

# **Comprehensive Annual Financial Report**

**of the**

**Union County Vocational-Technical Schools**

**County of Union**

**Scotch Plains, New Jersey**

**For the Fiscal Year Ended June 30, 2019**

**Prepared by**

**Union County Vocational-Technical Schools, Board of Education  
Finance Department**



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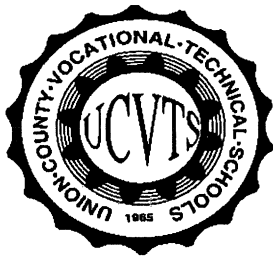
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**INTRODUCTORY SECTION**



# UNION COUNTY VOCATIONAL - TECHNICAL SCHOOLS

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1776 Raritan Road, Scotch Plains, New Jersey 07076-2997  
(908)889-8288, Ext. 120 Fax: (908)889-4336 Email: [gryan@ucvts.org](mailto:gryan@ucvts.org)

*Mrs. Gwendolyn S. Ryan*  
*Superintendent of Schools*

November 27, 2019

Honorable President and  
Members of the Board of Education  
Union County Vocational-Technical Schools  
Scotch Plains, New Jersey 07076

Dear Board Members:

The comprehensive annual financial report of the Union County Vocational-Technical School (UCVTS) District (District) for the fiscal year ended June 30, 2019, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures rests with management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Uniform Guidance (Federal) and the State Treasury Circular Letter OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** Effective last year, UCVTS District is no longer an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. The UCVTS Board of Education and all its schools are now considered fiscally dependent upon County Government and must now report under GASB Statement No. 34.

The District provides a full range of educational services appropriate to grade levels 9 through 12. The District completed the 2018-2019 fiscal year with an enrollment of 2,208 students. The following details the changes in the student enrollment of the District over the last ten years.



*Board Members*

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student (6/30) Enrollment</u>	<u>Percent Change</u>
2018-19	2208	6.3%
2017-18	2069	1.8%
2016-17	2031	5.1%
2015-16	1927	0.4%
2014-15	1919	5.2%
2013-14	1825	-0.7%
2012-13	1838	0.8%
2011-12	1823	1.6%
2010-11	1795	6.7%
2009-10	1683	8.7%

During the course of the 2018-2019 school year, the district accepted its twenty-second freshman class for the Union County Magnet High School for Mathematics, Science, and Technology. There were 303 students enrolled in the Magnet High School.

In September 2018, the District accepted its seventeenth class of full-time vocational education students (UCTECH) and Academy for Information Technology students. In the 2018-2019 school year there were 284 students enrolled in the Academy for Information Technology and 482 in UCTECH with the senior class for SOD, TEA and Sustainable Science, with a total of 48 seniors being housed and earning university freshman credits at Kean University.

In September 2018, the District accepted its fourteenth full-time class of freshman students in the Academy for Allied Health Sciences. In the 2018-2019 school year there were 308 students enrolled in the Academy for Allied Health Sciences.

In September 2018 the District accepted its eleventh class of freshman students in the Academy for Performing Arts. In the 2018-2019 school year there were a total of 236 students enrolled in the Academy for Performing Arts with the senior class of 53 students being housed and earning university freshman credits at Kean University. Students major in dance, theatre, and technical theatre.

In January 2015, the District opened an alternative high school, the Raymond J. Lesniak Experience Strength and Hope Recovery High School. In the 2018-2019 school year there were a total of eight students enrolled in this program.

In October 2018 the District opened another alternative high school, in the Simon Youth Academy. In the 2018-2019 school year there were a total of twenty-five students enrolled in this program.

Additionally, we continue to run programs for adult students through the Adult Post-Secondary and Continuing Education Programs. In the 2018-2019 school year, there were a total of seventy-nine students enrolled in this program.

*Board Members*

2) ECONOMIC CONDITION AND OUTLOOK: Union County area is experiencing the same struggles as the rest of the nation, a turn down in development and expansion. Any number of businesses starting or relocating to the area will result in an increase in the employment level which results in an increased tax base, both residential and industrial and an anticipated increase in annual daily enrollment. It is critical that Union County take steps to continue efforts for expansion and Union County Vocational-Technical Schools provides programs that match local labor market demands.

3) MAJOR INITIATIVES: In the vast majority of our vocational-technical programs, students continue to score above the state and national averages on their important end of course assessments. Over 90% of our students taking the NJSLA during the 2018- 2019 school year finished at or above the state average. All of the districts full-time high schools were successful in meeting the standards of annual yearly progress.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimate. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project- length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

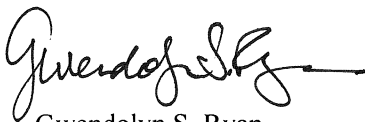
An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in subsequent years. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2019.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of fund and account groups. These fund and account groups are explained in "Notes to the Financial Statement," Note I.

*Board Members*

- 7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. You should review in detail the Management's Discussion and Analysis for the Fiscal Year ended June 30, 2019, for Financial Summaries.
- 8) DEBT ADMINISTRATION: At June 30, 2019, the District had no outstanding debt.
- 9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
- 10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehension/collision, hazard and theft insurance on property and contents, and fidelity bonds.
- 11) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Suplee, Clooney and Company, CPA's, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related Uniform Guidance (Federal) and State Treasury Circular Letter OMB 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
- 12) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the UCVTS Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of Union County and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial staff.

Respectfully submitted,



Gwendolyn S. Ryan  
Superintendent of Schools



Janet Behrmann  
Board Secretary/School Business Administrator

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
ROSTER OF OFFICIALS  
JUNE 30, 2019**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Jon-Henry Barr	2020
Phyllis Mirabella	2021
Jean Perkins	2019
Denise Piatnochka	2021
Daryl Palmieri	-

**Other Officials**

Gwendolyn S. Ryan, Interim Superintendent

Janet Behrmann, Business Administrator/Board Secretary

Joanne Wilson, Treasurer

Robert F. Varady, Esq., Board Attorney

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CONSULTANTS AND ADVISORS  
JUNE 30, 2019**

**Audit Firm**

Suplee, Clooney & Company  
Certified Public Accountants  
308 East Broad Street  
Westfield, New Jersey 07090-2122

**Architect**

Netta Architects  
1084 Route 22 West  
Mountainside, NJ 07092

**Official Depository**

Investors Bank  
437 Park Avenue  
Scotch Plains, NJ 07076

BCB Bank  
2000 Morris Avenue  
Union, NJ 07083

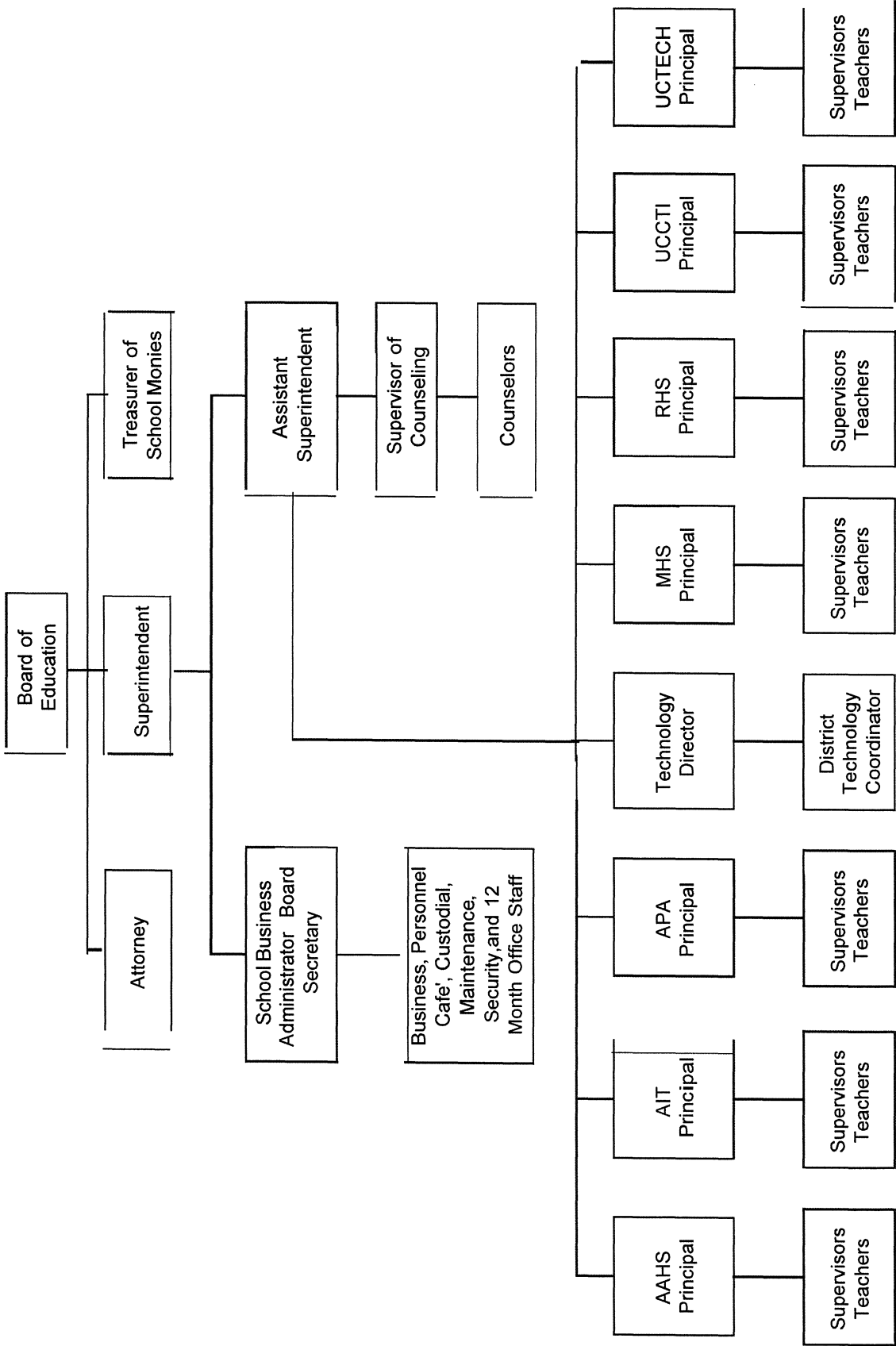
**Attorney**

Robert F. Varady, Esq.  
La Corte, Bundy, Varady & Kinsella  
989 Bonnel Court  
Union, NJ 07083

**Insurance Broker of Record**

Reliance Insurance Group, LLC  
1460 Route 9 North, Suite 310  
Woodbridge, NJ 07095

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
ORGANIZATIONAL CHART  
2018-2019



**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Union County Vocational-Technical Schools  
County of Union  
Scotch Plains, New Jersey 07076

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Union County Vocational-Technical Schools, County of Union, State of New Jersey (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



## SUPLEE, CLOONEY & COMPANY

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibits M-1 and M-2 are 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

# SUPLEE, CLOONEY & COMPANY

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules such as the introductory section, combining statements and individual fund financial statements, the statistical section and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, State of New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.


The combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, State of New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated November 27, 2019 on our consideration of the Union County Vocational-Technical School'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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

November 27, 2019

**REQUIRED SUPPLEMENTARY INFORMATION – Part I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited)**

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

The discussion and analysis of Union County Vocational-Technical School (UCVTS) District's financial performance provides an overall review of the (UCVTS) District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments* issued in June 1999. Certain comparative information between the current fiscal year (2018-2019) and the prior fiscal year (2017-2018) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for Fiscal Year 2019 are as follows:

- General revenues accounted for \$15,549,698.90 in revenue or 40 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$22,859,648.15. Net investment in capital assets decreased by \$182,188.96.
- The School District had \$35,139,819.01 in expenses; only \$22,859,648.15 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily County tax levy and tuition) of \$15,549,698.90 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$30,549,055.97 in revenues and \$27,587,399.29 in expenditures. The General Fund's fund balance increased \$3,077,194.19 over Fiscal Year 2018. This increase was anticipated by the Board of Education.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand UCVTS District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of UCVTS District, the General Fund is by far the most significant fund.

**Reporting the School District as a Whole**

**Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School District have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Government Activities – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business – Type Activity – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service, and Material for Resale enterprise funds are reported as business activities.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

**Governmental Funds**

The District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Enterprise Fund**

The enterprise fund uses the same basis of accounting as business-type activities; therefore these statements are essentially the same.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net position for 2019 and 2018.

**Table 1  
Net Position**

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Current and Other Assets	\$13,062,147.28	\$8,819,773.84
Capital Assets	<u>72,243,463.04</u>	<u>72,425,652.00</u>
Total Assets	85,305,610.32	81,245,425.84
Deferred Outflows:		
Related to Pensions	<u>1,154,331.00</u>	<u>1,534,012.00</u>
	1,154,331.00	1,534,012.00
<b>Liabilities</b>		
Other Liabilities	5,464,613.55	5,296,087.63
Long-Term Liabilities	<u>1,221,615.82</u>	<u>1,210,245.28</u>
Total Liabilities	6,686,229.37	6,506,332.91
Deferred Inflows:		
Related to Pensions	<u>1,391,018.00</u>	<u>1,159,939.00</u>
<b>Net Position</b>		
Net Investment in Capital Assets	71,823,651.48	71,976,956.49
Restricted	9,129,084.61	6,400,105.56
Unrestricted(Deficit)	<u>(2,570,042.15)</u>	<u>(3,263,896.12)</u>
Total Net Position	<u><u>\$78,382,693.95</u></u>	<u><u>\$75,113,165.93</u></u>

The District's combined net position was \$78,382,693.95 on June 30, 2019. This was a increase of 4.35 percent from the prior year. The District's investment in capital assets is shown net of any related debt used to acquire those assets.

Table 2 shows changes in net position for fiscal year 2019 and 2018.



**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Table 2  
Changes in Net Position**

	<u>2019</u>	<u>2018</u>
Revenues		
Program Revenues:		
Charges for Services	\$12,449,230.74	\$11,854,147.18
Operating Grants and Contributions	10,410,417.41	9,818,276.31
General Revenues:		
Property Taxes	5,233,086.00	5,130,476.00
Grants and Entitlements	10,123,003.79	7,091,239.63
Other	193,609.10	288,724.05
Total Revenues	<u>38,409,347.04</u>	<u>34,182,863.17</u>
Program Expenses		
Instruction	19,652,924.75	19,403,872.17
Support Services:		
Student and Instruction Related	3,100,083.33	2,337,645.37
General Administration	1,614,922.37	1,387,323.78
School Administration	1,727,578.30	1,816,082.13
Central Services/ Adm. Of Technology	1,343,856.21	1,351,308.19
Maintenance of Facilities	6,135,828.53	6,145,320.02
Student Transportation	69,715.51	52,008.97
Business Type Activities	438,745.44	396,301.74
Other	1,056,164.57	1,203,101.52
Total Expenses	<u>35,139,819.01</u>	<u>34,092,963.89</u>
Increase/ (Decrease) in Net Position	<u>\$3,269,528.03</u>	<u>\$89,899.28</u>

Both revenues and expenses increased mainly as a result of the district recognizing a larger on-behalf TPAF contribution as a revenue and as an expense based upon the State's Actuarial report.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Government Activities**

The unique nature of County property taxes in New Jersey creates the legal requirements to annually seek approval of the Union County Board of School Estimates for the School District operations. County property taxes made up 14 percent of revenues for governmental activities for the UCVTS District for fiscal year 2019. The District's total revenues were \$37,945,272.03 for the year ended June 30, 2019. Federal, state, local grants and aid accounted for another 48 percent of revenue and tuition accounted for another 32 percent of the revenue.

**Business-Type Activities**

Revenues for the District's business-type activities were comprised of charges for services. These services are included but are not limited to Food Service, and Materials for Resale. Following are some of our major business type activity results.

Overall business type revenues exceeded expenditures by \$25,329.57.

- Food service revenues were \$18,283.85 more than expenditures.
- Materials for resale revenues were \$7,045.72 more than expenditures. We purchase materials for our students and resell them at cost.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

**Table 3**

	<u>Total Cost of Services 2019</u>	<u>Total Cost of Services 2018</u>	<u>Net Cost of Services 2019</u>	<u>Net Cost of Services 2018</u>
Instruction	\$19,652,924.75	19,403,872.17	\$1,979,720.14	\$2,451,009.33
Support Services:				
Students and Instruction Related	3,100,083.33	2,337,645.37	1,507,923.95	1,340,862.74
General Administration, School & Central Administration	4,686,356.88	4,554,714.10	3,250,733.70	3,001,881.30
Maintenance of Facilities	6,135,828.53	6,145,320.02	5,570,690.83	5,552,959.29
Student Transportation	69,715.51	52,008.97	69,715.51	52,008.97
Other	1,056,164.57	1,203,101.52	(73,377.29)	69,973.37
Business-Type Activities	438,745.44	396,301.74	(25,235.95)	(48,154.58)
<b>Total Net Cost of Services</b>	<b><u>\$35,139,819.01</u></b>	<b><u>\$34,092,963.89</u></b>	<b><u>\$12,280,170.89</u></b>	<b><u>\$12,420,540.42</u></b>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings and equipment in an effective operating condition.

“Other” includes special schools and unallocated depreciation.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$34,610,839.78 and expenditures were \$31,276,267.35. The table below only includes revenues in the general fund and special revenue fund. Capital project funds are not included.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2019, and the amount and percentage of increase and decrease in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase(Decrease) from FY 2018</u>	<u>Increase (Decrease)</u>
County Levy	\$5,233,086.00	16.17%	\$102,610.00	0.36%
Tuition	12,101,273.44	37.39%	577,288.37	2.03%
Other	223,133.26	0.69%	\$1,087.43	0.00%
State Sources	14,034,371.26	43.37%	3,872,982.33	15.28%
Federal Sources	768,975.82	2.38%	(196,004.97)	-13.25%
<b>Total</b>	<b>\$32,360,839.78</b>	<b>100.00%</b>	<b>\$4,357,963.16</b>	<b>7.89%</b>

The increase in local revenue was primarily due to an increase in state grant revenues.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

The following schedule represents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2019, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase(Decrease) from FY 2018</u>	<u>Percent Increase (Decrease)</u>
Current:				
Instruction	\$12,359,342.55	39.52%	\$456,264.70	3.56%
Support Services	16,308,132.48	52.14%	1,720,553.59	9.54%
Capital Outlay	2,124,096.55	6.79%	535,566.22	20.14%
Special Schools	<u>484,695.77</u>	<u>1.55%</u>	<u>(24,667.10)</u>	<u>-5.36%</u>
<b>Total</b>	<b><u><u>\$31,276,267.35</u></u></b>	<b><u><u>100.00%</u></u></b>	<b><u><u>\$2,687,717.41</u></u></b>	<b><u><u>4.99%</u></u></b>

**General Fund Budgeting Highlights**

The School District’s budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over expenditures in specific line item accounts. Several of these revisions bear notation:

The district continues to support a new one-to-one technology initiative for all students and continues to improve technology as per program/industry demands annually.

In both the Academy for Performing Arts and UCTech Schools, Teacher Education Academy and the Sustainable Science Academy, and the School of Design senior students attend KEAN University and obtain both high school and college credits.

A substantial number of students throughout the district qualified for state and national competitions requiring additional field trip funding.

In light of the negotiated bargaining agreement employee benefit contribution have been frozen resulting in the need to transfer funds in order to cover increased premiums.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Capital Assets**

At the end of the fiscal year 2019, the School District had \$72,243,463.04 invested in land, building, machinery and equipment, easements and construction in progress. Table 4 shows fiscal year 2019 balances compared to 2018.

**Table 4  
Capital Assets (Net of Depreciation) at June 30, 2019**

	<u>2019</u>	<u>2018</u>
Governmental Activities Capital Assets, Net:		
Land	\$1,289,142.00	\$1,289,142.00
Construction in Progress	14,877,637.04	13,204,026.00
Site Improvements	95,934.00	114,219.00
Building and Building Improvements	49,200,002.00	50,886,356.00
Intangible Asset-Easement	5,000,000.00	5,000,000.00
Machinery and Equipment	<u>1,780,748.00</u>	<u>1,931,909.00</u>
Total Governmental Activities Capital Assets, Net	<u>72,243,463.04</u>	<u>72,425,652.00</u>
Total Capital Assets, Net	<u><u>\$72,243,463.04</u></u>	<u><u>\$72,425,652.00</u></u>

Overall capital assets decreased \$182,188.96 from fiscal year 2018 to fiscal year 2019.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**State of the District**

The Union County Vocational-Technical School District provides a full range of educational services appropriate to grade levels 9 through 12. The School District completed the 2018-2019 fiscal school year with an enrollment of 2,208 students, over a 34 percent growth in enrollment over the last ten years and an 11 percent increase in the last five years. In addition, the district continues to offer a wide range of evening programs to the residents of Union County.

During the course of the 2018-2019 school year, the District accepted its twenty-second freshman class for the Union County Magnet High School for Mathematics, Science, and Technology. There were 303 students enrolled in the Magnet High School.

In September 2018, the District accepted its eighteenth class of full-time vocational education UC Tech and Academy for Information Technology students. During that school year there were 284 students enrolled in the Academy for Information Technology and 482 students in UC Tech.

In September 2018, the District accepted its thirteenth freshman class for the Academy for Allied Health Sciences and finished the school year with 308 students.

In September 2018, the district accepted its eleventh class of full time students in our Academy for Performing Arts. There were 236 students enrolled in the program. This innovative program includes senior year students of the program being housed on the campus of Kean University in Union, NJ. These students take a full complement of college courses while completing their high school graduation requirements. In May 2019, we successfully graduated our sixth class of 53 students.

In the vast majority of our vocational-technical training programs, students continue to score above the state and national averages on their end of course assessments. Many students taking these assessments during the 2018-2019 school year finished at or above the national average. All of the districts high schools were successful in meeting the standards of annual yearly progress (AYP)

The Union County Vocational-Technical School District is proud of the accomplishments of all its schools and programs and is extremely proud to announce its latest in a long line of awards. We have been awarded the Excellence in Action award which recognizes and honors superior Career Technical Education (CTE) programs which exemplify excellence in the implementation of Career Clusters, and have a meaningful impact on student achievement and success. This in addition to multiple Blue Ribbon School awards, Governors School of Excellence Awards and earning national acclaim by having all five of our schools ranked top in the nation an state, through various ranking systems.

The Union County Vocational-Technical School District continues to commit itself to providing the highest level of educational programs while maintaining financial excellence. The School District's system for financial planning, budgeting and internal financial controls are well regarded. Finally, the District has continued to perform well financially even during these trying times.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT  
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

Negotiated labor agreements with all of our unions expired on June 30, 2017. Our Leadership Association has been approved by both parties and will expire on June 30, 2020. At this time negotiations with the other groups are ongoing. We hope to finalize all negotiations during the school year.

We continue to make every effort to control both Health and Liability Insurance expenses. To date, in addition to having staff members contribute to their health benefit premiums, our enrollment in a mix of Private Carriers has assisted the District in controlling medical, dental and prescription drug expenses. We have also been effective in controlling our Liability Insurance and Workers Compensation costs by enrolling in a Pooled Insurance Program.

In the future, we must continue to accept multiple proposals to ensure that we are getting the best possible coverage at the least possible expense.

**Contacting the School District's Financial Management Office**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information contact the Business Administrator's Office, Union County Vocational-Technical Schools, 1776 Raritan Road, Scotch Plains, NJ 07076. Also, please visit our website to learn more about our School District [www.ucvts.tec.nj.us](http://www.ucvts.tec.nj.us).



## **BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2019

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

The statement of net position and the statement of changes in net position display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2019

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$5,612,425.58	\$371,899.34	\$5,984,324.92
Receivables, net	7,070,934.90	6,476.17	7,077,411.07
Inventory		411.29	411.29
Capital assets:			
Non Depreciable	16,166,779.04		16,166,779.04
Depreciable - Net	56,076,684.00		56,076,684.00
Total Assets	<u>84,926,823.52</u>	<u>378,786.80</u>	<u>85,305,610.32</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to pension	<u>1,154,331.00</u>		<u>1,154,331.00</u>
Total deferred outflow of resources	1,154,331.00		1,154,331.00
<b>LIABILITIES:</b>			
Accounts payable	1,157,665.62	12,395.14	1,170,060.76
Payable to other funds		61,886.70	61,886.70
Unearned revenue	620,107.99	9,377.10	629,485.09
Noncurrent liabilities:			
Net pension liability	3,603,181.00		3,603,181.00
Due within one year	131,913.50		131,913.50
Due beyond one year	1,089,702.32		1,089,702.32
Total liabilities	<u>6,602,570.43</u>	<u>83,658.94</u>	<u>6,686,229.37</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to pension	<u>1,391,018.00</u>		<u>1,391,018.00</u>
<b>NET POSITION:</b>			
Net Investment in capital assets	71,823,651.48		71,823,651.48
Restricted for:			
Capital projects	6,885,080.60		6,885,080.60
Other purposes	2,244,004.01		2,244,004.01
Unrestricted(deficit)	<u>(2,865,170.00)</u>	<u>295,127.86</u>	<u>(2,570,042.15)</u>
Total net position	<u>\$78,087,566.09</u>	<u>\$295,127.86</u>	<u>\$78,382,693.95</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF ACTIVITIES  
JUNE 30, 2019

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
<b>Governmental Activities:</b>						
Instruction:						
Vocational - regular	\$ 11,147,729.91	\$ 6,721,172.92	\$ 11,000,900.00	\$ 3,991,069.74	\$ (2,876,933.11)	\$ (2,876,933.11)
Vocational - special	779,030.10	640,157.01	573,000.00	2,051,515.13	1,205,328.02	1,205,328.02
School-sponsored cocurricular activities	302,210.10	62,624.71		56,719.76	(308,115.05)	(308,115.05)
<b>Support services:</b>						
Student & instruction related services	2,377,831.91	722,251.42		1,592,159.38	(1,507,923.95)	(1,507,923.95)
General administrative services	599,987.83	1,014,934.54		353,540.41	(1,261,381.96)	(1,261,381.96)
School administrative services	923,762.33	803,815.97		628,324.67	(1,099,253.63)	(1,099,253.63)
Central services	568,596.11	669,774.14		453,768.10	(784,612.15)	(784,612.15)
Administration information technology	89,520.96	15,965.00			(105,485.96)	(105,485.96)
Plant operations and maintenance	3,845,988.77	2,289,839.76		565,137.70	(5,570,690.83)	(5,570,690.83)
Pupil transportation	69,715.51				(69,715.51)	(69,715.51)
Unallocated benefits	11,396,162.50	(11,396,162.50)				
Special schools	484,695.77	555,005.03		602,168.42	89,841.06	89,841.06
Unallocated depreciation and amortization	2,099,378.00	(2,099,378.00)				
Interest on Long-Term Debt	16,463.77				(16,463.77)	(16,463.77)
<b>Total governmental activities</b>	<b>34,701,073.57</b>		<b>12,101,273.44</b>	<b>10,294,393.31</b>	<b>(12,305,406.84)</b>	<b>(12,305,406.84)</b>
<b>Business-type activities</b>						
Food Service	400,244.80		302,410.94	116,024.10	18,190.23	18,190.23
Materials for resale	38,500.64		45,546.36		7,045.72	7,045.72
<b>Total business-type activities</b>	<b>438,745.44</b>		<b>347,957.30</b>	<b>116,024.10</b>	<b>25,235.95</b>	<b>25,235.95</b>
<b>Total primary government</b>	<b>\$ 35,139,819.01</b>		<b>\$ 12,449,230.74</b>	<b>\$ 10,410,417.41</b>	<b>\$ (12,305,406.84)</b>	<b>\$ (12,280,170.89)</b>
<b>General Revenues:</b>						
<b>Taxes:</b>						
Property taxes, levied for general purposes, net					\$ 5,233,086.00	\$ 5,233,086.00
Federal and state aid not restricted					7,787,676.00	7,787,676.00
Federal and state aid restricted					85,327.79	85,327.79
Miscellaneous income					219,243.26	219,336.88
County of Union					2,250,000.00	2,250,000.00
Capital Lease Cancellation					19,495.23	19,495.23
Loss on disposal of assets					(45,223.00)	(45,223.00)
Total general revenues and special items					15,549,605.28	15,549,698.90
Change in net position					3,244,198.44	3,269,528.01
Net Position- beginning					74,843,367.65	75,113,165.93
Net Position ending					78,087,566.09	78,382,693.94

The accompanying Notes to the Financial Statements are an integral part of this statement.

## **MAJOR FUND FINANCIAL STATEMENTS**

The Individual Fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>CAPITAL</u> <u>PROJECTS</u> <u>FUND</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 4,416,939.91	\$ 685,454.85	\$ 510,030.82	\$ 5,612,425.58
Accounts receivable:				
Federal		207,302.29		207,302.29
State	40,743.35			40,743.35
Local	1,819,747.38	71,731.31	4,860,524.46	6,752,003.15
Interfunds	<u>898,533.19</u>			<u>898,533.19</u>
<b>Total assets</b>	<u>\$ 7,175,963.83</u>	<u>\$ 964,488.45</u>	<u>\$ 5,370,555.28</u>	<u>\$ 13,511,007.56</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 520,272.53	\$ 241,490.66	\$ 219,678.43	\$ 981,441.62
Interfund payable		210,513.80	617,133.28	827,647.08
Unearned revenue	<u>107,624.00</u>	<u>512,483.99</u>		<u>620,107.99</u>
<b>Total liabilities</b>	<u>627,896.53</u>	<u>964,488.45</u>	<u>836,811.71</u>	<u>2,429,196.69</u>
<b>Fund balances:</b>				
<b>Restricted for:</b>				
Capital reserve account	2,351,337.03			2,351,337.03
Excess surplus	1,083,843.30			1,083,843.30
Excess surplus - Designated for subsequent years expenditures	160,160.71			160,160.71
Capital projects			4,087,236.30	4,087,236.30
<b>Assigned:</b>				
Year-end encumbrances	1,472,347.09		446,507.27	1,918,854.36
Designated for subsequent years expenditures	999,999.29			999,999.29
Unassigned	<u>480,379.88</u>			<u>480,379.88</u>
<b>Total fund balances</b>	<u>6,548,067.30</u>		<u>4,533,743.57</u>	<u>11,081,810.87</u>
<b>Total liabilities and fund balances</b>	<u>\$ 7,175,963.83</u>	<u>\$ 964,488.45</u>	<u>\$ 5,370,555.28</u>	<u>\$ 13,511,007.56</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

Total Fund Balances (Brought Forward)	\$	11,081,810.87
<p>Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of assets	\$ 101,490,755.04	
Accumulated depreciation	<u>(29,247,292.00)</u>	72,243,463.04
<p>Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Net pension liability	(3,603,181.00)	
Capital leases payable	(419,811.56)	
Compensated absences payable	<u>(801,804.26)</u>	(4,824,796.82)
<p>Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.</p>		
Pensions:		
Deferred Outflows		
Pension related		1,154,331.00
Deferred Inflows:		
Pension related		(1,391,018.00)
<p>Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Accounts payable - pension related		<u>(176,224.00)</u>
Net Position of Governmental Activities	\$	<u><u>78,087,566.09</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES:</b>				
Local sources:				
County tax levy	\$ 5,233,086.00	\$	\$	\$ 5,233,086.00
County of Union			2,250,000.00	2,250,000.00
Tuition from LEA	11,573,900.00			11,573,900.00
Other Tuition	527,373.44			527,373.44
Miscellaneous	219,243.26	3,890.00		223,133.26
Total - local sources	<u>17,553,602.70</u>	<u>3,890.00</u>	<u>2,250,000.00</u>	<u>19,807,492.70</u>
State sources	12,995,453.27	1,038,917.99		14,034,371.26
Federal sources		768,975.82		768,975.82
Total revenues	<u>30,549,055.97</u>	<u>1,811,783.81</u>	<u>2,250,000.00</u>	<u>34,610,839.78</u>
<b>EXPENDITURES:</b>				
Current expense:				
Regular vocational programs - instruction	10,854,485.32	423,617.03		11,278,102.35
Special vocational programs - instruction	553,465.35	225,564.75		779,030.10
School sponsored cocurricular activities-instruction	302,210.10			302,210.10
Support services:				
Student & instruction related services	1,304,966.83	1,077,274.24		2,382,241.07
General administrative services	600,953.83			600,953.83
School administrative services	929,404.73			929,404.73
Central services	568,596.11			568,596.11
Administrative information technology	89,520.96			89,520.96
Plant operations and maintenance	3,684,304.26			3,684,304.26
Student transportation	69,715.51			69,715.51
Unallocated benefits	7,983,396.01			7,983,396.01
Special schools	484,695.77			484,695.77
Capital outlay	161,684.51	85,327.79	1,877,084.25	2,124,096.55
Total expenditures	<u>27,587,399.29</u>	<u>1,811,783.81</u>	<u>1,877,084.25</u>	<u>31,276,267.35</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,961,656.68</u>		<u>372,915.75</u>	<u>3,334,572.43</u>
Other financing sources (uses):				
Capital leases (non-budgeted)	115,537.51			115,537.51
Total other financing sources	<u>115,537.51</u>			<u>115,537.51</u>
Net change in fund balances	3,077,194.19		372,915.75	3,450,109.94
Fund balances, July 1, 2018	<u>3,470,873.11</u>	<u>-0-</u>	<u>4,160,827.82</u>	<u>7,631,700.93</u>
Fund balances, June 30, 2019	<u>\$ 6,548,067.30</u>	<u>\$ -0-</u>	<u>\$ 4,533,743.57</u>	<u>\$ 11,081,810.87</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Total net change in fund balances - governmental funds (from B-2)	\$	3,450,109.94
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period</p>		
Depreciation expense	\$	(2,099,378.00)
Capital outlays		2,124,096.55
Less: Capital outlays not capitalized		<u>(161,684.51)</u>
		(136,965.96)
<p>Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.</p>		
Capital lease proceeds		(115,537.51)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
Payment of capital lease principal		144,421.46
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
District pension contributions		182,026.00
Less: Pension expense		<u>(194,378.00)</u>
		(12,352.00)
<p>In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed (-).</p>		
Loss on disposal of capital assets		(45,223.00)
<p>In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
Increase in compensated absences payable		<u>(40,254.49)</u>
Change in net position of governmental activities	\$	<u><u>3,244,198.44</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**OTHER FUNDS**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2019

BUSINESS-TYPE  
ACTIVITIES  
ENTERPRISE  
FUNDS

## ASSETS:

## Current assets:

Cash and cash equivalents	\$	371,899.34
Accounts receivable:		
Federal		6,258.55
State		217.62
Inventories		411.29
Total current assets		378,786.80
 Total assets		378,786.80

## LIABILITIES:

## Current liabilities:

Accounts payable		12,395.14
Interfunds		61,886.70
Unearned revenue		9,377.10
Total current liabilities		83,658.94
 Total liabilities		83,658.94

## NET POSITION:

Unrestricted		295,127.86
 Total net position	\$	295,127.86

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

BUSINESS-TYPE  
ACTIVITIES  
ENTERPRISE  
FUND  
SCHOOL NUTRITION

## OPERATING REVENUES:

## Charges for services:

Daily sales	\$	169,661.94
Daily sales - non-reimbursable programs		132,749.00
Miscellaneous		45,546.36
		347,957.30

## OPERATING EXPENSES:

Cost of sales-reimbursable	115,749.58
Cost of sales-non reimbursable	53,181.00
Salaries	156,154.34
Employee benefits	79,247.05
Other purchased services	16,050.00
Supplies and materials	12,507.20
Miscellaneous	5,856.27
	438,745.44

## Total operating expenses

438,745.44

## Operating (loss)

(90,788.14)

## NON-OPERATING REVENUES:

## State Sources

State school lunch program 3,442.68

## Federal Sources

National school lunch program 85,414.79

National school breakfast program 9,508.71

National food distribution commodities 17,657.92

Total non-operating revenues 116,117.72

## Operating income (loss) before contributions and transfers

25,329.57

## Change in net position

25,329.57

## Total net position - beginning

269,798.28

## Total net position - ending

\$ 295,127.86

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS</u>
Cash flows from operating activities:	
Receipts from customers	\$ 349,315.89
Payments to employees and employee benefits	(82,830.14)
Payments to suppliers	<u>(337,416.71)</u>
Net cash provided by (used for) operating activities)	<u>(70,930.96)</u>
Cash flows from noncapital financing activities:	
State Sources	3,471.14
Federal Sources	<u>95,806.08</u>
Net cash provided by noncapital financing activities:	<u>99,277.22</u>
Cash flows from investing activities:	
Interest on investments	<u>93.62</u>
Net cash provided by (used for) investing activities	<u>93.62</u>
Net decrease in cash and cash equivalents	28,439.88
Cash and cash equivalents, July 1, 2018	<u>343,459.46</u>
Cash and cash equivalents, June 30, 2019	<u>\$ 371,899.34</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income (loss)	\$ (90,788.14)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:	
National food distribution commodities	17,657.92
Change in assets and liabilities:	
Increase (decrease) in accounts payable	(892.76)
Increase (decrease) in unearned revenue	960.62
(Increase) decrease in inventories	<u>2,131.40</u>
	<u>19,857.18</u>
Net cash provided by (used for) operating activities	<u>\$ (70,930.96)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	PRIVATE PURPOSE SCHOLARSHIP FUNDS	AGENCY FUNDS
<b>ASSETS:</b>		
Cash and cash equivalents	\$ <u>15,850.62</u>	\$ <u>576,790.07</u>
Total assets	<u>15,850.62</u>	<u>576,790.07</u>
<b>LIABILITIES:</b>		
Payroll deductions and withholdings		343,099.25
Due to student groups		232,784.84
Interfunds	<u>8,093.43</u>	<u>905.98</u>
Total liabilities	\$ <u>8,093.43</u>	\$ <u>576,790.07</u>
<b>NET POSITION:</b>		
Held in trust for scholarships	\$ <u>7,757.19</u>	

The accompanying Notes to the Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIVATE PURPOSE</u> <u>SCHOLARSHIP FUND</u>
Net position beginning of year	\$ <u>7,757.19</u>
Net position end of year	\$ <u><u>7,757.19</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Union County Vocational-Technical Schools (District) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**Reporting Entity**

The Union County Vocational-Technical Schools is a Type I District located in Union County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Union County Vocational-Technical School consists of five (5) members; four (4) members are appointed by the Union County Board of Chosen Freeholders and one (1) statutory member, who is the Union County Superintendent of Schools. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.



**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include a Vocational-Technical school, Magnet High School, Academy for Information Technology, Academy for Performing Arts and Academy for Allied Health Services located in the Township of Scotch Plains. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation, Basis of Accounting**

The District's basic financial statements consist of District-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

**Basis of Presentation**

*District-wide Statements:* The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Fund Financial Statements:* During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Fund Financial Statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category: governmental, proprietary, and fiduciary are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among public school district financial reporting models.

**Governmental Fund Types**

**General Fund** - The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for acquisition of facilities and/or equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution, subject to approval from the County Superintendent of Schools.

**Special Revenue Fund** - The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are restricted or committed to expenditures for specified purposes.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Projects Funds** - The capital projects fund is used to account for and report all financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities or other capital assets.

**Proprietary Fund**

**Enterprise Fund** - The enterprise fund accounts for all revenues and expenses pertaining to the cafeteria operation and the material for resale operation. The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Fiduciary Fund Types**

**Agency Funds** - The agency funds are used to account for assets held by the district on behalf of others and are custodial in nature. The agency funds included in this category are as follows:

**Payroll and Student Activities Funds (Agency)** - These are agency funds used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**Federal Funds** - This agency fund is used to account for receipts for Pell Grants and Guaranteed Student Loans.

**Vocational Scholarship Fund** - This expendable trust is used to account for donations received that are for student scholarships.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting - Measurement Focus**

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

*District-wide, Proprietary, and Fiduciary Fund Financial Statements:* The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. Ad Valorem Property Taxes are susceptible to accrual since, under New Jersey State Statute, a county is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "intergovernmental receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements:* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Account Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county superintendent of schools' office and approved by the Board of School Estimates. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments and transfers must be approved by School Board resolution.

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated recognition of deferred state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial records.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Encumbrance Accounting**

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund and capital projects fund for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

**Inventories and Prepaid Expenses**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

The District has established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994 are recorded at actual cost. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated fixed assets are valued at their acquisition values on the date received. The cost of normal repairs and maintenance are not capitalized. Interest is not capitalized on Capital Assets.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method and the half-year convention over the following estimated useful lives:

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Lives</u></b>
School buildings	50
Building improvements	20
Electrical/plumbing	30
Vehicles	6-8
Easements	30
Office and computer equipment	5-20
Instructional equipment	5-20
Grounds equipment	5-15
Food service equipment	7-20

**Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences (Continued)**

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount of subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave and vacation days that are expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the governmental fund level and District-wide presentations.

**Unearned Revenue**

Unearned revenue in the general, special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under Generally Accepted Accounting Principles.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.



**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Position**

GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**Fund Balance**

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Emergency Reserve, Maintenance Reserve and Excess Surplus as Restricted Fund Balance.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education. The District reports amounts Designated for Subsequent Year's Expenditures as Committed Fund Balance.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances as Assigned Fund Balance.

Unassigned – is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds then assigned funds and, finally, unassigned funds as needed.

The general fund is the only fund that will report a negative unassigned fund balance. For all other governmental funds the amount of a residual deficit would be classified as unassigned.

**Revenues - Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues - Exchange and Non-Exchange Transactions (Continued)**

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the District, these revenues are sales and program fees in the Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

**Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Extraordinary and Special Items**

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

**Management Estimates**

The preparation of financial statements in conformity with GAAP requires management to make assumptions that affect the amounts reported as revenue and expenditures/expenses during the reporting period. These estimates may differ from actual results.

**Accounting and Financial Reporting for Pensions**

In the District-Wide Financial Statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the Governmental Fund Financial Statements the year end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1<sup>st</sup> of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category: deferred amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category: deferred amounts related to pensions.

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits (Continued)**

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2019, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$525,141.28 was covered by Federal Depository Insurance and \$7,031,099.62 was covered under the provisions of NJGUDPA.

The Union County Vocational-Technical Schools had the following cash and cash equivalents at June 30, 2019:

<u>Fund Type</u>	<u>Bank Balance</u>	<u>Reconciling Items</u>		<u>Balance</u>
		<u>Additions</u>	<u>Reductions</u>	
Governmental	\$6,429,213.01	13,755.75	830,543.18	\$5,612,425.58
Proprietary	371,899.34		-	371,899.34
Fiduciary	755,128.55		162,487.86	592,640.69
	<u>\$7,556,240.90</u>	<u>\$13,755.75</u>	<u>\$993,031.04</u>	<u>\$6,576,965.61</u>

**Investments**

The purchases of investments by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The District had no investments outstanding at June 30, 2019.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 3: CHANGE IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	Transfers/ <u>Deletions</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$1,289,142.00			\$1,289,142.00
Construction in progress	13,204,026.00	\$1,673,611.04		14,877,637.04
Total Capital Assets not being depreciated	<u>14,493,168.00</u>	<u>1,673,611.04</u>	<u>0.00</u>	<u>16,166,779.04</u>
Site Improvements	815,908.00			815,908.00
Intangible Assets	5,000,000.00			5,000,000.00
Buildings and Building Improvements	74,193,771.00	11,633.00		74,205,404.00
Machinery and Equipment	5,265,570.00	277,168.00	(240,074.00)	5,302,664.00
Totals at historical cost	<u>85,275,249.00</u>	<u>288,801.00</u>	<u>(240,074.00)</u>	<u>85,323,976.00</u>
Gross Assets (Memo only)	<u>99,768,417.00</u>	<u>1,962,412.04</u>	<u>(240,074.00)</u>	<u>101,490,755.04</u>
Less: Accumulated Depreciation				
Site Improvements	(661,789.00)	(18,285.00)		(680,074.00)
Intangible Assets	(1,326,388.99)			(1,326,388.99)
Buildings and Building Improvements	(23,347,315.00)	(1,697,987.00)		(25,045,302.00)
Machinery and Equipment	(2,007,272.01)	(383,106.00)	194,851.00	(2,195,527.01)
Total Depreciation	<u>(27,342,765.00)</u>	<u>(2,099,378.00)</u>	<u>194,851.00</u>	<u>(29,247,292.00)</u>
Total capital assets being depreciated, net of depreciation	<u>57,932,484.00</u>	<u>(1,810,577.00)</u>	<u>(45,223.00)</u>	<u>56,076,684.00</u>
Total Governmental Fund Activities	<u><u>\$72,425,652.00</u></u>	<u><u>(\$136,965.96)</u></u>	<u><u>(\$45,223.00)</u></u>	<u><u>\$72,243,463.04</u></u>



**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 3: CHANGE IN CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to governmental expenses as follows:

Instruction:	
Regular	\$773,508.00
Special Education Instruction	3,349.00
Support services:	
Student and instruction related services	3,076.00
General administrative services	152,187.00
School administrative services	8,322.00
Central Services/Technology	15,965.00
Plant operations and maintenance	<u>1,142,971.00</u>
	<u><u>\$2,099,378.00</u></u>

**NOTE 4: LONG-TERM LIABILITIES**

The following is a summary of changes in liabilities that affect other long-term obligations for the year ended June 30, 2019:

	Balance, June 30, 2018	Additions	Reductions	Balance, June 30, 2019	Due Within One Year
Compensated Absence	\$761,549.77	\$40,254.49		\$801,804.26	
Net Pension Liability	4,204,064.00		(\$600,883.00)	3,603,181.00	
Capital Leases Payable	<u>448,695.51</u>	<u>115,537.51</u>	<u>(144,421.46)</u>	<u>419,811.56</u>	<u>\$131,913.50</u>
Total	<u>\$5,414,309.28</u>	<u>\$155,792.00</u>	<u>(\$745,304.46)</u>	<u>\$4,824,796.82</u>	<u>\$131,913.50</u>

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**Capital Leases Payable**

The District has entered into various lease agreements for copiers as outlined in Schedule I-2. The following is a schedule of the future minimum lease payments under capital lease, and the present value of the net minimum lease payments at June 30, 2019:

Fiscal Year Ended	<u>Amount</u>
<u>June 30,</u>	
2020	\$145,464.01
2021	\$137,871.00
2022	\$115,091.99
2023	\$41,162.00
2024	\$8,232.00
Total Minimum Lease Payments	447,821.00
Less: Amount Representing Interest	<u>(28,009.44)</u>
Present Value of Lease Payments	<u><u>\$419,811.56</u></u>

**NOTE 5: PENSION PLANS**

**Teachers' Pension and Annuity Fund (TPAF)** The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state administered retirement system or other state or local jurisdiction.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Defined Contribution Retirement Program (DCRP)** The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

**Pension Plan Design Changes**

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e. the State of new Jersey makes the employer contribution on behalf of public school districts.

Three Year Trend Information for PERS

Year Ended June 30,	Annual Pension Cost (APC)	Net Pension Obligation
2019	\$180,598.35	\$180,598.35
2018	172,520.40	172,520.40
2017	164,677.03	164,677.03

During the fiscal years ended June 30, 2019, 2018 and 2017, the State of New Jersey contributed \$2,026,478.00, \$1,550,278.00 and \$1,055,319.00 respectively to the TPAF pension system on behalf of the District.

Also, in accordance with N.J.S.A. 18A:66-66 during the years ended June 30, 2019, 2018 and 2017, the State of New Jersey reimbursed the District \$829,327.27, \$822,800.68 and \$799,757.23 respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2019, the District reported a liability of \$3,603,181.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the District's proportion was 0.0183000100 percent, which was an increase of 0.0002400761 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$182,026.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2018 measurement date.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$68,713	\$18,579
Changes of assumptions	593,745	1,152,106
Net difference between projected and actual earnings on pension plan investments		33,798
Changes in proportion and differences between District contributions and proportionate share of contributions	315,649	186,535
District contributions subsequent to the measurement date	<u>176,224</u>	
	<u>\$1,154,331</u>	<u>\$1,391,018</u>

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

The \$176,224.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2019, the plan measurement date is June 30, 2018) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2019	\$50,831
2020	(8,801)
2021	(222,458)
2022	(189,391)
2023	<u>(43,092)</u>
	<u><u>(\$412,911)</u></u>

**Actuarial Assumptions**

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which rolled forward to June 30, 2018. These actuarial valuations used the following assumptions:

Inflation	2.25 Percent
Salary Increases	
Through 2026	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

Preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018 and 7.00 at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Rate of Return (Continued)**

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Fund	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Market Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.66% and 5.00% as of June 30, 2018 and June 30, 2017 respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30 2018 and June 30, 2017 and a municipal bond rate of 3.87% and 3.58% for June 30, 2018 and June 30, 2017 respectively based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.



**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate (Continued)**

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through June 30, 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the collective net pension liability to changes in the discount rate**

The following presents the District's proportionate share of the net pension liability as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage-point higher than the current rate:

	1% Decrease <u>4.66%</u>	At Current Discount Rate <u>5.66%</u>	1% Increase <u>6.66%</u>
District's proportionate share of the net pension liability	\$4,530,585	\$3,603,181	\$2,825,148

**Pension plan fiduciary net position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF)**

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2019 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$66,971,477</u>
	<u><u>\$66,971,477</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 which was rolled forward to June 30, 2018. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2018, the proportion of the TPAF net pension liability associated with the District was .1052714677% which was an increase of .0080494831 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized on-behalf pension expense and revenue of \$3,904,201.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2018 measurement date.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions**

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.25%
Salary increases:	
2011-2026	1.55 – 4.55%
Thereafter	2.00 – 5.45%
Investment rate of return	7.00%

**Mortality Rate**

Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement mortality rates were based on the RP-2006 Healthy Annuitant White Collar Mortality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Disability mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No mortality improvement is assumed for disabled retiree mortality. The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2018 and June 30, 2017 respectively) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return (Continued)**

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Fund	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Market Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 4.86% and 4.25% as of June 30, 2018 and 2017, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00, and a municipal bond rate of 3.87% and 3.58% as of June 30, 2018 and 2017, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 50% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS – GASB 75**

**Plan Description and Benefits Provided**

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, with that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Employees Covered by Benefit Terms**

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	145,050
Inactive Plan Members or Beneficiaries	
Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>362,181</u>

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Total Non-Employer OPEB Liability**

The portion of the Total Non-Employer OPEB Liability that was associated with the District at June 30, 2019 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	26,858,925
	\$26,858,925

The Total Non-Employer OPEB Liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018.

The Total Non-Employer OPEB Liability was determined separately based on actual data of the District.

For the year ended June 30, 2019, the District recognized on-behalf post-employment expense and revenue of \$1,528,176.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2018 measurement date.

At June 30, 2018, the District's proportion was 0.0582486224 percent, which was a decrease of .0007140048 from its proportion measured as of June 30, 2017.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Inputs**

The total Non-Employer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation 2.5 percent

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases Through 2026	1.55-4.55%	2.15-4.15% Based on Age	2.10-8.98% Based on Age
Thereafter	2.00-5.45%	3.15-5.15% Based on Age	3.10-9.98 Based on Age

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female fully generational mortality projections from the central year using the MP-2017 scale. Post-Retirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 - June 30, 2015, July 1, 2011 - June 30, 2014, and July 1, 2010 - June 30, 2013 for TPAF, PFRS and PERS, respectively.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage. 100% of active members are considered to participant in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.



**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Health Care Trend Assumptions**

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.8% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Pan B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

**Discount Rate**

The discount rate for June 30, 2018 and 2017 was 3.87% and 3.58%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

**Changes in the Total Non-Employer OPEB Liability**

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2017 to June 30, 2018:

Balance at 6/30/17			\$31,627,460
Changes for the year:			
Service cost	\$	1,461,201.00	
Interest		1,172,272.00	
Differences between expected and actual experience		(3,626,436.00)	
Changes in assumptions or other inputs		(3,082,196.00)	
Membership Contributions		24,822.00	
Benefit payments - Net		(718,198.00)	
Net changes		(4,768,535)	(4,768,535)
Balance at 6/30/18			\$26,858,925

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate**

The following presents the total non-Employer OPEB liability associated with the District as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the total non-Employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2018		
	<u>1.00% Decrease (2.87%)</u>	<u>At Discount Rate (3.87)</u>	<u>1.00% Increase (4.87%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$31,752,717	\$26,858,925	\$22,968,866

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends**

The following presents the total non-Employer OPEB liability associated with the District as of June 30, 2018, calculated using the healthcare trend rate as disclosed above as well as what the total non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2018		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$22,200,466	\$26,858,925	\$33,019,916

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability**

At June 30, 2018, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$	\$ 2,607,259
Changes of assumptions		6,020,565
Net difference between projected and actual earnings on OPEB plan investments		
Changes in proportion	<u>207,645</u>	<u>383,251</u>
	<u>\$ 207,645</u>	<u>\$ 9,011,075.00</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB associated with the District will be recognized in OPEB expense as follows:

<u>Year Ended</u>	<u>Amount</u>
<u>June 30,</u>	
2019	(\$1,098,286)
2020	(\$1,098,286)
2021	(\$1,098,286)
2022	(\$1,098,286)
2023	(\$1,098,286)
Total Thereafter	<u>(\$3,311,999)</u>
	<u><u>(\$8,803,430)</u></u>

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)**

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

**State Health Benefit Local Education Retired Employee Plan Information**

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

**NOTE 8: LITIGATION**

The District, based upon the opinions of the District attorney, there is no litigation, pending claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

**NOTE 9: INVENTORY**

Inventory in the Food Service Fund at June 30, 2019 consisted of the following:

Food and Supplies	<u>\$411.29</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 10: CONTINGENCIES**

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2018-2019 fiscal year were subject to the U.S. OMB Circular Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

**NOTE 11: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters.

**Property and Liability Insurance**

The District maintains commercial coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**New Jersey Unemployment Compensation Insurance**

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Liability Method". Under this plan, the District is required to calculate and pay the amount required on a quarterly basis based upon rates as determined by the New Jersey Department of Labor.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 12: COMPENSATED ABSENCES**

Tenured teachers are entitled to up to 15 sick days per year and upon retirement or termination of employment (with proper notice if by employee) shall be paid an amount of money calculated at the rate of thirty dollars per day for each day of accumulated sick leave at the time of retirement or termination up to a maximum of two hundred twenty five days. If a teacher, as of June 30, 1993, has accumulated more than the aforesaid amount of sick days, the same, to the amount accumulated, shall be the teacher's entitlement unless the same are subsequently utilized which then results in a lesser number which would be the teacher's entitlement. For a teacher's last year of employment, he/she shall receive thirty dollars per sick day for each month worked and fifteen dollars per sick day for the remaining months. Smaller bargaining units of the District are also entitled to compensation for unused sick days based on their bargaining agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the district wide financial statements. The current portion of the compensated absence balance is not considered material to the applicable total liabilities, and is therefore not shown separately for the long-term liability balance of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2019 no liability existed for compensated absences in the proprietary fund types.

**NOTE 13: FUND BALANCE APPROPRIATED**

**General Fund** - Of the \$6,548,067.30 in General Fund Balance at June 30, 2019, \$1,472,347.09 has been assigned for encumbrances, \$1,083,844.01 has been restricted as excess surplus, \$160,160.71 has been restricted as excess surplus - subsequent years' expenditures and has been appropriated and included as anticipated revenue for the year ended June 30, 2020; \$2,351,337.03 has been restricted in the Capital Reserve Account; \$999,999.29 has been assigned for subsequent years expenditures and \$480,379.17 is unassigned.

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 14: CALCULATION OF EXCESS SURPLUS-BUDGETARY BASIS**

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004,c.73 (S1701), the Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget.

General Fund Expenditures	
Fiscal Year Ended June 30, 2019	\$27,587,399.29
Less:	
On-behalf TPAF Pension and Social Security Reimbursement	(3,839,992.27)
Assets Acquired Under Capital Leases	<u>(115,537.51)</u>
Adjusted General Fund Expenditures	\$23,631,869.51
Excess Surplus Percentage	<u>6.00%</u>
6% of Adjusted 2018-19 General Fund Expenditures	1,417,912.17
Add: Allowable Adjustments	0.00
Maximum Unassigned Fund Balance	1,417,912.17
Actual Unassigned Fund Balance (Budgetary)	<u>2,501,756.18</u>
Excess Surplus	<u>\$1,083,844.01</u>

**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 15: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Union County Vocational-Technical Schools by inclusion of \$500,001.00 during fiscal year 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Balance, July 1, 2018	\$1,601,337.03
Deposits:	
Board Resolution dated 6/24/19	750,000.00
	\$2,351,337.03
Balance, June 30, 2019	\$2,351,337.03

**NOTE 16: INTERFUNDS RECEIVABLE AND PAYABLE**

The following interfund balances remained on the balance sheet at June 30, 2019:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$898,533.19	
Special Revenue Fund		\$210,513.80
Capital Projects Fund		617,133.28
Enterprise Funds		61,886.70
Fiduciary Funds		8,999.41
	\$898,533.19	\$898,533.19

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between the funds were returned.



**Union County Vocational-Technical Schools**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 17: DEFERRED COMPENSATION**

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The district offers a variety of plan administrators as follows:

AXA Equitable  
Valic  
Lincoln Investments  
Lincoln National Life Insurances  
Fidelity Investments

**NOTE 18: COMMITMENTS**

The District has active construction projects as of June 30, 2019 relating to approved projects, which include additions and renovations at various schools. At June 30, 2019, the District's commitments with contractors amounted to \$446,507.27 which is reported as a restricted for capital projects on the balance sheet in the capital projects fund.

**NOTE 19: SUBSEQUENT EVENTS**

The District has evaluated subsequent events occurring after the financial statement date through November 27, 2019 which is the date the financial statements were available to be issued. The District has determined that there are no material subsequent events needed to be disclosed.

**REQUIRED SUPPLEMENTARY INFORMATION – Part II**

**BUDGETARY COMPARISON SCHEDULES**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>REVENUES:</b>					
Local Sources:					
County Tax Levy	\$ 5,233,086.00	\$	\$ 5,233,086.00	\$ 5,233,086.00	\$
Tuition from Other LEAs Within State	11,640,000.00		11,640,000.00	11,573,900.00	(66,100.00)
Tuition From Other Sources	440,000.00		440,000.00	527,373.44	87,373.44
Unrestricted Miscellaneous Revenues	400,000.00		400,000.00	201,636.12	(198,363.88)
Interest Earned on Capital Reserve Funds	50.00		50.00	17,607.14	17,557.14
Total Local Sources	<u>17,713,136.00</u>		<u>17,713,136.00</u>	<u>17,553,602.70</u>	<u>(159,533.30)</u>
State Sources:					
Categorical Special Education Aid	1,665,799.00		1,665,799.00	1,665,799.00	
Equalization Aid	6,586,304.00		6,586,304.00	7,586,304.00	1,000,000.00
Categorical Security Aid	201,372.00		201,372.00	201,372.00	
On-behalf TPAF pension Contributions-non-budgeted				2,026,478.00	2,026,478.00
Reimbursed TPAF Social Security Contribution-non-budgeted				829,327.27	829,327.27
On-behalf TPAF OPEB (Post Retire. Med.) Contrib. non-budgeted				938,448.00	938,448.00
Long-term Disability Insurance (non-budgeted)				3,320.00	3,320.00
NCGI-non-budgeted				42,419.00	42,419.00
Total State Sources	<u>8,453,475.00</u>		<u>8,453,475.00</u>	<u>13,293,467.27</u>	<u>4,839,992.27</u>
Total Revenues	<u>26,166,611.00</u>		<u>26,166,611.00</u>	<u>30,847,069.97</u>	<u>4,680,458.97</u>
<b>EXPENDITURES:</b>					
Regular Vocational Programs - Instruction:					
Salaries of Teachers	9,585,584.24	264,415.76	9,850,000.00	8,719,937.12	1,130,062.88
Purchased Professional-Educational Services	655,276.00	444,844.42	1,100,120.42	1,100,920.42	(800.00)
Other Purchased Services (400-500 series)	200,000.00	(13,000.00)	187,000.00	176,149.76	10,850.24
General Supplies	533,080.10	160,340.90	693,421.00	641,857.10	51,563.90
Textbooks	213,015.00	33,000.00	246,015.00	197,831.44	48,183.56
Other Objects	27,200.00	2,800.00	30,000.00	17,789.48	12,210.52
Total Vocational Programs Local Instruction	<u>11,214,155.34</u>	<u>892,401.08</u>	<u>12,106,556.42</u>	<u>10,854,485.32</u>	<u>1,252,071.10</u>
Special Vocational Programs-Instruction					
Salaries of Teachers	780,958.40	(184,378.40)	596,580.00	483,867.87	112,712.13
Purchased Professional & Technical Services	75,000.00	7,734.58	82,734.58	4,360.50	3,374.08
General Supplies	3,750.00	3,075.00	6,825.00	60,517.00	19,483.00
Textbooks	5,500.00	500.00	6,000.00		6,825.00
Other Objects	865,208.40	(168,068.82)	697,139.58	4,719.98	1,280.02
TOTAL VOCATIONAL PROGRAMS	<u>12,079,363.74</u>	<u>724,332.26</u>	<u>12,803,696.00</u>	<u>11,407,950.67</u>	<u>1,395,745.33</u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
School Sponsored Co-Curricular Activities:					
Salaries	\$ 287,065.79	\$	\$ 287,065.79	\$ 275,642.00	\$ 11,423.79
Supplies and Materials	12,000.00		12,000.00	7,408.65	4,591.35
Other Objects	30,000.00		30,000.00	19,159.45	10,840.55
Total School Sponsored Co-Curricular Activities	329,065.79		329,065.79	302,210.10	26,855.69
Instructional Alternative Education Program - Instruction:					
Salaries of Teachers		67,170.00	67,170.00		67,170.00
Purchased Professional & Technical Services		90,000.00	90,000.00	50,000.00	40,000.00
General Supplies		1,000.00	1,000.00		1,000.00
Other Objects		3,500.00	3,500.00		3,500.00
Total Instructional ALT ED Prog Instruction		161,670.00	161,670.00	50,000.00	111,670.00
Instructional Alternative Education Program Support:					
Salaries		96,264.00	96,264.00		96,264.00
Total Instructional Alternative Education Program Support		96,264.00	96,264.00		96,264.00
Total Instructional Alternative Education Program		257,934.00	257,934.00	50,000.00	207,934.00
Other Instructional Programs Instruction:					
Salaries	163,434.00	(163,434.00)			
Purchased Services (300-500 series)	40,000.00	(40,000.00)			
Supplies and Materials	1,000.00	(1,000.00)			
Other Objects	3,500.00	(3,500.00)			
Total Other Instructional Programs Instruction	207,934.00	(207,934.00)			
Total Other Instructional Programs	12,616,363.53	774,332.26	13,390,695.79	11,760,160.77	1,630,535.02
Total - Instruction	12,616,363.53	774,332.26	13,390,695.79	11,760,160.77	1,630,535.02
Health Services:					
Salaries	131,754.07		131,754.07	122,198.00	9,556.07
Purchased Professional and Technical Services		1,325.00	1,325.00		1,325.00
Supplies and Materials	4,000.00		4,000.00	3,253.68	746.32
Total Health Services	135,754.07	1,325.00	137,079.07	125,451.68	11,627.39
Guidance:					
Salaries of Other Professional Staff	944,516.11	79,999.89	1,024,516.00	862,816.95	161,699.05
Salaries of Secretarial and Clerical Assistants	70,320.92	16,000.00	86,320.92	85,308.45	1,012.47
Supplies and Materials	5,500.00	50.00	5,550.00	3,059.90	2,490.10
Other Objects	5,500.00		5,500.00		5,500.00
Total Guidance	1,025,837.03	96,049.89	1,121,886.92	951,185.30	170,701.62

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Child Study Teams:					
Salaries of Other Professional Staff	\$ 88,872.00	\$ 44,000.00	\$ 132,872.00	\$ 53,228.94	\$ 79,643.06
Salaries of Secretarial and Clerical Assistants	39,409.08		39,409.08	36,463.91	2,945.17
Purchased Professional Educational Services	40,000.00		40,000.00	1,028.41	38,971.59
Supplies and Materials	2,500.00		2,500.00	861.58	1,638.42
Other Objects	5,000.00		5,000.00	1,152.80	3,847.20
<b>Total Child Study Teams</b>	<b>175,781.08</b>	<b>44,000.00</b>	<b>219,781.08</b>	<b>92,735.64</b>	<b>127,045.44</b>
Improvement of Instruction Services					
Other Support Services - Instructional Staff:					
Salaries of Other Professional Staff	38,400.00	12,135.35	50,535.35	39,860.35	10,675.00
Total Improvement of Instruction Services /					
Other Support Services - Instructional Staff	38,400.00	12,135.35	50,535.35	39,860.35	10,675.00
Instructional Staff Training Services:					
Salaries of Other Professional Staff	31,700.00	(4,895.95)	26,804.05	24,790.00	2,014.05
Other Purchased Technical Services	16,000.00		16,000.00	10,943.86	5,056.14
Other Purchased Services (400- 500)	10,000.00		10,000.00	10,000.00	
<b>Total Instructional Staff Training Services</b>	<b>57,700.00</b>	<b>(4,895.95)</b>	<b>52,804.05</b>	<b>45,733.86</b>	<b>7,070.19</b>
Support Services General Administration:					
Salaries	459,045.92		459,045.92	400,998.03	58,047.89
Legal Services	60,000.00	3,000.00	63,000.00	62,666.62	333.38
Expenditure and Internal Control Audit Fees	32,640.00		32,640.00	29,550.00	3,090.00
Communications / Telephone	95,000.00	12,000.00	107,000.00	84,649.48	22,350.52
Board Travel Expense	1,000.00		1,000.00	171.70	828.30
Miscellaneous Expenditures	4,500.00		4,500.00	4,494.16	5.84
General Supplies	8,500.00		8,500.00	3,062.56	5,437.44
Miscellaneous Expenditures	14,000.00		14,000.00	13,589.58	410.42
BOE Membership Dues and Fees	5,000.00		5,000.00	1,771.70	3,228.30
<b>Total Support Services General Administration</b>	<b>679,685.92</b>	<b>15,000.00</b>	<b>694,685.92</b>	<b>600,953.83</b>	<b>93,732.09</b>
Support Services School Administration:					
Salaries of Principals / Asst. Principals	594,500.00	87,000.00	681,500.00	619,002.93	62,497.07
Salaries of Other Professionals	4,400.01		4,400.01	3,600.00	800.01
Salaries of Secretarial and Clerical Assistants	283,672.29	58,999.71	342,672.00	228,391.76	114,280.24
Other Salaries	38,832.26	(8,832.26)	30,000.00	15,743.46	14,256.54
Other Purchased Services(400-500 series)	46,261.86	1,738.14	48,000.00	27,389.72	20,610.28
Supplies and Materials	12,500.00		12,500.00	10,304.99	2,195.01
Other Objects	25,000.00		25,000.00	24,971.87	28.13
<b>Total Support Services School Administration</b>	<b>1,005,166.42</b>	<b>138,905.59</b>	<b>1,144,072.01</b>	<b>929,404.73</b>	<b>214,667.28</b>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central Service:					
Salaries	\$ 574,689.00	\$	\$ 574,689.00	\$ 468,866.19	\$ 105,822.81
Purchased Professional Services	40,409.97	10,000.00	50,409.97	45,163.60	5,246.37
Misc. Purch Services (400-500)	4,000.00		4,000.00	4,000.00	
Supplies and Materials	10,000.00		10,000.00	5,474.95	4,525.05
Miscellaneous Expenditures	50,761.42		50,761.42	45,091.37	5,670.05
Total Central Service	679,860.39	10,000.00	689,860.39	568,596.11	121,264.28
Administrative Information Technology:					
Salaries	91,983.00		91,983.00	89,520.96	2,462.04
Other Purchased Services		10,000.00	10,000.00		10,000.00
Total Administrative Information Technology	91,983.00	10,000.00	101,983.00	89,520.96	12,462.04
Required Maintenance for School Facilities:					
Salaries	190,890.00	95,000.00	285,890.00	191,901.52	93,988.48
Cleaning, Repair and Maintenance Services	752,039.23	273,610.77	1,025,650.00	805,139.97	220,510.03
General Supplies	186,300.00	(5,600.00)	180,700.00	161,406.60	19,293.40
Total Required Maintenance for School Facilities	1,129,229.23	363,010.77	1,492,240.00	1,158,448.09	333,791.91
Custodial Services:					
Salaries	416,934.00	8,066.00	425,000.00	361,637.41	63,362.59
Cleaning, Repair and Maintenance Services	599,000.00	36,650.00	635,650.00	607,816.99	27,833.01
Other Purchased Property Services	62,000.00		62,000.00	56,864.83	5,135.17
Insurance	223,500.00	(10,000.00)	213,500.00	184,991.89	28,508.11
Energy (Natural Gas)	262,140.00	(13,000.00)	249,140.00	203,039.24	46,100.76
Energy (Heat and Electricity)	915,666.00		915,666.00	880,447.58	35,218.42
Total Custodial Services	2,479,240.00	21,716.00	2,500,956.00	2,294,797.94	206,158.06
Security:					
Purchased Professional and Technical Services	206,000.00	44,000.00	250,000.00	231,058.23	18,941.77
Total Security	206,000.00	44,000.00	250,000.00	231,058.23	18,941.77
Student Transportation Services:					
Cleaning, Repair and Maintenance Services and School) - Vendors	5,000.00		5,000.00		5,000.00
Transportation Supplies	72,000.00	23,000.00	95,000.00	69,075.51	25,924.49
	5,000.00		5,000.00	640.00	4,360.00
Total Student Transportation Services	82,000.00	23,000.00	105,000.00	69,715.51	35,284.49

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 315,500.00	\$	\$ 315,500.00	\$ 249,182.80	\$ 66,317.20
T.P.A.F. Contributions - ERIP	125,000.00		125,000.00	125,000.00	125,000.00
Other Retirement Contributions - PERS	181,861.60		181,861.60	180,598.35	1,263.25
Unemployment Compensation	30,000.00	(20,400.00)	9,600.00	7,440.59	2,159.41
Workmen's Compensation	124,700.00	(35,000.00)	89,700.00	86,961.00	2,739.00
Health Benefits	3,253,381.00	271,336.74	3,524,717.74	3,477,104.96	47,612.78
Tuition Reimbursements	65,000.00	30,000.00	95,000.00	88,155.60	6,844.40
Other Employee Benefits	20,000.00		20,000.00	9,046.18	10,953.82
Unused sick payment	45,485.91	34,428.35	79,914.26	44,914.26	35,000.00
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>4,160,928.51</b>	<b>280,365.09</b>	<b>4,441,293.60</b>	<b>4,143,403.74</b>	<b>297,889.86</b>
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF pension Contributions-non-budgeted				2,026,478.00	(2,026,478.00)
Reimbursed TPAF Social Security Contribution-non-budgeted				829,327.27	(829,327.27)
On-behalf TPAF OPEB (Post Retire. Medical) Contrib. non-budgeted				938,448.00	(938,448.00)
Long-term Disability Insurance (non-budgeted)				3,320.00	(3,320.00)
NCGI-non-budgeted				42,419.00	(42,419.00)
<b>Total TPAF Pension/Social Security</b>				<b>3,839,992.27</b>	<b>(3,839,992.27)</b>
Total Undistributed Expenditures	11,947,565.65	1,054,611.74	13,002,177.39	15,180,858.24	(2,178,680.85)
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	<b>24,563,929.18</b>	<b>1,828,944.00</b>	<b>26,392,873.18</b>	<b>26,941,019.01</b>	<b>(548,145.83)</b>
<b>CAPITAL OUTLAY:</b>					
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	46,147.00		46,147.00	46,147.00	
Total Facilities Acquisition and Construction Services	46,147.00		46,147.00	46,147.00	
Interest in Capital Reserve	177,780.00	(99,950.00)	77,830.00		77,830.00
Interest Deposit to Capital Reserve	50.00	(50.00)			
Impact Aid reserve (Capital) Transfer to Capital Projects					
Assets acquired under capital leases (non-budgeted)				115,537.51	(115,537.51)
Total assets acquired under capital leases (non-budgeted)				115,537.51	(115,537.51)
<b>TOTAL CAPITAL OUTLAY</b>	<b>223,977.00</b>	<b>(100,000.00)</b>	<b>123,977.00</b>	<b>161,684.51</b>	<b>(37,707.51)</b>



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Accred. Eve./Adult H.S./Post Grad. Inst.:					
Salaries of Teachers	\$ 329,828.24	\$	\$ 329,828.24	\$ 277,391.00	\$ 52,437.24
General Supplies	37,140.35		37,140.35	8,726.87	28,413.48
Textbooks	15,000.00		15,000.00	15,000.00	15,000.00
Other Objects	5,000.00		5,000.00	680.58	4,319.42
Total Accred. Eve./Adult H.S./Post Grad. Inst.	<u>386,968.59</u>		<u>386,968.59</u>	<u>286,798.45</u>	<u>100,170.14</u>
Accred. Eve./Adult H.S./Post Grad. Supp. Ser.:					
Salaries	178,228.18		178,228.18	155,338.64	22,889.54
Supplies and Materials	10,000.00	(500.00)	9,500.00	5,986.60	3,513.40
Other Objects	10,000.00	500.00	10,500.00	10,210.00	290.00
Total Accred. Eve./Adult H.S./Post Grad. Supp. Ser.	<u>198,228.18</u>		<u>198,228.18</u>	<u>171,535.24</u>	<u>26,692.94</u>
Total Accred. Eve./Adult H.S./Post Grad.	<u>585,196.77</u>		<u>585,196.77</u>	<u>458,333.69</u>	<u>126,863.08</u>
Vocational Evening Local Instruction:					
Salaries of Teachers	58,615.00		58,615.00	21,787.50	36,827.50
General Supplies	5,000.00		5,000.00	4,574.58	425.42
Total Vocational Evening Local Instruction	<u>63,615.00</u>		<u>63,615.00</u>	<u>26,362.08</u>	<u>37,252.92</u>
Total Special Schools	<u>648,811.77</u>		<u>648,811.77</u>	<u>484,695.77</u>	<u>164,116.00</u>
TOTAL EXPENDITURES	\$ 25,436,717.95	\$ 1,728,944.00	\$ 27,165,661.95	\$ 27,587,399.29	\$ (421,737.34)
Excess (deficiency) of revenues over (under) expenditures	\$ 729,893.05	\$ (1,728,944.00)	\$ (999,050.95)	\$ 3,259,670.68	\$ 4,258,721.63
Other financing sources (uses)					
Proceeds from Capital Lease (non-budgeted)				115,537.51	115,537.51
Total other financing sources				<u>115,537.51</u>	<u>115,537.51</u>
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	<u>729,893.05</u>	<u>(1,728,944.00)</u>	<u>(999,050.95)</u>	<u>3,375,208.19</u>	<u>4,374,259.14</u>
Fund balances, July 1	<u>3,103,475.73</u>		<u>3,103,475.73</u>	<u>4,110,392.11</u>	
Fund balances, June 30	\$ <u>3,833,368.78</u>	\$ <u>(1,728,944.00)</u>	\$ <u>2,104,424.78</u>	\$ <u>7,485,600.30</u>	\$ <u>4,374,259.14</u>
Recapitulation:					
Assigned - year-end encumbrances				\$ 1,472,347.09	
Restricted - excess surplus - current year				1,083,844.01	
Restricted - excess surplus - designated for subsequent year's expenditures				160,160.71	
Restricted - capital reserve				2,351,337.03	
Unassigned fund balance				<u>1,417,912.17</u>	
				\$ 7,485,600.30	
Reconciliation to governmental funds statements (GAAP):				<u>(937,533.00)</u>	
Prior Year aid payment not recognized on GAAP basis					
Fund balance per governmental funds (GAAP)				\$ <u>6,548,067.30</u>	

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR FISCAL YEARS ENDED JUNE 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
<b>REVENUES:</b>					
Other Sources	\$ 350,000.00	\$ (335,000.00)	\$ 15,000.00	\$ 3,890.00	\$ (11,110.00)
State Sources		1,467,687.75	1,467,687.75	1,038,917.99	(428,769.76)
Federal Sources	250,000.00	987,241.40	1,237,241.40	996,386.02	(240,855.38)
<b>Total Revenues</b>	<u>\$ 600,000.00</u>	<u>\$ 2,119,929.15</u>	<u>\$ 2,719,929.15</u>	<u>\$ 2,039,194.01</u>	<u>\$ (680,735.14)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	\$ 600,000.00	\$ 96,329.25	\$ 696,329.25	\$ 575,483.00	\$ 120,846.25
Purchased Professional / Educational Services		184,418.23	184,418.23	126,687.89	57,730.34
Purchased Professional/Technical Services		475,388.14	475,388.14	335,750.46	139,637.68
Other Purchased Services		20,000.00	20,000.00	11,816.31	8,183.69
General Supplies			426,065.18	312,092.81	113,972.37
Textbooks			2,000.00		2,000.00
Other Objects		93,022.00	93,022.00	34,604.31	58,417.69
<b>Total Instruction</b>	<u>600,000.00</u>	<u>869,157.62</u>	<u>1,897,222.80</u>	<u>1,396,434.78</u>	<u>500,788.02</u>
Support Services:					
Other Salaries		176,262.01	176,262.01	145,259.92	31,002.09
Purchased Services Employee Benefits		175,130.00	175,130.00	170,014.78	5,115.22
Purchased Professional / Educational Services		27,613.00	27,613.00	23,745.00	3,868.00
Other purchased services		171,290.30	171,290.30	149,589.54	21,700.76
Supplies and Materials		38,654.76	38,654.76	25,111.42	13,543.34
Other Objects		98,278.28	98,278.28	31,249.51	67,028.77
<b>Total Support Services</b>		<u>863,490.36</u>	<u>687,228.35</u>	<u>544,970.17</u>	<u>142,258.18</u>
Facilities Acquisition and Construction Service:					
Instructional equipment		101,478.00	101,478.00	94,345.09	7,132.91
Non-instructional equipment		34,000.00	34,000.00	3,443.97	30,556.03
<b>Total Facilities Acquisition and Construction Service</b>		<u>135,478.00</u>	<u>135,478.00</u>	<u>97,789.06</u>	<u>37,688.94</u>
<b>Total expenditures</b>	<u>\$ 600,000.00</u>	<u>\$ 1,868,125.98</u>	<u>\$ 2,719,929.15</u>	<u>\$ 2,039,194.01</u>	<u>\$ 680,735.14</u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI (REQUIRED SUPPLEMENTARY INFORMATION)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Note A - Explanation of difference between budgetary inflows and outflows and GAAP revenues and expenditures

	GENERAL FUND	SPECIAL REVENUE FUND
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 30,847,069.97	\$ 2,039,194.01
<b>Difference - budget to GAAP:</b>		
State aid payment recognized for GAAP statements in the current year, previously it was recognized for budgetary purposes.	639,519.00	
The last state aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(937,533.00)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
<b>Adjust for encumbrances:</b>		
Add prior year encumbrances		57,559.08
Less prior year encumbrances canceled		(11,658.82)
Less current year encumbrances		(273,310.46)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 30,549,055.97	\$ 1,811,783.81
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 27,587,399.29	\$ 2,039,194.01
<b>Difference - budget to GAAP:</b>		
<b>Adjust for encumbrances:</b>		
Add prior year encumbrances		57,559.08
Less prior year encumbrances canceled		(11,658.82)
Less current year encumbrances		(273,310.46)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 27,587,399.29	\$ 1,811,783.81

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)**

Union County Vocational and Technical Schools  
Schedule of the District's Proportionate Share of the Net Pension Liability  
Public Employees Retirement System  
Last Ten Years

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0191798165%	\$ 3,665,644	1,102,813.00	332.39%	48.72%
2014	0.0148149123%	2,773,757	1,136,043.00	244.16%	52.08%
2015	0.0160037118%	3,592,513	1,241,024.00	289.48%	47.92%
2016	0.0177637930%	5,261,126	1,278,576.00	411.48%	40.14%
2017	0.0180599339%	4,204,064	1,281,711.00	328.00%	48.10%
2018	0.0183000010%	3,603,181	1,400,591.00	257.26%	53.60%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

Union County Vocational and Technical Schools  
Schedule of the District's Contributions  
Public Employees Retirement System  
Last Ten Years

<u>Fiscal Year</u> <u>Ending</u> <u>June 30,</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contributions in</u> <u>Relation to the</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>District's</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>	<u>Contributions as</u> <u>a Percentage of</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>
2014	\$ 122,132	\$ 122,132	\$ -0-	1,102,813.00	11.07%
2015	137,589	137,589	-0-	1,136,043.00	12.11%
2016	157,811	157,811	-0-	1,241,024.00	12.72%
2017	158,600	158,600	-0-	1,278,576.00	12.40%
2018	173,749	173,749	-0-	1,281,711.00	13.56%
2019	176,224	176,224	-0-	1,400,591.00	12.58%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

Union County Vocational and Technical Schools  
Schedule of the District's Proportionate Share of the Net Pension Liability  
Teachers Pension and Annuity Fund  
Last Ten Years

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0955343287%	\$ -0-	\$ 48,282,298	9,478,829.00 \$	509.37%	33.76%
2014	0.0975289691%	-0-	52,126,060	9,770,347.00	533.51%	33.64%
2015	0.0954123341%	-0-	60,304,670	10,539,012.00	572.20%	28.71%
2016	0.0906090509%	-0-	71,278,849	11,074,052.00	643.66%	22.33%
2017	0.0972219846%	-0-	65,550,568	11,174,211.00	586.62%	25.41%
2018	0.1052714677%	-0-	66,971,477	11,392,669.00	587.85%	26.49%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.



UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

**REQUIRED SUPPLEMENTARY INFORMATION - PART IV**

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN  
PENSIONS (GASB 75)**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL  
SCHEDULE OF CHANGES IN THE DISTRICT'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST TEN YEARS

	<u>Measurement Date Ended June 30,</u>	
	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District		
Balance at 6/30	\$31,627,460	\$33,801,505
Changes for the year:		
Service cost	1,461,201	1,753,122
Interest	1,172,272	1,003,323
Changes of benefit terms		
Differences between expected and actual experience	(3,626,436)	
Changes in assumptions or other inputs	(3,082,196)	(4,224,906)
Membership Contributions	24,822	26,975
Benefit payments - Net	(718,198)	(732,559)
Net changes	<u>(4,768,535)</u>	<u>(2,174,045)</u>
Balance at 6/30	<u>\$26,858,925</u>	<u>\$31,627,460</u>
Covered Employee Payroll	12,793,260	12,674,380
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	209.95%	249.54%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Change in benefit terms:     None

Change in assumptions:     The discount rate changed from 3.58% to 3.87% as of  
June 30, 2018.

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	\$	\$	\$	\$	\$	\$
	APPRENTICE COORDINATOR	RECOVERY ACCESS GRANT	PERKINS SECONDARY	SIMON YOUTH ACADEMY GRANT	TITLE I	
<b>REVENUES:</b>						
Local Sources	21,223.00	707,777.84	521,406.09	309,917.15	222,576.60	
State Sources						
Federal Sources						
<b>Total Revenues</b>	<b>21,223.00</b>	<b>707,777.84</b>	<b>521,406.09</b>	<b>309,917.15</b>	<b>222,576.60</b>	
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers		150,000.00		144,000.00	151,422.00	
Purchased Professional / Educational Services		318,350.46	106,413.89	17,400.00	16,377.00	
Purchased Professional / Technical Services				11,816.31		
Other Purchased Services		754.06	290,897.29	3,951.11	2,605.60	
General Supplies		665.50		33,938.81		
Other Objects						
<b>Total Instruction</b>		<b>489,770.02</b>	<b>397,311.18</b>	<b>211,106.23</b>	<b>170,404.60</b>	
Support Services:						
Other Salaries	18,112.01	58,629.17	12,241.24	39,000.00		
Personal Services Employee - Benefits	1,354.00	42,000.00	1,132.00	26,000.00	52,172.00	
Purchased Professional / Educational Services						
Other Purchased Services	100.00	135,543.94	10,481.30	12,627.71		
Supplies and Materials	699.71					
Other Objects	997.28	1,834.71	2,451.31	21,183.21		
<b>Total Support Services</b>	<b>21,223.00</b>	<b>238,007.82</b>	<b>26,305.85</b>	<b>98,810.92</b>	<b>52,172.00</b>	
Equipment:						
Instructional Equip.			94,345.09			
Non-Instructional Equip.			3,443.97			
<b>Total Equipment</b>			<b>97,789.06</b>			
<b>Total Expenditures</b>	<b>21,223.00</b>	<b>707,777.84</b>	<b>521,406.09</b>	<b>309,917.15</b>	<b>222,576.60</b>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	-0-	-0-	-0-	-0-	-0-	



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	DIG-IN GRANT	UC NIGHT AT THE THEATRE	PORT GRANT	IDEA PART B BASIC	TITLE IV	TITLE IIA	TOTALS
<b>REVENUES:</b>							
Local Sources	\$ 1,250.00	\$ 1,750.00	\$ 890.00	\$	\$	\$	\$ 3,890.00
State Sources				225,564.75	22,440.00	4,398.58	1,038,917.99
Federal Sources				225,564.75	22,440.00	4,398.58	996,386.02
<b>Total Revenues</b>	<b>1,250.00</b>	<b>1,750.00</b>	<b>890.00</b>	<b>451,129.50</b>	<b>44,880.00</b>	<b>8,797.16</b>	<b>2,039,194.01</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers				130,061.00	3,897.00		575,483.00
Purchased Professional / Educational Services							126,687.89
Purchased Professional / Technical Services							335,750.46
Other Purchased Services	1,250.00			2,091.75	10,543.00		11,816.31
General Supplies							312,092.81
Other Objects							34,604.31
<b>Total Instruction</b>	<b>1,250.00</b>			<b>132,152.75</b>	<b>14,440.00</b>		<b>1,396,434.78</b>
Support Services:							
Other Salaries				16,000.00		1,277.50	145,259.92
Personal Services Employee - Benefits				46,810.00		546.78	170,014.78
Purchased Professional / Educational Services				23,745.00			23,745.00
Other Purchased Services			890.00			2,574.30	149,569.54
Supplies and Materials		1,750.00		2,074.00	8,000.00		25,111.42
Other Objects				4,783.00			31,249.51
<b>Total Support Services</b>		<b>1,750.00</b>	<b>890.00</b>	<b>93,412.00</b>	<b>8,000.00</b>	<b>4,398.58</b>	<b>544,970.17</b>
Equipment:							
Instructional Equip.							94,345.09
Non-Instructional Equip.							3,443.97
<b>Total Equipment</b>							<b>97,789.06</b>
<b>Total Expenditures</b>	<b>1,250.00</b>	<b>1,750.00</b>	<b>890.00</b>	<b>225,564.75</b>	<b>22,440.00</b>	<b>4,398.58</b>	<b>2,039,194.01</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-0-	-0-	-0-	-0-	-0-	-0-	-0-

## **CAPITAL PROJECTS FUND DETAIL STATEMENTS**

The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
 CAPITAL PROJECTS FUND  
 SUMMARY STATEMENT OF PROJECT EXPENDITURES-BUDGETARY BASIS  
 AS OF JUNE 30, 2019

ISSUE/PROJECT TITLE	ORDINANCE NUMBER	APPROPRIATIONS	EXPENDITURES TO DATE		BALANCE JUNE 30, 2019
			PRIOR YEAR	CURRENT YEAR	
Improvements to Union County Vocation Technical Schools	669	\$ 87,560.63	\$ 87,560.53	\$	0.10
Improvements to Union County Vocation Technical Schools	671	370.51			370.51
Improvements to Union County Vocation Technical Schools	713	1,400,000.00	1,398,539.19	1,460.81	
Improvements to Union County Vocation Technical Schools	723	1,300,000.00	1,230,705.15	9,258.04	60,036.81
Improvements to Union County Vocation Technical Schools	740	971,043.00	737,400.37	218,082.06	15,560.57
Improvements to Union County Vocation Technical Schools	920/752bb	11,150,000.00	11,118,989.39		31,010.61
Improvements to Union County Vocation Technical Schools	752cc	1,442,000.00	899,360.33	105,998.59	436,641.08
Improvements to Union County Vocation Technical Schools	759bb	978,500.00	148,107.03	109,359.49	721,033.48
Improvements to Union County Vocation Technical Schools	759cc	463,500.00	218,413.24	56,589.20	188,497.56
Improvements to Union County Vocation Technical Schools	765	1,184,500.00	317,060.89	1,200.00	866,239.11
Improvements to Union County Vocation Technical Schools	776	1,442,000.00	994,891.19	235,627.52	211,481.29
Improvements to Union County Vocation Technical Schools	787	1,400,000.00	507,619.01	713,498.45	178,882.54
Improvements to Union County Vocation Technical Schools	795	\$ 2,250,000.00	\$	426,010.09	1,823,989.91
Totals		\$ 24,069,474.14	\$ 17,658,646.32	1,877,084.25	4,533,743.57



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 1,400,000.00	\$ _____	\$ 1,400,000.00	\$ 1,400,000.00
Total Revenues and Other Financing Sources	<u>1,400,000.00</u>	<u>_____</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Construction Services	803,728.47		803,728.47	803,729.00
Equipment	<u>594,810.72</u>	<u>1,460.81</u>	<u>596,271.53</u>	<u>596,271.00</u>
Total Expenditures and Other Financing Uses	<u>1,398,539.19</u>	<u>1,460.81</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ <u>1,460.81</u>	\$ <u>(1,460.81)</u>	\$ _____	

## ADDITIONAL PROJECT INFORMATION:

County Ordinance Number	713
Grant date	N/A
County Authorization Date	12/8/2010
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,400,000.00
Additional Authorized Cost	-0-
Revised Authorized Cost	1,400,000.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	100.00%
Original Completion Date	12/09
Revised Completion Date	6/19

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 1,300,000.00	\$ _____	\$ 1,300,000.00	\$ 1,300,000.00
<b>Total Revenues and Other Financing Sources</b>	<u>1,300,000.00</u>	<u>_____</u>	<u>1,300,000.00</u>	<u>1,300,000.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Construction Services	1,115,741.96	9,258.04	1,125,000.00	1,125,000.00
Equipment	<u>175,000.00</u>	<u>_____</u>	<u>175,000.00</u>	<u>175,000.00</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>1,290,741.96</u>	<u>9,258.04</u>	<u>1,300,000.00</u>	<u>1,300,000.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 9,258.04</u>	<u>\$ (9,258.04)</u>	<u>\$ (0.00)</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
County Ordinance Number	723			
Grant date	N/A			
County Authorization Date	9/21/2011			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,300,000.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	1,300,000.00			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion	100.00%			
Original Completion Date	12/13			
Revised Completion Date	6/19			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
CONSTRUCTION OF CAMPUS COVERED WALKWAYS AND PURCHASE OF EQUIPMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 971,043.00	\$ _____	\$ 971,043.00	\$ 971,043.00
Total Revenues and Other Financing Sources	<u>971,043.00</u>	<u>_____</u>	<u>971,043.00</u>	<u>971,043.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services	2,603.43		2,603.43	18,164.00
Construction Services	387,815.12	217,651.88	605,467.00	605,467.00
Equipment	346,981.82	430.18	347,412.00	347,412.00
Total Expenditures and Other Financing Uses	<u>737,400.37</u>	<u>218,082.06</u>	<u>955,482.43</u>	<u>971,043.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ <u>233,642.63</u>	\$ <u>(218,082.06)</u>	\$ <u>15,560.57</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
County Ordinance Number	740			
Grant date	N/A			
County Authorization Date	9/13/2012			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	971,043.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	971,043.00			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion	98.00%			
Original Completion Date	11/14			
Revised Completion Date	6/20			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
CONSTRUCTION OF ADDITION AND RENOVATION OF WEST HALL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 11,150,000.00	\$ _____	\$ 11,150,000.00	\$ 11,150,000.00
Total Revenues and Other Financing Sources	<u>11,150,000.00</u>	<u>_____</u>	<u>11,150,000.00</u>	<u>11,150,000.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services	1,139,737.22	_____	1,139,737.22	1,148,000.00
Construction Services	<u>10,001,604.83</u>	<u>_____</u>	<u>10,001,604.83</u>	<u>10,002,000.00</u>
Total Expenditures and Other Financing Uses	<u>11,141,342.05</u>	<u>_____</u>	<u>11,141,342.05</u>	<u>11,150,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 8,657.95</u>	<u>\$ _____</u>	<u>\$ 8,657.95</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
County Ordinance Number	920/752BB			
Grant date	N/A			
County Authorization Date	11/29/2012			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	11,150,000.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	11,150,000.00			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion	99.92%			
Original Completion Date	11/15			
Revised Completion Date	11/20			



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
County of Union Capital Ordinances	\$ 1,442,000.00	\$ _____	\$ 1,442,000.00	\$ 1,442,000.00
Total Revenues and Other Financing Sources	<u>1,442,000.00</u>	<u>_____</u>	<u>1,442,000.00</u>	<u>1,442,000.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Construction Services	293,330.18	105,998.59	399,328.77	942,000.00
Equipment	<u>500,000.00</u>	<u>_____</u>	<u>500,000.00</u>	<u>500,000.00</u>
Total Expenditures and Other Financing Uses	<u>793,330.18</u>	<u>105,998.59</u>	<u>899,328.77</u>	<u>1,442,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 648,669.82</u>	<u>\$ (105,998.59)</u>	<u>\$ 542,671.23</u>	
ADDITIONAL PROJECT INFORMATION:				
County Ordinance Number	752CC			
Grant date	N/A			
County Authorization Date				
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,442,000.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	1,442,000.00			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion	62.00%			
Original Completion Date	11/15			
Revised Completion Date	11/20			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 978,500.00	\$ _____	\$ 978,500.00	\$ 978,500.00
Total Revenues and Other Financing Sources	<u>978,500.00</u>	<u>_____</u>	<u>978,500.00</u>	<u>978,500.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services				28,500.00
Construction Services	107,542.99	109,359.49	216,902.48	800,000.00
Equipment	<u>40,564.04</u>	<u>_____</u>	<u>40,564.04</u>	<u>150,000.00</u>
Total Expenditures and Other Financing Uses	<u>148,107.03</u>	<u>109,359.49</u>	<u>257,466.52</u>	<u>978,500.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 830,392.97</u>	<u>\$ (109,359.49)</u>	<u>\$ 721,033.48</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
County Ordinance Number	759bb			
Grant date	N/A			
County Authorization Date	9/11/2014			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	978,500.00			
Additional Authorized Cost				
Revised Authorized Cost	978,500.00			
Percentage Increase over Original Authorized Costs				
Percentage Completion	26.00%			
Original Completion Date	6/16			
Revised Completion Date	6/20			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 463,500.00	\$ _____	\$ 463,500.00	\$ 463,500.00
Total Revenues and Other Financing Sources	<u>463,500.00</u>	<u>_____</u>	<u>463,500.00</u>	<u>463,500.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services				13,500.00
Construction Services				150,000.00
Equipment	218,413.24	56,589.20	275,002.44	300,000.00
Total Expenditures and Other Financing Uses	<u>218,413.24</u>	<u>56,589.20</u>	<u>275,002.44</u>	<u>463,500.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ <u>245,086.76</u>	\$ <u>(56,589.20)</u>	\$ <u>188,497.56</u>	

**ADDITIONAL PROJECT INFORMATION:**

County Ordinance Number	759cc
Grant date	N/A
County Authorization Date	9/11/2014
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	463,500.00
Additional Authorized Cost	-0-
Revised Authorized Cost	463,500.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	59.00%
Original Completion Date	6/16
Revised Completion Date	6/20

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 1,184,500.00	\$ _____	\$ 1,184,500.00	\$ 1,184,500.00
<b>Total Revenues and Other Financing Sources</b>	<u>1,184,500.00</u>	<u>_____</u>	<u>1,184,500.00</u>	<u>1,184,500.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services	12,731.17		12,731.17	34,500.00
Land and Improvements				150,000.00
Construction Services	150,350.00		150,350.00	800,000.00
Equipment	153,979.72	1,200.00	155,179.72	200,000.00
<b>Total Expenditures and Other Financing Uses</b>	<u>317,060.89</u>	<u>1,200.00</u>	<u>318,260.89</u>	<u>1,184,500.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 867,439.11</u>	<u>\$ (1,200.00)</u>	<u>\$ 866,239.11</u>	

**ADDITIONAL PROJECT INFORMATION:**

County Ordinance Number	765
Grant date	N/A
County Authorization Date	2/1/2016
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,184,500.00
Additional Authorized Cost	-0-
Revised Authorized Cost	1,184,500.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	27.00%
Original Completion Date	6/30/2017
Revised Completion Date	6/30/2020

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL-APA/KEAN EASEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ <u>87,560.63</u>	\$ _____	\$ <u>87,560.63</u>	\$ <u>87,560.63</u>
<b>Total Revenues and Other Financing Sources</b>	<u>87,560.63</u>	_____	<u>87,560.63</u>	<u>87,560.63</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Construction Services	<u>87,560.53</u>	_____	<u>87,560.53</u>	<u>87,560.63</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>87,560.53</u>	_____	<u>87,560.53</u>	<u>87,560.63</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 0.10</u>	<u>\$ _____</u>	<u>\$ 0.10</u>	

**ADDITIONAL PROJECT INFORMATION:**

County Ordinance Number	669
Grant date	N/A
County Authorization Date	6/26/2009
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	87,560.63
Additional Authorized Cost	-0-
Revised Authorized Cost	87,560.63
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	100.00%
Original Completion Date	6/1/10
Revised Completion Date	6/18

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
County of Union Capital Ordinances	\$ 370.51	\$ _____	\$ 370.51	\$ 370.51
Total Revenues and Other Financing Sources	<u>370.51</u>	<u>_____</u>	<u>370.51</u>	<u>370.51</u>
EXPENDITURES AND OTHER FINANCING USES:				
Construction Services	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>370.51</u>
Total Expenditures and Other Financing Uses	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>370.51</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ <u>370.51</u>	\$ <u>_____</u>	\$ <u>370.51</u>	
ADDITIONAL PROJECT INFORMATION:				
County Ordinance Number	671			
Grant date	N/A			
County Authorization Date	10/9/2008			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	370.51			
Additional Authorized Cost	-0-			
Revised Authorized Cost	370.51			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion				
Original Completion Date				
Revised Completion Date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
County of Union Capital Ordinances	\$ 1,442,000.00	\$ _____	\$ 1,442,000.00	\$ 1,442,000.00
Total Revenues and Other Financing Sources	<u>1,442,000.00</u>	<u>_____</u>	<u>1,442,000.00</u>	<u>1,442,000.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional and Technical Services	16,500.00		16,500.00	42,000.00
Construction Services	515,925.15	279.94	516,205.09	600,000.00
Equipment	<u>462,466.04</u>	<u>235,347.58</u>	<u>697,813.62</u>	<u>800,000.00</u>
Total Expenditures and Other Financing Uses	<u>994,891.19</u>	<u>235,627.52</u>	<u>1,230,518.71</u>	<u>1,442,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 447,108.81</u>	<u>\$ (235,627.52)</u>	<u>\$ 211,481.29</u>	
ADDITIONAL PROJECT INFORMATION:				
County Ordinance Number	776			
Grant date	N/A			
County Authorization Date	2017			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,442,000.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	1,442,000.00			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion	85.00%			
Original Completion Date	6/18			
Revised Completion Date	6/20			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ 1,400,000.00	\$ _____	\$ 1,400,000.00	\$ 1,400,000.00
Total Revenues and Other Financing Sources	<u>1,400,000.00</u>	<u>_____</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Construction Services	207,619.01	470,298.50	677,917.51	800,000.00
Equipment	<u>300,000.00</u>	<u>243,199.95</u>	<u>543,199.95</u>	<u>600,000.00</u>
Total Expenditures and Other Financing Uses	<u>507,619.01</u>	<u>713,498.45</u>	<u>1,221,117.46</u>	<u>1,400,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 892,380.99</u>	<u>\$ (713,498.45)</u>	<u>\$ 178,882.54</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
County Ordinance Number	787			
Grant date	N/A			
County Authorization Date	2018			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,400,000.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	1,400,000.00			
Percentage Increase over Original Authorized Costs	N/A			
Percentage Completion	87.00%			
Original Completion Date	6/19			
Revised Completion Date	6/20			



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County of Union Capital Ordinances	\$ _____	\$ 2,250,000.00	\$ 2,250,000.00	\$ 2,250,000.00
<b>Total Revenues and Other Financing Sources</b>	<b>_____</b>	<b>2,250,000.00</b>	<b>2,250,000.00</b>	<b>2,250,000.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Land Improvements				300,000.00
Construction Services				1,050,000.00
Equipment	_____	426,010.09	426,010.09	900,000.00
<b>Total Expenditures and Other Financing Uses</b>	<b>_____</b>	<b>426,010.09</b>	<b>426,010.09</b>	<b>2,250,000.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ _____</b>	<b>\$ 1,823,989.91</b>	<b>\$ 1,823,989.91</b>	

**ADDITIONAL PROJECT INFORMATION:**

County Ordinance Number	795
Grant date	N/A
County Authorization Date	2019
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	2,250,000.00
Additional Authorized Cost	-0-
Revised Authorized Cost	2,250,000.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	19.00%
Original Completion Date	6/21
Revised Completion Date	6/21

## PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

**FOOD SERVICES FUND:**

This fund provides for the operation of food services within the school district.

**MATERIALS FOR RESALE FUND:**

This fund is used to account for fees collected and expenses incurred for student services provided to the general public.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
JUNE 30, 2019

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	MATERIALS FOR RESALE	TOTALS
<b>ASSETS:</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 176,776.25	\$ 195,123.09	\$ 371,899.34
Accounts receivable:			
Federal	6,258.55		6,258.55
State	217.62		217.62
Inventories	411.29		411.29
 Total Current Assets	 183,663.71	 195,123.09	 378,786.80
 Total Assets	 183,663.71	 195,123.09	 378,786.80
 <b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	12,395.14		12,395.14
Interfunds payable	56,886.70	5,000.00	61,886.70
Unearned revenue	9,377.10		9,377.10
 Total Current Liabilities	 78,658.94	 5,000.00	 83,658.94
 Total Liabilities	 78,658.94	 5,000.00	 83,658.94
 <b>NET POSITION</b>			
Unrestricted	105,004.77	190,123.09	295,127.86
 Total Net Position	 \$ 105,004.77	 \$ 190,123.09	 \$ 295,127.86

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE	MATERIALS FOR RESALE	TOTALS
<b>OPERATING REVENUES:</b>			
Charges for services:			
Daily sales	\$ 169,661.94	\$	\$ 169,661.94
Daily sales - non-reimbursable programs	132,749.00		132,749.00
Miscellaneous		45,546.36	45,546.36
	302,410.94	45,546.36	347,957.30
<b>OPERATING EXPENSES:</b>			
Cost of sales-reimbursable	115,749.58		115,749.58
Cost of sales-non reimbursable	53,181.00		53,181.00
Salaries	117,653.70	38,500.64	156,154.34
Employee benefits and taxes	79,247.05		79,247.05
Other purchased services	16,050.00		16,050.00
Supplies and materials	12,507.20		12,507.20
Miscellaneous	5,856.27		5,856.27
	400,244.80	38,500.64	438,745.44
Total Operating Expenses	400,244.80	38,500.64	438,745.44
Operating Income (Loss)	(97,833.86)	7,045.72	(90,788.14)
<b>NONOPERATING REVENUES:</b>			
State Sources			
State School Lunch Program	3,442.68		3,442.68
Federal Sources			
National School Lunch Program	85,414.79		85,414.79
National School Breakfast Program	9,508.71		9,508.71
National Food Distribution Commodities	17,657.92		17,657.92
Interest and Investment Revenue	93.62		93.62
	116,117.72		116,117.72
Total Nonoperating Revenues	116,117.72		116,117.72
Net Income	18,283.85	7,045.72	25,329.57
Change in net position	18,283.85	7,045.72	25,329.57
Total Net Position, Beginning of Year	86,720.91	183,077.37	269,798.28
Total Net Position, End of Year	\$ 105,004.77	\$ 190,123.09	\$ 295,127.86

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
PROPRIETARY FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND

	<u>FOOD SERVICE</u>	<u>MATERIALS FOR RESALE</u>	<u>TOTALS</u>
Cash flows from operating activities:			
Receipts from customers	\$ 303,769.53	\$ 45,546.36	\$ 349,315.89
Payments for employees' salaries and benefits	(82,830.14)		(82,830.14)
Payments to suppliers for goods and services	(298,916.07)	(38,500.64)	(337,416.71)
Net Cash Provided by (Used for) Operating Activities	<u>(77,976.68)</u>	<u>7,045.72</u>	<u>(70,930.96)</u>
Cash Flows from Noncapital Financing Activities:			
State Sources	3,471.14		3,471.14
Federal Sources	95,806.08		95,806.08
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>99,277.22</u>		<u>99,277.22</u>
Cash Flows from Investing Activities:			
Interest on investments and deposits	93.62		93.62
Net Cash Provided by (Used for) by Investing Activities	<u>93.62</u>		<u>93.62</u>
Net increase in cash and cash equivalents	21,394.16	7,045.72	28,439.88
Cash and cash equivalents, July 1	<u>155,382.09</u>	<u>188,077.37</u>	<u>343,459.46</u>
Cash and cash equivalents, June 30	<u>\$ 176,776.25</u>	<u>\$ 195,123.09</u>	<u>\$ 371,899.34</u>
Operating Income (Loss)	\$ (97,833.86)	\$ 7,045.72	\$ (90,788.14)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
National Food Distribution Commodities	17,657.92		17,657.92
Change in Assets and Liabilities:			
Increase / (Decrease) in Accounts Payable	(892.76)		(892.76)
Increase / (Decrease) in Unearned Revenue	960.62		960.62
(Increase) / Decrease in Inventory	2,131.40		2,131.40
Net Cash Provided by (Used for) by Operating Activities	<u>\$ (77,976.68)</u>	<u>\$ 7,045.72</u>	<u>\$ (70,930.96)</u>

**FIDUCIARY FUNDS DETAIL STATEMENTS**

**Fiduciary Funds are used to account for funds received by the district for a specific purpose:**

**Vocational Scholarship Fund :** This expendable trust is used to account for donations received that are for student scholarships.

**Agency Funds are used to account for assets held by the district as an agent for another party:**

**Student Activity Fund :** This agency fund is used to account for student funds held at the schools.

**Payroll Fund:** This agency fund is used to account for the payroll transactions of the school district.

**Federal Fund :** This agency fund is used to account for receipts for PELL Grants

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2019

	TRUST FUNDS	AGENCY FUNDS			TOTAL
	SCHOLARSHIP AND AWARDS	STUDENT ACTIVITY	PAYROLL AGENCY	FEDERAL FUNDS	AGENCY FUNDS
ASSETS:					
Cash and Cash Equivalents	\$ 15,850.62	\$ 232,784.84	\$ 343,904.91	\$ 100.32	\$ 576,790.07
Total assets	<u>\$ 15,850.62</u>	<u>\$ 232,784.84</u>	<u>\$ 343,904.91</u>	<u>\$ 100.32</u>	<u>\$ 576,790.07</u>
LIABILITIES:					
Payroll Deductions and Withholdings	\$		\$ 343,099.25		\$ 343,099.25
Due to Student Groups		232,784.84			232,784.84
Interfunds	8,093.43	0.00	805.66	100.32	905.98
Total liabilities	<u>\$ 8,093.43</u>	<u>\$ 232,784.84</u>	<u>\$ 343,904.91</u>	<u>\$ 100.32</u>	<u>\$ 576,790.07</u>
NET POSITION:					
Held in trust for scholarships	<u>\$ 7,757.19</u>				
TOTAL NET POSITION	<u>\$ 7,757.19</u>				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>TRUST FUNDS</u> <u>SCHOLARSHIP</u> <u>AND AWARDS</u>	<u>TOTALS</u>
Net Position, Beginning of Year	\$ <u>7,757.19</u>	\$ <u>7,757.19</u>
Net Position, End of Year	\$ <u><u>7,757.19</u></u>	\$ <u><u>7,757.19</u></u>



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BALANCE</u> <u>JUNE 30, 2018</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSEMENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2019</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ <u>244,458.73</u>	\$ <u>476,161.30</u>	\$ <u>487,835.19</u>	\$ <u>232,784.84</u>
Total assets	\$ <u><u>244,458.73</u></u>	\$ <u><u>476,161.30</u></u>	\$ <u><u>487,835.19</u></u>	\$ <u><u>232,784.84</u></u>
<b>LIABILITIES:</b>				
Due student groups	\$ <u>244,458.73</u>	\$ <u>476,161.30</u>	\$ <u>487,835.19</u>	\$ <u>232,784.84</u>
Total liabilities	\$ <u><u>244,458.73</u></u>	\$ <u><u>476,161.30</u></u>	\$ <u><u>487,835.19</u></u>	\$ <u><u>232,784.84</u></u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BALANCE</u> <u>JUNE 30, 2018</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2019</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 329,519.61	\$ 16,323,139.99	\$ 16,308,754.69	\$ 343,904.91
<b>Total assets</b>	<b>\$ 329,519.61</b>	<b>\$ 16,323,139.99</b>	<b>\$ 16,308,754.69</b>	<b>\$ 343,904.91</b>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 328,713.95	\$ 16,323,139.99	\$ 16,308,754.69	\$ 343,099.25
Due to General Fund	805.66			805.66
<b>Total liabilities</b>	<b>\$ 329,519.61</b>	<b>\$ 16,323,139.99</b>	<b>\$ 16,308,754.69</b>	<b>\$ 343,904.91</b>

## **LONG-TERM DEBT SCHEDULES**

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
AS OF JUNE 30, 2019

<u>SERIES</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2018</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2019</u>
Copiers - Refinanced	3.40%	138,202.86	\$ 79,241.87	\$	27,875.68	\$ 51,366.19
Copiers	Various	409,993.00	346,049.26		78,972.91	267,076.35
Copiers	2.00%	74,382.49	23,404.38		23,404.38	
Copiers	Various	42,465.31		42,465.31	4,335.01	38,130.30
Copiers - Refinanced	Various	73,072.20		73,072.20	9,833.48	63,238.72
			<u>\$ 448,695.51</u>	<u>\$ 115,537.51</u>	<u>\$ 144,421.46</u>	<u>\$ 419,811.56</u>

**STATISTICAL SECTION - UNAUDITED**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS**  
**NET POSITION BY COMPONENT**  
*(accrual basis of accounting)*  
**UNAUDITED**

	Fiscal Year Ending June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Governmental activities</b>										
Net investment in capital assets	\$ 71,823,651.48	\$ 71,976,956	\$ 73,137,985	\$ 73,829,592	\$ 74,128,223	\$ 68,518,167	\$ 66,092,334	\$ 64,859,556	\$ 65,741,217	\$ 64,957,169
Restricted	9,129,084.61	6,400,105.56	5,643,832.25	5,588,974	6,369,308	12,732,562	4,885,602	4,499,112	4,581,830	4,493,009
Unrestricted (deficit)	(2,865,170.00)	(3,533,694.40)	(3,980,193.84)	(3,768,433)	(3,801,444)	(629,599)	(767,927)	(96,066)	(518,418)	(516,581)
Total governmental activities net position	\$ 78,087,566.09	\$ 74,843,368	\$ 74,801,623	\$ 75,650,133	\$ 76,696,087	\$ 80,721,131	\$ 70,210,009	\$ 69,262,602	\$ 69,804,629	\$ 68,933,597
<b>Business-type activities</b>										
Unrestricted	\$ 295,127.86	\$ 269,798.28	\$ 221,643.70	\$ 166,678.84	\$ 177,072.00	\$ 627,873.45	\$ 698,966.81	\$ 718,972.39	\$ 710,120.37	\$ 684,177.59
Total business-type activities net position	\$ 295,127.86	\$ 269,798.28	\$ 221,643.70	\$ 166,678.84	\$ 177,072.00	\$ 627,873.45	\$ 698,966.81	\$ 718,972.39	\$ 710,120.37	\$ 684,177.59
<b>District-wide</b>										
Net investment in capital assets	\$ 71,823,651	\$ 71,976,956	\$ 71,976,956	\$ 73,137,985	\$ 73,829,592	\$ 74,128,223	\$ 68,518,167	\$ 66,092,334	\$ 64,859,556	\$ 65,741,217
Restricted	9,129,084.61	6,400,105.56	6,400,105.56	5,643,832.25	5,588,974.34	6,369,307.76	12,732,562.48	4,885,601.75	4,499,112.40	4,581,829.92
Unrestricted(Deficit)	(2,570,042.15)	(3,263,896.12)	(3,263,896.12)	(3,758,550.14)	(3,601,754.24)	(3,824,372.39)	98,274.49	(68,929.95)	622,906.19	191,701.95
Total district net position	\$ 78,382,693.95	\$ 75,113,165.93	\$ 75,113,165.93	\$ 75,023,266.66	\$ 75,816,812.06	\$ 76,873,158.99	\$ 81,349,004.07	\$ 70,909,006.25	\$ 69,981,574.17	\$ 70,514,748.90

Source: CAFR Schedule A-1

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS  
CHANGES IN NET POSITION  
UNAUDITED

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>EXPENSES</b>										
Governmental activities										
Instruction:										
Vocational and Regular	\$17,868,902.83	\$17,437,055.18	\$16,793,700.38	\$15,295,871.94	\$14,305,880.47	\$12,621,539.00	\$12,456,096.09	\$12,123,252.72	\$11,225,220.48	\$11,865,527.47
Vocational and Special	1,419,187.11	1,605,796.10	1,942,628.25	1,334,179.26	1,363,775.46	1,302,800.36	1,371,980.15	1,298,847.84	1,277,958.97	873,843.42
Other instruction	364,634.81	361,020.89	370,897.71	356,898.43	291,364.46	290,821.51	239,777.51	231,359.27	195,378.95	183,466.96
Support Services:										
Student & instruction related services	3,100,083.33	2,337,845.37	2,304,986.08	2,020,858.12	1,757,372.97	1,370,180.76	1,639,165.58	1,553,794.41	1,543,860.53	1,920,837.71
General administrative services	1,614,922.37	1,397,323.78	1,238,044.79	1,100,191.31	982,544.71	702,381.64	823,005.47	868,475.22	937,043.34	974,858.48
School administrative services	1,727,578.30	1,816,082.13	1,901,006.68	1,594,192.73	1,464,774.16	1,142,111.74	1,295,419.10	1,219,368.22	1,124,111.40	1,187,201.17
Central services	1,343,856.21	1,351,308.19	1,300,904.63	1,177,102.09	1,049,023.02	808,028.59	784,239.60	720,555.41	779,784.76	802,438.59
Plant operations and maintenance	6,135,828.53	6,145,320.02	5,537,509.49	5,707,502.87	5,905,539.75	5,117,568.40	4,722,120.06	4,920,996.61	4,910,225.59	4,660,407.70
Student transportation services	69,715.51	52,008.97	46,272.50	47,030.12	52,532.72	44,859.38	27,536.60	23,725.00	54,334.88	51,907.15
Business and other support services										
Community Service operations	1,039,700.80	1,163,945.23	1,414,409.42	1,210,798.69	1,093,462.39	814,347.64	905,120.72	848,318.41	839,247.15	1,051,176.07
Special schools	16,463.77	19,156.29	13,001.70	15,254.82	19,441.12	15,374.18	21,663.92	42,191.71	2,704.56	2,704.56
Interest on Long term Debt						1,240.39	2,704.56	2,704.56	2,704.56	2,704.56
Unallocated depreciation										
Total governmental activities expenses	34,701,073.57	33,696,662.15	32,563,361.63	29,851,880.40	28,285,711.23	24,190,854.59	24,288,769.36	23,853,389.38	22,889,860.61	23,574,389.28
Business-type activities:										
Electronic Technology Training Center										
Materials for Resale	38,500.64	38,273.53	47,344.75	39,211.33	39,388.69	42,563.48	44,216.15	42,661.66	33,914.48	32,406.95
Food Service	400,244.80	358,026.21	337,368.63	364,039.29	358,900.30	383,857.31	379,155.47	380,320.32	389,547.02	418,425.27
District Internet Consortium										
Total business-type activities expense	438,745.44	396,301.74	384,703.38	403,250.62	398,288.99	426,520.79	423,371.62	422,981.98	424,861.50	38,618.09
Total district expenses	\$35,139,819.01	\$34,092,963.89	\$32,948,065.01	\$30,255,131.02	\$28,684,000.22	\$24,617,375.38	\$24,712,140.98	\$24,276,371.36	\$23,314,722.11	\$24,169,175.84
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for Services	\$12,101,273.44	\$11,523,985.07	\$11,321,327.78	\$10,624,412.75	\$10,343,696.51	\$10,039,751.42	\$10,051,943.98	\$9,913,716.74	\$9,758,082.98	\$8,496,720.34
Operating grants and contributions	10,294,393.31	9,703,982.10	8,024,524.45	6,229,188.48	5,162,678.57	2,524,154.58	3,127,917.83	2,853,308.77	2,572,616.82	3,249,269.86
Total governmental activities program revenues	22,395,666.75	21,227,967.17	19,345,852.23	16,853,601.23	15,506,375.08	12,563,906.00	13,179,861.81	12,767,025.51	12,330,699.80	11,745,990.20
Business-type activities:										
Charges for services										
Electronic Technology Training Center										
Materials for Resale	45,546.36	42,577.79	43,884.02	45,461.43	31,233.33	36,173.00	60,441.49	78,129.61	87,153.28	62,628.00
Food Service	302,410.94	287,584.32	286,604.43	247,157.32	209,053.25	214,951.24	237,406.89	252,275.39	235,760.05	34,040.22
District Internet Consortium										
Operating grants and contributions	116,024.10	114,294.21	110,268.05	100,238.71	101,643.68	104,273.19	105,547.66	101,423.03	105,289.88	232,144.18
Total business-type activities program revenues	463,981.40	444,456.32	440,756.50	392,857.46	341,930.26	355,397.43	403,396.04	431,828.03	430,781.21	72,514.64
Total district program revenues	\$22,859,648.15	\$21,672,423.49	\$19,786,608.73	\$17,246,458.69	\$15,848,305.34	\$12,919,303.43	\$13,583,257.85	\$13,198,853.54	\$12,761,481.01	\$12,158,857.24



UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS  
CHANGES IN NET POSITION  
UNAUDITED

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	(\$12,305,406.82)	(\$12,468,694.98)	(\$12,468,694.98)	(\$13,217,509.40)	(\$12,998,279.17)	(\$12,779,336.15)	(\$11,626,948.59)	(\$10,559,160.81)	(\$10,846,197.09)	(\$11,828,409.08)
Business-type activities	25,235.95	48,154.58	48,154.58	56,053.12	(10,393.16)	(56,358.73)	(71,123.36)	5,919.71	(90,360.54)	(83,291.43)
Total district-wide net expense	<u>(\$12,280,170.87)</u>	<u>(\$12,420,540.40)</u>	<u>(\$12,420,540.40)</u>	<u>(\$13,161,456.28)</u>	<u>(\$13,009,672.33)</u>	<u>(\$12,835,694.88)</u>	<u>(\$10,936,567.62)</u>	<u>(\$10,553,241.10)</u>	<u>(\$10,936,557.62)</u>	<u>(\$11,911,700.51)</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$5,233,086.00	\$5,130,476.00	\$4,833,800.00	\$4,690,000.00	\$4,500,000.00	\$4,418,689.00	\$4,332,048.00	\$4,332,048.00	\$4,280,680.00	\$4,156,000.00
Unrestricted grants and contributions	7,787,676.00	5,548,583.00	5,726,897.00	5,731,954.00	5,663,985.99	5,633,936.00	5,600,037.00	5,441,637.00	4,986,527.00	4,441,242.00
Restricted grants and contributions	85,327.79	142,656.63	154,579.75	48,411.52	165,067.54	81,292.55	56,031.00	141,577.34	254,116.59	155,891.12
County of Union	2,250,000.00	1,400,000.00	1,442,000.00	1,272,431.14	1,418,549.85	11,742,000.00	1,821,043.00	1,165,208.22	1,407,466.13	1,400,000.00
Miscellaneous income	238,738.49	288,724.06	211,722.39	209,529.13	277,680.02	262,152.22	245,196.21	385,659.67	502,400.09	465,141.26
Transfers	(45,223.00)				394,442.72			(931,793.11)	(10,997.69)	(2,194.99)
Disposal of Capital Assets (Net)	15,549,605.28	12,510,439.69	12,368,999.14	11,952,325.79	12,419,936.12	22,138,069.77	10,616,079.42	10,544,337.12	11,430,192.13	10,616,079.42
Total governmental activities										
Business-type activities:										
Miscellaneous income	93.62				(394,442.72)			5.97	23.07	15.36
Transfers	93.62				(394,442.72)		15.36	5.97	23.07	15.36
Total business-type activities										
Total district-wide	<u>\$15,549,698.90</u>	<u>\$12,510,439.69</u>	<u>\$12,368,999.14</u>	<u>\$11,952,325.79</u>	<u>\$12,025,493.40</u>	<u>\$22,138,069.77</u>	<u>\$10,616,094.78</u>	<u>\$10,544,343.09</u>	<u>\$11,430,215.20</u>	<u>\$10,616,094.78</u>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$3,244,198.46	\$41,744.71	(\$99,695.84)	(\$1,265,183.61)	(\$578,343.05)	\$9,358,733.62	(\$1,010,869.17)	(\$230,117.66)	(\$230,117.66)	\$19,669,646.22
Business-type activities	25,329.57	48,154.58	48,154.58	56,053.12	(404,835.88)	(56,358.73)	(71,108.00)	(90,345.18)	(90,345.18)	16,357.64
Total district	<u>\$3,269,528.04</u>	<u>\$89,899.29</u>	<u>(\$51,541.26)</u>	<u>(\$1,209,130.49)</u>	<u>(\$983,178.93)</u>	<u>\$9,302,374.89</u>	<u>(\$320,462.84)</u>	<u>(\$320,462.84)</u>	<u>(\$320,462.84)</u>	<u>\$19,686,003.86</u>

Source: CAFR Schedule A-2

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 (modified accrual basis of accounting)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2019	2018	2017	2016	2015	2014	2013	2011	2010	2009
General Fund										
Reserved	\$ 4,595,341	\$ 2,239,278	\$ 1,779,117	\$ 1,301,337	\$ 1,712,504	\$ 1,406,306	\$ 2,921,065	\$ 1,771,441	\$ 1,550,668	\$ 1,809,992
Unreserved(Deficit)									\$ 532,866	\$ 587,109
Restricted	1,472,347	521,269	114,153	233,472	10,948	434,112	173,249	19,400		
Committed	480,379	710,326	763,549	687,179	707,846	577,081	624,362	177,960		
Assigned								657,381		
Unassigned										
Total general fund	\$ 6,548,067	\$ 3,470,873	\$ 2,656,820	\$ 2,221,989	\$ 2,431,298	\$ 2,417,499	\$ 3,717,676	\$ 2,632,356	\$ 2,083,534	\$ 2,397,100
All Other Governmental Funds										
Reserved	\$ 4,087,236	\$ 4,076,836	\$ 3,750,562	\$ 3,642,998	\$ 4,645,855	\$ 10,892,145	\$ 1,763,618	\$ 2,810,389	\$ 3,241,851	\$ 18,944
Unreserved	446,507	83,992							2,810,389	13,199,075
Restricted										
Committed										
Total all other governmental funds	\$ 4,533,744	\$ 4,160,828	\$ 3,750,562	\$ 3,642,998	\$ 4,645,855	\$ 10,892,145	\$ 1,763,618	\$ 2,810,389	\$ 6,052,240	\$ 13,218,018

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
UNAUDITED

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Revenues</b>										
Tax levy	\$5,233,086.00	\$5,130,476.00	\$4,833,800.00	\$4,690,000.00	\$4,500,000.00	\$4,418,689.00	\$4,332,048.00	\$4,332,048.00	\$4,280,680.00	\$4,156,000.00
County of Union	2,250,000.00	\$1,400,000.00	1,442,000.00	1,272,431.14	1,418,549.85	11,742,000.00	1,821,043.00	1,165,208.22	1,407,466.13	1,400,000.00
Tuition from LEA	11,573,900.00	\$11,045,050.00	10,788,000.57	10,135,475.00	9,873,100.00	9,511,200.00	9,461,300.00	9,264,875.00	8,971,975.00	8,430,075.00
Other tuition	527,373.44	\$478,935.07	533,324.21	488,937.75	470,596.51	528,551.42	590,643.98	648,841.74	786,107.98	865,455.51
Miscellaneous	223,133.26	\$222,045.83	231,722.39	209,529.13	288,983.74	268,369.22	245,156.21	475,068.05	551,785.08	502,180.17
Interest on capital reserve										4.00
State sources	14,034,371.26	10,161,388.93	8,544,539.23	8,122,621.04	7,719,985.99	7,445,704.60	7,939,562.40	7,206,048.83	6,634,631.29	5,892,541.86
Federal sources	768,875.82	964,980.79	1,082,551.97	930,241.96	977,615.39	787,461.53	846,423.43	1,151,065.90	1,139,244.13	2,100,210.04
<b>Total revenue</b>	<b>34,610,839.78</b>	<b>29,402,876.62</b>	<b>27,455,941.37</b>	<b>25,849,236.02</b>	<b>25,242,831.48</b>	<b>34,701,975.77</b>	<b>25,236,177.02</b>	<b>24,243,155.74</b>	<b>23,771,889.61</b>	<b>23,346,466.58</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular vocational programs - instruction	11,278,102.35	10,692,480.02	10,243,889.77	9,793,582.06	9,471,324.49	8,936,392.90	8,864,388.33	8,754,466.40	7,823,494.32	8,701,604.15
Special vocational programs - instruction	779,030.10	920,517.51	949,890.12	795,192.64	910,080.85	1,013,769.80	1,093,065.67	1,065,555.88	1,062,980.69	663,384.98
Other instruction	302,210.10	290,080.32	296,835.85	296,616.50	251,348.92	241,445.49	218,743.10	209,368.47	178,410.00	167,269.50
<b>Support services</b>										
Student and instruction related services	2,382,241.07	1,584,625.81	1,539,586.31	1,435,328.78	1,273,982.90	1,092,692.72	1,320,818.15	1,293,774.50	1,311,550.75	1,667,879.19
General administrative services	600,953.83	587,575.48	554,037.15	571,020.08	583,751.43	428,283.62	438,191.31	459,298.24	529,542.68	590,986.31
School administrative services	929,404.73	922,223.20	917,818.16	884,856.64	838,470.20	809,589.67	875,288.00	865,960.67	836,381.49	904,175.31
Central services	658,117.07	650,904.54	642,251.62	685,065.32	679,593.58	606,467.47	571,454.56	606,356.48	635,351.86	684,365.57
Plant operations and maintenance	3,684,304.26	3,338,171.70	3,399,627.18	3,340,971.47	3,639,581.48	3,462,877.36	3,129,842.18	3,290,573.58	3,442,522.97	3,208,107.34
Student transportation services	69,715.51	53,435.21	46,272.50	47,030.12	52,532.72	44,859.38	27,536.60	23,725.00	54,334.88	51,907.15
Unallocated employee benefits	7,983,396.01	7,450,642.95	6,891,318.23	5,953,443.92	5,492,713.21	5,206,118.46	5,186,806.93	4,587,791.64	4,222,205.41	4,118,250.98
Capital outlay	2,124,096.55	1,588,530.33	1,535,163.01	2,508,050.20	8,253,370.01	5,002,461.86	3,433,287.31	2,210,504.75	3,092,074.26	12,475,122.19
Special schools	484,695.77	509,362.87	508,023.87	505,281.20	497,386.72	440,860.07	520,898.09	523,703.43	542,233.15	762,902.18
<b>Total expenditures</b>	<b>31,276,267.35</b>	<b>28,588,549.94</b>	<b>27,324,713.77</b>	<b>26,788,438.93</b>	<b>31,944,146.51</b>	<b>27,284,988.80</b>	<b>25,680,320.23</b>	<b>23,911,079.04</b>	<b>23,731,082.46</b>	<b>33,985,954.95</b>
Excess (deficiency) of revenues over (under) expenditures	3,334,572.43	814,326.68	131,227.60	(999,202.91)	(6,701,315.03)	7,416,986.97	(444,143.21)	332,076.70	40,807.15	(10,639,486.27)
<b>Other financing sources (uses)</b>										
Capital leases	115,537.51	409,993.00		138,202.86		411,362.56	176,189.00		50,980.00	368,697.65
<b>Total other financing sources (uses)</b>	<b>115,537.51</b>	<b>409,993.00</b>		<b>138,202.86</b>		<b>411,362.56</b>			<b>50,980.00</b>	<b>368,697.65</b>
<b>Net change in fund balances</b>	<b>\$3,450,109.94</b>	<b>\$1,224,319.68</b>	<b>\$131,227.60</b>	<b>(\$939,202.91)</b>	<b>(\$6,701,315.03)</b>	<b>\$7,828,349.53</b>	<b>(\$444,143.21)</b>	<b>\$332,076.70</b>	<b>\$91,787.15</b>	<b>(\$10,270,790.62)</b>

Source: CAFR Schedule B-2

EXHIBIT "J-5"

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
UNAUDITED

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Evening School</u> <u>Fees</u>	<u>Reimbursement of</u> <u>Costs</u>	<u>PSE &amp; G</u> <u>Reimbursement</u>	<u>Miscellaneous</u>	<u>Total</u>
2019	\$ -	\$ -	\$ 117,918.43	\$ 101,324.83	\$ 219,243.26
2018			107,468.13	114,577.70	222,045.83
2017			111,024.21	100,698.18	211,722.39
2016			114,177.26	95,351.87	209,529.13
2015			150,872.66	127,007.36	277,880.02
2014			144,200.79	117,951.43	262,152.22
2013	49,178.86		140,894.74	55,082.61	245,156.21
2012	56,230.00		242,259.68	97,169.99	395,659.67
2011	60,310.00	68,251.00	251,436.52	122,402.57	502,400.09
2010	57,290.00		265,383.20	142,464.06	465,137.26

Source: District Records

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
PROPERTY TAX LEVIES AND COLLECTIONS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2019	\$ 5,233,086	\$ 5,233,086	100.00%	-
2018	5,130,476	5,130,476	100.00%	-
2017	4,833,800	4,833,800	100.00%	-
2016	4,690,000	4,690,000	100.00%	-
2015	4,500,000	4,500,000	100.00%	-
2014	4,418,689	4,418,689	100.00%	-
2013	4,332,048	4,332,048	100.00%	-
2012	4,332,048	4,332,048	100.00%	-
2011	4,280,680	4,280,680	100.00%	-
2010	4,156,000	4,156,000	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F form)

**Note:** School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 UNAUDITED

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instruction:										
Vocational, Regular and Special Education	124	127	127	126	127	128	132	134	144	141
Support Services:										
Student & instruction related services	8	8	9	9	9	10	10	13	13	13
General administrative services	2	2	2	2	2	2	3	4	4	4
School administrative services	6	6	6	5	5	6	6	6	6	7
Central services	21	21	21	17	17	17	17	22	22	22
Administration information technology	1	1	1	1	1	2	2	2	2	2
Plant operations and maintenance	20	10	13	10	10	10	10	10	10	10
<b>Total</b>	<b>182</b>	<b>175</b>	<b>179</b>	<b>170</b>	<b>171</b>	<b>175</b>	<b>180</b>	<b>191</b>	<b>201</b>	<b>199</b>

Source: District Personnel Records

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
OPERATING STATISTICS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2019	2,195	28,471,061.00	12,971	-11.56%	141.0	1:15	2,063	1,963	11.78%	95.15%
2018	1,841	27,000,019.61	14,666	19.81%	144.0	1:13	1,846	1,795	0.24%	97.24%
2017	1,987	24,323,554.67	12,241	-10.39%	134.0	1:15	1,842	1,732	10.48%	94.03%
2016	1,674	22,868,777.09	13,661	0.20%	132.0	1:13	1,671	1,588	2.48%	95.03%
2015	1,639	22,345,238.21	13,633	-1.80%	128.0	1:13	1,632	1,547	3.73%	94.79%
2014	1,605	22,282,526.94	13,883	-1.21%	126.7	1:13	1,574	1,486	1.17%	94.41%
2013	1,583	22,247,032.92	14,054	0.32%	126.0	1:13	1,556	1,481	0.88%	95.18%
2012	1,549	21,700,574.20	14,009	2.02%	127.0	1:12	1,542	1,460	-8.00%	94.68%
2011	1,503	20,639,008.20	13,732	-8.98%	125.0	1:12	1,587	1,481	20.97%	93.32%
2010	1,408	21,241,057.13	15,086	-4.22%	124.0	1:11	1,725	1,618	9.69%	93.80%

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures (modified accrual) less debt service and capital outlay;

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d Cost per pupil represents operating expenditures divided by enrollment.

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS  
SCHOOL BUILDING INFORMATION  
UNAUDITED

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>District Buildings</u>										
Union County Vocational - 1965										
West Hall										
Square Feet	223,059	223,059	223,059	223,059	190,639	190,639	190,639	190,639	190,639	190,689
Capacity (students - full time)	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130
Enrollment *	1,047	953	957	932	883	883	844	844	880	845
Mancuso Hall - 1997										
Square Feet	47,038	47,038	47,038	47,038	47,038	47,038	47,038	46,438	46,438	46,438
Capacity (students - full time)	428	428	428	428	428	428	428	428	428	428
Enrollment *	303	304	296	298	292	292	286	286	279	274
Bistocchi Hall - 2004										
Square Feet	68,500	68,500	68,500	68,500	68,500	68,500	68,500	67,900	67,900	67,900
Capacity (students - full time)	518	518	518	518	518	518	518	518	518	518
Enrollment *	284	293	286	275	263	263	505	505	495	470
Baxel Hall - 2008										
Square Feet	55,733	55,733	55,733	55,733	55,733	55,733	55,733	54,843	54,843	54,834
Capacity (students - full time)	498	498	498	498	498	498	498	498	498	498
Enrollment	308	296	287	282	262	262	250	250	256	353
APA Building - 2010										
Square Feet	43,341	43,341	43,341	43,341	43,341	43,341	43,341	42,451	42,451	42,451
Capacity (students - full time)	385	385	385	385	385	385	385	385	385	385
Enrollment	236	223	205	190	186	186	142	142	143	143

\* full and share-time students

- Number of Schools at June 30, 2019
- Union County Technical High School = 1
- Magnet High School = 1
- Academy for Information Technology = 1
- Academy for Allied Health Sciences = 1
- Adult High School = 1
- APA Building = 1
- Number of Buildings-5

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.



UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS  
SCHEDULE OF REQUIRED MAINTENANCE  
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

School Facilities * Project #(s)	<u>Total</u>	<u>Mancuso</u> Hall	<u>West</u> Hall	<u>Bistocchi</u> Hall	<u>Baxel</u> Hall	<u>APA</u> Building
2019	\$ 1,158,448.09	\$ 131,228.69	\$ 561,953.27	\$ 190,878.55	\$ 155,089.12	\$ 119,298.46
2018	937,920.65	106,247.40	454,977.29	154,542.04	125,565.65	96,588.27
2017	944,220.09	106,961.00	458,033.09	155,580.00	126,409.00	97,237.00
2016	908,484.30	105,475.03	427,351.01	153,533.85	124,916.59	97,207.82
2015	976,166.77	113,304.95	459,210.48	165,002.53	134,249.44	104,399.38
2014	967,367.81	112,283.64	455,071.25	163,515.23	133,039.34	103,458.35
2013	858,691.65	99,669.44	403,947.50	145,145.50	118,093.40	91,835.81
2012	1,005,981.00	158,938.00	516,721.00	187,558.00	117,237.00	25,527.00
2011	1,577,948.00	249,493.00	810,631.00	294,760.00	183,064.00	40,000.00
2010	<u>1,469,001.47</u>	<u>249,730.25</u>	<u>690,430.69</u>	<u>308,490.31</u>	<u>220,350.22</u>	<u>                    </u>
<b>Total School Facilities</b>	<b>\$ 10,804,229.83</b>	<b>\$ 1,433,331.40</b>	<b>\$ 5,238,326.58</b>	<b>\$ 1,919,006.01</b>	<b>\$ 1,438,013.76</b>	<b>\$ 775,552.09</b>

\* - School facilities as defined under EFCFA.  
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
INSURANCE SCHEDULE  
JUNE 30, 2019  
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<u>Property and Casualty:</u>		
Building and Contents including Equipment Breakdown	\$110,980,984	\$5,000
Commercial General Liability	3,000,000	N/A
Boiler and Machinery Blanket Property Limit	Incl. in Blanket Property	5,000
Crime - Blanket Employee Dishonesty	500,000	5,000
- Forgery or Alteration	250,000	1,000
-Loss Inside and Outside Money & Securities	250,000	1,000
-Computer Fraud	250,000	1,000
Earthquake - Blanket Coverage	5,000,000	5% of limit
Flood - Outside Zones A,V or B	5,000,000	50,000
-Zone B	2,000,000	100,000
-Zone A or V	1,000,000	500,000
Commercial Automotive	1,000,000	
Towing & Labor		
Comprehensive & Collision		1,000
Commercial Umbrella	9,000,000	10,000
Excess Liability	50,000,000	
School Board Legal Liability E & O	1,000,000	15,000
Public Officials Bonds:		
Janet Behrmann - Board Secretary/Business Administrator	250,000	N/A
Joanne Wilson - Treasurer of School Monies	250,000	N/A
Accidental Death and Dismemberment		
Principal Sum	100,000	N/A
Aggregate	500,000	N/A
Environmental Impairment Liability - Site Specific		
Each Occurrence	1,000,000	N/A
Aggregate	3,000,000	N/A
Program Aggregate	10,000,000	25,000.00
Mold		50,000.00
Storage Tank Liability		
Policy Aggregate	1,000,000	
Each Occurrence	1,000,000	
Defense Cost Expense Limit	250,000	
Deductible - Per Claim		5,000
Cyber	2,000,000	25,000

Source: Union County Vocational Technical Schools - Board of Education

**SINGLE AUDIT SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable President and Members  
of the Board of Education  
Union County Vocational-Technical Schools  
County of Union  
Scotch Plains, New Jersey 07076

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Union County Vocational-Technical Schools, County of Union, State of New Jersey (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 27, 2019.

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

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

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

# SUPLEE, CLOONEY & COMPANY

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. However, we noted an immaterial instance of noncompliance that we have reported to the Board of Education of the Union County Vocational-Technical Schools in a separate Auditor's Management Report on Administrative Findings - Financial and Compliance dated November 27, 2019.

## **Purpose of This Report**

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

November 27, 2019



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Union County Vocational-Technical Schools,  
County of Union  
Scotch Plains, New Jersey 07076

***Report on Compliance for Each Major Federal and State Program***

We have audited the Union County Vocational-Technical Schools, State of New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2019. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB 15-08. Those standards, the Uniform Guidance and New Jersey OMB 15-08 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 or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

# SUPLEE, CLOONEY & COMPANY

## ***Opinion on Each Major Federal and State Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2019.

## ***Report on Internal Control Over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with *the Uniform Guidance* and New Jersey OMB 15-08, 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 the District'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 or state 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 and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State of New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

November 27, 2019

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CHDA NUMBER	GRANT OR STATE PROJECT NUMBER	FEDERAL AWARD ID NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE JUNE 30, 2018 (ACCOUNTS RECEIVABLE) UNEARNED REVENUE	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT BUDGETARY EXPENDITURES	ADJUSTMENTS / CANCEL PRIOR YEAR ENCUMBRANCES / ACCOUNTS PAYABLE	REPAYMENT OF PRIOR YEARS BALANCES	(ACCOUNTS RECEIVABLE) UNEARNED REVENUE	DUE TO GRANTOR
<b>Enterprise Funds</b>													
U.S. Department of Agriculture													
Passed-Through State Department of Education:													
Child Nutrition Cluster													
	10.555	N/A	17181NJ304NT098	7/1/17-6/30/18	21,312.42	\$ 387.87	\$	\$ (387.87)	\$	\$	\$	\$	\$
	10.555	N/A	18191N304NT098	7/1/18-6/30/19	17,259.95	17,259.95	17,259.95	(17,259.95)					
	10.555	N/A	17181N304NT098	7/1/17-6/30/18	82,610.88	(6,473.88)	6,473.88	(6,473.88)				(5,530.72)	
	10.555	N/A	18191N304NT098	7/1/18-6/30/19	85,414.79	79,884.07	79,884.07	(85,414.79)					
	10.553	N/A	17181N304NT098	7/1/17-6/30/18	7,145.78	(667.25)	667.25	(6,508.71)				(727.83)	
	10.553	N/A	18191N304NT098	7/1/18-6/30/19	9,508.71	8,780.88	8,780.88	(112,581.42)				(6,258.55)	
					Total Child Nutrition Cluster	(6,743.16)	113,068.03	(112,581.42)				(6,258.55)	
					Total Enterprise Funds	(6,743.16)	113,068.03	(112,581.42)				(6,258.55)	
<b>Special Revenue Funds</b>													
U.S. Department of Education													
Passed-Through State Department of Education:													
Title I													
	84.010	NCLB210018	S010A170030	7/1/17-6/30/18	209,723.00	(70,163.16)	70,163.50	(222,576.60)		0.63		(82,675.47)	0.34
	84.010	NCLB210019	S010A180030	7/1/18-6/30/19	261,260.00	(70,163.16)	138,900.50	(222,576.60)		0.63		(82,675.47)	0.34
					Total Title I		2,000.00	(4,388.58)				(2,388.58)	
	84.387	NCLB210019	S387A180029	7/1/18-6/30/19	47,260.00		2,000.00	(4,388.58)				(2,388.58)	
					Total Title II		12,043.00	(22,440.00)				(10,397.00)	
	84.424	NCLB210019	S424A180031	7/1/18-6/30/19	22,440.00		12,043.00	(22,440.00)				(10,397.00)	
					Total Title IV		12,043.00	(22,440.00)				(10,397.00)	
<b>Special Education Cluster</b>													
	84.027	IDEA210018	H027A170100	7/1/17-6/30/18	216,265.00	(65,729.42)	85,730.52	(225,564.75)		4,192.82		(79,428.45)	1.10
	84.027	IDEA210019	H027A180100	7/1/18-6/30/19	228,633.00	(65,729.42)	141,951.48	(225,564.75)		4,192.82		(79,428.45)	1.10
					Total Special Education Cluster		148,618.52	(425,853.85)		463.95		(186,286.90)	0.88
<b>Vocational Education</b>													
	84.048a	PERKS28018	V048A180030	7/1/17-6/30/18	500,584.00	(148,618.52)	148,618.00	(621,406.89)		7,465.37		(186,286.42)	13,187.93
	84.048a	PERKS28019	V048A180030	7/1/18-6/30/19	425,853.85		239,101.00	(425,853.85)				(0.52)	
	84.048a	PERKS28018	V048A180030	7/1/17-6/30/18	98,543.00	(73,747.25)	73,748.23	(95,552.24)		7,001.42		(13,186.95)	
	84.048a	PERKS28019	V048A180030	7/1/18-6/30/19	85,552.24	(222,365.77)	563,205.00	(521,406.89)				(186,286.42)	
					Total Vocational Education		148,618.00	(621,406.89)		7,465.37		(186,286.42)	13,187.93
<b>Fiduciary Fund</b>													
United States Department of Education:													
Trust and Agency Funds													
	84.063		N/A	7/1/18-6/30/19	148,325.32		148,325.32	(148,325.32)					
					Total Fiduciary Fund		148,325.32	(148,325.32)					
<b>Total U.S. Department of Education</b>													
					Total Federal Financial Assistance	(385,001.51)	1,276,385.35	(1,257,292.76)		11,658.82		(387,428.47)	13,188.37
					Total	(385,001.51)	1,276,385.35	(1,257,292.76)		11,658.82		(387,428.47)	13,188.37

The accompanying notes to schedules of financial assistance are an integral part of this schedule.



UNION COUNTY VOCATIONAL/TECHNICAL SCHOOLS  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

STATE GRANT/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	BALANCE AT JUNE 30, 2018		CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEARS BALANCES	(ACCOUNTS RECEIVABLE)	BALANCE AT JUNE 30, 2019		MEMO	
					(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE							UNEARNED REVENUE	GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education General Funds:																
State Aid Cluster:																
Equalization Aid	19-495-034-5120-078	\$7,398,797.40	7/1/2018	6/30/2019				\$6,648,771.00	(\$7,398,797.40)	(\$750,026.40)						\$7,398,797.40
Categorical Special Education Aid	19-495-034-5120-089	1,834,554.94	7/1/2018	6/30/2019				1,665,799.00	(1,834,554.94)	(168,755.94)						1,834,554.94
Categorical Security Aid	19-495-034-5120-084	220,122.66	7/1/2018	6/30/2019				201,372.00	(220,122.66)	(18,750.66)						220,122.66
Total State Aid Cluster:								8,515,942.00	(9,453,475.00)	(937,533.00)						9,453,475.00
On-behalf TPAF Contributions	19-495-034-5094-002	2,026,478.00	7/1/2018	6/30/2019				2,026,478.00	(2,026,478.00)							2,026,478.00
NCCI	19-495-034-5094-004	42,419.00	7/1/2018	6/30/2019				42,419.00	(42,419.00)							42,419.00
Long-Term Disability Insurance	19-495-034-5094-004	3,320.00	7/1/2018	6/30/2019				3,320.00	(4,032.00)							3,320.00
Post Retirement Medical	19-495-034-5094-001	938,448.00	7/1/2018	6/30/2019				938,448.00	(938,448.00)							938,448.00
TPAF Social Security Aid	18-495-034-5094-003	822,800.68	7/1/2017	6/30/2018				40,531.53								822,800.68
TPAF Social Security Aid	19-495-034-5094-003	823,327.27	7/1/2018	6/30/2019				788,653.92	(823,327.27)			(40,743.35)				823,327.27
Total General Fund								12,355,722.45	(13,294,179.27)	(937,533.00)						14,116,267.95
Special Revenue Fund:																
Apprentice Coordinator	18-100-034-5062-032	19,745.39	7/1/2017	6/30/2018				4,257.39								19,745.39
Recovery High School Access Grant FY19	19-100-034-5062-032	21,223.00	7/1/2018	6/30/2019				9,967.61	(21,223.00)			(11,255.39)				21,223.00
Recovery High School Access Grant FY18		1,000,000.00	7/1/2018	6/30/2018				1,000,000.00	(999,789.70)							1,000,000.00
Total Special Revenue Fund								1,014,225.00	(621,012.70)			(11,255.39)				1,415,968.39
Enterprise Fund:																
National School Lunch Program	18-100-020-3350-023	3,398.48	7/1/2017	6/30/2018				246.08								3,398.48
National School Lunch Program	19-100-010-3350-023	3,442.68	7/1/2018	6/30/2019				3,225.06	(3,442.68)			(217.62)				3,442.68
Total Enterprise Fund								3,471.14	(3,442.68)			(217.62)				6,841.16
Total State Financial Assistance								\$13,373,418.59	(\$13,916,634.65)	(\$937,533.00)	\$107,988.14					\$15,539,077.50
Less: On-Behalf amounts not utilized for determination of Major Programs:																
On-behalf TPAF Contributions	19-495-034-5094-002	2,026,478.00	7/1/2018	6/30/2019				\$2,026,478.00	(2,026,478.00)							
NCCI	19-495-034-5094-004	42,419.00	7/1/2018	6/30/2019				42,419.00	(42,419.00)							
Long-Term Disability Insurance	19-495-034-5094-004	3,320.00	7/1/2018	6/30/2019				3,320.00	(3,320.00)							
Post Retirement Medical	19-495-034-5094-001	938,448.00	7/1/2018	6/30/2019				938,448.00	(938,448.00)							
Total State Financial Assistance Subject to Single Audit								\$10,362,753.59	(\$10,907,969.65)							

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

**Union County Vocational-Technical Schools**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2019**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Union County Vocational-Technical Schools. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of Federal Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de Minimis* indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The General fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas GAAP basis does not.

**Union County Vocational-Technical Schools**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2019**

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$298,014.00) for the general fund and (\$227,410.20) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$12,996,165.27	\$12,996,165.27
Special Revenue Fund	\$888,407.65	517,130.08	1,405,537.73
Fiduciary Fund	148,325.32		148,325.32
Food Service Fund	112,581.42	3,442.68	116,024.10
	<hr/>	<hr/>	<hr/>
Total Awards and Financial Assistance	<u>\$1,149,314.39</u>	<u>\$13,516,738.03</u>	<u>\$14,666,052.42</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5: OTHER**

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, post-retirement medical benefits and long-term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2019. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2019.

**Union County Vocational-Technical Schools**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2019**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |     |  |            |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued:   | Unmodified |
| (2) | Internal Control Over Financial Reporting:   |            |
|     | (a) Material weakness identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No         |
| (3) | Noncompliance material to basic financial statements noted?                                | No         |

**Federal Program(s)**

- |     |   |                           |
|-----|---|---------------------------|
| (1) | Internal Control Over Major Federal Programs:   |                           |
|     | (a) Material weakness identified?   | No                        |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses?  | No                        |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)?   | Unmodified                |
| (3) | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance?              | No                        |
| (4) | Identification of Major Federal Program(s):   |                           |
|     | <u>Program</u>  | <u>C.F.D.A<br/>Number</u> |
|     | Title I   | 84.010                    |
|     | I.D.E.A. Part B, Basic  | 84.027                    |
| (5) | Program Threshold Determination:<br>Type A Federal Program Threshold > \$750,000.00<br>Type B Federal Program Threshold <= \$750,000.00 |                           |
| (6) | Auditee qualified as a low-risk auditee under Federal Uniform Guidance?   | Yes                       |

**Union County Vocational-Technical Schools**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2019**

**Section I – Summary of Auditor’s Results (Continued)**

**State Program(s)**

- (1) Internal Control Over Major State Programs:
  - (a) Material weakness identified? No
  - (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08 and listed in Section III of this schedule? No
- (4) Identification of Major State Program(s):
 

<u>Program</u>	<u>Grant Number</u>
Special Education Aid	495-034-5120-089
Equalization Aid	495-034-5120-078
Security Aid	495-034-5120-084
Reimbursed Social Security	495-034-5094-003
Recovery High School Access Grant	495-034-5120-107
- (5) Program Threshold Determination:
  - Type A State Program Threshold > \$750,000.00
  - Type B State Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under Federal Uniform Guidance? Yes

**Union County Vocational-Technical Schools**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2019**

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings** – None Reported

**Compliance Findings** – None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs – None Reported

State Programs – None Reported

Union County Vocational-Technical Schools

Schedule of Prior Year Audit Findings

Not Applicable





