



Comprehensive

Annual

Financial

Report

County of Accomack, Virginia

Fiscal Year Ended June 30, 2011



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COUNTY OF ACCOMACK, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2011

Prepared by:

Central Accounting Office
Accomack County, Virginia



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County of Accomack, Virginia
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

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Introductory Section



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COUNTY OF ACCOMACK CENTRAL ACCOUNTING

Post Office Box 620
Accomack, Virginia 23301
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Michael T Mason, CPA
Finance Director

December 27, 2011

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, 2011. This report was prepared by the County's Central Accounting Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds. We further believe that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

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

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

- ☐ Introductory Section: The Introductory Section includes this letter of transmittal, a certificate of achievement for excellence in financial reporting, the County's organizational chart and list of principal officials.
- ☐ Financial Section: The Financial Section includes Management's Discussion and Analysis (MD&A), government-wide and fund financial statements, notes to the financial statements, required and other

supplementary information and the independent auditor's report on the MD&A, financial statements and schedules.

- Statistical Section: The Statistical Section contains selected financial and demographic information generally presented on a multi-year basis.
- Compliance Section: The Compliance Section contains information on County programs that are financed by federal grants. This information is required by the Single Audit Act and by the Commonwealth of Virginia Auditor of Public Accounts.

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

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

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

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

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

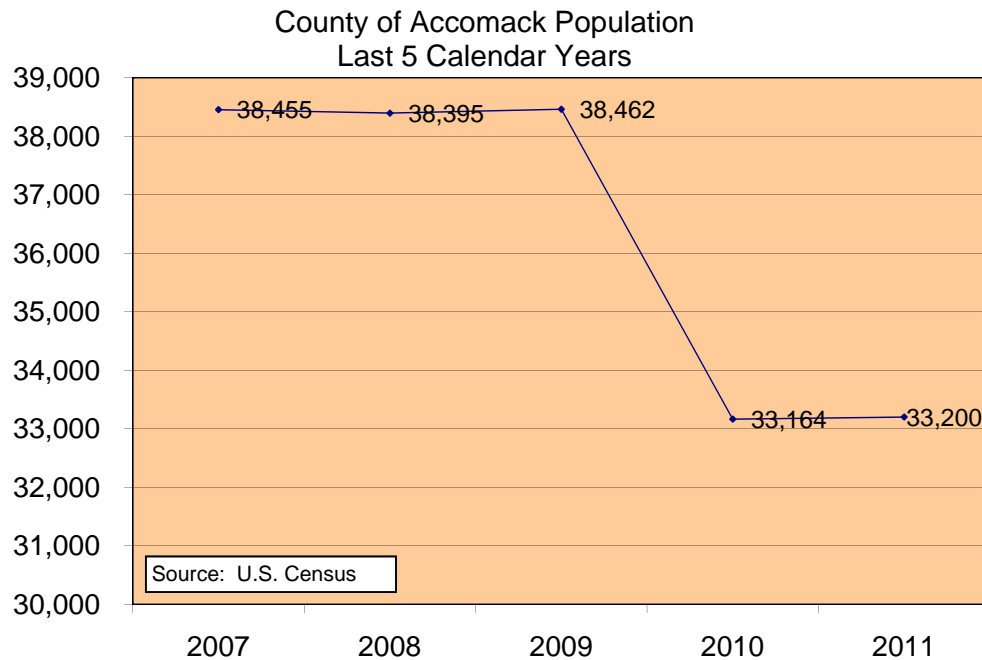
As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to ensure and document compliance with applicable laws and regulations. The audit for the fiscal year ended June 30, 2011 has been completed and no material 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 33,200 at December 15, 2011 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:

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

The manufacturing sector continues to account for the majority of jobs in the County, approximately 26% in 2010. 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.

Employment by Sector							
Calendar Year	Manufacturing	Accommodations and Food Service	Retail Trade	Public Administration	Health Care & Social Assistance	Other	Total
2010	3,451	1,172	1,279	1,214	1,241	4,951	13,308
2009	3,528	1,171	1,138	1,162	1,310	5,385	13,694
2008	3,331	1,182	1,186	1,139	1,313	5,175	13,326
2007	3,356	1,150	1,197	1,126	1,249	5,460	13,538
2006	3,237	1,166	1,205	1,095	1,258	5,364	13,325

The retail trade sector makes up the second largest category of average employment representing 10% of jobs.



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

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

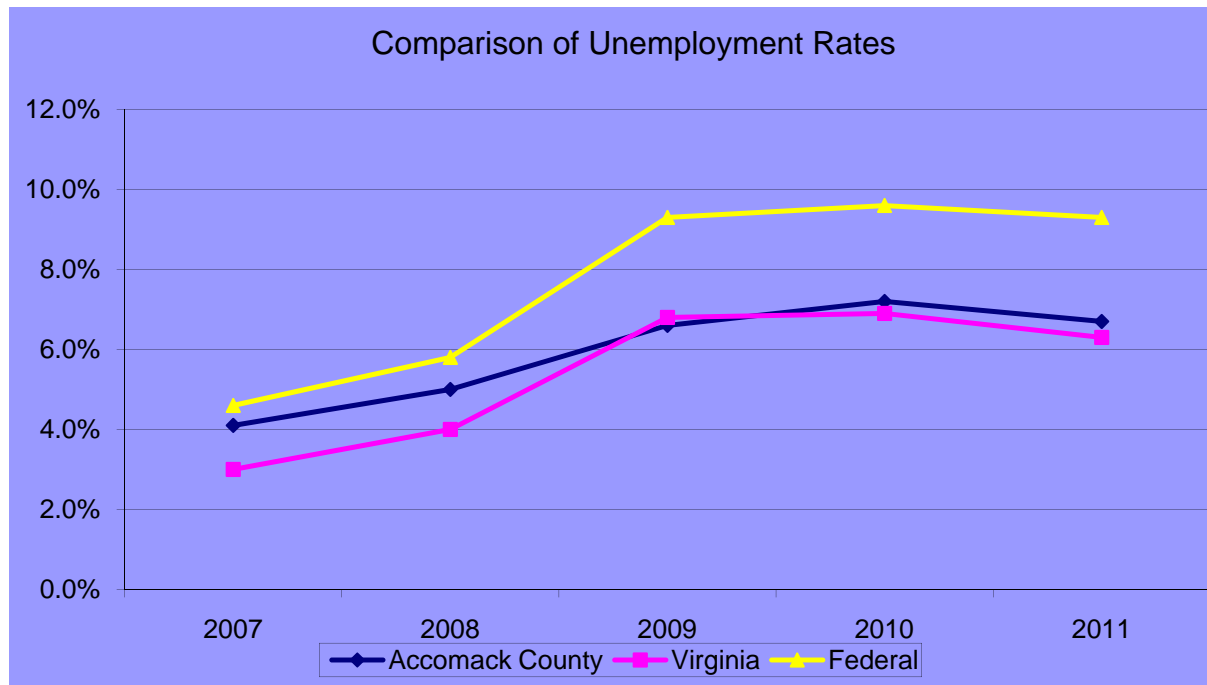
Employment associated with The U.S. Navy Surface Combat Systems Center (SCSC), NASA Wallops Flight Facility, and NOAA Command and Data Acquisition Center, all located on Wallops Island, while not reflected in any one sector is worth noting. Average employment for these entities taken as a whole ranks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

Future prospects for the Wallops Island area are high. This island is home to the Mid-Atlantic Regional Spaceport (MARS) whose mission is to develop and operate a multi user spaceport at the NASA Wallops Flight Facility which provides low cost, safe, reliable, "schedule friendly" space access to commercial, government, and academic users. In June of 2011, MARS successfully launched another Minotaur I rocket carrying a military satellite for the Operationally Responsive Space Office. The launch of the satellite, known as ORS-1, is considered an "important step to demonstrate the capability to meet emerging and persistent war-fighter needs," NASA officials said in a statement. 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 2011 is 6.7% well below that of the nation.



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

- Began to implement the Wallops Research Park master planning document to guide the development of the Wallops Research Park which is located on land



adjacent to NASA's Wallops Flight Facility (WFF). The proximity not only to NASA, but also to U.S. Navy Surface Combat Systems Center, makes the park a prime location for many businesses. The County has contingently approved the issuance of up to \$2.5 million in bonds to ready the park for occupation and has been pursuing additional state matching funds.

- Continued the goal of eliminating unmanned "green box" solid waste collection sites in the County by completing the construction of the sixth manned facility located near the Town of Painter. Funding for this project was provided by issuing debt via the Virginia Resources Authority Pooled Financing Program.



Prospects for the Future. For the 2012 Fiscal Year, the Board of Supervisors adopted a Primary Government operating and capital budget of \$50,876,110 which is an increase of 4.97% from the previous year and 5% greater than the adopted 2010 budget. The 2012 budget does not contain any tax increases.

Certificate of Achievement. The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Accomack, Virginia, for its comprehensive annual financial report for the fiscal year ending June 30, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for a another certificate.

Acknowledgments. The preparation of this report could not have been accomplished without the dedicated services of the entire Central Accounting Department, the County Administrator and the School Board Finance Department.

We would also like to thank the Board of Supervisors for their interest and support in planning and conducting the financial operation of the County in a responsible and progressive manner.

Respectfully submitted,

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

Michael T. Mason, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Accomack
Virginia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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



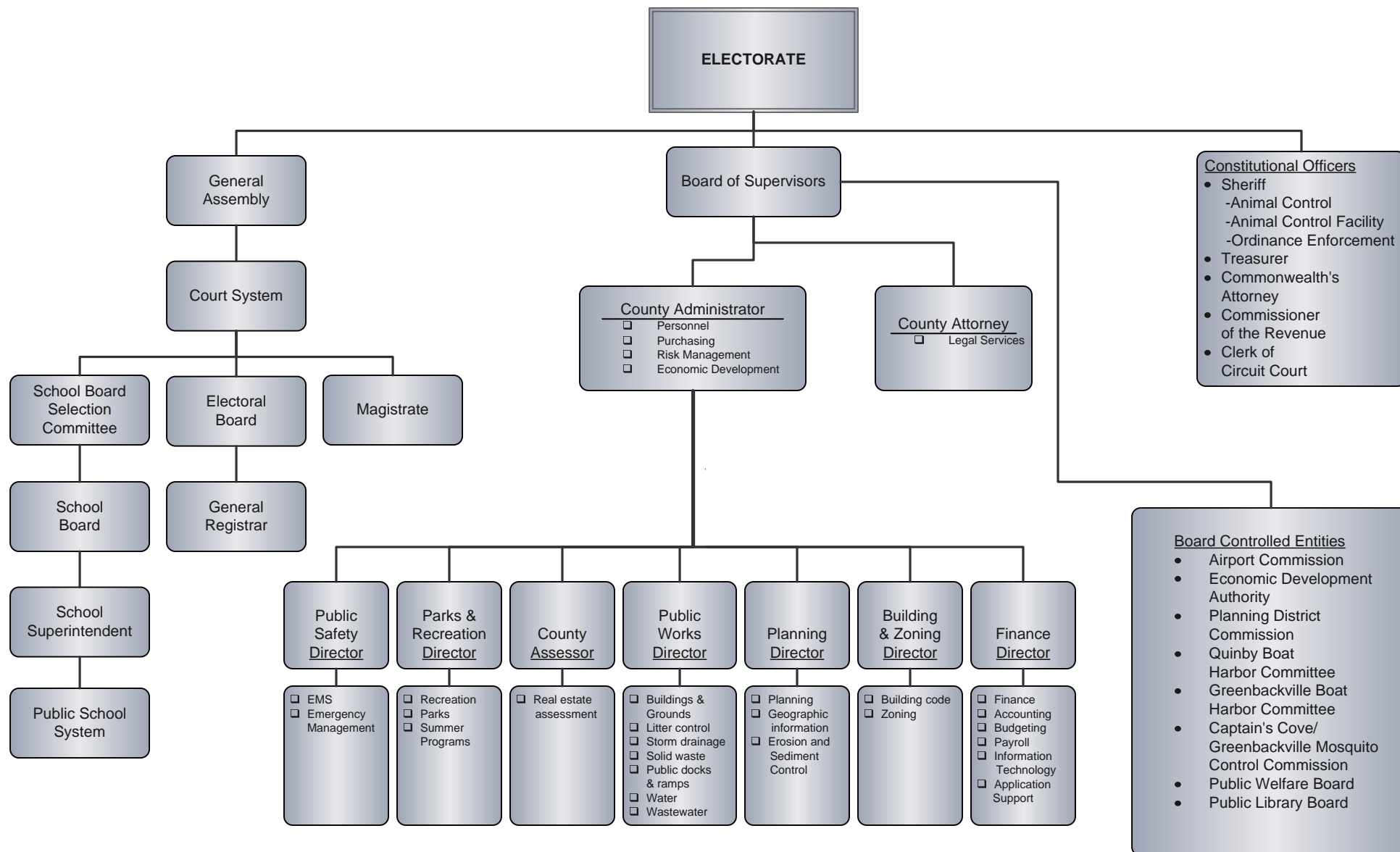
Linda C. Sandson

President

Jeffrey R. Enos

Executive Director

COUNTY OF ACCOMACK, VIRGINIA ORGANIZATION CHART



County of Accomack, Virginia

Principal Officials

Board of Supervisors

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

Constitutional Officers

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

County Administrative Officers

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

County of Accomack, Virginia
Principal Officials
(continued)

School Board

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

School Board Administrative Officers

Dr. Willaim B. Benson	Superintendent
Dr. Rhonda Hall	Assistant Superintendent
Jessie Duncil	Assistant Superintendent
Beth O. Charnock	Director of Finance

Financial Section



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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County of Accomack, Virginia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Accomack-Northampton Planning District Commission which reflect total assets of \$1,507,555 and revenues of \$1,369,337 as of June 30, 2011. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for the Accomack-Northampton Planning District Commission is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, 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, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, the County of Accomack, Virginia adopted the provisions of *GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions*, effective July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2011, on our consideration of the County of Accomack, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules of pension and OPEB funding progress 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 management's discussion and analysis and schedules of funding progress 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 management's discussion and analysis and schedules of funding progress 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Accomack, Virginia's financial statements as a whole. The introductory section, combining fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining fund financial statements and schedules, 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 financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and other auditors in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Robinson, Farnell, Cox Associates
Charlottesville, Virginia
December 27, 2011



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, 2011. 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

<ul style="list-style-type: none">• The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$18,739,614 (net assets). Of this amount, \$12,775,719 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
<ul style="list-style-type: none">• The County's total net assets increased by \$3,278,805 (21%). Net assets of the governmental-type activities increased \$3,216,440 (20%) and net assets of the business-type activities increased \$62,365 (16%).
<ul style="list-style-type: none">• The County's unrestricted net assets increased by \$4,111,769 (47%). Unrestricted net assets of the governmental-type activities increased \$3,716,271 (32%) and unrestricted net assets of the business-type activities increased \$395,498 (14%).
<ul style="list-style-type: none">• Program revenues of the County's business-type activities decreased by 4% to \$2,863,680 while expenses decreased by 15% to \$2,835,427.
<ul style="list-style-type: none">• The General fund reported an ending fund balance of \$12,012,961, an increase of \$4,176,317 (53%). Of the ending fund balance, \$110,492 was nonspendable or restricted, \$4,695,521 was committed pursuant to the County's "Rainy Day"/Revenue Stabilization policy, \$3,113,920 was assigned to various projects and \$4,093,028 was unassigned.<ul style="list-style-type: none">◦ The amount of General Fund ending fund balance committed pursuant to the County's "Rainy Day"/Revenue Stabilization Policy was equal to 6.7% 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 \$11,902,469 or 38 percent of total general fund expenditures.
<ul style="list-style-type: none">• The County's outstanding debt decreased by \$2,395,373 or 5.2 percent during the current fiscal year.

Overview of the Financial Statements

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

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

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

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

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

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

Both of the Government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial administration, police and volunteer fire protection, refuse collection, social services, education, community development and recreation. The business-type activities of the County include waste disposal, water/wastewater services and 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 sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Virginia Public Assistance Fund, Comprehensive Youth Services Fund, School Debt Service Fund and County Capital Projects Funds, all of which are considered to be major funds. Data from the remaining eleven governmental funds are combined into a single aggregated presentation. Individual fund data for these nonmajor funds is provided in the "Other Supplemental Information" section of the report.

The County adopts an annually appropriated budget for its Governmental funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. Budgetary comparison schedules for nonmajor funds are also provided in the "Other Supplemental Information" section of the report.

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

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

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

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

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. The County's assets exceeded liabilities by \$18,739,614 at year-end.

The largest portion of the County's net assets (68%) is unrestricted meaning it may be used to meet the government's ongoing obligation.

The next largest portion of the County's net assets (24%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital

assets themselves cannot readily be used to liquidate these liabilities.

County of Accomack, Virginia						
Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 35,074,140	\$ 20,681,481	\$ 5,610,357	\$ 4,874,026	\$ 40,684,497	\$ 25,555,507
Capital assets	44,875,113	47,252,588	4,215,219	4,546,079	49,090,332	51,798,667
Total assets	79,949,253	67,934,069	9,825,576	9,420,105	89,774,829	77,354,174
Current liabilities	19,437,447	8,559,293	227,915	276,877	19,665,362	8,836,170
Long -term liabilities	41,443,987	43,523,400	9,925,866	9,533,798	51,369,853	53,057,198
Total liabilities	60,881,434	52,082,693	10,153,781	9,810,675	71,035,215	61,893,368
Net Assets:						
Invested in capital assets,						
net of related debt	2,465,664	3,495,270	2,108,712	2,441,845	4,574,376	5,937,115
Restricted	1,389,519	859,741	-	-	1,389,519	859,741
Unrestricted	15,212,636	11,496,365	(2,436,917)	(2,832,415)	12,775,719	8,663,950
Total net assets	\$ 19,067,819	\$ 15,851,376	\$ (328,205)	\$ (390,570)	\$ 18,739,614	\$ 15,460,806

An additional portion of the County's net assets (7%) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the County is able to report positive balances of net assets, for the County as a whole, as well as for its governmental-type activities. Business-type activities had deficit net assets of \$328,205 due primarily to unfunded landfill closure and post closure care costs. The County has taken steps to gradually eliminate this deficit by increasing landfill user fees to cover current operating cost (including closure and post closure care) and providing additional general funds to gradually reduce the deficit.

The County's net assets increased by \$3,278,805 or 21% during the fiscal year. Governmental activities accounted for 98.1% of the total increase while business-type activities accounted for the remaining 1.9%.

Governmental Activities - Governmental activities increased the County's net assets by \$3,216,440 or 36% during the fiscal year. Key elements of this increase are as follows:

Accomack County, Virginia						
Change in Net Assets						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for services	\$ 1,685,052	\$ 1,762,754	\$ 2,863,680	\$ 2,976,630	\$ 4,548,732	\$ 4,739,384
Operating grants & contributions	8,437,999	10,180,279	-	-	8,437,999	10,180,279
Capital grants & contributions	160,367	398,973	-	-	160,367	398,973
General Revenues:						
General property taxes	27,583,562	29,221,909	-	-	27,583,562	29,221,909
Other local taxes	6,946,687	6,185,408	-	-	6,946,687	6,185,408
Investment earnings	1,967	8,272	8,312	7,047	10,279	15,319
Non-categorical aid	3,320,843	3,349,305	-	-	3,320,843	3,349,305
Other general revenues	596,723	368,768	-	90,115	596,723	458,883
Total revenues	48,733,200	51,475,668	2,871,992	3,073,792	51,605,192	54,549,460
Expenses:						
General government administration	3,176,953	3,442,672	-	-	3,176,953	3,442,672
Judicial administration	1,541,877	1,513,759	-	-	1,541,877	1,513,759
Public safety	8,982,920	8,958,985	-	-	8,982,920	8,958,985
Public works	3,303,409	3,416,523	-	-	3,303,409	3,416,523
Health and welfare	5,652,391	7,491,729	-	-	5,652,391	7,491,729
Education	18,095,238	17,431,304	-	-	18,095,238	17,431,304
Parks, recreation and cultural	1,038,188	901,358	-	-	1,038,188	901,358
Community development	1,657,666	1,832,561	-	-	1,657,666	1,832,561
Interest on long-term debt	2,042,318	2,178,880	-	-	2,042,318	2,178,880
Business-type	-	-	2,835,427	3,327,697	2,835,427	3,327,697
Total expenses	45,490,960	47,167,771	2,835,427	3,327,697	48,326,387	50,495,468
Increase (decrease) in net assets						
before transfers	3,242,240	4,307,897	36,565	(253,905)	3,278,805	4,053,992
Transfers	(25,800)	(121,343)	25,800	121,343	-	-
Increase (decrease) in net assets	3,216,440	4,186,554	62,365	(132,562)	3,278,805	4,053,992
Net assets, July 1	15,851,379	11,664,822	(390,570)	(258,008)	15,460,809	11,406,814
Net assets June 30	\$ 19,067,819	\$ 15,851,376	\$ (328,205)	\$ (390,570)	\$ 18,739,614	\$ 15,460,806

- Property taxes are the largest single revenue source comprising 57% of total governmental revenues. Property taxes decreased by \$1,638,347 or 6% during the fiscal year. In fiscal year 2010, the County changed its personal property billing cycle from annually to semi-annually. This resulted in the recognition of a \$3.2 million one-time revenue in fiscal year 2010 as is the reason why revenue in fiscal year 2011 was less than 2010.

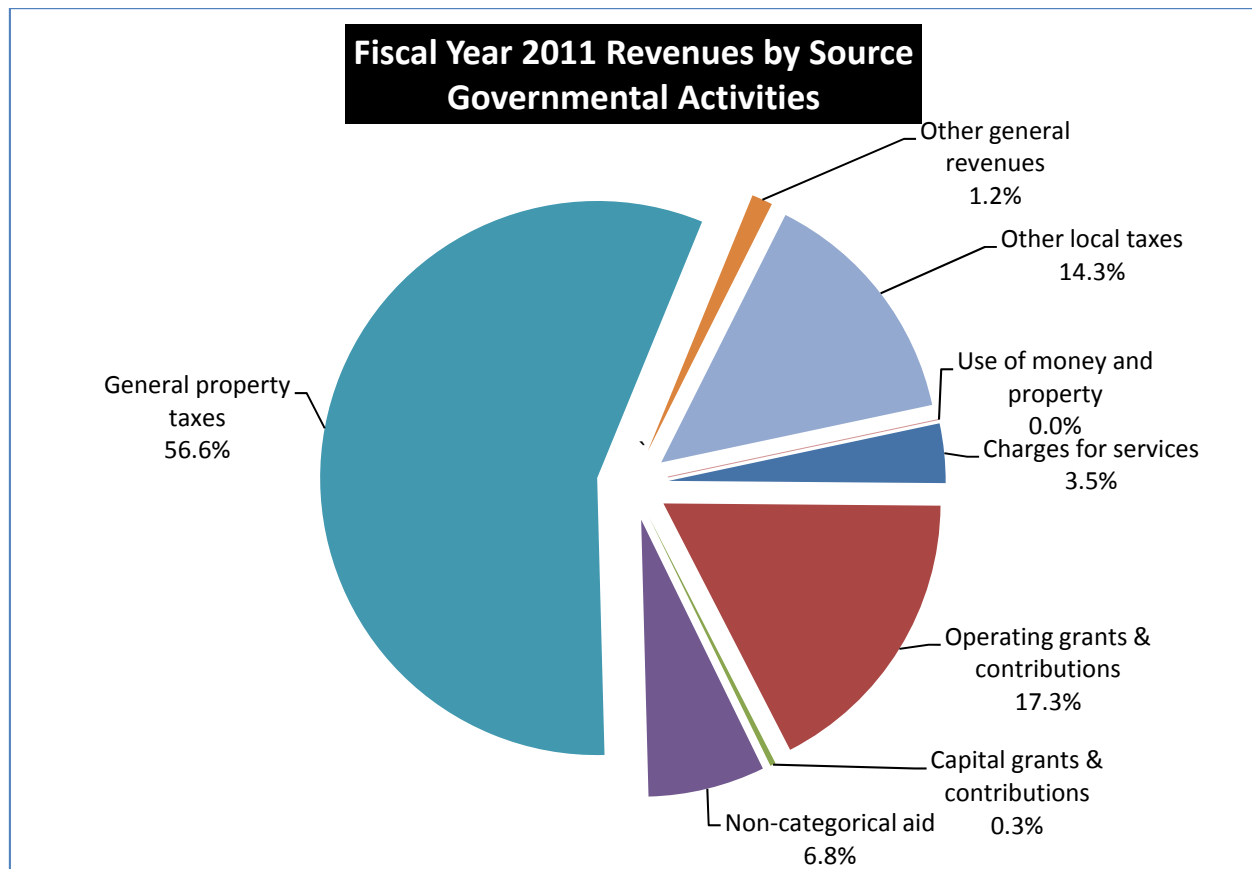
- Operating grants for governmental activities is the second largest revenue source comprising 17% of governmental revenues. This revenue source decreased by \$1,742,280 or 17% during the fiscal year. The primary factors for this decrease were as follows:

- Utilization of Comprehensive Services Act (CSA) program, a state mandated program, decreased prompting a reduction in state categorical aid designated for it of approximately 12% or 1,208,930. This decrease also explains the 25% decrease in health and welfare expenditures from the prior year.

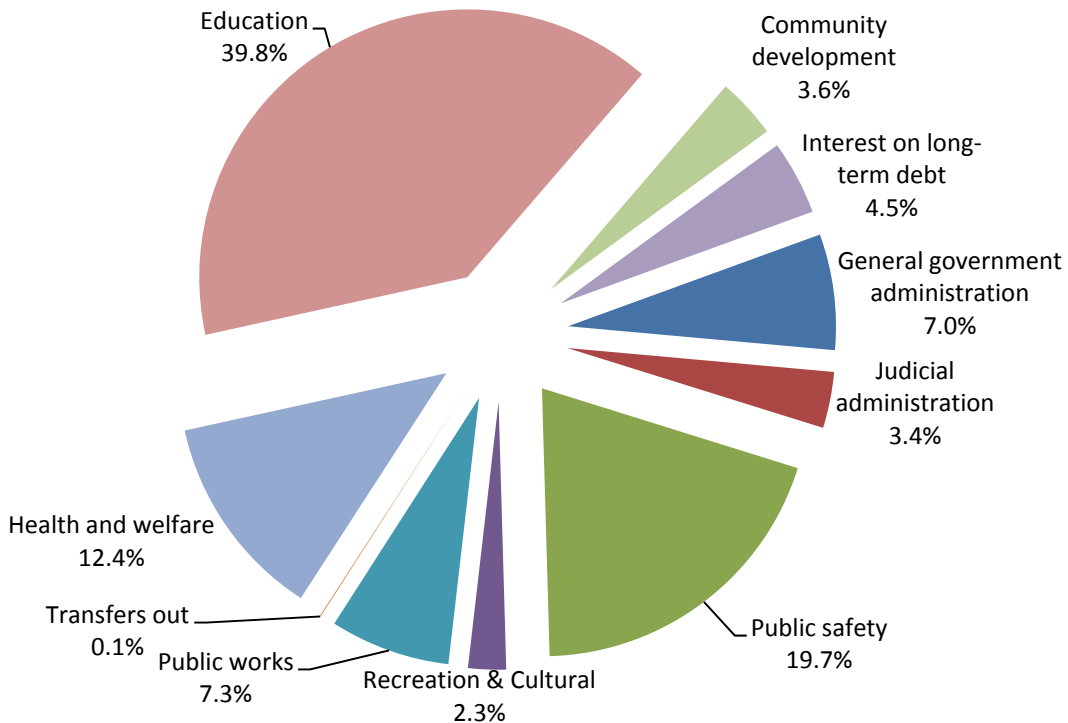
- Operating grant revenue associated with the County's Hazard Mitigation Elevation Project decreased \$329,969. This \$3 million project provided financial assistance to residences located in low-lying areas. Funding is primarily used to raise existing homeowner residences to heights sufficient to escape flood water. Most grant revenue associated with the project

was recognized in FY09. The project is now essentially complete.

- Other local taxes decreased by 12% primarily due to growth in local sales and use tax revenue. The County's first Walmart opened in the spring of 2010 allowing the County to recoup some of the tax dollars lost to Worcester County, MD, the County's northern neighbor. Worcester County had been the closest location of a "big-box" retailer prior to the opening of this store.
- Education expense is the largest single category comprising 40% of total governmental expenses. Expenses for this category increased \$663,934 or 3.8% from the previous year. This increase was the result of an increase in the operating contribution to the Accomack County School Board.
- Public safety expense is the second largest category comprising 20% of governmental expenses. Expenses for this category increased \$23,935 or less than 1%.
- Community development expenses decreased \$174,895 or 10% from the prior year. The primary component of this decrease was the reduction in Hazard Mitigation Elevation Project expenses.



Fiscal Year 2011 Expenses by Function Governmental Activities



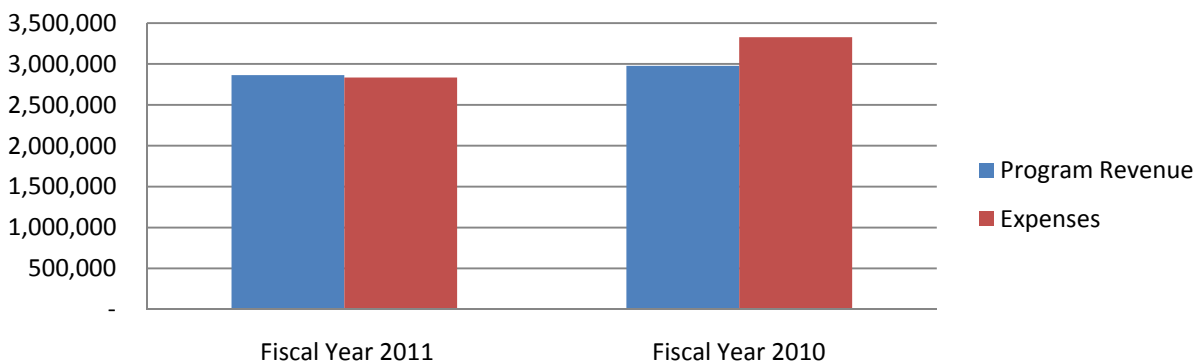
Business-type Activities - Business-type activities increased the County's net assets by \$62,365 or by less than 1% during the fiscal year.

Business-type expenses decreased by 15% or \$492,270 as compared to the prior fiscal year. The key element of this increase was as follows:

- Landfill expenses for lechate transport and treatment decreased by 78% or approximately 457,000 in fiscal year 2011 due to significantly lower volumes of lechate from the County's North Landfill.

Business-type revenues decreased by 4% due mostly to a reduction in the billable waste stream received at the County's Landfills.

Expenses and Program Revenues - Business Type Activities



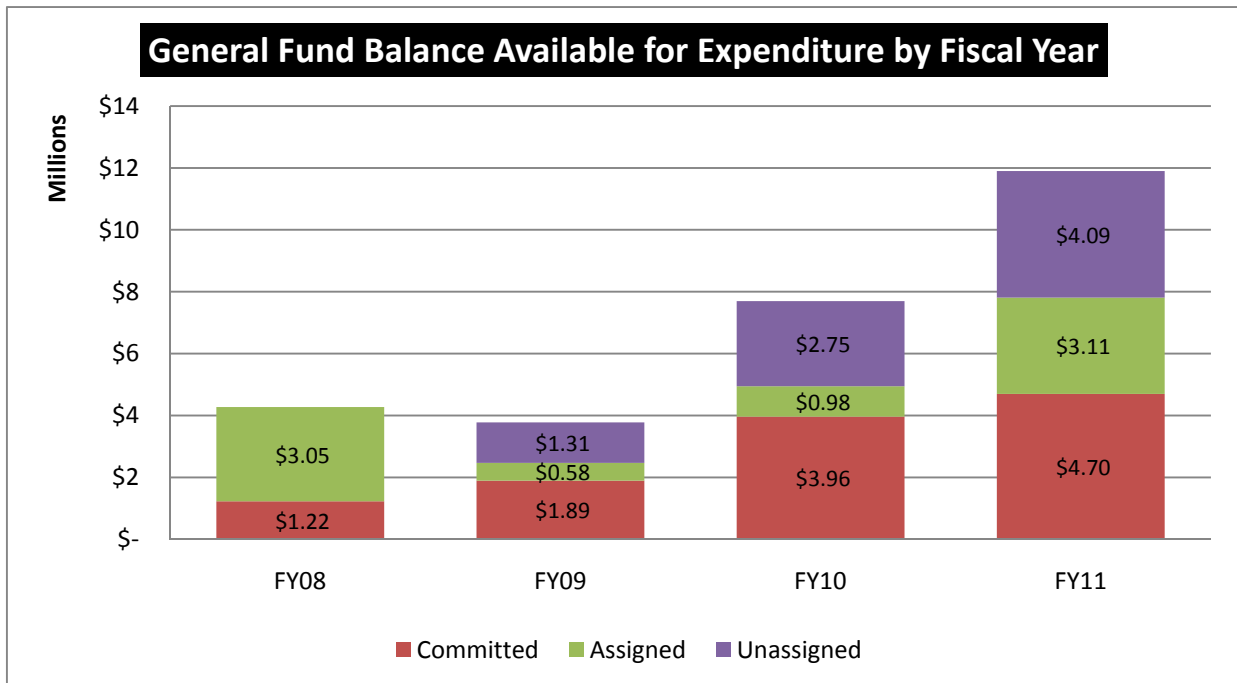
Financial Analysis of the County's Funds

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 \$15,191,144. Details are as follows:

- The General Fund accounted for 79% percent or \$12,012,961 of the combined ending governmental fund balance.
 - Approximately \$4,093,028 or 34% 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 \$4,695,621 or 39% is committed for a "Rainy Day" or Revenue Stabilization. This amount represents 6.7% of General Fund Revenue combined with School Operating Fund Revenue less revenue from the Primary Government.
 - Approximately \$3,113,920 or 26% is assigned to various projects yet to be completed.
 - Approximately \$104,700 or 1% of this balance is due to noncurrent advances/receivables and is therefore nonspendable.
 - The remainder, \$5,792, 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 \$4,176,317 or 53%. General Fund Committed Fund Balance increased by \$731,521 or 18%. The entire amount of committed fund balance is associated with the County's "Rainy Day" /Revenue Stabilization Policy. The

General Fund unassigned fund balance increased by \$1,341,571 or 49%.

- The County Capital Projects Fund accounted for 3% or \$478,169 of the combined ending governmental fund balance. Approximately \$32,973 of this balance represents unspent bond proceeds restricted for use in for constructing and equipping solid waste convenience centers. The remainder is assigned to various on-going capital projects.
- The School Debt Service Fund accounted for 9% or \$1,389,519 of the combined ending governmental fund balance. This entire balance is restricted for future debt service.

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

The Landfill Fund reported deficit net assets at the end of the year in the amount of \$659,742. This deficit is primarily due to unfunded landfill closure and post closure care costs. The current fiscal year deficit is significantly less than the \$2.8 million deficit net assets reported at the end of fiscal year 2004. The County has gradually reduced this deficit since 2005 by increasing landfill user fees and allowing Northampton County to dispose of its waste at the County's South Landfill. These steps have resulted in positive changes in net assets of \$80,491, \$277,686, \$883,701, \$575,617 and \$426,792 for the fiscal years ended June 30, 2011, June 30, 2009, June 30, 2007, June 30, 2006 and June 30, 2005 respectfully.

Budgetary Highlights

General Fund Budget Amendments:

Revenues:

The difference between the Primary Government General Fund original budget and final amended budget (schedule 1) was \$1,781,412. The majority of these amendments, \$1,510,680, were made to recognize various 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. No material amendments were made during the fiscal year to bring revenue estimates in line with actual revenue except for a \$59,000 reduction in the original building permits budget.

Expenditures:

The difference between the Primary Government General Fund original budget and the final amended budget (schedule 2) was \$1,900,284. Significant differences can be summarized as follows:

- Community Development related amendments - Amendments totaling \$1,068,707 were made to reappropriate unspent grant funds associated with the Hazard Mitigation Elevation Project.
- Public Safety related amendments - The following amendments were made to reflect the award or carryover of grant funding:
 - An amendment of \$65,694 was made to recognize the carryover of unspent Virginia Homeland Security Grant Funds. The purpose of these funds was to purchase hazardous material safety equipment.
 - An amendment of \$88,453 was made to recognize the award of Virginia Department of Criminal Justice Services grant funds used to provide local probation services for the General District Court and Juvenile Domestic & Relations Court.

- Amendments totaling \$13,465 were made to recognize the award of federal Edward Byrne Memorial Assistance grant funds used to improve the functioning of the criminal justice system.
- Public Works related amendments - The original budget was amended by \$85,646 to reflect the carryover of funds used for storm drainage control.
- Parks, Recreation and Cultural amendments - The original budget was amended by \$162,424 to reflect the acceptance of a grant award for the Summer Food/Playground Program.

General Fund Budget Variances:

The Primary Government General Fund reported a positive variance between actual revenue and the final budget of \$1,165,238 and a positive variance between actual expenditures and the final budget of \$3,017,420.

There were no significant negative budget variances reported in the General Fund other than a variance of \$1,010,469 for Hazard Mitigation Grants which was offset by a positive expenditure budget variance of \$1,048,859. This grant program to raise existing homeowner residences to escape flood waters is now essentially complete.

Capital Asset and Debt Administration
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Capital assets - The County's investment in capital assets for its governmental and business type activities as of June 30, 2011 amounts to \$49,090,332 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

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

Long-term debt - At the end of the current fiscal year, the County had total debt outstanding of \$44,040,871. Of this amount, \$38,292,871 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 \$36,180,874 in debt reported on the County's Statement of Net Assets and an expense increase of \$1,754,664 reported on the County's Statement of Activities for the transfer of school property on which debt was retired during the fiscal year to the school board. The legislation affects the reporting of local school capital assets as well.

Additional information on the County's long-term debt can be found in Note 11 of this report.

Economic Factors and Next Year's Budgets and Rates

Many economists expect Virginia's recovery from the global recession to be long and slow. Many revenues, in particular revenues tied to the housing market, are not expected to fully recover to their 2006 for the foreseeable future. Based upon this outlook, most of the steps taken in fiscal year 2011 to control expenditures have been continued into fiscal year 2012. These steps included reductions in work force. Approximately 13.5 full-time equivalents or 4% of total primary government have been eliminated. In addition, the fiscal year 2012 budget continues with the plan implemented in fiscal year 2009 to strengthen the County's general fund balance

committed for a "Rainy Day" or Revenue Stabilization. The plan calls for this fund balance to be at least equal to 8% of County and School Board operating revenue by fiscal year 2016. There are also plans to refund two outstanding bond issues to take advantage of favorable interest rates.

Although the local unemployment rate continues to increase, it does compare favorably to the national rate of 9.3%. The local average unemployment rate was 6.7%, 6.6% and 6.5% for June 2011, June 2010 and June 2009, respectfully.

Unemployment Rates			
	June 2009	June 2010	June 2011
Accomack County	6.5%	6.6%	6.7%
Commonwealth of Virginia	7.2%	7.0%	6.3%
USA	9.7%	9.6%	9.3%

According to the Virginia Employment Commission, the number of persons employed increased by approximately 2% from 19,645 in June 2010 to 20,119 in June 2011.

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

Assessed value of taxable real property increased \$61,079,675 or 1% in fiscal year 2011 as compared to the previous fiscal year. A reassessment of real property values was last conducted in fiscal year 2010. The next reassessment is scheduled for 2012. County real estate values are expected to drop by approximately 10% once the reassessment is complete.

The fiscal year 2012 adopted budget contains no increase in real estate or personal property taxes.

Requests for Information

This financial report is designed to provide our residents, taxpayers, customers, investors and creditors with a general overview of the County of Accomack, Virginia's finances and to demonstrate accountability for the money the County receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Accomack County Central Accounting Office, P.O. Box 620, Accomac, Virginia 23301.



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Basic Financial Statements



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COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET ASSETS
AT JUNE 30, 2011

Exhibit 1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Other
<u>Assets:</u>					
Cash and cash equivalents	\$ 15,906,043	\$ 5,331,699	\$ 21,237,742	\$ 7,479,468	\$ 564,171
Taxes receivable, net	16,775,119	-	16,775,119	-	-
Special assessments receivable, net	38,926	-	38,926	-	-
Accounts receivable, net	632,507	233,862	866,369	80,827	248,649
Due from other government entities	1,417,285	-	1,417,285	3,727,924	3,407
Inventory	-	-	-	-	71,978
Prepaid items	-	-	-	-	10,097
Notes receivable	68,756	-	68,756	-	-
Deferred charges	202,531	44,796	247,327	-	-
Restricted assets:					
Cash and cash equivalents	32,973	-	32,973	-	500,000
Capital Assets (net of accumulated depreciation):					
Land	1,353,468	205,767	1,559,235	974,862	894,933
Buildings	37,596,671	675,490	38,272,161	28,440,193	1,187,602
Improvements other than buildings	3,451,858	1,760,560	5,212,418	1,303,584	2,519,023
Machinery and equipment	1,525,353	1,301,293	2,826,646	3,048,658	113,220
Intangibles	267,055	-	267,055	-	-
Construction in progress	680,708	272,109	952,817	-	232,356
Total assets	<u>79,949,253</u>	<u>9,825,576</u>	<u>89,774,829</u>	<u>45,055,516</u>	<u>6,642,462</u>
<u>Liabilities:</u>					
Accounts payable	1,705,048	153,841	1,858,889	2,584,745	125,502
Wages and benefits payable	23,464	355	23,819	3,631,658	7,493
Due to other government entities	103,526	-	103,526	21,375	-
Accrued interest payable	872,489	3,300	875,789	-	-
Unearned revenue	12,800,367	345	12,800,712	407,397	153,080
Customer deposits	55,950	21,943	77,893	-	-
Noncurrent liabilities:					
Due within one year	3,876,603	48,131	3,924,734	1,467,242	43,471
Due in more than one year	41,443,987	9,925,866	51,369,853	599,345	136,048
Total liabilities	<u>60,881,434</u>	<u>10,153,781</u>	<u>71,035,215</u>	<u>8,711,762</u>	<u>465,594</u>
<u>Net Assets:</u>					
Invested in capital assets, net of related debt	2,465,664	2,108,712	4,574,376	33,767,297	4,912,324
Restricted for:					
Future debt service	1,389,519	-	1,389,519	-	596,452
Unrestricted	15,212,636	(2,436,917)	12,775,719	2,576,457	668,092
Total net assets	<u>\$ 19,067,819</u>	<u>\$ (328,205)</u>	<u>\$ 18,739,614</u>	<u>\$ 36,343,754</u>	<u>\$ 6,176,868</u>

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

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE, 30 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government administration	\$ 3,176,953	\$ 363,578	\$ 255,074	\$ -
Judicial	1,541,877	95,242	994,125	-
Public safety	8,982,920	431,555	2,420,816	-
Public works	3,303,409	115,016	15,675	-
Health and welfare	5,652,391	339,200	3,984,694	-
Education	18,095,238	-	-	-
Parks, recreation and cultural	1,038,188	283,305	121,394	115,000
Community development	1,657,666	57,156	646,221	45,367
Interest on long-term debt	2,042,318	-	-	-
Total governmental activities	45,490,960	1,685,052	8,437,999	160,367
Business-type activities:				
Landfill	2,522,546	2,587,858	-	-
Water and sewer	236,253	223,069	-	-
Parks and recreation	76,628	52,753	-	-
Total business-type activities	2,835,427	2,863,680	-	-
Total primary government	\$ 48,326,387	\$ 4,548,732	\$ 8,437,999	\$ 160,367
Component Units:				
School Board	\$ 50,588,902	\$ 954,220	\$ 35,436,655	\$ -
Airport Commission	807,071	301,196	-	73,869
Economic Development Authority	7,859	-	-	-
Public Library	659,720	49,788	411,585	-
Planning District Commission	1,329,045	1,098,991	168,703	-
Quinby Harbor Committee	202,571	22,176	-	-
Greenbackville Harbor Committee	33,588	19,995	-	-
Captain's Cove/Greenbackville Mosquito Control Commission	56,726	-	-	-
Total component units	\$ 53,685,482	\$ 2,446,366	\$ 36,016,943	\$ 73,869
General Revenues:				
Taxes:				
General property taxes				
Local sales and use taxes				
Communication taxes				
Consumer utility taxes				
Other local taxes				
Contributions from County of Accomack				
Grants and contributions not restricted to specific programs				
Investment earnings				
Other revenue				
Transfers				
Total general revenue and transfers				
Change in net assets				
Net assets-beginning				
Net assets-ending				

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	School Board	Other
\$ (2,558,301)	\$ -	\$ (2,558,301)	\$ -	\$ -
(452,510)	-	(452,510)	-	-
(6,130,549)	-	(6,130,549)	-	-
(3,172,718)	-	(3,172,718)	-	-
(1,328,497)	-	(1,328,497)	-	-
(18,095,238)	-	(18,095,238)	-	-
(518,489)	-	(518,489)	-	-
(908,922)	-	(908,922)	-	-
(2,042,318)	-	(2,042,318)	-	-
<u>(35,207,542)</u>	<u>-</u>	<u>(35,207,542)</u>	<u>-</u>	<u>-</u>
-	65,312	65,312	-	-
-	(13,184)	(13,184)	-	-
-	<u>(23,875)</u>	<u>(23,875)</u>	-	-
-	28,253	28,253	-	-
<u>(35,207,542)</u>	<u>28,253</u>	<u>(35,179,289)</u>	<u>-</u>	<u>-</u>
-	-	-	(14,198,027)	-
-	-	-	-	(432,006)
-	-	-	-	(7,859)
-	-	-	-	(198,347)
-	-	-	-	(61,351)
-	-	-	-	(180,395)
-	-	-	-	(13,593)
-	-	-	-	(56,726)
-	-	-	<u>(14,198,027)</u>	<u>(950,277)</u>
27,583,562	-	27,583,562	-	-
3,281,807	-	3,281,807	-	-
1,087,470	-	1,087,470	-	-
986,409	-	986,409	-	-
1,591,001	-	1,591,001	-	-
-	-	-	17,296,936	724,523
3,320,843	-	3,320,843	-	-
1,967	8,312	10,279	1,622	13,721
596,723	-	596,723	159,006	-
(25,800)	25,800	-	-	-
<u>38,423,982</u>	<u>34,112</u>	<u>38,458,094</u>	<u>17,457,564</u>	<u>738,244</u>
3,216,440	62,365	3,278,805	3,259,537	(212,033)
15,851,379	(390,570)	15,460,809	33,084,217	6,388,901
<u>\$ 19,067,819</u>	<u>\$ (328,205)</u>	<u>\$ 18,739,614</u>	<u>\$ 36,343,754</u>	<u>\$ 6,176,868</u>

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

COUNTY OF ACCOMACK, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
AT JUNE 30, 2011

Exhibit 3

	Major Funds						
	General	Virginia	Comprehen-	County	School	Nonmajor	Total
	Fund	Public	sive Youth	Capital	Debt	Governmental	Governmental
	Fund	Assistance	Services	Projects	Service	Funds	Funds
Assets:							
Cash and cash equivalents	\$ 11,993,550	\$ -	\$ 122,018	\$ 338,504	\$ 1,507,807	\$ 1,944,164	\$ 15,906,043
Taxes receivable, net	12,860,536	-	-	-	2,230,663	1,683,920	16,775,119
Special assessments receivable, net	38,926	-	-	-	-	-	38,926
Accounts receivable, net	375,774	420	6,997	-	-	249,316	632,507
Notes receivable, net	-	-	-	-	-	68,756	68,756
Due from other government entities	868,828	236,909	150,580	151,965	-	9,003	1,417,285
Interfund receivables	196,121	-	-	-	-	-	196,121
Restricted assets:							
Cash and cash equivalents	-	-	-	32,973	-	-	32,973
Total assets	<u>26,333,735</u>	<u>237,329</u>	<u>279,595</u>	<u>523,442</u>	<u>3,738,470</u>	<u>3,955,159</u>	<u>35,067,730</u>
Liabilities:							
Accounts payable	827,266	36,349	202,429	45,273	-	593,731	1,705,048
Wages and benefits payable	17,152	4,859	-	-	-	1,453	23,464
Due to other government entities	35,318	-	68,208	-	-	-	103,526
Customer deposits	55,950	-	-	-	-	-	55,950
Interfund payables	-	196,121	-	-	-	-	196,121
Deferred revenues	13,385,088	-	3,225	-	2,348,951	2,055,213	17,792,477
Total liabilities	<u>14,320,774</u>	<u>237,329</u>	<u>273,862</u>	<u>45,273</u>	<u>2,348,951</u>	<u>2,650,397</u>	<u>19,876,586</u>
Fund Balances:							
Nonspendable:							
Noncurrent advances and receivables	104,700	-	-	-	-	-	104,700
Restricted for:							
Debt service	-	-	-	-	1,389,519	-	1,389,519
Solid waste convenience centers	-	-	-	32,793	-	-	32,793
Volunteer fire and rescue	-	-	-	-	-	920,516	920,516
Captain's Cove mosquito control	-	-	-	-	-	11,042	11,042
Wetlands mitigation	5,792	-	-	-	-	-	5,792
Committed to:							
Rainy Day/Stabilization	4,695,521	-	-	-	-	-	4,695,521
Assigned to:							
Storm drainage	68,195	-	-	-	-	-	68,195
Solid waste convenience center project	-	-	-	238,923	-	-	238,923
Building repair projects	140,000	-	-	-	-	-	140,000
Docks and ramps projects	115,000	-	-	206,453	-	-	321,453
Eastern Shore Broadband Authority	100,000	-	-	-	-	-	100,000
Subsequent year's expenditures	2,405,702	-	-	-	-	-	2,405,702
Information technology projects	186,166	-	-	-	-	-	186,166
Hazardous materials response	10,067	-	-	-	-	-	10,067
Other purposes	88,790	-	5,733	-	-	373,204	467,727
Unassigned:	4,093,028	-	-	-	-	-	4,093,028
Total fund balances	<u>12,012,961</u>	<u>-</u>	<u>5,733</u>	<u>478,169</u>	<u>1,389,519</u>	<u>1,304,762</u>	<u>15,191,144</u>
Total liabilities and fund balances	<u>\$ 26,333,735</u>	<u>\$ 237,329</u>	<u>\$ 279,595</u>	<u>\$ 523,442</u>	<u>\$ 3,738,470</u>	<u>\$ 3,955,159</u>	<u>\$ 35,067,730</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 ASSETS
AT JUNE 30, 2011

Exhibit 4

Total fund balances - governmental funds (Exhibit 3)	\$ 15,191,144
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

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

Land	1,353,468	
Buildings, net of depreciation	6,756,138	
Improvements other than buildings, net of depreciation	3,451,858	
Machinery and equipment, net of depreciation	1,525,353	
Intangibles, net of amortization	267,055	
Construction in progress	680,708	
School Board capital assets, net of depreciation	<u>30,840,533</u>	
Total capital assets		44,875,113

Other long-term assets are not available to pay for current period expenditures and therefore are offset by deferred revenue in the governmental funds.	4,992,110
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities at fiscal year-end consist of:

Virginia Public Service Authority bonds	(31,712,181)	
State Literary Fund loans	(3,834,456)	
Qualified zone academy bonds	(634,234)	
Lease revenue bonds	(5,748,000)	
Accrued interest on debt	(872,489)	
Premiums, discounts & related costs, net of amortization	(311,020)	
Compensated absences	(1,529,168)	
Net other postemployment benefit obligation	<u>(1,349,000)</u>	
Net adjustment		<u>(45,990,548)</u>

Total net assets - governmental activities (Exhibit 1)	<u><u>\$ 19,067,819</u></u>
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COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 5

	Major Funds						
	General	Virginia	Comprehen-	County	School	Nonmajor	Total
	Fund	Public	sive Youth	Capital	Debt	Governmental	Governmental
	Fund	Assistance	Services	Projects	Service	Funds	Funds
Revenues:							
General property taxes	\$21,283,960	\$ -	\$ -	\$ -	\$3,840,500	\$2,939,956	\$28,064,416
Other local taxes	6,856,993	-	-	-	-	89,694	6,946,687
Permits, fees and licenses	330,675	-	-	-	-	-	330,675
Fines and forfeitures	75,136	-	-	-	-	-	75,136
Revenue from the use of money & property	339,059	-	-	1,717	-	162	340,938
Charges for services	384,621	-	-	-	-	-	384,621
Miscellaneous	12,748	2,397	139,594	-	524,704	112,377	791,820
Recovered costs	264,663	-	-	197,760	-	24,711	487,134
Intergovernmental	6,931,402	3,067,444	777,656	173,884	82,370	740,159	11,772,915
Total revenues	36,479,257	3,069,841	917,250	373,361	4,447,574	3,907,059	49,194,342
Expenditures:							
General government administration	2,995,393	-	-	32,193	-	-	3,027,586
Judicial administration	1,348,164	-	-	-	-	85,270	1,433,434
Public safety	5,681,553	-	-	-	-	3,144,835	8,826,388
Public works	2,970,932	-	-	787,249	-	-	3,758,181
Health and welfare	755,696	3,621,539	1,045,445	-	-	67,424	5,490,104
Education	15,583,300	-	-	-	-	-	15,583,300
Parks, recreation and cultural	806,030	-	-	195,071	-	-	1,001,101
Community development	930,518	-	-	63,608	-	571,766	1,565,892
Debt service:							
Principal	-	-	-	-	2,395,373	-	2,395,373
Interest	300,768	-	-	-	1,792,423	-	2,093,191
Total expenditures	31,372,354	3,621,539	1,045,445	1,078,121	4,187,796	3,869,295	45,174,550
Revenues over (under) expenditures	5,106,903	(551,698)	(128,195)	(704,760)	259,778	37,764	4,019,792
Other financing sources (uses):							
Transfers in	100,047	551,698	128,195	41,640	270,000	-	1,091,580
Transfers out	(1,030,633)	-	-	(86,747)	-	-	(1,117,380)
Total other financing sources (uses)	(930,586)	551,698	128,195	(45,107)	270,000	-	(25,800)
Net changes in fund balance	4,176,317	-	-	(749,867)	529,778	37,764	3,993,992
Fund balance, beginning of year	7,836,644	-	5,733	1,228,036	859,741	1,266,998	11,197,152
Fund balance, end of year	\$12,012,961	\$ -	\$ 5,733	\$ 478,169	\$1,389,519	\$1,304,762	\$15,191,144

(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, 2011

Exhibit 6

Net changes in fund balances-governmental funds (Exhibit 5) \$ 3,993,992

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

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

Capital asset expenditures	1,421,312	
Depreciation on capital assets	(1,829,307)	
Retirement of capital assets	<u>(214,816)</u>	
Net adjustment		(622,811)

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.

(1,754,664)

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

(491,005)

The issue of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

2,423,339

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

Accrued interest expense	50,873	
Compensated absences	59,486	
Other postemployment benefit expenses	<u>(442,770)</u>	
Net adjustment		<u>(332,411)</u>

Change in net assets of governmental activities (Exhibit 2) \$ 3,216,440

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AT JUNE 30, 2011

Exhibit 7

	Business-type Activities-Enterprise Funds		
	Major Fund		
	Landfill Fund	Nonmajor Funds	Total
<u>Assets:</u>			
Current assets:			
Cash and cash equivalents	\$ 5,126,991	\$ 204,708	\$ 5,331,699
Accounts receivable (net of allowance for uncollectibles)	207,623	26,239	233,862
Deferred charges	44,796	-	44,796
Total current assets	5,379,410	230,947	5,610,357
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Land	205,767	-	205,767
Buildings	667,983	7,507	675,490
Improvements other than buildings	1,674,568	85,992	1,760,560
Machinery and equipment	1,262,176	39,117	1,301,293
Construction in progress	272,109	-	272,109
Total capital assets	4,082,603	132,616	4,215,219
Total assets	9,462,013	363,563	9,825,576
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	122,160	31,681	153,841
Wages and benefits payable	355	-	355
Unearned revenue	-	345	345
Accrued interest payable	3,300	-	3,300
Customer deposits	21,943	-	21,943
Compensated absences-current	48,131	-	48,131
Total current liabilities	195,889	32,026	227,915
Noncurrent liabilities:			
Compensated absences	5,950	-	5,950
General obligation bonds payable (net of deferred amount on refunding)	2,106,507	-	2,106,507
Landfill closure/post closure care	7,813,409	-	7,813,409
Total noncurrent liabilities	9,925,866	-	9,925,866
Total liabilities	10,121,755	32,026	10,153,781
<u>Net Assets:</u>			
Invested in capital assets, net of related debt	1,976,096	132,616	2,108,712
Unrestricted	(2,635,838)	198,921	(2,436,917)
Total net assets	\$ (659,742)	\$ 331,537	\$ (328,205)

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

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 8

	Business-type Activities-Enterprise Funds		
	Major Fund		
	Landfill Fund	Nonmajor Funds	Total
Operating revenues:			
Charges for services	\$ 2,558,890	\$ 275,822	\$ 2,834,712
Other operating revenue	28,968	-	28,968
Total operating revenues	2,587,858	275,822	2,863,680
Operating expenses:			
Personnel services and fringe benefits	608,934	65,569	674,503
Other operating expenses	897,545	223,814	1,121,359
Landfill closure and post closure care	390,264	-	390,264
Depreciation	538,290	23,498	561,788
Total operating expenses	2,435,033	312,881	2,747,914
Operating income (loss)	152,825	(37,059)	115,766
Nonoperating revenues (expenses):			
Interest income	8,312	-	8,312
Interest expense	(79,200)	-	(79,200)
Bond issuance costs	(8,313)	-	(8,313)
Total nonoperating revenues (expenses)	(79,201)	-	(79,201)
Income (loss) before transfers	73,624	(37,059)	36,565
Transfers:			
Transfers in	6,867	36,957	43,824
Transfers out	-	(18,024)	(18,024)
Total transfers	6,867	18,933	25,800
Changes in net assets	80,491	(18,126)	62,365
Total net assets, beginning of year	(740,233)	349,663	(390,570)
Total net assets, end of year	\$ (659,742)	\$ 331,537	\$ (328,205)

(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, 2011

Exhibit 9

	Business-type Activities-Enterprise Funds		
	Major Fund		
	Landfill Fund	Nonmajor Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 2,521,489	\$ 274,110	\$ 2,795,599
Payments to suppliers	(854,762)	(216,037)	(1,070,799)
Payments to employees and benefits paid on behalf of employees	(608,419)	(70,605)	(679,024)
Other receipts	28,968	-	28,968
Net cash provided by (used for) operating activities	1,087,276	(12,532)	1,074,744
Cash flows from noncapital financing activities:			
Transfer from the General Fund	6,867	18,933	25,800
Net cash provided by (used for) noncapital financing activities	6,867	18,933	25,800
Cash flows from capital and related financing activities:			
Purchase of capital assets	(326,833)	-	(326,833)
Interest payments on debt	(79,200)	-	(79,200)
Net cash used for capital and related financing activities	(406,033)	-	(406,033)
Cash flows from investing activities:			
Interest income	8,312	-	8,312
Net increase in cash and cash equivalents	696,422	6,401	702,823
Cash and cash equivalents, beginning of year	4,430,569	198,307	4,628,876
Cash and cash equivalents, end of year	\$ 5,126,991	\$ 204,708	\$ 5,331,699
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 152,825	\$ (37,059)	\$ 115,766
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	538,290	23,498	561,788
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(37,491)	(2,057)	(39,548)
(Increase) Decrease in prepaid revenue		345	345
Increase (Decrease) in accounts payable	42,555	7,740	50,295
Increase (Decrease) in closure/post closure liabilities	390,264	-	390,264
Increase (Decrease) in compensated absences payable	742	(4,999)	(4,257)
Total adjustments	396,161	1,029	397,190
Net cash provided by operating activities	\$ 1,087,276	\$ (12,532)	\$ 1,074,744

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

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
AT JUNE 30, 2011

Exhibit 10

Assets:

	Total
Cash and cash equivalents held by Treasurer	\$ 33,024
Cash and cash equivalents in custody of others	28,493
Total assets	<u>61,517</u>

Liabilities:

Amounts held for social service clients	30,024
Amounts held for others	28,493
Amounts held for war memorial ceremonies	3,000
Total liabilities	<u>\$ 61,517</u>

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. The Reporting Entity

As required by GAAP, the accompanying financial statements present the financial data of the County (Primary Government) and its component units. The financial data of the component units are included in the County's basic financial statements because of the significance of their operational or financial relationships with the County. The County and its component units are together referred to herein as the reporting entity.

Blended Component Units

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

Discretely Presented Component Units

The component unit columns in the financial statements include the financial data of the County's component units. They are presented in separate columns to emphasize that they are legally separate from the County. All component units have a fiscal year end of June 30, 2011.

1. Accomack County School Board - The Accomack County School Board was created by state law and is vested with the responsibility of administering the public school system. The School Board is composed of ten members all of whom are appointed by a selection committee established by the Circuit Court. The County levies taxes for its operation, issues bond or enters into capital leases for its capital requirements and approves its annual budget. The School Board is reported as a governmental fund type. The School Board does not issues separate financial statements.
2. Accomack County Airport Commission - The Accomack County Airport Commission was created for the purpose of improving, equipping, maintaining, operating, and promoting the Accomack County Airport. The Commission is empowered to acquire, hold and dispose of property in its own name. The Commission consists of nine members all of which are appointed and serve at the pleasure of the County Board of Supervisors. The County approves the annual operating budget and provides significant financial assistance to the Commission. The Commission is reported as an enterprise fund type. The Airport Commission does not issue separate financial statements.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

A. The Reporting Entity-continued

3. Economic Development Authority of Accomack County - The Economic Development Authority of Accomack County (EDA), formerly known as the Industrial Development Authority of Accomack County (IDA), was established to promote industry and develop trade by inducing manufacturing, industrial, government, and commercial enterprises to locate in Accomack County. The IDA changed its mission in fiscal year 2008 to enhance the economy and development of the County hence the name change. The Authority consists of seven directors, all of which are appointed by the County Board of Supervisors. The County approves the annual operating budget of the Authority. The Authority is reported as an enterprise fund type. The Authority does not issue separate financial statements.
4. Eastern Shore Public Library - The Eastern Shore Public Library was created for the purpose of providing public library services to residents of the Eastern Shore of Virginia. The Library Board consists of five members, a majority of which is appointed by the Accomack County Board of Supervisors. The Library is fiscally dependent upon the County for its annual contribution. Separately issued financial statements can be obtained from the Eastern Shore Public Library, Post Office Box 360, Accomac, Virginia 23301. The Library is reported as a governmental fund type.
5. Accomack-Northampton Planning District Commission - The Accomack-Northampton Planning District Commission is a multi-jurisdictional entity created for the purpose of promoting the orderly and efficient development of the physical, social, and economic elements in its district. The Commission consists of thirteen members of which seven are appointed by and serve at the pleasure of the County Board of Supervisors. The Commission receives significant financial assistance from the County and is fiscally dependent on this assistance. Separately issued financial statements can be obtained from the Accomack-Northampton Planning District Commission, Post Office Box 417, Accomac, Virginia 23301. The Commission is reported as a governmental fund type.
6. Quinby Boat Harbor Committee - The Quinby Boat Harbor Committee was established to diligently conduct and enforce the rules and regulations regarding the use and occupancy of the Quinby Boat Harbor. The Committee consists of nine members, all of which are appointed and serve at the pleasure of the County Board of Supervisors. Separately issued financial statements can be obtained from the Quinby Boat Harbor Committee, Post Office Box 343, Quinby, Virginia 23423. The Committee is reported as a governmental fund type.
7. Greenbackville Boat Harbor Committee - The Greenbackville Boat Harbor Committee was established to diligently conduct and enforce the rules and regulations regarding the use and occupancy of the Greenbackville Boat Harbor. The Committee consists of five members, all of which are appointed by and serve at the pleasure of the County Board of Supervisors. Separately issued financial statements can be obtained from the Greenbackville Harbor Committee, Post Office Box 74, Greenbackville, Virginia 23356. The Committee is reported as a governmental fund type.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

A. The Reporting Entity-continued

8. Greenbackville/Captain's Cove Mosquito Control Commission - The Greenbackville/Captain's Cove Mosquito Control Commission is responsible for insect control in the Greenbackville/Captains Cove area of Accomack County. The Commission consists of three members of which two are appointed by the Primary Government. The County levies taxes on behalf of the Commission to finance the Commission's operations. Separately issued financial statements can be obtained from Greenbackville/Captain's Cove Mosquito Control Commission, Greenbackville, Virginia 23356. The Commission is reported as a governmental fund type.

Jointly Governed Organizations

The following entities are excluded from the accompanying financial statements:

1. Eastern Shore of Virginia 911 Commission - The County has joined together with Northampton County to create the Eastern Shore of Virginia 911 Commission. The purposes of the Commission are to manage the 911 system in order to save the lives and property of the citizens of Accomack and Northampton Counties. The Commission is governed by a twelve member board, six of which are appointed by Accomack County. Prior to January 1, 2007, the Commission was funded primarily by a local consumer utility tax levied and collected by both Accomack and Northampton County. State legislation effective January 1 repealed the authority to levy this tax replacing it with a state-controlled communication sales and use tax which is remitted to both counties on a monthly basis and subsequently distributed to the Commission. In fiscal year 2011, the County contributed \$530,626 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:

1. Eastern Shore Community Services Board – The County, in conjunction with Northampton County, participate in the Eastern Shore Community Services Board. The County's Board of Supervisors appoints a voting majority of the board members of the Eastern Shore Community Services Board, but the County's accountability for this organization does not extend beyond making the appointments. During fiscal year 2011, 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, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Government-wide and Fund Financial Statements

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

The County reports the following major governmental funds:

- **General Fund:** The General Fund is the County's primary operating fund. It accounts for financial resources of the general government except those required to be accounted for in another fund. Revenues are primarily derived from property taxes. A significant part of the General Fund's revenues are used to finance operations of the Accomack County School Board.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- **Virginia Public Assistance Fund:** The Virginia Public Assistance Fund accounts for the resources of the Social Services department which is responsible for administering welfare related programs as mandated by the Code of Virginia. Revenues are primarily derived from the intergovernmental funding including significant local funding from the County's general Fund.
- **Comprehensive Youth Services Fund:** The Comprehensive Youth Services Fund accounts for revenues and expenditures associated with the Comprehensive Services Act (CSA). The Comprehensive Services is a mandated Commonwealth program the purpose of which is to provide high quality, child centered, family focused, cost effective, community-based services to high-risk youth and their families. Revenues are primarily derived from intergovernmental funding including significant local funding from the County's General Fund.
- **County Capital Projects Fund:** The County Capital Projects Fund is used to account for the acquisition or construction of major capital facilities in the County. This fund also accounts for proceeds from bonds issued on behalf of the Accomack County School Board and disbursed to the school board for education related capital projects.
- **School Debt Service Fund:** The School Debt Service Fund accounts for revenues derived from a special property tax levied on County residents exclusively for the current and future retirement of public school related debt. In Virginia, public school systems do not have borrowing authority so all school related debt must be issued and therefore reported by the County.

The County reports the following major proprietary funds:

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

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

- **Special Revenue Funds:** Special revenue funds are used to account for 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.

Additionally the County reports the following fund types:

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are susceptible to accrual, that is, when they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Major sources of governmental funds which meet the "susceptible to accrual" criteria include the following:

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

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

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

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

The effect of interfund activity has been removed from these statements except payments in lieu of taxes and other charges between the Landfill Fund and the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Budgets and Budgetary Accounting

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

- Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year beginning the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them. This budget excludes intergovernmental grant revenues and expenditures unless they were officially awarded prior to the budget submission to the Board of Supervisors. Intergovernmental grants awarded after adoption of the budget are reflected in the amended budget once approved by the Board of Supervisors.
- Public hearings are conducted to obtain citizen comments.
- Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution. The Appropriations Resolution places legal restrictions on expenditures at the department level. The appropriation for each department or category can be revised only by the Board of Supervisors. The School Board is authorized to transfer budgeted amounts within the school system's categories.
- Formal budgetary integration is employed as a management control device during the year for all funds.
- Appropriations lapse on June 30 for all County units except for Capital Project Funds which carry unexpended balances into the following year on a continuing appropriation basis.
- Budget amounts reported in the financial statements are labeled as either original or final. The original budget is the initial adopted budget plus amendments made prior to the beginning of the fiscal year. The final budget is the original budget combined with amendments approved during the fiscal year.

E. Cash and Investments

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

Investments are stated at fair value.

F. Restricted Assets:

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

Restricted assets as of June, 30, 2011 consisted of \$32,973 in unspent bond proceeds associated with solid waste convenience center construction.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

G. Receivables and Payables

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

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

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

H. Inventory

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

I. Prepaid Items

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

J. Capital Assets

Capital assets, including land, improvements to land, buildings, building improvements, vehicles, machinery, equipment and intangible assets that individually cost \$5,000 and over, with a useful life of greater than one year are reported in proprietary funds and applicable governmental or business-type activities columns in the government-wide financial statements. The County does not capitalize roads and bridges since these assets belong to the Commonwealth of Virginia. Capital assets are stated at historical cost or estimated historical cost. Donated capital assets are stated at their fair market value as of the date of the donation. Capital assets are depreciated over their useful lives using the straight-line method. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Estimated lives for County and School Board Component Unit assets are as follows:

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

K. Deferred Revenue

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

L. Compensated Absences

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

M. Long-term Obligations

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

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

N. Fund 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:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fund Balance Category	Definition	Applicability
Nonspendable	Includes amounts that are not in expendable form.	The County reports long-term receivables that are not available for expenditure in this category.
Restricted	Includes amounts restricted to specific uses by external entities or by law through constitutional provisions or enabling legislation. Externally imposed restrictions. Includes 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 reserved 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 "Rainy Day/Stabilization". Additions are approved by Board action and are linked to a percentage of budgeted revenue. Use of these funds is only permitted to address revenue shortages that are greater than 1% of General Fund revenue, mitigate damage caused by a natural disaster or address an urgent event that jeopardizes the public.
Assigned	Consist of amounts intended to be used by the County for a specific purpose but are neither restricted nor committed.	Assigned for subsequent year's expenditures is the portion of fund balance that has been approved by formal action of the Board of Supervisors for appropriation in the fiscal year 2012 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 authority to do such by County policy.
Unassigned	Fund balance that has not been reported in any other classification.	Unassigned fund balance is only reported in the General Fund.

When multiple categories of fund balance are available for expenditure, the County will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

O. Encumbrances

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

P. Property Taxes

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Real estate taxes are due in two installments payable in December and June. Prior to fiscal year 2010, personal property taxes were due annually in December. Personal property taxes are now due in two installments the same as real estate taxes. Personal property taxes are prorated based on the number of months property is owned. The County bills and collects its own property taxes.

In 1998, the Virginia General Assembly passed the Personal Property Tax Relief Act (PPTRA). The purpose of this legislation was to gradually eliminate the personal property tax on automobiles by increasing Commonwealth funding to localities. Localities were reimbursed for tax relief granted based on guidelines developed by the Commonwealth. In fiscal year 2007, Commonwealth

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

funding moved from a reimbursement basis to a pro rata share of a capped amount. This change reduced the amount of funding the County would have otherwise received and ultimately the amount of tax relief available to its citizens. The PPTRA provides tax relief via a tax credit that appears on the citizen's tax assessment as a reduction to taxes due. The credit applies to the first \$20,000 of taxable value of automobiles and motorcycles held for personal use. The tax credit on vehicles valued between \$1,000 and \$20,000 for tax year 2010 was equal to 51% of the tax assessment. The tax credit on vehicles with a taxable value of less than \$1,000 was equal to 100% of the tax assessment. Revenue from the Commonwealth pertaining to PPTRA is recorded as non-categorical aid.

Q. Use of Estimates

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

2. CASH AND INVESTMENTS

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

Investments: Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP).

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

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2011 were rated by Standard & Poor's or an equivalent national rating organization and the ratings are presented below using Standard & Poor's rating scale. The County had no policy on credit risk other than restrictions imposed by State law at June 30.

County of Accomack's Rated Debt Investments		
	Fair Quality Ratings	
	AAA	
Primary Government & School Board Component Unit:		
State Treasurer's Local Government Investment Pool	\$	4,518,387
Virginia State Non-Arbitrage Program	\$	32,973

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

2. CASH AND INVESTMENTS-continued

Interest Rate Risk

The County's investments as of June 30, 2011 are presented below along with their maturity. The County had no policy on interest rate risk at June 30.

County of Accomack's Investment Fair Value and Maturities			
	Fair Value	Maturity Less than 1 year	
Primary Government & School Board Component Unit:			
State Treasurer's Local Government Investment Pool	\$ 4,518,387	\$ 4,518,387	
Virginia State Non-Arbitrage Program	32,973	32,973	
Total	<u>\$ 4,551,360</u>	<u>\$ 4,551,360</u>	

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, 2011 are as follows:

PRIMARY GOVERNMENT:

	Major Funds			Total
	General Fund	School Debt Fund	Non-Major Funds	
General Fund:				
Taxes receivable	\$ 3,581,847	\$ 511,753	\$ 397,124	\$ 4,490,724
Special assessments receivable	2,793	-	-	2,793
Total Primary Government	<u>\$ 3,584,640</u>	<u>\$ 511,753</u>	<u>\$ 397,124</u>	<u>\$ 4,493,517</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, 2011. The repayment schedule is as follows:

Year Ending June 30,	Note Receivable		
	Principal	Interest	Total
2012	9,576	1,772	11,348
2013	10,751	1,628	12,379
2014	11,078	1,301	12,379
2015	11,415	964	12,379
2016-2018	25,936	884	26,820
Total	<u>\$ 68,756</u>	<u>\$ 6,549</u>	<u>\$ 75,305</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

5. DUE FROM OTHER GOVERNMENTAL ENTITIES

Amounts due from other governments at June 30, 2011 consisted of the following:

A. Primary Government:

	Major Funds				Nonmajor	Total
	General	Comprehen- sive Youth	Virginia Public	County Capital	Govern- mental	Primary
	Fund	Fund	Assistance Fund	Projects Fund	Funds	Government
Miscellaneous governmental entities:						
Eastern Shore Public Service Authority	\$ 104,700	\$ -	\$ -	\$ -	\$ -	\$ 104,700
Total due from miscellaneous governments	104,700	-	-	-	-	104,700
Commonwealth of Virginia:						
Local sales tax	279,329	-	-	-	-	279,329
Recordation tax	20,335	-	-	-	-	20,335
Constitutional officer shared expenses	264,453	-	-	-	-	264,453
Jail per diem for prisoner housing	35,736	-	-	-	-	35,736
Juror fees	210	-	-	-	-	210
Mobile home tax	14,491	-	-	-	-	14,491
Rolling stock tax	1,793	-	-	-	-	1,793
Communications tax	89,509	-	-	-	-	89,509
Rental tax	4,110	-	-	-	-	4,110
Hazardous materials	5,000	-	-	-	-	5,000
Wallops transit clearance project	-	-	-	36,965	-	36,965
Quinby Boat Harbor improvements	-	-	-	115,000	-	115,000
Public assistance funds	-	-	90,988	-	-	90,988
Hazmat pass through funds	-	-	-	-	9,003	9,003
Comprehensive services act reimbursements	-	150,580	-	-	-	150,580
Total due from the Commonwealth	714,966	150,580	90,988	151,965	9,003	1,117,502
Federal Government:						
Ed Byrne grant	13,462	-	-	-	-	13,462
COPS technology grant	525	-	-	-	-	525
Selective enforcement grant	7,448	-	-	-	-	7,448
Summer foods grant	26,914	-	-	-	-	26,914
Other	813	-	-	-	-	813
Public assistance funds	-	-	-	145,921	-	145,921
Total due from the Federal Government	49,162	-	-	145,921	-	195,083
Total due from other governmental entities	\$ 868,828	\$ 150,580	\$ 90,988	\$ 297,886	\$ 9,003	\$ 1,417,285

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

5. DUE FROM OTHER GOVERNMENTAL ENTITIES - continued

B. School Board Component Unit:

Commonwealth of Virginia:	
State sales tax contribution	\$ 439,114
Total due from Commonwealth	<u>439,114</u>
Federal Government:	
State fiscal stabilization funds	432,721
Perkins	76,631
WHRO	23,557
Title I	1,152,083
Title II	115,251
Title III	8,528
Title VI	69,258
Title VI-B Special Education	974,223
Title X	1,739
Language acquisition	26,921
Even start	79,007
Drug free schools	4,543
Education technology	11,960
Food services	312,388
Total due from Federal Government	<u>3,288,810</u>
Total due from other governmental entities	<u>\$ 3,727,924</u>

6. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2011 are as follows:

	Interfund	
	Receivables	Payables
PRIMARY GOVERNMENT:		
Governmental Funds:		
General Fund	\$ 196,121	\$ -
Non-major governmental funds	-	196,121
Total Governmental Funds	<u>\$ 196,121</u>	<u>\$ 196,121</u>

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

7. CAPITAL ASSETS

A. Primary Government:

	Balance July 1, 2010	Additions	Retirements	Balance June 30, 2011
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,378,468	\$ -	\$ (25,000)	\$ 1,353,468
Construction in progress	580,124	201,002	(100,418)	680,708
Total capital assets not being depreciated	1,958,592	201,002	(125,418)	2,034,176
Other capital assets:				
Buildings	9,954,640	34,404	(197,650)	9,791,394
School buildings	38,576,248	-	(2,395,373)	36,180,875
Improvements other than buildings	4,565,901	780,891	-	5,346,792
Machinery and equipment	4,516,028	467,833	(28,921)	4,954,940
Intangibles	1,066,566	37,600	-	1,104,166
Total other capital assets	58,679,383	1,320,728	(2,621,944)	57,378,167
Less accumulated depreciation:				
Buildings	(2,792,573)	(263,110)	20,424	(3,035,259)
School buildings	(5,230,734)	(750,314)	640,709	(5,340,339)
Improvements other than buildings	(1,610,711)	(284,223)	-	(1,894,934)
Machinery and equipment	(3,039,098)	(406,820)	16,331	(3,429,587)
Intangibles	(712,271)	(124,840)	-	(837,111)
Total accumulated depreciation	(13,385,387)	(1,829,307)	677,464	(14,537,230)
Total governmental activities, net	47,252,588	(307,577)	(2,069,898)	44,875,113
Business-type activities:				
Capital assets not being depreciated:				
Land	205,767	-	-	205,767
Construction in progress	234,449	37,660	-	272,109
Total capital assets not being depreciated	440,216	37,660	-	477,876
Other capital assets:				
Buildings	960,551	-	-	960,551
Improvements other than buildings	5,532,403	-	-	5,532,403
Motor vehicles and equipment	4,197,394	193,268	-	4,390,662
Intangibles	29,710	-	-	29,710
Total other capital assets	10,720,058	193,268	-	10,913,326
Less accumulated depreciation:				
Buildings	(265,005)	(20,056)	-	(285,061)
Improvements other than buildings	(3,479,243)	(292,600)	-	(3,771,843)
Motor vehicles and equipment	(2,840,237)	(249,132)	-	(3,089,369)
Intangibles	(29,710)	-	-	(29,710)
Total accumulated depreciation	(6,614,195)	(561,788)	-	(7,175,983)
Total business-type activities, net	4,546,079	(330,860)	-	4,215,219
Total primary government, net	\$ 51,798,667	\$ (638,437)	\$ (2,069,898)	\$ 49,090,332

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (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	\$ 105,443	\$ -	\$ 105,443
Judicial administration	96,628	-	96,628
Public safety	294,760	-	294,760
Public works	287,877	-	287,877
Health and welfare	127,836	-	127,836
Education	757,274	-	757,274
Parks, recreation and cultural	63,833	-	63,833
Community development	95,656	-	95,656
Landfill	-	538,290	538,290
Water and sewer	-	19,930	19,930
Parks and recreation revolving	-	3,568	3,568
Total	\$ 1,829,307	\$ 561,788	\$ 2,391,095

B. School Board Component Unit:

	Balance July 1, 2010	Additions	Retirements	Balance June 30, 2011
Capital assets not being depreciated:				
Land	\$ 977,112	\$ -	\$ (2,250)	\$ 974,862
Total capital assets not being depreciated	977,112	-	(2,250)	974,862
Other capital assets:				
Buildings	47,909,125	2,449,271	(628,000)	49,730,396
Improvements other than buildings	3,143,774	189,753	-	3,333,527
Motor vehicles and equipment	9,405,753	1,139,139	-	10,544,892
Total other capital assets	60,458,652	3,778,163	(628,000)	63,608,815
Less accumulated depreciation:				
Buildings	(19,969,088)	(1,949,115)	628,000	(21,290,203)
Improvements other than buildings	(1,925,126)	(104,817)	-	(2,029,943)
Motor vehicles and equipment	(6,873,285)	(622,949)	-	(7,496,234)
Total accumulated depreciation	(28,767,499)	(2,676,881)	628,000	(30,816,380)
Total school board component unit	\$ 32,668,265	\$ 1,101,282	\$ (2,250)	\$ 33,767,297

Total depreciation expense charged to the School Board component unit was \$2,036,171.

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, 2011, is that debt and related assets in the amount of \$36,180,874 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, 2011 (Continued)

7. CAPITAL ASSETS - continued

C. Airport Commission Component Unit:

	Balance July 1, 2010	Additions	Retirements	Balance June 30, 2011
Capital assets not being depreciated:				
Land	\$ 190,400	\$ -	\$ -	\$ 190,400
Construction in progress	232,356	-	-	232,356
Total capital assets not being depreciated	422,756	-	-	422,756
Other capital assets:				
Buildings	961,207	-	-	961,207
Improvements other than buildings	5,151,754	-	-	5,151,754
Motor vehicles and equipment	334,647	-	-	334,647
Total other capital assets	6,447,608	-	-	6,447,608
Less accumulated depreciation:				
Buildings	(608,428)	(48,106)	-	(656,534)
Improvements other than buildings	(2,482,957)	(255,780)	-	(2,738,737)
Motor vehicles and equipment	(319,259)	(2,309)	-	(321,568)
Total accumulated depreciation	(3,410,644)	(306,195)	-	(3,716,839)
Total airport commission component unit	\$ 3,459,720	\$ (306,195)	\$ -	\$ 3,153,525

Total depreciation expense charged to the airport component unit was \$306,195.

D. Economic Development Authority Component Unit:

	Balance July 1, 2010	Additions	Retirements	Balance June 30, 2011
Capital assets not being depreciated:				
Land	\$ 317,726	\$ -	\$ -	\$ 317,726
Other capital assets:				
Improvements other than buildings	1,406,601	-	-	1,406,601
Total other capital assets	1,406,601	-	-	1,406,601
Less accumulated depreciation:				
Improvements other than buildings	(1,406,601)	-	-	(1,406,601)
Total accumulated depreciation	(1,406,601)	-	-	(1,406,601)
Total economic development authority component unit	\$ 317,726	\$ -	\$ -	\$ 317,726

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

8. DEFERRED REVENUE

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

8. DEFERRED REVENUE - continued

	Primary Government					School Board Component Unit
	General Fund	Comprehensive Youth Services Fund	School Debt Service Fund	Non-major Special Revenue Funds	Total	
Unavailable:						
Uncollected taxes	\$ 3,801,319	\$ -	\$ 620,472	\$ 462,636	\$ 4,884,427	\$ -
Note receivable not yet due	-	-	-	68,757	68,757	-
Special assessments not yet due	38,926	-	-	-	38,926	-
Total unavailable	3,840,245	-	620,472	531,393	4,992,110	-
Unearned:						
Unbilled taxes	8,086,713	-	1,481,081	1,110,757	10,678,551	-
Advanced grant funding	3,232	3,225	-	226,524	232,981	407,397
Prepaid rent	4,430	-	-	-	4,430	-
Prepaid water & sewer billings	-	-	-	-	-	-
Prepaid taxes	1,450,468	-	247,398	186,539	1,884,405	-
Total unearned	9,544,843	3,225	1,728,479	1,523,820	12,800,367	407,397
Total deferred revenue	\$ 13,385,088	\$ 3,225	\$ 2,348,951	\$ 2,055,213	\$ 17,792,477	\$ 407,397

9. COMPENSATED ABSENCES

Accrued compensated absences are as follows at June 30, 2011:

Compensated Leave	Primary Government		School Board Component Unit
	Governmental Activities	Business-type Activities	
Annual	\$ 835,107	\$ 33,157	\$ 611,753
Sick	330,836	19,285	1,036,834
Compensatory	363,225	1,639	-
Total	\$ 1,529,168	\$ 54,081	\$ 1,648,587

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

11. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2011:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Amount due within 1 year
Primary Government:					
Governmental Activities:					
Compensated absences	\$ 1,588,654	\$ 1,204,944	\$ 1,264,430	\$ 1,529,168	\$ 1,360,960
Net other postemployment benefit obligation	906,230	528,770	86,000	1,349,000	-
Literary fund loans	4,294,965	-	460,509	3,834,456	460,509
Virginia Public School Authority bonds	33,567,305	-	1,855,124	31,712,181	1,926,939
Lease revenue bonds	5,748,000	-	-	5,748,000	-
Qualified zone academy bonds	713,974	-	79,740	634,234	82,418
Deferred premiums and discounts, net	1,037,806	-	70,103	967,703	70,107
Deferred amounts on refunding	(478,482)	-	(24,330)	(454,152)	(24,330)
Total governmental activities long-term obligations	<u>\$ 47,378,452</u>	<u>\$ 1,733,714</u>	<u>\$ 3,791,576</u>	<u>\$ 45,320,590</u>	<u>\$ 3,876,603</u>
Business-type Activities:					
Compensated absences	58,338	47,664	\$ 51,921	54,081	48,131
Landfill closure/postclosure	7,423,146	390,263	-	7,813,409	-
General obligation bonds	2,112,000	-	-	2,112,000	-
Deferred amounts on refunding	(7,766)	-	(2,273)	(5,493)	-
Total business-type entities long-term obligations	<u>9,585,718</u>	<u>437,927</u>	<u>49,648</u>	<u>9,973,997</u>	<u>48,131</u>
Total primary government long-term obligations	<u>\$ 56,964,170</u>	<u>\$ 2,171,641</u>	<u>\$ 3,841,224</u>	<u>\$ 55,294,587</u>	<u>\$ 3,924,734</u>
School Board Component Unit:					
Compensated absences	\$ 1,822,014	1,448,165	\$ 1,621,592	\$ 1,648,587	\$ 1,467,242
Net other postemployment benefit obligation	303,000	279,000	164,000	418,000	-
Total School Board long-term obligations	<u>\$ 2,125,014</u>	<u>\$ 1,727,165</u>	<u>\$ 1,785,592</u>	<u>\$ 2,066,587</u>	<u>\$ 1,467,242</u>
Airport Commission Component Unit:					
Compensated absences	\$ 9,563	8,679	\$ 8,511	\$ 9,731	\$ 8,662
Note payable	59,918	-	25,108	34,810	27,276
Total Airport Commission long-term obligations	<u>\$ 69,481</u>	<u>\$ 8,679</u>	<u>\$ 33,619</u>	<u>\$ 44,541</u>	<u>\$ 35,938</u>

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

A. Primary Government:

Year Ending June 30,	Governmental Funds						Enterprise Funds		
	VPSA Bonds		Qualified Zone						
	& Literary Fund Loans		Academy Bonds		Lease Revenue Bonds		General Obligation Bonds		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2012	\$ 2,387,448	\$ 1,652,315	\$ 82,418	\$ 23,401	\$ -	\$ 297,444	\$ -	\$ 79,200	\$ 4,522,226
2013	2,458,498	1,539,174	85,191	20,628	534,000	291,158	269,000	74,156	5,271,805
2014	2,529,512	1,423,577	88,065	17,754	563,000	264,100	279,000	63,881	5,228,889
2015	2,612,690	1,302,337	91,041	14,778	588,000	235,676	290,000	53,213	5,187,735
2016	2,697,942	1,175,542	94,124	11,695	618,000	205,878	301,000	42,131	5,146,312
2017-2021	10,446,082	4,106,202	193,395	23,478	1,319,000	721,374	973,000	55,670	17,838,201
2022-2026	8,224,463	2,032,951	-	-	1,057,000	461,491	-	-	11,775,905
2027-2031	4,190,002	342,216	-	-	1,069,000	146,643	-	-	5,747,861
2032-2036	-	-	-	-	-	-	-	-	-
Total	\$35,546,637	\$13,574,314	\$ 634,234	\$ 111,734	\$ 5,748,000	\$ 2,623,764	\$ 2,112,000	\$ 368,251	\$60,718,934

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, 2011 (Continued)

11. LONG-TERM OBLIGATIONS - continued

B. Airport Commission Component Unit:

Year Ending June 30,	Note Payable		Total
	Principal	Interest	
2012	\$ 27,276	\$ 994	\$ 28,270
2013	7,534	49	7,583
Total	\$ 34,810	\$ 1,043	\$ 35,853

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

C. Details of long-term indebtedness as of June 30, 2011:

Financing Type	Purpose	Amount Issued	Interest Rates	Date Issued	Final Maturity Date	Amount Outstanding
Primary Government:						
Governmental Activities:						
Literary Fund loan	School construction	\$ 2,935,486	3.00%	12/1/1998	12/1/2018	\$ 1,135,486
Literary Fund loan	School construction	956,225	3.00%	4/1/1999	4/1/2019	382,494
Literary Fund loan	School construction	956,226	3.00%	4/1/1999	4/1/2019	382,493
Literary Fund loan	School construction	4,297,743	3.00%	4/1/2000	4/1/2020	1,933,983
Virginia Public School Authority bond	School construction	8,422,232	5.15% ¹	11/20/1997	7/15/2017	3,260,260
Virginia Public School Authority bond	School construction	8,305,000	5.17% ¹	11/20/1997	7/15/2017	3,940,000
Virginia Public School Authority bond	School construction	6,270,000	4.47% ¹	5/15/2003	7/15/2028	5,220,000
Virginia Public School Authority bond	School construction	12,170,000	4.69% ¹	11/6/2003	7/15/2028	10,140,000
Virginia Public School Authority bond	School construction	1,935,000	4.46% ¹	11/10/2005	7/15/2030	1,720,000
Virginia Public School Authority bond	School construction	9,370,000	4.28% ¹	11/10/2005	7/15/2025	7,431,921
Qualified zone academy bond	School construction	1,433,003	3.00% ²	12/31/2002	12/31/2016	451,994
Qualified zone academy bond	School construction	439,100	5.40% ²	12/30/2004	12/30/2020	182,240
Lease revenue refunding bond	Office construction	4,263,000	5.53% ¹	7/8/2009	3/1/2030	4,263,000
Lease revenue bond	Waste collection centers	2,665,000	3.82% ¹	11/29/2006	10/1/2016	1,485,000
Total governmental activities:						<u>41,928,871</u>
Business-type Activities:						
General obligation refunding bond	Landfill improvements	2,112,000	4.01% ¹	7/2/2009	12/15/2018	2,112,000
Total primary government						<u>\$ 44,040,871</u>
Airport Commission:						
Note payable	T-hangar construction	226,530	4.20% ³	11/14/2002	11/14/2012	<u>\$ 34,810</u>

¹ True interest cost

² Imputed interest rate

³ Variable rate

12. LANDFILL CLOSURE AND POSTCLOSURE CARE COST

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

The \$7,813,409 reported as landfill closure and postclosure care liability at June 30, 2011, represents the cumulative amount reported to date based on the use of 50.46% and 95.34% of the estimated capacity of the North Landfill Cell Two and the South Landfill, respectively. The County will recognize the remaining estimated cost of closure and postclosure care of \$1,845,812 as the

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

12. LANDFILL CLOSURE AND POSTCLOSURE CARE COST-continued

remaining estimated capacities are filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2011. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The South Landfill has sufficient capacity to accept waste well beyond its mandated closure date of 12/31/2012. The 2012 closure date is dictated by state regulations which require unlined landfills, such as the South Landfill, to cease operations by the end of calendar year 2012. The North Landfill Cell Two has sufficient capacity to continue accepting waste until fiscal year 2018. This estimate assumes that all waste from the southern end of the County will be disposed of in the North Landfill once the South Landfill is closed. The County expects to fund landfill closure and postclosure care costs from operating revenues.

13. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2011 were made up of the following:

	Transfers In	Transfers Out
Primary Government:		
Governmental funds:		
General fund	\$ 100,047	\$ 1,030,633
Virginia Public Assistance Fund	551,698	-
Comprehensive Youth Services Fund	128,195	-
County capital projects fund	41,640	86,747
School debt service fund	270,000	-
Total governmental funds	1,091,580	1,117,380
Enterprise funds:		
Landfill fund	6,867	-
Non-major enterprise funds	36,957	18,024
Total enterprise funds	43,824	18,024
Total Primary Government	\$ 1,135,404	\$ 1,135,404

The purpose of the above interfund transfers is as follows:

Purpose	Amount
Finance pay as you go capital projects	\$ 41,640
Fund debt service requirements	270,000
Satisfy grant local match requirements	128,195
Fund one-time operational expenditures of the General Fund	18,024
Return residual equity from completed capital projects to the General Fund	82,023
Supplement operations of special revenue and enterprise funds	595,522
Total interfund transfers	\$ 1,135,404

The Primary Government also transferred \$15,545,272 to the School Board Component Unit, \$319,259 to the Eastern Shore Library Component Unit, \$142,656 to the Airport Component Unit, \$92,059 to the Planning District Component Unit and \$67,424 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, 2011 (Continued)

14. CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The primary government and its component units are defendants in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the reporting entity.

15. RISK MANAGEMENT

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

16. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

A. Primary Government:

For the year ended June 30, 2011, the following expenditures exceeded appropriations:

Major Funds:

General Fund:

Medical Examiner	\$ 460
Emergency 911 Systems	<u>32,292</u>
Total General Fund	<u><u>\$ 32,752</u></u>

Nonmajor Funds:

Fire and Rescue District 2 Fund	\$ 25,823
Fire and Rescue District 3 Fund	2,221
Fire and Rescue District 4 Fund	6,529
Fire and Rescue District 3 Fund	17,356
Rehabilitation Projects Fund	13,297
Captain's Cove/Greenbackville Mosquito Control Fund	4,444
Drug Seizures	<u>5,169</u>
Total nonmajor funds	<u><u>\$ 74,839</u></u>

The Emergency 911 system variance was funded by excess communication tax revenues. All nonmajor fund variances were funded by excess grant revenues, excess property tax revenues or restricted fund balances.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

17. DEFICIT NET ASSETS

A. Primary Government:

At June 30, 2011, the Landfill Enterprise Fund had deficit fund net assets of \$659,742. This amount is primarily due to unfunded landfill closure and post closure care costs. The County has taken steps to gradually eliminate this deficit by increasing landfill user fees and appropriating additional local funding.

18. SURETY BONDS

The following elected officials and County employees were covered by surety bonds at June 30, 2011:

Commonwealth of Virginia Division of Risk Management (Commonwealth funded):	
Dana T. Bundick, Treasurer ⁽¹⁾	\$ 500,000
Todd Godwin, Sheriff ⁽¹⁾	30,000
Leslie A. Savage, Commissioner of the Revenue ⁽¹⁾	3,000
Samuel H. Cooper, Clerk of the Court ⁽¹⁾	350,000
Virginia Association of Counties Self Insurance-Risk Pool:	
All County employees - Blanket bond coverage	250,000
All School employees - Blanket bond coverage	1,000,000
All Social Services employees - Blanket bond coverage	100,000
Mary E. Parker, Director of Social Services	5,000

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

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM

County:

A. Plan Description:

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

B. Funding Policy:

The County establishes employer contribution rates for plan participants as part of the budgetary process each year. The County also determines how the plan will be funded each year, whether it will partially fund the plan or fully fund the plan. Again this is determined annually as part of the budgetary process. For participating retirees who retire at age 65 with 15 years of service with the County, the County pays 50% of the monthly premium and the retiree is responsible for the remainder. For participating retirees who are younger than age 65, with at least 15 years of service with the county or those with less than 15 years of service with the County who have retired due to line-of-duty injuries, may choose to continue their health insurance coverage with the county at their own expense until they reach 65 years of age. Retirees pay 100% of spousal premiums. Surviving spouses cannot access the plan.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

County-continued:

C. Annual OPEB Cost and Net OPEB Obligation:

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the 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	\$ 563,000
Interest on net OPEB obligation	35,000
Adjustment to annual required contribution	<u>(36,000)</u>
Annual OPEB cost (expense)	562,000
Contribution made	<u>119,230</u>
Interest in net OPEB obligation	442,770
Net OPEB Obligation-beginning of year	<u>906,230</u>
Net OPEB Obligation-end of year	<u><u>\$ 1,349,000</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2009	\$ 483,000	5%	\$ 459,230
June 30, 2010	514,000	13%	906,230
June 30, 2011	562,000	21%	1,349,000

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2011 is as follows:

Actuarial accrued liability (AAL)	\$ 5,280,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	5,280,000
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	9,863,000
UAAL as a percentage of covered payroll	53.53%

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

County-continued:

E. Actuarial Methods and Assumptions

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

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

Cost Method

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

Interest Assumptions

In the July 1, 2010, 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 10 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, 2010, was thirty years.

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

School Board:

A. Plan Description:

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

B. Funding Policy:

The School Board establishes employer contribution rates for plan participants as part of the budgetary process each year. The School Board also determines how the plan will be funded each year, whether it will partially fund the plan or fully fund the plan. Again, this is determined annually as part of the budgetary process. Retirees pay 100% of the monthly premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses can stay in the plan but must pay the full premium.

C. Annual OPEB Cost and Net OPEB Obligation:

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

Annual required contribution	\$ 285,000
Interest on net OPEB obligation	12,000
Adjustment to annual required contribution	(18,000)
Annual OPEB cost (expense)	279,000
Contribution made	164,000
Interest in net OPEB obligation	115,000
Net OPEB Obligation-beginning of year	303,000
Net OPEB Obligation-end of year	\$ 418,000

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

School Board-continued

The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2009	\$ 350,000	50.90%	\$ 172,000
June 30, 2010	363,000	63.90%	303,000
June 30, 2011	279,000	58.78%	418,000

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2011 is as follows:

Actuarial accrued liability (AAL)	\$ 2,329,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	2,329,000
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	25,252,000
UAAL as a percentage of covered payroll	9%

E. Actuarial Methods and Assumptions

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

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

School Board-continued

Cost Method

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

Interest Assumptions

In the July 1, 2010, 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 10 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, 2010, was thirty years.

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

20. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-VRS Health Insurance Credit

A. Plan Description

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

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

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

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

A. Plan Description-continued

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

B. Funding Policy

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is .60% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2011, 2010, and 2009 were \$141,517, \$187,170 and \$279,443, respectively and equaled the required contributions for each year.

21. DEFINED BENEFIT PENSION PLAN

A. Plan Description

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

All full-time, salaried permanent (professional) employees of public school divisions and employees of participating employers are automatically covered by VRS upon employment. Benefits vest after five years of service credit. Members earn one month of service credit for each month they are employed and their employer is paying into the VRS. Members are eligible to purchase prior public service, active duty military service, certain periods of leave and previously refunded VRS service as credit in their plan.

VRS administers two defined benefit plans for local government employees – Plan 1 and Plan 2:

- Members hired before July 1, 2010 and who have service credits before July 1, 2010 are covered under Plan 1. Non-hazardous duty members are eligible for an unreduced retirement benefit beginning at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. They may retire with a reduced benefit early at age 55 with at least 10 years of service credit or age 50 with at least five years of service credit.
- Members hired or rehired on or after July 1, 2010 and who have no service credits before July 1, 2010 are covered under Plan 2. Non-hazardous duty members are eligible for an unreduced benefit beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.
- Eligible hazardous duty members in Plan 1 and Plan 2 are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. These members include sheriffs, deputy sheriffs and hazardous duty employees of political subdivisions that have elected to provide enhanced coverage for hazardous duty service. They may retire with a reduced benefit as early as age 50 with at least five years of service credit. All other provisions of the member's plan apply.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

21. DEFINED BENEFIT PENSION PLAN-continued

A. Plan Description-continued

The VRS Basic Benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the member's average final compensation multiplied by the member's total service credit. Under Plan 1, average final compensation is the average of the member's 36 consecutive months of highest compensation. Under Plan 2, average final compensation is the average of the member's 60 consecutive months of highest compensation. The retirement multiplier for non-hazardous duty members is 1.70 %. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. The retirement multiplier for eligible political subdivision hazardous duty employees other than sheriffs and jail superintendents is 1.70% or 1.85% as elected by the employer. At retirement, members can elect the Basic Benefit, the Survivor Option, a Partial Lump-Sum Option Payment (PLOP) or the Advance Pension Option. A retirement reduction factor is applied to the Basic Benefit amount for members electing the Survivor Option, PLOP or Advance Pension Option or those retiring with a reduced benefit.

Retirees are eligible for an annual cost-of-living adjustment (COLA) effective July 1 of the second calendar year of retirement. Under Plan 1, the COLA cannot exceed 5.00%; under Plan 2, the COLA cannot exceed 6.00%. During years of no inflation or deflation, the COLA is 0.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The system issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of the report may be obtained from the VRS Web site at <http://www.varetire.org/Pdf/Publications/2010-annual-report.pdf> by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5.00% of their annual salary to the VRS. This 5.00% member contribution may be assumed by the employer. In addition, the County and School Board are required to contribute the remaining amounts necessary to fund participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's and School's non-professional employee contribution rates for the fiscal year ended 2011 were 4.30% and 7.64% of annual covered payroll, respectively.

The School Board's contributions for professional employees were \$926,938, \$1,585,542 and \$2,279,533, to the teacher cost-sharing pool for the fiscal years ended June 30, 2011, 2010 and 2009, respectively and these contributions represented 3.93%, 8.81% and 8.81%, respectively, of current covered payroll.

C. Annual Pension Cost

For fiscal year 2011, the County's annual pension cost of \$422,892 (does not include the employee share assumed by the County which was \$491,735) was equal to the County's required and actual contributions.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

21. DEFINED BENEFIT PENSION PLAN-continued

C. Annual Pension Cost-continued

For fiscal year 2011, the County School Board's annual pension cost for the Board's non-professional employees was \$221,848 (does not include the employee share assumed by the Board which was \$145,189) which was equal to the Board's required and actual contributions.

Fiscal Year Ending	Annual Pension Cost (APC) ¹	Percentage of APC Contributed	Net Pension Obligation
County:			
June 30, 2011	\$ 914,627	100.00%	\$ -
June 30, 2010	784,926	100.00%	-
June 30, 2009	787,160	100.00%	-
School Board Non-Professional:			
June 30, 2011	\$ 367,037	100.00%	\$ -
June 30, 2010	409,701	100.00%	-
June 30, 2009	423,076	100.00%	-

¹ Employer and employee portion only

The FY2011 required contribution was determined as part of the June 30, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2009 included (a) an investment rate of return (net of administrative expenses) of 7.50%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees and 3.50% to 4.75% for employees eligible for enhanced benefits available to law enforcement officers, firefighters, and sheriffs, and (c) a cost of living adjustment of 2.50% per year. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County's and the County School Board's assets is equal to the modified market value of assets. This method uses techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The County's and School Board's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2009 for the Unfunded Actuarial Accrued Liability (UAAL) was 20 years.

D. Funded Status and Funding Progress

As of June 30, 2010, the most recent actuarial valuation date, the County's plan was 90.55% funded. The actuarial accrued liability for benefits was \$43,480,937, and the actuarial value of assets was \$39,373,436, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,107,501. The covered payroll (annual payroll of active employees covered by the plan) was \$10,260,220 and ratio of the UAAL to the covered payroll was 40.03%.

As of June 30, 2010 the most recent actuarial valuation date, the County School Board's plan was 88.89% funded. The actuarial accrued liability for benefits was \$9,664,841, and the actuarial value of assets was \$8,591,028, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,073,813. The covered payroll (annual payroll of active employees covered by the plan) was \$3,224,289, and ratio of UAAL to the covered payroll was 33.30%.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2011 (Continued)

21. DEFINED BENEFIT PENSION PLAN-continued

D. Funded Status and Funding Progress-continued

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



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

Notes to Required Supplementary Information:

1. Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.



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COUNTY OF ACCOMACK, VIRGINIA

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

LAST THREE YEARS

Exhibit 11

Virginia Retirement System

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

A. Primary Government:

June 30, 2010	\$ 39,373,436	\$ 43,480,937	\$ 4,107,501	90.6%	\$ 10,260,220	40.0%
June 30, 2009	39,280,782	38,592,379	(688,403)	101.8%	10,408,840	-6.6%
June 30, 2008	38,935,795	36,250,419	(2,685,376)	107.4%	10,241,539	-26.2%

B. Discretely Presented School Board Component Unit:

June 30, 2010	\$ 8,591,028	\$ 9,664,841	\$ 1,073,813	88.9%	\$ 3,224,289	33.3%
June 30, 2009	8,396,983	9,246,529	849,546	90.8%	3,280,042	25.9%
June 30, 2008	8,207,221	8,672,949	465,728	94.6%	3,267,467	14.3%

Other Post Employment 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:

June 30, 2011	\$ -	\$ 5,280,000	\$ 5,280,000	0.0%	\$ 9,863,000	53.5%
June 30, 2010	-	4,803,803	4,803,803	0.0%	10,321,000	46.5%
June 30, 2009	-	4,163,000	4,163,000	0.0%	10,069,000	41.3%

B. Discretely Presented School Board Component Unit:

June 30, 2011	\$ -	\$ 2,329,000	\$ 2,329,000	0.0%	\$ 25,252,000	9.2%
June 30, 2010	-	3,308,000	3,308,000	0.0%	23,581,000	14.0%
June 30, 2009	-	3,043,000	3,043,000	0.0%	23,006,000	13.2%

¹ Nonprofessional employees only.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 12
Page 1 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 19,472,125	\$ 19,573,125	\$ 21,283,960	\$ 1,710,835
Other local taxes	6,310,766	6,393,942	6,856,993	463,051
Permits, fees and licenses	399,557	333,557	330,675	(2,882)
Fines and forfeitures	75,000	75,000	75,136	136
Revenue from the use of money and property	369,040	334,040	339,059	5,019
Charges for services	399,830	433,352	384,621	(48,731)
Miscellaneous	-	-	12,748	12,748
Recovered costs	70,552	189,633	264,663	75,030
Intergovernmental	6,435,737	7,981,370	6,931,402	(1,049,968)
Total revenues	33,532,607	35,314,019	36,479,257	1,165,238
Expenditures:				
General government administration:				
Legislative:				
Board of supervisors	213,399	165,720	121,623	44,097
General and financial administration:				
County administrator	470,154	563,895	516,109	47,786
Legal services	208,622	214,709	208,479	6,230
Commissioner of the revenue	257,345	260,061	259,745	316
County assessor	728,585	734,271	528,386	205,885
Treasurer	532,363	577,129	456,674	120,455
Central accounting	323,092	390,785	347,934	42,851
Information technology	349,482	374,266	281,371	92,895
Risk management	140,650	140,650	123,861	16,789
Total general and financial administration	3,010,293	3,255,766	2,722,559	533,207
Board of elections:				
Electoral board	48,628	48,628	32,642	15,986
Registrar	126,088	127,175	118,569	8,606
Total board of elections	174,716	175,803	151,211	24,592
Total general government administration	3,398,408	3,597,289	2,995,393	601,896
Judicial administration:				
Courts:				
Circuit court	79,857	80,400	68,827	11,573
General district court	9,971	9,971	8,916	1,055
Chief magistrate	12,637	12,637	11,258	1,379
Juvenile and domestic relations court	13,650	13,650	11,245	2,405
Clerk of the circuit court	356,229	397,040	384,463	12,577
Sheriff court services	496,718	500,779	423,496	77,283
Commissioner of accounts	214	214	214	-
Victim and witness assistance	53,953	55,224	53,354	1,870
Total courts	1,023,229	1,069,915	961,773	108,142
Commonwealth's attorney	380,077	391,663	386,391	5,272
Total judicial administration	1,403,306	1,461,578	1,348,164	113,414
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	1,684,557	2,025,653	1,893,705	131,948
Fire and rescue services:				
Volunteer fire and rescue	263,510	342,174	339,166	3,008
Emergency medical services	166,128	170,108	166,620	3,488
Payments to 911 commission	415,159	498,334	530,626	(32,292)
Total fire and rescue services	844,797	1,010,616	1,036,412	(25,796)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

Exhibit 12
Page 2 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Public safety: (continued)				
Correction and detention:				
Jail	\$ 2,146,348	\$ 1,922,092	\$ 1,783,483	\$ 138,609
Juvenile probation	120,525	117,150	76,542	40,608
Community correction	-	88,543	88,543	-
Total correction and detention	2,266,873	2,127,785	1,948,568	179,217
Other protection:				
Building and zoning	465,832	469,635	451,231	18,404
Animal control	102,041	106,628	105,919	709
Regional animal control facility	99,345	99,889	75,668	24,221
S.P.C.A. supplement	921	1,359	1,358	1
Emergency services	67,517	168,552	164,127	4,425
Medical examiner	-	-	460	(460)
Cleanup/disposal of hazardous materials	13,000	14,083	4,105	9,978
Total other protection	748,656	860,146	802,868	57,278
Total public safety	5,544,883	6,024,200	5,681,553	342,647
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Storm drainage	179,652	239,470	164,688	74,782
Sanitation and waste removal:				
General operations	179,815	181,065	183,281	(2,216)
Refuse disposal	1,119,516	1,125,716	847,271	278,445
Refuse collection	574,862	581,102	539,615	41,487
Maintenance garage	171,292	203,752	199,070	4,682
Litter control	186,487	207,882	191,767	16,115
Total sanitation and waste removal	2,231,972	2,299,517	1,961,004	338,513
Maintenance of buildings and grounds:				
Buildings and grounds	842,036	994,039	845,240	148,799
Total public works	3,253,660	3,533,026	2,970,932	562,094
Health and welfare:				
Health:				
Local health department supplement	477,319	492,319	492,319	-
Rural health dental program supplement	4,971	4,971	4,971	-
Total health	482,290	497,290	497,290	-
Mental health and mental retardation:				
Community services board supplement	134,995	134,995	134,995	-
Welfare:				
Property tax relief for the elderly	142,025	142,025	104,981	37,044
Area agency on aging supplement	18,430	18,430	18,430	-
Total welfare	160,455	160,455	123,411	37,044
Total health and welfare	777,740	792,740	755,696	37,044

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

Exhibit 12
Page 3 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Education:				
Contribution to School Board component unit	\$ 15,542,272	\$ 15,542,272	\$ 15,542,272	\$ -
Community College supplement	41,028	41,028	41,028	-
Total education	15,583,300	15,583,300	15,583,300	-
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	217,948	256,100	241,870	14,230
Summer food program	-	162,424	105,422	57,002
Boating facilities	44,747	186,287	57,312	128,975
Total parks and recreation	262,695	604,811	404,604	200,207
Cultural enrichment:				
Translator television	74,457	85,417	82,167	3,250
Contribution to Public Library component unit	319,259	319,259	319,259	-
Total cultural enrichment	393,716	404,676	401,426	3,250
Total parks, recreation and cultural	656,411	1,009,487	806,030	203,457
Community development:				
Planning and community development:				
Economic Development	21,932	21,932	3,287	18,645
Contribution to Planning Dist. Commission component unit	63,123	63,123	63,123	-
Housing/Redevelopment Corp. supplement	9,215	9,215	9,215	-
Planning	365,536	374,780	352,566	22,214
Tourism Commission supplement	64,053	64,053	64,053	-
Chamber of Commerce supplement	921	921	-	921
Star Transit public transportation supplement	61,524	61,524	61,524	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Contribution to Airport Commission component unit	140,233	142,656	142,656	-
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	737,848	749,515	719,325	30,190
Environmental management:				
Johnsongrass/gypsy moth control program	10,020	11,770	11,770	-
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	19,721	19,721	19,721	-
Wallops Research Park	88,000	106,955	64,617	42,338
Hazard mitigation projects	-	1,068,707	19,848	1,048,859
Resource Conservation and Dev. Council supplement	8,883	8,883	8,883	-
Total environmental management	147,778	1,237,190	145,993	1,091,197
Cooperative extension program	95,808	76,330	65,200	11,130
Total community development	981,434	2,063,035	930,518	1,132,517
Nondepartmental:				
Contingency	560,379	-	-	-

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

Exhibit 12
Page 4 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Debt service	\$ 329,969	\$ 325,119	\$ 300,768	\$ 24,351
Total expenditures	32,489,490	34,389,774	31,372,354	3,017,420
Revenues over (under) expenditures	1,043,117	924,245	5,106,903	4,182,658
Other Financing Sources (Uses):				
Transfers in	454,802	472,826	100,047	(372,779)
Transfers out	(1,726,529)	(1,695,444)	(1,030,633)	664,811
Total other financing sources (uses)	(1,271,727)	(1,222,618)	(930,586)	292,032
Net changes in fund balance	(228,610)	(298,373)	4,176,317	4,474,690
Fund balance, beginning of year	7,243,869	4,688,090	7,836,644	3,148,554
Fund balance, end of year	\$ 7,015,259	\$ 4,389,717	\$ 12,012,961	\$ 7,623,244

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, 2011

Exhibit 13

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ 190	\$ 2,397	\$ 2,207
Intergovernmental	3,618,053	3,455,429	3,067,444	(387,985)
Total revenues	3,618,053	3,455,619	3,069,841	(385,778)
Expenditures:				
Health and welfare				
Welfare administration	3,048,182	2,934,522	2,788,933	145,589
Public assistance	1,026,958	985,659	706,248	279,411
Fuel administration	40,702	40,702	39,161	1,541
Local only administration	103,664	96,189	76,980	19,209
CDC quality initiative program	10,558	10,558	10,217	341
Eligibility pass-through	36,593	36,593	-	36,593
Total expenditures	4,266,657	4,104,223	3,621,539	482,684
Revenues over (under) expenditures	(648,604)	(648,604)	(551,698)	96,906
Other financing sources (uses)				
Transfers in	648,604	648,604	551,698	(96,906)
Total other financing sources (uses)	648,604	648,604	551,698	(96,906)
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, 2011

Exhibit 14

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 100,274	\$ 100,274	\$ 139,594	\$ 39,320
Intergovernmental	1,572,298	1,572,298	777,656	(794,642)
Total revenues	1,672,572	1,672,572	917,250	(755,322)
Expenditures:				
Health and welfare:				
Welfare:				
CSA trust-family support program	-	9,332	8,459	873
Teen pregnancy prevention program	-	9,583	9,570	13
CSA pooled services for youth and families program	2,244,083	2,244,083	1,027,416	1,216,667
Total expenditures	2,244,083	2,262,998	1,045,445	1,217,553
Revenues over (under) expenditures	(571,511)	(590,426)	(128,195)	462,231
Other financing sources (uses):				
Transfers in	571,511	590,426	128,195	(462,231)
Total other financing sources (uses)	571,511	590,426	128,195	(462,231)
Net changes in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	5,733	5,733
Fund balance, end of year	\$ -	\$ -	\$ 5,733	\$ 5,733



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Other Supplemental Information



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Nonmajor Governmental Funds

Special Revenue Funds-Special revenue funds are used to account for 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.
- **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.
- **Fire and Rescue District 2 Fund**-Accounts for revenues derived from a special property tax levied on residents of the Atlantic fire and rescue district (district 2). Expenditures are restricted for use on fire and rescue services within this district.
- **Fire and Rescue District 3 Fund**-Accounts for revenues derived from a special property tax levied on residents of the Metompkin fire and rescue district (district 3). Expenditures are restricted for use on fire and rescue services within this district.
- **Fire and Rescue District 4 Fund**-Accounts for revenues derived from a special property tax levied on residents of the Lee fire and rescue district (district 4) and select charges for medical services. Expenditures are restricted for use on fire and rescue services within this district.
- **Fire and Rescue District 5 Fund**-Accounts for revenues derived from a special property tax levied on residents of the Pungoteague fire and rescue district (district 5). Expenditures are restricted for use on fire and rescue services within this district.

COUNTY OF ACCOMACK, VIRGINIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AT JUNE 30, 2011

	Special Revenue				
	Law Library Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund
Assets:					
Cash and cash equivalents held by Treasurer	\$ 16,519	\$ 29,923	\$ 94,631	\$ 287,662	\$ 155,426
Receivables (net):					
Taxes, including penalties	-	-	-	-	-
Accounts / other	624	-	8,010	-	240,682
Notes receivable	-	-	-	-	68,756
Due from other governmental entities:					
Commonwealth of Virginia	-	-	-	9,003	-
Total assets	<u>17,143</u>	<u>29,923</u>	<u>102,641</u>	<u>296,665</u>	<u>464,864</u>
Liabilities:					
Accounts payable	513	256	142	9,068	231,319
Wages payable	-	-	1,453	-	-
Deferred revenues	-	-	-	226,524	68,757
Total liabilities	<u>513</u>	<u>256</u>	<u>1,595</u>	<u>235,592</u>	<u>300,076</u>
Fund Balances:					
Restricted for:					
Fire and Rescue	-	-	-	-	-
Mosquito Control	-	-	-	-	-
Assigned to:					
Judicial Administration	-	11,312	-	-	-
Courthouse Security	-	-	101,046	-	-
Fire and Rescue	-	-	-	61,073	-
Law Library	16,630	-	-	-	-
Law Enforcement	-	18,355	-	-	-
Community Development	-	-	-	-	164,788
Total fund balances	<u>16,630</u>	<u>29,667</u>	<u>101,046</u>	<u>61,073</u>	<u>164,788</u>
Total liabilities and fund balances	<u>\$ 17,143</u>	<u>\$ 29,923</u>	<u>\$ 102,641</u>	<u>\$ 296,665</u>	<u>\$ 464,864</u>

Exhibit 15

Special Revenue						
Captains Cove Greenbackville Mosquito Control Fund	Consolidated Emergency Medical Services Fund	Fire & Rescue District 2 Fund	Fire & Rescue District 3 Fund	Fire & Rescue District 4 Fund	Fire & Rescue District 5 Fund	Total Nonmajor Governmental Funds
\$ 34,021	\$ 812,939	\$ 190,238	\$ 65,232	\$ 110,762	\$ 146,811	\$ 1,944,164
41,021	1,071,167	209,256	72,272	125,423	164,781	1,683,920
-	-	-	-	-	-	249,316
-	-	-	-	-	-	68,756
-	-	-	-	-	-	9,003
75,042	1,884,106	399,494	137,504	236,185	311,592	3,955,159
22,286	49,847	107,076	35,913	58,209	79,102	593,731
-	-	-	-	-	-	1,453
41,714	1,124,095	213,509	75,061	132,936	172,617	2,055,213
64,000	1,173,942	320,585	110,974	191,145	251,719	2,650,397
-	710,164	78,909	26,530	45,040	59,873	920,516
11,042	-	-	-	-	-	11,042
-	-	-	-	-	-	11,312
-	-	-	-	-	-	101,046
-	-	-	-	-	-	61,073
-	-	-	-	-	-	16,630
-	-	-	-	-	-	18,355
-	-	-	-	-	-	164,788
11,042	710,164	78,909	26,530	45,040	59,873	1,304,762
\$ 75,042	\$ 1,884,106	\$ 399,494	\$ 137,504	\$ 236,185	\$ 311,592	\$ 3,955,159

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Special Revenue					
	Law Library Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund
Revenues:						
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,528
Other local taxes	8,516	-	81,178	-	-	-
Revenue from the use of money and property	-	-	-	86	76	-
Miscellaneous	-	-	-	30,700	12,379	-
Recovered costs	-	-	-	-	24,711	-
Intergovernmental	-	15,867	-	61,222	556,696	-
Total revenues	8,516	15,867	81,178	92,008	593,862	62,528
Expenditures:						
Judicial administration	1,260	-	84,010	-	-	-
Public safety	-	7,169	-	84,847	-	-
Health and welfare	-	-	-	-	-	67,424
Community development	-	-	-	-	571,766	-
Total expenditures	1,260	7,169	84,010	84,847	571,766	67,424
Revenues over (under) expenditures	7,256	8,698	(2,832)	7,161	22,096	(4,896)
Net change in fund balances	7,256	8,698	(2,832)	7,161	22,096	(4,896)
Fund balance, beginning of year	9,374	20,969	103,878	53,912	142,692	15,938
Fund balance, end of year	\$ 16,630	\$ 29,667	\$ 101,046	\$ 61,073	\$ 164,788	\$ 11,042

Exhibit 16

Special Revenue					
Consolidated Emergency Medical Services Fund	Fire & Rescue District 2 Fund	Fire & Rescue District 3 Fund	Fire & Rescue District 4 Fund	Fire & Rescue District 5 Fund	Total Nonmajor Governmental Funds
\$ 1,869,603	\$ 406,876	\$ 120,171	\$ 211,068	\$ 269,710	\$ 2,939,956
-	-	-	-	-	89,694
-	-	-	-	-	162
69,298	-	-	-	-	112,377
-	-	-	-	-	24,711
64,514	16,050	7,470	9,277	9,063	740,159
2,003,415	422,926	127,641	220,345	278,773	3,907,059
-	-	-	-	-	85,270
1,928,409	441,056	137,234	251,008	295,112	3,144,835
-	-	-	-	-	67,424
-	-	-	-	-	571,766
1,928,409	441,056	137,234	251,008	295,112	3,869,295
75,006	(18,130)	(9,593)	(30,663)	(16,339)	37,764
75,006	(18,130)	(9,593)	(30,663)	(16,339)	37,764
635,158	97,039	36,123	75,703	76,212	1,266,998
\$ 710,164	\$ 78,909	\$ 26,530	\$ 45,040	\$ 59,873	\$ 1,304,762

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Law Library Fund			
	Budgeted Amounts		Variance From
	Original	Final	Final Budget Positive (Negative)
Revenues:			
General property taxes	\$ -	\$ -	\$ -
Other local taxes	7,000	7,000	8,516
Revenue from the use of money and property	-	-	-
Miscellaneous	-	-	-
Recovered costs	-	-	-
Intergovernmental	-	-	-
Total revenues	7,000	7,000	8,516
Expenditures:			
Judicial administration	7,000	7,000	1,260
Public safety	-	-	-
Health and welfare	-	-	-
Community development	-	-	-
Total expenditures	7,000	7,000	1,260
Revenues over (under) expenditures	-	-	7,256
Net changes in fund balance	-	-	7,256
Fund balance, beginning of year	9,374	9,374	9,374
Fund balance, end of year	\$ 9,374	\$ 9,374	\$ 16,630

Drug Seizures Fund				Courthouse Security Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	67,000	67,000	81,178	14,178
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	15,867	15,867	-	-	-	-
-	-	15,867	15,867	67,000	67,000	81,178	14,178
-	-	-	-	-	-	-	-
-	-	-	-	-	172,872	84,010	88,862
2,000	2,000	7,169	(5,169)	67,000	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,000	2,000	7,169	(5,169)	67,000	172,872	84,010	88,862
(2,000)	(2,000)	8,698	10,698	-	(105,872)	(2,832)	103,040
(2,000)	(2,000)	8,698	10,698	-	(105,872)	(2,832)	103,040
20,969	20,969	20,969	-	103,878	103,878	103,878	-
\$ 18,969	\$ 18,969	\$ 29,667	\$ 10,698	\$ 103,878	\$ (1,994)	\$ 101,046	\$ 103,040

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

	Fire Programs Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	86	86
Miscellaneous	6,700	31,125	30,700	(425)
Recovered costs	-	-	-	-
Intergovernmental	-	-	61,222	61,222
Total revenues	6,700	31,125	92,008	60,883
Expenditures:				
Judicial administration	-	-	-	-
Public safety	41,250	86,975	84,847	2,128
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	41,250	86,975	84,847	2,128
Revenues over (under) expenditures	(34,550)	(55,850)	7,161	63,011
Net changes in fund balance	(34,550)	(55,850)	7,161	63,011
Fund balance, beginning of year	53,912	53,912	53,912	-
Fund balance, end of year	\$ 19,362	\$ (1,938)	\$ 61,073	\$ 63,011

Rehabilitation Projects Fund				Captains Cove Greenbackville Mosquito Control Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 61,980	\$ 61,980	\$ 62,528	\$ 548
-	-	-	-	-	-	-	-
-	-	76	76	-	-	-	-
-	-	12,379	12,379	-	-	-	-
-	-	24,711	24,711	-	-	-	-
-	558,469	556,696	(1,773)	-	-	-	-
-	558,469	593,862	35,393	61,980	61,980	62,528	548
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	62,980	62,980	67,424	(4,444)
-	558,469	571,766	(13,297)	-	-	-	-
-	558,469	571,766	(13,297)	62,980	62,980	67,424	(4,444)
-	-	22,096	22,096	(1,000)	(1,000)	(4,896)	(3,896)
-	-	22,096	22,096	(1,000)	(1,000)	(4,896)	(3,896)
142,692	142,692	142,692	-	15,938	15,938	15,938	-
\$ 142,692	\$ 142,692	\$ 164,788	\$ 22,096	\$ 14,938	\$ 14,938	\$ 11,042	\$ (3,896)

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

	Consolidated EMS Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ 1,716,111	\$ 1,716,111	\$ 1,869,603	\$ 153,492
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	-	-
Miscellaneous	52,465	67,082	69,298	2,216
Recovered costs	-	-	-	-
Intergovernmental	48,422	48,422	64,514	16,092
Total revenues	1,816,998	1,831,615	2,003,415	171,800
Expenditures:				
Judicial administration	-	-	-	-
Public safety	1,904,554	1,936,203	1,928,409	7,794
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	1,904,554	1,936,203	1,928,409	7,794
Revenues over (under) expenditures	(87,556)	(104,588)	75,006	179,594
Net changes in fund balance	(87,556)	(104,588)	75,006	179,594
Fund balance, beginning of year	635,158	635,158	635,158	-
Fund balance, end of year	\$ 547,602	\$ 530,570	\$ 710,164	\$ 179,594

Fire & Rescue District 2 Fund				Fire & Rescue District 3 Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 397,621	\$ 397,621	\$ 406,876	\$ 9,255	\$ 126,906	\$ 126,906	\$ 120,171	\$ (6,735)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
17,612	17,612	16,050	(1,562)	8,107	8,107	7,470	(637)
415,233	415,233	422,926	7,693	135,013	135,013	127,641	(7,372)
-	-	-	-	-	-	-	-
415,233	415,233	441,056	(25,823)	135,013	135,013	137,234	(2,221)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
415,233	415,233	441,056	(25,823)	135,013	135,013	137,234	(2,221)
-	-	(18,130)	(18,130)	-	-	(9,593)	(9,593)
-	-	(18,130)	(18,130)	-	-	(9,593)	(9,593)
97,039	97,039	97,039	-	36,123	36,123	36,123	-
\$ 97,039	\$ 97,039	\$ 78,909	\$ (18,130)	\$ 36,123	\$ 36,123	\$ 26,530	\$ (9,593)

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

	Fire & Rescue District 4 Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ 233,584	\$ 233,584	\$ 211,068	\$ (22,516)
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental	10,895	10,895	9,277	(1,618)
Total revenues	244,479	244,479	220,345	(24,134)
Expenditures:				
Judicial administration	-	-	-	-
Public safety	244,479	244,479	251,008	(6,529)
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	244,479	244,479	251,008	(6,529)
Revenues over (under) expenditures	-	-	(30,663)	(30,663)
Net changes in fund balance	-	-	(30,663)	(30,663)
Fund balance, beginning of year	75,703	75,703	75,703	-
Fund balance, end of year	\$ 75,703	\$ 75,703	\$ 45,040	\$ (30,663)

Fire & Rescue District 5 Fund				Total Nonmajor Governmental Funds			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 267,414	\$ 267,414	\$ 269,710	\$ 2,296	\$ 2,803,616	\$ 2,803,616	\$ 2,939,956	\$ 136,340
-	-	-	-	74,000	74,000	89,694	15,694
-	-	-	-	-	-	162	162
-	-	-	-	59,165	98,207	112,377	14,170
-	-	-	-	-	-	24,711	24,711
10,342	10,342	9,063	(1,279)	95,378	653,847	740,159	86,312
277,756	277,756	278,773	1,017	3,032,159	3,629,670	3,907,059	277,389
-	-	-	-	7,000	179,872	85,270	(94,602)
277,756	277,756	295,112	(17,356)	3,087,285	3,097,659	3,144,835	47,176
-	-	-	-	62,980	62,980	67,424	4,444
-	-	-	-	-	558,469	571,766	13,297
277,756	277,756	295,112	(17,356)	3,157,265	3,898,980	3,869,295	(29,685)
-	-	(16,339)	(16,339)	(125,106)	(269,310)	37,764	247,704
-	-	(16,339)	(16,339)	(125,106)	(269,310)	37,764	247,704
76,212	76,212	76,212	-	1,266,998	1,266,998	1,266,998	-
\$ 76,212	\$ 76,212	\$ 59,873	\$ (16,339)	\$ 1,141,892	\$ 997,688	\$ 1,304,762	\$ 247,704

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOOL DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 18

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 3,471,719	\$ 3,471,719	\$ 3,840,500	\$ 368,781
Miscellaneous	-	524,704	524,704	-
Intergovernmental	56,199	56,199	82,370	26,171
Total revenues	3,527,918	4,052,622	4,447,574	394,952
Expenditures:				
Debt Service:				
Principal	2,428,374	2,428,374	2,395,373	33,001
Interest and fiscal charges	1,267,575	1,792,279	1,792,423	(144)
Total expenditures	3,695,949	4,220,653	4,187,796	32,857
Revenues over (under) expenditures	(168,031)	(168,031)	259,778	427,809
Other financing sources (uses):				
Transfers in	290,000	290,000	270,000	(20,000)
Total other financing sources (uses)	290,000	290,000	270,000	(20,000)
Net changes in fund balance	121,969	121,969	529,778	407,809
Fund balance, beginning of year	216,425	307,712	859,741	552,029
Fund balance, end of year	\$ 338,394	\$ 429,681	\$ 1,389,519	\$ 959,838

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, 2011

Exhibit 19

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 1,717	\$ 1,717
Recovered costs	-	2,800	197,760	194,960
Intergovernmental	-	3,427,412	173,884	(3,253,528)
Total revenues	-	3,430,212	373,361	(3,056,851)
Expenditures:				
General government administration	-	82,590	32,193	50,397
Public safety	200,000	60,000	-	60,000
Public works	-	1,116,432	787,249	329,183
Parks and recreation	-	91,562	195,071	(103,509)
Community development	-	3,427,412	63,608	3,363,804
Total expenditures	200,000	4,777,996	1,078,121	3,699,875
Revenues over (under) expenditures	(200,000)	(1,347,784)	(704,760)	643,024
Other financing sources (uses):				
Transfers in	200,000	142,590	41,640	(100,950)
Transfers out	(69,000)	-	(86,747)	(86,747)
Total other financing sources (uses)	131,000	142,590	(45,107)	(187,697)
Net changes in fund balance	(69,000)	(1,205,194)	(749,867)	455,327
Fund balance, beginning of year	3,318,254	(3,170,055)	1,228,036	4,398,091
Fund balance, end of year	\$ 3,249,254	\$ (4,375,249)	\$ 478,169	\$ 4,853,418



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Nonmajor Proprietary Funds

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

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

COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR PROPRIETARY FUNDS
 AT JUNE 30, 2011

Exhibit 20

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		
	Water & Sewer Fund	Parks and Recreation Revolving Fund	Total
<u>Assets:</u>			
Current assets:			
Cash and cash equivalents	\$ 133,160	\$ 71,548	\$ 204,708
Accounts receivable (net of allowance for uncollectibles)	26,239	-	26,239
Total current assets	159,399	71,548	230,947
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Buildings	7,507	-	7,507
Improvements other than buildings	85,992	-	85,992
Machinery and equipment	13,458	25,659	39,117
Total capital assets	106,957	25,659	132,616
Total assets	266,356	97,207	363,563
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	21,076	10,605	31,681
Unearned revenue	345	-	345
Total current liabilities	21,421	10,605	32,026
<u>Net Assets:</u>			
Invested in capital assets, net of related debt	106,957	25,659	132,616
Unrestricted	137,978	60,943	198,921
Total net assets	\$ 244,935	\$ 86,602	\$ 331,537

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 21

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		Total
	Water & Sewer Fund	Parks and Recreation Revolving Fund	
Operating revenues:			
Charges for services	\$ 223,069	\$ 52,753	\$ 275,822
Operating expenses:			
Personnel services and fringe benefits	49,026	16,543	65,569
Other operating expenses	167,297	56,517	223,814
Depreciation	19,930	3,568	23,498
Total operating expenses	236,253	76,628	312,881
Operating income (loss)	(13,184)	(23,875)	(37,059)
Transfers:			
Transfers in	36,957	-	36,957
Transfers out	-	(18,024)	(18,024)
Total transfers	36,957	(18,024)	18,933
Changes in net assets	23,773	(41,899)	(18,126)
Total net assets, beginning of year	221,162	128,501	349,663
Total net assets, end of year	\$ 244,935	\$ 86,602	\$ 331,537

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 22

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		Total
	Water & Sewer Fund	Parks and Recreation Revolving Fund	
Cash flows from operating activities:			
Receipts from customers	\$ 221,117	\$ 52,993	\$ 274,110
Payments to suppliers	(158,356)	(57,681)	(216,037)
Payments to employees and benefits paid on behalf of employees	(54,025)	(16,580)	(70,605)
Net cash provided by operating activities	8,736	(21,268)	(12,532)
Cash flows from noncapital financing activities:			
Transfer from (to) the General Fund	36,957	(18,024)	18,933
Net cash used for noncapital financing activities	36,957	(18,024)	18,933
Net increase in cash and cash equivalents	45,693	(39,292)	6,401
Cash and cash equivalents, beginning of year	87,467	110,840	198,307
Cash and cash equivalents, end of year	\$ 133,160	\$ 71,548	\$ 204,708
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (13,184)	\$ (23,875)	\$ (37,059)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	19,930	3,568	23,498
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(2,297)	240	(2,057)
(Increase) Decrease in prepaid revenue	345	-	345
Increase (Decrease) in accounts payable	8,941	(1,201)	7,740
Increase (Decrease) in compensated absences payable	(4,999)	-	(4,999)
Total adjustments	1,990	(961)	1,029
Net cash provided by operating activities	\$ 8,736	\$ (21,268)	\$ (12,532)

Agency Funds

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

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

COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 AT JUNE 30, 2011

Exhibit 23

	Agency Funds			
	Special Welfare Fund	War Memorial Fund	Sheriff Canteen Fund	Totals
<u>Assets:</u>				
Cash & cash equivalents held by Treasurer	\$ 30,024	\$ 3,000	\$ -	\$ 33,024
Cash & cash equivalents in custody of others	-	-	28,493	28,493
Total assets	<u>30,024</u>	<u>3,000</u>	<u>28,493</u>	<u>61,517</u>
<u>Liabilities:</u>				
Amounts held for social service clients	30,024	-	-	30,024
Amounts held for others	-	-	28,493	28,493
Amounts held for war memorial ceremonies	-	3,000	-	3,000
Total liabilities	<u>\$ 30,024</u>	<u>\$ 3,000</u>	<u>\$ 28,493</u>	<u>\$ 61,517</u>

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 24

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Special Welfare Fund:				
<u>Assets:</u>				
Cash and cash equivalents	\$ 40,150	\$ 60,869	\$ 70,995	\$ 30,024
<u>Liabilities:</u>				
Amount held for clients	40,150	\$ 60,869	\$ 70,995	30,024
War Memorial Fund:				
<u>Assets:</u>				
Cash and cash equivalents	2,975	25	-	3,000
<u>Liabilities:</u>				
Amount held for War Memorial Fund	2,975	25	-	3,000
Sheriff Canteen:				
<u>Assets:</u>				
Cash and cash equivalents	22,204	189,307	183,018	28,493
<u>Liabilities:</u>				
Amount held for others	22,204	189,307	183,018	28,493
Totals-All Agency Funds:				
<u>Assets:</u>				
Cash and cash equivalents	65,329	250,201	254,013	61,517
<u>Liabilities:</u>				
Amount held for clients	40,150	60,869	70,995	30,024
Amount held for others	22,204	189,307	183,018	28,493
Amount held for War Memorial Fund	2,975	25	-	3,000
Total Liabilities	\$ 65,329	\$ 250,201	\$ 254,013	\$ 61,517



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Discretely Presented Component Unit School Board

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

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF NET ASSETS
AT JUNE 30, 2011

Exhibit 25

	Governmental Activities
<u>Assets:</u>	
Cash and cash equivalents	\$ 7,479,468
Accounts receivable, net	80,827
Due from other governmental entities	3,727,924
Capital Assets (net of accumulated depreciation):	
Land	974,862
Buildings	28,440,193
Improvements other than buildings	1,303,584
Machinery and equipment	3,048,658
Total assets	<u>45,055,516</u>
<u>Liabilities:</u>	
Accounts payable	2,584,745
Wages and benefits payable	3,631,658
Due to other governmental entities	21,375
Unearned revenue	407,397
Noncurrent liabilities:	
Due within one year	1,467,242
Due in more than one year	599,345
Total liabilities	<u>8,711,762</u>
<u>Net Assets:</u>	
Invested in capital assets, net of related debt	33,767,297
Unrestricted	2,576,457
Total net assets	<u>\$ 36,343,754</u>

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE, 30 2011

Exhibit 26

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Discretely Presented School Board Component Unit:					
Governmental activities:					
Education	\$ 50,588,902	\$ 954,220	\$ 35,436,655	\$ -	\$ (14,198,027)
Total governmental activities	<u>\$ 50,588,902</u>	<u>\$ 954,220</u>	<u>\$ 35,436,655</u>	<u>\$ -</u>	<u>(14,198,027)</u>

General Revenues:

Contribution from local government	17,296,936
Investment earnings	1,622
Miscellaneous	159,006
Total general revenues	<u>17,457,564</u>
Change in net assets	<u>3,259,537</u>
Net assets, beginning of year	33,084,217
Net assets, end of year	<u>\$ 36,343,754</u>

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
BALANCE SHEET-GOVERNMENTAL FUNDS
AT JUNE 30, 2011

Exhibit 27

	Major Funds		Nonmajor Fund	Total
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	Governmental Funds
Assets:				
Cash and cash equivalents	\$ 6,085,834	\$ 274,715	\$ 1,118,919	\$ 7,479,468
Accounts receivable, net	80,827	-	-	80,827
Due from the Commonwealth	439,114	-	-	439,114
Due from the Federal Government	2,976,422	-	312,388	3,288,810
Total assets	<u>9,582,197</u>	<u>274,715</u>	<u>1,431,307</u>	<u>11,288,219</u>
Liabilities:				
Accounts payable	2,562,130	-	22,615	2,584,745
Wages and benefits payable	3,631,658	-	-	3,631,658
Due to other governmental entities	21,375	-	-	21,375
Deferred grant revenues	407,397	-	-	407,397
Total liabilities	<u>6,622,560</u>	<u>-</u>	<u>22,615</u>	<u>6,645,175</u>
Fund Balances:				
Restricted for:				
Education	2,959,637	-	-	2,959,637
Capital Projects	-	274,715	-	274,715
Assigned to:				
Food Services	-	-	1,408,692	1,408,692
Total fund balances	<u>2,959,637</u>	<u>274,715</u>	<u>1,408,692</u>	<u>4,643,044</u>
Total liabilities and fund balances	<u>\$ 9,582,197</u>	<u>\$ 274,715</u>	<u>\$ 1,431,307</u>	

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

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

Land	974,862	
Buildings, net of depreciation	59,280,726	
Improvements other than buildings, net of depreciation	1,303,584	
Machinery and equipment, net of depreciation	3,048,658	
School Board capital assets in primary government, net of depreciation	<u>(30,840,533)</u>	
Total capital assets		33,767,297

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	(1,648,587)	
Net other postemployment benefit obligation	<u>(418,000)</u>	
Net adjustment		(2,066,587)
Total net assets		<u>\$ 36,343,754</u>

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 28

	Major Funds		Nonmajor Fund	
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	Total Governmental Funds
Revenues:				
Revenue from the use of money and property	\$ -	\$ 588	\$ 1,034	\$ 1,622
Charges for services	149,902	-	625,755	775,657
Miscellaneous	159,006	-	-	159,006
Recovered costs	178,563	-	-	178,563
From the local government	15,542,272	-	-	15,542,272
From the Commonwealth	25,660,288	-	48,757	25,709,045
From the Federal Government	7,847,138	-	1,880,472	9,727,610
Total revenues	49,537,169	588	2,556,018	52,093,775
Expenditures:				
Education:				
Instruction	36,615,331	-	-	36,615,331
Administration of schools	936,616	-	-	936,616
Attendance and health services	1,273,831	-	-	1,273,831
Operation and maintenance services	4,844,917	7,985	-	4,852,902
Pupil transportation services	3,637,286	-	-	3,637,286
Technology Services	317,696	-	-	317,696
Food services	78,862	-	2,279,173	2,358,035
Total expenditures	47,704,539	7,985	2,279,173	49,991,697
Revenues over (under) expenditures	1,832,630	(7,397)	276,845	2,102,078
Net changes in fund balance	1,832,630	(7,397)	276,845	2,102,078
Fund balance, beginning of year	1,127,007	282,112	1,131,847	2,540,966
Fund balance, end of year	\$ 2,959,637	\$ 274,715	\$ 1,408,692	\$ 4,643,044
Net changes in fund balance per above				\$ 2,102,078

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

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

Capital asset expenditures	1,382,789	
Depreciation on capital assets	(2,036,172)	
Retirement of capital assets	(2,249)	
Net adjustment		(655,632)

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. 1,754,664

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	173,427	
Other postemployment benefit expenses	(115,000)	
Net adjustment		58,427

Change in net assets of governmental activities• \$ 3,259,537

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, 2011

Exhibit 29

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 100,000	\$ 125,000	\$ 149,902	\$ 24,902
Miscellaneous	18,000	18,000	159,006	141,006
Recovered costs	269,776	269,776	178,563	(91,213)
From the local government	15,542,272	15,542,272	15,542,272	-
From the Commonwealth	24,700,826	27,042,260	25,660,288	(1,381,972)
From the Federal Government	182,730	7,395,753	7,847,138	451,385
Total revenues	40,813,604	50,393,061	49,537,169	(855,892)
Expenditures:				
Education:				
Instruction	28,579,734	37,962,782	36,615,331	1,347,451
Administration of schools	1,009,674	1,017,470	936,616	80,854
Attendance and health services	1,163,021	1,301,843	1,273,831	28,012
Operation and maintenance services	5,111,661	5,111,661	4,844,917	266,744
Pupil transportation services	2,788,962	3,065,867	3,637,286	(571,419)
Technology Services	1,910,552	1,910,552	317,696	1,592,856
Food services	-	-	78,862	(78,862)
Total expenditures	40,563,604	50,370,175	47,704,539	2,665,636
Revenues over (under) expenditures	250,000	22,886	1,832,630	1,809,744
Other financing sources (uses)				
Transfers out	(275,000)	(275,000)	-	275,000
Total other financing sources (uses)	(275,000)	(275,000)	-	275,000
Net changes in fund balance	(25,000)	(252,114)	1,832,630	2,084,744
Fund balance, beginning of year	1,127,007	1,127,007	1,127,007	-
Fund balance, end of year	\$ 1,102,007	\$ 874,893	\$ 2,959,637	\$ 2,084,744

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF FIDUCIARY NET ASSETS-AGENCY FUNDS
AT JUNE 30, 2011

Exhibit 30

	School Activities Fund
<u>Assets:</u>	
Cash & cash equivalents in custody of others	\$ 534,958
<u>Liabilities:</u>	
Amounts held for school activities	\$ 534,958

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, 2011

Exhibit 31

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
School Activities Fund:				
<u>Assets:</u>				
Cash and cash equivalents	\$ 516,113	\$ 1,172,215	\$ 1,153,370	\$ 534,958
<u>Liabilities:</u>				
Amounts held for school activities	\$ 516,113	\$ 1,172,215	\$ 1,153,370	\$ 534,958

Nonmajor Discretely Presented Component Units

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

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
AT JUNE 30, 2011

	Component Units				
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Fund	Greenbackville Harbor Committee
<u>Assets:</u>					
Cash and cash equivalents	\$ 188,359	\$ 101,780	\$ 40,515	\$ 77,100	\$ 131,410
Restricted cash and cash equivalents	500,000	-	-	-	-
Accounts receivables, net	239,686	-	-	-	1,450
Loan receivables	297,026	-	-	-	-
Due from other governmental entities	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid expenses	9,706	-	-	391	-
Notes receivable	-	-	-	-	-
Capital Assets (net of accumulated depreciation):					
Land	106,807	280,000	-	-	-
Buildings	92,309	790,620	-	-	-
Improvements other than buildings	7,591	-	93,381	-	5,034
Machinery and equipment	66,071	34,070	-	-	-
Construction in progress	-	-	-	-	-
Total assets	1,507,555	1,206,470	133,896	77,491	137,894
<u>Liabilities:</u>					
Accounts payable	68,098	4,295	306	1,375	-
Wages and benefits payable	6,366	-	-	-	-
Deferred revenues	128,734	-	16,341	-	-
Noncurrent liabilities:					
Due within one year	-	-	-	-	-
Due in more than one year	100,545	34,433	-	-	-
Total liabilities	303,743	38,728	16,647	1,375	-
<u>Net Assets:</u>					
Invested in capital assets, net of related debt	272,778	1,104,690	93,381	-	5,034
Restricted	500,000	96,452	-	-	-
Unrestricted	431,034	(33,400)	23,868	76,116	132,860
Total net assets	\$ 1,203,812	\$ 1,167,742	\$ 117,249	\$ 76,116	\$ 137,894

Exhibit 32

Component Units		
Airport Commission	Economic Development Authority	Total Nonmajor Discretely Presented Com- ponent Units
\$ 2,445	\$ 22,562	\$ 564,171
-	-	500,000
7,513	-	248,649
-	-	297,026
3,407	-	3,407
71,978	-	71,978
-	-	10,097
-	-	-
190,400	317,726	894,933
304,673	-	1,187,602
2,413,017	-	2,519,023
13,079	-	113,220
232,356	-	232,356
3,238,868	340,288	6,642,462
50,236	1,192	125,502
1,127	-	7,493
8,005	-	153,080
43,471	-	43,471
1,070	-	136,048
103,909	1,192	465,594
3,118,715	317,726	4,912,324
-	-	596,452
16,244	21,370	668,092
\$ 3,134,959	\$ 339,096	\$ 6,176,868

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2011

	Component Units				
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Fund	Greenbackville Harbor Committee
Operating revenues:					
Operating grants and contributions	\$ 168,703	\$ 283,528	\$ -	\$ -	\$ -
Use of property	50,648	2,498	-	-	-
Charges for services	1,048,343	33,223	22,176	-	19,995
Miscellaneous	-	14,067	-	-	-
Total operating revenues	<u>1,267,694</u>	<u>333,316</u>	<u>22,176</u>	<u>-</u>	<u>19,995</u>
Operating expenses:					
General and administration	141,434	-	-	-	-
Contractual services	-	-	7,780	56,153	31,901
Personnel	-	413,280	-	-	-
Materials and supplies	-	-	-	-	-
Other operating expenses	-	200,888	180,562	573	683
Cost of goods sold	-	-	-	-	-
Project expenses	1,161,570	-	-	-	-
Depreciation	26,041	45,552	14,229	-	1,004
Total operating expenses	<u>1,329,045</u>	<u>659,720</u>	<u>202,571</u>	<u>56,726</u>	<u>33,588</u>
Operating income (loss)	<u>(61,351)</u>	<u>(326,404)</u>	<u>(180,395)</u>	<u>(56,726)</u>	<u>(13,593)</u>
Nonoperating revenues (expenses):					
Contributions from (to) local governments	82,844	425,924	-	61,509	-
Investment earnings	18,799	-	7,107	-	210
State grants	-	128,057	-	-	-
Federal grants	-	-	-	-	-
Interest expense	-	-	-	-	-
Unrealized gain (loss) on investments	-	-	(12,461)	-	-
Total nonoperating revenues (expenses)	<u>101,643</u>	<u>553,981</u>	<u>(5,354)</u>	<u>61,509</u>	<u>210</u>
Changes in net assets	40,292	227,577	(185,749)	4,783	(13,383)
Total net assets, beginning of year	<u>1,163,520</u>	<u>940,165</u>	<u>302,998</u>	<u>71,333</u>	<u>151,277</u>
Total net assets, end of year	<u>\$ 1,203,812</u>	<u>\$ 1,167,742</u>	<u>\$ 117,249</u>	<u>\$ 76,116</u>	<u>\$ 137,894</u>

Exhibit 33

Component Units		
Airport Commission	Economic Development Authority	Total Nonmajor Discretely Presented Comp- onent Units
\$ -	\$ -	\$ 452,231
10,654	-	63,800
289,553	-	1,413,290
989	-	15,056
301,196	-	1,944,377
-	-	141,434
59,209	2,322	157,365
149,813	2,528	565,621
39,537	882	40,419
45,454	2,127	430,287
203,859	-	203,859
-	-	1,161,570
306,195	-	393,021
804,067	7,859	3,093,576
(502,871)	(7,859)	(1,149,199)
142,656	11,590	724,523
-	66	26,182
10,339	-	138,396
63,530	-	63,530
(3,004)	-	(3,004)
-	-	(12,461)
213,521	11,656	937,166
(289,350)	3,797	(212,033)
3,424,309	335,299	6,388,901
\$ 3,134,959	\$ 339,096	\$ 6,176,868

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2011

Exhibit 34

	Component Units		
	Airport Commission	Economic Development Authority	Total Nonmajor Discretely Presented Comp- onent Units
Cash flows from operating activities:			
Receipts from customers	\$ 304,731	\$ -	\$ 304,731
Payments to suppliers	(355,406)	(4,548)	(359,954)
Payments to employees and benefits paid on behalf of employees	(150,834)	(2,535)	(153,369)
Other receipts	989	-	989
Net cash provided by (used for) operating activities	(200,520)	(7,083)	(207,603)
Cash flows from noncapital financing activities:			
Grant proceeds from the Commonwealth and Federal Government	14,292	-	14,292
Operating subsidy from Primary Government	132,348	11,590	143,938
Net cash provided by (used for) noncapital financing activities	146,640	11,590	158,230
Cash flows from capital and related financing activities:			
Capital subsidy from Primary Government	10,308	-	10,308
Grant proceeds from the Commonwealth and Federal Government	62,702	-	62,702
Purchase of capital assets	(5,723)	-	(5,723)
Principal payments on debt	(25,108)	-	(25,108)
Interest payments on debt	(3,004)	-	(3,004)
Net cash provided by (used for) capital and related financing activities	39,175	-	39,175
Cash flows from investing activities:			
Interest income	-	66	66
Net increase (decrease) in cash and cash equivalents	(14,705)	4,573	(10,132)
Cash and cash equivalents at beginning of the year	17,150	17,989	35,139
Cash and cash equivalents at end of year	2,445	22,562	25,007
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	(502,871)	(7,859)	(510,730)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	306,195	-	306,195
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	637	-	637
Increase (decrease) in inventory	(21,074)	-	(21,074)
(Increase) decrease in accrued payroll costs	(141)	-	(141)
Increase (decrease) in accounts payable	12,662	776	13,438
Increase (decrease) in sales tax payable	23	-	23
Increase (decrease) in prepaid rent	447	-	447
Increase (decrease) in compensated absences payable	167	-	167
Total adjustments	(3,844)	776	(3,068)
Net cash provided by (used for) operating activities	\$ (200,520)	\$ (7,083)	\$ (207,603)

Supporting Schedules



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COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

Schedule 1
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 11,567,242	\$ 11,567,242	\$ 12,275,175	\$ 707,933
Real and personal public service taxes	915,202	1,016,202	1,034,780	18,578
Personal property taxes	5,715,556	4,755,098	5,137,497	382,399
Machinery and tools taxes	705,375	1,665,833	2,032,869	367,036
Penalties - all taxes	284,375	284,375	346,493	62,118
Interest - all taxes	284,375	284,375	457,146	172,771
Total general property taxes	19,472,125	19,573,125	21,283,960	1,710,835
Other local taxes:				
Local sales and use taxes	3,009,799	3,009,800	3,281,807	272,007
Consumers' utility and consumption taxes	1,019,000	1,019,000	986,409	(32,591)
Public service corporation license taxes	83,000	83,000	205,555	122,555
Communications tax	1,006,702	1,089,877	1,087,470	(2,407)
Motor vehicle licenses	430,836	430,836	510,276	79,440
Bank stock taxes	24,000	24,000	30,970	6,970
Taxes on recordation and wills	231,429	231,429	234,181	2,752
Hotel and motel room taxes	422,000	422,000	434,054	12,054
Business, professional and occupational license taxes	63,000	63,000	59,960	(3,040)
Other local taxes	21,000	21,000	26,311	5,311
Total other local taxes	6,310,766	6,393,942	6,856,993	463,051
Permits, Privilege Fees and Licenses:				
Animal licenses	7,000	7,000	12,012	5,012
Building permits	260,233	201,233	190,617	(10,616)
Health department permits	32,744	32,744	28,805	(3,939)
Land use application fees	37,980	37,980	33,300	(4,680)
Zoning permits	29,000	29,000	37,349	8,349
Erosion & sediment control	25,000	18,000	16,033	(1,967)
Other licenses and permits	7,600	7,600	12,559	4,959
Total permits, privilege fees and licenses	399,557	333,557	330,675	(2,882)
Fines and forfeitures	75,000	75,000	75,136	136
Revenue from use of money and property:				
From use of money	35,000	-	175	175
From use of property	334,040	334,040	338,884	4,844
Total revenue from use of money and property	369,040	334,040	339,059	5,019
Charges for services:				
General government administration charges	232,100	232,100	235,282	3,182
Judicial administration charges	15,500	15,500	1,352	(14,148)
Public safety charges	66,805	85,327	66,419	(18,908)
Public works charges	85,425	85,425	66,568	(18,857)
Health and welfare charges	-	15,000	15,000	-
Total charges for services	399,830	433,352	384,621	(48,731)
Miscellaneous revenue	-	-	12,748	12,748

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

Schedule 1
Page 2 of 9

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Revenue from local sources:				
Recovered costs:				
General government administration	\$ 15,800	\$ 49,263	\$ 82,934	\$ 33,671
Judicial administration	18,044	18,044	17,242	(802)
Public safety	33,708	34,791	25,488	(9,303)
Public works	3,000	34,183	48,448	14,265
Health and welfare	-	-	42,055	42,055
Nondepartmental (Insurance recoveries)	-	53,352	48,496	(4,856)
Total recovered costs	70,552	189,633	264,663	75,030
Total revenue from local sources	27,096,870	27,332,649	29,547,855	2,215,206
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carrier's tax	7,000	7,000	10,840	3,840
Rolling stock tax	3,000	3,000	1,793	(1,207)
Mobile home titling tax	40,000	40,000	39,235	(765)
Tax on deeds (grantor)	80,000	80,000	81,985	1,985
Personal Property Tax Relief Act	2,904,000	2,904,000	2,866,466	(37,534)
Total noncategorical aid	3,034,000	3,034,000	3,000,319	(33,681)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	309,773	318,375	305,457	(12,918)
Sheriff	2,137,876	2,137,876	2,107,575	(30,301)
Commissioner of the revenue	98,877	98,877	99,878	1,001
Treasurer	110,490	110,490	111,540	1,050
Medical examiner	500	500	-	(500)
Registrar / electoral board	40,000	40,000	43,656	3,656
Clerk of circuit court	259,618	285,969	280,578	(5,391)
Jail	158,843	158,843	244,672	85,829
Total shared expenses	3,115,977	3,150,930	3,193,356	42,426
Other categorical aid:				
Litter control	-	18,907	15,675	(3,232)
"Four for Life" program	-	33,814	33,814	-
Juvenile crime control act	39,418	36,043	33,364	(2,679)
Victim / witness assistance grant	47,342	49,834	49,834	-
Community corrections grant	-	88,543	88,543	-
Hazards mitigation grant	-	-	15,530	15,530
Coastal Zone management grant	-	-	2,240	2,240
Hazardous materials response grants	5,000	5,000	6,000	1,000
Other	4,000	4,438	28,957	24,519
Total other categorical aid	95,760	236,579	273,957	37,378
Total revenue from the Commonwealth	6,245,737	6,421,509	6,467,632	46,123
Revenue from the Federal Government:				
Payments in lieu of taxes	15,000	15,000	25,292	10,292

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

Schedule 1
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Revenue from the Federal Government:				
Noncategorical aid:				
Refuge revenue sharing	\$ 100,000	\$ 100,000	\$ 75,251	\$ (24,749)
Indirect costs	75,000	75,000	31,237	(43,763)
Total noncategorical aid	175,000	175,000	106,488	(68,512)
Categorical aid:				
Summer food service program	-	162,424	121,394	(41,030)
Emergency management assistance	-	-	6,782	6,782
Homeland security related grants	-	93,614	97,361	3,747
C.O.P.S. grants	-	18,799	16,337	(2,462)
Selective enforcement grant	-	23,967	29,878	5,911
Hazards mitigation grants	-	1,068,707	58,238	(1,010,469)
Other	-	2,350	2,000	(350)
Total categorical aid	-	1,369,861	331,990	(1,037,871)
Total revenue from the Federal Government	190,000	1,559,861	463,770	(1,096,091)
Total General Fund	33,532,607	35,314,019	36,479,257	1,165,238
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous revenue	-	190	2,397	2,207
Revenue from the Commonwealth:				
Categorical aid:				
Welfare	1,448,486	1,404,647	1,161,438	(243,209)
Revenue from the Federal Government:				
Categorical aid:				
ARRA stimulus funding	-	-	28,595	28,595
Welfare	2,169,567	2,050,782	1,877,411	(173,371)
Total categorical aid	2,169,567	2,050,782	1,906,006	(144,776)
Total Virginia Public Assistance Fund	3,618,053	3,455,619	3,069,841	(385,778)
Comprehensive Youth Services Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From Northampton County	100,274	100,274	139,594	39,320
Other	-	-	-	-
Total miscellaneous revenue	100,274	100,274	139,594	39,320
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act pooled services grants	1,552,677	1,552,677	758,036	(794,641)
Comprehensive Services Act Trust Fund grant	19,621	19,621	19,620	(1)
Total categorical aid from the Commonwealth	1,572,298	1,572,298	777,656	(794,642)
Total Comprehensive Youth Services Fund	1,672,572	1,672,572	917,250	(755,322)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (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	\$ 8,516	\$ 1,516
Drug Seizures Fund:				
Revenue from the Commonwealth:				
Categorical Aid:				
Drug forfeitures and seizures	-	-	13,639	13,639
Revenue from the Federal Government:				
Categorical aid:				
Drug forfeitures and seizures	2,000	2,000	2,228	228
Total Drug Seizures Fund	2,000	2,000	15,867	13,867
Courthouse Security Fund:				
Revenue from local sources:				
Other local taxes:				
Court security fees	67,000	67,000	81,178	14,178
Total Courthouse Security Fund	67,000	67,000	81,178	14,178
Fire Programs Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	86	86
Miscellaneous revenue:				
Contributions	-	24,425	24,000	(425)
From Northampton County	6,700	6,700	6,700	-
Total revenue from local sources	6,700	31,125	30,786	(339)
Revenue from the Commonwealth:				
Categorical Aid:				
Fire programs grant	-	-	61,222	61,222
Total Fire Programs Fund	6,700	31,125	92,008	60,883
Rehabilitation Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	76	76
Miscellaneous revenue	-	-	12,379	12,379
Recovered costs:				
Grant project income	-	-	24,711	24,711
Total revenue from local sources	-	-	37,166	37,166
Revenue from the Commonwealth:				
Categorical Aid:				
Community development block grants	-	50,000	50,000	-
Revenue from the Federal Government:				
Categorical aid:				
Community development block grants	-	508,469	506,696	(1,773)
Total Rehabilitation Projects Fund	-	558,469	593,862	35,393

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

Schedule 1
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Greenbackville - Captain's Cove Mosquito Control Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 61,980	\$ 61,980	\$ 61,248	\$ (732)
Penalties - all taxes	500	500	703	203
Interest - all taxes	500	500	577	77
Total Greenbackville Mosquito Control Fund	62,980	62,980	62,528	(452)
Consolidated Emergency Medical Services Fund				
Revenue from local sources:				
General property taxes:				
Real property taxes	1,412,831	1,412,831	1,488,344	75,513
Public service taxes	139,191	139,191	155,588	16,397
Personal property taxes	120,089	100,180	127,883	27,703
Machinery and tools taxes	18,000	37,909	46,247	8,338
Penalties - all taxes	13,000	13,000	25,028	12,028
Interest - all taxes	13,000	13,000	26,513	13,513
Total general property taxes	1,716,111	1,716,111	1,869,603	153,492
Miscellaneous revenue:				
Donations from volunteer fire and rescue companies	52,465	52,465	54,666	2,201
Other	-	14,617	14,632	15
Total miscellaneous revenue	52,465	67,082	69,298	2,216
Total revenue from local sources	1,768,576	1,783,193	1,938,901	155,708
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	48,422	48,422	64,514	16,092
Total Consolidated Emergency Medical Services Fund	1,816,998	1,831,615	2,003,415	171,800
Election District 2 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	288,924	288,924	274,778	(14,146)
Public service taxes	60,143	60,143	68,146	8,003
Personal property taxes	35,054	35,054	36,618	1,564
Machinery and tools taxes	4,500	4,500	11,136	6,636
Penalties - all taxes	4,000	4,000	6,598	2,598
Interest - all taxes	5,000	5,000	9,600	4,600
Total revenue from local sources	397,621	397,621	406,876	9,255
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	17,612	17,612	16,050	(1,562)
Total Election District 2 Fire and Rescue Fund	415,233	415,233	422,926	7,693
Election District 3 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	108,228	108,228	97,378	(10,850)
Public service taxes	2,970	2,970	3,381	411
Personal property taxes	11,008	11,008	12,143	1,135
Machinery and tools taxes	700	700	2,919	2,219
Penalties - all taxes	2,000	2,000	1,922	(78)
Interest - all taxes	2,000	2,000	2,428	428
Total revenue from local sources	126,906	126,906	120,171	(6,735)
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	8,107	8,107	7,470	(637)
Total Election District 3 Fire and Rescue Fund	135,013	135,013	127,641	(7,372)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (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)				
Election District 4 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 196,631	\$ 196,631	\$ 167,341	\$ (29,290)
Public service taxes	9,242	9,242	9,548	306
Personal property taxes	18,211	18,211	17,350	(861)
Machinery and tools taxes	6,000	6,000	11,517	5,517
Penalties - all taxes	1,000	1,000	2,381	1,381
Interest - all taxes	2,500	2,500	2,931	431
Total revenue from local sources	233,584	233,584	211,068	(22,516)
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	10,895	10,895	9,277	(1,618)
Total Election District 4 Fire and Rescue Fund	244,479	244,479	220,345	(24,134)
Election District 5 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	240,120	240,120	232,034	(8,086)
Public Service taxes	5,403	5,403	6,278	875
Personal property taxes	16,741	16,741	18,201	1,460
Machinery and tools taxes	150	150	4,362	4,212
Penalties - all taxes	2,500	2,500	3,932	1,432
Interest - all taxes	2,500	2,500	4,903	2,403
Total revenue from local sources	267,414	267,414	269,710	2,296
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	10,342	10,342	9,063	(1,279)
Total Election District 5 Fire and Rescue Fund	277,756	277,756	278,773	1,017
Total Special Revenue Funds	8,325,784	8,760,861	7,894,150	(866,711)
Capital Projects Funds:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	-	-	1,717	1,717
Recovered costs:				
From Quinby Boat Harbor Committee	-	-	175,000	175,000
From Greenbackville Boat Harbor Committee	-	-	19,960	19,960
Other	-	2,800	2,800	-
Total recovered costs	-	2,800	197,760	194,960
Total revenue from local sources	-	2,800	199,477	196,677
Revenue from the Commonwealth:				
Categorical aid:				
Harbor improvement grants	-	-	115,000	115,000
Wallops transit clearance grant	-	3,427,412	45,367	(3,382,045)
Revenue from the Federal Government:				
Categorical aid:				
Community development block grants	-	-	13,517	13,517
Total County Capital Projects Fund	-	3,430,212	373,361	(3,056,851)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (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)				
Debt Service Funds:				
School Debt Service Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 3,000,864	\$ 3,000,864	\$ 3,246,496	\$ 245,632
Public service taxes	230,413	230,413	258,341	27,928
Personal property taxes	160,142	132,302	175,321	43,019
Machinery and tools taxes	20,000	47,840	58,272	10,432
Penalties - all taxes	30,000	30,000	48,315	18,315
Interest - all taxes	30,300	30,300	53,755	23,455
Total general property taxes	3,471,719	3,471,719	3,840,500	368,781
Miscellaneous Revenue:				
Other	-	524,704	524,704	-
Total revenue from local sources	3,471,719	3,996,423	4,365,204	368,781
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	56,199	56,199	82,370	26,171
Total revenue from the Commonwealth	56,199	56,199	82,370	26,171
Total School Debt Service Fund	3,527,918	4,052,622	4,447,574	394,952
Total revenue-Primary Government	45,386,309	51,557,714	49,194,342	(2,363,372)
School Board Component Unit:				
Special Revenue Funds:				
School Operating Fund:				
Revenue from local sources:				
Charges for services:				
Tuition	-	25,000	45,380	20,380
Health services	100,000	100,000	104,522	4,522
Total charges for services	100,000	125,000	149,902	24,902
Miscellaneous revenue:				
Miscellaneous	18,000	18,000	159,006	141,006
Recovered costs	269,776	269,776	178,563	(91,213)
Revenue from local government:				
Contribution from Accomack County, Virginia	15,542,272	15,542,272	15,542,272	-
Total revenue from local sources	15,930,048	15,955,048	16,029,743	74,695
Revenue from the Commonwealth:				
Categorical aid:				
Sales tax contribution	5,329,724	5,329,724	5,563,321	233,597
Basic school aid	12,978,457	13,215,352	12,236,917	(978,435)
Education of the gifted	138,714	138,714	138,270	(444)
Remedial education	642,992	642,992	602,604	(40,388)
Special education	1,836,452	1,836,452	1,830,570	(5,882)
Textbooks	158,435	182,144	157,928	(24,216)
Vocational education	470,421	470,421	468,915	(1,506)
Social Security	859,423	859,423	856,671	(2,752)
Retirement	509,623	509,623	507,991	(1,632)
Group life insurance	30,155	30,155	30,059	(96)
Governor's School	7,101	7,101	7,101	-
Special Education - homebound	24,121	24,121	22,171	(1,950)
Special Education - private tuition	30,695	30,695	21,729	(8,966)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit (continued):				
Special Revenue Funds (continued):				
School Operating Fund (continued):				
Revenue from the Commonwealth (continued):				
Vocational education-equipment	\$ -	\$ -	\$ 8,825	\$ 8,825
Vocational education-occupational	57,076	57,076	46,284	(10,792)
Industry based certification	5,000	5,000	6,107	1,107
At risk	915,197	915,197	912,439	(2,758)
Trans courses	15,717	15,717	15,717	-
Lottery	-	1,657,377	-	(1,657,377)
Four year old preschool program	337,392	337,392	337,338	(54)
Mentor teacher program	5,386	5,386	5,694	308
English as a second language	242,452	242,452	350,358	107,906
K-3 initiative	-	-	960,593	960,593
Educational technology grant	-	336,000	388,000	52,000
Reading intervention	106,293	106,293	93,006	(13,287)
Hard to staff schools	-	9,640	9,640	-
SOL algebra readiness	-	77,813	77,813	-
Other	-	-	4,227	4,227
Total revenue from the Commonwealth	24,700,826	27,042,260	25,660,288	(1,381,972)
Revenue from the Federal Government:				
Categorical aid:				
Vocational Education	182,730	182,730	154,951	(27,779)
Title I-Migrant education	-	292,004	183,225	(108,779)
Title I-School improvement	-	3,002,468	2,794,420	(208,048)
Title II	-	477,738	393,905	(83,833)
Title III	-	51,533	56,469	4,936
Title VI	-	124,862	97,022	(27,840)
Title VI-Drug free schools	-	-	4,543	4,543
Title VI-B Special Education	-	2,010,886	1,512,460	(498,426)
Title X	-	9,000	10,106	1,106
Even start grant	-	194,647	188,416	(6,231)
Early reading intervention	-	-	201,764	201,764
State fiscal stabilization	-	1,049,885	59,785	(990,100)
Education jobs funds	-	-	1,199,312	1,199,312
Basic Aid backfill	-	-	990,100	990,100
Other	-	-	660	660
Total revenue from the Federal Government	182,730	7,395,753	7,847,138	451,385
Total School Operating Fund	40,813,604	50,393,061	49,537,169	(855,892)
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	1,034	1,034
Charges for services:				
Meal charges	452,000	452,000	625,755	173,755
Total revenue from local sources	452,000	452,000	626,789	174,789
Revenue from the Commonwealth:				
Categorical aid:				
School food payments	48,000	48,000	48,757	757

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (continued)

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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit (continued):				
Special Revenue Funds (continued):				
School Cafeteria Fund (continued):				
Revenue from the Federal Government:				
Categorical aid:				
School food payments	\$ 1,800,000	\$ 1,800,000	\$ 1,880,472	\$ 80,472
Total School Cafeteria Fund	2,300,000	2,300,000	2,556,018	256,018
Total Special Revenue Funds	43,113,604	52,693,061	52,093,187	(599,874)
Capital Projects Fund:				
School Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	588	588
Total School Capital Projects Fund	-	-	588	588
Total revenue-School Board Component Unit	43,113,604	52,693,061	52,093,775	(599,286)
Grand total revenue-Primary Government and School Board Component Unit	\$ 88,499,913	\$ 104,250,775	\$ 101,288,116	\$ (2,962,659)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

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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	\$ 213,399	\$ 165,720	\$ 121,623	\$ 44,097
General and financial administration:				
County administrator	470,154	563,895	516,109	47,786
Legal services	208,622	214,709	208,479	6,230
Commissioner of the revenue	257,345	260,061	259,745	316
County assessor	728,585	734,271	528,386	205,885
Treasurer	532,363	577,129	456,674	120,455
Central accounting	323,092	390,785	347,934	42,851
Information technology	349,482	374,266	281,371	92,895
Risk management	140,650	140,650	123,861	16,789
Total general and financial administration	3,010,293	3,255,766	2,722,559	533,207
Board of elections:				
Electoral board	48,628	48,628	32,642	15,986
Registrar	126,088	127,175	118,569	8,606
Total board of elections	174,716	175,803	151,211	24,592
Total general government administration	3,398,408	3,597,289	2,995,393	601,896
Judicial administration:				
Courts:				
Circuit court	79,857	80,400	68,827	11,573
General district court	9,971	9,971	8,916	1,055
Chief magistrate	12,637	12,637	11,258	1,379
Juvenile and domestic relations court	13,650	13,650	11,245	2,405
Clerk of the circuit court	356,229	397,040	384,463	12,577
Sheriff court services	496,718	500,779	423,496	77,283
Commissioner of accounts	214	214	214	-
Victim and witness assistance	53,953	55,224	53,354	1,870
Total courts	1,023,229	1,069,915	961,773	108,142
Commonwealth's attorney	380,077	391,663	386,391	5,272
Total judicial administration	1,403,306	1,461,578	1,348,164	113,414
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	1,684,557	2,025,653	1,893,705	131,948
Fire and rescue services:				
Volunteer fire and rescue	263,510	342,174	339,166	3,008
Emergency medical services	166,128	170,108	166,620	3,488
Payments to 911 commission	415,159	498,334	530,626	(32,292)
Total fire and rescue services	844,797	1,010,616	1,036,412	(25,796)
Correction and detention:				
Jail	2,146,348	1,922,092	1,783,483	138,609
Juvenile probation	120,525	117,150	76,542	40,608
Community correction	-	88,543	88,543	-
Total correction and detention	2,266,873	2,127,785	1,948,568	179,217

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Public safety: (continued)				
Other protection:				
Building and zoning	\$ 465,832	\$ 469,635	\$ 451,231	\$ 18,404
Animal control	102,041	106,628	105,919	709
Regional animal control facility	99,345	99,889	75,668	24,221
S.P.C.A. supplement	921	1,359	1,358	1
Emergency management	67,517	168,552	164,127	4,425
Medical examiner	-	-	460	(460)
Cleanup/disposal of hazardous materials	13,000	14,083	4,105	9,978
Total other protection	748,656	860,146	802,868	57,278
Total public safety	5,544,883	6,024,200	5,681,553	342,647
Public works:				
Maintenance of streets, bridges and sidewalks:				
Storm drainage	179,652	239,470	164,688	74,782
Sanitation and waste removal:				
General operations	179,815	181,065	183,281	(2,216)
Refuse disposal	1,119,516	1,125,716	847,271	278,445
Refuse collection	574,862	581,102	539,615	41,487
Maintenance garage	171,292	203,752	199,070	4,682
Litter control	186,487	207,882	191,767	16,115
Total sanitation and waste removal	2,231,972	2,299,517	1,961,004	338,513
Maintenance of buildings and grounds:				
Buildings and grounds	842,036	994,039	845,240	148,799
Total public works	3,253,660	3,533,026	2,970,932	562,094
Health and welfare:				
Health:				
Local health department supplement	477,319	492,319	492,319	-
Rural health dental program supplement	4,971	4,971	4,971	-
Total health	482,290	497,290	497,290	-
Mental health and mental retardation:				
Community services board supplement	134,995	134,995	134,995	-
Welfare:				
Property tax relief for the elderly	142,025	142,025	104,981	37,044
Area agency on aging supplement	18,430	18,430	18,430	-
Total welfare	160,455	160,455	123,411	37,044
Total health and welfare	777,740	792,740	755,696	37,044
Education:				
Contribution to School Board component unit	15,542,272	15,542,272	15,542,272	-
Community College supplement	41,028	41,028	41,028	-
Total education	15,583,300	15,583,300	15,583,300	-

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	\$ 217,948	\$ 256,100	\$ 241,870	\$ 14,230
Summer food program	-	162,424	105,422	57,002
Boating facilities	44,747	186,287	57,312	128,975
Total parks and recreation	262,695	604,811	404,604	200,207
Cultural enrichment:				
Translator television	74,457	85,417	82,167	3,250
Contribution to Public Library component unit	319,259	319,259	319,259	-
Total cultural enrichment	393,716	404,676	401,426	3,250
Total parks, recreation and cultural	656,411	1,009,487	806,030	203,457
Community development:				
Planning and community development:				
Economic development	21,932	21,932	3,287	18,645
Contribution to Planning Dist. Commission component unit	63,123	63,123	63,123	-
Housing/Redevelopment Corp. supplement	9,215	9,215	9,215	-
Contribution to Economic Dev. Authority component unit	-	-	11,590	(11,590)
Planning	365,536	374,780	352,566	22,214
Tourism Commission supplement	64,053	64,053	64,053	-
Chamber of Commerce supplement	921	921	-	921
Star Transit public transportation supplement	61,524	61,524	61,524	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Contribution to Airport Commission component unit	140,233	142,656	142,656	-
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	737,848	749,515	719,325	30,190
Environmental management:				
Johnsongrass/gypsy moth control program	10,020	11,770	11,770	-
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	19,721	19,721	19,721	-
Wallops Research Park	88,000	106,955	64,617	42,338
Hazard mitigation projects	-	1,068,707	19,848	1,048,859
Resource Conservation and Dev. Council supplement	8,883	8,883	8,883	-
Total environmental management	147,778	1,237,190	145,993	1,091,197
Cooperative extension program	95,808	76,330	65,200	11,130
Total community development	981,434	2,063,035	930,518	1,132,517
Nondepartmental:				
Contingency	560,379	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	329,969	325,119	300,768	24,351
Total debt service	329,969	325,119	300,768	24,351
Total General Fund	32,489,490	34,389,774	31,372,354	3,017,420

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare/social services:				
Welfare administration	\$ 3,048,182	\$ 2,934,522	\$ 2,788,933	\$ 145,589
Public assistance	1,026,958	985,659	706,248	279,411
Fuel administration	40,702	40,702	39,161	1,541
Local only administration	103,664	96,189	76,980	19,209
CDC quality initiative program	10,558	10,558	10,217	341
Eligibility pass-through	36,593	36,593	-	36,593
Total welfare/social services	4,266,657	4,104,223	3,621,539	482,684
Comprehensive Youth Services Fund:				
Health and welfare:				
Welfare:				
CSA trust-family support project	-	9,332	8,459	873
Teen pregnancy prevention	-	9,583	9,570	13
CSA pooled services for youth and families	2,244,083	2,244,083	1,027,416	1,216,667
Total welfare	2,244,083	2,262,998	1,045,445	1,217,553
Law Library Fund:				
Judicial administration:				
Courts:				
Law library books	7,000	7,000	1,260	5,740
Drug Seizures Fund:				
Public safety:				
Law enforcement and traffic control:				
Sheriff	2,000	2,000	7,169	(5,169)
Fire Programs Fund:				
Public safety:				
Fire and rescue services:				
Payments to fire companies	24,000	24,000	24,000	-
Fire training center and other	17,250	62,975	60,847	2,128
Total fire and rescue services	41,250	86,975	84,847	2,128

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Rehabilitation Projects Fund:				
Community development:				
Planning and community development:				
Savagetown/Cats Bridge program income costs	\$ -	\$ -	\$ 1,688	\$ (1,688)
Lead Safe Homes program income costs	-	-	453	(453)
Locust Mount program income costs	-	-	169	(169)
Metompinkin program income costs	-	-	1,565	(1,565)
Metompinkin Rehabilitation project	-	508,469	505,325	3,144
Southern Rivers planning grant	-	50,000	50,182	(182)
Truss Tech Grant	-	-	12,384	(12,384)
Total planning and community development	-	558,469	571,766	(13,297)
Captains Cove/Greenbackville Mosquito Control				
Health and welfare:				
Health:				
Contribution to mosquito control commission	62,980	62,980	67,424	(4,444)
Consolidated Emergency Medical Services:				
Public safety:				
Fire and Rescue Services:				
Emergency Medical Services	1,904,554	1,936,203	1,928,409	7,794
Election District 2 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	415,233	415,233	441,056	(25,823)
Election District 3 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	135,013	135,013	137,234	(2,221)
Election District 4 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	244,479	244,479	251,008	(6,529)
Election District 5 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	277,756	277,756	295,112	(17,356)
Courthouse Security Fund:				
Judicial Administration:				
Courts:				
Court security	67,000	172,872	84,010	88,862
Total Special Revenue Funds	9,668,005	10,266,201	8,536,279	1,729,922

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Capital Project Funds:				
County Capital Projects Fund:				
General government administration:				
Software upgrades	\$ -	\$ 82,590	\$ 32,193	\$ 50,397
Total general government administration	-	82,590	32,193	50,397
Public safety:				
Emergency operations center/Public Safety office	200,000	60,000	-	60,000
Total public safety	200,000	60,000	-	60,000
Public works:				
Convenience center construction	-	1,116,432	787,249	329,183
Total public works	-	1,116,432	787,249	329,183
Parks, recreation and cultural				
Boating facilities	-	91,562	195,071	(103,509)
Total parks, recreation and cultural	-	91,562	195,071	(103,509)
Planning and community development:				
Wallops transit clearance	-	3,427,412	45,367	3,382,045
Wallops research park	-	-	18,241	(18,241)
Total planning and community development	-	3,427,412	63,608	3,363,804
Total County capital projects fund	200,000	4,777,996	1,078,121	3,699,875
Debt Service Funds:				
School Debt Service Fund:				
Debt Service:				
Principal	2,428,374	2,428,374	2,395,373	33,001
Interest and fiscal charges	1,267,575	1,792,279	1,792,423	(144)
Total School Debt Service Fund	3,695,949	4,220,653	4,187,796	32,857
Total expenditures-Primary Government	46,053,444	53,654,624	45,174,550	8,480,074
School Board Component Unit:				
Special Revenue Funds:				
School Operating Fund:				
Education:				
Instruction Costs:				
Classroom instruction	22,799,883	30,816,719	29,246,861	1,569,858
Guidance services	1,079,102	1,079,102	1,000,296	78,806
Homebound instruction	114,448	114,448	82,604	31,844
Improvement of instruction	816,109	2,135,887	2,562,007	(426,120)
Media services	743,986	774,750	733,828	40,922
Office of the principal	3,026,206	3,041,876	2,989,735	52,141
Total instruction costs	28,579,734	37,962,782	36,615,331	1,347,451

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit: (continued)				
Special Revenue Funds: (continued)				
School Operating Fund: (continued)				
Education: (continued)				
Administration of schools:				
Board services	\$ 58,137	\$ 58,137	\$ 68,624	\$ (10,487)
Executive administration services	333,798	341,594	316,538	25,056
Personnel services	265,115	265,115	210,612	54,503
Fiscal services	352,624	352,624	340,842	11,782
Total administration of schools	1,009,674	1,017,470	936,616	80,854
Attendance and health services:				
Attendance services	142,554	151,554	143,027	8,527
Health services	454,424	524,711	635,381	(110,670)
Psychological services	184,566	234,331	241,685	(7,354)
Speech/audiology services	381,477	391,247	253,738	137,509
Total attendance and health services	1,163,021	1,301,843	1,273,831	28,012
Operation and maintenance services:				
Management and direction	116,672	125,310	123,772	1,538
Building services	4,810,421	4,801,783	4,532,183	269,600
Grounds services	128,571	128,571	102,180	26,391
Equipment services	9,497	9,497	2,546	6,951
Vehicle services (other than pupil transportation)	46,500	46,500	84,236	(37,736)
Total operation and maintenance services	5,111,661	5,111,661	4,844,917	266,744
Pupil transportation services:				
Management and direction	59,406	60,223	64,502	(4,279)
Vehicle operation services	2,243,143	2,494,231	3,066,683	(572,452)
Vehicle maintenance services	486,413	511,413	506,101	5,312
Total pupil transportation services	2,788,962	3,065,867	3,637,286	(571,419)
Food Services:				
Food services	-	-	78,862	(78,862)
Technology services:				
Classroom instruction	1,322,079	1,322,079	-	1,322,079
Instructional support	583,473	583,473	317,696	265,777
Administration	5,000	5,000	-	5,000
Total technology services	1,910,552	1,910,552	317,696	1,592,856
Total school operating fund	40,563,604	50,370,175	47,704,539	1,072,780
School Cafeteria Fund:				
Education:				
School Food Services:				
Operating costs	2,300,000	2,300,000	2,279,173	20,827
School Capital Projects Fund:				
Education:				
Capital outlay:				
School construction/renovation	-	-	7,985	(7,985)
Total expenditures-School Board Component Unit	42,863,604	52,670,175	49,991,697	1,085,622
Grand total expenditures-Primary Government and School Board Component Unit	\$ 88,917,048	\$ 106,324,799	\$ 95,166,247	\$ 9,565,696

Statistical Section



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Statistical Section

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Financial Trends These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.	148
Revenue Capacity These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.	153
Debt Capacity These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future. Note that no legal debt margin information is presented as the Code of Virginia only sets legal debt limits for towns and cities. Counties have no legal debt limit imposed by law. Also note that pledged revenue information is not presented as the County has not issued any revenue backed debt.	158
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.	160
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.	162

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

COUNTY OF ACCOMACK, VIRGINIA
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS¹
(accrual basis of accounting)

Table 1

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities:									
Invested in capital assets, net of related debt	\$ 5,703,715	\$ 5,054,178	\$ 4,588,098	\$ 4,996,030	\$ 5,695,836	\$ 5,309,326	\$ 4,553,418	\$ 3,495,270	\$ 2,465,664
Restricted	1,114,097	2,265,149	2,094,566	1,318,113	2,006,864	1,517,064	1,362,128	859,741	1,389,519
Unrestricted	6,927,282	6,985,058	8,423,849	9,155,264	8,676,001	6,991,452	5,749,276	11,496,365	15,212,636
Total governmental activities net assets	<u>\$ 13,745,094</u>	<u>\$ 14,304,385</u>	<u>\$ 15,106,513</u>	<u>\$ 15,469,407</u>	<u>\$ 16,378,701</u>	<u>\$ 13,817,842</u>	<u>\$ 11,664,822</u>	<u>\$ 15,851,376</u>	<u>\$ 19,067,819</u>
Business-type activities:									
Invested in capital assets, net of related debt	\$ (205,289)	\$ (180,437)	\$ 893,786	\$ 1,749,947	\$ 2,254,741	\$ 2,994,885	\$ 2,960,129	\$ 2,441,845	\$ 2,108,712
Unrestricted	(2,461,307)	(2,560,758)	(2,926,220)	(3,198,558)	(2,809,545)	(3,617,763)	(3,218,137)	(2,832,415)	(2,436,917)
Total business-type activities net assets	<u>\$ (2,666,596)</u>	<u>\$ (2,741,195)</u>	<u>\$ (2,032,434)</u>	<u>\$ (1,448,611)</u>	<u>\$ (554,804)</u>	<u>\$ (622,878)</u>	<u>\$ (258,008)</u>	<u>\$ (390,570)</u>	<u>\$ (328,205)</u>
Primary government:									
Invested in capital assets, net of related debt	\$ 5,498,426	\$ 4,873,741	\$ 5,481,884	\$ 6,745,977	\$ 7,950,577	\$ 8,304,211	\$ 7,513,547	\$ 5,937,115	\$ 4,574,376
Restricted	1,114,097	2,265,149	2,094,566	1,318,113	2,006,864	1,517,064	1,362,128	859,741	1,389,519
Unrestricted	4,465,975	4,424,300	5,497,629	5,956,706	5,866,456	3,373,689	2,531,139	8,663,950	12,775,719
Total primary government net assets	<u>\$ 11,078,498</u>	<u>\$ 11,563,190</u>	<u>\$ 13,074,079</u>	<u>\$ 14,020,796</u>	<u>\$ 15,823,897</u>	<u>\$ 13,194,964</u>	<u>\$ 11,406,814</u>	<u>\$ 15,460,806</u>	<u>\$ 18,739,614</u>

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

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

Table 2
Page 1 of 2

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Primary Government:									
Expenses									
Governmental activities:									
General government	\$ 2,832,645	\$ 2,563,462	\$ 2,735,038	\$ 2,778,205	\$ 3,721,445	\$ 3,580,942	\$ 3,384,895	\$ 3,442,672	\$ 3,176,953
Judicial	1,171,358	1,193,487	1,232,697	1,314,413	1,445,432	1,527,924	1,611,685	1,513,759	1,541,877
Public safety	5,775,470	6,288,902	6,496,203	7,096,501	8,180,462	8,789,314	9,328,794	8,958,985	8,982,920
Public works	2,585,191	2,584,404	2,701,241	3,252,085	3,236,614	3,454,908	3,390,696	3,416,523	3,303,409
Health and welfare	6,145,665	6,605,823	7,359,153	8,260,567	8,013,244	8,086,910	8,145,021	7,491,729	5,652,391
Education	13,942,204	14,356,110	15,157,208	17,405,759	16,228,512	16,641,938	17,749,642	17,431,304	18,095,238
Parks, recreation and cultural	662,587	720,923	807,517	954,097	888,283	1,017,040	889,457	901,358	1,038,188
Community development	1,917,524	1,645,533	1,485,057	2,113,031	1,508,436	2,525,015	3,405,964	1,832,561	1,657,666
Interest on long-term debt	1,215,120	1,953,433	2,157,264	2,299,638	2,401,860	2,336,032	2,218,681	2,178,880	2,042,318
Total governmental activities expenses	36,247,764	37,912,077	40,131,378	45,474,296	45,624,288	47,960,023	50,124,835	47,167,771	45,490,960
Business-type activities:									
Landfill	2,456,341	2,391,930	2,039,570	2,506,013	2,350,625	3,271,543	2,409,034	3,006,263	2,522,546
Water and Sewer	-	-	-	-	-	-	63,189	246,816	236,253
Parks and recreation expenses	58,110	66,767	82,048	62,827	63,085	56,322	66,903	74,618	76,628
Total business-type activities expenses	2,514,451	2,458,697	2,121,618	2,568,840	2,413,710	3,327,865	2,539,126	3,327,697	2,835,427
Total primary government expenses	38,762,215	40,370,774	42,252,996	48,043,136	48,037,998	51,287,888	52,663,961	50,495,468	48,326,387
Program Revenues									
Governmental activities:									
Charges for services:									
General government	404,120	542,398	350,334	339,472	346,970	377,763	317,584	304,994	363,578
Judicial	77,182	44,984	76,666	184,174	153,144	146,069	105,652	99,318	95,242
Public safety	283,310	275,091	369,647	396,733	841,787	835,719	561,323	650,444	431,555
Public works	31,148	31,553	52,403	107,766	111,011	101,685	112,334	129,267	115,016
Health and welfare	163,227	159,924	203,271	415,219	417,954	370,942	345,336	308,474	339,200
Education	-	-	-	-	199,909	-	-	-	-
Parks, recreation and cultural	50,050	-	50,050	53,759	99,919	80,146	84,709	81,704	283,305
Community development	185,896	206,628	192,802	364,260	55,262	204,832	121,442	188,553	57,156
Operating grants and contributions	8,968,771	9,675,027	10,205,520	11,549,379	11,329,693	11,500,081	12,240,597	10,180,279	8,437,999
Capital grants and contributions	178,850	257,919	264,480	1,763,748	359,685	-	-	398,973	160,367
Total governmental activities program revenues	10,342,554	11,193,524	11,765,173	15,174,510	13,915,334	13,617,237	13,888,977	12,342,006	10,283,418
Business-type activities:									
Charges for services:									
Landfill	1,736,768	2,234,899	2,364,664	2,877,386	3,002,824	2,887,533	2,687,525	2,719,422	2,587,858
Water and Sewer	-	-	-	-	-	-	47,751	194,458	223,069
Parks and recreation	62,941	68,740	76,048	71,033	66,748	63,979	62,611	62,750	52,753
Total business-type activities program revenues	1,799,709	2,303,639	2,440,712	2,948,419	3,069,572	2,951,512	2,797,887	2,976,630	2,863,680
Total primary government program revenues	12,142,263	13,497,163	14,205,885	18,122,929	16,984,906	16,568,749	16,686,864	15,318,636	13,147,098
Net (Expense)/Revenue²									
Governmental activities	(25,905,210)	(26,718,553)	(28,366,205)	(30,299,786)	(31,708,954)	(34,342,786)	(36,235,858)	(34,825,765)	(35,207,542)
Business-type activities	(714,742)	(155,058)	319,094	379,579	655,862	(376,353)	258,761	(351,067)	28,253
Total primary government net expense	(26,619,952)	(26,873,611)	(28,047,111)	(29,920,207)	(31,053,092)	(34,719,139)	(35,977,097)	(35,176,832)	(35,179,289)

COUNTY OF ACCOMACK, VIRGINIA

CHANGES IN NET ASSETS

LAST NINE FISCAL YEARS¹

(accrual basis of accounting)

Table 2

Page 2 of 2

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Primary Government:									
General Revenues and Other									
Changes in Net Assets									
Governmental activities:									
Taxes:									
General property taxes	16,429,587	17,782,739	18,883,630	19,143,135	21,985,812	21,354,527	23,360,447	29,221,909	27,583,562
Local sales and use taxes	2,443,653	2,674,849	2,761,611	2,808,207	3,036,498	2,966,467	2,998,382	2,863,318	3,281,807
Consumer utility taxes	1,491,038	1,613,718	1,639,299	1,671,949	1,269,586	916,728	941,541	1,043,339	986,409
Communication taxes	-	-	-	-	389,331	1,077,981	1,012,995	987,303	1,087,470
Other local taxes	1,687,148	1,715,271	1,973,002	2,156,184	2,003,950	1,762,776	1,664,831	1,291,448	1,591,001
Grants and contributions not									
restricted to specific programs	3,359,625	3,418,462	3,693,035	3,815,820	3,446,722	3,531,512	3,454,660	3,349,305	3,320,843
Investment earnings	174,212	117,154	179,784	343,247	532,916	253,241	80,515	8,272	1,967
Gain on sale of capital assets	-	-	-	551,206	-	-	-	-	-
Other revenue	20,524	19,304	93,497	286,082	74,060	71,468	536,582	368,768	596,723
Transfers	(631,909)	(63,653)	(55,525)	(113,150)	(120,627)	(152,773)	32,885	(121,343)	(25,800)
Total governmental activities	24,973,878	27,277,844	29,168,333	30,662,680	32,618,248	31,781,927	34,082,838	39,012,319	38,423,982
Business-type activities:									
Investment earnings	28,775	16,806	47,215	90,894	112,375	105,506	37,129	7,047	8,312
Gain on sale of capital assets	-	-	-	200	4,943	-	-	90,115	-
Other revenue	-	-	879	-	-	-	151,865	-	-
Transfers	631,909	63,653	55,525	113,150	120,627	152,773	(32,885)	121,343	25,800
Total business-type activities	660,684	80,459	103,619	204,244	237,945	258,279	156,109	218,505	34,112
Total primary government	25,634,562	27,358,303	29,271,952	30,866,924	32,856,193	32,040,206	34,238,947	39,230,824	38,458,094
Change in Net Assets									
Governmental activities	(931,332)	559,291	802,128	362,894	909,294	(2,560,859)	(2,153,020)	4,186,554	3,216,440
Business-type activities	(54,058)	(74,599)	422,713	583,823	893,807	(118,074)	414,870	(132,562)	62,365
Total primary government	\$ (985,390)	\$ 484,692	\$ 1,224,841	\$ 946,717	\$ 1,803,101	\$ (2,678,933)	\$ (1,738,150)	\$ 4,053,992	\$ 3,278,805

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

² Net (expense) revenue is the difference between the expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses is net expenses indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses are net revenues, meaning that program revenues were more than sufficient to cover expenses.

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

Table 3

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund:										
Nonspendable	\$ 1,035,000	\$ 44,700	\$ 94,700	\$ 115,215	\$ 166,112	\$ 171,346	\$ 129,700	\$ 129,700	\$ 129,700	\$ 104,700
Restricted	-	-	317,930	254,341	248,175	259,869	253,247	251,251	3,265	5,792
Committed	1,500,000	1,500,000	1,614,000	1,614,000	1,614,000	1,714,000	1,224,827	1,894,000	3,964,000	4,695,521
Assigned	2,270,924	2,373,458	2,436,551	3,359,656	3,855,587	3,673,749	3,046,938	575,043	982,567	3,113,920
Unassigned	1,514,670	1,941,805	2,423,458	2,010,838	2,020,833	983,821	-	1,307,812	2,751,457	4,093,028
Total general fund	<u>6,320,594</u>	<u>5,859,963</u>	<u>6,886,639</u>	<u>7,354,050</u>	<u>7,904,707</u>	<u>6,802,785</u>	<u>4,654,712</u>	<u>4,157,806</u>	<u>7,830,989</u>	<u>12,012,961</u>
All Other Governmental Funds:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	4,879,383	14,982,105	4,722,236	2,884,126	3,125,304	5,622,839	4,358,716	3,027,093	2,922,164	2,353,870
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	3,002,853	105,242	76,148	375,878	387,423	385,961	257,890	241,845	444,000	824,313
Total all other governmental funds	<u>7,882,236</u>	<u>15,087,347</u>	<u>4,798,384</u>	<u>3,260,004</u>	<u>3,512,727</u>	<u>6,008,800</u>	<u>4,616,606</u>	<u>3,268,938</u>	<u>3,366,164</u>	<u>3,178,183</u>
Total governmental funds	<u>\$14,202,830</u>	<u>\$20,947,310</u>	<u>\$11,685,023</u>	<u>\$10,614,054</u>	<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>\$15,191,144</u>

Notes:

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

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

Table 4

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
General property taxes	\$15,431,611	\$16,715,121	\$17,853,441	\$18,644,966	\$19,158,773	\$20,359,076	\$20,689,469	\$23,190,998	\$28,520,895	\$28,064,416
Other local taxes	4,850,452	5,621,839	6,003,838	6,373,912	6,636,340	6,699,365	6,723,952	6,617,749	6,185,408	6,946,687
Permits, fees and licenses	259,974	309,153	363,562	337,349	555,337	479,797	485,367	441,802	443,079	330,675
Fines and forfeitures	41,625	46,302	38,873	52,864	40,420	58,090	81,648	66,245	74,527	75,136
Revenue from the use of money and property	572,616	271,650	214,258	325,375	631,594	886,586	587,270	441,458	344,055	340,938
Charges for services	1,053,345	524,382	556,465	616,311	790,119	787,281	705,018	490,462	435,862	384,621
Miscellaneous	292,733	179,778	526,744	537,938	314,766	650,369	522,304	923,529	756,411	791,820
Recovered costs	275,847	213,358	192,883	126,700	158,488	173,434	335,331	194,925	234,332	487,134
Intergovernmental	13,194,738	12,337,386	12,988,603	13,700,332	16,878,323	14,876,814	14,709,267	15,465,434	13,684,196	11,772,915
Total revenues	35,972,941	36,218,969	38,738,667	40,715,747	45,164,160	44,970,812	44,839,626	47,832,602	50,678,765	49,194,342
Expenditures										
General government administration	2,793,547	2,764,918	2,547,990	2,778,295	2,821,809	3,693,455	3,625,175	3,231,156	3,529,339	3,027,586
Judicial administration	1,798,830	1,107,483	1,096,919	1,145,685	1,221,627	1,350,755	1,463,896	1,524,039	1,379,897	1,433,434
Public safety	5,640,975	5,788,975	6,732,957	6,722,409	7,480,178	7,966,410	8,632,187	8,931,578	8,759,597	8,826,388
Public works	2,895,041	2,548,552	2,588,261	2,849,099	3,800,114	3,971,185	4,301,146	3,875,609	3,257,691	3,758,181
Health and welfare	6,213,796	6,291,921	7,912,916	8,979,402	8,129,866	7,868,626	7,947,256	7,917,925	7,315,878	5,490,104
Education	11,325,159	13,687,079	38,197,927	13,204,268	18,893,969	13,528,120	13,975,115	15,124,559	14,853,300	15,583,300
Parks, recreation and cultural	601,125	703,476	715,839	765,244	888,541	876,450	968,194	882,326	1,229,808	1,001,101
Community development	2,157,508	1,921,029	1,625,056	1,474,781	2,290,764	2,256,961	2,400,500	3,337,174	1,724,416	1,565,892
Debt service:										
Principal	1,667,720	5,417,469	1,366,345	1,761,990	1,812,043	2,237,395	2,528,867	2,616,138	2,357,292	2,395,373
Interest	1,442,207	1,168,483	1,435,438	2,295,105	1,987,037	2,514,418	2,384,784	2,269,556	2,290,587	2,093,191
Total expenditures	36,535,908	41,577,013	64,219,648	41,976,278	49,325,948	46,263,775	48,227,120	49,710,060	46,697,805	45,174,550
Excess of revenues over (under) expenditures	(562,967)	(5,358,044)	(25,480,981)	(1,260,531)	(4,161,788)	(1,292,963)	(3,387,494)	(1,877,458)	3,980,960	4,019,792
Other Financing Sources (Uses)										
Issuance of debt (includes premiums/discounts)	-	14,963,555	16,282,346	245,087	11,888,518	2,807,741	-	-	4,314,000	-
Sale of capital assets	-	108,975	-	-	689,800	-	-	-	-	-
Payments to refunded bond escrow agents	-	-	-	-	(7,500,000)	-	-	-	(4,403,208)	-
Transfers in	2,534,756	2,700,588	2,406,526	2,024,579	10,795,281	3,812,738	4,175,569	3,327,871	2,753,223	1,091,580
Transfers out	(2,534,756)	(3,332,495)	(2,470,179)	(2,080,104)	(10,908,431)	(3,933,365)	(4,328,342)	(3,294,987)	(2,874,566)	(1,117,380)
Total other financing sources (uses)	-	14,440,623	16,218,693	189,562	4,965,168	2,687,114	(152,773)	32,884	(210,551)	(25,800)
Net change in fund balances	\$ (562,967)	\$ 9,082,579	\$ (9,262,288)	\$ (1,070,969)	\$ 803,380	\$ 1,394,151	\$ (3,540,267)	\$ (1,844,574)	\$ 3,770,409	\$ 3,993,992
Debt service as a % of noncapital expenditures	*	16.1%	4.5%	10.3%	8.0%	10.7%	10.5%	10.0%	10.2%	10.3%

Notes:

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

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

*Data not available

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

Table 5A

Fiscal Year Ending June 30,	Residential Property	Commercial Property	Agricultural Property	Less Land Use Value Reduction	Total Taxable Assessed Value	Total Direct Real Property Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2002	990,649,100	217,907,112	230,371,500	45,785,200	1,393,142,512	0.85	1,438,927,712	96.82%
2003	1,403,388,600	379,950,303	310,729,800	85,504,800	2,008,563,903	0.71	2,094,068,703	95.92%
2004	1,436,618,500	420,064,497	299,783,100	89,073,700	2,067,392,397	0.71	2,156,466,097	95.87%
2005	1,493,602,522	398,769,694	300,482,030	92,941,990	2,099,912,256	0.71	2,192,854,246	95.76%
2006	1,562,047,822	381,463,096	301,208,730	90,126,180	2,154,593,468	0.77	2,244,719,648	95.98%
2007	1,644,028,102	253,967,441	300,592,990	90,746,130	2,107,842,403	0.77	2,198,588,533	95.87%
2008	3,347,392,430	401,704,706	676,800,600	291,567,300	4,134,330,436	0.38	4,425,897,736	93.41%
2009	3,375,157,810	527,353,676	660,766,200	292,741,800	4,270,535,886	0.45	4,563,277,686	93.58%
2010	3,363,432,110	660,176,147	657,001,700	290,503,900	4,390,106,057	0.48	4,680,609,957	93.79%
2011	3,380,611,410	678,014,822	657,292,500	291,946,100	4,423,972,632	0.48	4,715,918,732	93.81%

Source: Accomack County Central Accounting Office

Notes: Real Property is assessed annually at actual market value. Property is assessed at 100 percent of estimated actual value however, the County has adopted the provisions of Title 58.1-3230 of the Code of Virginia that provides for land use-value assessment when real estate is devoted to agricultural, horticultural or forest uses. Tax rates are per \$100 of assessed value. The County is divided into various different tax rate districts. The above direct tax rates are those for the district with the highest rate. The County reassessed real property values in 2008 marking the first reassessment since 2003.

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

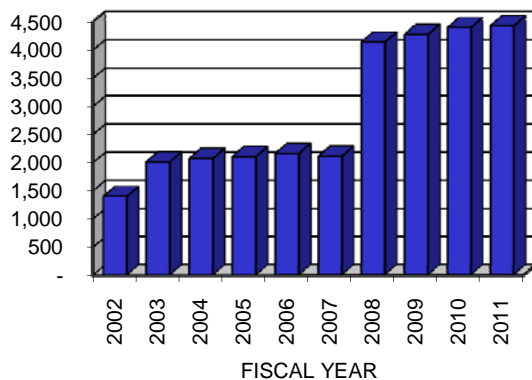
Table 5B

Fiscal Year Ending June 30,	Motor Vehicles & Other	Mobile Homes	Machinery & Tools	Total Taxable Assessed Value	Total Direct Personal Property Tax Rate
2002	193,006,445	31,476,295	28,047,036	252,529,776	3.26
2003	197,270,307	29,755,601	15,490,813	242,516,721	3.26
2004	213,309,403	33,045,031	16,778,502	263,132,936	3.26
2005	215,549,860	36,302,255	19,777,993	271,630,108	3.26
2006	236,835,630	38,233,114	19,728,462	294,797,206	3.26
2007	250,925,206	37,176,644	17,818,455	305,920,305	3.30
2008	270,757,469	35,525,219	20,052,659	326,335,347	3.30
2009	281,876,699	37,296,708	20,079,299	339,252,706	3.30
2010	238,849,342	41,811,733	19,133,642	299,794,717	3.75
2011	267,566,954	40,019,511	19,421,352	327,007,817	3.75

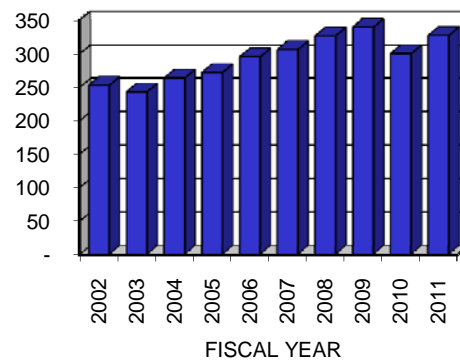
Source: Accomack County Central Accounting Office

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

**Taxable Assessed Value of Real Property
(in millions)**



**Taxable Assessed Value of Personal Property
(in millions)**



COUNTY OF ACCOMACK, VIRGINIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (per \$100 of assessed value)¹
LAST TEN FISCAL YEARS

Type of tax	2002					2003					2004					2005				
	District Number					District Number					District Number					District Number				
	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6
Real Property																				
County Direct Rates:																				
General	0.60	0.60	0.60	0.60	0.60	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Debt Service	0.08	0.08	0.08	0.08	0.08	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
Emergency Medical Service	0.06	0.09	0.04	0.07	-	0.05	0.07	0.04	0.04	-	0.05	0.07	0.04	0.04	-	0.05	0.05	0.05	0.05	-
Fire and Rescue	0.06	0.05	0.05	0.04	-	0.05	0.04	0.04	0.04	-	0.05	0.04	0.04	0.04	-	0.05	0.04	0.04	0.04	-
Mosquito Control ²	0.05	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-
Total real property direct rates	0.85	0.82	0.77	0.79	0.68	0.71	0.68	0.65	0.65	0.57	0.71	0.68	0.65	0.65	0.57	0.71	0.66	0.66	0.66	0.57
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.18	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13
Town of Saxs	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-
Town of Hallwood	0.14	-	-	-	-	0.14	-	-	-	-	0.14	-	-	-	-	0.14	-	-	-	-
Town of Bloxom	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-
Town of Parksley	-	0.35	-	-	-	-	0.27	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-
Town of Tangier	n/a	-	-	-	-	0.50	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-
Town of Accomac	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-
Town of Onley	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-
Town of Onancock	-	-	0.43	-	-	-	-	0.31	-	-	-	-	0.31	-	-	-	-	0.31	-	-
Town of Melfa	-	-	-	0.05	-	-	-	-	0.03	-	-	-	-	0.07	-	-	-	-	0.07	-
Town of Wachapreague	-	-	-	0.25	-	-	-	-	0.18	-	-	-	-	0.18	-	-	-	-	0.19	-
Town of Keller	-	-	-	0.20	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Painter	-	-	-	0.06	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-
Town of Belle Haven	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-
Personal Property																				
County Direct Rates:																				
General	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07
Debt Service	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Emergency Medical Service	0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-
Fire and Rescue	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-
Total personal prop. direct rates	3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
Town of Saxs	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-
Town of Hallwood	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-
Town of Bloxom	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-
Town of Parksley	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-
Town of Tangier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Accomac	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-
Town of Onley	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-
Town of Onancock	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
Town of Melfa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Wachapreague	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.18	-
Town of Keller	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-
Town of Painter	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-
Town of Belle Haven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

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

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

Table 6

Table 6																														
2006					2007					2008					2009					2010					2011					
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	
0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.25	0.25	0.25	0.25	0.25	0.28	0.28	0.28	0.28	0.28	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.05	0.05	0.05	0.05	0.05	0.07	0.07	0.07	0.07	0.07	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08
0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.03	0.03	0.03	0.03	-	0.05	0.05	0.05	0.05	-	0.05	0.05	0.05	0.05	-	0.05	0.05	0.05	0.05	-	0.05
0.07	0.04	0.04	0.05	-	0.07	0.04	0.04	0.05	-	0.03	0.02	0.02	0.03	-	0.03	0.02	0.02	0.03	-	0.03	0.02	0.02	0.03	-	0.03	0.02	0.02	0.03	-	0.03
0.04	-	-	-	-	0.04	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.02
0.77	0.70	0.70	0.71	0.60	0.77	0.70	0.70	0.71	0.60	0.38	0.35	0.35	0.36	0.30	0.45	0.42	0.42	0.43	0.35	0.48	0.45	0.45	0.46	0.38	0.48	0.45	0.45	0.46	0.38	0.48
-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-
0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12
0.14	-	-	-	-	0.14	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.09	-	-	-	-	0.09	-	-	-	-	0.09
-	0.12	-	-	-	-	0.12	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-
-	0.35	-	-	-	-	0.35	-	-	-	-	0.18	-	-	-	-	0.18	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-
0.45	-	-	-	-	0.45	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35
-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-
-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-
-	-	0.34	-	-	-	-	0.34	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-
-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.03	-	-	-	-	0.03	-	-	-	-	0.05	-	-	-	-	0.05	-	-
-	-	-	0.22	-	-	-	-	0.22	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.15	-	-	-	-	0.15	-	-
-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-	-
-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.06	-	-	-	-	0.06	-	-
-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.085	-	-	-	-	0.085	-	-
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	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.10	0.10	0.10	0.10	0.06	0.10	0.10	0.10	0.10	0.06	0.06
0.05	0.08	0.04	0.05	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09
0.06	0.05	0.05	0.04	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	0.08
3.24	3.26	3.22	3.22	3.13	3.30	3.27	3.27	3.27	3.16	3.30	3.27	3.27	3.27	3.16	3.30	3.27	3.27	3.27	3.16	3.75	3.72	3.72	3.72	3.54	3.75	3.72	3.72	3.72	3.54	3.75
-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-
0.25	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50
0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48
-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-
-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	0.10	-	-	-	-	-	0.10	-	-	-
-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	0.30	-	-	-	-	-	0.30	-	-	-
-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	2.00	-	-	-	-	-	2.00	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-
-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Table 7

Taxpayer	2011			2002		
	Total Assessed Valuation	Rank	Percentage of Total Assessed Value ¹	Total Assessed Valuation	Rank	Percentage of Total Assessed Value ¹
Commonwealth Chesapeake Company	\$ 179,214,489	1	3.55%	\$ 12,711,126	6	0.77%
A&N Electric Cooperative	70,295,545	2	1.39%	16,596,465	5	1.01%
Verizon Virginia Inc.	44,907,433	3	0.89%	27,254,048	1	1.66%
Perdue Farms Inc.	26,930,137	4	0.53%	19,262,089	3	1.17%
Tyson Foods Inc.	24,121,401	5	0.48%	17,177,169	4	1.40%
Captains Cove Group LLC	22,837,400	6	0.45%	-	-	-
Wal-Mart	11,152,300	7	0.22%	-	-	-
Old Dominion Electric Cooperative	10,475,718	8	0.21%	-	-	-
Madonia, Batista or Evelyn Madonia	10,394,185	9	0.21%	-	-	-
Delmarva Power	9,425,647	10	0.19%	-	-	-
Conectiv	-	-	-	26,772,348	2	1.63%
Richard F. Hall Jr.	-	-	-	6,556,245	7	0.40%
First Charter Land Corp.	-	-	-	5,805,400	8	0.35%
The Nature Conservancy	-	-	-	5,542,500	9	0.34%
Richard F. Hall III	-	-	-	4,598,856	10	0.28%

Source: Accomack County Central Accounting Office.

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

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

Table 8

Fiscal Year Ending June 30,	Total Tax Levy	Personal Property Tax Relief Act Credits ⁽³⁾	Adjusted Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percent of Adjusted Levy		Amount	Percent of Adjusted Levy
Real Estate Taxes:								
2002	10,548,067	-	10,548,067	9,442,876	89.52%	1,083,021	10,525,897	99.79%
2003	12,323,839	-	12,323,839	11,313,006	91.80%	953,435	12,266,440	99.53%
2004	13,162,264	-	13,162,264	12,159,094	92.38%	938,829	13,097,923	99.51%
2005	13,149,338	-	13,149,338	12,107,697	92.08%	968,837	13,076,534	99.45%
2006	13,959,366	-	13,959,366	12,824,656	91.87%	1,047,715	13,872,371	99.38%
2007	14,441,421	-	14,441,421	13,100,144	90.71%	1,287,262	14,387,406	99.63%
2008	14,587,494	-	14,587,494	12,498,041	85.68%	1,706,637	14,204,678	97.38%
2009	15,860,887	-	15,860,887	14,204,453	89.56%	1,178,539	15,382,992	96.99%
2010	18,407,802	-	18,407,802	16,804,990	91.29%	1,214,146	18,019,136	97.89%
2011	19,242,035	-	19,242,035	17,448,166	90.68%	-	17,448,166	90.68%
Personal Property Taxes:								
2002	7,174,096	(2,782,974)	4,391,122	3,895,819	88.72%	350,674	4,246,492	96.71%
2003	7,007,773	(2,803,401)	4,204,372	3,642,888	86.65%	357,069	3,999,956	95.14%
2004	7,568,164	(2,904,983)	4,663,180	3,977,981	85.31%	419,183	4,397,164	94.30%
2005	7,772,875	(2,820,715)	4,952,160	4,259,666	86.02%	405,644	4,665,310	94.21%
2006	8,406,000	(3,014,681)	5,391,319	4,570,749	84.78%	542,277	5,113,026	94.84%
2007	8,943,981	(2,673,704)	6,270,277	5,526,354	88.14%	401,726	5,928,080	94.54%
2008	9,272,941	(2,728,454)	6,544,487	5,510,543	84.20%	556,016	6,066,559	92.70%
2009	9,173,062	(2,832,095)	6,340,967	5,554,130	87.59%	677,864	6,231,994	98.28%
2010 ⁴	15,911,251	(4,609,338)	11,301,913	7,247,272	64.12%	2,733,092	9,980,364	88.31%
2011	11,600,267	(3,139,170)	8,461,097	6,420,870	75.89%	-	6,420,870	75.89%

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

⁽²⁾ Does not include penalty or interest.

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

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

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

Table 9

Fiscal Year	Governmental Activities						Business-type Activities				
	General Obligation Bonds			Revenue/ Bond Anticipation Notes	Lease Revenue Bonds	Capital Leases	General Obligation Bonds ²	Capital Leases	Total Primary Government	Per Capita ¹	Percentage of Personal Income ¹
	Literary	Va. Public	Qualified								
	Fund Loans	School Authority Bonds	Zone Academy Bonds								
2002	\$ 8,230,957	\$ 14,377,186	\$ -	\$ 3,950,000	\$ -	\$ 265,042	\$ 4,160,000	\$ -	\$ 30,983,185	\$ 803	3.85%
2003	7,657,468	19,787,249	942,510	7,500,000	-	231,000	3,900,000	-	40,018,227	1,038	4.71%
2004	7,083,979	31,252,554	887,348	7,500,000	3,740,000	198,000	3,625,000	-	54,286,881	1,404	6.04%
2005	6,610,493	30,143,870	1,075,619	7,500,000	3,650,000	165,000	3,340,000	-	52,484,982	1,356	5.63%
2006	6,137,001	40,305,984	1,007,951	-	3,555,000	132,000	3,040,000	-	54,177,936	1,404	5.64%
2007	5,676,492	38,727,015	938,032	-	6,125,000	99,000	2,725,000	-	54,290,539	1,412	5.23%
2008	5,215,983	37,073,904	865,787	-	5,815,000	66,000	2,395,000	-	51,431,674	1,340	4.73%
2009	4,755,474	35,350,933	791,129	-	5,490,000	33,000	2,045,000	-	48,465,536	1,260	4.41%
2010	4,294,965	33,567,305	713,974	-	5,748,000	-	2,112,000	-	46,436,244	1,400	*
2011	3,834,456	31,712,181	634,234	-	5,748,000	-	2,112,000	-	44,040,871	1,327	*

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

* Unavailable

¹ See Table 11 for population and personal income data.

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

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

Table 10

Fiscal Year Ending June 30,	General Bonded Debt Outstanding ¹				Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property ^{2,3}	
	General Obligation Bonds	Revenue/Bond Anticipation Notes	Lease Revenue Bonds	Total				Per Capita ³
2002	\$ 22,608,143	\$ 3,950,000	\$ -	\$ 26,558,143	\$ 1,266,402	\$ 25,291,741	1.54%	\$ 655
2003	28,387,227	7,500,000	-	35,887,227	1,010,899	34,876,328	1.55%	905
2004	39,223,881	7,500,000	3,740,000	50,463,881	1,843,672	48,620,209	2.09%	1,257
2005	37,829,982	7,500,000	3,650,000	48,979,982	1,736,301	47,243,681	1.99%	1,220
2006	47,450,935	-	3,555,000	51,005,935	2,122,742	48,883,193	2.00%	1,267
2007	45,341,539	-	6,125,000	51,466,539	1,746,995	49,719,544	2.06%	1,293
2008	43,155,674	-	5,815,000	48,970,674	1,263,817	47,706,857	1.07%	1,243
2009	40,897,536	-	5,490,000	46,387,536	1,113,942	45,273,594	0.98%	1,177
2010	38,576,244	-	5,748,000	44,324,244	859,741	43,464,503	0.93%	1,311
2011	36,180,871	-	5,748,000	41,928,871	1,389,519	40,539,352	0.85%	1,221

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

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

² Includes real and personal property estimated actual taxable value.

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

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

Table 11

Year	Population ¹	Personal Income (expressed in thousands) ²	Per Capita Personal Income ²	Unemployment Rate ⁴	School Enrollment ³
2002	38,593	\$803,820	\$20,828	4.10%	5,378
2003	38,556	\$849,648	\$22,031	4.30%	5,445
2004	38,669	\$898,251	\$23,229	4.60%	5,390
2005	38,716	\$932,157	\$24,077	4.60%	5,385
2006	38,580	\$960,396	\$24,894	4.20%	5,414
2007	38,455	\$1,038,263	\$26,999	4.10%	5,370
2008	38,395	\$1,087,833	\$28,333	5.00%	5,193
2009	38,462	\$1,099,390	\$28,584	6.60%	5,016
2010	33,164	N/A	N/A	7.20%	5,056
2011	33,200	N/A	N/A	6.70%	5,030

N/A - Not available

¹ Source: Years 2001-2010 U.S. Census Bureau/Year 2011 estimated

² Source: U.S. Bureau of Economic Analysis

³ Source: Accomack County School Board

⁴ Source: Virginia Employment Commission/2011 unemployment rate as of June 2011

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

Table 12

Employer	2011			2002		
	Employees	Rank	Percentage of Total County Employment ¹	Employees	Rank	Percentage of Total County Employment ¹
Perdue Farms, Inc.	1000+	1	5.64%	1000+	1	5.75%
Tyson Foods, Inc.	1000+	2	5.64%	1000+	2	5.75%
Accomack County School Board	500-999	3	2.82%	500-999	3	2.87%
County of Accomack	250-499	4	1.41%	250-499	5	1.44%
Wal-Mart	250-499	5	1.41%			
National Aeronautics & Space Administration	100-249	6	1.41%	250-499	6	1.44%
The Cube Corporation	100-249	7	0.56%	100-249	8	0.57%
Eastern Shore Community Services	100-249	8	0.56%	-	-	-
Kings Choice	100-249	9	0.56%	-	-	-
Eastern Shore Community College	100-249	10	0.56%	-	-	-
Kuzzens	-	-	-	500-999	4	2.87%
Byrd Food	-	-	-	100-249	7	0.57%
Eastern Shore Seafood	-	-	-	100-249	9	0.57%
Planning Research Corporation	-	-	-	100-249	10	0.57%
			<u>20.59%</u>			<u>22.42%</u>

Source: Virginia Employment Commission

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

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

Table 13

Function/Program	2005	2006	2007	2008	2009	2010	2011
General government							
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	9.0	9.0	9.0	11.0	11.0	11.0	10.0
Elections	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Other	25.0	25.0	27.0	27.0	27.5	33.5	32.5
Judicial administration							
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	17.8	18.3	18.3	18.3	19.8	19.8	18.8
Other	2.0	2.0	3.0	3.0	3.0	2.0	2.0
Public Safety							
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	64.7	64.7	64.7	64.7	63.7	62.7	60.7
Firefighters and emergency medical personnel	20.0	22.5	22.5	28.5	31.5	31.5	31.5
Other	12.5	12.5	12.5	14.5	14.0	13.0	13.0
Public Works							
Refuse collection and litter control	17.0	19.0	21.8	22.3	23.2	23.2	23.2
Refuse disposal	13.7	14.7	15.4	15.4	14.5	14.5	14.5
Building and grounds	14.3	14.8	14.8	14.8	14.8	14.8	13.3
Wastewater treatment	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Storm drainage	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Health and welfare							
Social services and welfare	63.0	64.0	64.0	64.0	64.0	64.0	64.0
Other	6.0	6.0	6.0	6.0	5.0	3.0	0.0
Parks, recreation and cultural	6.0	6.0	6.0	6.0	5.0	5.0	4.0
Community development	4.0	5.0	7.0	8.0	8.0	9.0	6.5
Total primary government	278.0	286.5	295.0	306.5	308.0	311.0	298.0

Source: Accomack County Central Accounting Office

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

²Temporary and seasonal employees are excluded from this table.

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

Table 14

Function/Program	2006	2007	2008	2009	2010	2011
General Government						
Assessor						
Taxable real estate number of parcels	38,021	38,689	39,134	39,440	39,620	39,707
Tax-exempt real estate number of parcels	892	898	917	921	932	936
Number of parcels enrolled in land use program	1,543	1,569	1,642	1,720	1,970	1,995
Commissioner of Revenue						
Mobile homes	4,230	4,219	4,214	4,214	3,512	3,418
Personal Property Tax Relief Act (PPTRA) qualifying vehicles	34,235	35,831	33,206	34,886	34,551	35,762
PPTRA tax credit percentages (vehicle value <\$1000;\$1000-\$20,000100% ; 51% 100% ; 51% 100% ; 51% 100%;51% 100%;51% 100%;51%						
Finance						
Vendor checks issued	11,793	11,131	10,542	10,149	10,203	10,049
Annual County payroll checks/direct deposits	7,902	7,766	8,236	8,323	8,736	6,658
Annual School Board payroll checks/direct deposits	29,716	25,721	25,402	26,220	26,886	26,908
Treasurer						
Real estate bills created	72,535	74,014	76,178	76,617	77,399	78,926
Personal property bills created	38,314	38,540	35,365	37,419	65,899	67,789
Judicial Administration						
Clerk of Court						
Deed book recordings	8,684	7,588	5,886	5,611	5,311	5,085
Judgments	2,612	4,364	2,648	3,264	2,922	3,338
Public Safety						
Fire and Emergency Services						
Emergency responses ²	3,001	2,979	3,230	2,605	3,798	3,635
Patients transported ²	2,125	2,134	2,264	1,751	2,597	2,508
Fire responses ²	325	322	387	253	343	370
Fire investigations	60	17	N/A	N/A	N/A	N/A
EMS turn-out time when fully staffed ²	2 minutes	2 minutes	2 minutes < 2 minutes	< 2 minutes	< 2 minutes	2.4 minutes
EMS drive time when fully staffed ²	14 minutes	12 minutes	< 12 minutes < 7 minutes	< 7 minutes	< 7 minutes	1.3 minutes
EMS response time when fully staffed ²	15 minutes	14 minutes	< 15 minutes < 7 minutes	< 7 minutes	< 7 minutes	13 minutes
Jail						
Average daily inmate population	99	116	104	96	96	87
Sheriff's Office						
Physical arrests	786	788	837	864	671	893
Traffic violations	364	629	436	478	456	469
Health and Welfare						
Comprehensive Services Act						
Youth receiving services through Comprehensive Services Act	106	121	121	121	67	55
Social Services						
Food Stamp Recipients	3,890	4,042	4,290	4,326	5,506	6,490
Households receiving Heating Assistance	1,698	1,631	3,414	3,217	3,231	2,899
Households receiving Cooling Assistance	491	394	453	426	739	944
Community Development						
Building permits issued	1,109	1,073	924	918	861	723
Other Funds						
Landfills						
Tons of refuse disposed	54,673	53,777	52,179	43,188	39,144	38,509
Tons of recycled materials ³	6,251	7,931	11,656	17,425	8,769	2,272

Sources: Various county departments.

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

²Accomack 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.

³This information is reported on a calendar year basis.

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

Table 15

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Function									
Public Safety									
Police Stations	1	1	1	1	1	1	1	1	1
Patrol units ²	33	35	35	35	35	38	41	43	51
Fire training centers	-	-	1	1	1	1	1	1	1
Animal control facilities	-	-	-	1	1	1	1	1	1
Public Works									
County owned buildings	21	23	29	29	30	31	33	33	35
Square foot in buildings	158,523	160,551	192,790	186,749	186,893	187,037	187,373	187,373	151,849
Refuse collection sites (staffed) ³	1	1	1	1	2	3	4	5	6
Refuse collection sites (unstaffed) ³	18	18	18	18	16	14	4	4	1
Refuse collection vehicles ³	4	4	4	4	4	4	4	4	4
Parks, Recreation and Cultural									
Athletic fields	8	8	18	18	18	18	18	18	18
Tennis courts	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
Low impact water access site	9	9	9	9	9	9	9	9	9
Pier or bulkhead only	3	3	3	3	3	3	3	3	3
Education									
Elementary schools	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	2,775	2,775
Secondary schools	5	4	4	4	4	4	4	4	4
Secondary school capacity	n/a	n/a	2,750	2,750	2,750	2,750	2,750	2,750	2,750
Combined schools	2	2	2	2	2	2	2	2	2
Combined school capacity	500	525	525	525	525	525	525	525	525
School buses	109	109	109	109	108	107	110	109	119
Component Units									
Airport									
Number of T-hangar buildings	2	2	2	2	2	2	2	2	2
Number of T-hangar units	18	18	18	18	18	18	18	18	18
Length of runway	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'
Industrial Development Park									
Acreage available for sale	261.25	264.25	261.28	261.28	261.28	261.28	261.28	261.28	261.28

Sources: Various county departments.

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

²Includes process server vehicles.

³This information does not include the county's two active landfills.

Compliance Section



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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of and for the year ended June 30, 2011, which collectively comprise the County of Accomack, Virginia's basic financial statements and have issued our report thereon dated December 27, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the County of Accomack, Virginia, in a separate letter dated December 27, 2011.

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

Robinson, Farnell, Cox Associates

Charlottesville, Virginia
December 27, 2011

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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

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

Compliance

We have audited the County of Accomack, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The County of Accomack, Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of County of Accomack, Virginia's management. Our responsibility is to express an opinion on County of Accomack, Virginia's compliance based on our audit.

County of Accomack, Virginia's basic financial statements include the operations of the Accomack-Northampton Planning District Commission, which received \$862,462 in federal awards which is not included in the schedule during the year June 30, 2011. Our audit, described below, did not include the operations of Accomack-Northampton Planning District Commission because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Accomack, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County of Accomack, Virginia's compliance with those requirements.

In our opinion, the County of Accomack, Virginia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the County of Accomack, Virginia is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County of Accomack, Virginia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of County of Accomack, Virginia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

Robinson, Farnell, Cox Associates
Charlottesville, Virginia
December 27, 2011

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED JUNE 30, 2011

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Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
PRIMARY GOVERNMENT:			
Department of Housing and Urban Development:			
<u>Pass Through Payments:</u>			
Department of Housing and Community Development			
Community development block grants/Entitlement grants	N/A	14.228	\$ 520,213
Department of Justice:			
<u>Direct Payments:</u>			
Inmate social security bounty	N/A	16.000	2,000
<u>Pass Through Payments:</u>			
Department of Justice			
Edward Byrne memorial justice assistance grant program	2009-DJ-BX-0772	16.738	13,462
Public safety partnership and community policing grants	2008CKWX0436	16.710	525
Bulletproof vest partnership grant	N/A	16.607	2,350
Total Department of Justice			18,337
Department of Aviation:			
<u>Direct Payments:</u>			
Airport improvement program	N/A	20.106	63,530
Department of Transportation:			
<u>Pass Through Payments:</u>			
State and community highway safety	SC1050348	20.600	15,432
Alcohol open container requirements	154AL115118	20.607	14,446
Total Department of Transportation			29,878
Department of Homeland Security:			
<u>Pass Through Payments:</u>			
Virginia Department of Emergency Services:			
State homeland security program	N/A	97.073	97,361
Hazard mitigation grant	N/A	97.039	58,238
Emergency management performance grant	N/A	97.042	6,782
Total Department of Homeland Security			162,381
Department of Agriculture:			
<u>Direct Payments:</u>			
Summer food service program for children	N/A	10.559	121,394
Food distribution	N/A	10.559	2,638
Total Direct Payments			124,032
<u>Pass Through Payments:</u>			
Department of Social Services:			
SNAP Cluster:			
ARRA-State administrative matching grants for supplemental nutrition assistance programs	0010110/0010111/0040110/0040111	10.561	439,487
State administrative matching grants for supplemental nutrition assistance programs	0010110/0010111/0040110/0040111	10.561	9,642
Total Pass Through Payments			449,129
Total Department of Agriculture			573,161
Department of Health and Human Services:			
<u>Pass Through Payments:</u>			
Department of Social Services:			
Promoting safe and stable families	950110	93.556	2,132
Temporary assistance for needy families	0400110/0400111	93.558	410,038
Refugee and entrant assistance - state administered programs	0500110/0500111	93.566	2,003
Low-income home energy assistance	0600410/0600411	93.568	39,259
Child care and development block grant (Child care and development fund cluster)	0770110/0770111	93.575	133,969

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, 2011

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Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
Department of Health and Human Services - continued:			
<u>Pass Through Payments - continued:</u>			
Department of Social Services - continued:			
Child care mandatory and matching funds of the child care and development fund (Child care and development fund cluster)	0760110/0760111	93.596	\$ 89,685
Stephanie Tubbs Jones child welfare services program	0900110/0900111	93.645	1,685
Foster care-Title IV-E	1100110/1100111	93.658	127,809
ARRA-Foster care-Title IV-E	1100110/1100111	93.658	1,338
			129,147
Adoption assistance	1120110/1120111	93.659	90,863
ARRA-Adoption assistance	1120109/1120110	93.659	5,938
			96,801
Social services block grant	1000110/1000111	93.667	291,415
Chafee foster care independence program	9150110/9150111	93.674	4,296
ARRA-Child care and development block grant (Child care and development fund cluster)	0740109/0780109	93.713	11,677
Children's health insurance program	0540110/0540111	93.767	13,821
Medical assistance program	1200110/1200111	93.778	262,186
Total Department of Health and Human Services			1,488,114
Department of the Interior:			
<u>Direct Payments:</u>			
Payments in lieu of taxes	N/A	15.226	25,292
Chincoteague wildlife refuge	N/A	15.000	75,251
Total Department of the Interior			100,543
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT			2,956,157
COMPONENT UNIT-SCHOOL BOARD:			
Department of Agriculture:			
<u>Pass Through Payments:</u>			
Virginia Department of Agriculture and Consumer Services: Food distribution (Child nutrition cluster)	10.555/2010/2011	10.555	146,290
Department of Education: National school lunch program (Child nutrition cluster)	10.555/2010/2011	10.555	1,401,309
			1,547,599
School breakfast program (Child nutrition cluster)	10.553/2010/2011	10.553	479,163
Total Department of Agriculture			2,026,762
Department of Education:			
<u>Pass Through Payments:</u>			
Department of Education:			
Title I grants to local educational agencies (Title I, Part A cluster)	S010A090046/S011A090046	84.010	1,962,853
ARRA-Title I grants to local educational agencies (Title I, Part A cluster)	S389A100046	84.389	831,567
Migrant education - state grant program	S011A090047/S011A080047	84.011	167,457
Special education - grants to states (Special education cluster)	H027A090107/H027A100107	84.027	910,112
ARRA-Special education - grants to states (Special education cluster)	H391A100107	84.391	550,925
Career and technical education - basic grants to states	V048A100046/V048A090046	84.048	154,951
Special education - preschool grants (Special education cluster)	H173A090112/H173A100112	84.173	27,040
ARRA-Special education - preschool grants (Special education cluster)	H392A100112	84.392	24,383
Safe and drug-free schools and communities - state grants	Q186A090048/Q186B080049	84.186	4,543
Even start - state educational agencies	S213C080047/S213C090047	84.213	188,416
Title X project hope	N/A	84.282	10,766
Migrant education - coordination program	S144F090047	84.144	15,768
ARRA-State fiscal stabilization program - education state grants	S394A100047	84.394	1,049,885
ARRA-Education jobs fund	S410A100047	84.410	1,199,312
Education technology state grants (Education technology cluster)	S318X100046	84.318	18,033
ARRA-Education technology state grants (Education technology cluster)	S386A100046	84.386	29,270
Rural education	S358B090046	84.358	97,022
Reading first	S357A080048/S357A090048	84.357	201,764
English language acquisition grants	T365A090046	84.365	56,469
Improving teacher quality state grants	S367A080044/S367A090044/S367A100044	84.367	346,602
Total Department of Education			7,847,138
TOTAL EXPENDITURES OF FEDERAL AWARDS - COMPONENT UNIT-SCHOOL BOARD			9,873,900
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY			\$ 12,830,057

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, 2011

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, 2011. 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	\$ 463,770
Virginia Public Assistance Fund	1,906,006
Rehabilitation Projects Fund	506,696
County Capital Projects Fund	13,517
Total primary government	<u>2,889,989</u>
Component Unit Airport:	
Airport	<u>63,530</u>
Component Unit Public Schools:	
School Operating Fund	7,847,138
School Cafeteria Fund	1,880,472
Total component unit public schools	<u>9,727,610</u>
Total federal expenditures per basic financial statements	<u>12,681,129</u>
Non-cash expenditures - value of donated commodities	<u>148,928</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u>\$12,830,057</u>

COUNTY OF ACCOMACK, VIRGINIA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

 Material weaknesses identified? No

 Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

 Material weaknesses identified? No

 Significant deficiencies identified? None reported

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

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

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
84.027/84.173/84.391/84.392	Special Education Cluster
84.010/84.389	Title I Part A Cluster
84.394	ARRA-State Fiscal Stabilization Fund - education state grants
14.228	Community Development Block Grants/Entitlement Grants
84.410	ARRA-Education Jobs Fund

Dollar threshold used to distinguish between Type A
and Type B programs \$384,902

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.