

# **Comprehensive Annual Financial Report**

of the

Board of Education for Vocational Schools  
Cape May County

Cape May County, New Jersey

For the Fiscal Year Ended June 30, 2021

Prepared by

Cape May County Technical School District  
Board of Education  
Finance Department



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## **Introductory Section**

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# CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT



188 Crest Haven Road, Cape May Court House, NJ 08210

Dr. Nancy M. Hudanich, Superintendent  
Paula J. Smith, Business Administrator/Board Secretary

February 22, 2022

Honorable President and  
Members of the Board of Education  
Cape May County Technical School District  
County of Cape May, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Cape May County Technical School District for the fiscal year ended June 30, 2021 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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 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 Basic Financial Statements and Schedules, as well as the Auditor's Report thereon. The Statistical Section includes selected financial and demographic information, generally 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 of 1984 as revised in 1996, and the U.S. Office of Management and Budget Circular Uniform Guidance, "Audits of States, Local Governments and Nonprofit Organizations," and the State of NJ Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." 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:** The District is a component unit of the County of Cape May within the criteria set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards. All funds of the District are included in this report.

**2. MAJOR INITIATIVES:** The District implemented a variety of initiatives during the 2020-2021 school year. Instruction was delivered through a hybrid model of 2 cohorts with 2 and 3 days in-person every other week. The district remained open all school year. Teachers were trained in online instruction strategies and new software was purchased to enhance delivery.

The District followed all Department of Education (DOE) and Department of Health (DOH) guidelines with plans and procedures in place and located on the district website. Iterative analysis and updates occurred throughout the school year as required by the DOE and DOH.

During the 2020/2021 school year, all of the graduating seniors achieved the necessary graduation assessment scores required by the Department of Education. Due to the pandemic the NJSLA was not implemented. Thus, the data from the new mathematics and language arts software will be used to identify instructional gaps and the professional development programs needed to enhance teacher strategies that will improve student outcomes. The graduating class of 2021 completed a sequential program in a technical career major and structured learning experience.

The Post-Secondary Division includes adult and continuing education evening programs providing county residents with vocational and training through the year. Adult learners are able to earn licensure/certification career training in Practical Nursing, Dental Assisting, Welding and Cosmetology. Adult Basic Education (ABE) programs provided courses/training in adult basic education, English as a Second Language (ESL) and civics to anyone in need of a high school diploma. A piloted new course provided (ESL) preparation through employment credential training was successful with a cohort of adult students completing ESL training and attaining a ServSafe certification for employment in hospitality industries. In addition to ESL and certification training, the district provided year-round High School Equivalency preparation classes for adults to work at their own pace and prepare for the HSE exam. There were educational sites around the county including the county's Correctional Facility. This program served over 80 students in high school equivalency classes. And, the district's testing center awarded 24 adults a High School Equivalency credential for successfully passing the HSE exam.

During the 2020/2021 school year, District Officials along with the Board of Education completed and received approval from the New Jersey Department of Education for the amended long-range facility plan (LRFP). The plan identified infrastructure needs for the next 5 years. This included a new Career Technical Education (CTE) program in Environmental Science & Sustainability which will be funded by a grant received from the Securing Our Children's Future Bond Act in the amount of \$4,299,141.00. Construction is planned to begin in March 2022.

The project will be done simultaneously with the High School Addition which consists of moving all school level administrators to the front of the building and creating a secure entrance to the school. The County will receive \$840,000 in debt service funds for this project.

Finally, the reconfiguring and renovation to the Broadley Administration Building was completed in 2020/2021. The building is equipped with a state-of-the-art conference room and a flexible office space to be used for group collaboration and training. The building will allow for the efficient operation of the District and serve as the County's Technical Education Headquarters well into the foreseeable future.

**3. 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.

**4. 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 Estimates. 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 the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2021.

**5. 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 funds. These funds are explained in "Notes to the Financial Statements," Note 1.

**6. DEBT ADMINISTRATION:** In accordance with the statutes governing Type 1 School Districts, the bonded debt is assumed by the County of Cape May, New Jersey, and provisions for amortization of principal and interest on the outstanding debt is included in the county budget.

**7. 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 that 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.

**8. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**9. OTHER INFORMATION:**

**A) Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. 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 of 1984 as revised in 1996, and the related OMB Circular Uniform Guidance and New Jersey OMB Circular Letter 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.

**10. ACKNOWLEDGMENTS:**

With the support of the Board of Chosen Freeholders, the Cape May County Technical School will continue to provide for the educational needs of students of all ages throughout the county. The increased technology in the District will help assure that our high school students are computer literate early in their secondary education and that they will be able to use that technology and knowledge to help create for themselves a challenging and rewarding future. We will continue to offer educational programs for adults who need to upgrade their skills or learn new ones and we will continue to make learning enjoyable and interesting through our varied evening program that provides dozens of vocational and avocational classes.

Our teachers and administration are dedicated to helping students of all ages reach their potential and to help students realize that learning is a journey, not a destination that ends with graduation.

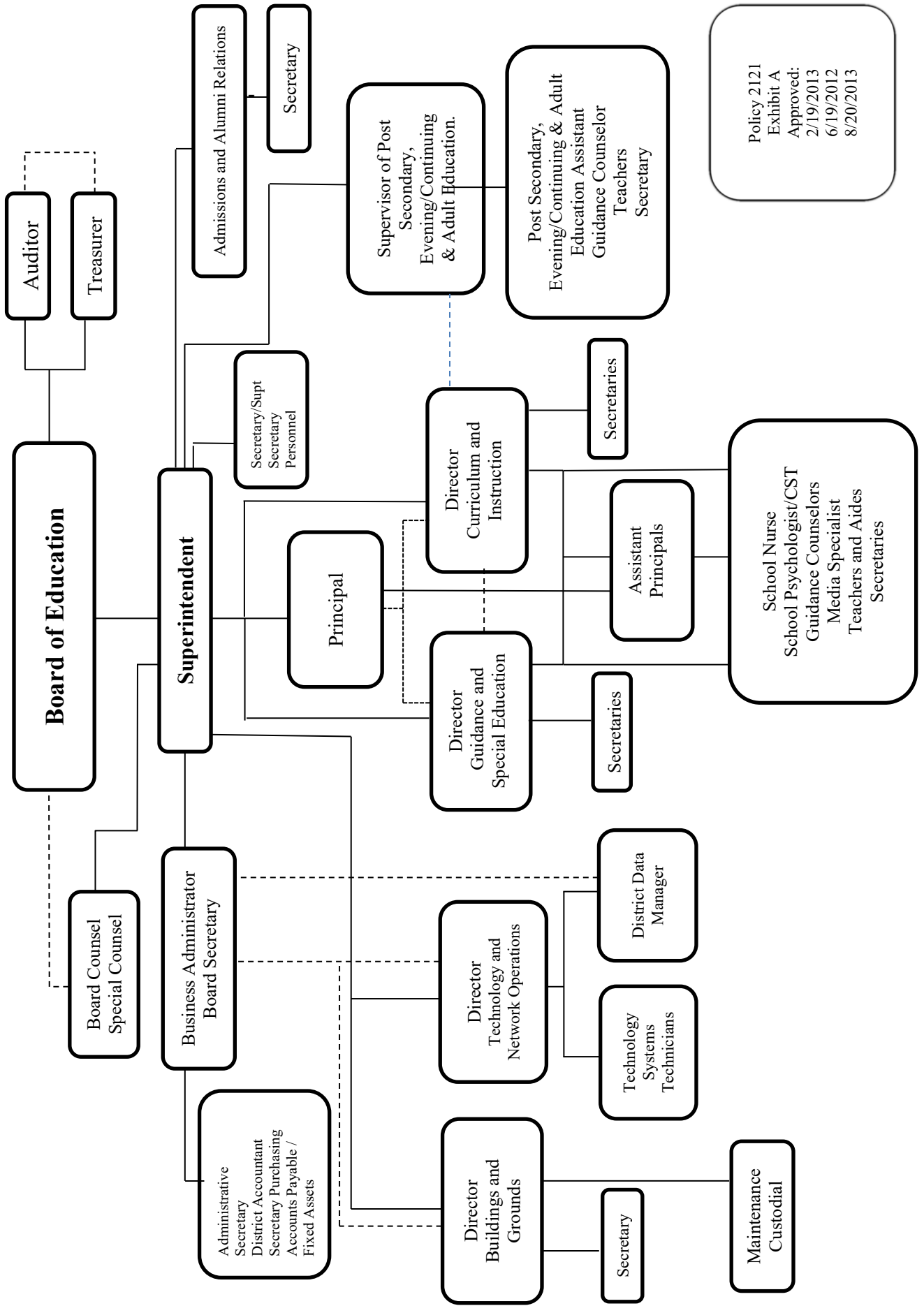
Respectfully submitted,

*Nancy M. Hudanich*  
Dr. Nancy M. Hudanich  
Superintendent

*Paula J. Smith*  
Paula J. Smith  
Business Administrator/Board Secretary

# Cape May County Technical School District

# Organizational Chart



Policy 2121  
Exhibit A  
Approved:  
2/19/2013  
6/19/2012  
8/20/2013

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY, NEW JERSEY**

**ROSTER OF OFFICIALS**

**JUNE 30, 2021**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>		<b>TERM EXPIRES</b>
Alan I. Gould, President	*	6/30/2021
Jane Elwell, Vice - President	*	6/30/2020
Christopher Kobik		6/30/2022
Kenneth R. Merson	*	6/30/2021
Nancy Ramundo		6/30/2022
Dr. Judith DeStefano-Anen, Interim Executive County Superintendent		Ex-Officio

\* - board members have not yet been reappointed by the County of Cape May

**OTHER OFFICIALS**

Dr. Nancy V. Hudanich, Superintendent

Paula J. Smith, Business Administrator/Board Secretary

James V. Craft, Treasurer

Stephen Vitiello, Principal

Nancy Wheeler-Driscoll, Director of Curriculum

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY, NEW JERSEY**

**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

**Ford, Scott & Associates, L.L.C.**  
Certified Public Accountants  
1535 Haven Avenue  
Ocean City, NJ 08226-0538

**ATTORNEY**

**Cooper Levinson, PA**  
1125 Atlantic Avenue  
3<sup>rd</sup> Floor  
Atlantic City, N.J. 08401

**SERVICE BUREAU**

**Systems 3000, Inc.**  
615 Hope Road  
Eatontown, NJ 07724

**OFFICIAL DEPOSITORY**

**Sturdy Savings Bank**  
506 S. Main Street  
Cape May Court House, NJ 08210

## **Financial Section**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

[www.ford-scott.com](http://www.ford-scott.com)

## **Independent Auditor's Report**

The Honorable President and  
Members of the Board of Education  
For Vocational Schools  
County of Cape May, New Jersey

### **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 Board of Education for Vocational Schools, County of Cape May, State of New Jersey (a component unit of the County of Cape May), as of and for the year ended June 30, 2021, 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 and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education for Vocational Schools, County of Cape May, State of New Jersey (a component unit of the County of Cape May), as of June 30, 2021, 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 *Required Supplementary Information* identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education for Vocational Schools, County of Cape May's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB 15-08 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject 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 February 22, 2022 on our consideration of the Board of Education for Vocational Schools, County of Cape May's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board of Education for Vocational Schools, County of Cape May's internal control over financial reporting and compliance.

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Leon P. Costello*

**Leon P. Costello**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 767**

**February 22, 2022**

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**Required Supplementary Information**  
**Part I**

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

The discussion and analysis of Cape May County Technical School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. 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 School District's financial performance.

**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 Cape May County Technical School 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 Cape May County Technical District, the General Fund is 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 ask the question, "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities answer 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 position. 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.

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

- **Governmental 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 enterprise fund is reported as a business activity.

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

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

Fund Financial Statements

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

Governmental Funds

The school 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 the 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 school 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.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The Notes to the Financial Statements are listed in the table of contents of this report.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the school district as a whole. Net Position may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

The following schedule provides a summary of the School District's net position for 2021 and 2020.

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Current and Other Assets	\$ 15,893,158.33	9,238,709.63
Capital Assets	<u>29,130,609.91</u>	<u>29,638,398.70</u>
Total Assets	<u>45,023,768.24</u>	<u>38,877,108.33</u>
<b>Deferred Outflows of Resources</b>		
Deferred Outflows Related to Pensions	<u>619,639.00</u>	<u>1,008,244.00</u>
<b>Liabilities</b>		
Long-Term Liabilities	2,138,314.64	2,241,126.33
Other Liabilities	1,554,041.56	3,553,133.84
Net Pension Liability	<u>4,398,993.00</u>	<u>5,052,835.00</u>
Total Liabilities	<u>8,091,349.20</u>	<u>10,847,095.17</u>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows Related to Pensions	<u>2,163,308.00</u>	<u>2,076,196.00</u>
<b>Net Position</b>		
Net Investment in Capital Assets	29,130,609.91	29,638,398.70
Restricted	12,577,541.68	4,798,513.57
Unrestricted	<u>(6,319,401.55)</u>	<u>(7,474,851.31)</u>
Total Net Position	<u>\$ 35,388,750.04</u>	<u>26,962,060.96</u>

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

The following schedule shows the changes in net position for fiscal year 2021 and 2020.

	2021	2020
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 5,896,244.02	6,143,917.47
Operating Grants and Contributions	6,276,940.61	4,138,763.77
Capital Grants and Contributions	7,982,188.00	-
General Revenues:		
County Appropriation	8,224,834.00	8,224,833.00
Grants and Entitlements	1,437,454.00	1,396,049.00
Other	194,577.76	110,503.89
Total Revenues	30,012,238.39	20,014,067.13
 <b>Program Expenses</b>		
Instruction	11,131,290.10	10,261,620.54
Support Services:		
Student and Instruction Related Services	2,306,799.60	2,042,148.54
General Administration, School Administration,	2,949,842.19	2,615,431.33
Plant Operations and Maintenance of Facilities	3,790,721.27	3,495,985.21
Pupil Transportation	212,584.39	165,233.06
Capital Outlay	9,760.00	7,590.00
Adult and Continuing Education	1,608,579.97	1,657,228.50
Other Special Items	(21,768.86)	(1,821.02)
Food Service	196,095.28	202,427.58
Other Enterprise Funds	37,296.76	162,150.74
Total Expenses	22,221,200.70	20,607,994.48
Increase/(Decrease) in Net Assets	\$ 7,791,037.69	(593,927.35)

The decrease in Operating Grants and Contributions, as well as the various support service expense categories, is primarily due to a decrease in Other Post-Employment Benefit costs which are allocated based on GASB 69 guidelines.

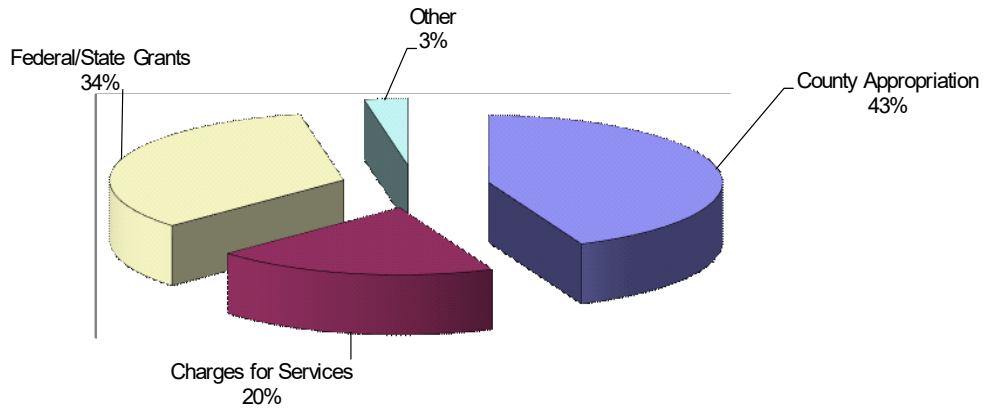
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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

**Governmental Activities**

The County Appropriation made up 27.4% of revenues for governmental activities for the Cape May County Technical School District for fiscal year 2021. The District's total revenues were \$30,012,238.39 for the year ended June 30, 2021. Charges for Service for operating purposes accounted for another 20% of revenue.

**Sources of Revenue for Fiscal Year 2021**

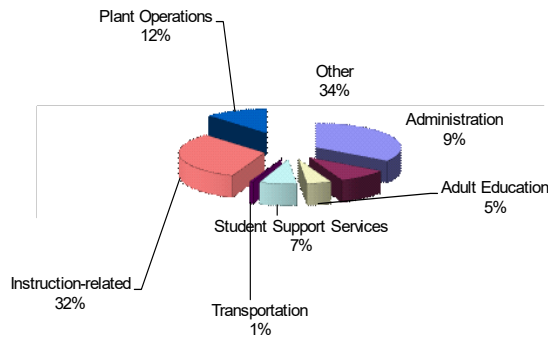


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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

The total cost of all program and services was \$19,315,624.38. As indicated below, instruction comprises 32% of District expenses.

**Cost of Programs and Services for Fiscal Year 2021**



**Business-Type Activities**

Revenues for the District's business-type activities (food service program, Early Childhood/Lab School/Summertime Adventure, Jobs Card, and Education Technology Training Center) were comprised of charges for services and federal and state reimbursements.

- The combined Business-Type Activities revenues exceeded expenses by \$13,625.53.
- Charges for services of the combined Business-Type Activities represent \$46,224.88 of revenue. This represents amounts paid by students and others for daily food service and various fees and charges.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$129,040.43.

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following schedule shows the total cost of services and the net cost of services for 2020 and 2021. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>
Instruction	\$ 11,131,290.10	2,310,928.04	10,261,620.54	2,565,914.48
Support Services:				
Pupils & Instructional Staff	2,306,799.60	1,393,295.46	2,042,148.54	1,446,681.70
General and School				
Administration and				
Business Operations	2,949,842.19	2,385,145.11	2,615,431.33	2,255,862.29
Operation and Maintenance				
of Facilities	3,790,721.27	3,000,342.64	3,495,985.21	3,036,820.79
Pupil Transportation	212,584.39	167,716.11	165,233.06	145,126.87
Adult and Continuing Education	1,608,579.97	744,470.83	1,657,228.50	832,884.90
Capital Outlay	9,760.00	(7,972,428.00)	7,590.00	(30,416.26)
Total Expenses	<u>\$ 22,009,577.52</u>	<u>2,029,470.19</u>	<u>20,245,237.18</u>	<u>10,252,874.77</u>

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 working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

**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 \$27,339,130.93 and expenditures were \$19,315,624.38. The General Fund fund balance increased \$8,620,678.21 primarily due to funding received for capital projects that will be expended in the 2022 fiscal year, as well as the addition of the unemployment trust, student activities, and scholarship funds into the governmental fund effective with the 2021 fiscal year.

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, 2021, and the amount and percentage of total revenues compared to prior year revenues.

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

Revenue	2020-2021 Amount	Percentage of Total	2019-2020 Amount	Percentage of Total
Local Sources	\$ 18,074,710.70	66.11%	14,276,192.29	77.17%
State Sources	8,469,189.67	30.98%	3,671,898.37	19.85%
Federal Sources	795,230.56	2.91%	551,342.04	2.98%
<b>Total</b>	<b>\$ 27,339,130.93</b>	<b>100.00%</b>	<b>18,499,432.70</b>	<b>100.00%</b>

The following schedule represents a summary of general fund, special revenue fund, and capital projects fund expenditures for the fiscal year ended June 30, 2021, and the percentage of total expenditures compared to prior year amounts.

Expenditures	2020-2021 Amount	Percentage of Total	2019-2020 Amount	Percentage of Total
Current Expense:				
Instruction	\$ 6,157,473.76	31.87%	6,087,021.56	34.21%
Undistributed Expenditures	11,251,032.60	58.25%	10,484,932.75	58.94%
Capital Outlay	1,009,739.35	5.23%	161,335.49	0.91%
Special Schools	897,378.67	4.65%	1,055,630.67	5.94%
<b>Total</b>	<b>\$ 19,315,624.38</b>	<b>100.00%</b>	<b>17,788,920.47</b>	<b>100.00%</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 prevent over-expenditures in specific line item accounts. The most significant revision was a decrease (transfer out) to Employee Health Benefits.

TPAF Social Security and On-Behalf TPAF Pension are recorded as both non-budget revenue and expenditure lines in the budgetary comparison schedule. These amounts reflect contributions made by the State of New Jersey to the District's Teachers Retirement Plans. This amount was \$2,650,414.69 during 2020/2021.

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

**Capital Assets**

At the end of the fiscal year 2021, the School District had \$29,049,017.62 invested in land improvement, building, furniture and equipment, and vehicles. The following table shows fiscal year 2021 balances compared to 2020.

	<u>2021</u>	<u>2020</u>
Construction in Progress	\$ 2,721,547.40	2,033,738.28
Land Improvements	46,147.98	59,492.17
Buildings and Improvements	24,748,568.85	25,991,036.48
Machinery and Equipment	1,532,753.39	1,453,302.04
Total	<u>\$ 29,049,017.62</u>	<u>29,537,568.97</u>

Overall capital assets decreased \$488,551.35 from fiscal year 2020 to fiscal year 2021. The decrease in capital assets is due primarily to depreciation expense. For more detailed information, please refer to the Notes to the Financial Statements.

**Debt Administration**

The Cape May County Technical School District is a Type I district. As such, all debt of the district is considered the obligation of the County of Cape May. The Board of School Estimates authorized a capital project in the amount of \$14,769,143 and the County sold bonds in September 2006. This project, authorized in 2005, is funding the costs of an addition and renovations to the Technical High School. Also, during the 2021 fiscal year, the Board of School Estimates authorized an \$8.9 million capital project that will be partially funded by the County through the sale of bonds in the amount of \$3.7 million. This project, which includes an addition to the high school as well as renovations to district buildings, is also funded through a Career and Technical Education Program Expansion Grant.

**For the Future**

The Cape May County Technical School District is in good financial condition. The School District is proud of the community and appreciative of the support of the Board of Chosen Freeholders.

In conclusion, the Cape May County Technical School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

**Contacting the School District's Management**

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 questions about this report or need additional information, contact Paula Smith, School Business Administrator/Board Secretary at the Board of Education, 188 Crest Haven Road, Cape May Court House, N.J. 08210.

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**BASIC FINANCIAL STATEMENTS**

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**DISTRICT - WIDE FINANCIAL STATEMENTS**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Statement of Net Position**  
**June 30, 2021**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,192,069.54	584,694.18	4,776,763.72
Cash Held by Fiscal Agents	187,678.91		187,678.91
Due from Payroll Agency Fund	4,152.00	-	4,152.00
Internal Funds	801.07	(801.07)	-
Receivables, Net	8,345,250.77	19,857.93	8,365,108.70
Prepaid Expenses	-		-
Restricted Assets:			
Cash and Cash Equivalents			-
Capital Reserve Account	2,545,258.17	-	2,545,258.17
Inventory	-	14,196.83	14,196.83
Capital Assets:			
Construction in Progress	2,721,547.40	-	2,721,547.40
Capital Assets Being Depreciated, Net	26,327,470.22	81,592.29	26,409,062.51
Total Assets	<u>44,324,228.08</u>	<u>699,540.16</u>	<u>45,023,768.24</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	619,639.00	-	619,639.00
Total Deferred Outflows of Resources	<u>619,639.00</u>	<u>-</u>	<u>619,639.00</u>
<b>LIABILITIES</b>			
Accounts Payable	575,793.30	290.29	576,083.59
Other Liabilities	216,781.99		216,781.99
Unearned Revenue	750,883.78	10,292.20	761,175.98
Noncurrent Liabilities			
Due Within One Year	99,337.05		99,337.05
Due Beyond One Year	2,038,977.59	-	2,038,977.59
Net Pension Liability	4,398,993.00	-	4,398,993.00
Total Liabilities	<u>8,080,766.71</u>	<u>10,582.49</u>	<u>8,091,349.20</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	2,163,308.00	-	2,163,308.00
<b>NET POSITION</b>			
Net Investment in Capital Assets	29,049,017.62	81,592.29	29,130,609.91
Restricted for:			
Capital Projects	11,632,938.68	-	11,632,938.68
Maintenance Reserve	944,603.00	-	944,603.00
Unrestricted	(6,926,766.93)	607,365.38	(6,319,401.55)
Total Net Position	<u>\$ 34,699,792.37</u>	<u>688,957.67</u>	<u>35,388,750.04</u>

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

**Board of Education for Vocational Schools, County of Cape May  
(A Component Unit of the County of Cape May)  
Statement of Activities  
For the Fiscal Year Ended June 30, 2021**

Function/Programs	Expenses	Indirect Expense Allocation	Program Revenue			Net (Expense Revenue and Changes in Net Position)		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>								
Instruction:								
Regular Instruction	\$ 3,924,385.17	1,572,025.23	2,479,714.98	1,947,510.67		(1,069,184.75)		(1,069,184.75)
Vocational Education	3,439,874.59	1,608,818.94	2,537,753.43	1,352,429.58		(1,158,510.52)		(1,158,510.52)
Other Instruction	378,185.43	208,000.74	328,100.69	174,852.71		(83,232.77)		(83,232.77)
Support Services:								
Student & Instruction Related Services	1,664,613.88	642,185.72		913,504.14		(1,393,295.46)		(1,393,295.46)
School Administrative Services	358,792.69	189,055.86		109,905.42		(437,943.13)		(437,943.13)
General Administrative and Business Services	1,619,675.26	782,318.38		454,791.66		(1,947,201.98)		(1,947,201.98)
Plant Operation and Maintenance	2,431,136.70	1,359,584.57		790,378.62		(3,000,342.64)		(3,000,342.64)
Pupil Transportation	135,403.39	77,181.00		44,868.28		(167,716.11)		(167,716.11)
Unallocated Benefits	7,057,844.78	(7,057,844.78)				-		-
Capital Outlay	9,760.00				7,982,188.00			7,972,428.00
Adult and Continuing Education	989,905.64	618,674.33	504,450.04	359,659.10		(744,470.83)		(744,470.83)
Total Governmental Activities	22,009,577.52	-	5,850,019.14	6,147,900.18	7,982,188.00	(2,029,470.20)	-	(2,029,470.20)
<b>Business-Type Activities:</b>								
Food Service	196,095.28		29,360.94	129,040.43		(37,693.91)		(37,693.91)
Early Childhood/Summertime Adventures	8,688.17		1,572.00			(7,116.17)		(7,116.17)
Job Cards	3,672.39		11,371.94			7,699.55		7,699.55
Education Technology Training Center	24,936.20		3,920.00			(21,016.20)		(21,016.20)
Total Business-Type Activities	233,392.04	-	46,224.88	129,040.43		(58,126.73)		(58,126.73)
Total Primary Government	\$ 22,242,969.56	-	5,896,244.02	6,276,940.61	7,982,188.00	(2,029,470.20)		(2,087,596.93)
<b>General Revenues:</b>								
County Appropriation, Levied for General Purposes						8,224,834.00		8,224,834.00
Federal and State Aid not Restricted						1,437,454.00		1,437,454.00
Investment Earnings						-	28.15	28.15
Miscellaneous Income						194,549.61		194,549.61
Special Items: Loss on Disposal of Capital Assets						(11,475.52)		(11,475.52)
Prior Adjustment to Fixed Assets						-		-
Cancellation of Prior Year Receivables						-		-
Cancellation of Prior Year Payables						-		-
Transfers						33,244.38		33,244.38
						(71,724.11)		-
Total General Revenues, Special Items, Extraordinary Items and Transfers						9,806,882.36		9,878,634.62
Change in Net Position						7,777,412.16		7,791,037.69
Net Position - July 1						26,286,728.82		26,962,060.96
Restatement						635,651.39		635,651.39
Net Position - July 1 (Restated)						26,922,380.21		27,597,712.35
Net Position - Ending						\$ 34,699,792.37		\$ 35,388,750.04

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

**FUND FINANCIAL STATEMENTS**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2021**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 2,779,990.85	962,183.99	449,894.70	4,192,069.54
Cash Held by Fiscal Agents			187,678.91	187,678.91
Receivables, Net	26,232.01	-	-	26,232.01
Due from Other Funds	1,205.58	-	-	1,205.58
Due from Payroll Agency Fund	4,152.00	-	-	4,152.00
Receivables from Other Governments	41,405.00	295,425.76	7,982,188.00	8,319,018.76
Prepaid Expenses	-	-	-	-
Restricted Cash & Cash Equivalents	2,545,258.17	-	-	2,545,258.17
<b>Total Assets</b>	<u>5,398,243.61</u>	<u>1,257,609.75</u>	<u>8,619,761.61</u>	<u>15,275,614.97</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	531,446.68	29,416.62	14,930.00	575,793.30
Due to Other Funds	-	-	404.51	404.51
Payroll Deductions and Withholdings Payable	159,360.49	-	-	159,360.49
Unemployment Claims Payable	57,421.50	-	-	57,421.50
Unearned Revenue	150.00	750,733.78	-	750,883.78
<b>Total Liabilities</b>	<u>748,378.67</u>	<u>780,150.40</u>	<u>15,334.51</u>	<u>1,543,863.58</u>
Fund Balances:				
Restricted for:				
Capital Projects	-	-	8,297,991.15	8,297,991.15
Unemployment Compensation	320,166.94	-	-	320,166.94
Scholarships	-	267,399.57	-	267,399.57
Athletics	-	7,966.84	-	7,966.84
Student Activities	-	202,092.94	-	202,092.94
Committed to:				
Capital Reserve Account	3,028,511.58	-	-	3,028,511.58
Maintenance Reserve Account	944,603.00	-	-	944,603.00
Other Purposes	-	-	306,435.95	306,435.95
Assigned to:				
Other Purposes	65,667.42	-	-	65,667.42
Unassigned:				
General Fund	290,916.00	-	-	290,916.00
<b>Total Fund Balances</b>	<u>4,649,864.94</u>	<u>477,459.35</u>	<u>8,604,427.10</u>	<u>13,731,751.39</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,398,243.61</u>	<u>1,257,609.75</u>	<u>8,619,761.61</u>	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

Capital assets used in governmental activities are not resources and therefore are not reported in the funds.

The cost of the assets is \$60,610,126.11 and the accumulated depreciation is \$31,561,108.49. 29,049,017.62

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. (2,138,314.64)

Pension Liabilities Net of Deferred Outflows & Inflows (5,942,662.00)

Net position of governmental activities \$ 34,699,792.37

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

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Year Ended June 30, 2021**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>				
Local Sources:				
County Line Item Appropriation	\$ 8,224,834.00		3,683,047.00	11,907,881.00
Tuition Charges	5,345,569.10			5,345,569.10
Miscellaneous	587,183.79	234,076.81	-	821,260.60
Total Local Sources	14,157,586.89	234,076.81	3,683,047.00	18,074,710.70
State Sources	4,087,868.69	82,179.98	4,299,141.00	8,469,189.67
Federal Sources	-	795,230.56		795,230.56
Total Revenues	<u>\$ 18,245,455.58</u>	<u>1,111,487.35</u>	<u>7,982,188.00</u>	<u>27,339,130.93</u>
<b>EXPENDITURES</b>				
Current:				
Regular Instruction	2,563,133.78	626,011.17		3,189,144.95
Vocational Instruction	2,687,425.86			2,687,425.86
Other Instruction	280,902.95			280,902.95
Support Services:				
Student & Instruction Related Serv.	990,601.66	373,660.32		1,364,261.98
School Administrative Services	330,518.09			330,518.09
Other Administrative Services	1,502,674.20			1,502,674.20
Plant Operation and Maintenance	2,324,454.11	-		2,324,454.11
Transportation Services	123,860.44			123,860.44
Employee Benefits	5,605,263.78			5,605,263.78
Capital Outlay	321,930.23	-	687,809.12	1,009,739.35
Adult and Continuing Education	897,378.67			897,378.67
Total Expenditures	<u>17,628,143.77</u>	<u>999,671.49</u>	<u>687,809.12</u>	<u>19,315,624.38</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>617,311.81</u>	<u>111,815.86</u>	<u>7,294,378.88</u>	<u>8,023,506.55</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In (Out)	(977,330.50)		977,330.50	-
Transfers to Cover Deficit	(71,724.11)			(71,724.11)
Cancellation of Prior Year Receivables	-			-
Cancellation of Prior Year Liability	33,244.38			33,244.38
Total Other Financing Sources and Uses	<u>(1,015,810.23)</u>	<u>-</u>	<u>977,330.50</u>	<u>(38,479.73)</u>
Net Changes in Fund Balance	<u>(398,498.42)</u>	<u>111,815.86</u>	<u>8,271,709.38</u>	<u>7,985,026.82</u>
Fund Balance - July 1	4,778,355.46	-	332,717.72	5,111,073.18
Restatement	270,007.90	365,643.49		635,651.39
Fund Balance - July 1, Restated	5,048,363.36	365,643.49	332,717.72	5,746,724.57
Fund Balance - June 30	<u>\$ 4,649,864.94</u>	<u>477,459.35</u>	<u>8,604,427.10</u>	<u>13,731,751.39</u>

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

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2021**

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 7,985,026.82

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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 capital outlays exceeded depreciation for the period.

	Depreciation expense	(1,477,055.18)	
	Capital Outlays	<u>999,979.35</u>	
			(477,075.83)

Governmental funds report district pension contributions as expenditures.

However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.

	District pension contributions - PERS	295,098.00	
	Cost of benefits earned net of employee contributions	<u>(116,973.00)</u>	
			178,125.00

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

	Capital lease payments	96,652.58
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In the statement of activities, only the loss on disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale (if any) increases financial resources. Thus, the change in net assets differs from the change in fund balance by book value of the assets disposed.

(11,475.52)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the 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 (+).

6,159.11

Change in Net Position of Governmental Activities

\$ 7,777,412.16

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

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2021**

	Non-Major Funds	Total 2021
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 584,694.18	584,694.18
Intergovernmental Accounts Receivable	16,307.43	16,307.43
Other Accounts Receivable	3,550.50	3,550.50
Inventory	14,196.83	14,196.83
Total Current Assets	618,748.94	618,748.94
Noncurrent Assets:		
Furniture, Machinery & Equipment		
Less Accumulated Depreciation	81,592.29	81,592.29
Total Noncurrent Assets	81,592.29	81,592.29
Total Assets	700,341.23	700,341.23
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	290.29	290.29
Interfunds Payable	801.07	801.07
Unearned Revenue	10,292.20	10,292.20
Total Current Liabilities	11,383.56	11,383.56
<b>NET POSITION</b>		
Invested in Capital Assets Net of Related Debt	81,592.29	81,592.29
Unrestricted	607,365.38	607,365.38
Total Net Position	\$ 688,957.67	688,957.67

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

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended June 30, 2021**

	Non-Major Funds	Total 2021
Operating Revenue:		
Charges for Service:		
Daily Sales - Non-reimbursable Programs	\$ 21,748.90	21,748.90
Daily Sales - Reimbursable Programs	16.25	16.25
Special Functions	7,595.79	7,595.79
Early Childhood Program Fees	1,572.00	1,572.00
Summertime Adventure Fees	-	-
Cosmetology Revenue	-	-
Hotel/Motel	8,975.89	8,975.89
Bake Shop	-	-
Culinary Arts	-	-
Greenhouse	-	-
Food Production	2,396.05	2,396.05
ETTC Revenues	3,920.00	3,920.00
Miscellaneous	-	-
Total Operating Revenue	46,224.88	46,224.88
Operating Expenses:		
Cost of Sales		
Reimbursable Programs	60,849.57	60,849.57
Non-reimbursable Programs	6.56	6.56
Salaries	24,936.20	24,936.20
Fringe Benefits	-	-
Other Purchased Services	103,760.04	103,760.04
Miscellaneous Expenditures	6,703.34	6,703.34
General Supplies	17,898.89	17,898.89
Depreciation	19,237.44	19,237.44
Total Operating Expenses	233,392.04	233,392.04
Operating Income (Loss)	(187,167.16)	(187,167.16)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	4,371.68	4,371.68
Federal Sources:		
National School Lunch Program	80,865.04	80,865.04
School Breakfast Program	16,918.36	16,918.36
Emergency Operational Cost Program	8,445.44	8,445.44
P-EBT Administrative Costs	614.00	614.00
Food Distribution Program	17,825.91	17,825.91
Interest and Investment Income	28.15	28.15
Total Nonoperating Revenues (Expenses)	129,068.58	129,068.58
Income (loss) before Contributions & Transfers	(58,098.58)	(58,098.58)
Capital Contributions (Uses)	-	-
Write off of prior year fixed assets	-	-
Transfers In (Out)	71,724.11	71,724.11
Changes in Net Position	13,625.53	13,625.53
Total Net Position - Beginning	675,332.14	675,332.14
Total Net Position - Ending	\$ 688,957.67	688,957.67

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

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Proprietary Funds**  
**Comparative Statement of Cash Flows**  
**For the Year Ended June 30, 2021**

	Non-Major Funds	Total 2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 141,483.26	141,483.26
Payments to Employees	(41,128.23)	(41,128.23)
Payments for Employee Benefits	801.07	801.07
Payments for Supplies and Services	(172,030.10)	(172,030.10)
Net Cash (Used for) Operating Activities	<u>(70,874.00)</u>	<u>(70,874.00)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	3,971.07	3,971.07
Federal Sources	91,409.02	91,409.02
Operating Subsidies and Transfers to Other Funds	71,724.11	71,724.11
Net Cash Provided by Noncapital Financing Activities	<u>167,104.20</u>	<u>167,104.20</u>
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of Capital Assets	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest and Dividends	28.15	28.15
Net Cash Provided by (Used for) Investing Activities	<u>28.15</u>	<u>28.15</u>
Net (Decrease) in Cash and Cash Equivalents	96,258.35	96,258.35
Balance - Beginning of Year	488,435.83	488,435.83
Balance - End of Year	<u>584,694.18</u>	<u>584,694.18</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating (Loss)	(187,167.16)	(187,167.16)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	19,237.44	19,237.44
Federal Commodities - Non-Cash	17,825.91	17,825.91
(Increase) Decrease in Accounts Receivable	89,657.88	89,657.88
(Increase) Decrease in Inventories	724.23	724.23
Increase (Decrease) in Accounts Payable	(1,361.84)	(1,361.84)
Increase (Decrease) in Deferred Revenue	5,600.50	5,600.50
Increase (Decrease) in Interfund Payable	(15,390.96)	(15,390.96)
Total Adjustments	<u>116,293.16</u>	<u>116,293.16</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (70,874.00)</u>	<u>(70,874.00)</u>

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

## **Notes to the Financial Statements**

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**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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

The financial statements of the Board of Education (Board) of the Cape May County Technical School District (District) have been prepared in conformity with 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. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

**A. REPORTING ENTITY**

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Cape May County Technical School District is a Type I District located in the County of Cape May, State of New Jersey. As a Type I District, the School District functions independently through a Board of Education. The Board is comprised of four members appointed to four-year terms, by the Board of Chosen Freeholders, and the County Superintendent of Schools as an ex-officio member. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the District is to educate students in grades 9-12 for both regular and vocational programs and operate the adult and continuing education programs. The District had an enrollment at June 30, 2021 of 565 students.

In evaluating how to define the governmental reporting entity, the District follows the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, under which the financial statements include all the organizations, activities, functions, and component units for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the District's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District. On this basis, the District's financial reporting entity has no component units. But, as a Type I District, would be considered a component unit of the County of Cape May. The County of Cape May however reports on the regulatory basis of accounting which does not recognize component units. If the County followed Generally Accepted Accounting Principles (GAAP) reporting, the Board of Education would be a component unit of the County of Cape May.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021  
(CONTINUED)**

**B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program, Early Childhood/Summertime Adventure/Lab School, Job Cards and Education Technology Training Center are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities. The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

**C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021  
(CONTINUED)**

The following fund types are used by the District:

**1. Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **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. The District's Unemployment Compensation Trust Fund, Payroll Agency, and Net Payroll accounts are also accounted for in the General Fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District. The District's Scholarship, Athletic, and Student Activities Funds are also accounted for in the Special Revenue Fund.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Fund Balances – Governmental Funds**

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.

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.

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.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. 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 balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021  
(CONTINUED)**

**2. Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs.

The District's Enterprise Fund is comprised of the following;

**Food Service Fund**, which accounts for all revenues and expenses pertaining to the District's cafeteria operations.

**Early Childhood/Summertime Adventures Fund**, which accounts for all revenues and expenses pertaining to these separate programs.

**Job Card Fund**, which accounts for all revenues and expenses pertaining to the job cards operated by the district for different vocations such as culinary arts, the bake shop, auto mechanics, etc.

**Educational Technology Training Center Fund**, which accounts for all revenues and expenses pertaining to the training center programs.

**3. Fiduciary Funds:**

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-wide statements.

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021  
(CONTINUED)**

**1. Accrual:**

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**E. FINANCIAL STATEMENT AMOUNTS**

**1. Cash and Cash Equivalents:**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that 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.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. 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 their deposits to the Governmental units.

**2. Investments:**

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

**3. Inventories:**

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which

**BOARD OF EDUCATION  
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(CONTINUED)**

approximates market, using the first-in, first –out method. As of June 30, 2021, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$ 12,292.78
Supplies	<u>1,904.05</u>
	<u>\$ 14,196.83</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2021 is \$10,825.72.

**4. Capital Assets:**

Capital assets purchased or acquired with an original cost of \$2,000.00 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

**5. Revenues:**

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality 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. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

**6. Expenditures:**

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**7. Compensated absences:**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
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(CONTINUED)**

rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-Wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

**8. Interfund Activity:**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**9. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the board of school estimates have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the 2021 and 2020 fiscal years were as follows:

	2021	2020
Regular Programs-Instruction Grades 9-12		
Salaries of Teachers	\$ (192,829.80)	-
Undistributed Expenditures-Custodial Services		
Purchased Professional and Technical Services	150,209.85	-
Cleaning, Repair and Maintenance Services	-	114,785.55
General Supplies	-	125,777.07
Unallocated Benefits – Employee Benefits		
Health Benefits	(218,984.85)	(427,830.11)

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

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mandated revenue recognition of the last 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 reports.

**10. Tuition Receivable:**

Tuition charges were established by the Board of Education based on estimated costs. The charges to the various sending districts are subject to adjustment when the final costs have been determined by the State of New Jersey.

**11. Use of Estimates:**

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

**12. Allocation of Costs:**

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

**13. Pensions:**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. 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.

**F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE**

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87 "Leases". This statement, which is effective for fiscal periods beginning after December 15, 2020, may have an effect on the District's financial reporting.

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period". This statement, which is effective for fiscal periods beginning after December 31, 2021, will not have any effect on the District's financial reporting.

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the District's financial reporting.



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In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after December 31, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription Based Information Technology Arrangements". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In October 2021, the Governmental Accounting Standards Board (GASB) issued Statement No. 98, "The Annual Comprehensive Financial Report". This statement, which is effective for fiscal years ending after December 15, 2021, will have an effect on the District's financial statements.

**NOTE 2. CASH**

**Custodial Credit Risk—Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2021, \$538,118.49 of the government's bank balance of \$7,950,568.27 was exposed to custodial credit risk.

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**NOTE 3. FIXED ASSETS**

Capital Asset activity for the year ended June 30, 2021 was as follows:

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Disposals/ Adjustments</u>	<u>Balance June 30, 2021</u>
<b>Governmental Activities:</b>				
Capital assets that are not being depreciated:				
Construction in process	\$ 2,033,738.28	687,809.12		2,721,547.40
Total capital assets not being depreciated	<u>2,033,738.28</u>	<u>687,809.12</u>	<u>-</u>	<u>2,721,547.40</u>
Land Improvements	816,899.94			816,899.94
Bldg and bldg improve	52,863,213.93			52,863,213.93
Machinery & equipment	4,060,705.64	312,170.23	(164,411.03)	4,208,464.84
Total at historical cost	<u>57,740,819.51</u>	<u>312,170.23</u>	<u>(164,411.03)</u>	<u>57,888,578.71</u>
Less accum depr for:				
Land Improvements	(757,407.77)	(13,344.19)		(770,751.96)
Bldg and bldg improve	(26,872,177.45)	(1,242,467.63)		(28,114,645.08)
Equipment	(2,607,403.60)	(221,243.36)	152,935.51	(2,675,711.45)
Total accum deprec	<u>(30,236,988.82)</u>	<u>(1,477,055.18)</u>	<u>152,935.51</u>	<u>(31,561,108.49)</u>
Total capital assets being depr, net of accum depr	<u>27,503,830.69</u>	<u>(1,164,884.95)</u>	<u>(11,475.52)</u>	<u>26,327,470.22</u>
<b>Governmental Activities Capital Assets, net</b>	<u>29,537,568.97</u>	<u>(477,075.83)</u>	<u>(11,475.52)</u>	<u>29,049,017.62</u>
<b>Business-Type Activities:</b>				
Equipment	242,002.37			242,002.37
Less accum depr for:				
Equipment	(141,172.64)	(19,237.44)		(160,410.08)
<b>Business-Type Activities Capital Assets, net</b>	<u>\$ 100,829.73</u>	<u>(19,237.44)</u>	<u>-</u>	<u>81,592.29</u>

Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular Instruction	\$	328,991.09
Vocational Instruction		336,691.22
Other Instruction		43,530.08
Support Services		
Student & Instruction Related Services		134,395.66
School Administrative Services		39,565.33
General Administration and Business Services		163,722.42
Plant Operation and Maintenance		284,531.82
Pupil Transportation		16,152.32
Adult and Continuing Education		129,475.24
Total Depreciation Expense	\$	<u>1,477,055.18</u>

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**NOTE 4. PENSION PLANS**

*Description of Plans*

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at [http://www.state.nj.us/treasury/pensions/annrpts\\_archive.htm](http://www.state.nj.us/treasury/pensions/annrpts_archive.htm).

*Teachers' Pension and Annuity Fund*

The Teachers' Pension and Annuity Fund was established in January, 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*

The Public Employees' Retirement System was established in January 1955 under the provisions 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 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.

*Defined Contribution Retirement Program (DCRP)*

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost sharing multiple employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

*Funding Policy*

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 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. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 35.24% and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2021, 2020, and 2019 were \$1,676,908.00, \$1,276,125.00, and

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\$1,143,964.00, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2021, 2020, and 2019, were \$295,098.00, \$274,397.00, and \$285,495.00, respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2021, 2020, and 2019, the State of New Jersey contributed \$525,517.00, \$473,419.00, and \$518,900.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$447,106.69, \$430,720.76, and \$446,197.81, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

For the DCRP, members contribute at a uniform rate of 6.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were 2 employees enrolled in the DCRP for the year ended June 30, 2021.

Vesting and Benefit Provisions

The vesting and benefit provisions for 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 eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates

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- increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60<sup>th</sup> from 1/55<sup>th</sup>, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also required the State to make its full pension contribution, defined at 1/7<sup>th</sup> of the required amount, beginning in fiscal year 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charges, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**NOTE 5. PUBLIC EMPLOYEES RETIREMENT SYSTEM**

At June 30, 2021, the District reported a liability of \$4,398,993 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 employers, actuarially determined. At June 30, 2020, the District's proportion was .02697546670%, which was a decrease of 3.81% from its proportion measured as of June 30, 2019.

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For the year ended June 30, 2021, the District recognized pension expense of \$116,973.00. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 80,098.00	15,557.00
Changes of assumptions	142,708.00	1,841,900.00
Net difference between projected and actual earnings on pension plan investments	150,361.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	246,472.00	305,852.00
District contributions subsequent to the measurement date		
<b>Total</b>	<b>\$ 619,639.00</b>	<b>\$ 2,163,309.00</b>

\$295,098.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended June 30,		
2021	\$	(566,914.00)
2022		(528,069.00)
2023		(303,281.00)
2024		(121,462.00)
2025		(23,944.00)
Total	\$	(1,543,670.00)

**Actuarial Assumptions**

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate:		
Price		2.75%
Wage		3.25%
Salary increases:		
Through 2026		2.00% - 6.00% (based on years of service)
Thereafter		3.00% - 7.00% (based on years of service)
Investment rate of return:		7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disable Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) 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. 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 inflations. Best estimates of arithmetic real rates of return for each

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major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to all projected benefit payments to determine the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.*

The following presents the collective net pension liability of the participated employers as of June 30, 2020, 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 5,239,188.51	4,398,993.00	3,686,980.89

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.



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*Additional Information*

Collective balances of the local group at June 30, 2020 are as follows:

Deferred outflows of resources	\$	2,347,583,337.00
Deferred inflows of resources		7,849,949,467.00
Net pension liability		16,435,616,426.00
 District's proportion		 4,398,993.00

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 is \$407,705,399.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at June 30, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years, respectively.

**NOTE 6. TEACHERS' PENSION AND ANNUITY FUND (TPAF)**

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		<u>37,636,683.00</u>
Total	\$	<u>37,636,683.00</u>

The net pension liability was measured as of June 30, 2019 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 school districts and the State, actuarially determined. At June 30, 2020, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$2,340,409 and revenue of \$2,340,409 for support provided by the State.

*Actuarial assumptions.* The total pension liability in the June 30, 2020 actuarial valuation was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

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Inflation Rate	
Price	2.75%
Wage	3..25%
Salary increases	
Through 2026	1.55% - 4.45% (based on years of service)
Thereafter	2.75% - 5.65% (based on years of service)
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Medan Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) 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. 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, 2020 are summarized in the following table:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

*Discount rate.* The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020, 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 based on 78% of the actuarially determined contributions for the State. 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 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.*

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.40% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.40%) or 1-percentage point higher (6.40%) than the current rate:

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
District's proportionate share of the net pension liability	\$ -	-	-

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

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**Additional Information**

Collective balances of the local group at June 30, 2020 are as follows:

Deferred outflows of resources	\$	9,626,548,228
Deferred inflows of resources		14,591,988,841
Net pension liability		65,993,498,688

Collective pension expense for the plan for the measurement period ended June 30, 2019 is \$4,103,756,770.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at June 30, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 is 7.99, 8.04, 8.29, 8.30, 8.30, 8.30, and 8.5 years, respectively.

**NOTE 7. OTHER POST-RETIREMENT BENEFITS**

*General Information about the OPEB Plan*

The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 year of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2020, the State paid PRM benefits for 143,053 State and local retirees.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2020, the State contributed \$1.578 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State's "pay-as-you-go" contributions have decreased from Fiscal Year 2019 amounts. Reductions are attributable to various cost savings initiatives implemented by the State, including new Medicare Advantage contracts. The State has appropriated \$1.775 billion in Fiscal Year 2021 as the State's contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2020 total State OPEB liability to provide these benefits is \$65.5 billion, a decrease of \$10.5 billion or 13.8 percent from the \$76 billion liability recorded in Fiscal Year 2019.

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Additional information on Pensions and OPEB can be accessed at [state.nj.us/treasury/pensions/financial-reports.shtml](http://state.nj.us/treasury/pensions/financial-reports.shtml).

*Total OPEB Liability*

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State CAFR on the Office of Management and Budget webpage: <https://www.nj.gov/treasury/omb/cafr.shtml>.

*Actuarial assumptions and other imputes:*

The total OPEB liability in the June 30, 2020 actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate – 2.50%

Salary Increases –

	<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years	3.25 - 15.25% based on service years
Thereafter	1.55 - 4.45% based on service years	3.00 - 7.00% based on service years	Applied to all future years

Mortality Rates –

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-20.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the period July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS, and PFRS, respectively.

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Health Care Trend Assumptions –

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2021 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate –

The discount rate for June 30, 2020 was 2.21%. 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at 6/30/19	\$ 41,729,081,045.00
Changes for the year:	
Service cost	1,790,973,822.00
Interest	1,503,341,357.00
Differences between Expected & Actual Experiences	11,544,750,637.00
Changes in assumptions or other inputs	12,386,549,981.00
Contributions: Member	35,781,384.00
Benefit payments	<u>(1,180,515,618.00)</u>
Net changes	<u>26,080,881,563.00</u>
Balance at 6/30/20	<u>\$ 67,809,962,608.00</u>

*Sensitivity of the total OPEB liability to changes in the discount rate:*

The following presents the total OPEB liability as of June 20, 2020, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability (School Retirees)	81,748,410,002.00	67,809,962,608.00	56,911,439,160.00

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.*

The following presents the total OPEB liability as of June 30, 2020c calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

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	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	54,738,488,540.00	67,809,962,608.00	83,375,182,975.00

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

For the year ended June 30, 2021, the board of education recognized OPEB expense of \$1,452,581 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education'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. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,295,318,750.00	(9,170,703,615.00)
Changes of assumptions	11,534,251,250.00	(7,737,500,827.00)
Total	\$ 21,829,570,000.00	\$ (16,908,204,442.00)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2021	\$ 43,440,417.00
2022	43,440,417.00
2023	43,440,417.00
2024	43,440,417.00
2025	43,440,417.00
Thereafter	4,704,163,473.00
Total	\$ 4,921,365,558.00

(Contributions made after June 30, 9are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

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**NOTE 8. DEFERRED COMPENSATION**

The Board offers its employees a deferred compensation plan 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 plan administrators are as follows:

Lincoln Investment Planning  
AXA Equitable  
ABCO-ING

**NOTE 9. COMPENSATED ABSENCES**

The District accounts for compensated absences (e.g. 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.

District employees are granted varying amounts of vacation and sick leave in accordance with the district's personnel policy. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and is capped based on the various employee contracts.

In the district-wide Statement of Net Position, the liabilities whose average maturities are greater than one year are reported in two components – the amount due within one year and the amount due in more than one year.

**NOTE 10. OPERATING LEASES**

The District has commitments to lease certain office equipment under operating leases that expire in fiscal years 2021 through 2023. Total operating lease payments made during the year ended June 30, 2021 were \$26,874.14. Future minimum lease payments are as follows:

Fiscal Year End June 30,	Payment
2022	\$ 23,239.40
2023	6,860.15
2024	-
2025	-
2026	-
Total	\$ <u>30,099.55</u>

**NOTE 11. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Board of Education by inclusion of \$1.00 on October 17, 2000 retroactive to October 13, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. A 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



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increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at on of the four special elections authorized pursuant to NJSA 19:60-2. Pursuant to NJAC 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFPP.

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$	3,521,342.85
Interest Earnings		150.00
Deposits:		
Transfer of Current Year Surplus, June 22, 2021		484,349.23
Budgeted Transfer to capital projects		3,250,000.00
		7,255,842.08
Withdrawals:		
Budgeted in FY2021 -		
For Local Share		(2,375,000.00)
Excess Cost and Other Capital Projects		(875,000.00)
Transfer to Capital Projects Fund		(977,330.50)
Ending Balance, June 30, 2021	\$	3,028,511.58

**NOTE 12. MAINTENANCE RESERVE ACCOUNT**

New Jersey Administrative Code 6A:23A-14.2 permits school districts to establish a maintenance reserve account for required maintenance of the District's facilities, in accordance with the Commissioner approved plan. The District can only increase the balance in this reserve account by appropriating funds in the annual general fund budget certified for taxes.

Beginning balance, July 1, 2020	\$	944,453.00
Interest earnings		150.00
Deposits:		
None		-
		944,603.00
Withdrawals:		
None		-
		-
Ending balance, June 30, 2021	\$	944,603.00

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**NOTE 13. GENERAL LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Issued	Retired	Balance June 30, 2021	Amounts Due Within One Year
<b>Governmental Activities</b>					
Compensated Absences Payable	\$ 842,620.20	341,521.45	347,680.56	836,461.09	-
Net Pension Liability	5,052,835.00	1,804,565.00	2,458,407.00	4,398,993.00	-
Obligations Under Capital Leases	1,398,506.13		96,652.58	1,301,853.55	99,337.05
<b>Total Debt</b>	<b>\$ 7,293,961.33</b>	<b>2,146,086.45</b>	<b>2,902,740.14</b>	<b>6,537,307.64</b>	<b>99,337.05</b>

Compensated absences and capital leases will be liquidated in the General Fund.

**Capital Leases Payable** – Commencing May 26, 2016, the District is leasing various equipment totaling \$1,715,000 under capital leases. The lease is for a term of 15 years and semiannual lease payments in amounts ranging from \$51,380.00 to \$85,084.09 will be made to Sterling National Bank. Payments include interest at a rate of 2.59% per annum. The following is a schedule of the future minimum lease payments under the capital lease and the net minimum lease payments at June 30, 2021.

	Total
FY22	132,415.98
FY23	135,660.00
FY24	138,975.99
FY25	142,363.99
FY26	145,827.98
FY27-FY31	799,692.23
Total minimum lease payments	1,494,936.17
Less amount representing interest	193,082.62
Present value of lease payments	<b>\$ 1,301,853.55</b>

**NOTE 14. INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2021:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,205.58	
Capital Projects Fund		404.51
ETTC Fund		801.07
<b>Total</b>	<b>\$ 1,205.58</b>	<b>1,205.58</b>

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds and to cover cash overdrafts for pooled funds. The governmental fund interfunds were eliminated in the governmental-wide statements.

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**NOTE 15. FUND BALANCE APPROPRIATED**

General Fund (Exhibit B-1) – Of the \$4,649,864.94 General Fund fund balance, at June 30, 2021, \$0.00 is reserved as excess surplus in accordance with NJSA 18A:7F-7, \$320,166.94 has been reserved for Unemployment Compensation; \$3,028,511.58 has been reserved in the Capital Reserve Account; \$944,603.00 has been reserved in the Maintenance Reserve Account; \$0.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2021; \$65,667.42 has been assigned for other purposes (encumbrances) and \$290,916.00 has been classified as Unassigned.

Capital Projects Fund – Of the \$8,604,427.10 Capital Projects Fund balance, at June 30, 2021, \$8,297,991.15 is restricted for a Capital project for additions and renovations to the Technical High School, approved on August 23, 2005; \$306,435.95 has been committed for construction contracts payable authorized by the Board of Education for various capital projects.

**NOTE 16. CALCULATION OF EXCESS SURPLUS**

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. 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. The excess fund balance at June 30, 2021 is \$0.

**NOTE 17. 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 insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2021, the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

New Jersey Unemployment Compensation Insurance - The District converted from the “Benefit Reimbursement Method” to the “Contributory Method” beginning in January 2005. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment compensation fund for the current and prior year:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Unemployment Claims</u>	<u>Interest Earnings</u>	<u>Ending Balance</u>
2020-2021	\$ 270,007.90	50,000.00		159.04	320,166.94
2019-2020	251,891.17	44,928.01	27,007.60	196.32	270,007.90
2018-2019	193,757.12	64,977.43	6,981.54	138.16	251,891.17

**NOTE 18. LITIGATION**

From time to time, the District is a defendant or plaintiff in legal proceedings relating to its operations as a school district. The District is not currently involved in any litigation that may have an impact on the financial statements.

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**NOTE 19. RESTATEMENT OF PRIOR YEAR BALANCES**

Fund balance has been restated as required by the implementation of GASB 84.

<b>Beginning fund balance as previously reported at June 30, 2020</b>	<b>\$ 5,111,073.18</b>
Implementation GASB 84 - Restatement of Prior Year Balances Required	
Scholarship Fund	231,240.84
Student Activities	126,964.43
Athletic Fund	7,438.22
Unemployment Fund	<u>270,007.90</u>
Total Restatement	<u>635,651.39</u>
<b>Fund Balance as restated, July 1, 2020</b>	<b>\$ <u>5,746,724.57</u></b>

**NOTE 20. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through February 22, 2022, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

**Required Supplementary Information**  
**Part II**

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**BUDGETARY COMPARISON SCHEDULES**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
<b>REVENUES:</b>					
Local Sources:					
County Line Item Appropriation	\$ 8,224,834.00		8,224,834.00	8,224,834.00	-
Tuition	5,345,569.00		5,345,569.00	5,345,569.10	0.10
Nonresident Fees	95,629.00		95,629.00	95,629.00	-
Adult Education Testing Center Fees	6,200.00		6,200.00	3,670.00	(2,530.00)
Interest on Maintenance Reserve	150.00		150.00		(150.00)
Interest on Capital Reserve	150.00		150.00		(150.00)
Other Restricted Miscellaneous Revenue	443,550.00	-	443,550.00	408,821.04	(34,728.96)
Unrestricted Miscellaneous Revenue	75,000.00	-	75,000.00	79,063.75	4,063.75
<b>Total Local Sources</b>	<b>14,191,082.00</b>	<b>-</b>	<b>14,191,082.00</b>	<b>14,157,586.89</b>	<b>(33,495.11)</b>
State Sources:					
Categorical Special Education Aid	447,941.00		447,941.00	447,941.00	-
Vocational Expansion Stabilization Aid	260,639.00		260,639.00	260,639.00	-
Categorical Security Aid	79,387.00		79,387.00	79,387.00	-
Adjustment Aid	608,082.00		608,082.00	608,082.00	-
Securing Our Children's Future Bond Act School Security Grant				41,405.00	41,405.00
TPAF Pension (On-Behalf - Non-Budgeted)					
Teachers Pension and Annuity Fund			-	1,676,908.00	1,676,908.00
TPAF - Post Retirement Medical			-	525,517.00	525,517.00
TPAF-Long-Term Disability Insurance Premium Contribution				883.00	883.00
TPAF Social Security (Reimbursed- Non-Budgeted)			-	447,106.69	447,106.69
<b>Total State Sources</b>	<b>1,396,049.00</b>	<b>-</b>	<b>1,396,049.00</b>	<b>4,087,868.69</b>	<b>2,691,819.69</b>
<b>Total Revenues</b>	<b>15,587,131.00</b>	<b>-</b>	<b>15,587,131.00</b>	<b>18,245,455.58</b>	<b>2,658,324.58</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>REGULAR PROGRAMS - INSTRUCTION GRADES 9-12</b>					
Salaries of Teachers	2,642,661.00	(192,829.80)	2,449,831.20	2,447,520.74	2,310.46
Purchased Professional - Educational Services		20,000.00	20,000.00	20,000.00	-
Other Purchased Services (400-500 series)	22,500.00	-	22,500.00	17,660.44	4,839.56
General Supplies	58,489.49	(7,102.54)	51,386.95	45,957.38	5,429.57
Textbooks	25,000.00	7,120.29	32,120.29	31,995.22	125.07
Salaries of Teachers	4,018.00	(4,018.00)	-	-	-
Purchased Professional - Educational Services	7,200.00	(7,200.00)	-	-	-
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>2,759,868.49</b>	<b>(184,030.05)</b>	<b>2,575,838.44</b>	<b>2,563,133.78</b>	<b>12,704.66</b>
<b>VOCATIONAL PROGRAMS - INSTRUCTION</b>					
Regular Vocational Programs - Instruction					
Salaries of Teachers	1,486,443.00	(84,202.67)	1,402,240.33	1,395,145.05	7,095.28
Other Salaries for Instruction	162,309.00	3,369.62	165,678.62	163,186.17	2,492.45
Other Purchased Services (400-500 series)	70,315.00	(11,904.56)	58,410.44	48,908.20	9,502.24
General Supplies	188,545.96	(41,246.87)	147,299.09	131,340.21	15,958.88
Textbooks	3,000.00	-	3,000.00	-	3,000.00
Other Objects	8,500.00	-	8,500.00	7,961.00	539.00
<b>Total Regular Vocational Programs - Instruction</b>	<b>1,919,112.96</b>	<b>(133,984.48)</b>	<b>1,785,128.48</b>	<b>1,746,540.63</b>	<b>38,587.85</b>
Special Vocational Programs - Instruction					
Salaries of Teachers	838,634.00	57,315.71	895,949.71	876,699.62	19,250.09
Other Salaries for Instruction	20,385.00	16,421.22	36,806.22	36,806.22	-
Other Purchased Services (400-500 series)	-	-	-	-	-
General Supplies	46,332.05	(13.10)	46,318.95	27,379.39	18,939.56
Textbooks	-	-	-	-	-
<b>Total Special Vocational Programs - Instruction</b>	<b>905,351.05</b>	<b>73,723.83</b>	<b>979,074.88</b>	<b>940,885.23</b>	<b>38,189.65</b>
<b>TOTAL VOCATIONAL PROGRAMS - INSTRUCTION</b>	<b>2,824,464.01</b>	<b>(60,260.65)</b>	<b>2,764,203.36</b>	<b>2,687,425.86</b>	<b>76,777.50</b>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
School-Spon. Cocurricular Activities - Instruction					
Salaries	46,453.00	(9,141.00)	37,312.00	22,490.00	14,822.00
Purchased Services (300-500 series)	15,000.00	(2,970.00)	12,030.00	12,030.00	-
Supplies & Materials	1,500.00	2,979.87	4,479.87	4,479.87	-
Other Objects	15,462.00	-	15,462.00	4,014.80	11,447.20
Total School-Spon. Cocurricular Activities - Inst.	<u>78,415.00</u>	<u>(9,131.13)</u>	<u>69,283.87</u>	<u>43,014.67</u>	<u>26,269.20</u>
School-Spon. Cocurricular Athletics - Instruction					
Salaries	199,426.00	-	199,426.00	181,251.25	18,174.75
Purchased Services (300-500 series)	42,316.00	-	42,316.00	21,756.00	20,560.00
Supplies & Materials	30,011.88	-	30,011.88	25,983.26	4,028.62
Other Objects	12,000.00	-	12,000.00	8,897.77	3,102.23
Total School-Spon. Cocurricular Athletics - Inst.	<u>283,753.88</u>	<u>-</u>	<u>283,753.88</u>	<u>237,888.28</u>	<u>45,865.60</u>
Other Instructional Programs - Instruction					
Supplies & Materials	3,000.00	-	3,000.00	-	3,000.00
Total Other Instructional Programs - Inst.	<u>3,000.00</u>	<u>-</u>	<u>3,000.00</u>	<u>-</u>	<u>3,000.00</u>
<b>TOTAL INSTRUCTION</b>	<u>5,949,501.38</u>	<u>(253,421.83)</u>	<u>5,696,079.55</u>	<u>5,531,462.59</u>	<u>164,616.96</u>
<b>UNDISTRIBUTED EXPENDITURES</b>					
Undistributed Expend. - Attendance & Social Work					
Salaries	56,912.00	(43,344.14)	13,567.86	1,112.50	12,455.36
Total Undistributed Expend. - Attend & Social Work	<u>56,912.00</u>	<u>(43,344.14)</u>	<u>13,567.86</u>	<u>1,112.50</u>	<u>12,455.36</u>
Undistributed Expend. - Health Services					
Salaries	96,622.00	5,559.40	102,181.40	102,026.40	155.00
Purchased Professional and Technical Services	750.00	(479.00)	271.00	270.00	1.00
Other Purchased Services (400-500 series)	500.00	(500.00)	-	-	-
Supplies & Materials	8,515.09	1,886.25	10,401.34	9,835.72	565.62
Other Objects	-	-	-	-	-
Total Undistributed Expend. - Health Services	<u>106,387.09</u>	<u>6,466.65</u>	<u>112,853.74</u>	<u>112,132.12</u>	<u>721.62</u>
Undistributed Expend. - Guidance					
Salaries of Other Professional Staff	215,302.00	(530.49)	214,771.51	214,771.51	-
Salaries of Secretarial and Clerical Assistants	139,185.00	7,488.76	146,673.76	146,673.76	-
Unused Vacation Payment to Termin/Retired Staff	1,300.00	(1,300.00)	-	-	-
Purchased Professional and Technical Services	-	7,718.05	7,718.05	-	7,718.05
Other Purchased Services (400-500 series)	100.00	-	100.00	-	100.00
Supplies & Materials	10,000.00	300.00	10,300.00	9,930.96	369.04
Other Objects	2,800.00	7.50	2,807.50	2,807.50	-
Total Undistributed Expend. - Guidance	<u>368,687.00</u>	<u>13,683.82</u>	<u>382,370.82</u>	<u>374,183.73</u>	<u>8,187.09</u>
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	258,593.00	(49,410.36)	209,182.64	208,843.72	338.92
Unused Vacation Payment to Termin/Retired Staff	2,400.00	72.90	2,472.90	2,472.90	-
Purchased Professional - Educational Services	26,225.00	(22,625.22)	3,599.78	625.00	2,974.78
Other Purchased Services (400-500 series)	75.00	-	75.00	-	75.00
Supplies & Materials	1,580.00	2,572.79	4,152.79	3,205.79	947.00
Other Objects	1,170.00	-	1,170.00	647.50	522.50
Total Undist. Expend. - Child Study Teams	<u>290,043.00</u>	<u>(69,389.89)</u>	<u>220,653.11</u>	<u>215,794.91</u>	<u>4,858.20</u>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	115,806.00	0.72	115,806.72	115,806.72	-
Salaries of Other Professional Staff	4,800.00	(0.72)	4,799.28	-	4,799.28
Salaries of Secretarial and Clerical Assistants	34,447.00	(6,458.60)	27,988.40	27,051.80	936.60
Unused Vacation Payment to Termin/Retired Staff	800.00	-	800.00	-	800.00
Other Purchased Services (400-500 series)	1,875.00	6,460.01	8,335.01	1,535.01	6,800.00
Supplies & Materials	775.00	-	775.00	160.34	614.66
Other Objects	1,350.00	-	1,350.00	1,095.00	255.00
<b>Total Undist. Expend. - Improvement of Inst. Serv.</b>	<b>159,853.00</b>	<b>1.41</b>	<b>159,854.41</b>	<b>145,648.87</b>	<b>14,205.54</b>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	102,242.00	-	102,242.00	98,687.25	3,554.75
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies & Materials	19,974.73	5,708.25	25,682.98	19,372.92	6,310.06
Other Objects	260.00	12.00	272.00	272.00	-
<b>Total Undistributed Expenditures - Educational Media Services - School Library</b>	<b>122,476.73</b>	<b>5,720.25</b>	<b>128,196.98</b>	<b>118,332.17</b>	<b>9,864.81</b>
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisor of Instruction	12,868.00	-	12,868.00	12,867.36	0.64
Salaries of Secretarial and Clerical Assistants	3,828.00	-	3,828.00	3,005.76	822.24
Unused Vacation Payment to Termin/Retired Staff	-	2,889.05	2,889.05	2,889.05	-
Other Purchased Services (400-500 series)	6,375.00	-	6,375.00	4,635.19	1,739.81
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>	<b>23,071.00</b>	<b>2,889.05</b>	<b>25,960.05</b>	<b>23,397.36</b>	<b>2,562.69</b>
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	339,895.00	(19,262.00)	320,633.00	320,632.80	0.20
Unused Vacation Payment to Termin/Retired Staff	2,380.00	-	2,380.00	2,330.65	49.35
Legal Services	32,000.00	(11,624.13)	20,375.87	16,730.08	3,645.79
Audit Fees	25,000.00	-	25,000.00	25,000.00	-
Architectural/Engineering Services	15,000.00	88,693.60	103,693.60	101,160.10	2,533.50
Other Purchased Professional Services	10,000.00	760.00	10,760.00	10,759.00	1.00
Communications/Telephone	51,900.00	(10,183.00)	41,717.00	40,263.30	1,453.70
BOE Other Purchased Services	1,630.00	-	1,630.00	-	1,630.00
Other Purchased Services (400-500 series)	51,000.00	(8,747.94)	42,252.06	33,127.88	9,124.18
General Supplies	4,500.00	65,869.29	70,369.29	70,359.30	9.99
BOE In-House Training/Meeting Supplies	900.00	-	900.00	-	900.00
Miscellaneous Expenditures	26,500.00	(7,678.21)	18,821.79	18,821.79	-
BOE Membership Dues and Fees	12,300.00	(6,000.00)	6,300.00	6,110.88	189.12
<b>Total Undistributed Expenditures - Support Services - General Administration</b>	<b>573,005.00</b>	<b>91,827.61</b>	<b>664,832.61</b>	<b>645,295.78</b>	<b>19,536.83</b>
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals	231,423.00	-	231,423.00	231,422.88	0.12
Salaries of Secretarial and Clerical Assistants	63,786.00	-	63,786.00	62,312.50	1,473.50
Unused Vacation Payment to Termin/Retired Staff	7,500.00	(1,290.73)	6,209.27	4,821.30	1,387.97
Other Purchased Services (400-500 series)	14,200.00	2,096.13	16,296.13	15,979.62	316.51
Supplies & Materials	7,500.00	4,329.24	11,829.24	11,510.30	318.94
Other Objects	7,500.00	-	7,500.00	4,471.49	3,028.51
<b>Total Undistributed Expenditures - Support Services - School Administration</b>	<b>331,909.00</b>	<b>5,134.64</b>	<b>337,043.64</b>	<b>330,518.09</b>	<b>6,525.55</b>
Undist. Expend. - Central Services					
Salaries	365,671.00	(19,203.00)	346,468.00	345,643.06	824.94
Unused Vacation Payment to Termin/Retired Staff	5,000.00	-	5,000.00	4,441.15	558.85
Purchased Technical Services	19,200.00	(18,741.09)	458.91	-	458.91
Misc. Purchased Services (400-500 series)	38,000.00	22,265.67	60,265.67	46,013.00	14,252.67
Supplies & Materials	9,200.00	74,834.71	84,034.71	84,034.71	-
Miscellaneous Expenditures	1,850.00	-	1,850.00	1,215.00	635.00
<b>Total Undistributed Expenditures - Central Services</b>	<b>438,921.00</b>	<b>59,156.29</b>	<b>498,077.29</b>	<b>481,346.92</b>	<b>16,730.37</b>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Undist. Expend. - Admin. Info. Tech					
Salaries	296,107.00	(4,940.98)	291,166.02	286,166.02	5,000.00
Unused Vacation Payment to Termin/Retired Staff	4,100.00	73.45	4,173.45	4,173.45	-
Purchased Technical Services	39,730.00	19,435.86	59,165.86	59,165.86	-
Other Purchased Services (400-500 series)	8,375.00	(340.00)	8,035.00	8,035.00	-
Supplies & Materials	13,210.60	11,067.32	24,277.92	18,491.17	5,786.75
<b>Total Undistributed Expenditures - Admin Info Tech</b>	<b>361,522.60</b>	<b>25,295.65</b>	<b>386,818.25</b>	<b>376,031.50</b>	<b>10,786.75</b>
Undist. Expend. - Required Maint. School Facilities					
Salaries	190,656.00	(36,976.23)	153,679.77	143,379.86	10,299.91
Cleaning, Repair and Maintenance Service	93,510.00	47,763.28	141,273.28	136,278.03	4,995.25
General Supplies	30,220.64	(91.49)	30,129.15	24,949.96	5,179.19
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>314,386.64</b>	<b>10,695.56</b>	<b>325,082.20</b>	<b>304,607.85</b>	<b>20,474.35</b>
Undist. Expend. - Custodial Services					
Salaries	595,693.00	(90,312.01)	505,380.99	503,007.88	2,373.11
Unused Vacation Payment to Termin/Retired Staff	14,000.00	(14,000.00)	-	-	-
Purchased Professional and Technical Services	109,841.00	150,209.85	260,050.85	254,309.85	5,741.00
Cleaning, Repair and Maintenance Service	202,192.00	40,307.78	242,499.78	230,586.30	11,913.48
Rental of Land and Buildings	-	439.00	439.00	392.70	46.30
Other Purchased Property Services	63,124.00	(8,000.00)	55,124.00	51,825.48	3,298.52
Insurance	170,000.00	(6,053.71)	163,946.29	156,849.23	7,097.06
General Supplies	84,877.18	2,525.31	87,402.49	83,548.55	3,853.94
Energy (Natural Gas)	256,000.00	(21,326.66)	234,673.34	228,535.02	6,138.32
Energy (Electricity)	443,087.00	(63,566.59)	379,520.41	374,061.29	5,459.12
Energy (Oil)	-	-	-	-	-
Lease Purchase Payments-Energy Savings Imp Prog	132,253.00	1,200.96	133,453.96	133,453.96	-
Other Objects	1,451.00	1,825.00	3,276.00	3,276.00	-
<b>Total Undist. Expend. - Custodial Services</b>	<b>2,072,518.18</b>	<b>(6,751.07)</b>	<b>2,065,767.11</b>	<b>2,019,846.26</b>	<b>45,920.85</b>
<b>Total Undistributed Expenditures</b>					
Operations and Maintenance of Plant	2,386,904.82	3,944.49	2,390,849.31	2,324,454.11	66,395.20
Undist. Expend. - Student Transportation Serv.					
Salaries - Pupil Trans. (Other than Bet Home & Sch.)	-	-	-	-	-
Cleaning, Repair and Maintenance Service	-	-	-	-	-
Contracted Services - (Other than Bet. Home & School)	33,000.00	(3,000.00)	30,000.00	30,000.00	-
Cont Services - (Bet Home & School) - Joint	7,500.00	-	7,500.00	6,050.00	1,450.00
Contracted Services - (Reg Students) ESC's & CTSA's	95,000.00	-	95,000.00	87,438.71	7,561.29
General Supplies	-	371.73	371.73	371.73	-
Other Objects	-	-	-	-	-
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>135,500.00</b>	<b>(2,628.27)</b>	<b>132,871.73</b>	<b>123,860.44</b>	<b>9,011.29</b>
Unallocated Benefits - Employee Benefits					
Group Insurance	3,200.00	-	3,200.00	2,852.38	347.62
Social Security Contribution	217,000.00	(9,589.00)	207,411.00	205,703.65	1,707.35
Other Retirement Contributions - PERS	294,971.00	7,734.61	302,705.61	302,705.61	-
Unemployment Compensation	-	50,000.00	50,000.00	-	50,000.00
Workmen's Compensation	157,849.00	41,282.51	199,131.51	199,131.51	-
Health Benefits	2,397,347.00	(218,984.85)	2,178,362.15	2,178,362.15	-
Tuition Reimbursement	20,000.00	(11,562.20)	8,437.80	7,072.80	1,365.00
Other Employee Benefits	-	2,586.22	2,586.22	1,995.64	590.58
Unused Vacation Payment to Termin/Retired Staff	25,000.00	32,632.27	57,632.27	57,025.35	606.92
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>3,115,367.00</b>	<b>(105,900.44)</b>	<b>3,009,466.56</b>	<b>2,954,849.09</b>	<b>54,617.47</b>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
On-Behalf Contributions					
On-Behalf TPAF Pension (nonbudgeted)					
Teachers Pension and Annuity Fund				1,676,908.00	(1,676,908.00)
TPAF - Post Retirement Medical				525,517.00	(525,517.00)
TPAF-Long-Term Disability Insurance Premium Contribution				883.00	(883.00)
Reimbursed TPAF Social Security Cont.(non-bud)				447,106.69	(447,106.69)
Total On-Behalf Contributions	-	-	-	2,650,414.69	(2,650,414.69)
Total Personal Services - Employee Benefits	3,115,367.00	(105,900.44)	3,009,466.56	5,605,263.78	(2,595,797.22)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>8,470,559.24</b>	<b>(7,142.88)</b>	<b>8,463,416.36</b>	<b>10,877,372.28</b>	<b>(2,413,955.92)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>14,420,060.62</b>	<b>(260,564.71)</b>	<b>14,159,495.91</b>	<b>16,408,834.87</b>	<b>(2,249,338.96)</b>
<b>CAPITAL OUTLAY</b>					
Equipment					
Grades 9-12	-	20,671.12	20,671.12	20,671.12	-
Vocational Programs - Regular	-	56,672.47	56,672.47	55,585.52	1,086.95
Vocational Programs - Local	-	71,466.40	71,466.40	71,466.40	-
School-Sponsored and Other Instructional Programs	-	-	-	-	-
Undistributed Expenditures:					
Instruction	-	2,209.00	2,209.00	2,209.00	-
Central Services	-	58,048.23	58,048.23	49,604.43	8,443.80
Admin Info Tech	-	37,353.10	37,353.10	37,353.10	-
Required Maintenance for School Facilities	10,000.00	45,134.66	55,134.66	55,134.66	-
Custodial Services	-	20,146.00	20,146.00	20,146.00	-
Total Equipment	10,000.00	311,700.98	321,700.98	312,170.23	9,530.75
Facilities Acquisition and Construction Services:					
Construction Services	-	-	-	-	-
Other Objects	-	-	-	-	-
Assessment for Debt Service on SDA	9,760.00	-	9,760.00	9,760.00	-
Interest Deposit to Maintenance Reserve	150.00	-	150.00	-	150.00
Interest Deposit to Capital Reserve	-	-	-	-	-
Total Facilities Acquisition and Construction Services	9,910.00	-	9,910.00	9,760.00	150.00
Interest Deposit to Capital Reserve	150.00	-	150.00	-	150.00
<b>TOTAL CAPITAL OUTLAY</b>	<b>20,060.00</b>	<b>311,700.98</b>	<b>331,760.98</b>	<b>321,930.23</b>	<b>9,830.75</b>
<b>SPECIAL SCHOOLS</b>					
Post-Secondary - Instruction:					
Salaries of Teachers	400,368.00	-	400,368.00	359,275.23	41,092.77
Other Salaries for Instruction	22,423.00	-	22,423.00	22,282.40	140.60
Other Purchased Services (400-500 series)	1,858.00	-	1,858.00	56.20	1,801.80
General Supplies	70,805.30	(17,880.90)	52,924.40	44,200.78	8,723.62
Textbooks	64,500.00	(11,351.64)	53,148.36	53,100.46	47.90
Other Objects	17,732.00	4,785.00	22,517.00	12,618.91	9,898.09
Total Post-Secondary - Instruction	577,686.30	(24,447.54)	553,238.76	491,533.98	61,704.78
Post-Secondary - Support Services:					
Salaries	49,280.00	885.28	50,165.28	50,165.28	-
Unused Vacation Payment to Termin/Retired Staff	6,600.00	(6,600.00)	-	-	-
Personal Services - Employee Benefits	62,923.00	19,243.61	82,166.61	77,307.98	4,858.63
General Supplies	1,400.00	-	1,400.00	872.58	527.42
Other Objects	2,300.00	-	2,300.00	547.50	1,752.50
Total Post-Secondary - Support Services	122,503.00	13,528.89	136,031.89	128,893.34	7,138.55
<b>Total Post-Secondary Programs</b>	<b>700,189.30</b>	<b>(10,918.65)</b>	<b>689,270.65</b>	<b>620,427.32</b>	<b>68,843.33</b>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Summer School - Instruction:					
Salaries of Teachers	11,152.00	(11,152.00)	-	-	-
Other Objects	-	-	-	-	-
<b>Total Summer School - Instruction</b>	<b>11,152.00</b>	<b>(11,152.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Summer School - Support Services:					
Salaries	-	-	-	-	-
Other Objects	225.00	-	225.00	-	225.00
<b>Total Summer School - Support Services</b>	<b>225.00</b>	<b>-</b>	<b>225.00</b>	<b>-</b>	<b>225.00</b>
<b>Total Summer School</b>	<b>11,377.00</b>	<b>(11,152.00)</b>	<b>225.00</b>	<b>-</b>	<b>225.00</b>
Accredited Evening/Adult H.S./Post-Grad. - Instruction:					
Salaries of Teachers	13,000.00	(4,195.37)	8,804.63	3,034.00	5,770.63
General Supplies	-	773.50	773.50	773.50	-
<b>Total Accredited Evening/Adult H.S./Post-Grad. - Instruction</b>	<b>13,000.00</b>	<b>(3,421.87)</b>	<b>9,578.13</b>	<b>3,807.50</b>	<b>5,770.63</b>
Accredited Evening/Adult H.S./Post-Grad. - Support Services:					
Salaries	58,294.00	-	58,294.00	45,609.24	12,684.76
Unused Vacation Payment to Termin/Retired Staff	-	-	-	-	-
Personal Services - Employee Benefits	22,972.00	(200.75)	22,771.25	16,849.35	5,921.90
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	-	50.75	50.75	50.75	-
<b>Total Accredited Evening/Adult H.S./Post-Grad. - Support Services</b>	<b>81,266.00</b>	<b>(150.00)</b>	<b>81,116.00</b>	<b>62,509.34</b>	<b>18,606.66</b>
<b>Total Accredited Evening/Adult H.S./Post-Grad.</b>	<b>94,266.00</b>	<b>(3,571.87)</b>	<b>90,694.13</b>	<b>66,316.84</b>	<b>24,377.29</b>
Adult Education - Local - Instruction:					
Salaries of Teachers	29,000.00	(16,619.42)	12,380.58	6,000.50	6,380.08
General Supplies	8,084.61	(2,908.80)	5,175.81	4,782.11	393.70
Other Objects	-	-	-	-	-
<b>Total Adult Education - Local - Instruction</b>	<b>37,084.61</b>	<b>(19,528.22)</b>	<b>17,556.39</b>	<b>10,782.61</b>	<b>6,773.78</b>
Adult Education - Local - Support Services:					
Salaries	68,011.00	-	68,011.00	61,013.19	6,997.81
Personal Services - Employee Benefits	6,991.00	1,152.07	8,143.07	8,143.07	-
Other Purchased Services (400-500 series)	7,500.00	-	7,500.00	1,397.00	6,103.00
Supplies & Materials	200.00	-	200.00	99.00	101.00
Other Objects	3,600.00	-	3,600.00	1,088.83	2,511.17
<b>Total Adult Education - Local - Support Services</b>	<b>86,302.00</b>	<b>1,152.07</b>	<b>87,454.07</b>	<b>71,741.09</b>	<b>15,712.98</b>
<b>Total Adult Education</b>	<b>123,386.61</b>	<b>(18,376.15)</b>	<b>105,010.46</b>	<b>82,523.70</b>	<b>22,486.76</b>
Vocational Evening - Local - Instruction:					
Salaries of Teachers	52,000.00	(2,364.63)	49,635.37	29,152.00	20,483.37
General Supplies	19,000.00	1,123.43	20,123.43	20,016.86	106.57
Other Objects	920.00	150.00	1,070.00	1,070.00	-
<b>Total Vocational Evening - Local - Instruction</b>	<b>71,920.00</b>	<b>(1,091.20)</b>	<b>70,828.80</b>	<b>50,238.86</b>	<b>20,589.94</b>
Vocational Evening - Support Services:					
Salaries	63,628.00	89.13	63,717.13	60,824.03	2,893.10
Unused Vacation Payment to Termin/Retired Staff	-	-	-	-	-
Personal Services - Employee Benefits	6,991.00	1,152.07	8,143.07	8,143.07	-
Other Purchased Services (400-500 series)	6,125.00	-	6,125.00	4,561.00	1,564.00
Supplies and Materials	1,000.00	-	1,000.00	127.25	872.75
Other Objects	1,070.00	-	1,070.00	547.50	522.50
<b>Total Vocational Evening - Support</b>	<b>78,814.00</b>	<b>1,241.20</b>	<b>80,055.20</b>	<b>74,202.85</b>	<b>5,852.35</b>
<b>Total Vocational Evening</b>	<b>150,734.00</b>	<b>150.00</b>	<b>150,884.00</b>	<b>124,441.71</b>	<b>26,442.29</b>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
General Education Development (GED)/High School Equivalency (HSE) Test Centers:					
Salaries	4,000.00	(225.60)	3,774.40	1,243.50	2,530.90
Supplies & Materials	2,200.00	225.60	2,425.60	2,425.60	-
Total GED/HSE Test Centers	<u>6,200.00</u>	<u>-</u>	<u>6,200.00</u>	<u>3,669.10</u>	<u>2,530.90</u>
TOTAL SPECIAL SCHOOLS	<u>1,086,152.91</u>	<u>(43,868.67)</u>	<u>1,042,284.24</u>	<u>897,378.67</u>	<u>144,905.57</u>
TOTAL EXPENDITURES	<u>15,526,273.53</u>	<u>7,267.60</u>	<u>15,533,541.13</u>	<u>17,628,143.77</u>	<u>(2,094,602.64)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>60,857.47</u>	<u>(7,267.60)</u>	<u>53,589.87</u>	<u>617,311.81</u>	<u>563,721.94</u>
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Transfer to Cover Deficit (Enterprise Fund)					
Education Training Center	(82,500.00)	42,582.84	(39,917.16)	(39,917.16)	-
Food Service	-	(31,806.95)	(31,806.95)	(31,806.95)	-
Transfer to Capital Projects Fund	(3,250,000.00)	-	(3,250,000.00)	(977,330.50)	2,272,669.50
Withdrawal from Capital Reserve-for Local Share	2,375,000.00	-	2,375,000.00	-	(2,375,000.00)
Withdrawal from Capital Reserve-Excess Costs and Other Capital Projects	875,000.00	-	875,000.00	-	(875,000.00)
Cancellation of Prior Year Receivable	-	-	-	-	-
Cancellation of Prior Year Liability	-	-	-	33,244.38	33,244.38
Total Other Financing Sources:	<u>(82,500.00)</u>	<u>10,775.89</u>	<u>(71,724.11)</u>	<u>(1,015,810.23)</u>	<u>(944,086.12)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(21,642.53)</u>	<u>3,508.29</u>	<u>(18,134.24)</u>	<u>(398,498.42)</u>	<u>(380,364.18)</u>
Fund Balance July 1	4,916,984.46	-	4,916,984.46	4,916,984.46	-
Restatement	-	-	-	270,007.90	-
Fund Balance, July 1, Restated	<u>4,916,984.46</u>	<u>0.00</u>	<u>4,916,984.46</u>	<u>5,186,992.36</u>	<u>0.00</u>
Fund Balance June 30	<u>\$ 4,895,341.93</u>	<u>3,508.29</u>	<u>4,898,850.22</u>	<u>4,788,493.94</u>	<u>(380,364.18)</u>
<b>Recapitulation:</b>					
Nonspendable Fund Balance:					
Restricted Fund Balance:					
Unemployment Trust				320,166.94	
Capital Reserve Account				3,028,511.58	
Maintenance Reserve				944,603.00	
Assigned Fund Balance:					
Year End Encumbrances				65,667.42	
Designated for Subsequent Year's Expenditures				-	
Unassigned Fund Balance				<u>429,545.00</u>	
				4,788,493.94	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				(138,629.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,649,864.94</u>	

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 15,000.00	742,952.56	757,952.56	233,757.04	(524,195.52)
State Sources	73,802.00	8,377.98	82,179.98	82,179.98	-
Federal Sources	452,825.00	356,878.48	809,703.48	790,693.34	(19,010.14)
Total Revenues	<u>541,627.00</u>	<u>1,108,209.02</u>	<u>1,649,836.02</u>	<u>1,106,630.36</u>	<u>(543,205.66)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries		1,572.50	1,572.50	1,572.50	-
Salaries of Teachers	131,367.00	44,590.58	175,957.58	172,373.58	3,584.00
Purchased Professional - Technical Services		54,906.40	54,906.40	54,906.40	-
Other Purchased Services (400-500 series)		-	-	-	-
General Supplies	23,112.00	949,899.96	973,011.96	392,301.70	580,710.26
Textbooks		-	-	-	-
Total Instruction	<u>154,479.00</u>	<u>1,050,969.44</u>	<u>1,205,448.44</u>	<u>621,154.18</u>	<u>584,294.26</u>
Support Services:					
Salaries		11,620.08	11,620.08	11,620.08	-
Salaries - Program Directors	47,821.00	6,805.30	54,626.30	54,626.30	-
Personal Services - Employee Benefits	222,372.00	(165,562.43)	56,809.57	56,535.57	274.00
Purchased Professional - Technical Services	109,627.00	(87,656.56)	21,970.44	21,970.44	-
Travel		870.63	870.63	791.10	79.53
Other Purchased Services (400-500 series)		38,747.58	38,747.58	38,690.83	56.75
Supplies & Materials	7,328.00	66,331.98	73,659.98	52,608.73	21,051.25
Other Objects		21,083.00	21,083.00	18,683.00	2,400.00
Scholarships Awarded				77,767.96	(77,767.96)
Student Activities				40,366.31	(40,366.31)
Total Support Services	<u>387,148.00</u>	<u>(107,760.42)</u>	<u>279,387.58</u>	<u>373,660.32</u>	<u>(94,272.74)</u>
Facilities Acquisition and Constr. Services:					
Instructional Equipment		150,000.00	150,000.00	-	150,000.00
Construction Services		15,000.00	15,000.00	-	15,000.00
Total Facilities Acquisition and Constr. Services	<u>-</u>	<u>165,000.00</u>	<u>165,000.00</u>	<u>-</u>	<u>165,000.00</u>
Total Outflows	<u>541,627.00</u>	<u>1,108,209.02</u>	<u>1,649,836.02</u>	<u>994,814.50</u>	<u>655,021.52</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>111,815.86</u>	<u>111,815.86</u>
Fund Balance, July 1				-	
Restatement				<u>365,643.49</u>	
Fund Balance, July 1 (Restated)				<u>365,643.49</u>	
Fund Balance, June 30				<u><u>477,459.35</u></u>	
Recapitulation:					
Restricted:					
Scholarships				267,399.57	
Athletics				7,966.84	
Student Activities				<u>202,092.94</u>	
Total Fund Balance				<u>\$ 477,459.35</u>	



**Notes to the  
Required Supplementary Information  
Part II**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Required Supplementary Information**  
**Budget to GAAP Reconciliation**  
**Note to RSI**  
**For the Year Ended June 30, 2021**

Note A - Explanation of Differences Between Budgetary Inflows and  
Outflows GAAP Revenue and Expenditures

		<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	[C-1]	\$ 18,245,455.58	[C-2]	1,106,630.36
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Encumbrances at June 30, 2021		-		(1,552.13)
Encumbrances at June 30, 2020		-		6,409.12
Final State Aid payment was delayed until July 2020 is recorded as GAAP revenue but is not recognized as budgetary revenue.		138,629.00		-
Final State Aid payment was delayed until July 2021 is recorded as budgetary revenue but is not recognized under GAAP.		(138,629.00)		-
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	[B-2]	<u>18,245,455.58</u>	[B-2]	<u>1,111,487.35</u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows"				
from the budgetary comparison schedule	[C-1]	\$ 17,628,143.77	[C-2]	\$ 994,814.50
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances at June 30, 2021				(1,552.13)
Encumbrances at June 30, 2020				6,409.12
	[B-2]	<u>\$ 17,628,143.77</u>	[B-2]	<u>999,671.49</u>

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**Required Supplementary Information**  
**Part III**

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**Board of Education for Vocational Schools, County of Cape May  
Schedule of the District's Proportionate Share of the Net Pension Liability  
Public Employee Retirement System  
Last Eight Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.02697546670%	0.02804250800%	0.02850764850%	0.02865154880%	0.02446561170%	0.02604475010%	0.0268574568%	0.027326421%
District's proportionate of the net pension liability (asset)	\$ 4,398,993.00	5,052,835.00	5,613,014.00	6,689,623.00	7,246,012.00	5,846,524.00	5,028,450.00	5,222,622.00
District's covered payroll	2,180,974.00	1,915,615.00	1,987,897.00	1,952,312.00	1,980,940.00	1,941,558.00	1,762,144.00	1,852,432.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	202%	264%	282%	342%	366%	301.13%	285.36%	281.93%
Plan fiduciary net position as a percentage of the total pension liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for eight years. Additional years will be presented as they become available.

**Board of Education for Vocational Schools, County of Cape May**  
**Schedule of District Contributions**  
**Public Employee Retirement System**  
**Last Eight Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 295,098.00	274,397.00	285,495.00	271,620.76	217,349.00	223,915.00	221,409.00	205,899
Contributions in relation to the contractually required contribution	295,098.00	274,397.00	285,495.00	271,620.76	217,349.00	223,915.00	221,409.00	205,899
Contribution deficiency (excess)	-	-	-	-	-	-	-	\$ -
District's covered-employee payroll	\$ 2,180,974.00	1,915,615.00	1,987,897.00	1,952,312.00	1,980,940.00	1,941,558.00	1,762,144.00	1,852,432
Contributions as a percentage of covered-employee payroll	13.53%	14.32%	14.36%	13.91%	10.97%	11.53%	12.56%	11.12%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for eight years. Additional years will be presented as they become available.



**Board of Education for Vocational Schools, County of Cape May  
Schedule of the District's Proportionate Share of the Net Pension Liability  
Teachers' Pension and Annuity Fund  
Last Eight Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	-	-	-	-	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	37,636,683.00	34,964,471.00	36,952,713.00	37,841,088.00	44,429,116.00	37,652,511.00	31,974,161.00	30,410,087.00
Total	<u>37,636,683.00</u>	<u>34,964,471.00</u>	<u>36,952,713.00</u>	<u>37,841,088.00</u>	<u>44,429,116.00</u>	<u>37,652,511.00</u>	<u>31,974,161.00</u>	<u>30,410,087.00</u>
District's covered payroll	\$ 6,270,127.00	5,983,619.00	6,265,769.00	5,984,961.00	5,886,595.00	6,024,097.00	5,689,658.00	5,863,308.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

**Board of Education for Vocational Schools, County of Cape May**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability**  
**Public Employee Retirement System and Teachers' Pension and Annuity Fund**  
**Last Five Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	-	-	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>37,662,150.00</u>	<u>23,701,861.00</u>	<u>25,726,447.00</u>	<u>28,842,124.00</u>	<u>30,871,180.00</u>
<b>Total</b>	<b><u>\$ 37,662,150.00</u></b>	<b><u>23,701,861.00</u></b>	<b><u>25,726,447.00</u></b>	<b><u>28,842,124.00</u></b>	<b><u>30,871,180.00</u></b>
District's covered payroll	8,451,101.00	7,899,234.00	8,253,666.00	7,937,273.00	7,846,535.00
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:					
Service Cost	986,824	974,721.00	1,083,928.00	1,295,982.00	
Interest Cost	853,073	1,019,804.00	1,059,569.00	907,659.00	
Differences between Expected & Actual	5,876,605	(3,666,499.00)	(1,642,794.00)	-	
Changes in Assumptopns	6,879,581	353,397.00	(2,952,239.00)	(3,589,251.00)	
Member Contributions	19,873	21,567.00	23,775.00	24,599.00	
Benefit Payments	(655,667)	(727,576.00)	(687,916.00)	(668,045.00)	
Change in Total Opeb Liability	<u>13,960,289.00</u>	<u>(2,024,586.00)</u>	<u>(3,115,677.00)</u>	<u>(2,029,056.00)</u>	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	<u>23,701,861.00</u>	<u>25,726,447.00</u>	<u>28,842,124.00</u>	<u>30,871,180.00</u>	
Ending Balance	<b><u>\$ 37,662,150.00</u></b>	<b><u>\$ 23,701,861.00</u></b>	<b><u>\$ 25,726,447.00</u></b>	<b><u>\$ 28,842,124.00</u></b>	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	445.65%	300.05%	311.70%	363.38%	

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.

However, information is only currently available for five years.

Additional years will be presented as they become available.

**SPECIAL REVENUE FUND**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2021**

	Total Brought Forward (Ex. E-1a)	Carl Perkins Secondary	Carl Perkins Post Secondary	Carl Perkins Secondary Reserve	Totals 2021
<b>REVENUES:</b>					
Local Sources	\$ 233,757.04	-	-	-	233,757.04
State Sources	1,308.98	-	80,871.00	-	82,179.98
Federal Sources	701,610.34	74,931.00	-	14,152.00	790,693.34
Total Revenues	<u>936,676.36</u>	<u>74,931.00</u>	<u>80,871.00</u>	<u>14,152.00</u>	<u>1,106,630.36</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries	-		1,572.50		1,572.50
Salaries of Teachers	172,373.58				172,373.58
Purchased Professional - Technical Services	-	6,998.97	41,507.43	6,400.00	54,906.40
Other Purchased Services (400-500 series)	-				-
General Supplies	306,556.21	63,881.03	14,503.46	7,361.00	392,301.70
Textbooks	-				-
Total Instruction	<u>478,929.79</u>	<u>70,880.00</u>	<u>57,583.39</u>	<u>13,761.00</u>	<u>621,154.18</u>
Support Services:					
Salaries	-		11,620.08		11,620.08
Salaries - Program Directors	54,626.30				54,626.30
Personal Services - Employee Benefits	52,248.42		4,287.15		56,535.57
Purchased Professional - Technical Services	21,134.44	351.00	485.00		21,970.44
Travel	-		791.10		791.10
Other Purchased Services (400-500 series)	36,630.55		2,060.28		38,690.83
Supplies & Materials	52,608.73				52,608.73
Other Objects	10,548.00	3,700.00	4,044.00	391.00	18,683.00
Scholarships Awarded	77,767.96				77,767.96
Student Activities	40,366.31				40,366.31
Total Support Services	<u>345,930.71</u>	<u>4,051.00</u>	<u>23,287.61</u>	<u>391.00</u>	<u>373,660.32</u>
Facilities Acquisition and Constr. Services:					
Instructional Equipment	-				-
Construction Services	-	-	-		-
Total Facilities Acquisition and Constr. Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Charter Schools					
	<u>-</u>				<u>-</u>
Total Expenditures	<u>824,860.50</u>	<u>74,931.00</u>	<u>80,871.00</u>	<u>14,152.00</u>	<u>994,814.50</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	<u>111,815.86</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,815.86</u>
Fund Balance, July 1					
Restatement	<u>365,643.49</u>				<u>365,643.49</u>
Fund Balance, July 1 (Restated)	<u>477,459.35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>477,459.35</u>
Fund Balance, June 30	<u>\$ 589,275.21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>589,275.21</u>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2021**

	Total Brought Forward (Ex. E-1b)	Rural Education Achievement Program	ABE GED	Civics GED	I.D.E.A. Part B	Total Carried Forward
<b>REVENUES:</b>						
Local Sources	\$ 233,757.04	-	-	-	-	233,757.04
State Sources	1,308.98	-	-	-	-	1,308.98
Federal Sources	411,079.34	22,762.00	128,793.00	43,420.00	95,556.00	701,610.34
Total Revenues	<u>646,145.36</u>	<u>22,762.00</u>	<u>128,793.00</u>	<u>43,420.00</u>	<u>95,556.00</u>	<u>936,676.36</u>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries	-	-	-	-	-	-
Salaries of Teachers	44,445.50	-	103,200.00	24,728.08	-	172,373.58
Purchased Professional - Technical Services	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-
General Supplies	270,732.60	22,762.00	1,015.00	12,046.61	-	306,556.21
Textbooks	-	-	-	-	-	-
Total Instruction	<u>315,178.10</u>	<u>22,762.00</u>	<u>104,215.00</u>	<u>36,774.69</u>	<u>-</u>	<u>478,929.79</u>
Support Services:						
Salaries	-	-	-	-	-	-
Salaries - Program Directors	2,941.50	-	-	-	51,684.80	54,626.30
Personal Services - Employee Benefits	3,625.13	-	20,363.00	6,645.31	21,614.98	52,248.42
Purchased Professional - Technical Services	13,595.77	-	-	-	7,538.67	21,134.44
Travel	-	-	-	-	-	-
Other Purchased Services (400-500 series)	33,909.55	-	2,721.00	-	-	36,630.55
Supplies & Materials	37,891.18	-	-	-	14,717.55	52,608.73
Other Objects	9,054.00	-	1,494.00	-	-	10,548.00
Scholarships Awarded	77,767.96	-	-	-	-	77,767.96
Student Activities	40,366.31	-	-	-	-	40,366.31
Total Support Services	<u>219,151.40</u>	<u>-</u>	<u>24,578.00</u>	<u>6,645.31</u>	<u>95,556.00</u>	<u>345,930.71</u>
Facilities Acquisition and Constr. Services:						
Instructional Equipment	-	-	-	-	-	-
Construction Services	-	-	-	-	-	-
Total Facilities Acquisition and Constr. Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Charter Schools	-	-	-	-	-	-
Total Expenditures	<u>534,329.50</u>	<u>22,762.00</u>	<u>128,793.00</u>	<u>43,420.00</u>	<u>95,556.00</u>	<u>824,860.50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>111,815.86</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,815.86</u>
Fund Balance, July 1	-	-	-	-	-	-
Restatement	365,643.49	-	-	-	-	365,643.49
Fund Balance, July 1 (Restated)	<u>477,459.35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>477,459.35</u>
Fund Balance, June 30	<u>\$ 589,275.21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>589,275.21</u>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2021**

	Total Brought Forward (Ex. E-1c)	Sustainable Jersey for Schools Farm to Table	Nature Trail/ Bat Houses	Meet the Courts	Construction Industry Career Day	Dollar General 5/21-4/22	Total Carried Forward
<b>REVENUES:</b>							
Local Sources	\$ 229,950.13	3,082.33	-	-	-	724.58	233,757.04
State Sources	-	-	-	1,308.98	-	-	1,308.98
Federal Sources	411,079.34	-	-	-	-	-	411,079.34
<b>Total Revenues</b>	<b>641,029.47</b>	<b>3,082.33</b>	<b>-</b>	<b>1,308.98</b>	<b>-</b>	<b>724.58</b>	<b>646,145.36</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries	-	-	-	-	-	-	-
Salaries of Teachers	44,445.50	-	-	-	-	-	44,445.50
Purchased Professional - Technical Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
General Supplies	265,616.71	3,082.33	-	1,308.98	-	724.58	270,732.60
Textbooks	-	-	-	-	-	-	-
<b>Total Instruction</b>	<b>310,062.21</b>	<b>3,082.33</b>	<b>-</b>	<b>1,308.98</b>	<b>-</b>	<b>724.58</b>	<b>315,178.10</b>
Support Services:							
Salaries	-	-	-	-	-	-	-
Salaries - Program Directors	2,941.50	-	-	-	-	-	2,941.50
Personal Services - Employee Benefits	3,625.13	-	-	-	-	-	3,625.13
Purchased Professional - Technical Services	13,595.77	-	-	-	-	-	13,595.77
Travel	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	33,909.55	-	-	-	-	-	33,909.55
Supplies & Materials	37,891.18	-	-	-	-	-	37,891.18
Other Objects	9,054.00	-	-	-	-	-	9,054.00
Scholarships Awarded	77,767.96	-	-	-	-	-	77,767.96
Student Activities	40,366.31	-	-	-	-	-	40,366.31
<b>Total Support Services</b>	<b>219,151.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219,151.40</b>
Facilities Acquisition and Constr. Services:							
Instructional Equipment	-	-	-	-	-	-	-
Construction Services	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Constr. Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Contribution to Charter Schools	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>529,213.61</b>	<b>3,082.33</b>	<b>-</b>	<b>1,308.98</b>	<b>-</b>	<b>724.58</b>	<b>534,329.50</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	111,815.86	-	-	-	-	-	111,815.86
Fund Balance, July 1	-	-	-	-	-	-	-
Restatement	365,643.49	-	-	-	-	-	365,643.49
Fund Balance, July 1 (Restated)	365,643.49	-	-	-	-	-	477,459.35
Fund Balance, June 30	\$ 477,459.35	-	-	-	-	-	589,275.21

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2021**

	Total Brought Forward (Ex. E-1d)	Every Student Succeeds Act			CARES Act Education Stabilization Fund	Total Carried Forward
		ESEA Title I-A	Prior Year ESEA Title I-A	ESEA Title II-A		
<b>REVENUES:</b>						
Local Sources	\$ 229,950.13	-				229,950.13
State Sources	-	-			-	-
Federal Sources	87,609.00	165,365.23	5,171.35	23,184.00	117,835.76	411,079.34
<b>Total Revenues</b>	<b>317,559.13</b>	<b>165,365.23</b>	<b>5,171.35</b>	<b>23,184.00</b>	<b>117,835.76</b>	<b>641,029.47</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries	-					-
Salaries of Teachers	-	39,641.25	4,804.25			44,445.50
Purchased Professional - Technical Services	-					-
Other Purchased Services (400-500 series)	-					-
General Supplies	53,072.00	84,489.53			10,219.42	265,616.71
Textbooks	-					-
<b>Total Instruction</b>	<b>53,072.00</b>	<b>124,130.78</b>	<b>4,804.25</b>	<b>-</b>	<b>10,219.42</b>	<b>310,062.21</b>
Support Services:						
Salaries	-					-
Salaries - Program Directors	-			2,941.50		2,941.50
Personal Services - Employee Benefits	-	3,033.01	367.10	225.02		3,625.13
Purchased Professional - Technical Services	-			13,595.77		13,595.77
Travel	-					-
Other Purchased Services (400-500 series)	-	30,111.44		3,798.11		33,909.55
Supplies & Materials	34,537.00			1,659.60	1,694.58	37,891.18
Other Objects	-	8,090.00		964.00		9,054.00
Scholarships Awarded	77,767.96					77,767.96
Student Activities	40,366.31					40,366.31
<b>Total Support Services</b>	<b>152,671.27</b>	<b>41,234.45</b>	<b>367.10</b>	<b>23,184.00</b>	<b>1,694.58</b>	<b>219,151.40</b>
Facilities Acquisition and Constr. Services:						
Instructional Equipment	-					-
Construction Services	-					-
<b>Total Facilities Acquisition and Constr. Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Contribution to Charter Schools	-					-
<b>Total Expenditures</b>	<b>205,743.27</b>	<b>165,365.23</b>	<b>5,171.35</b>	<b>23,184.00</b>	<b>11,914.00</b>	<b>529,213.61</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	111,815.86	-	-	-	-	111,815.86
Fund Balance, July 1	-					-
Restatement	365,643.49					365,643.49
Fund Balance, July 1 (Restated)	365,643.49					365,643.49
Fund Balance, June 30	\$ 477,459.35	-	-	-	-	477,459.35



**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2021**

	Bridging the Digital Divide	Coronavirus Relief Fund (CRF)	Scholarship Fund	Athletic Fund	Student Activity Fund	Total Carried Forward
<b>REVENUES:</b>						
Local Sources	\$ -	-	113,926.69	11,065.62	104,957.82	229,950.13
State Sources	-	-				-
Federal Sources	53,072.00	34,537.00				87,609.00
Total Revenues	<u>53,072.00</u>	<u>34,537.00</u>	<u>113,926.69</u>	<u>11,065.62</u>	<u>104,957.82</u>	<u>317,559.13</u>
<b>EXPENDITURES:</b>						
Instruction:						-
Salaries						-
Salaries of Teachers						-
Purchased Professional - Technical Services						-
Other Purchased Services (400-500 series)						-
General Supplies	53,072.00					53,072.00
Textbooks						-
Total Instruction	<u>53,072.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,072.00</u>
Support Services:						-
Salaries						-
Salaries - Program Directors						-
Personal Services - Employee Benefits						-
Purchased Professional - Technical Services						-
Travel						-
Other Purchased Services (400-500 series)						-
Supplies & Materials		34,537.00				34,537.00
Other Objects						-
Scholarships Awarded			77,767.96			77,767.96
Student Activities				10,537.00	29,829.31	40,366.31
Total Support Services	<u>-</u>	<u>34,537.00</u>	<u>77,767.96</u>	<u>10,537.00</u>	<u>29,829.31</u>	<u>152,671.27</u>
Facilities Acquisition and Constr. Services:						-
Instructional Equipment						-
Construction Services						-
Total Facilities Acquisition and Constr. Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Charter Schools	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>53,072.00</u>	<u>34,537.00</u>	<u>77,767.96</u>	<u>10,537.00</u>	<u>29,829.31</u>	<u>205,743.27</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>36,158.73</u>	<u>528.62</u>	<u>75,128.51</u>	<u>111,815.86</u>
Fund Balance, July 1						-
Restatement			231,240.84	7,438.22	126,964.43	365,643.49
Fund Balance, July 1 (Restated)	<u>-</u>	<u>-</u>	<u>231,240.84</u>	<u>7,438.22</u>	<u>126,964.43</u>	<u>365,643.49</u>
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>267,399.57</u>	<u>7,966.84</u>	<u>202,092.94</u>	<u>477,459.35</u>

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**CAPITAL PROJECTS FUND**

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**Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 Capital Projects Fund  
 Summary Statement of Project Expenditures  
 For the Fiscal Year Ended June 30, 2021**

Number	Issue / Project Title	Original Date	Appropriations	Expenditures to Date		Canceled	Unexpended Balance
				Prior Years	Current Year		
	State Building - SDA Grant	1/31/2015	1,440,000.00	1,440,000.00	-		-
		2/6/2015	960,000.00	960,000.00	-		-
		6/16/2016	152,515.55	152,515.55	-		-
		3/21/2017	651,456.00	506,012.68	(1,458.43)		146,901.75
	Energy Savings Improvement Plan (ESIP)	5/26/2016	1,715,000.00	1,527,725.60	-		187,274.40
	Addition to the High School Building	6/15/2021	2,250,000.00	-	-		2,250,000.00
	Building Renovations for Expansion of CTE Programs	6/15/2021	5,732,188.00	-	-		5,732,188.00
	Renovations to District Administrative Offices	6/15/2021	977,330.50	-	689,267.55		288,062.95
			<u>\$ 13,878,490.05</u>	<u>4,586,253.83</u>	<u>687,809.12</u>	<u>-</u>	<u>8,604,427.10</u>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis**  
**For the Year Ended June 30, 2021**

**REVENUES AND OTHER FINANCING SOURCES:**

State Sources:	
SDA Grants	\$ -
Career and Technical Education Program	
Expansion Grants	4,299,141.00
Local Sources	
Capital Reserve	977,330.50
ESIP (Energy Savings Improvement Program) Lease Proceeds	-
Capital Outlay	-
County Appropriation	3,683,047.00
Interest Earned on Deposits	-
	<hr/>
Total Revenues	<u>8,959,518.50</u>
EXPENDITURES	
Purchased Professional and Technical Services	(1,458.43)
Construction Services	689,267.55
Equipment purchases	-
Other Objects	-
	<hr/>
Total Expenditures	<u>687,809.12</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,271,709.38
Fund Balances, July 1	<u>332,717.72</u>
Fund Balances, June 30	<u><u>\$ 8,604,427.10</u></u>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Additions and Renovations to the Technical High School**  
**From Inception and for the Year Ended June 30, 2021**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County Appropriation	\$ 14,769,143.00		14,769,143.00	14,769,143.00
ESIP Lease Proceeds			-	-
Capital Reserve	2,091,456.00	(1,598.00)	2,089,858.00	2,089,858.00
Capital Outlay	152,515.55	-	152,515.55	152,515.55
Career and Technical Education Program Expansion Grant	-		-	-
SDA Grant	960,000.00		960,000.00	960,000.00
<b>Total Revenues</b>	<b>17,973,114.55</b>	<b>(1,598.00)</b>	<b>17,971,516.55</b>	<b>17,971,516.55</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional/Technical Services	1,222,596.99	(1,458.43)	1,221,138.56	1,217,727.07
Construction Services	15,846,847.57		15,846,847.57	15,982,060.81
Purchase of Equipment	217,369.73		217,369.73	217,369.73
Other Objects	540,856.94		540,856.94	555,956.94
<b>Total Expenditures</b>	<b>17,827,671.23</b>	<b>(1,458.43)</b>	<b>17,826,212.80</b>	<b>17,973,114.55</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ 145,443.32</b>	<b>(139.57)</b>	<b>145,303.75</b>	<b>(1,598.00)</b>
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number				
Grant Date		N/A		
Bond Authorization Date		8/23/2005		
Bonds Authorized	\$ 14,769,143.00			
Bonds Issued	14,769,000.00			
Original Cost Authorized	17,169,143.00			
Additional Authorized Cost	152,515.55			
Revised Authorized Cost	17,321,658.55			
Percentage Increase over Original Authorized Cost		1%		
Percentage Completion		99.19%		
Original Target Completion Date		June 2007		
Revised Target Completion Date		January, 2013		

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Installation of Energy Saving Equipment**  
**From Inception and for the Year Ended June 30, 2021**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County Appropriation			-	-
ESIP Lease Proceeds	\$ 1,715,000.00		1,715,000.00	1,715,000.00
Capital Reserve			-	-
Capital Outlay			-	-
Career and Technical Education Program Expansion Grant			-	-
SDA Grant			-	-
<b>Total Revenues</b>	<b>1,715,000.00</b>	<b>-</b>	<b>1,715,000.00</b>	<b>1,715,000.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional/Technical Services	275,888.80		275,888.80	
Construction Services	1,251,836.80		1,251,836.80	
Purchase of Equipment			-	
Other Objects			-	
<b>Total Expenditures</b>	<b>1,527,725.60</b>	<b>-</b>	<b>1,527,725.60</b>	<b>-</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ 187,274.40</b>	<b>-</b>	<b>187,274.40</b>	<b>1,715,000.00</b>
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	1,715,000.00			
Additional Authorized Cost	-			
Revised Authorized Cost	1,715,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	89.08%			
Original Target Completion Date	June 2017			
Revised Target Completion Date	December, 2017			



**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Addition to the High School Building**  
**From Inception and for the Year Ended June 30, 2021**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County Appropriation		2,250,000.00	2,250,000.00	2,250,000.00
ESIP Lease Proceeds			-	-
Capital Reserve		168,727.50	168,727.50	168,727.50
Capital Outlay			-	-
Career and Technical Education Program Expansion Grant			-	-
SDA Grant			-	-
<b>Total Revenues</b>	-	2,418,727.50	2,418,727.50	2,418,727.50
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional/Technical Services			-	518,407.50
Construction Services			-	1,900,320.00
Purchase of Equipment			-	
Other Objects			-	
<b>Total Expenditures</b>	-	-	-	2,418,727.50
Excess (Deficiency) of Revenues Over Expenditures	\$ -	2,418,727.50	2,418,727.50	-
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number	0720-030-21-1000			
Grant Date	6/15/2021			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	2,418,727.50			
Additional Authorized Cost	-			
Revised Authorized Cost	2,418,727.50			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	0.00%			
Original Target Completion Date	June 2022			
Revised Target Completion Date	June 2022			

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Building Renovations for Expansion of CTE Programs**  
**From Inception and for the Year Ended June 30, 2021**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County Appropriation		1,433,047.00	1,433,047.00	1,433,047.00
ESIP Lease Proceeds			-	-
Capital Reserve			-	-
Capital Outlay			-	-
Career and Technical Education Program Expansion Grant		4,299,141.00	4,299,141.00	4,299,141.00
SDA Grant			-	-
<b>Total Revenues</b>	<b>-</b>	<b>5,732,188.00</b>	<b>5,732,188.00</b>	<b>5,732,188.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional/Technical Services			-	1,242,300.00
Construction Services			-	4,489,888.00
Purchase of Equipment			-	
Other Objects			-	
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,732,188.00</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ -</b>	<b>5,732,188.00</b>	<b>5,732,188.00</b>	<b>-</b>
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number	0720-030-21-2000			
Grant Date	6/15/2021			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	5,732,188.00			
Additional Authorized Cost	-			
Revised Authorized Cost	5,732,188.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	0.00%			
Original Target Completion Date	June 2022			
Revised Target Completion Date	June 2022			

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Renovations to the District Administrative Offices**  
**From Inception and for the Year Ended June 30, 2021**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
County Appropriation			-	-
ESIP Lease Proceeds			-	-
Capital Reserve	-	810,201.00	810,201.00	810,201.00
Capital Outlay			-	-
Career and Technical Education Program Expansion Grant			-	-
SDA Grant			-	-
<b>Total Revenues</b>	<b>-</b>	<b>810,201.00</b>	<b>810,201.00</b>	<b>810,201.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional/Technical Services			-	
Construction Services		689,267.55	689,267.55	810,201.00
Purchase of Equipment			-	
Other Objects			-	
<b>Total Expenditures</b>	<b>-</b>	<b>689,267.55</b>	<b>689,267.55</b>	<b>810,201.00</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ -</b>	<b>120,933.45</b>	<b>120,933.45</b>	<b>-</b>
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number	0720-X01-21-1000			
Grant Date	6/15/2021			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	810,201.00			
Additional Authorized Cost	-			
Revised Authorized Cost	810,201.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	85.07%			
Original Target Completion Date	June 2022			
Revised Target Completion Date	June 2022			

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**PROPRIETARY FUNDS**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Proprietary Funds**  
**Combining Schedule of Net Position**  
**June 30, 2021**

	Non-Major Funds				Total Non-Major Funds
	Food Service	Early Childhood/ Lab School/ Summertime Adventures	Job Cards	Education Technology Training Center	
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents	\$ 68,239.09	154,227.10	362,227.99		584,694.18
Intergovernmental Accounts Receivable	16,307.43				16,307.43
Other Accounts Receivable	-	40.00	0.50	3,510.00	3,550.50
Inventory	14,196.83				14,196.83
<b>Total Current Assets</b>	<u>98,743.35</u>	<u>154,267.10</u>	<u>362,228.49</u>	<u>3,510.00</u>	<u>618,748.94</u>
Noncurrent Assets:					
Furniture, Machinery & Equipment					-
Less Accumulated Depreciation	14,654.14	66,938.15			81,592.29
<b>Total Noncurrent Assets</b>	<u>14,654.14</u>	<u>66,938.15</u>	<u>-</u>	<u>-</u>	<u>81,592.29</u>
<b>Total Assets</b>	<u>113,397.49</u>	<u>221,205.25</u>	<u>362,228.49</u>	<u>3,510.00</u>	<u>700,341.23</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	-	266.68	23.61		290.29
Interfunds Payable				801.07	801.07
Unearned Revenue	4,741.20	5,551.00			10,292.20
<b>Total Current Liabilities</b>	<u>4,741.20</u>	<u>5,817.68</u>	<u>23.61</u>	<u>801.07</u>	<u>11,383.56</u>
<b>NET POSITION</b>					
Invested in Capital Assets Net of Related Debt	14,654.14	66,938.15	-	-	81,592.29
Unrestricted	94,002.15	148,449.42	362,204.88	2,708.93	607,365.38
<b>Total Net Position</b>	<u>\$ 108,656.29</u>	<u>215,387.57</u>	<u>362,204.88</u>	<u>2,708.93</u>	<u>688,957.67</u>

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Proprietary Funds**  
**Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended June 30, 2021**

	Non-Major Funds				Total Non-Major Funds
	Food Service	Early Childhood/ Summertime Adventures	Job Cards	Education Training Center	
<b>Operating Revenue:</b>					
<b>Charges for Service:</b>					
Daily Sales - Non-reimbursable Programs	\$ 21,748.90				21,748.90
Daily Sales - Reimbursable Programs	16.25				16.25
Special Functions	7,595.79				7,595.79
Early Childhood Program Fees		1,572.00			1,572.00
Construction Projects Management			8,975.89		8,975.89
Food Production			2,396.05		2,396.05
ETTC Revenues				3,920.00	3,920.00
Miscellaneous					-
<b>Total Operating Revenue</b>	<b>29,360.94</b>	<b>1,572.00</b>	<b>11,371.94</b>	<b>3,920.00</b>	<b>46,224.88</b>
<b>Operating Expenses:</b>					
<b>Cost of Sales</b>					
Reimbursable Programs	60,849.57				60,849.57
Non-reimbursable Programs	6.56				6.56
Salaries				24,936.20	24,936.20
Other Purchased Services	103,760.04				103,760.04
Miscellaneous Expenditures	6,518.34	185.00			6,703.34
General Supplies	10,854.26	3,372.24	3,672.39		17,898.89
Depreciation	14,106.51	5,130.93			19,237.44
<b>Total Operating Expenses</b>	<b>196,095.28</b>	<b>8,688.17</b>	<b>3,672.39</b>	<b>24,936.20</b>	<b>233,392.04</b>
<b>Operating Income (Loss)</b>	<b>(166,734.34)</b>	<b>(7,116.17)</b>	<b>7,699.55</b>	<b>(21,016.20)</b>	<b>(187,167.16)</b>
<b>Nonoperating Revenues (Expenses):</b>					
<b>State Sources:</b>					
State School Lunch Program	4,371.68				4,371.68
<b>Federal Sources:</b>					
National School Lunch Program	80,865.04				80,865.04
School Breakfast Program	16,918.36				16,918.36
Emergency Operational Cost Program	8,445.44				8,445.44
P-EBT Administrative Cost	614.00				614.00
Food Distribution Program	17,825.91				17,825.91
Interest and Investment Income	28.15				28.15
<b>Total Nonoperating Revenues (Expenses)</b>	<b>129,068.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129,068.58</b>
<b>Income (loss) before Contributions &amp; Transfers</b>	<b>(37,665.76)</b>	<b>(7,116.17)</b>	<b>7,699.55</b>	<b>(21,016.20)</b>	<b>(58,098.58)</b>
<b>Capital Contributions (Uses)</b>					
Write off of prior year fixed assets	-			-	-
Transfers In (Out)	31,806.95		-	39,917.16	71,724.11
<b>Changes in Net Position</b>	<b>(5,858.81)</b>	<b>(7,116.17)</b>	<b>7,699.55</b>	<b>18,900.96</b>	<b>13,625.53</b>
<b>Total Net Position - Beginning</b>	<b>114,515.10</b>	<b>222,503.74</b>	<b>354,505.33</b>	<b>(16,192.03)</b>	<b>675,332.14</b>
<b>Total Net Position - Ending</b>	<b>\$ 108,656.29</b>	<b>215,387.57</b>	<b>362,204.88</b>	<b>2,708.93</b>	<b>688,957.67</b>



**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Proprietary Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended June 30, 2021**

	Non-Major Funds				Total
	Food Service	Early Childhood/ Lab School/ Summertime Adventures	Job Cards	Education Technology Training Center	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Customers	\$ 54,960.44	18,350.00	67,762.82	410.00	141,483.26
Payments to Employees		-		(41,128.23)	(41,128.23)
Payments for Employee Benefits		-		801.07	801.07
Payments for Supplies and Services	(163,438.63)	(4,942.69)	(3,648.78)	-	(172,030.10)
Net Cash Provided by (Used for) Operating Activities	<u>(108,478.19)</u>	<u>13,407.31</u>	<u>64,114.04</u>	<u>(39,917.16)</u>	<u>(70,874.00)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
State Sources	3,971.07	-	-	-	3,971.07
Federal Sources	91,409.02	-	-	-	91,409.02
Operating Subsidies and Transfers to Other Funds	31,806.95	-	-	39,917.16	71,724.11
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>127,187.04</u>	<u>-</u>	<u>-</u>	<u>39,917.16</u>	<u>167,104.20</u>
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Purchase of Capital Assets	-	-	-	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Interest and Dividends	28.15	-	-	-	28.15
Net Cash Provided by (Used for) Investing Activities	<u>28.15</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28.15</u>
Net Increase (Decrease) in Cash and Cash Equivalents	18,737.00	13,407.31	64,114.04	-	96,258.35
Balance - Beginning of Year	49,502.09	140,819.79	298,113.95	-	488,435.83
Balance - End of Year	<u>68,239.09</u>	<u>154,227.10</u>	<u>362,227.99</u>	<u>-</u>	<u>584,694.18</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	(166,734.34)	(7,116.17)	7,699.55	(21,016.20)	(187,167.16)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	14,106.51	5,130.93	-	-	19,237.44
Federal Commodities - Non-Cash	17,825.91	-			17,825.91
(Increase) Decrease in Accounts Receivable	25,000.00	11,777.00	56,390.88	(3,510.00)	89,657.88
(Increase) Decrease in Inventories	724.23				724.23
Increase (Decrease) in Accounts Payable	-	(1,385.45)	23.61	-	(1,361.84)
Increase (Decrease) in Deferred Revenue	599.50	5,001.00			5,600.50
Increase (Decrease) in Interfund Payable				(15,390.96)	(15,390.96)
Total Adjustments	<u>58,256.15</u>	<u>20,523.48</u>	<u>56,414.49</u>	<u>(18,900.96)</u>	<u>116,293.16</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (108,478.19)</u>	<u>13,407.31</u>	<u>64,114.04</u>	<u>(39,917.16)</u>	<u>(70,874.00)</u>

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**LONG-TERM DEBT**

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**Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 Schedule of Obligations Under Capital Leases  
 As of June 30, 2021**

Description	Amount of Original Issue	Balance	Additions	Deletions	Balance
		7/1/2020			6/30/2021
Energy Savings Improvement Program (ESIP) Equipment	\$ 1,715,000.00	1,398,506.13		96,652.58	1,301,853.55
		<u>\$ 1,398,506.13</u>	-	<u>96,652.58</u>	<u>1,301,853.55</u>

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## **Statistical Section**

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**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Net Position by Component**  
**For the Fiscal Year Ended June 30, 2021**  
*(accrual basis of accounting)*

	For the Fiscal Year Ending June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 20,418,591.00	19,216,235.06	18,382,559.00	17,125,854.80	15,947,753.86	33,039,352.45	32,037,483.59	30,843,930.84	29,537,568.97	29,049,017.62
Restricted	2,525,929.00	2,460,707.03	3,280,299.00	3,710,264.66	5,282,762.97	3,774,362.69	3,944,122.12	4,112,799.57	4,798,513.57	12,577,541.68
Unrestricted	(522,695.00)	(265,396.34)	(385,796.27)	(5,359,289.43)	(5,693,599.71)	(7,733,162.23)	(8,073,111.86)	(8,023,005.13)	(8,049,353.72)	(6,926,766.93)
<b>Total governmental activities net position</b>	<b>22,421,825.00</b>	<b>21,441,545.75</b>	<b>21,277,061.73</b>	<b>15,476,830.03</b>	<b>15,536,917.12</b>	<b>29,080,552.91</b>	<b>27,908,493.85</b>	<b>26,933,725.28</b>	<b>26,286,728.82</b>	<b>34,699,792.37</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	113,650.00	101,022.46	96,936.00	90,573.02	76,704.60	152,319.39	143,026.58	121,119.24	100,829.73	81,592.29
Restricted	172,190.00	168,345.89	229,798.00	494,833.86	575,715.64	489,238.11	477,194.02	501,143.79	574,502.41	607,365.38
Unrestricted	(285,840.00)	(269,368.35)	(326,734.00)	(585,406.88)	(652,420.24)	(641,557.50)	(620,220.60)	(622,263.03)	(675,332.14)	(688,957.67)
<b>Total business-type activities net position</b>										
<b>District-wide</b>										
Invested in capital assets, net of related debt	20,532,241.00	19,317,257.52	18,479,495.00	17,216,427.82	16,024,458.46	33,191,671.84	32,180,510.17	30,965,050.08	29,638,398.70	29,130,609.91
Restricted	2,525,929.00	2,460,707.03	3,280,299.00	3,710,264.66	5,282,762.97	3,774,362.69	3,944,122.12	4,112,799.57	4,798,513.57	12,577,541.68
Unrestricted	(350,505.00)	(197,050.45)	(155,988.27)	(4,864,456.57)	(5,117,884.07)	(7,243,924.12)	(7,595,917.84)	(7,521,861.34)	(7,474,651.31)	(6,319,401.55)
<b>Total district net position</b>	<b>\$ 22,107,665.00</b>	<b>21,680,914.10</b>	<b>21,603,795.73</b>	<b>16,062,236.91</b>	<b>16,189,337.36</b>	<b>29,722,110.41</b>	<b>28,528,714.45</b>	<b>27,555,988.31</b>	<b>26,962,060.96</b>	<b>35,388,750.04</b>

Source: CAFR Schedule A-1

Exhibit J-2

Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 Changes in Net Position  
 For the Fiscal Year Ended June 30, 2021  
 (accrual basis of accounting)

	For the Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities:										
Instruction:										
Regular instruction	3,512,200.71	3,865,106.68	3,601,347.49	4,815,156.72	6,434,119.72	4,978,995.22	5,390,647.48	5,099,390.99	4,924,081.95	5,496,410.40
Vocational education	3,788,323.56	4,054,942.88	3,994,238.12	4,373,749.27	4,243,980.14	5,064,633.40	5,556,114.22	5,412,236.25	4,818,053.22	5,048,693.53
Other instruction	330,808.19	368,115.46	400,239.54	496,593.43	404,261.63	555,219.88	623,201.14	567,184.09	519,485.37	586,186.17
Support Services:										
Student & instruction related services	1,642,640.30	1,646,610.47	1,688,269.27	1,677,697.02	1,709,225.83	1,909,663.75	2,092,422.73	2,138,182.86	2,042,148.54	2,306,799.60
General administrative/business services	1,488,326.37	1,684,814.18	1,624,011.87	1,609,868.85	1,746,707.91	2,265,538.82	2,193,293.15	2,034,510.08	2,030,267.11	2,401,993.65
School administrative services	625,338.33	653,088.28	652,561.77	624,047.24	638,819.18	729,067.45	714,961.58	701,779.28	585,164.22	547,848.55
Plant operations and maintenance	2,314,311.77	2,949,384.67	3,051,473.60	3,191,622.04	3,249,769.18	3,856,242.61	3,636,702.44	3,563,106.04	3,495,985.21	3,790,721.26
Pupil transportation	107,521.76	159,148.64	125,821.94	148,303.64	135,641.14	209,012.07	208,083.68	200,916.70	165,233.06	212,584.39
Adult and continuing education	1,314,844.87	1,282,632.47	1,123,247.63	1,540,642.28	1,691,571.85	2,259,705.55	2,061,711.11	1,780,547.96	1,657,228.50	1,608,579.97
Capital Outlay						3,740,575.82	515,369.68	250,180.11	7,590.00	9,760.00
Unallocated depreciation	1,065,554.33									
Total governmental activities expenses	16,189,870.19	16,663,843.73	16,261,211.23	18,477,670.49	20,254,096.58	25,568,654.55	22,994,507.21	21,748,034.37	20,245,237.18	22,009,577.52
Business-type activities:										
Food service	306,038.52	288,468.69	299,974.60	285,051.49	275,386.27	277,107.81	274,051.62	257,438.08	202,427.58	196,095.28
Early childhood/Summertime adventures	104,143.38	103,274.36	101,369.14	100,329.54	105,042.81	106,110.95	119,797.55	122,607.76	132,473.76	8,686.17
Job cards	20,687.99	19,125.79	16,658.13	22,688.66	18,530.87	19,249.62	14,907.18	14,089.25	6,728.98	3,672.39
Educational technology training center	30,239.05	45,247.66	39,189.79	42,148.10	41,509.82	43,717.94	28,777.50	22,948.00	22,948.00	24,936.20
Total business-type activities expenses	461,108.94	456,116.50	457,191.66	450,217.79	440,469.77	446,186.32	437,533.85	417,083.09	364,578.32	233,392.04
Total district expenses	16,650,979.13	17,119,960.23	16,718,402.89	18,927,888.28	20,694,566.35	26,014,840.87	23,432,041.06	22,165,117.46	20,609,815.50	22,242,969.56
<b>Program Revenues</b>										
Governmental activities:										
Charges for services	5,396,499.56	5,102,653.00	5,717,936.72	5,908,236.19	5,973,026.33	6,341,437.57	6,070,218.00	6,153,447.60	5,927,715.40	5,850,019.14
Operating grants and contributions	1,610,049.87	1,848,118.19	1,792,476.24	3,296,055.72	4,088,601.25	5,152,991.32	5,810,546.27	4,814,041.86	4,064,647.01	6,147,900.18
Capital grants and contributions				17,440.00	942,560.00					7,982,188.00
Total governmental activities program revenues	7,006,549.43	6,950,771.19	7,510,412.96	9,221,731.91	10,984,187.58	11,494,428.89	11,880,764.27	10,967,489.46	9,992,362.41	19,980,107.32
Business-type activities:										
Charges for services:										
Food service	195,145.41	194,400.14	203,889.19	188,085.74	191,425.67	185,323.13	168,179.79	154,477.36	110,179.28	29,360.94
Early childhood/Summertime adventures	27,929.00	34,490.00	25,273.00	36,285.50	35,577.39	50,165.00	29,970.00	56,618.02	34,285.76	1,572.00
Job cards	17,493.90	21,661.00	18,827.85	23,550.34	20,247.92	23,748.25	20,374.25	18,217.19	67,689.99	11,371.94
Educational technology training center	13,686.26	7,825.00	6,565.00	7,255.00	41,509.82	2,050.00	3,380.00	22,948.00	4,047.04	3,920.00
Operating grants and contributions	82,984.74	89,259.52	87,585.81	92,534.62	96,896.50	101,113.38	92,757.35	84,320.61	74,116.76	129,040.43
Total business-type activities program revenue	337,239.31	347,635.66	342,240.85	347,691.20	385,657.30	362,399.76	314,661.39	336,581.18	290,318.83	175,265.31
Total district program revenue	7,343,788.74	7,298,406.85	7,852,653.81	9,569,423.11	11,369,844.88	11,856,828.65	12,195,425.66	11,304,070.64	10,282,681.24	20,155,372.63

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2021**  
*(accrual basis of accounting)*

	For the Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Net (Expense)/Revenue</b>										
Governmental activities	(9,183,320.76)	(9,713,072.54)	(8,750,798.27)	(9,255,938.58)	(9,269,909.00)	(14,074,225.66)	(11,113,742.94)	(10,780,544.91)	(10,252,874.77)	(2,029,470.20)
Business-type activities	(123,869.63)	(108,480.84)	(114,950.81)	(102,526.59)	(54,812.47)	(83,786.56)	(122,872.46)	(80,501.91)	(74,259.49)	(58,128.73)
Total district-wide net expense	<u>(9,307,190.39)</u>	<u>(9,821,553.38)</u>	<u>(8,865,749.08)</u>	<u>(9,358,465.17)</u>	<u>(9,324,721.47)</u>	<u>(14,158,012.22)</u>	<u>(11,236,615.40)</u>	<u>(10,861,046.82)</u>	<u>(10,327,134.26)</u>	<u>(2,087,598.93)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
County appropriation levied for general purposes	7,314,862.00	7,314,862.00	7,314,862.00	7,314,862.00	7,864,862.00	7,614,862.00	7,905,454.00	8,063,563	8,224,833	8,224,834.00
County appropriation for capital improvement	1,308,019.00	1,361,147.00	1,370,786.00	1,380,652.00	1,436,040.00	1,403,215.00	1,435,613.00	1,400,445	1,396,049	1,437,454.00
Investment grants and contributions	4,490.37	1,893.63	1,734.00	2,117.02	-	-	-	-	-	-
Investment earnings	108,523.65	124,147.00	115,658.00	150,215.05	166,699.62	181,447.64	165,324.55	124,054	110,452	194,549.61
Miscellaneous income	(131,359.00)	(92,000.00)	(172,300.00)	(361,184.00)	(121,799.82)	(112,177.94)	(107,897.50)	(82,500)	(127,277)	(71,724.11)
Transfers	(37,732.93)	(7,255.67)	(14,425.00)	(14,232.16)	(15,805.71)	(7,594.40)	(16,759.42)	(2,425)	(948)	(11,475.52)
Less on disposal of capital assets	-	-	-	-	-	(0.51)	(10,750.00)	62,219	9,249	33,244.38
Cancellation of prior year payables	-	-	-	-	-	18,538,109.66	980,699.26	240,420	(1,976)	-
Adjustment to prior year receivables	-	-	-	-	-	-	-	-	-	-
Adjustment to prior year fixed assets	-	-	-	-	-	-	-	-	-	-
Unauthorized payments	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>8,566,803.09</u>	<u>8,702,793.76</u>	<u>8,616,315.00</u>	<u>8,472,429.91</u>	<u>9,329,996.09</u>	<u>27,617,861.45</u>	<u>9,941,683.89</u>	<u>9,805,776.34</u>	<u>9,605,878.31</u>	<u>9,806,882.36</u>
Business-type activities:										
Investment earnings	42.32	8.99	16.00	15.50	26.01	45.70	49.86	44.34	51.60	28.15
Adjustment to prior year receivables	-	-	-	-	-	(39,299.82)	(6,411.80)	-	-	-
Transfers	131,359.00	92,000.00	172,300.00	361,184.00	121,799.82	112,177.94	107,897.50	82,500.00	127,277.00	71,724.11
Total business-type activities	<u>131,401.32</u>	<u>92,008.99</u>	<u>172,316.00</u>	<u>361,199.50</u>	<u>121,825.83</u>	<u>72,923.82</u>	<u>101,535.56</u>	<u>82,544.34</u>	<u>127,328.60</u>	<u>71,752.26</u>
Total district-wide	<u>8,698,204.41</u>	<u>8,794,802.75</u>	<u>8,788,631.00</u>	<u>8,833,629.41</u>	<u>9,451,821.92</u>	<u>27,690,785.27</u>	<u>10,043,219.45</u>	<u>9,888,320.68</u>	<u>9,733,206.91</u>	<u>9,878,634.62</u>
<b>Changes in Net Position</b>										
Governmental activities	(616,517.67)	(1,010,278.78)	(134,483.27)	(783,508.67)	60,087.09	13,543,635.79	(1,172,059.05)	(974,768.57)	(646,996.46)	7,777,412.16
Business-type activities	7,531.69	(16,471.85)	57,365.19	258,672.91	67,013.36	(10,862.74)	(21,336.90)	2,042.43	53,069.11	13,625.53
Total district	<u>(608,985.98)</u>	<u>(1,026,750.63)</u>	<u>(77,118.08)</u>	<u>(524,835.76)</u>	<u>127,100.45</u>	<u>13,532,773.05</u>	<u>(1,193,395.95)</u>	<u>(972,726.14)</u>	<u>(593,927.35)</u>	<u>7,791,037.69</u>

Source: CAFR, Schedule A-2

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Fund Balances, Governmental Funds,**  
**For the Fiscal Year Ended June 30, 2021**  
*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted										
Committed	2,092,094.17	1,816,172.57	2,908,463.63	2,143,802.63	2,752,802.63	2,679,062.63	3,370,984.29	3,780,081.85	4,465,795.85	320,166.94
Assigned	397,443.83	608,143.46	22,824.89	429,750.19	390,600.49	45,313.71	100,989.12	53,225.40	21,642.53	3,973,114.58
Unassigned	304,914.63	499,489.36	341,963.55	-	-	341,709.81	196,445.72	357,067.55	290,917.08	65,667.42
Reserved	-	-	-	-	-	-	-	-	-	290,916.00
Unreserved	-	-	-	-	-	-	-	-	-	-
Total general fund	<u>2,794,452.63</u>	<u>2,923,805.39</u>	<u>3,273,252.07</u>	<u>2,573,552.82</u>	<u>3,143,403.12</u>	<u>3,066,086.15</u>	<u>3,668,419.13</u>	<u>4,190,374.80</u>	<u>4,778,355.46</u>	<u>4,649,864.94</u>
All Other Governmental Funds										
Restricted	3,010.07	3,010.07	161,043.00	132,154.95	681,177.71	501,463.17	325,045.30	315,562.33	315,562.33	8,775,450.50
Committed	33,380.93	33,380.93	187,967.00	1,434,307.08	1,848,782.63	593,836.89	248,092.53	17,155.39	17,155.39	306,435.95
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>36,391.00</u>	<u>36,391.00</u>	<u>349,010.00</u>	<u>1,566,462.03</u>	<u>2,529,960.34</u>	<u>1,095,300.06</u>	<u>573,137.83</u>	<u>332,717.72</u>	<u>332,717.72</u>	<u>9,081,886.45</u>

The requirements related to reporting fund balance in the general fund were modified by the Governmental Accounting Standards Board (GASB) effective for fiscal years ending June 30, 2011.

**Board of Education for Vocational Schools, County of Cape May  
(A Component Unit of the County of Cape May)  
Changes in Fund Balances, Governmental Funds,  
For the Fiscal Year Ended June 30, 2021**

Exhibit J-4

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
County appropriation	7,314,862.00	7,314,862.00	7,314,862.00	7,314,862.00	7,864,862.00	7,614,862.00	7,905,454.00	8,063,563.00	8,224,833.00	11,907,881.00
Tuition charges	4,948,419.00	4,694,193.00	5,332,826.00	5,417,317.05	5,492,965.36	5,890,351.00	5,697,746.00	5,686,111.10	5,317,988.40	5,345,569.10
Miscellaneous	593,832.00	548,369.00	506,394.00	677,485.30	658,838.24	667,004.41	540,980.00	602,880.32	733,370.89	821,260.60
State sources	2,365,290.00	2,748,197.84	2,578,034.00	2,766,951.21	3,908,474.78	3,077,969.12	3,419,201.82	3,603,905.81	3,671,898.37	8,469,189.67
Federal sources	520,041.00	449,199.00	581,336.00	494,524.42	548,783.82	555,326.00	557,285.00	575,586.00	551,342.04	795,230.56
Total revenue	15,742,444.00	15,752,820.64	16,313,452.00	16,671,139.98	18,472,924.20	17,805,512.53	18,120,666.82	18,532,046.23	18,499,432.70	27,339,130.93
<b>Expenditures</b>										
Instruction:										
Regular instruction	2,577,017.00	2,603,731.00	2,824,745.00	2,831,580.91	2,938,527.40	2,922,571.18	2,867,201.53	2,963,415.65	3,019,667.47	3,189,144.95
Vocational instruction	2,583,494.00	2,602,455.00	2,606,123.00	2,464,591.41	2,729,329.46	2,819,213.97	2,734,182.51	2,984,904.13	2,793,204.46	2,687,425.86
Other instruction	246,111.00	258,286.00	284,435.00	312,082.66	275,479.41	304,443.99	296,678.23	291,718.38	274,149.63	280,902.95
Support Services:										
Student & instruction related services	1,182,106.00	1,114,475.00	1,140,786.00	1,148,728.58	1,135,120.41	1,160,996.46	1,174,194.29	1,289,441.84	1,282,919.08	1,364,261.98
General & business administrative services	1,058,287.00	1,084,165.00	1,049,421.00	1,076,361.61	1,163,613.46	1,249,658.04	1,221,920.94	1,194,768.75	1,264,332.20	1,502,674.20
School administrative services	424,761.00	433,965.00	434,262.00	428,257.52	412,939.27	392,123.95	389,197.10	425,774.87	343,181.01	330,518.09
Plant operations and maintenance	1,777,773.00	1,815,717.00	1,920,701.00	2,067,620.77	2,070,409.31	2,161,622.40	2,203,863.21	2,257,614.17	2,300,040.75	2,324,454.11
Pupil transportation	95,106.00	119,226.00	86,210.00	109,007.40	103,018.84	133,343.08	123,457.45	134,224.21	108,872.85	123,860.44
Unallocated employee benefits	3,594,815.00	3,918,191.23	3,783,896.00	3,835,480.82	4,217,371.73	4,541,371.06	5,100,296.35	5,260,691.93	5,185,586.86	5,605,263.78
Special schools	1,308,422.00	1,278,897.00	1,125,134.00	1,141,474.18	520,967.21	1,145,909.99	1,041,229.27	981,527.80	1,055,630.67	897,378.67
Capital outlay	508,935.00	302,360.00	221,373.00	377,018.04	1,250,999.27	4,089,057.21	769,827.69	466,148.34	161,335.49	1,009,739.35
Total Expenditures	15,356,827.00	15,531,468.23	15,479,086.00	15,792,203.90	16,817,775.77	20,920,311.33	17,921,848.57	18,230,230.07	17,788,920.47	19,315,624.38
Excess (Deficiency) of revenues over (under) expenditures	385,617.00	221,352.41	834,366.00	878,936.08	1,655,148.43	(3,114,798.80)	198,818.25	301,816.16	710,512.23	8,023,506.55
<b>Other Financing Sources (Uses)</b>										
Transfers out	(131,359.00)	(92,000.00)	(172,300.00)	(361,184.00)	(121,799.82)	(112,177.94)	(107,897.50)	(82,500.00)	(127,277.00)	(71,724.11)
Adjustment to prior year receivables						(0.51)	(10,750.00)	62,219.40	(4,504.00)	-
Cancellation of prior year liability									9,249.43	33,244.38
ESIP Lease Proceeds						1,715,000.00				
Unauthorized payments										
Total other financing sources (uses)	(131,359.00)	(92,000.00)	(172,300.00)	(361,184.00)	(121,799.82)	1,602,821.55	(118,647.50)	(20,280.60)	(122,531.57)	(38,479.73)
Net change in fund balances	254,258.00	129,352.41	662,066.00	517,752.08	1,533,348.61	(1,511,977.25)	80,170.75	8,003,225.95	587,980.66	7,985,026.82

Source: CAFR Schedule B-2

Exhibit J-5

Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 General Fund Other Local Revenue by Source,  
 For the Fiscal Year Ended June 30, 2021  
 Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Non-Resident Fees	Registration Fees	Refund Prior Year Expense	Bookstore	Miscellaneous	Totals
2012	4,490.37	4,948,419.30	36,648.00	411,432.26	-	13,013.44	95,510.21	5,509,513.58
2013	1,893.63	4,694,192.50	52,161.00	356,299.50	-	14,144.50	110,002.50	5,228,693.63
2014	1,733.97	5,332,826.00	44,634.25	350,337.72	-	15,674.00	76,093.56	5,821,299.50
2015	2,117.02	5,420,162.05	38,987.00	435,682.15	-	13,462.00	126,162.25	6,036,572.47
2016	3,038.94	5,492,965.36	55,953.50	424,106.96	-	8,103.50	146,861.58	6,131,029.84
2017	3,240.65	5,890,351.00	16,678.00	434,408.57	17,075.33	5,795.50	152,492.29	6,520,041.34
2018	4,254.30	5,697,746.00	8,382.00	374,488.00	176.84	79.00	140,416.41	6,225,542.55
2019	4,898.36	5,686,111.10	67,404.00	399,932.50	-	-	119,155.41	6,277,501.37
2020		5,317,988.40	83,180.00	526,547.00				5,927,715.40
2021	4,621.34	5,345,569.10	95,629.00	408,821.04	2,679.89		75,433.52	5,932,753.89

Source: District Records

**Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 Demographic and Economic Statistics,  
 For the Fiscal Year Ended June 30, 2021**

Fiscal Year Ended June 30,	(a) Population	(b) Personal Income (thousands of dollars)	(c) Per Capita Personal Income	(d) Unemployment Rate
2012	96,267	4,695,134,124	48,772	13.4%
2013	95,540	4,735,057,940	49,561	13.4%
2014	94,961	4,888,402,358	51,478	7.8%
2015	94,330	5,098,913,820	54,054	13.5%
2016	93,825	5,259,735,675	56,059	10.9%
2017	93,283	5,412,186,377	58,019	9.8%
2018	92,604	5,580,687,456	60,264	9.1%
2019	92,247	5,787,023,298	62,734	8.4%
2020	91,546	5,743,046,764	62,734	7.2%
2021	91,546	5,743,046,764	62,734	14.8%

Source:

- (a) U.S. Bureau of Census - Population Division - Cape May County
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (c) Per capita personal income by County based on Census Bureau midyear population estimates; published by the NJ Dept of Labor.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 Full-time Equivalent District Employees by Function/Program,  
 For the Fiscal Year Ended June 30, 2021**

<u>Function/Program</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction:										
140 Regular instruction	33.50	33.90	33.40	33.40	33.34	34.34	33.67	33.67	33.67	33.67
320 Other special education instruction	10.50	10.50	10.00	10.00	12.00	13.00	13.00	13.00	13.00	14.00
310 Vocational education	26.91	26.91	25.91	25.16	26.16	26.16	26.91	26.91	25.20	25.52
330 Adult/continuing education programs	8.34	8.34	8.34	8.34	7.34	7.34	6.59	6.59	6.30	6.48
Support Services:										
Tuition										
211-219,222 Student & instruction related services	11.50	11.50	11.50	11.50	12.00	12.00	13.00	13.00	13.00	13.00
230 General administrative services	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
240 School administrative services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00
221 Other administrative services	4.00	3.50	3.50	2.60	2.00	2.00	2.00	2.00	2.00	2.00
290,251 Business administrative services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
252 Administrative Information Technology	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
261-262 Plant operations and maintenance	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	16.00
Special schools	5.00	5.00	4.00	4.00	4.50	4.50	3.50	3.50	3.00	3.00
Food Service	0.50	0.50	-	-	-	-	-	-	-	-
Child Care	1.75	1.75	1.75	1.50	1.50	1.50	1.50	1.50	1.50	-
<b>Total</b>	<b>136.50</b>	<b>136.40</b>	<b>132.90</b>	<b>131.00</b>	<b>133.34</b>	<b>135.34</b>	<b>134.67</b>	<b>134.67</b>	<b>131.17</b>	<b>130.17</b>

Source: District Personnel Records (Position Control Roster, Payroll Breakdown Reports)



Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 Operating Statistics,  
 For the Fiscal Year Ended June 30, 2021

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Overall	District				
2012	719	15,488,186	21,556	1.48%	81	8.87:1	8.87:1	688	643	-0.43%	93.46%
2013	707	15,623,468	22,098	2.52%	81	8.73:1	8.73:1	680	635	-1.16%	93.38%
2014	654	15,651,386	23,932	8.30%	78	8.39:1	8.39:1	643	602	-5.44%	93.62%
2015	723	16,153,388	22,342	-6.64%	77	9.39:1	9.39:1	639	599	-0.62%	93.74%
2016	722	16,939,576	23,462	5.01%	80	9.03:1	9.03:1	642	603	0.47%	93.93%
2017	711	21,032,489	29,582	26.08%	80	8.89:1	8.89:1	642	608	0.00%	94.70%
2018	627	18,029,746	28,756	-2.79%	83	7.55:1	7.55:1	642	608	0.00%	94.70%
2019	607	18,312,730	30,169	4.92%	83	7.31:1	7.31:1	588	557	-8.34%	94.69%
2020	643	17,916,197	27,885	-7.57%	85	7.56:1	7.56:1	576	553	-10.36%	96.04%
2021	554	19,387,348	34,995	16.00%	80	6.93:1	6.93:1	565	528	-3.98%	93.45%

Source: District records, ASSA and Schedule J-14

**Board of Education for Vocational Schools, County of Cape May  
(A Component Unit of the County of Cape May)  
School Building Information,  
For the Fiscal Year Ended June 30, 2021**

**Exhibit J-18**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>District Buildings</b>										
<b>Technical School</b>										
CMC VoTech H.S. Instructional-(100,200,300 Bldgs)(1969)										
Square Feet	224,724	224,724	224,724	231,475	231,475	231,475	231,475	231,475	231,475	231,475
Capacity (students)	652	652	652	652	652	652	652	652	652	652
Enrollment	688	680	643	639	642	658	628.5	598.5	575.5	565.4
<b>Other</b>										
Greenhouse [400] Building (1960 & 1985)										
Square Feet	4,032	4,032	4,032	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Service Station [500] Building (1997)										
Square Feet	1,618	1,618	1,618	1,560	1,560	1,560	1,560	1,560	1,560	1,560
Broadley Administration [600] Building (1993)										
Square Feet	3,590	3,590	3,590	5,300	5,300	5,300	5,300	5,300	5,300	5,300
Senior Citizen House [700] Building (1972)										
Square Feet	1,700	1,700	1,700	-	-	-	-	-	-	-
Other Misc. Buildings (1970 & 1975)										
Square Feet	2,025	2,025	2,025	2,855	2,855	2,855	2,855	2,855	2,855	2,855
Number of Schools/Buildings at June 30, 2019										
Elementary - 0										
Middle - 0										
High School -1										
Other - 5										

Source: District Records (LRFP), ASSA, School Register Summaries

Board of Education for Vocational Schools, County of Cape May  
 (A Component Unit of the County of Cape May)  
 General Fund  
 For the Fiscal Year Ended June 30, 2021  
 Last Ten Fiscal Years  
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities:  
 11-000-261-XXX

School Facilities	Project # (s)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Technical School - Only Building	N/A	297,880.89	253,151.85	266,466.00	424,483.71	358,247.48	379,155.79	287,836.47	312,306.43	292,713.59	304,607.85
Total School Facilities		297,880.89	253,151.85	266,466.00	424,483.71	358,247.48	379,155.79	287,836.47	312,306.43	292,713.59	304,607.85
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		297,880.89	253,151.85	266,466.00	424,483.71	358,247.48	379,155.79	287,836.47	312,306.43	292,713.59	304,607.85

Source: District Records

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Insurance Schedule**  
**For the Fiscal Year Ended June 30, 2021**  
*(Unaudited)*

**Exhibit J-20**

Company and Type of Coverage	Amount of Coverage	Deductible
<b>New Jersey School Boards Association Insurance Group</b>		
<b>Package Policy</b>		
<b>Property</b>		
Blanket Real & Personal Property - per occurrence	\$ 63,200,676	5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Vaulable Papers & Records	10,000,000	5,000
Environmental Package	1,000,000	50,000
Demolition & Increased Cost of Construction - per occurrence	25,000,000	
Loss of Business Income/Tuition	5,318,000	5000
Limited Builders Risk	10,000,000	
Fire Department Service Charge	10,000	
Arson Award	10,000	
Pollutant Cleanup and Removal	250,000	
Sublimits: Flood Zones (SFHA)	per occurrence NJSBAIG annual aggregate per building - zones prefix A & V per building contents	25,000,000 25,000,000 500,000 500,000
Accounts Receivable - per occurrence	250,000	
All Other Flood Zones - per occurrence/NJSBAIG annual aggregate	75,000,000	
	per occurrence/per member (subject to max retained ded. Of \$1,000,000 to NJSBAIG)	10,000
Earthquake	per occurrence NJSBAIG annual aggregate	50,000,000 50,000,000
Terrorism	per occurrence NJSBAIG annual aggregate	1,000,000 1,000,000
<b>Electronic Data Processing</b>		
Blanket Hardware/Software - per occurrence	3,297,000	1,000
Blanket Extra Expense		
Cyber Liability	1,000,000	various
Coverage Extensions:	Transit Loss of Income Terrorism	
	25,000 10,000 Included in Property	
Computer Virius	250,000	
SFHA Flood Deductible:	per building contents	500,000
All Other Flood Zones:		
	per occurrence/per member (subject to max retained ded. Of \$1,000,000 to NJSBAIG)	10,000
<b>Equipment Breakdown</b>		
Combined Single Limit per Accident for Property Damage & Business Income	100,000,000	25,000
Sublimits:		
Property Damage	Deductible-per accident	Included
Off Premises Property Damage		1,000,000
Business Income		Included
Extra Expense	Deductible-per accident	10,000,000
Service Interruption	Deductible-per accident	10,000,000
Perishable Goods		1,000,000
Data Restoration		1,000,000
Contingent Business Income		1,000,000
Demolition		1,000,000
Ordinance or Law		1,000,000
Expediting Expenses		1,000,000
Hazardous Substances		1,000,000
Newly Acquired Locations (120 days notice)	Deductible-Waiting Period 60 Days	1,000,000
Terrorism		Included
Interruption of Service Waiting Period 24 Hours		

**Board of Education for Vocational Schools, County of Cape May**  
**(A Component Unit of the County of Cape May)**  
**Insurance Schedule**  
**For the Fiscal Year Ended June 30, 2021**  
*(Unaudited)*

**Exhibit J-20**

Company and Type of Coverage	Amount of Coverage	Deductible
<b>Crime</b>		
Faithful Performance Limit	25,000	500
Money & Securities Limit	25,000	500
Forgery or Alteration Limit	25,000	500
Computer Fraud Limit	25,000	500
Public Officials Bond - Paula Smith	25,000	500
Public Officials Bond - James V. Craft	205,000	1,000
		Board Secretary
		Treasurer
<b>Comprehensive General Liability</b>		
Bodily Injury & Property Damage	16,000,000	
Bodily Injury from Products & Operations - annual aggregate	16,000,000	
Personal Injury & Advertising Injury - per occurrence/annual aggregate	16,000,000	
Sexual Abuse	16,000,000	
		per occurrence
		annual pool aggregate
Employee Benefit Liability - per occurrence/annual aggregate	16,000,000	
Premises Medical Payments	10,000	
		per accident
		per person
Terrorism	1,000,000	
		per occurrence
	1,000,000	
		NJSBAIG annual aggregate
<b>Automobile</b>		
<b>Liability</b>		
Combined Single Limits for Bodily Injury & Property Damage	16,000,000	1,000
Uninsured/Underinsured Motorists	1,000,000	
		Private Passenger Auto
Uninsured/Underinsured Motorists	15,000	
		All Other Vehicles - bodily injury per person
	30,000	
		All Other Vehicles - bodily injury per accident
	5,000	
		All Other Vehicles - property damage per accident
Personal Injury Protection (including pedestrians)	250,000	
Medical Payments	10,000	
		Private Passenger Vehicles
		All Other Vehicles
Terrorism	1,000,000	
		per occurrence
	1,000,000	
		NJSBAIG annual aggregate
<b>Physical Damage</b>		
Comprehensive		1,000
Collision		1,000
Hired Car Physical Damage		1,000
<b>Garage Keepers</b>		
		Included
<b>Workers Compensation</b>		
		Statutory
<b>Employers Liability</b>		
		Each Accident, Employee, Aggregate Limit
	2,000,000	
<b>Errors &amp; Omissions Policy</b>		
Coverage A Limit of Liability - Each Policy Period	16,000,000	5,000
Coverage B Limit of Liability - Each Policy Period	300,000	
		Deductible-each claim
Coverage B Limit of Liability - Each Claim	100,000	5,000
		Deductible-each claim
<b>Student Accident Policies</b>		
Excess Medical	5,000,000	25,000
Accident Death & Dismemberment	1,000,000	
Catastrophic Injury	1,000,000	
Accident Medical Benefit	1,000,000	-
Volunteer Coverage	25,000	10,000

Source: District records.

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## **Single Audit Section**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

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**Exhibit K-1**

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

The Honorable President and  
Members of the Board of Education  
For Vocational Schools  
County of Cape May, New Jersey

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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, and each major fund of the Board of Education for Vocational Schools in the County of Cape May, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated February 22, 2022.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Board of Education for Vocational Schools in the County of Cape May's 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 Board of Education for Vocational Schools in the County of Cape May's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education for Vocational Schools in the County of Cape May's internal control.

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Board of Education for Vocational Schools in the County of Cape May'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.

## **Purpose of this Report**

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

*Ford Scott & Associates, LLC*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Leon P. Costello*

**Leon P. Costello**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 767**

**February 22, 2022**



# F O R D - S C O T T

& A S S O C I A T E S , L . L . C .

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Exhibit K-2

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With Uniform Guidance and New Jersey OMB Circular 15-08

Honorable President and  
Members of the Board of Education  
For Vocational Schools  
County of Cape May, New Jersey

## Report on Compliance for Each Major State Program

We have audited the Board of Education for Vocational Schools in the County of Cape May, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular Uniform Guidance Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education for Vocational Schools in the County of Cape May's major state programs for the year ended June 30, 2021. The Board of Education for Vocational Schools in the County of Cape May's major 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 the requirements of laws, regulations, contracts, and grants applicable to its state programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Board of Education for Vocational Schools in the County of Cape May's major 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 New Jersey OMB 15-08 *State Aid/Grant Compliance Supplement*. Those standards and NJ 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 state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education for Vocational Schools in the County of Cape May'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 state program. However, our audit does not provide a legal determination of the Board of Education for Vocational Schools in the County of Cape May's compliance.

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

In our opinion, the Board of Education for Vocational Schools in the County of Cape May 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 state programs for the year ended June 30, 2021.

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

Management of the Board of Education for Vocational Schools in the County of Cape May 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 the Board of Education for Vocational Schools in the County of Cape May's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with NJ 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 Board of Education for Vocational Schools in the County of Cape May'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 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 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 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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Leon P. Costello*

**Leon P. Costello**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 767**

**February 22, 2022**



**Board of Education for Vocational Schools, County of Cape May  
(A Component Unit of the County of Cape May)  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant Period	Award Amount	Balance June 30, 2020	Cash Received	Budgetary Expenditures		(Accounts Receivable) 06/30/2021	Deferred Revenue/ 06/30/2021	Due to Grantor June 30, 2021
							Source Pass Through	Total			
<b>U.S. Department of Agriculture Passed-Through State</b>											
Enterprise Funds:											
Child Nutrition Cluster:											
Food Distribution Program	10.565	211NJ304N1099	7/1/2020	17,825.91		17,825.91	(17,825.91)				
National School Lunch Program	10.565	201NJ304N1099	7/1/2019	45,643.18	(306.24)	306.24					
National School Lunch Program	10.565	211NJ304N1099	7/1/2020	80,865.04		75,172.84	(80,865.04)	(5,692.20)			
School Breakfast Program	10.563	201NJ304N1099	7/1/2019	8,889.30	(161.92)	16,192					
School Breakfast Program	10.563	211NJ304N1099	7/1/2020	16,918.36		15,768.02	(16,918.36)	(1,150.34)			
Total Child Nutrition Cluster					(468.16)	109,234.93	(115,609.31)	(6,842.54)			
Emergency Operational Costs	10.555	202121H170341	7/1/2020	8,445.44			(8,445.44)	(8,445.44)			
P-EBT Administrative Costs	10-649	202121S900941	7/1/2020	614.00			(614.00)	(614.00)			
Total Enterprise Funds					(468.16)	109,234.93	(124,668.75)	(15,901.98)			
<b>Total Federal Financial Awards</b>					<b>\$ (112,870.94)</b>	<b>716,905.29</b>	<b>(915,362.09)</b>	<b>(311,327.74)</b>			

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.



**Exhibit K-5**

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE  
JUNE 30, 2021**

**Note 1: General**

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state award programs of the Board of Education for Vocational Schools in the County of Cape May. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, is included on the schedule of federal awards and state financial assistance.

**Note 2: Basis of Accounting**

The accompanying schedules of expenditures of awards and financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting, and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's basic financial statements.

The District has elected not to use the 10% de minimis indirect cost rate.

**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 schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year whereas GAAP reporting, revenue is not recognized until the subsequent year or when the 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 P.L. 2003, c.97, (A3521). 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 revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$0.00 for the General Fund and \$4,856.99 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis on the following page:



**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE  
JUNE 30, 2021  
(CONTINUED)**

**Note 3: Relationship to Basic Financial Statements - Continued**

	<u>General fund</u>	<u>Special Revenue fund</u>	<u>Food service fund</u>	<u>Total</u>
<b>State Assistance:</b>				
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 4,087,868.69	82,179.98	4,371.68	4,174,420.35
Difference – budget to "GAAP"				
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	138,629.00			138,629.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(138,629.00)			(138,629.00)
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				-
Total State revenue as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$ 4,087,868.69</u>	<u>82,179.98</u>	<u>4,371.68</u>	<u>4,174,420.35</u>

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS  
COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE  
JUNE 30, 2021  
(CONTINUED)**

	Special Revenue Fund	Food Service Fund	Total
<b>Federal Assistance:</b>			
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of Federal Awards	\$ 790,693.34	124,668.75	915,362.09
Difference - budget to "GAAP" Grant accounting budgetary basis differs from "GAAP" in that encumbrances are recognized as expenditures, and the related revenue is recognized.	4,537.22		4,537.22
Commodities received in the prior year but not used until the current fiscal year	-	-	-
Total Federal revenue as reported on the statement of revenue, expenditures, and changes in fund balance	\$ 795,230.56	124,668.75	919,899.31

**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 under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2021.

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
k-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Part I -- Summary of Auditor's Results**

**Financial Statement Section**

A) Type of auditor's report issued: Unmodified

B) Internal control over financial reporting:

    1) Material weakness(es) identified?                      yes     X     no

    2) Were significant deficiencies identified?                      yes     X     none reported

C) Noncompliance material to general-purpose financial statements noted?                      yes     X     no

**Federal Awards Section**

D) Internal Control over compliance:

    1) Material weakness(es) identified?                      yes     X     no

    2) Were significant deficiencies identified?                      yes     X     none reported

E) Type of auditor's report on compliance for major programs Unmodified

F) Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR 200 Section .516(a) of the Uniform Guidance?                      yes     X     no

G) Identification of major programs:

<u>CFDA/FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010 / S010A190030	Title I Grants to Local Educational Agencies
84.425D / S425D200027	Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act

H) Dollar threshold used to determine Type A programs: \$ 750,000.00

I) Auditee qualified as low-risk auditee?     X     yes                      no                      n/a

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

*Part I -- Summary of Auditor's Results (cont'd)*

**State Awards Section**

- J) Internal Control over compliance:
- 1) Material weakness(es) identified? \_\_\_\_\_ yes  X  no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? \_\_\_\_\_ yes  X  no
- K) Type of auditor's report on compliance for major programs \_\_\_\_\_  Unmodified  \_\_\_\_\_
- L) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08? \_\_\_\_\_ yes  X  no

M) Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
21-495-034-5120-xxx	<b>State Aid - Public Cluster:</b>
21-495-034-5120-089	Vocational Expansion Stabilization Aid
21-495-034-5120-084	Special Education Categorical Aid
21-495-034-5120-085	Categorical Security Aid
	Adjustment Aid

- N) Dollar threshold used to determine Type A programs: \_\_\_\_\_  \$ 750,000.00  \_\_\_\_\_
- O) Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no \_\_\_\_\_ n/a

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
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K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

***Section II - Financial Statement Findings***

None

***Section III - Federal Awards and State Financial Assistance Statement Findings and Questioned Costs***

**FEDERAL AWARDS**

None

**STATE AWARDS**

None

**BOARD OF EDUCATION  
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY  
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**STATUS OF PRIOR YEAR FINDINGS**

There were no prior year findings.