imposed by law. Also note that pledged revenue information is not presented as the County has not issued any revenue backed debt.</b>	
<b>Demographic and Economic Information</b>	186
These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.	
<b>Operating Information</b>	188
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.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from comprehensive annual financial reports for the relevant year.



**COUNTY OF ACCOMACK, VIRGINIA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS<sup>1</sup>**  
(accrual basis of accounting)

**Table 1**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Net investment in capital assets	\$ 4,996,030	\$ 5,695,836	\$ 5,309,326	\$ 4,553,418	\$ 3,495,270	\$ 2,465,664	\$ 2,537,440	\$ 3,943,220	\$ 6,875,692	\$12,266,262
Restricted	1,318,113	2,006,864	1,517,064	1,362,128	859,741	1,389,519	1,337,183	1,101,726	2,426,616	2,473,955
Unrestricted	9,155,264	8,676,001	6,991,452	5,749,276	11,496,365	15,554,168	16,447,789	15,455,876	14,182,780	12,746,931
Total governmental activities net position	<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>	<u>\$19,409,351</u>	<u>\$20,322,412</u>	<u>\$20,500,822</u>	<u>\$23,485,088</u>	<u>\$27,487,148</u>
Business-type activities:										
Net investment in capital assets	\$ 1,749,947	\$ 2,254,741	\$ 2,994,885	\$ 2,960,129	\$ 2,441,845	\$ 2,108,712	\$ 1,542,541	\$ 5,334,897	\$ 6,902,698	\$ 7,817,113
Unrestricted	(3,198,558)	(2,809,545)	(3,617,763)	(3,218,137)	(2,832,415)	(2,436,917)	(1,696,621)	(1,164,425)	(1,713,962)	(2,054,143)
Total business-type activities net position	<u>\$ (1,448,611)</u>	<u>\$ (554,804)</u>	<u>\$ (622,878)</u>	<u>\$ (258,008)</u>	<u>\$ (390,570)</u>	<u>\$ (328,205)</u>	<u>\$ (154,080)</u>	<u>\$ 4,170,472</u>	<u>\$ 5,188,736</u>	<u>\$ 5,762,970</u>
Primary government:										
Net investment in capital assets	\$ 6,745,977	\$ 7,950,577	\$ 8,304,211	\$ 7,513,547	\$ 5,937,115	\$ 4,574,376	\$ 4,079,981	\$ 9,278,117	\$13,778,390	\$20,083,375
Restricted	1,318,113	2,006,864	1,517,064	1,362,128	859,741	1,389,519	1,337,183	1,101,726	2,426,616	2,473,955
Unrestricted	5,956,706	5,866,456	3,373,689	2,531,139	8,663,950	13,117,251	14,751,168	14,291,451	12,468,818	10,692,788
Total primary government net position	<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>	<u>\$19,081,146</u>	<u>\$20,168,332</u>	<u>\$24,671,294</u>	<u>\$28,673,824</u>	<u>\$33,250,118</u>

<sup>1</sup> This table reports financial information based on the accrual basis of accounting.

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

**Table 2**  
**Page 1 of 2**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Primary Government:</b>										
<b>Expenses</b>										
Governmental activities:										
General government administration	\$ 2,778,205	\$ 3,721,445	\$ 3,580,942	\$ 3,384,895	\$ 3,442,672	\$ 3,176,953	\$ 3,339,183	\$ 3,585,175	\$ 3,498,049	\$ 3,530,381
Judicial administration	1,314,413	1,445,432	1,527,924	1,611,685	1,513,759	1,541,877	1,442,643	1,573,104	1,557,904	1,523,767
Public safety	7,096,501	8,180,462	8,789,314	9,328,794	8,958,985	8,982,920	9,141,427	10,579,063	10,083,890	10,051,732
Public works	3,252,085	3,236,614	3,454,908	3,390,696	3,416,523	3,303,409	3,382,833	3,721,236	3,586,061	3,879,310
Health and welfare	8,260,567	8,013,244	8,086,910	8,145,021	7,491,729	5,652,391	5,681,716	5,839,666	5,719,077	5,899,788
Education	17,405,759	16,228,512	16,641,938	17,749,642	17,431,304	18,095,238	18,511,045	18,475,654	18,708,789	19,091,856
Parks, recreation and cultural	954,097	888,283	1,017,040	889,457	901,358	1,038,188	1,037,589	1,014,589	961,633	894,436
Community development	2,113,031	1,508,436	2,525,015	3,405,964	1,832,561	1,657,666	4,106,234	1,430,468	1,599,584	1,577,928
Interest on long-term debt	2,299,638	2,401,860	2,336,032	2,218,681	2,178,880	2,042,318	1,927,969	1,700,378	1,761,930	1,539,381
Total governmental activities expenses	45,474,296	45,624,288	47,960,023	50,124,835	47,167,771	45,490,960	48,570,639	47,919,333	47,476,917	47,988,579
Business-type activities:										
Landfill	2,506,013	2,350,625	3,271,543	2,409,034	3,006,263	2,522,546	2,783,554	2,126,739	2,579,104	2,951,816
Airport	-	-	-	-	-	-	-	375,864	825,992	731,287
Water and Sewer	-	-	-	63,189	246,816	236,253	126,703	153,116	596,534	243,334
Parks and recreation expenses	62,827	63,085	56,322	66,903	74,618	76,628	64,896	81,476	56,470	48,959
Total business-type activities expenses	2,568,840	2,413,710	3,327,865	2,539,126	3,327,697	2,835,427	2,975,153	2,737,195	4,058,100	3,975,396
Total primary government expenses	48,043,136	48,037,998	51,287,888	52,663,961	50,495,468	48,326,387	51,545,792	50,656,528	51,535,017	51,963,975
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government administration	339,472	346,970	377,763	317,584	304,994	363,578	294,422	303,205	455,246	429,272
Judicial administration	184,174	153,144	146,069	105,652	99,318	95,242	96,434	94,495	100,293	89,168
Public safety	396,733	841,787	835,719	561,323	650,444	431,555	603,751	601,672	417,064	452,767
Public works	107,766	111,011	101,685	112,334	129,267	115,016	129,728	157,961	248,997	207,649
Health and welfare	415,219	417,954	370,942	345,336	308,474	339,200	313,962	296,399	300,016	433,837
Education	-	199,909	-	-	-	-	-	-	-	-
Parks, recreation and cultural	53,759	99,919	80,146	84,709	81,704	283,305	93,772	96,514	227,902	72,419
Community development	364,260	55,262	204,832	121,442	188,553	57,156	77,943	64,579	66,137	129,832
Operating grants and contributions	11,549,379	11,329,693	11,500,081	12,240,597	10,180,279	8,437,999	7,655,170	8,116,557	9,481,299	8,288,541
Capital grants and contributions	1,763,748	359,685	-	-	398,973	160,367	2,965,210	271,414	785,074	4,143,748
Total governmental activities program revenues	15,174,510	13,915,334	13,617,237	13,888,977	12,342,006	10,283,418	12,230,392	10,002,796	12,082,028	14,247,233
Business-type activities:										
Charges for services:										
Landfill	2,877,386	3,002,824	2,887,533	2,687,525	2,719,422	2,587,858	2,556,568	2,764,529	2,423,020	2,832,220
Airport	-	-	-	-	-	-	-	143,170	319,374	288,003
Water and Sewer	-	-	-	47,751	194,458	223,069	203,836	218,395	215,641	270,507
Parks and recreation	71,033	66,748	63,979	62,611	62,750	52,753	61,826	55,165	63,196	53,942
Operating grants and contributions - Airport	-	-	-	-	-	-	-	14,652	149,934	20,108
Capital grants and contributions - Airport	-	-	-	-	-	-	-	-	-	1,048,914
Total business-type activities program revenues	2,948,419	3,069,572	2,951,512	2,797,887	2,976,630	2,863,680	2,822,230	3,195,911	3,171,165	4,513,694
Total primary government program revenues	18,122,929	16,984,906	16,568,749	16,686,864	15,318,636	13,147,098	15,052,622	13,198,707	15,253,193	18,760,927

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

**Table 2**  
**Page 2 of 2**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Primary Government:</b>										
<b>Net (Expense)/Revenue<sup>1</sup></b>										
Governmental activities	(30,299,786)	(31,708,954)	(34,342,786)	(36,235,858)	(34,825,765)	(35,207,542)	(36,340,247)	(37,916,537)	(35,394,889)	(33,741,346)
Business-type activities	379,579	655,862	655,862	(376,353)	(351,067)	28,253	(152,923)	458,716	(886,935)	538,298
Total primary government net expense	(29,920,207)	(31,053,092)	(33,686,924)	(36,612,211)	(35,176,832)	(35,179,289)	(36,493,170)	(37,457,821)	(36,281,824)	(33,203,048)
<b>General Revenues and Other</b>										
<b>Changes in Net Position</b>										
Governmental activities:										
Taxes:										
General property taxes	18,883,630	19,143,135	21,985,812	21,354,527	23,360,447	29,221,909	27,583,562	28,500,128	28,872,306	29,258,518
Local sales and use taxes	2,761,611	2,808,207	3,036,498	2,966,467	2,998,382	2,863,318	3,623,339	3,618,865	3,358,791	3,579,831
Consumer utility taxes	1,639,299	1,671,949	1,269,586	916,728	941,541	1,043,339	986,409	1,089,368	1,005,667	1,144,722
Communication taxes	-	-	389,331	1,077,981	1,012,995	987,303	1,087,470	1,052,114	1,034,212	1,025,176
Other local taxes	1,973,002	2,156,184	2,003,950	1,762,776	1,664,831	1,291,448	1,591,001	1,592,735	1,775,122	1,779,509
Grants and contributions not restricted to specific programs	3,693,035	3,815,820	3,446,722	3,531,512	3,454,660	3,349,305	3,320,843	3,319,642	3,365,464	3,368,175
Investment earnings	179,784	343,247	532,916	253,241	80,515	8,272	1,967	10,954	22,857	13,120
Gain on sale of capital assets	-	551,206	-	-	-	-	-	-	-	-
Other revenue	93,497	286,082	74,060	71,468	536,582	368,768	596,723	189,259	845,326	291,288
Transfers	(55,525)	(113,150)	(120,627)	(152,773)	32,885	(121,343)	(25,800)	(1,134,135)	(1,900,590)	(164,935)
Total governmental activities	29,168,333	30,662,680	32,618,248	31,781,927	34,082,838	39,012,319	38,765,514	38,238,930	38,379,155	40,295,404
Business-type activities:										
Investment earnings	47,215	90,894	112,375	105,506	37,129	7,047	8,312	9,985	4,311	3,446
Gain on sale of capital assets	-	200	4,943	-	-	90,115	-	-	-	-
Other revenue	879	-	-	-	151,865	-	-	2,770,557	298	3,457
Transfers	55,525	113,150	120,627	152,773	(32,885)	121,343	25,800	1,134,135	1,900,590	164,937
Total business-type activities	103,619	204,244	237,945	258,279	156,109	218,505	34,112	3,914,677	1,905,199	171,840
Total primary government	29,271,952	30,866,924	32,856,193	32,040,206	34,238,947	39,230,824	38,799,626	42,153,607	40,284,354	40,467,244
<b>Change in Net Position</b>										
Governmental activities	(1,131,453)	(1,046,274)	(1,724,538)	(4,453,931)	(742,927)	3,804,777	2,425,267	322,393	2,984,266	6,554,058
Business-type activities	483,198	860,106	893,807	(118,074)	(194,958)	246,758	(118,811)	4,373,393	1,018,264	710,138
Total primary government	\$ (648,255)	\$ (186,168)	\$ (830,731)	\$ (4,572,005)	\$ (937,885)	\$ 4,051,535	\$ 2,306,456	\$ 4,695,786	\$ 4,002,530	\$ 7,264,196

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

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

**Table 3**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Nonspendable	\$ 166,112	\$ 171,346	\$ 129,700	\$ 129,700	\$ 129,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700
Restricted	248,175	259,869	253,247	251,251	3,265	5,792	9,603	24,890	30,326	31,047
Committed	1,614,000	1,714,000	1,224,827	1,894,000	3,964,000	4,695,521	6,100,065	6,860,389	7,632,118	8,415,423
Assigned	3,855,587	3,673,749	3,046,938	575,043	982,567	3,113,920	5,663,962	5,077,891	3,376,508	3,093,131
Unassigned	2,020,833	983,821	-	1,307,812	2,751,457	4,093,028	2,066,357	1,862,007	1,680,028	1,426,505
Total general fund	<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>	<u>12,012,961</u>	<u>13,944,687</u>	<u>13,929,877</u>	<u>12,823,680</u>	<u>13,070,806</u>
All Other Governmental Funds:										
Restricted	3,192,680	5,704,835	4,469,619	3,147,073	3,264,378	2,732,804	2,792,758	2,485,291	5,475,920	3,032,136
Assigned	320,047	303,965	146,987	121,865	101,786	445,376	83,910	17,810	874,755	1,034,644
Total other governmental funds	<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>	<u>3,178,180</u>	<u>2,876,668</u>	<u>2,503,101</u>	<u>6,350,675</u>	<u>4,066,780</u>
Total governmental funds	<u>\$11,417,434</u>	<u>\$12,811,585</u>	<u>\$ 9,271,318</u>	<u>\$ 7,426,744</u>	<u>\$11,197,153</u>	<u>\$15,191,141</u>	<u>\$16,821,355</u>	<u>\$16,432,978</u>	<u>\$19,174,355</u>	<u>\$17,137,586</u>

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

**Table 4**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
General property taxes	\$ 19,158,773	\$ 20,359,076	\$ 20,689,469	\$ 23,190,998	\$ 28,520,895	\$ 28,064,416	\$ 27,099,918	\$ 28,514,924	\$ 29,203,123	\$ 29,317,410
Other local taxes	6,636,340	6,699,365	6,723,952	6,617,749	6,185,408	6,946,687	6,999,466	7,353,082	7,173,792	7,529,238
Permits, fees and licenses	555,337	479,797	485,367	441,802	443,079	330,675	292,070	345,459	429,010	474,442
Fines and forfeitures	40,420	58,090	81,648	66,245	74,527	75,136	74,866	71,617	76,395	65,622
Revenue from the use of money and property	631,594	886,586	587,270	441,458	344,055	340,938	355,759	361,817	368,898	339,413
Charges for services	790,119	787,281	705,018	490,462	435,862	384,621	411,358	410,393	450,270	406,926
Miscellaneous	314,766	650,369	522,304	923,529	756,411	791,820	254,129	349,418	973,391	381,084
Recovered costs	158,488	173,434	335,331	194,925	234,332	487,134	471,604	404,211	482,952	354,927
Intergovernmental	16,878,323	14,876,814	14,709,267	15,465,434	13,684,196	11,772,915	13,809,384	11,547,042	13,491,118	15,800,464
Total revenues	45,164,160	44,970,812	44,839,626	47,832,602	50,678,765	49,194,342	49,768,554	49,357,963	52,648,949	54,669,526
<b>Expenditures</b>										
General government administration	2,821,809	3,693,455	3,625,175	3,231,156	3,529,339	3,027,586	3,233,212	3,446,289	3,624,767	3,784,605
Judicial administration	1,221,627	1,350,755	1,463,896	1,524,039	1,379,897	1,433,434	1,335,238	1,450,005	1,511,769	1,487,014
Public safety	7,480,178	7,966,410	8,632,187	8,931,578	8,759,597	8,826,388	8,875,289	10,984,465	11,672,064	10,510,653
Public works	3,800,114	3,971,185	4,301,146	3,875,609	3,257,691	3,758,181	3,395,947	3,834,542	3,893,852	4,212,124
Health and welfare	8,129,866	7,868,626	7,947,256	7,917,925	7,315,878	5,490,104	5,483,394	5,571,278	5,730,164	5,907,665
Education	18,893,969	13,528,120	13,975,115	15,124,559	14,853,300	15,583,300	16,035,534	16,035,534	16,304,689	16,709,372
Parks, recreation and cultural	888,541	876,450	968,194	882,326	1,229,808	1,001,101	1,273,121	885,719	1,486,121	1,425,756
Community development	2,290,764	2,256,961	2,400,500	3,337,174	1,724,416	1,565,892	4,046,635	1,526,050	2,872,289	7,558,117
Debt service:										
Principal	1,812,043	2,237,395	2,528,867	2,616,138	2,357,292	2,395,373	2,469,866	3,119,689	3,304,267	3,343,822
Interest	1,987,037	2,514,418	2,384,784	2,269,556	2,290,587	2,093,191	2,012,299	1,758,634	1,709,446	1,602,232
Total expenditures	49,325,948	46,263,775	48,227,120	49,710,060	46,697,805	45,174,550	48,160,535	48,612,205	52,109,428	56,541,360
Excess of revenues over (under) expenditures	(4,161,788)	(1,292,963)	(3,387,494)	(1,877,458)	3,980,960	4,019,792	1,608,019	745,758	539,521	(1,871,834)
<b>Other Financing Sources (Uses)</b>										
Issuance of debt (includes premiums/discounts)	11,888,518	2,807,741	-	-	4,314,000	-	4,263,000	-	10,904,973	-
Sale of capital assets	689,800	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agents	(7,500,000)	-	-	-	(4,403,208)	-	(4,263,000)	-	(6,802,527)	-
Transfers in	10,795,281	3,812,738	4,175,569	3,327,871	2,753,223	1,091,580	1,324,601	1,351,662	2,032,221	2,104,275
Transfers out	(10,908,431)	(3,933,365)	(4,328,342)	(3,294,987)	(2,874,566)	(1,117,380)	(1,643,941)	(2,485,797)	(3,932,811)	(2,269,210)
Total other financing sources (uses)	4,965,168	2,687,114	(152,773)	32,884	(210,551)	(25,800)	(319,340)	(1,134,135)	2,201,856	(164,935)
<b>Net change in fund balances</b>	<b>\$ 803,380</b>	<b>\$ 1,394,151</b>	<b>\$ (3,540,267)</b>	<b>\$ (1,844,574)</b>	<b>\$ 3,770,409</b>	<b>\$ 3,993,992</b>	<b>\$ 1,288,679</b>	<b>\$ (388,377)</b>	<b>\$ 2,741,377</b>	<b>\$ (2,036,769)</b>
Debt service as a % of noncapital expenditures	8.0%	10.7%	10.5%	10.0%	10.2%	10.3%	9.5%	10.4%	10.4%	9.0%

**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
2006	1,562,047,822	381,463,096	301,208,730	90,126,180	2,154,593,468	0.770	2,244,719,648	95.98%
2007	1,644,028,102	253,967,441	300,592,990	90,746,130	2,107,842,403	0.770	2,198,588,533	95.87%
2008	3,347,392,430	401,704,706	676,800,600	291,567,300	4,134,330,436	0.380	4,425,897,736	93.41%
2009	3,375,157,810	527,353,676	660,766,200	292,741,800	4,270,535,886	0.450	4,563,277,686	93.58%
2010	3,363,432,110	660,176,147	657,001,700	290,503,900	4,390,106,057	0.480	4,680,609,957	93.79%
2011	3,380,611,410	678,014,822	657,292,500	291,946,100	4,423,972,632	0.480	4,715,918,732	93.81%
2012	2,924,021,460	636,396,590	624,792,100	274,869,000	3,910,341,150	0.550	4,185,210,150	93.43%
2013	2,932,083,560	638,622,345	620,948,600	270,528,700	3,921,125,805	0.550	4,191,654,505	93.55%
2014	2,744,011,700	683,547,550	494,192,400	127,309,000	3,794,442,650	0.605	3,921,751,650	96.75%
2015	2,766,112,100	684,978,350	494,890,600	125,088,100	3,820,892,950	0.605	3,945,981,050	96.83%

**Source:** Accomack County Finance Office

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

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

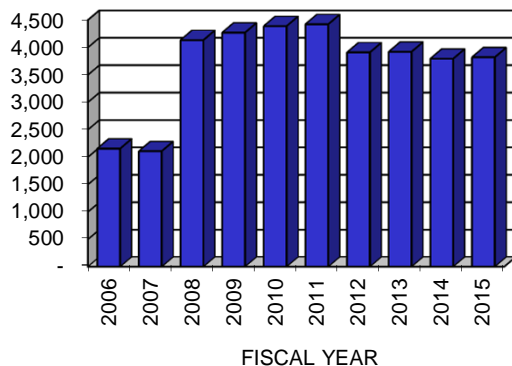
**Table 5B**

Fiscal Year Ending June 30,	Motor Vehicles & Other	Mobile Homes	Machinery & Tools	Total Taxable Assessed Value	Total Direct Personal Property Tax Rate
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
2011	267,566,954	40,019,511	19,421,352	327,007,817	3.75
2012	273,560,910	31,692,295	17,919,794	323,172,999	3.72
2013	280,470,080	30,525,805	21,945,775	332,941,660	3.72
2014	287,138,572	29,964,327	22,255,434	339,358,333	3.72
2015	292,169,603	29,721,982	24,593,224	346,484,809	3.72

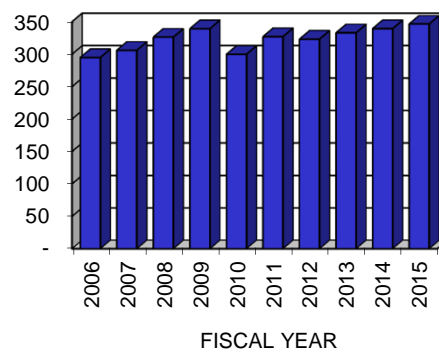
**Source:** Accomack County Finance Office

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

**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)<sup>1</sup>

LAST TEN FISCAL YEARS

Type of tax	2006					2007					2008					2009				
	District Number					District Number					District Number					District Number				
	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6
<b>Real Property</b>																				
County Direct Rates:																				
General	0.49	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
Debt Service	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
Emergency Medical Service	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	-
Fire and Rescue	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	-
Mosquito Control <sup>2</sup>	0.04	-	-	-	-	0.04	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-
Total real property direct rates	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
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.06	-	-	-	-	0.06
Town of Saxis	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-
Town of Hallwood	0.14	-	-	-	-	0.14	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-
Town of Bloxom	-	0.12	-	-	-	-	0.12	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-
Town of Parksley	-	0.35	-	-	-	-	0.35	-	-	-	-	0.18	-	-	-	-	0.18	-	-	-
Town of Tangier	0.45	-	-	-	-	0.45	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-
Town of Accomac	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.05	-	-	-	-	0.05	-	-
Town of Onley	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.05	-	-	-	-	0.05	-	-
Town of Onancock	-	-	0.34	-	-	-	-	0.34	-	-	-	-	0.20	-	-	-	-	0.20	-	-
Town of Melfa	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.03	-	-	-	-	0.03	-
Town of Wachapreague	-	-	-	0.22	-	-	-	-	0.22	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.06	-	-	-	-	0.06	-
Town of Painter	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-
Town of Belle Haven	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.10	-	-	-	-	0.10	-
<b>Personal Property</b>																				
County Direct Rates:																				
General	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	3.10
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	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-
Fire and Rescue	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	-
Total personal prop. direct rates	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
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
Town of Saxis	0.25	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-
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=Metompin District, District 4=Lee District, District 5=Pungoteague District, and District 6=Chincoteague District.

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

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

Table 6

2010					2011					2012					2013					2014					2015				
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
0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.395	0.395	0.395	0.395	0.395	0.395	0.395	0.395	0.395	0.395
0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095
0.05	0.05	0.05	0.05	-	0.05	0.05	0.05	0.05	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.090	0.090	0.090	0.090	-	0.090	0.090	0.090	0.090	-
0.03	0.02	0.02	0.03	-	0.03	0.02	0.02	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0.02	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.025	-	-	-	-	0.025	-	-	-	-
0.48	0.45	0.45	0.46	0.38	0.48	0.45	0.45	0.46	0.38	0.55	0.53	0.53	0.53	0.47	0.55	0.53	0.53	0.53	0.47	0.605	0.580	0.580	0.580	0.490	0.605	0.580	0.580	0.580	0.490
-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07
0.12	-	-	-	-	0.12	-	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-
0.09	-	-	-	-	0.09	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-
-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-
-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.29	-	-	-
0.35	-	-	-	-	0.35	-	-	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-
-	-	0.05	-	-	-	-	0.05	-	-	-	0.05	-	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.09	-	-
-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-
-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-
-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.06	-
-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.16	-	-	-	-	0.13	-	-	-	-	0.13	-
-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-
-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-
-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-
3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	
0.10	0.10	0.10	0.10	0.06	0.10	0.10	0.10	0.10	0.06	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-
0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.75	3.72	3.72	3.72	3.54	3.75	3.72	3.72	3.72	3.54	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63
-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
0.50	-	-	-	-	0.50	-	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-
-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.15	-	-
-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-
-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16	-	-	-	-	0.13	-	-	-	-	0.13	-
-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-
-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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

**Table 7**

Taxpayer	2015				2006			
	Total Assessed Valuation	Rank	Percentage of Total Assessed Value <sup>1</sup>		Total Assessed Valuation	Rank	Percentage of Total Assessed Value <sup>1</sup>	
Commonwealth Chesapeake Company	\$ 151,120,711	1	3.52%		\$ 114,415,742	1	4.67%	
A&N Electric Cooperative	80,067,783	2	1.87%		13,131,150	6	0.54%	
Verizon Virginia Inc.	20,125,903	3	0.47%		19,583,466	5	0.80%	
Tyson Farms Inc.	21,832,279	4	0.51%		20,368,922	4	0.83%	
Perdue Farms Inc.	21,495,358	5	0.50%		27,973,400	2	1.14%	
Delmarva Power	19,012,285	6	0.44%		21,427,949	3	0.87%	
Old Dominion Electric Cooperative	13,395,850	7	0.31%		-	-	-	
Wal-Mart	12,533,837	8	0.29%		-	-	-	
Tull, Edward Lunn	8,325,389	9	0.19%		-	-	-	
Chincoteague Hotel LLC	7,892,360	10	0.18%		6,570,838	8	0.27%	
Richard F. Hall Jr.	-	-	-		8,660,059	7	0.35%	
Sustainable Conservation Inc.	-	-	-		6,024,760	9	0.25%	
Richard F. Hall III	-	-	-		5,855,256	10	0.24%	

**Source:** Accomack County Finance Office

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

COUNTY OF ACCOMACK, VIRGINIA

PROPERTY TAX LEVY AND COLLECTIONS<sup>(1)(2)</sup>

LAST FIVE FISCAL YEARS

Table 8

Fiscal Year	Property Tax Type	Month / Year Due	Original Levy <sup>3</sup>	Adjustments	Adjusted Levy	Collected within the Fiscal Year of Levy		Collected in Subsequent Periods	Total Collections	
						Amount	Percent of Adjusted Levy		Amount	Percent of Adjusted Levy
2015	Real Estate-Roll Back Taxes	10/2014	628	-	628	628	100.0%	-	628	100.0%
2015	Personal Property-Public Svc. Corp.	12/2014	88,216	-	88,216	86,019	97.5%	-	86,019	97.5%
2015	Personal Property-Regular	12/2014	4,586,058	327,337	4,258,721	3,613,511	84.8%	-	3,613,511	84.8%
2015	Real Estate-Public Svc. Corp.	12/2014	1,698,659	-	1,698,659	1,683,121	99.1%	-	1,683,121	99.1%
2015	Real Estate-Regular	12/2014	9,753,812	82,252	9,671,560	9,086,273	93.9%	-	9,086,273	93.9%
2015	Real Estate-Special Assess.	12/2014	4,172	-	4,172	2,293	55.0%	-	2,293	55.0%
2015	Personal Property-Regular	03/2015	164,969	29,775	135,194	92,254	68.2%	-	92,254	68.2%
2015	Personal Property-Regular	06/2015	5,015,816	74,694	4,941,123	3,426,729	69.4%	-	3,426,729	69.4%
2015	Real Estate-Regular	06/2015	9,828,979	77,149	9,751,830	8,279,637	84.9%	-	8,279,637	84.9%
2015	Total		\$ 31,141,309	\$ 591,207	\$ 30,550,102	\$ 26,270,465	86.0%	\$ -	\$ 26,270,465	86.0%
2014	Real Estate-Roll Back Taxes	08/2013	1,957	-	1,957	1,957	100.0%	-	1,957	100.0%
2014	Personal Property-Public Svc. Corp.	12/2013	79,229	-	79,229	78,033	98.5%	-	78,033	98.5%
2014	Personal Property-Regular	12/2013	4,582,007	365,735	4,216,272	3,631,896	86.1%	191,195	3,823,091	90.7%
2014	Real Estate-Public Svc. Corp.	12/2013	1,577,174	-	1,577,174	1,562,467	99.1%	-	1,562,467	99.1%
2014	Real Estate-Regular	12/2013	9,301,052	85,421	9,215,631	8,671,064	94.1%	200,879	8,871,943	96.3%
2014	Real Estate-Special Assess.	12/2013	4,172	-	4,172	2,378	57.0%	755	3,133	75.1%
2014	Personal Property-Regular	03/2014	162,951	5,910	157,041	110,950	70.7%	14,539	125,489	79.9%
2014	Personal Property-Regular	06/2014	4,751,142	216,726	4,534,416	3,398,176	74.9%	549,561	3,947,737	87.1%
2014	Real Estate-Regular	06/2014	9,753,812	84,203	9,669,610	8,566,104	88.6%	651,808	9,217,912	95.3%
2014	Total		\$ 30,213,495	\$ 757,995	\$ 29,455,500	\$ 26,023,025	88.3%	\$ 1,608,737	\$ 27,631,761	93.8%
2013	Real Estate-Roll Back Taxes	09/2012	2,721	-	2,721	2,721	100.0%	-	2,721	100.0%
2013	Personal Property-Public Svc. Corp.	12/2012	86,264	-	86,264	85,075	98.6%	-	85,075	98.6%
2013	Personal Property-Regular	12/2012	4,361,353	398,825	3,962,528	3,435,520	86.7%	271,634	3,707,154	93.6%
2013	Real Estate-Public Svc. Corp.	12/2012	1,666,940	-	1,666,940	1,650,347	99.0%	-	1,650,347	99.0%
2013	Real Estate-Regular	12/2012	9,280,927	111,132	9,169,794	8,557,067	93.3%	387,773	8,944,839	97.5%
2013	Real Estate-Special Assess.	12/2012	4,172	-	4,172	1,966	47.1%	1,513	3,479	83.4%
2013	Personal Property-Regular	04/2013	230,699	14,423	216,276	157,646	72.9%	40,164	197,810	91.5%
2013	Personal Property-Regular	06/2013	4,723,284	249,775	4,473,508	3,198,351	71.5%	896,972	4,095,323	91.5%
2013	Real Estate-Regular	06/2013	9,301,052	84,153	9,216,899	8,052,980	87.4%	876,634	8,929,615	96.9%
2013	Total		\$ 29,657,411	\$ 858,308	\$ 28,799,103	\$ 25,141,673	87.3%	\$ 2,474,689	\$ 27,616,363	95.9%
2012	Real Estate-Roll Back Taxes	09/2011	5,487	-	5,487	5,487	100.0%	-	5,487	100.0%
2012	Personal Property-Public Svc. Corp.	12/2011	80,442	-	80,442	79,925	99.4%	-	79,925	99.4%
2012	Personal Property-Regular	12/2011	4,351,341	459,633	3,891,708	3,370,153	86.6%	288,239	3,658,392	94.0%
2012	Real Estate-Public Svc. Corp.	12/2011	1,424,539	-	1,424,539	1,409,649	99.0%	-	1,409,649	99.0%
2012	Real Estate-Regular	12/2011	8,970,567	76,303	8,894,265	8,281,800	93.1%	433,961	8,715,761	98.0%
2012	Real Estate-Special Assess.	12/2011	4,172	-	4,172	1,776	42.6%	1,769	3,545	85.0%
2012	Personal Property-Regular	02/2012	155,361	16,341	139,020	106,708	76.8%	18,782	125,490	90.3%
2012	Personal Property-Regular	06/2012	4,497,340	286,474	4,210,866	3,179,983	75.5%	766,868	3,946,851	93.7%
2012	Real Estate-Regular	06/2012	9,280,927	113,736	9,167,191	8,084,420	88.2%	912,530	8,996,950	98.1%
2012	Total		\$ 28,770,176	\$ 952,487	\$ 27,817,689	\$ 24,519,902	88.1%	\$ 2,422,149	\$ 26,942,051	96.9%
2011	Personal Property-Public Svc. Corp.	12/2010	79,299	-	79,299	78,783	99.3%	-	78,783	99.3%
2011	Personal Property-Regular	12/2010	4,526,770	493,007	4,033,762	3,461,327	85.8%	295,606	3,756,933	93.1%
2011	Real Estate-Public Svc. Corp.	12/2010	1,468,489	-	1,468,489	1,453,043	98.9%	-	1,453,043	98.9%
2011	Real Estate-Regular	12/2010	8,907,898	71,076	8,836,823	8,190,243	92.7%	487,343	8,677,586	98.2%
2011	Real Estate-Roll Back Taxes	12/2010	15,119	-	15,119	15,119	100.0%	-	15,119	100.0%
2011	Real Estate-Special Assess.	03/2011	4,172	-	4,172	2,051	49.2%	1,493	3,545	85.0%
2011	Personal Property-Regular	06/2011	4,397,670	343,032	4,054,639	3,126,275	77.1%	688,683	3,814,959	94.1%
2011	Personal Property-Regular	06/2011	145,034	3,962	141,073	89,230	63.3%	43,848	133,078	94.3%
2011	Real Estate-Regular	06/2011	8,970,567	97,143	8,873,424	7,777,688	87.7%	941,299	8,718,988	98.3%
2011	Total		\$ 28,515,019	\$ 1,008,219	\$ 27,506,800	\$ 24,193,760	88.0%	\$ 2,458,273	\$ 26,652,033	96.9%

<sup>(1)</sup> This schedule is prepared using the cash basis of accounting. Only five years of information is available. Additional years will be added as they become available.

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

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

**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									
	Literary	Va. Public	Qualified	Lease		General	Capital	Total	Per	Percentage
	Fund	School	Zone	Revenue	Capital	Obligation	Leases	Primary	Capita	of Personal
	Loans	Authority	Academy	Bonds	Leases	Bonds <sup>2</sup>		Government	<sup>1</sup>	Income <sup>1</sup>
2006	\$ 6,137,001	\$ 40,305,984	\$1,007,951	\$ 3,555,000	\$ 132,000	\$ 3,040,000	\$ -	\$ 54,177,936	\$ 1,539	5.47%
2007	5,676,492	38,727,015	938,032	6,125,000	99,000	2,725,000	-	54,290,539	1,571	5.10%
2008	5,215,983	37,073,904	865,787	5,815,000	66,000	2,395,000	-	51,431,674	1,514	4.60%
2009	4,755,474	35,350,933	791,129	5,490,000	33,000	2,045,000	-	48,465,536	1,450	4.38%
2010	4,294,965	33,567,305	713,974	5,748,000	-	2,112,000	-	46,436,244	1,400	4.16%
2011	3,834,456	31,712,181	634,234	5,748,000	-	2,112,000	-	44,040,871	1,323	3.86%
2012	3,373,947	29,785,242	551,816	5,748,000	-	2,203,000	-	41,662,005	1,251	3.50%
2013 <sup>3</sup>	2,913,438	28,568,687	470,274	5,214,399	-	1,905,000	-	39,071,798	1,179	3.13%
2014 <sup>3</sup>	-	26,443,695	381,142	11,138,973	-	1,602,000	-	39,565,810	1,198	3.24%
2015 <sup>3</sup>	-	24,235,524	289,027	10,010,978	-	1,293,000	-	35,828,529	1,084	*

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

\* Unavailable

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

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

<sup>3</sup> Fiscal Years 2013-2015 have been adjusted to reflect the related unamortized premiums. Detailed premium information was not available for prior years.

Reconciliation of Fiscal Year 2015 Total Debt reported in this table to Note 11 Long-Term Obligations:

Total Primary Government Debt reported above	<u>\$ 35,828,529</u>
Debt Obligations for Governmental Activities reported in Note 11:	
Virginia Public School Bonds outstanding principal	\$ 23,566,069
Lease Revenue Bonds outstanding principal	9,747,100
Qualified Zone Academy Bonds outstanding principal	287,514
Unamortized premiums	934,846
Debt Obligations for Business-type Activities reported in Note 11:	
General Obligation Bonds outstanding principal	1,293,000
Total Debt Obligations Reported in Note 11	<u>\$ 35,828,529</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING<sup>1</sup>**  
**LAST TEN FISCAL YEARS**

**Table 10**

Fiscal Year Ending June 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property <sup>2,3</sup>	Per Capita <sup>3</sup>
2006	\$ 47,450,935	\$ 2,122,742	\$ 45,328,193	1.85%	\$ 1,288
2007	45,341,539	1,746,995	43,594,544	1.81%	1,262
2008	43,155,674	1,263,817	41,891,857	0.94%	1,233
2009	40,897,536	1,113,942	39,783,594	0.86%	1,191
2010	38,576,244	859,741	37,716,503	0.80%	1,137
2011	36,180,871	1,389,519	34,791,352	0.73%	1,045
2012	33,711,005	1,337,183	32,373,822	0.76%	972
2013 <sup>4</sup>	29,038,961	1,101,726	27,937,235	0.66%	843
2014 <sup>4</sup>	26,824,837	1,616,021	25,208,816	0.61%	763
2015 <sup>4</sup>	24,524,551	1,402,488	23,122,063	0.55%	700

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

<sup>1</sup> Excludes general obligation bonds of business-type activities, lease revenue bonds and capital leases.

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

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

<sup>4</sup> Fiscal Years 2013-2015 have been adjusted to reflect the related unamortized premiums. Detailed premium information was not available for prior years.

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

**Table 11**

Year	Population <sup>1</sup>	Personal Income (expressed in thousands) <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Unemployment Rate <sup>4</sup>	School Enrollment <sup>3</sup>
2006	35,192	\$990,097	\$28,134	4.20%	5,414
2007	34,553	\$1,065,010	\$30,823	4.10%	5,370
2008	33,970	\$1,118,517	\$32,927	5.00%	5,193
2009	33,415	\$1,106,764	\$33,122	6.60%	5,016
2010	33,164	\$1,115,117	\$33,593	7.10%	5,056
2011	33,294	\$1,139,818	\$34,181	7.30%	5,030
2012	33,313	\$1,191,372	\$35,733	6.90%	5,092
2013	33,148	\$1,247,302	\$37,628	6.50%	5,132
2014	33,021	\$1,220,468	\$36,960	5.70%	5,310
2015	33,048	N/A	N/A	5.20%	5,326

N/A - Not available

<sup>1</sup> Source: Years 2006-2014 U.S. Census Bureau Mid Year Estimates/Year 2015 estimated

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

<sup>3</sup> Source: Accomack County School Board as of October 2015

<sup>4</sup> Source: Virginia Employment Commission/2015 unemployment rate as of June 2015

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

**Table 12**

Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment <sup>1</sup>	Employees	Rank	Percentage of Total County Employment <sup>1</sup>
Perdue Farms, Inc.	1000+	1	6.34%	1000+	1	7.63%
Tyson Foods, Inc.	1000+	2	6.34%	1000+	2	7.63%
Accomack County School Board	1000+	3	6.34%	500-999	3	3.82%
County of Accomack	250-499	4	1.58%	250-499	4	1.91%
National Aeronautics & Space Administration	250-499	5	1.58%	250-499	5	1.91%
Wal-Mart	250-499	6	0.63%	-	-	-
LJT Associates	100-249	7	0.63%	-	-	-
Eastern Shore Community Services	100-249	8	0.63%	100-249	6	0.76%
Eastern Shore Rural Health System	100-249	9	0.63%	-	-	-
Integrated Microcomputer System, Lockheed Martin	100-249	10	0.63%	-	-	-
Byrd Food	-	-	-	100-249	7	0.76%
Shore Memorial Hospital	-	-	-	100-249	8	0.76%
The Cube Corporation	-	-	-	100-249	9	0.76%
Northrop Grumman, Inc.	-	-	-	100-249	10	0.76%
			<u>25.34%</u>			<u>26.70%</u>

**Source:** Virginia Employment Commission

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**AUTHORIZED FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS<sup>1</sup>**

**Table 13**

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General government administration</b>										
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	9.0	9.0	11.0	11.0	11.0	10.0	10.0	10.0	10.0	9.0
Elections	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Other	25.0	27.0	27.0	27.5	33.5	32.0	32.0	30.0	30.0	32.0
<b>Judicial administration</b>										
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	18.3	18.3	18.3	19.8	19.8	18.8	17.8	17.8	15.8	15.8
Other	2.0	3.0	3.0	3.0	2.0	2.5	2.5	2.5	2.5	2.5
<b>Public Safety</b>										
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	64.7	64.7	64.7	63.7	62.7	60.7	62.7	63.7	63.7	63.7
Firefighters and emergency medical personnel	22.5	22.5	28.5	31.5	31.5	31.5	31.5	35.0	38.0	41.5
Other	12.5	12.5	14.5	14.0	13.0	13.0	13.0	13.0	13.0	13.0
<b>Public Works</b>										
Refuse collection and litter control	19.0	21.8	22.3	23.2	23.2	23.2	23.2	20.9	24.4	24.4
Refuse disposal	14.7	15.4	15.4	14.5	14.5	14.5	14.5	13.5	13.5	13.5
Building and grounds	14.8	14.8	14.8	14.8	14.8	13.3	13.3	14.3	14.3	14.3
Wastewater treatment	0.0	0.0	0.0	0.0	1.0	1.0	1.0	0.0	0.0	0.0
Storm drainage	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Health and welfare</b>										
Social services and welfare	64.0	64.0	64.0	64.0	64.0	64.0	64.0	55.0	55.0	55.0
Other	6.0	6.0	6.0	5.0	3.0	0.0	0.0	0.0	0.0	0.0
<b>Parks, recreation and cultural</b>	6.0	6.0	6.0	5.0	5.0	4.0	4.0	4.5	4.8	4.8
<b>Community development<sup>2</sup></b>	5.0	7.0	8.0	8.0	9.0	6.5	6.5	11.0	12.0	12.0
<b>Total primary government</b>	<u>286.5</u>	<u>295.0</u>	<u>306.5</u>	<u>308.0</u>	<u>311.0</u>	<u>298.0</u>	<u>299.0</u>	<u>294.2</u>	<u>300.0</u>	<u>304.5</u>

**Source:** Accomack County Finance Office

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

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

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

**Table 14**

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>										
<b>Assessor</b>										
Taxable real estate number of parcels	38,021	38,689	39,134	39,440	39,620	39,707	39,786	39,800	39,844	39,847
Tax-exempt real estate number of parcels	892	898	917	921	932	936	940	941	943	955
Number of parcels enrolled in land use program	1,543	1,569	1,642	1,720	1,970	1,995	2,005	1,977	1,873	1,837
<b>Commissioner of Revenue</b>										
Mobile homes	4,230	4,219	4,214	4,214	3,512	3,418	3,253	3,169	3,152	3,139
Personal Property Tax Relief Act (PPTRA) qualifying vehicles	34,235	35,831	33,206	34,886	34,551	35,762	29,327	23,808	24,846	25,330
PPTRA tax credit percentages (vehicle value <\$1,000;\$1,000-\$20,000)	100% ; 51%	100% ; 51%	100% ; 51%	100%;51%	100%;51%	100%;51%	100%;49%	100%;49%	100%;49%	100%;46%
<b>Finance</b>										
Vendor checks issued	11,793	11,131	10,542	10,149	10,203	10,049	10,117	9,555	9,844	8,234
Annual County payroll checks/direct deposits	7,902	7,766	8,236	8,323	8,736	6,658	9,019	9,072	9,133	8,725
Annual School Board payroll checks/direct deposits	29,716	25,721	25,402	26,220	26,886	26,908	27,270	28,271	26,728	26,060
<b>Treasurer</b>										
Real estate bills created	72,535	74,014	76,178	76,617	77,399	78,926	79,026	79,092	79,152	79,042
Personal property bills created	38,314	38,540	35,365	37,419	65,899	67,789	66,814	66,378	68,132	68,579
<b>Judicial Administration</b>										
<b>Clerk of Court</b>										
Deed book recordings	8,684	7,588	5,886	5,611	5,311	5,085	4,781	5,374	5,203	4,497
Judgments	2,612	4,364	2,648	3,264	2,922	3,338	2,869	2,706	2,420	2,705
<b>Public Safety</b>										
<b>Fire and Emergency Services</b>										
Emergency responses <sup>1</sup>	3,001	2,979	3,230	2,605	3,798	3,635	4,490	4,751	5,542	5,887
Patients transported <sup>1</sup>	2,125	2,134	2,264	1,751	2,597	2,508	2,582	2,724	2,882	3,350
Fire responses <sup>1</sup>	325	322	387	253	343	370	361	406	247	281
EMS turn-out time when fully staffed <sup>1</sup>	2 minutes	2 minutes	2 minutes	< 2 minutes	< 2 minutes	2.4 minutes	3.8 minutes	3.2 minutes	2.4 minutes	2.7 minutes
EMS drive time when fully staffed <sup>1</sup>	< 14 minutes	< 12 minutes	< 12 minutes	< 7 minutes	< 7 minutes	11.3 minutes	15.6 minutes	11.6 minutes	12.1 minutes	13.27 minutes
EMS response time when fully staffed <sup>1</sup>	< 15 minutes	< 14 minutes	< 15 minutes	< 7 minutes	< 7 minutes	13 minutes	19.2 minutes	16.6 minutes	15.3 minutes	16.39 minutes
<b>Jail</b>										
Average daily inmate population	99	116	104	96	96	87	81	104	104	104
<b>Sheriff's Office</b>										
Physical arrests	786	788	837	864	671	893	1,038	1,673	1,262	1,450
Traffic violations	364	629	436	478	456	469	934	577	637	500
<b>Health and Welfare</b>										
<b>Comprehensive Services Act</b>										
Youth receiving services	106	121	121	121	67	55	20	21	23	45
<b>Social Services</b>										
Food Stamp Recipients	3,890	4,042	4,290	4,326	5,506	6,490	7,236	6,986	10,332	10,088
Households receiving Heating Assistance	1,698	1,631	3,414	3,217	3,231	2,899	2,749	2,737	3,057	1,672
Households receiving Cooling Assistance	491	394	453	426	739	944	718	608	842	756
<b>Community Development</b>										
Building permits issued	1,109	1,073	924	918	861	723	692	729	663	631
<b>Other Funds</b>										
<b>Landfills</b>										
Billable tons of refuse disposed	54,673	52,711	48,746	43,108	39,154	38,466	37,028	39,614	35,484	43,474
Tons of recycled materials <sup>2</sup>	6,251	7,931	11,656	17,425	8,769	8,448	9,062	12,346	5,828	N/A

**Sources:** Various county departments.

<sup>1</sup>Accomack County fire and rescue services are provided by county career staff and volunteers. The data above excludes volunteers. These times are in the 90th percentiles.

<sup>2</sup>This information is reported on a calendar year basis.



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

**Table 15**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Function</b>										
<b>Public Safety</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol units <sup>1</sup>	35	35	38	41	43	51	48	53	48	52
Fire training centers	1	1	1	1	1	1	1	1	1	1
Animal control facilities	1	1	1	1	1	1	1	1	1	1
<b>Public Works</b>										
County owned buildings	29	30	31	33	33	35	36	37	39	39
Square foot in buildings	186,749	186,893	187,037	187,373	187,373	151,849	153,049	153,149	161,549	162,797
Refuse collection sites (staffed) <sup>2</sup>	1	2	3	4	5	6	6	6	6	6
Refuse collection sites (unstaffed) <sup>2</sup>	18	16	14	4	4	1	1	-	-	-
Active landfills	2	2	2	2	2	2	2	1	1	1
Solid waste transfer stations	-	-	-	-	-	-	-	1	1	1
Refuse collection vehicles <sup>2</sup>	4	4	4	4	4	4	4	4	4	4
<b>Parks, Recreation and Cultural</b>										
Athletic fields	18	18	18	18	18	18	18	18	18	18
Tennis courts	1	1	1	1	1	1	1	1	1	1
Fishing/boating facilities:										
Dock and/or ramp facilities	15	15	15	15	15	15	15	15	15	15
Low impact water access site	9	9	9	9	9	9	9	9	9	9
Pier or bulkhead only	3	3	3	3	3	3	3	3	3	3
<b>Community Development</b>										
Number of T-hangar buildings	2	2	2	2	2	2	2	2	2	2
Number of T-hangar units	18	18	18	18	18	18	18	18	18	18
Length of runway	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'
<b>Education</b>										
Elementary schools	5	5	5	5	5	5	5	5	5	5
Elementary school capacity	2,775	2,775	2,775	2,775	2,775	2,775	2,775	2,975	2,975	2,975
Secondary schools	4	4	4	4	4	4	4	4	4	4
Secondary school capacity	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,900	2,900	2,900
Combined schools	2	2	2	2	2	2	2	2	2	2
Combined school capacity	525	525	525	525	525	525	525	575	575	575
School buses	109	108	107	110	109	110	110	110	110	111
<b>Component Units</b>										
<b>Industrial Development Park</b>										
Acreage available for sale	261.28	261.28	261.28	261.28	261.28	261.28	261.28	261.28	259.28	259.28

**Sources:** Various County departments.

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

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

## **Compliance Section**



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# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Accomack, Virginia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County of Accomack, Virginia's basic financial statements, and have issued our report thereon dated December 31, 2015. Our report includes a reference to other auditors who audited the financial statements of Accomack-Northampton Planning District Commission, as described in our report on the County of Accomack, Virginia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

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

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Robinson, Kammel, Cox Associates*

Charlottesville, Virginia

December 31, 2015

# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

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

### Report on Compliance for Each Major Federal Program

We have audited County of Accomack, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County of Accomack Virginia's major federal programs for the year ended June 30, 2015. County of Accomack, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

County of Accomack, Virginia's basic financial statements include the operations of the Accomack-Northampton Planning District Commission, which received \$618,497 in federal awards which is not included in the schedule during the year ended Financial Statement June 30, 2015. 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.

### *Management's Responsibility*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of County of Accomack, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 County of Accomack, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### *Opinion on Each Major Federal Program*

In our opinion, County of Accomack, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

## Report on Internal Control Over Compliance

Management of County of Accomack, Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered County of Accomack, Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Robinson, Farnell, Cox Associates*

Charlottesville, Virginia  
December 31, 2015

COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT  
FOR THE YEAR ENDED JUNE 30, 2015

Page 1

Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<b>PRIMARY GOVERNMENT:</b>			
<b>Department of Defense:</b>			
<u>Direct Payments:</u>			
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	N/A	12.610	\$ 69,043
<b>Department of Justice:</b>			
<u>Direct Payments:</u>			
Asset Forfeiture	N/A	16.000	6,576
Inmate Social Security Bounty	N/A	16.000	200
<u>Pass Through Payments:</u>			
Department of Justice			
Bulletproof Vest Partnership Grant	N/A	16.607	4,890
<b>Total Department of Justice</b>			<b>11,666</b>
<b>Department of Transportation:</b>			
<u>Direct Payments:</u>			
Airport Improvement Program	N/A	20.106	954,732
<u>Pass Through Payments:</u>			
Virginia Department of Transportation:			
State and Community Highway Safety	OP1454349 & OP1555366	20.600	1,492
Alcohol Open Container Requirements	154AL1454349 & 154AL1555298	20.607	11,915
Virginia Department of Emergency Services:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	154AL1454349 & 154AL1555298	20.703	18,250
<b>Total Department of Transportation</b>			<b>986,389</b>
<b>Environmental Protection Agency:</b>			
<u>Direct Payments:</u>			
Chesapeake Bay Program	N/A	66.466	50,432
<b>Department of Homeland Security:</b>			
<u>Pass Through Payments:</u>			
Virginia Department of Emergency Services:			
Emergency Management Performance Grants	N/A	97.042	7,500
Homeland Security Grant Program	N/A	97.067	36,878
Hazard Mitigation Grant	N/A	97.039	27,534
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	N/A	97.036	66,680
<b>Total Department of Homeland Security</b>			<b>138,592</b>
<b>Department of Agriculture:</b>			
<u>Direct Payments:</u>			
Summer Food Service Program for Children	N/A	10.559	121,516
Food Distribution	N/A	10.559	1,010
			<b>122,526</b>
<u>Pass Through Payments:</u>			
Department of Social Services:			
State Administrative Matching Grants for Supplemental Nutrition Assistance Programs	0010111/0010112/0040111/0040112	10.561	413,500
<b>Total Department of Agriculture</b>			<b>536,026</b>
<b>Department of Health and Human Services:</b>			
<u>Pass Through Payments:</u>			
Department of Social Services:			
Promoting Safe and Stable Families	950112	93.556	12,961
Temporary Assistance for Needy Families	0400111/0400112	93.558	459,052
Refugee and Entrant Assistance - State Administered Programs	0500110/0500111	93.566	695
Low-Income Home Energy Assistance	0600411/0600412	93.568	54,722
Child Care and Development Block Grant (Child Care and Development Fund Cluster)	0770111/0770112	93.575	(1,139)

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, 2015

Page 2

Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<b>PRIMARY GOVERNMENT - CONTINUED:</b>			
<b>Department of Health and Human Services - continued :</b>			
<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 and Development Fund Cluster)	0760111/0760112	93.596	\$ 75,834
Chafee Education and Training Vouchers Program	9160109	93.599	268
Stephanie Tubbs Jones Child Welfare Services Program	0900111/0900112	93.645	3,342
Foster Care-Title IV-E	1100111/1100112	93.658	182,973
Adoption Assistance	1120111/1120112	93.659	70,999
Social Services Block Grant	1000110/1000111	93.667	356,733
Chafee Foster Care Independence Program	9150111/9150112	93.674	2,638
Children's Health Insurance Program	0540111/0540112	93.767	14,185
Medical Assistance Program	1200111/1200112	93.778	479,527
Total Department of Social Services			1,712,790
<b>Total Department of Health and Human Services</b>			1,712,790
<b>Department of the Interior:</b>			
<u>Direct Payments:</u>			
Chincoteague Wildlife Refuge	N/A	15.000	83,068
<b>TOTAL EXPENDITURE OF FEDERAL AWARDS - PRIMARY GOVERNMENT</b>			3,588,006
<b>COMPONENT UNIT-SCHOOL BOARD:</b>			
<b>Department of Agriculture:</b>			
<u>Pass Through Payments:</u>			
Virginia Department of Agriculture and Consumer Services:			
Food Distribution (Child nutrition cluster)	10.555/2010/2011	10.555	31,562
Department of Education:			
National School Lunch Program (Child Nutrition Cluster)	10.555/2010/2011	10.555	1,530,997
			1,562,559
School Breakfast Program (Child Nutrition Cluster)	10.553/2010/2011	10.553	624,562
<b>Total Department of Agriculture</b>			2,187,121
<b>Department of Education:</b>			
<u>Pass Through Payments:</u>			
Department of Education:			
Title I Grants to Local Educational Agencies	S010A120046/S011A130046	84.010	2,131,044
Migrant Education - State Grant Program	S011A120047/S011A130047	84.011	302,003
Special Education - Grants to States (Special Education Cluster)	H027A120107/H027A130107	84.027	1,033,316
Career and Technical Education - Basic Grants to States	V048A120046/V048A130046	84.048	164,831
Special Education - Preschool Grants (Special Education Cluster)	H173A120112/H173A130112	84.173	24,882
Education for Homeless Children and Youth	NA	84.196	1,408
Migrant Education - Coordination Program	S144F110047	84.144	49,556
Rural Education	S358B120046	84.358	129,946
English Language Acquisition Grants	T365A120046	84.365	56,706
Improving Teacher Quality State Grants	S367A110044/S367A120044	84.367	305,886
<b>Total Department of Education</b>			4,199,578
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS COMPONENT UNIT-SCHOOL BOARD</b>			6,386,699
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY</b>			\$ 9,974,705

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, 2015

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#### 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, 2015. 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	\$ 496,852
Virginia Public Assistance Fund	2,052,156
Comprehensive Youth Services Fund	23,276
Stormwater Ordinance Fund	50,432
Drug Seizures Fund	6,576
County Capital Projects Fund	<u>27,534</u>

Parks Construction Fund

Total primary government \$ 2,656,826

Component Unit Airport:

Airport \$ 954,732

Component Unit Public Schools:

School Operating Fund	\$ 4,199,578
School Cafeteria Fund	<u>2,155,559</u>
Total component unit public schools	\$ <u>6,355,137</u>

Total federal expenditures per basic financial  
statements

\$ 9,966,695

Payments in lieu of taxes \$ (24,562)

Non-cash expenditures - value of donated commodities \$ 32,572

Total federal expenditures per the Schedule of Expenditures  
of Federal Awards

\$ 9,974,705

COUNTY OF ACCOMACK, VIRGINIA

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2015

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**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?	No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555/10.559	Child Nutrition Cluster
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk auditee?	Yes

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings and questioned costs to report.

**Section IV - Prior Year Findings and Questioned Costs**

There were no prior year findings and questioned costs to report.