

Annual Comprehensive Financial Report

of the

**Gloucester County
Vocational-Technical School District**

Deptford, New Jersey

**For The Fiscal Year Ended
June 30, 2021**

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
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INTRODUCTORY SECTION



GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

1360 TANYARD ROAD · SEWELL, NEW JERSEY 08080
856-468-1445 · FAX 856-468-3397

December 23, 2021

Honorable President and
Members of the Board of Education
Gloucester County Vocational-Technical School District
County of Gloucester, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Gloucester County Vocational-Technical School District (District), a component unit of the County of Gloucester, New Jersey, for the fiscal year ended June 30, 2021 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are 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 annual comprehensive 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 is presented in accordance with Governmental Accounting Standards Board Statement No. 34 and includes the Report of Independent Auditors, the Management and Discussion Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial statements. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Treasury Circular 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 questioned costs, are included in the single audit section of this report.

1. Reporting Entity and Its Services

The Gloucester County Vocational-Technical School District, a component unit of the County of Gloucester, New Jersey, is a reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds of the District are included in this report. The Gloucester County Vocational-Technical School District and all of its programs and projects constitute the District's reporting entity.

The Gloucester County Vocational-Technical School District is one of 21 county career-technical schools in New Jersey. The District successfully completed its conversion from a shared-time vocational program to a comprehensive full-time high school. Applications for acceptance to the District's school, Gloucester County Institute of Technology, continue to exceed seats available. A list of programs offered to incoming students in the 2020-2021 school year follows:

A. Career-Technical Programs

- School of Construction Technology
- School of Cosmetology
- School of Culinary Arts/Baking Pastry Arts
- School of Performing Arts (Dance/Drama)
- School of Transportation Technology
- Academy of Health Science
- Academy of Engineering
- Academy of Finance and Business Management
- Academy of Computer Science & Digital Media

B. Shared-Time Vocational Programs – Senior Year Option

- Emergency Response (Fire Science and Law Enforcement)

C. Post-Secondary Adult Programs

Career-Technical Training Programs	Adult Regional High School
Customized Training Programs	Youth Education and Career Center

D. Community Use of Facilities

Aquatics Center	Fitness Center
Gymnasiums	Kitchens
Television Studio	Theater
	Dance Studios

2. Major Initiatives

A. Current Year Accomplishments

Gloucester County Vocational-Technical School District's Gloucester County Institute of Technology (GCIT) used to be called area education's best-kept secret, but the record number of applicants substantiates its solid reputation and growing popularity in the county, making GCIT a school of choice for many high school students.

Thanks to our supportive Board of Education, faculty, staff, parents, and students, GCIT is ranked high on the list of New Jersey high schools, winning a best practice award on two occasions and the coveted NJ Star School designation from the New Jersey Department of Education.

Since its inception in 2000, full-time Academy Programs offer students a well-rounded education, integrating career, academic, and industry excellence. Students who pursue post-secondary high school goals have been successful in both attaining college and/or post-secondary training goals.

The diverse academy student population at GCIT is afforded high-tech instruction as students participate in interactive distance learning and receive complementary and cutting-edge instruction via mobile computer labs, software, and smart-board technology.

Career-Technical programs at GCIT prepare students for careers in demand through hands-on learning—integrating academics and industry standards. A record number of students have applied for admission to GCIT indicating the necessity of career-technical education and post-secondary opportunity.

Career-Technical students have several options awaiting them upon graduation. These options include entering the workforce, apprenticeship programs, and a pathway to college or other post-secondary training options. GCIT participates in an articulation agreement with Rowan College South Jersey and other post-secondary institutions through which GCIT students may earn college credits and industry valued certificates while still in high school.

With guidance from business and industry, our school-to-careers program provides valuable work experience, income, and graduation credits for interested students.

B. District Goals for 2020-2021

- Continue to monitor and direct the implementation of the 2020-2021 Long Range Facilities Capital Projects Plan in partnership with the County of Gloucester
- Continue to implement programs that address Educational Equity and enhance the diversity-related educational opportunities and experiences for students, teachers, administrators, and community members
- Develop and initiate the Academy of Biomedical Sciences in partnership with Rowan College South Jersey
- Develop and enact the school reopening plan in accordance with the guidance provided in the New Jersey Department of Education’s “The Road Back: Restart and Recovery Plan for Education”, and in coordination with the Gloucester County Department of Health and all other applicable agencies
- Prepare for and submit an application to the New Jersey Department of Education for consideration to approve the proposed Academy of Applied Technology and Advanced Manufacturing in partnership with and on the campus of Rowan College South Jersey/Gloucester as part of the “Secure Your Children’s Future CTE Bond Act”
- Continue to maintain close supervision of fiscal operations and seek every opportunity to reduce operating costs through attrition and shared services
- Review current labor trends and contract settlements in preparation to begin contract negotiations

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 adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are 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 controls, 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 Estimate. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects funds. 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments 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.

6. Cash Management

The investment policy of the District is guided in large part by state statute as detailed in "The Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted

in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7. 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, fidelity bonds, worker's compensation, disability, and student insurance. During 2020-2021 insurance coverage of the Gloucester County Vocational-Technical School District was carried via the New Jersey Schools Insurance Group, administered by Hardenbergh Insurance Group.

8. Other Information


Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman & Company LLP was selected by the Gloucester County Vocational-Technical Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Treasury Circular 15-08-OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*” The auditor's report on the basic financial statements 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.

9. Acknowledgments

We would like to express our appreciation to the members of The Board of Education of the Special Services School District and the Vocational School District of the County of Gloucester, and to the Gloucester County Board of Chosen Commissioners for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office Staff.

Respectfully submitted,


Michael C. Dicken
Superintendent


Amy Capriotti, CPA
Assistant Superintendent for Business/Board Secretary

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

****Michael C. Dicken**
SUPERINTENDENT

****Amy Capriotti**
Asst. Supt. for Business/Bd. Sec.

****Aja Thomas, Director**
Human Resources

****Lisa Finnegan, Director**
Accounting

****Diane Gormley, Director**
Co. Svcs./Coop. Transp.

James Battaglia,
Facilities Manager

****Brian Shakespeare, Asst. Supt.**
of Curriculum & Assessment

James Dundee
Principal

Michael McAleer
Asst. Principal/Athletic Dir.

Gregory Wright
Asst. Principal

Janet Wilbraham
Asst. Principal

Joy Ford
Asst. Principal

Christine Datz, Director
Stud. Pers. Svcs.

****Gina Mateka, Ed.D.**
Chief Academic Officer

****Sybil Girard, Director**
Curriculum & Assessment

****Steven Fisher, Director**
Campus Technology

****Kim Alexander, Dir.**
Sch-Careers/Transition

****Susan Heiken, Ed.D.**
Dir./Clinical Svcs.

**ADMINISTRATIVE
ORGANIZATION
CHART**

2020-2021 School Year
**Shared employment

**BOARD OF EDUCATION
GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SEWELL, NEW JERSEY**

ROSTER OF OFFICIALS

JUNE 30, 2021

Members of the Board of Education

**Term
Expires**

Marlene McConnell, President	6/30/2023
Albert Frattali, Vice President	6/30/2021
Donna Ragonese	6/30/2022
John Robinson	6/30/2022
Robert Gadsby	6/30/2021
Erick (Eddie) Guerra	6/30/2023
Ave' Altersitz, Interim Executive County Superintendent	

Other Officials

Michael Dicken, Superintendent

Brian Shakespeare, Assistant Superintendent of Curriculum and Assessment

Amy Capriotti, Assistant Superintendent for Business/Board Secretary

**BOARD OF EDUCATION
GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT**

CONSULTANTS AND ADVISORS

Audit Firm

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Woodbury, New Jersey 08096

Attorneys

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Mt. Laurel, New Jersey 08054

Official Depositories

Bank of America
1355 N. Delsea Drive
Deptford, NJ 08096

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester County Vocational Technical School District
County of Gloucester, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Gloucester County Vocational Technical School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, and each major fund of the Gloucester County Vocational Technical School District, in the County of Gloucester, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Principle

As discussed in note 1 to the financial statements, during the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Consistency of Financial Statements

Because of the implementation of GASB Statement No. 84, several funds of the School District that were reported as fiduciary fund types in the prior fiscal year are now reported in governmental activities and governmental fund types. Our opinion is not modified with respect to this matter.

Prior Period Restatement

In addition, because of the implementation of GASB Statement No. 84, net position and fund balance as of July 1, 2020 on the statement of activities and statement of revenues, expenditures, and changes in fund balances, and statement of revenues, expenses, and changes in fund net position have been restated, as discussed in note 19 to the financial statements. Our opinion is not modified with respect to this matter.

Lastly, during the fiscal year ended June 30, 2021, the School District became aware of unspent bond proceeds that were recorded as accounts receivable in the capital projects fund, as opposed to cash held by trustee, in the prior fiscal year. As a result, the School District has restated net position as of July 1, 2020 on the statement of activities and the statement of revenues, expenditures and changes in fund balances to reflect the cancellation of the accounts receivable, as discussed in note 19 to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed 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 Gloucester County Vocational Technical School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

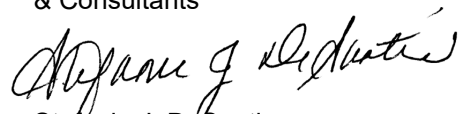
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2022 on our consideration of the Gloucester County Vocational Technical School District'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Gloucester County Vocational Technical School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Gloucester County Vocational Technical School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Public School Accountant No. CS 002523

Woodbury, New Jersey
March 10, 2022

**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**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester County Vocational Technical School District
County of Gloucester, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Gloucester County Vocational Technical School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 10, 2022. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle, and additional paragraphs on the consistency of financial statements and prior period restatement resulting from the new accounting principle. Also, our report on the financial statements included an additional emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the cancellation of accounts receivable.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Gloucester County Vocational Technical School District's internal control over financial reporting (internal control) as a basis for designing 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Gloucester County Vocational Technical School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 Gloucester County Vocational Technical School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

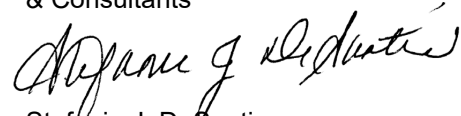
Purpose of this Report

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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Public School Accountant No. CS 002523

Woodbury, New Jersey
March 10, 2022

REQUIRED SUPPLEMENTARY INFORMATION
PART I

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Unaudited)**

The discussion and analysis of the Gloucester County Vocational-Technical School District’s (the School District or “GCVTSD”) 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 review the School District’s financial performance as a whole; readers are advised to read it in conjunction with the basic financial statements and the notes to the financial statements to enhance their understanding of the School District’s performance.

The Management’s Discussion and Analysis (MD&A) section of the Annual Comprehensive Financial Report (“ACFR”) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board’s (GASB) Statement Number 34 – Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments that was issued in June 1999. Certain comparative information between the current year (2020-2021) and the prior year (2019-2020) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-2021 fiscal year are as follows:

- The School District’s net position decreased by a total of \$13,843,097.56 as a result of this year’s operations. Net position of our business-type activities decreased by \$127,911.01. Net position of our governmental activities increased by \$13,971,008.57.
- During the year, the School District generated \$44,024,965.08 in revenues from governmental activities, a decrease of \$9,259,216.84 from the previous fiscal year. This variance can be primarily attributed to the recording of an intergovernmental receivable in the prior year to complete the GCIT New Construction and Rehabilitation project.
- In the School District’s business-type activities, total revenues decreased by \$59,698.24; while expenses decreased by \$215,028.35. These changes are attributable to the continued impact of COVID-19.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. These statements are organized so the reader can first understand the School District as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the School District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on the School District’s most significant funds, reporting on the School District’s operations in *more detail* than the government-wide financial statements.
 - The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term, as well as what remains for future spending.
 - *Proprietary funds statements* offer short- and long-term financial information about the activities the district operates like a business.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District’s budget for the year.

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Unaudited)**

Reporting the School District as a Whole

The Statement of Net Position includes all of the School District's assets, deferred outflow of resources, liabilities, and deferred inflow of resources and uses the accrual basis of accounting similar to the accounting used by most private-sector businesses. All of the current year's revenue and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. These statements report the School District's *net position* and how they have changed. Net position is the difference between the School District's assets, deferred inflows, liabilities, and deferred outflows and represent one way to measure the School District's financial health or *position*.

- Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the School District's overall health, additional non-financial factors such as changes in the School District's property tax base, current laws and policies affecting school districts in New Jersey, educational programs offered, the condition of school buildings and other facilities, and other factors must be considered.

In the government-wide financial statements, the School District's activities are divided into two categories:

- *Governmental activities*: Most of the School District's basic services are included here, such as alternative and special education. State Aid, the County tax levy and, to a lesser degree, tuition, finance most of these activities.
- *Business-type activities*: The School District charges fees to help it cover the costs of certain services it provides. The School District's enterprise funds are included here.

Reporting the School District's Most Significant Funds

The *fund financial statements* focus on the School District's most significant funds, reporting on the School District's operations in *more detail* than the government-wide financial statements. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds:

- *Governmental funds*: Most of the School District's basic services are included in governmental funds, which generally focus on how cash and other financial assets that can be converted to cash flow in and out, and the balances left at year-end that are available for future spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that are available for spending in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information provided at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the School District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The School District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The School District currently does not maintain any internal service funds.

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Unaudited)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net position

The School District's overall financial position and operations for the past two years are summarized as follows based on the information included in the government-wide financial statements.

The School District's net position at fiscal year-end June 30, 2021 is \$51,716,028.40. This is a \$13,843,097.56 increase from last year's net position (as restated) of \$37,872,930.84. The following table provides a summary of the School District's net position:

	<u>June 30, 2021</u>	<u>Restated June 30, 2020</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 7,506,901.22	\$ 4,296,624.36	\$ 3,210,276.86	74.72%
Capital Assets	<u>56,142,361.87</u>	<u>43,253,737.86</u>	<u>12,888,624.01</u>	<u>29.80%</u>
Total Assets	<u>63,649,263.09</u>	<u>47,550,362.22</u>	<u>16,098,900.87</u>	<u>33.86%</u>
Deferred Outflow of Resources - Related to Pensions	<u>941,497.00</u>	<u>1,256,399.03</u>	<u>(314,902.03)</u>	<u>-25.06%</u>
Long-Term Liabilities	6,476,370.05	7,421,923.04	(945,552.99)	-12.74%
Other Liabilities	<u>3,464,135.64</u>	<u>706,650.36</u>	<u>2,757,485.28</u>	<u>390.22%</u>
Total Liabilities	<u>9,940,505.69</u>	<u>8,128,573.40</u>	<u>1,811,932.29</u>	<u>22.29%</u>
Deferred Inflow of Resources - Related to Pensions	<u>2,934,226.00</u>	<u>2,805,257.01</u>	<u>128,968.99</u>	<u>4.60%</u>
Net Position:				
Net Investment in Capital Assets	56,142,361.87	43,253,737.86	12,888,624.01	29.80%
Restricted	671,758.98	738,494.19	(66,735.21)	-9.04%
Unrestricted (Deficit)	<u>(5,098,092.45)</u>	<u>(6,119,301.21)</u>	<u>1,021,208.76</u>	<u>-16.69%</u>
Total Net Position	<u>\$ 51,716,028.40</u>	<u>\$ 37,872,930.84</u>	<u>\$ 13,843,097.56</u>	<u>36.55%</u>

The following table provides an illustration of the impact of the School District's Net Position for the implementation of GASB 68.

Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 941,497.00	\$ 1,256,399.03	\$ (314,902.03)	-25.06%
Less: Net Pension Liability	(5,766,790.00)	(6,673,266.00)	906,476.00	-13.58%
Less: Deferred Inflows Related to Pensions	<u>(2,934,226.00)</u>	<u>(2,805,257.01)</u>	<u>(128,968.99)</u>	<u>4.60%</u>
	<u>\$ (7,759,519.00)</u>	<u>\$ (8,222,123.98)</u>	<u>\$ 462,604.98</u>	<u>-5.63%</u>

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Unaudited)**

Changes in Net position

The following table provides a summary of the School District's changes in net position:

Summary of Changes in Net Position

Revenues:	<u>June 30, 2021</u>	<u>Restated June 30, 2020</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 1,028,468.80	\$ 584,177.32	\$ 444,291.48	76.05%
Federal & State Categorical Grants	7,584,503.09	4,944,122.10	2,640,380.99	53.40%
General Revenues:				
County Appropriation	22,094,970.47	35,078,708.56	(12,983,738.09)	-37.01%
Federal & State Grants	9,302,828.51	8,941,220.79	361,607.72	4.04%
Tuition & Fees	4,427,895.00	4,256,049.00	171,846.00	4.04%
Other	183,890.98	137,194.16	46,696.82	34.04%
Cancellation of Receivable		-	-	-- %
Total Revenues	<u>44,622,556.85</u>	<u>53,941,471.93</u>	<u>(9,318,915.08)</u>	<u>-17.28%</u>
Expenses:				
Instruction:				
Regular	5,588,589.89	5,367,928.70	220,661.19	4.11%
Special Education	319,783.00	307,268.00	12,515.00	4.07%
Vocational	4,512,448.40	4,622,385.02	(109,936.62)	-2.38%
Other Instruction	542,247.00	527,905.00	14,342.00	2.72%
Student Services:				
Student and Instruction Related	3,186,319.82	3,232,831.94	(46,512.12)	-1.44%
General Administrative Services	390,289.99	398,689.19	(8,399.20)	-2.11%
School Administrative Services	686,969.15	671,039.63	15,929.52	2.37%
Central Services	331,960.00	367,588.00	(35,628.00)	-9.69%
Administrative Information Technology	33,324.00	38,880.00	(5,556.00)	-14.29%
Plant Operations and Maintenance	2,956,402.66	2,935,544.40	20,858.26	0.71%
Care and Upkeep of Grounds	32,086.00	20,670.00	11,416.00	55.23%
Security	98,177.00	127,262.00	(29,085.00)	-22.85%
Student Transportation Services	48,918.00	67,516.00	(18,598.00)	-27.55%
Unallocated Benefits	9,629,626.82	8,009,984.44	1,619,642.38	20.22%
Support Services	1,448,763.78	441,683.43	1,007,080.35	228.01%
Special Schools	248,051.00	281,603.00	(33,552.00)	-11.91%
Food Service	319,860.64	351,959.02	(32,098.38)	-9.12%
Other Enterprise Funds	405,642.14	588,572.11	(182,929.97)	-31.08%
Total Expenses	<u>30,779,459.29</u>	<u>28,359,309.88</u>	<u>2,420,149.41</u>	<u>8.53%</u>
Increase (Decrease) in Net Position	<u>13,843,097.56</u>	<u>25,582,162.05</u>	<u>(11,739,064.49)</u>	<u>-45.89%</u>
Beginning Net Position	<u>37,872,930.84</u>	<u>35,098,159.20</u>	<u>2,774,771.64</u>	<u>7.91%</u>
Restatement to Record the School District's Prior Period Adjustments	<u>-</u>	<u>(22,807,390.41)</u>	<u>22,807,390.41</u>	<u>-- %</u>
Ending Net Position	<u>\$ 51,716,028.40</u>	<u>\$ 37,872,930.84</u>	<u>\$ 13,843,097.56</u>	<u>36.55%</u>

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Unaudited)**

THE SCHOOL DISTRICT'S FUNDS

Governmental funds reported ending fund balances of \$3,796,502.40. Assigned fund balance includes \$2,567,209.00 designated for subsequent year's expenditures and \$272,698.91 for the liquidation of encumbrances. Restricted fund balances include the capital reserve account with \$223,450.55 of funds available, the maintenance reserve account with \$168,455.00 of funds available, Unemployment funds available in the amount of \$164,729.64, Scholarship funds available in the amount of \$9,084.28, and Student Activities funds available in the amount of \$106,039.51. The unassigned general fund balance has a balance of \$284,835.51.

GENERAL FUND BUDGETARY HIGHLIGHTS

Reimbursements for pension and Social Security contributions of \$3,574,089.05 are non-budgeted items in both revenues and appropriations.

CAPITAL ASSETS

The School District's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2021 and 2020, was \$56,142,361.87 and \$43,253,737.86, respectively. See Note 6 for additional information about changes in capital assets during the fiscal year.

Capital Assets

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Capital Assets (Net of Depreciation):		
Construction in Progress	\$ 17,350,601.12	\$ 3,624,727.51
Furniture, Fixtures and Equipment	2,096,806.21	1,953,866.89
Building and Improvements	36,562,969.99	37,533,070.87
Land Improvements	131,984.55	142,072.59
Total Capital Assets	\$ 56,142,361.87	\$ 43,253,737.86

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Like the rest of the United States, the State of New Jersey is making a gradual recovery from the failing economy. For that reason, there is no assurance that state and federal funding can be maintained at current levels. The Gloucester County Board of Commissioners has a history of maintaining adequate funding for the School District through generous contributions to ensure that the Board of Education of the Special Services School District and the Vocational School District of the County of Gloucester ("Board of Education") and administration could continue to carry out the School District's mission, yet Gloucester County is also feeling the impact of the economy and is experiencing significant unemployment. Currently the demand for admission to GCIT continues to exceed the spaces available, validating the need for career-technical education and post-secondary opportunities. The level of interest in the Gloucester County Vocational-Technical School District remains high, particularly in terms of those seeking career training.

The Board of Education plans for the School District's future by working closely with the Gloucester County Workforce Investment Board and area colleges to ensure that the programs it offers are relevant in the current economy.

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Unaudited)**

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens and taxpayers and our customers with a general overview of the School District's finances and to demonstrate the School District's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional financial information, contact the School District Office, 1360 Tanyard Road, Sewell, NJ 08080.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 2,731,130.01	\$ 736,285.21	\$ 3,467,415.22
Receivables, net	3,585,759.68	36,115.83	3,621,875.51
Inventory		25,704.94	25,704.94
Restricted Assets:			
Restricted Cash and Cash Equivalents:			
Capital Reserve Account	223,450.55		223,450.55
Maintenance Reserve Account	168,455.00		168,455.00
Capital Assets, net (Note 6)	<u>55,947,319.34</u>	<u>195,042.53</u>	<u>56,142,361.87</u>
Total Assets	<u>62,656,114.58</u>	<u>993,148.51</u>	<u>63,649,263.09</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	<u>898,188.14</u>	<u>43,308.86</u>	<u>941,497.00</u>
LIABILITIES:			
Cash Overdraft		118,412.95	118,412.95
Accounts Payable	2,731,973.33	3,153.59	2,735,126.92
Accounts Payable - Related to Pensions	397,153.06	19,149.94	416,303.00
Accrued Salaries and Benefits	18,912.50	9,227.58	28,140.08
Payable to Federal Government	34,675.15		34,675.15
Payroll Deductions and Withholdings Payable	62,723.79		62,723.79
Unearned Revenue	64,008.07	4,220.89	68,228.96
Noncurrent Liabilities (Note 7):			
Due within One Year	524.79		524.79
Due beyond One Year	<u>6,211,097.71</u>	<u>265,272.34</u>	<u>6,476,370.05</u>
Total Liabilities	<u>9,521,068.40</u>	<u>419,437.29</u>	<u>9,940,505.69</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	<u>2,799,251.60</u>	<u>134,974.40</u>	<u>2,934,226.00</u>
NET POSITION:			
Net Investment in Capital Assets	55,947,319.34	195,042.53	56,142,361.87
Restricted for:			
Capital Projects	223,450.55		223,450.55
Scholarships	9,084.28		9,084.28
Student Activities	106,039.51		106,039.51
Unemployment Compensation	164,729.64		164,729.64
Other Purposes	168,455.00		168,455.00
Unrestricted (Deficit)	<u>(5,385,095.60)</u>	<u>287,003.15</u>	<u>(5,098,092.45)</u>
Total Net Position	<u>\$ 51,233,982.72</u>	<u>\$ 482,045.68</u>	<u>\$ 51,716,028.40</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ending June 30, 2021

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 5,588,589.89		\$ 525,774.29	\$ (5,062,815.60)		\$ (5,062,815.60)
Special Instruction	319,783.00			(319,783.00)		(319,783.00)
Vocational	4,512,448.40			(4,512,448.40)		(4,512,448.40)
School Sponsored Cocurricular Activities	52,130.00			(52,130.00)		(52,130.00)
School Sponsored Athletics	490,117.00			(490,117.00)		(490,117.00)
Undistributed Expenditures and Support Services:						
Attendance and Social Work	27,702.00			(27,702.00)		(27,702.00)
Health Services	202,752.00			(202,752.00)		(202,752.00)
Student - Related Services	454,448.00			(454,448.00)		(454,448.00)
Students - Regular	1,170,778.00			(1,170,778.00)		(1,170,778.00)
Students - Special	376,198.00			(376,198.00)		(376,198.00)
Improvement of Instruction Services	480,721.00			(480,721.00)		(480,721.00)
Educational Media Services/School Library	458,523.82			(458,523.82)		(458,523.82)
Instructional Staff Training Services	15,197.00			(15,197.00)		(15,197.00)
General Administration	390,289.99			(390,289.99)		(390,289.99)
School Administration	686,969.15			(686,969.15)		(686,969.15)
Central Services	331,960.00			(331,960.00)		(331,960.00)
Administration Information Technology	33,324.00			(33,324.00)		(33,324.00)
Operation and Maintenance of Plant Services	2,956,402.66			(2,956,402.66)		(2,956,402.66)
Care and Upkeep of Grounds	32,086.00			(32,086.00)		(32,086.00)
Security	98,177.00			(98,177.00)		(98,177.00)
Student Transportation Services	48,918.00			(48,918.00)		(48,918.00)
Unallocated Benefits	8,289,998.77		4,762,523.00	(3,527,475.77)		(3,527,475.77)
On-Behalf Pension Contributions	701,790.00		701,790.00			
Reimbursed TPAF Social Security	637,838.05		637,838.05			
Support Services	1,448,763.78	\$ 851,329.69	536,125.09	(61,309.00)		(61,309.00)
Special Schools	248,051.00			(248,051.00)		(248,051.00)
Total Governmental Activities	30,053,956.51	851,329.69	7,164,050.43	(22,038,576.39)	-	(22,038,576.39)
Business-Type Activities:						
Food Service	319,860.64	34,934.95	420,452.66		\$ 135,526.97	135,526.97
Other Enterprise Funds	405,642.14	142,204.16			(263,437.98)	(263,437.98)
Total Business-Type Activities	725,502.78	177,139.11	420,452.66	-	(127,911.01)	(127,911.01)
Total Government	\$ 30,779,459.29	\$ 1,028,468.80	\$ 7,584,503.09	(22,038,576.39)	(127,911.01)	(22,166,487.40)

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ending June 30, 2021

	Net (Expense) Revenue and Changes in Net Position		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
General Revenues:			
County Appropriations	\$ 22,094,970.47		\$ 22,094,970.47
Federal and State Aid not Restricted	9,302,828.51		9,302,828.51
Tuition Received	4,176,652.00		4,176,652.00
Non-Resident Fees	251,243.00		251,243.00
Miscellaneous Income	183,890.98		183,890.98
Receivables from Other Governments Canceled			-
Total General Revenues	<u>36,009,584.96</u>	<u>-</u>	<u>36,009,584.96</u>
Change in Net Position	13,971,008.57	\$ (127,911.01)	13,843,097.56
Net Position, July 1	<u>60,070,364.56</u>	<u>609,956.69</u>	<u>60,680,321.25</u>
Prior Period Adjustments	<u>(22,807,390.41)</u>		<u>(22,807,390.41)</u>
Net Position, July 1 (Restated)	<u>37,262,974.15</u>	<u>609,956.69</u>	<u>37,872,930.84</u>
Net Position, June 30	<u>\$ 51,233,982.72</u>	<u>\$ 482,045.68</u>	<u>\$ 51,716,028.40</u>

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

FUND FINANCIAL STATEMENTS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	\$ 2,595,471.74	\$ 115,123.79	\$ 20,534.48	\$ 2,731,130.01
Interfunds Receivable - Governmental Funds	176,063.28			176,063.28
Receivables from Other Governments	67,148.99	291,869.33	2,596,819.74	2,955,838.06
Receivables - Tuition	629,921.62			629,921.62
Restricted Cash and Cash Equivalents:				
Capital Reserve Account	223,450.55			223,450.55
Maintenance Reserve Account	168,455.00			168,455.00
Total Assets	\$ 3,860,511.18	\$ 406,993.12	\$ 2,617,354.22	\$ 6,884,858.52
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 19,600.98	\$ 95,018.13	\$ 2,617,354.22	\$ 2,731,973.33
Accrued Salaries and Benefits	13,280.54	5,631.96		18,912.50
Payable to Federal Government	34,675.15			34,675.15
Payroll Deductions and Withholdings Payable	62,723.79			62,723.79
Interfunds Payable - Governmental Funds		176,063.28		176,063.28
Unearned Revenue	48,852.11	15,155.96		64,008.07
Total Liabilities	179,132.57	291,869.33	2,617,354.22	3,088,356.12
Fund Balances:				
Restricted:				
Capital Reserve Account	223,450.55			223,450.55
Maintenance Reserve Account	168,455.00			168,455.00
Capital Projects Fund				-
Unemployment Compensation	164,729.64			164,729.64
Scholarships		9,084.28		9,084.28
Student Activities		106,039.51		106,039.51
Assigned				
Other Purposes	272,698.91			272,698.91
Subsequent Year's Expenditures	2,567,209.00			2,567,209.00
Unassigned:				
General Fund	284,835.51			284,835.51
Total Fund Balances	3,681,378.61	115,123.79	-	3,796,502.40
Total Liabilities and Fund Balances	\$ 3,860,511.18	\$ 406,993.12	\$ 2,617,354.22	

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2021

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$105,002,748.69 and the accumulated depreciation is \$49,055,429.35	\$ 55,947,319.34
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(710,104.84)
Net Pension Liability	(5,501,517.66)
Accounts Payable related to the April 1, 2022 Required PERS pension contribution that is not to be liquidated with current financial resources.	(397,153.06)
Deferred Outflows of Resources - Related to Pensions	898,188.14
Deferred Inflows of Resources - Related to Pensions	<u>(2,799,251.60)</u>
Net position of governmental activities	<u>\$ 51,233,982.72</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Fiscal Year Ending June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
County Appropriations	\$ 8,300,000.00		13,794,970.47	\$ 22,094,970.47
Tuition Charges	4,176,652.00			4,176,652.00
Non-Resident Fees	251,243.00			251,243.00
Rents and Royalties	25,000.00			25,000.00
Other Restricted Miscellaneous Revenues	59,208.09	\$ 892,194.13		951,402.22
Unrestricted Miscellaneous Revenue	99,682.89			99,682.89
State Sources	12,696,230.05	95,862.00		12,792,092.05
Federal Sources		1,105,860.45		1,105,860.45
Total Revenues	<u>25,608,016.03</u>	<u>2,093,916.58</u>	<u>13,794,970.47</u>	<u>41,496,903.08</u>
EXPENDITURES:				
Current:				
Regular Instruction	4,866,147.00	525,774.29		5,391,921.29
Special Instruction	319,783.00			319,783.00
Vocational Programs	3,545,160.00			3,545,160.00
School Sponsored Cocurricular Activities	52,130.00			52,130.00
School Sponsored Athletics	490,117.00			490,117.00
Undistributed Expenditures and Support Services:				
Attendance and Social Work	27,702.00			27,702.00
Health Services	202,752.00			202,752.00
Student - Related Services	454,448.00			454,448.00
Students - Regular	1,170,778.00			1,170,778.00
Students - Special	376,198.00			376,198.00
Improvement of Instruction Services	480,721.00			480,721.00
Educational Media Services/School Library	445,145.00			445,145.00
Instructional Staff Training Services	15,197.00			15,197.00
General Administration	367,546.00			367,546.00
School Administration	632,116.00			632,116.00
Central Services	331,960.00			331,960.00
Administration Information Technology	33,324.00			33,324.00
Operation and Maintenance of Plant Services	2,810,573.00			2,810,573.00
Care and Upkeep of Grounds	32,086.00			32,086.00
Security	98,177.00			98,177.00
Student Transportation Services	48,918.00			48,918.00
Unallocated Benefits	3,999,611.02			3,999,611.02
On-Behalf Pension Contributions	2,936,251.00			2,936,251.00
Reimbursed TPAF Social Security Contributions	637,838.05			637,838.05
Support Services		1,448,763.78		1,448,763.78
Capital Outlay	326,262.00	180,687.51	\$ 13,794,970.47	14,301,919.98
Special Schools	248,051.00			248,051.00
Total Expenditures	<u>24,948,991.07</u>	<u>2,155,225.58</u>	<u>13,794,970.47</u>	<u>40,899,187.12</u>
Excess (Deficiency) of Revenues over Expenditures	659,024.96	(61,309.00)		597,715.96
OTHER FINANCING SOURCES (USES):				
Receivables from Other Governments Canceled			-	-
Net Change in Fund Balances	<u>659,024.96</u>	<u>(61,309.00)</u>		<u>597,715.96</u>
Fund Balance, July 1	2,852,195.80	-	23,153,981.05	26,006,176.85
Prior Period Adjustments	170,157.85	176,432.79	(23,153,981.05)	(22,807,390.41)
Fund Balance, July 1 (Restated)	<u>3,022,353.65</u>	<u>176,432.79</u>	<u>-</u>	<u>3,198,786.44</u>
Fund Balance, June 30	<u>\$ 3,681,378.61</u>	<u>\$ 115,123.79</u>	<u>\$ -</u>	<u>\$ 3,796,502.40</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ending June 30, 2021

Total Net Change in Fund Balances - Governmental Funds	\$	597,715.96
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$	(1,337,881.62)
Capital Outlays		<u>14,239,038.98</u>
		12,901,157.36
<p>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 reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		58,903.45
<p>Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>		
		<u>413,231.80</u>
Change in Net Position of Governmental Activities	\$	<u><u>13,971,008.57</u></u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Proprietary Funds
 Combining Statement of Net Position
 June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 56,832.36	\$ 679,452.85	\$ 736,285.21
Accounts Receivable:			
State	1,048.31		1,048.31
Federal	26,087.62		26,087.62
Other	140.80	8,839.10	8,979.90
Inventory	10,347.01	15,357.93	25,704.94
Total Current Assets	<u>94,456.10</u>	<u>703,649.88</u>	<u>798,105.98</u>
Noncurrent Assets:			
Furniture, Fixtures and Equipment	86,528.41	381,827.96	468,356.37
Less Accumulated Depreciation	(15,757.17)	(257,556.67)	(273,313.84)
Total Noncurrent Assets	<u>70,771.24</u>	<u>124,271.29</u>	<u>195,042.53</u>
Total Assets	<u>165,227.34</u>	<u>827,921.17</u>	<u>993,148.51</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	19,771.43	23,537.43	43,308.86
LIABILITIES :			
Current Liabilities:			
Cash Overdraft		118,412.95	118,412.95
Accounts Payable	90.88	3,062.71	3,153.59
Accounts Payable - Related to Pensions	8,742.36	10,407.58	19,149.94
Accrued Salaries and Benefits	1,188.00	8,039.58	9,227.58
Unearned Revenue		4,220.89	4,220.89
Total Current Liabilities	<u>10,021.24</u>	<u>144,143.71</u>	<u>154,164.95</u>
Noncurrent Liabilities:			
Net Pension Liability	121,102.59	144,169.8	265,272.34
Total Noncurrent Liabilities	<u>121,102.59</u>	<u>144,169.75</u>	<u>265,272.34</u>
Total Liabilities	<u>131,123.83</u>	<u>288,313.46</u>	<u>419,437.29</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	61,618.75	73,355.65	134,974.40
NET POSITION:			
Net Investment in Capital Assets	70,771.24	124,271.29	195,042.53
Unrestricted (Deficit)	(78,515.05)	365,518.20	287,003.15
Total Net Position (Deficit)	<u>\$ (7,743.81)</u>	<u>\$ 489,789.49</u>	<u>\$ 482,045.68</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Proprietary Funds
 Combining Statement of Revenues, Expenses and Changes in Net Position
 For the Fiscal Year Ending June 30, 2021

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Enterprise Funds	Total
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 28,256.20		\$ 28,256.20
Other Revenue	6,678.75	\$ 142,204.16	148,882.91
Total Operating Revenues	34,934.95	142,204.16	177,139.11
OPERATING EXPENSES:			
Cost of Goods Sold - Reimbursable Programs	99,476.56		99,476.56
Cost of Goods Sold - Non-Reimbursable Programs	6,678.75	3,599.42	10,278.17
Salaries	170,302.41	130,692.01	300,994.42
Employee Benefits	31,149.83	38,546.36	69,696.19
Purchased Technical Services	1,333.09	200.00	1,533.09
Other Purchased Services	2,898.00	19,092.83	21,990.83
Maintenance		11,986.86	11,986.86
General Supplies	1,059.49	25,960.50	27,019.99
Utilities		134,523.72	134,523.72
Miscellaneous	50.00	12,219.58	12,269.58
Depreciation	6,912.51	28,820.86	35,733.37
Total Operating Expenses	319,860.64	405,642.14	725,502.78
Operating Income (Loss)	(284,925.69)	(263,437.98)	(548,363.67)
NONOPERATING REVENUES (EXPENSES):			
State Sources:			
State School Lunch Program	9,637.72		9,637.72
Federal Sources:			
National School Lunch Program	221,809.64		221,809.64
National School Breakfast Program	173,018.16		173,018.16
Food Distribution Program	15,987.14		15,987.14
Total Non Operating Revenues (Expenses)	420,452.66	-	420,452.66
Change in Net Position	135,526.97	(263,437.98)	(127,911.01)
Total Net Position (Deficit) -- July 1	(143,270.78)	753,227.47	609,956.69
Total Net Position (Deficit) -- June 30	\$ (7,743.81)	\$ 489,789.49	\$ 482,045.68

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ending June 30, 2021

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 34,934.95	\$ 139,636.13	\$ 174,571.08
Payments to Employees	(169,114.41)	(122,652.43)	(291,766.84)
Payments for Employee Benefits	(40,246.13)	(49,375.29)	(89,621.42)
Payments to Suppliers	(115,391.16)	(221,694.41)	(337,085.57)
Net Cash Provided by (used for) Operating Activities	(289,816.75)	(254,086.00)	(543,902.75)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State Sources	9,103.76		9,103.76
Federal Sources	394,771.48		394,771.48
Net Cash Provided by (used for) Non-Capital Financing Activities	403,875.24	-	403,875.24
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of Capital Assets	(23,200.00)		(23,200.00)
Net Cash Provided by (used for) Capital and Related Financing Activities	(23,200.00)	-	(23,200.00)
Net Increase (Decrease) in Cash and Cash Equivalents	90,858.49	(254,086.00)	(163,227.51)
Balances -- July 1	(34,026.13)	815,125.90	781,099.77
Balances -- June 30	\$ 56,832.36	\$ 561,039.90	\$ 617,872.26
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (284,925.69)	\$ (263,437.98)	\$ (548,363.67)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	6,912.51	28,820.86	35,733.37
(Increase) Decrease in Accounts Receivable, net		(4,510.82)	(4,510.82)
(Increase) Decrease in Other Current Assets	(3,151.39)	(4,965.98)	(8,117.37)
Increase (Decrease) in Accounts Payable	(743.88)	(9,145.52)	(9,889.40)
Increase (Decrease) in Other Current Liabilities		1,942.79	1,942.79
Increase (Decrease) in Accrued Salaries	1,188.00	8,039.58	9,227.58
Increase (Decrease) in Accrued Liabilities Related to Pension	(9,096.30)	(10,828.93)	(19,925.23)
Total Adjustments	(4,891.06)	9,351.98	4,460.92
Net Cash Provided by (used for) Operating Activities	\$ (289,816.75)	\$ (254,086.00)	\$ (543,902.75)

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

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT

Notes to Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Gloucester County Vocational Technical School District, a component unit of the County of Gloucester, (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type I district located in the County of Gloucester, State of New Jersey. As a Type I district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of seven members, six members are appointed by the Director of the Board of Commissioners, and the seventh member is the County School Superintendent. The purpose of the School District is to educate students in grades 9 through 12 in a job skill in addition to giving them the academic training necessary to receive a high school diploma. The School District has an approximate enrollment at June 30, 2021 of 1,559 Secondary and 174 Post-Secondary students.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by county appropriations and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. County appropriations and other items not properly included among program revenues are reported instead as general revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Government-wide and Fund Financial Statements (Cont'd)**

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

County appropriation, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Funds

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Aquatics & Fitness Fund - This fund accounts for the financial activity related to the Floyd D. McLean Fitness Center and the GCIT Aquatics Center utilized by many different individuals and organizations.

Automotive Fund - This fund accounts for the financial activity related to student "Live Work" being provided to various outside customers for work performed on automotive vehicles and other recreational-type modes of transportation.

The School District reports the following major proprietary funds (cont'd):

Culinary Arts - This fund accounts for the financial transactions related to the operations of the restaurant at the Gloucester County Vocational Technical School.

Cosmetology Clinic - This fund accounts for the financial transactions related to the operations of the Hair Salon in providing services such as haircuts, perms, highlighting, etc.

Community Evening - This fund accounts for the financial transactions related to providing community based classes, which vary from year to year.

Dance - This fund accounts for the financial activity related to the production of the spring dance show, which provides funds for scholarships, National Scholarship induction ceremonies and supplies for the program.

Drama - This fund accounts for the financial activity related to drama productions throughout the school year, which provides funds for scholarships and improvements to the theatre program.

Vending Machines - This fund accounts for the financial activity related to providing various water-based beverages to the school population and community visitors.

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all County appropriations.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general and special revenue funds and are submitted to the county office of education. The budgets are voted upon at the Board of School Estimates meeting in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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.

The budget, as detailed on exhibit C-1 and exhibit C-2 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities, but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. 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 in which they may invest. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A. 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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2021. The School District had no prepaid expenses for the fiscal year ended June 30, 2021.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Prepaid Expenses (Cont'd)**

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 - 20 Years
Buildings and Improvements	10 - 50 Years
Land Improvements	10 - 20 Years

The School District does not possess any infrastructure assets.

Deferred Outflows of Resources and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans and postemployment benefit plans.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2021 and 2020 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

Compensated Absences

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Net Position

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statement for the fiscal year ended June 30, 2021:

Statement No. 84, *Fiduciary Activities*. The primary objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

Because of the implementation of Statement No. 84, the School District has determined that certain activities that were previously reported in the fiduciary fund now meet the criteria for reporting as governmental activities. As a result, net position and certain fund balances reported as of July 1, 2020 have been restated (note 19).

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2021:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2022. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

As of June 30, 2021, the School District's bank balances of \$4,326,623.83 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 4,003,427.43
Uninsured and Uncollateralized	<u>323,196.40</u>
Total	<u>\$ 4,326,623.83</u>

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$10,000.00 on September 27, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may 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 fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 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 LRFP.

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	\$ 223,449.55
Increased by:	
Interest Earnings	<u>1.00</u>
Ending Balance, June 30, 2021	<u>\$ 223,450.55</u>

The June 30, 2021 LRFP balance of local support costs of uncompleted projects exceeds the capital reserve balance at June 30, 2021.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2021 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Note 4: ACCOUNTS RECEIVABLE (CONT'D)

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

Description	Governmental Funds			Total Governmental Activities	Proprietary Funds		Total Business-Type Activities	Total
	General Fund	Special Revenue Fund	Capital Projects Fund		Food Service Fund	Other Proprietary Fund		
Federal Awards		\$ 291,869.33		\$ 291,869.33	\$ 26,087.62		\$ 26,087.62	\$ 317,956.95
State Awards					1,048.31		1,048.31	1,048.31
Tuition Charges	\$ 629,921.62			629,921.62				629,921.62
Other	67,148.99		\$ 2,596,819.74	2,663,968.73				2,663,968.73
Provided Services					140.80	\$ 8,839.10	8,979.90	8,979.90
	<u>\$ 697,070.61</u>	<u>\$ 291,869.33</u>	<u>\$ 2,596,819.74</u>	<u>\$ 3,585,759.68</u>	<u>\$ 27,276.73</u>	<u>\$ 8,839.10</u>	<u>\$ 36,115.83</u>	<u>\$ 3,621,875.51</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2021 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 23,764.32
Supplies	1,940.62
	<u>\$ 25,704.94</u>

Note 6: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021
Governmental Activities:				
Capital Assets, not being Depreciated:				
Construction in Progress	\$ 3,624,727.51	\$ 13,725,873.61		\$ 17,350,601.12
Total Capital Assets, not being Depreciated	<u>3,624,727.51</u>	<u>13,725,873.61</u>	<u>-</u>	<u>17,350,601.12</u>
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	6,405,920.23	513,165.37		6,919,085.60
Buildings and Improvements	80,526,158.97			80,526,158.97
Land Improvements	206,903.00			206,903.00
Total Capital Assets, being Depreciated	<u>87,138,982.20</u>	<u>513,165.37</u>	<u>-</u>	<u>87,652,147.57</u>
Total Capital Assets, Cost	<u>90,763,709.71</u>	<u>14,239,038.98</u>	<u>-</u>	<u>105,002,748.69</u>
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(4,659,629.24)	(357,692.68)		(5,017,321.92)
Buildings and Improvements	(42,993,088.10)	(970,100.88)		(43,963,188.98)
Land Improvements	(64,830.41)	(10,088.04)		(74,918.45)
Total Accumulated Depreciation	<u>(47,717,547.75)</u>	<u>(1,337,881.60)</u>	<u>-</u>	<u>(49,055,429.35)</u>
Total Capital Assets, being Depreciated, Net	<u>39,421,434.45</u>	<u>(824,716.23)</u>	<u>-</u>	<u>38,596,718.22</u>
Governmental Activities Capital Assets, Net	<u>\$ 43,046,161.96</u>	<u>\$ 12,901,157.38</u>	<u>\$ -</u>	<u>\$ 55,947,319.34</u>

Note 6: CAPITAL ASSETS (CONT'D)

	<u>Balance</u> <u>June 30, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2021</u>
Business-Type Activities:				
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	\$ 445,156.37	\$ 23,200.00		\$ 468,356.37
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(237,580.47)	(35,733.37)		(273,313.84)
Business-Type Activities Capital Assets, Net	<u>\$ 207,575.90</u>	<u>\$ (12,533.37)</u>	<u>\$ -</u>	<u>\$ 195,042.53</u>

Depreciation expense was charged to functions / programs of the School District as follows:

Governmental Activities:	
Instruction-Regular	\$ 196,668.60
Instruction-Vocational	735,834.86
Instruction - Community Services Programs/Operations	231,453.52
Undistributed Exp-Ed Media Services/School Library	13,378.82
Undistributed Exp-General Admin	22,743.99
Undistributed Exp-School Admin	54,853.15
Undistributed Exp-Oper & Maint of Plant Services	<u>82,948.66</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,337,881.60</u>
Business-Type Activities:	
Aquatics & Fitness	\$ 22,703.24
Culinary Arts	6,117.62
Food Service	<u>6,912.51</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 35,733.37</u>

Note 7: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due within</u> <u>One Year</u>
Governmental Activities:					
Other Liabilities:					
Compensated Absences	\$ 769,008.29	\$ 46,885.62	\$ (105,789.07)	\$ 710,104.84	\$ 524.79
Net Pension Liability (note 9)	6,366,295.76	3,177,250.26	(4,042,028.36)	5,501,517.66	
Total Other Liabilities	<u>7,135,304.05</u>	<u>3,224,135.88</u>	<u>(4,147,817.43)</u>	<u>6,211,622.50</u>	<u>524.79</u>
Governmental Activities Long-Term Liabilities	<u>\$ 7,135,304.05</u>	<u>\$ 3,224,135.88</u>	<u>\$ (4,147,817.43)</u>	<u>\$ 6,211,622.50</u>	<u>\$ 524.79</u>

Compensated absences and net pension liability are liquidated by the general fund.

Note 7: LONG-TERM LIABILITIES (CONT'D)

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations for business-type activities:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due within</u> <u>One Year</u>
Business-Type Activities:					
Other Liabilities:					
Net Pension Liability (note 9)	\$ 306,970.24	\$ 153,200.74	\$ (194,898.64)	\$ 265,272.34	\$ -
Business-Type Activities Long-Term Liabilities	<u>\$ 306,970.24</u>	<u>\$ 153,200.74</u>	<u>\$ (194,898.64)</u>	<u>\$ 265,272.34</u>	<u>\$ -</u>

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Postemployment Benefits - For details on other postemployment benefits, refer to note 10. The School District's contributions to the postemployment benefits plan are budgeted and paid from the general fund.

Note 8: OPERATING LEASES

At June 30, 2021, the School District had operating lease agreements in effect for copy machines, mail machines, and computers. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2022	\$ 574,342.27
2023	150,913.59
2024	61,153.32
2025	61,153.32
2026	10,192.22
	<u>\$ 857,754.72</u>

Rental payments under operating leases for the fiscal year ended June 30, 2021 were \$567,098.45.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, certain School District employees may participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Prudential Financial for the Division.

Note 9: PENSION PLANS (CONT'D)

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

Teachers' Pension and Annuity Fund - The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. 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.

Tier Definition

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more service credit before age 62 and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2020. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2021 was 18.58% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2021 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2021 was \$1,643,633.00, and was paid by April 1, 2021. School District employee contributions to the Plan during the fiscal year ended June 30, 2021 were \$667,613.41.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2020. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2021 was 16.38% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2020, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2021 was \$386,854.00, and was paid by April 1, 2021. School District employee contributions to the Plan during the fiscal year ended June 30, 2021 were \$191,084.73.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial no later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2021, employee contributions totaled \$8,186.33, and the School District recognized pension expense, which equaled the required contributions, of \$4,465.22. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Teachers' Pension and Annuity Fund**

Pension Liability - At June 30, 2021, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>47,762,539.00</u>
	<u>\$ 47,762,539.00</u>

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 July 1, 2019. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. For the June 30, 2020 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2020 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .0725336549%, which was an increase of .0013629882% from its proportion measured as of June 30, 2019.

Pension Expense - For the fiscal year ended June 30, 2021, the School District recognized \$2,970,078.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plan's June 30, 2020 measurement date.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System**

Pension Liability - At June 30, 2021, the School District reported a liability of \$5,766,790.00 for its proportionate share of the net pension liability for PERS. 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 July 1, 2019. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2020 measurement date, the School District's proportion was .0353630563%, which was a decrease of .0016726162% from its proportion measured as of June 30, 2019.

Pension Expense - For the fiscal year ended June 30, 2021, the School District recognized pension expense of \$(46,303.00), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2020 measurement date.

Deferred Outflows and Inflows of Resources - At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 105,004.00	\$ 20,394.00
Changes of Assumptions	187,081.00	2,414,609.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	197,113.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	35,996.00	499,223.00
School District Contributions Subsequent to the Measurement Date	416,303.00	-
	<u>\$ 941,497.00</u>	<u>\$ 2,934,226.00</u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) – Deferred outflows of resources in the amount of \$416,303.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	
<u>Ending June 30,</u>	
2022	\$ (872,360.00)
2023	(785,954.00)
2024	(474,330.00)
2025	(231,737.00)
2026	(44,651.00)
	<hr/>
	\$ <u>(2,409,032.00)</u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2020 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2019. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases: ⁽¹⁾		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
Thereafter	2.75% - 5.65%	3.00% - 7.00%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2015 - June 30, 2018	July 1, 2014 - June 30, 2018

⁽¹⁾ based on years of service

For TPAF, 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-Median 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.

For PERS, 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 Disabled 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.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2020 measurement date) 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.

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2020 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Market 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%
	100.00%	

Discount Rate -

Teachers' Pension and Annuity Fund - 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 the June 30, 2020 measurement date 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 would 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.

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% 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 the June 30, 2020 measurement date 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 would 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. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Note 9: PENSION PLANS (CONT'D)**Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2020, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2020 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 5.40% as well as what the State's 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:

	TPAF		
	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	56,102,696.00	47,762,539.00	40,837,439.00
	<u>\$ 56,102,696.00</u>	<u>\$ 47,762,539.00</u>	<u>\$ 40,837,439.00</u>

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2020, the Plan's measurement date, calculated using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 7,316,510.00	\$ 5,766,790.00	\$ 4,535,634.00

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Contributions - The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the "State") in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Employees Covered by Benefit Terms - At June 30, 2020, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<hr/>
	366,108
	<hr/> <hr/>

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2021 was \$49,707,527.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. For the June 30, 2020 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was .0733041652%, which was an increase of .0016868488% from its proportion measured as of June 30, 2019.

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2019 used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases -

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25% *
Thereafter	1.55 - 4.45%	3.00 - 7.00%	Applied to all Future Years

* based on service years

Inflation Rate - 2.50%.

Mortality Rates - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Experience Studies - The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods 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.

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 through 2022 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%.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

Discount Rate - The discount rate for June 30, 2020 measurement date 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 Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

Balance at June 30, 2020		\$ 29,885,248.00
Changes for the Year:		
Service Cost	\$ 1,348,374.00	
Interest Cost	1,078,618.00	
Difference between Expected and Actual Experience	9,154,568.00	
Changes in Assumptions	9,079,857.00	
Member Contributions	26,229.00	
Gross Benefit Payments	<u>(865,367.00)</u>	
Net Changes		<u>19,822,279.00</u>
Balance at June 30, 2021		<u>\$ 49,707,527.00</u>

There were no changes in benefit terms between the June 30, 2019 measurement date and the June 30, 2020 measurement date.

Differences between expected and actual experience reflect an increase in liability from June 30, 2019 to June 30, 2020 due to changes in the census, claims, and premiums experience.

Changes in assumptions reflect an increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2020, associated with the School District, using a discount rate of 2.21%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 59,924,990.00</u>	<u>\$ 49,707,527.00</u>	<u>\$ 41,718,455.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2020, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 40,125,592.00</u>	<u>\$ 49,707,527.00</u>	<u>\$ 61,117,482.00</u>

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

OPEB Expense - For the fiscal year ended June 30, 2021, the School District recognized \$2,492,690.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2020 measurement date.

Deferred Outflows and Inflows of Resources - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2021, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 7,546,897.00	\$ 6,722,508.00
Changes of Assumptions	8,455,087.00	5,671,910.00
Changes in Proportion	<u>982,096.00</u>	<u>760,988.00</u>
	<u>\$ 16,984,080.00</u>	<u>\$ 13,155,406.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,		
2022	\$	42,974.00
2023		42,974.00
2024		42,974.00
2025		42,974.00
2026		42,974.00
Thereafter		<u>3,613,804.00</u>
	\$	<u>3,828,674.00</u>

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2021, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$2,192,741.00, \$41,720.00, \$700,245.00, and \$1,545.00, respectively.

Note 12: RISK MANAGEMENT

The School 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.

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

Note 12: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance (Cont'd) - The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

Fiscal Year Ended June 30,	School District	Employee Contributions	Claims Incurred	Ending Balance	
				Claims Payable	Restricted Fund Balance
2021	-	\$ 59,208.09	\$ 64,636.30	-	\$ 164,729.64
2020	-	43,553.98	21,076.52	-	170,157.85
2019	-	36,793.18	15,146.87	-	147,680.39

Joint Insurance Fund - The School District is a member of the New Jersey Schools Insurance Group. The Fund provides its members with the following coverage:

Workers' Compensation including Employer's Liability
 General Liability including Police Professional and Employee Benefit Liability
 Automobile Liability
 Blanket Crime including Public Employee Dishonesty
 Property Including Boiler and Machinery
 Public Officials and Employment Practices Liability
 Volunteer Directors and Officers Liability
 Cyber Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
 Excess General Liability
 Non-Owned Aircraft Liability
 Excess Auto Liability
 Fidelity and Performance (Blanket)
 Excess Property including Boiler and Machinery
 Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report that can be obtained from:

New Jersey Schools Insurance Group
 600 Midlantic Drive, Suite 300 North
 Mount Laurel, New Jersey 08054

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of five (5) deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans permit 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:

Advanced Asset Planning Service
Lincoln Investment Planning Resource Trust
Advantage Capital
The Equitable
Voya Financial

Note 14: COMPENSATED ABSENCES

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 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.

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days that may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2021, the liability for compensated absences reported on the government-wide statement of net position was \$710,104.85.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfunds - The composition of interfund balances as of June 30, 2021 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 176,063.28	
Special Revenue		\$ 176,063.28
	<u>\$ 176,063.28</u>	<u>\$ 176,063.28</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2022, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 16: CONTINGENCIES

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

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 17: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 18: COMMITMENTS

The School District had one construction project ongoing as of the fiscal year ended June 30, 2021 that is to continue into the subsequent fiscal year(s). This project, which is related to the capital projects fund, is as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Building Renovations and Site Improvements	Various	<u>\$ 5,123,188.45</u>

Note 19: RESTATEMENT OF PRIOR PERIOD NET POSITION AND FUND BALANCE

For the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. In addition, the School District became aware of unspent bond proceeds that were previously recorded as accounts receivable, as opposed to cash held by trustee which resulted in a material cancellation of the accounts receivable balance. As a result, the following net positions and fund balances as of July 1, 2020 have been restated. The tables on the following page illustrate the restatements:

	<u>Governmental Activities</u>
Beginning Net Position as Previously Reported at July 1, 2020	\$ 60,070,364.56
Prior Period Adjustments:	
Reclassification of Net Position from Fiduciary Fund:	
Unemployment Compensation Trust	\$ 170,157.85
Scholarship Fund	9,084.28
Reclassification of Student Activity Payable to Student Groups Balance from Fiduciary Fund	167,348.51
Cancellation of Capital Projects Fund Accounts Receivable Balance	<u>(23,153,981.05)</u>
Total Prior Period Adjustments	<u>(22,807,390.41)</u>
Net Position as Restated, July 1, 2020	<u>\$ 37,262,974.15</u>

Note 19: RESTATEMENT OF PRIOR PERIOD NET POSITION (CONT'D)

	General Fund
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ 2,852,195.80
Prior Period Adjustment:	
Reclassification of Unemployment Compensation Trust Net Position from Fiduciary Fund	<u>170,157.85</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 3,022,353.65</u>
	Special Revenue Fund
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ -
Prior Period Adjustments:	
Reclassification of Scholarship Fund Net Position from Fiduciary Fund	\$ 9,084.28
Reclassification of Student Activity Payable to Student Groups Balance from Fiduciary Fund	<u>167,348.51</u>
Total Prior Period Adjustments	<u>176,432.79</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 176,432.79</u>
	Capital Projects Fund
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ 23,153,981.05
Prior Period Adjustment:	
Cancellation of Accounts Receivable	<u>(23,153,981.05)</u>
Fund Balance as Restated, July 1, 2020	<u>\$ -</u>

Note 20: FUND BALANCES**NONSPENDABLE**

As stated in note 1, the nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The District did not have any nonspendable fund balances as of June 30, 2021.

RESTRICTED

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

Note 20: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)****General Fund**

For Capital Reserve Account - As of June 30, 2021, the balance in the capital reserve account is \$223,450.55. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2021, the balance in the maintenance reserve account is \$168,455.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Unemployment Compensation - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 12). As a result, there exists at June 30, 2021 a restricted fund balance from employer contributions in the amount of \$164,729.64 for future unemployment claims.

Special Revenue Fund

For Scholarships - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2021 is \$9,084.28.

For Student Activities - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2021 is \$106,039.51.

Capital Projects Fund

On June 3, 2020, the Board of Education approved an agreement with the Gloucester County Improvement Authority to finance the costs of various capital improvements and equipment acquisitions.

As of June 30, 2021, the Capital Projects Fund had no fund balance.

COMMITTED

As stated in note 1, the committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which is the Board of Education. The District did not have any committed fund balances as of June 30, 2021.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2022 \$2,567,209.00 of general fund balance at June 30, 2021.

Note 20: FUND BALANCES (CONT'D)**ASSIGNED (CONT'D)****General Fund (Cont'd)**

Other Purposes - As of June 30, 2021, the School District had \$272,698.91 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2021, \$284,835.51 of general fund balance was unassigned.

Note 21: SUBSEQUENT EVENTS

COVID-19 - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II
BUDGETARY COMPARISON SCHEDULES**

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
County Budget Appropriation	\$ 8,300,000.00		\$ 8,300,000.00	\$ 8,300,000.00	
Tuition from LEAs	3,870,594.00		3,870,594.00	3,898,350.00	\$ 27,756.00
Tuition	220,000.00		220,000.00	278,302.00	58,302.00
Non-Resident Fees	203,832.00		203,832.00	251,243.00	47,411.00
Rents and Royalties	25,000.00		25,000.00	25,000.00	
Unrestricted Miscellaneous Revenue	63,000.00		63,000.00	99,682.89	36,682.89
Other Restricted Miscellaneous Revenues				59,208.09	59,208.09
Total - Local Sources	12,682,426.00	-	12,682,426.00	12,911,785.98	229,359.98
State Sources:					
Categorical Special Education Aid	1,054,667.00		1,054,667.00	1,054,667.00	
Equalization Aid	8,631,054.00	\$ (646,360.00)	7,984,694.00	7,984,694.00	
Categorical Security Aid	113,534.00		113,534.00	113,534.00	
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Normal Cost				2,192,741.00	2,192,741.00
Non-Contributory Insurance				41,720.00	41,720.00
Post-Retirement Medical				700,245.00	700,245.00
Long-Term Disability Insurance Contribution				1,545.00	1,545.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				637,838.05	637,838.05
Total - State Sources	9,799,255.00	(646,360.00)	9,152,895.00	12,726,984.05	3,574,089.05
Total Revenues	22,481,681.00	(646,360.00)	21,835,321.00	25,638,770.03	3,803,449.03
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers	4,128,186.00	162,238.00	4,290,424.00	4,261,096.00	29,328.00
Purchased Professional/Educational Services	115,480.00	(38,353.00)	77,127.00	17,189.00	59,938.00
Purchased Technical Services	174,104.00	(12,950.00)	161,154.00	131,957.00	29,197.00
Other Purchased Services	403,344.00	1,867.00	405,211.00	338,299.00	66,912.00
General Supplies	226,817.00	107,565.00	334,382.00	88,869.00	245,513.00
Textbooks	40,000.00	(1,009.00)	38,991.00	4,234.00	34,757.00
Other Objects	7,565.00		7,565.00	1,260.00	6,305.00
Total Regular Programs - Instruction	5,095,496.00	219,358.00	5,314,854.00	4,842,904.00	471,950.00
Regular Programs - Home Instruction:					
Salaries of Teachers	25,000.00	(4,475.00)	20,525.00	19,052.00	1,473.00
Purchased Professional/Educational Services	12,000.00		12,000.00	4,191.00	7,809.00
Total Regular Programs - Home Instruction	37,000.00	(4,475.00)	32,525.00	23,243.00	9,282.00
Special Education Instruction - Resource Room (Center):					
Salaries of Teachers	311,531.00	3,323.00	314,854.00	311,370.00	3,484.00
Purchased Professional/Educational Services	1,800.00	1,206.00	3,006.00	1,876.00	1,130.00
Purchased Technical Services	740.00		740.00	74.00	740.00
Other Purchased Services	5,500.00		5,500.00		5,500.00
General Supplies	2,100.00	204.00	2,304.00	538.00	1,766.00
Total Special Education - Instruction - Resource Room (Center)	321,671.00	4,733.00	326,404.00	313,784.00	12,620.00
Special Education Instruction - Home Instruction:					
Salaries of Teachers	3,000.00	3,000.00	6,000.00	5,999.00	1.00
Purchased Professional/Educational Services	4,000.00		4,000.00		4,000.00
Total Special Education - Instruction - Home Instruction	7,000.00	3,000.00	10,000.00	5,999.00	4,001.00
Regular Vocational Programs - Instruction:					
Salaries of Teachers	2,770,686.00	(16,978.00)	2,753,708.00	2,676,586.00	77,122.00
Other Salaries for Instruction	203,500.00	10,951.00	214,451.00	187,228.00	27,223.00
Purchased Professional-Educational Services	182,869.00	(9,705.00)	173,164.00	74,122.00	99,042.00
Purchased Technical Services	54,570.00	(990.00)	53,580.00	18,715.00	34,865.00
Other Purchased Services	267,870.00	11,279.00	279,149.00	252,900.00	26,249.00
General Supplies	541,462.00	18,619.00	560,081.00	267,427.00	292,654.00
Textbooks	86,533.00	35,668.00	122,201.00	61,723.00	60,478.00
Other Objects	52,605.00	1,943.00	54,548.00	6,459.00	48,089.00
Total - Regular Vocational Programs - Instruction	4,160,095.00	50,787.00	4,210,882.00	3,545,160.00	665,722.00
Total Vocational Programs	4,160,095.00	50,787.00	4,210,882.00	3,545,160.00	665,722.00

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School Sponsored Cocurricular Activities - Instruction:					
Salaries	\$ 61,131.00		\$ 61,131.00	\$ 45,133.00	\$ 15,998.00
Purchased Services	175,500.00	(66,199.00)	109,301.00	6,997.00	102,304.00
Total School Sponsored Cocurricular Activities - Instruction	236,631.00	(66,199.00)	170,432.00	52,130.00	118,302.00
School Sponsored Athletics - Instruction:					
Salaries	404,495.00	13,600.00	418,095.00	414,295.00	3,800.00
Purchased Services	70,890.00	(11,633.00)	59,257.00	44,188.00	15,069.00
Supplies and Materials	44,100.00	(11,031.00)	33,069.00	23,365.00	9,704.00
Other Objects	26,500.00	(450.00)	26,050.00	8,269.00	17,781.00
Total School Sponsored Athletics - Instruction	545,985.00	(9,514.00)	536,471.00	490,117.00	46,354.00
Undistributed Expenditures - Attendance & Social Work:					
Salaries	19,200.00	2,929.00	22,129.00	22,129.00	-
Purchased Professional and Technical Services	7,003.00	497.00	7,500.00	5,192.00	2,308.00
Other Purchased Services	381.00		381.00	381.00	-
Total Undistributed Expenditures - Attendance & Social Work	26,584.00	3,426.00	30,010.00	27,702.00	2,308.00
Undistributed Expenditures - Health Services:					
Salaries	161,500.00	23,920.00	185,420.00	185,018.00	402.00
Purchased Professional and Technical Services	34,170.00	(15,901.00)	18,269.00	9,275.00	8,994.00
Other Purchased Services	3,223.00	(950.00)	2,273.00	973.00	1,300.00
Supplies and Materials	19,000.00		19,000.00	7,253.00	11,747.00
Other Objects	300.00		300.00	233.00	67.00
Total Undistributed Expenditures - Health Services	218,193.00	7,069.00	225,262.00	202,752.00	22,510.00
Undistributed Expenditures - Speech, OT, PT & Related Services - Students - Related Service:					
Salaries	450,000.00	(641.00)	449,359.00	429,928.00	19,431.00
Purchased Professional - Educational Services	58,400.00	(5,683.00)	52,717.00	24,520.00	28,197.00
Total Undistributed Expenditures - Speech, OT, PT & Related Services - Students - Related Services	508,400.00	(6,324.00)	502,076.00	454,448.00	47,628.00
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	623,122.00	6,216.00	629,338.00	622,707.00	6,631.00
Salaries of Secretarial and Clerical Assistants	245,250.00	7,401.00	252,651.00	214,336.00	38,315.00
Other Salaries	79,150.00	(59,563.00)	19,587.00	17,428.00	2,159.00
Purchased Professional - Educational Services	220,539.00	8,800.00	229,339.00	211,092.00	18,247.00
Other Purchased Professional and Technical Services	20,539.00	17,090.00	37,629.00	17,370.00	20,259.00
Other Purchased Services	77,928.00	6,002.00	83,930.00	73,209.00	10,721.00
Supplies and Materials	13,800.00	4,760.00	18,560.00	14,326.00	4,234.00
Other Objects	6,375.00		6,375.00	310.00	6,065.00
Total Undistributed Expenditures - Guidance	1,286,703.00	(9,294.00)	1,277,409.00	1,170,778.00	106,631.00
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	227,500.00		227,500.00	206,355.00	21,145.00
Salaries of Secretarial and Clerical Assistants	49,000.00		49,000.00	46,056.00	2,944.00
Purchased Professional - Educational Services	103,133.00		103,133.00	96,873.00	6,260.00
Other Purchased Professional and Technical Services	24,000.00		24,000.00	19,600.00	4,400.00
Other Purchased Services	10,666.00	(1,000.00)	9,666.00	4,211.00	5,455.00
Supplies and Materials	500.00	36,465.00	36,965.00	2,860.00	34,105.00
Other Objects	300.00		300.00	243.00	57.00
Total Undistributed Expenditures - Child Study Teams	415,099.00	35,465.00	450,564.00	376,198.00	74,366.00
Undistributed Expenditures - Improvement of Instruction Services					
Services - Instructional Staff:					
Salaries of Supervisor of Instruction	138,000.00		138,000.00	136,085.00	1,915.00
Salaries of Other Professional Staff	75,000.00	(50,060.00)	24,940.00	22,431.00	2,509.00
Salaries of Secretarial and Clerical Assistants	38,000.00		38,000.00	14,721.00	23,279.00
Other Salaries		2,718.00	2,718.00	2,718.00	-
Purchased Professional - Educational Services	286,995.00	(21,384.00)	265,611.00	216,995.00	48,616.00
Other Purchased Professional and Technical Services	127,555.00	(27,555.00)	100,000.00	84,504.00	15,496.00
Other Purchased Services	11,195.00	(1,502.00)	9,693.00	1,194.00	8,499.00
Other Objects	1,500.00	586.00	2,086.00	2,073.00	13.00
Total Undistributed Expenditures - Improvement of Instruction Services	678,245.00	(97,197.00)	581,048.00	480,721.00	100,327.00

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Improvement of Instruction Services (Cont'd)					
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	\$ 140,200.00	\$ 1,250.00	\$ 141,450.00	\$ 139,152.00	\$ 2,298.00
Salaries of Technology Coordinators	113,000.00	(1,221.00)	111,779.00	83,445.00	28,334.00
Purchased Professional and Technical Services	211,710.00		211,710.00	189,407.00	22,303.00
Other Purchased Services	10,800.00		10,800.00	5,214.00	5,586.00
Supplies and Materials	37,100.00	3,678.00	40,778.00	27,605.00	13,173.00
Other Objects	450.00		450.00	322.00	128.00
Total Undistributed Expenditures - Educational Media Services / School Library	513,260.00	3,707.00	516,967.00	445,145.00	71,822.00
Undistributed Expenditures - Instructional Staff Training Services:					
Other Salaries	7,000.00		7,000.00		7,000.00
Purchased Professional - Educational Services	25,000.00	(904.00)	24,096.00	837.00	23,259.00
Other Purchased Services	56,500.00	(18,203.00)	38,297.00	8,860.00	29,437.00
Other Objects	5,500.00		5,500.00	5,500.00	-
Total Undistributed Expenditures - Instructional Staff Training Services	94,000.00	(19,107.00)	74,893.00	15,197.00	59,696.00
Undistributed Expenditures - Support Services - General Administration:					
Salaries	2,000.00		2,000.00	423.00	1,577.00
Legal Services	25,000.00		25,000.00	18,583.00	6,417.00
Audit Fees	55,000.00		55,000.00	54,800.00	200.00
Architect / Engineer Services		1,737.00	1,737.00	1,737.00	-
Other Purchased Professional Services	14,700.00	(3,057.00)	11,643.00	8,764.00	2,879.00
Purchased Technical Services	149,815.00		149,815.00	149,648.00	167.00
Communications / Telephone	85,000.00	3,159.00	88,159.00	78,403.00	9,756.00
Miscellaneous Purchased Services	36,065.00	(603.00)	35,462.00	31,384.00	4,078.00
General Supplies	2,500.00		2,500.00		2,500.00
BOE In-House Training/Meeting Supplies	1,500.00		1,500.00		1,500.00
Miscellaneous Expenditures	16,771.00	600.00	17,371.00	17,371.00	-
BOE Membership Dues and Fees	6,500.00		6,500.00	6,433.00	67.00
Total Undistributed Expenditures - Support Services - General Administration	394,851.00	1,836.00	396,687.00	367,546.00	29,141.00
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	405,000.00	7,185.00	412,185.00	408,597.00	3,588.00
Salaries of Secretarial and Clerical Assistants	207,000.00	(9,771.00)	197,229.00	197,229.00	-
Purchased Professional and Technical Services	3,840.00	340.00	4,180.00	3,541.00	639.00
Other Purchased Services	18,746.00	(600.00)	18,146.00	10,258.00	7,888.00
Supplies and Materials	8,917.00	17,811.00	26,728.00	2,320.00	24,408.00
Other Objects	24,000.00	100.00	24,100.00	10,171.00	13,929.00
Total Undistributed Expenditures - Support Services - School Administration	667,503.00	15,065.00	682,568.00	632,116.00	50,452.00
Undistributed Expenditures - Central Services:					
Salaries	230,000.00	(44,130.00)	185,870.00	185,271.00	599.00
Unused Vac Pay to Term/Retired Staff		2,404.00	2,404.00	2,404.00	-
Purchased Professional Services	1,500.00		1,500.00	1,500.00	-
Purchased Technical Services	101,297.00	2,500.00	103,797.00	98,581.00	5,216.00
Miscellaneous Purchased Services	37,424.00	7,423.00	44,847.00	37,213.00	7,634.00
Supplies and Materials	11,900.00	1,900.00	13,800.00	6,646.00	7,154.00
Other Objects	500.00		500.00	345.00	155.00
Total Undistributed Expenditures - Central Services	382,621.00	(29,903.00)	352,718.00	331,960.00	20,758.00
Undistributed Expenditures - Administrative Information Technology:					
Purchased Technical Services	28,900.00	(3,874.00)	25,026.00	14,221.00	10,805.00
Other Purchased Services	5,272.00		5,272.00	271.00	5,001.00
Supplies and Materials	26,500.00	7,000.00	33,500.00	18,832.00	14,668.00
Other Objects-Technology	3,000.00		3,000.00		3,000.00
Total Undistributed Expenditures - Administrative Information Technology	63,672.00	3,126.00	66,798.00	33,324.00	33,474.00
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	640,232.00	(120,455.00)	519,777.00	472,306.00	47,471.00
General Supplies	46,500.00	10,000.00	56,500.00	24,459.00	32,041.00
Other Objects	3,500.00	574.00	4,074.00	4,074.00	-
Total Undistributed Expenditures - Required Maintenance for School Facilities	690,232.00	(109,881.00)	580,351.00	500,839.00	79,512.00

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Custodial Services:					
Salaries	\$ 1,290,000.00	\$ (8,727.00)	\$ 1,281,273.00	\$ 1,243,704.00	\$ 37,569.00
Purchased Professional and Technical Services	82,180.00	(26,200.00)	55,980.00	29,749.00	26,231.00
Cleaning, Repair and Maintenance Services	106,250.00	(6,480.00)	99,770.00	73,943.00	25,827.00
Rental of Land and Buildings Other than Lease Purchase Agreements	2,000.00	(440.00)	1,560.00	1,140.00	420.00
Other Purchased Property Services	21,414.00	3,420.00	24,834.00	21,069.00	3,765.00
Insurance	247,515.00		247,515.00	241,642.00	5,873.00
Miscellaneous Purchased Services	1,300.00	2,848.00	4,148.00	3,948.00	200.00
General Supplies	130,000.00	16,001.00	146,001.00	126,650.00	19,351.00
Energy (Natural Gas)	125,000.00		125,000.00	82,799.00	42,201.00
Energy (Electricity)	730,000.00	(47,698.00)	682,302.00	478,331.00	203,971.00
Energy (Gasoline)	20,000.00		20,000.00	5,865.00	14,135.00
Other Objects	8,000.00	(73.00)	7,927.00	894.00	7,033.00
Total Undistributed Expenditures - Custodial Services	2,763,659.00	(67,349.00)	2,696,310.00	2,309,734.00	386,576.00
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	5,000.00		5,000.00	2,513.00	2,487.00
Cleaning, Repair, and Maintenance Services	45,000.00	18,980.00	63,980.00	9,515.00	54,465.00
General Supplies	15,000.00	6,436.00	21,436.00	20,058.00	1,378.00
Total Undistributed Expenditures - Care and Upkeep of Grounds	65,000.00	25,416.00	90,416.00	32,086.00	58,330.00
Undistributed Expenditures - Security:					
Salaries	100,000.00	(22,000.00)	78,000.00	41,106.00	36,894.00
Purchased Professional and Technical Services	24,141.00	(3,409.00)	20,732.00	5,895.00	14,837.00
Cleaning, Repair, and Maintenance Services	23,590.00	31,503.00	55,093.00	46,093.00	9,000.00
General Supplies	17,900.00	(11,444.00)	6,456.00	5,083.00	1,373.00
Total Undistributed Expenditures - Security	165,631.00	(5,350.00)	160,281.00	98,177.00	62,104.00
Total Undistributed Expenditures - Operation and Maintenance of Plant Services					
	3,684,522.00	(157,164.00)	3,527,358.00	2,940,836.00	586,522.00
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Other than Between Home and School)	59,000.00	(19,865.00)	39,135.00	22,833.00	16,302.00
Other Purchased Professional and Technical Services	300.00		300.00	123.00	177.00
Cleaning, Repair and Maintenance Services	8,500.00	10,592.00	19,092.00	11,410.00	7,682.00
Contracted Services - (Other than Between Home and School) - Vendors	51,000.00	(2,444.00)	48,556.00	11,950.00	36,606.00
Misc. Purchased Services - Transportation	1,000.00		1,000.00	420.00	580.00
Transportation Supplies	3,000.00	2,000.00	5,000.00	1,673.00	3,327.00
Other Objects	1,000.00		1,000.00	509.00	491.00
Total Undistributed Expenditures - Student Transportation Services	123,800.00	(9,717.00)	114,083.00	48,918.00	65,165.00
Regular Programs - Instruction - Employee Benefits					
Unemployment Compensation				64,636.30	(64,636.30)
Total Regular Programs - Instruction - Employee Benefits	-	-	-	64,636.30	(64,636.30)
Total Allocated Benefits					
	-	-	-	64,636.30	(64,636.30)
Unallocated Benefits:					
Social Security Contributions	309,280.00		309,280.00	264,331.00	44,949.00
Other Retirement Contributions - PERS	373,750.00	754.00	374,504.00	370,656.00	3,848.00
Unemployment Compensation	30,000.00		30,000.00	600.00	29,400.00
Workers Compensation	216,805.00	12,068.00	228,873.00	188,378.00	40,495.00
Health Benefits	3,518,795.00	(344,961.00)	3,173,834.00	3,066,630.72	107,203.28
Other Employee Benefits	13,162.00	17.00	13,179.00	8,304.00	4,875.00
Unused Sick Payments	50,000.00	(2,404.00)	47,596.00	36,075.00	11,521.00
Total Unallocated Benefits	4,511,792.00	(334,526.00)	4,177,266.00	3,934,974.72	242,291.28
On-Behalf T.P.A.F. Pension Contributions (non-budgeted):					
Normal Cost				2,192,741.00	(2,192,741.00)
Non-Contributory Insurance				41,720.00	(41,720.00)
Post-Retirement Medical				700,245.00	(700,245.00)
Long-Term Disability Insurance Contribution				1,545.00	(1,545.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				637,838.05	(637,838.05)
Total On-Behalf T.P.A.F. Social Security/Pension Contributions	-	-	-	3,574,089.05	(3,574,089.05)
Total Undistributed Expenditures	13,569,245.00	(593,538.00)	12,975,707.00	15,101,341.07	(2,060,997.77)
Total Current Expense	23,973,123.00	(395,848.00)	23,577,275.00	24,374,678.07	(732,766.77)

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Capital Outlay:					
Equipment:					
Grades 9-12	\$ 45,000.00	\$ (5,887.00)	\$ 39,113.00	\$ 39,113.00	-
Vocational Programs:					
Instructional	3,965.00	74,182.00	78,147.00	77,382.00	\$ 765.00
School-Sponsored and Other Instructional Programs		35,856.00	35,856.00	5,540.00	30,316.00
Undist. Expend. - Support Serv. - Student		13,445.00	13,445.00		13,445.00
Undist. Expend. - Support Serv. - Inst.		5,996.00	5,996.00	5,996.00	-
Support School Admin	5,073.00	25,217.00	30,290.00	2,500.00	27,790.00
Central Services	2,500.00		2,500.00	2,500.00	-
Other Operations & Maintenance of Plant Services		26,489.00	26,489.00	22,489.00	4,000.00
Care and Upkeep of Grounds	36,448.00	455.00	36,903.00	36,903.00	-
Security	7,000.00	9,853.00	16,853.00	7,364.00	9,489.00
School Buses- Regular		63,594.00	63,594.00	63,594.00	-
Total Equipment	99,986.00	249,200.00	349,186.00	263,381.00	85,805.00
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	62,881.00		62,881.00	62,881.00	-
Total Facilities Acquisition & Construction Services	62,881.00	-	62,881.00	62,881.00	-
Total Capital Outlay	162,867.00	249,200.00	412,067.00	326,262.00	85,805.00
Special Schools:					
Post-Secondary Programs - Instruction:					
Salaries of Teachers	148,800.00		148,800.00	135,484.00	13,316.00
Purchased Professional and Technical Services	3,000.00		3,000.00	750.00	2,250.00
General Supplies	9,800.00		9,800.00	3,624.00	6,176.00
Total Post-Secondary Programs - Instruction	161,600.00	-	161,600.00	139,858.00	21,742.00
Post-Secondary Programs - Support Services:					
Salaries	67,120.00	(4,005.00)	63,115.00	44,352.00	18,763.00
Personal Services - Employee Benefits	16,464.00		16,464.00	13,788.00	2,676.00
Other Purchased Services	15,000.00		15,000.00	8,493.00	6,507.00
Supplies and Materials	500.00		500.00		500.00
Total Post-Secondary Programs - Support Services	99,084.00	(4,005.00)	95,079.00	66,633.00	28,446.00
Total Post-Secondary Programs	260,684.00	(4,005.00)	256,679.00	206,491.00	50,188.00
Summer School - Instruction:					
Salaries of Teachers	26,000.00		26,000.00	23,639.00	2,361.00
Purchased Professional and Technical Services	7,500.00		7,500.00	7,500.00	-
General Supplies	200.00		200.00		200.00
Total Summer School - Instruction	33,700.00	-	33,700.00	31,139.00	2,561.00
Summer School - Support Services:					
Personal Services - Employee Benefits	1,990.00	60.00	2,050.00	1,808.00	242.00
Total Summer School - Support Services	1,990.00	60.00	2,050.00	1,808.00	242.00
Accredited Evening / Adult High School - Instruction:					
Salaries of Teachers	1,720.00		1,720.00		1,720.00
Purchased Professional and Technical Services	6,250.00		6,250.00	6,250.00	-
General Supplies	400.00		400.00	80.00	320.00
Total Accredited Evening / Adult High School - Instruction	8,370.00	-	8,370.00	6,330.00	2,040.00
Accredited Evening/Adult H.S./Post-Graduate - Support Services:					
Salaries	4,000.00	50.00	4,050.00	2,149.00	1,901.00
Personal Services - Employee Benefits	305.00	134.00	439.00	134.00	305.00
Total Accredited Evening/Adult H.S./Post-Graduate - Support Services	4,305.00	184.00	4,489.00	2,283.00	2,206.00
Total Accredited Evening/Adult H.S./Post-Graduate	12,675.00	184.00	12,859.00	8,613.00	4,246.00
Total Special Schools	309,049.00	(3,761.00)	305,288.00	248,051.00	57,237.00
Total Expenditures	24,445,039.00	(150,409.00)	24,294,630.00	24,948,991.07	(589,724.77)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,963,358.00)	(495,951.00)	(2,459,309.00)	689,778.96	3,213,724.26

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (1,963,358.00)	\$ (495,951.00)	\$ (2,459,309.00)	\$ 689,778.96	\$ 3,213,724.26
Fund Balances, July 1	575,265.64		575,265.64	3,730,442.80	3,155,177.16
Prior Period Adjustment				170,157.85	170,157.85
Fund Balances, July 1 (Restated)	575,265.64	-	575,265.64	3,900,600.65	3,325,335.01
Fund Balances, June 30	<u>\$ (1,388,092.36)</u>	<u>\$ (495,951.00)</u>	<u>\$ (1,884,043.36)</u>	<u>\$ 4,590,379.61</u>	<u>\$ 6,539,059.27</u>
Recapitulation:					
Restricted					
Capital Reserve Account				\$ 223,450.55	
Maintenance Reserve Account				168,455.00	
Unemployment Compensation				164,729.64	
Assigned					
Encumbrances				272,698.91	
Designated for Subsequent Year's Expenditures 2020-2021 Budget				2,567,209.00	
Unassigned					
General Fund				<u>1,193,836.51</u>	
				4,590,379.61	
Reconciliation to Governmental Funds Statements (GAAP):					
June State Aid Payments Not Recognized on GAAP Basis				<u>909,001.00</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 3,681,378.61</u>	

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ending June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
State Sources	\$ 108,443.00	\$ (12,581.00)	\$ 95,862.00	\$ 95,862.00	-
Federal Sources	839,334.00	404,174.85	1,243,508.85	1,115,686.45	\$ (127,822.40)
Other Sources		51,012.00	51,012.00	892,194.13	841,182.13
Total Revenues	<u>947,777.00</u>	<u>442,605.85</u>	<u>1,390,382.85</u>	<u>2,103,742.58</u>	<u>713,359.73</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers		326,652.44	326,652.44	305,983.76	20,668.68
Purchased Services		19,675.73	19,675.73	19,675.73	-
Other Purchased Services (400-500 series)		13,987.50	13,987.50		13,987.50
Supplies and Materials	609,938.00	(378,226.67)	231,711.33	203,970.82	27,740.51
Miscellaneous Expenditures		7,058.98	7,058.98	5,969.98	1,089.00
Other Objects		7,469.00	7,469.00		7,469.00
Total Instruction	<u>609,938.00</u>	<u>(3,383.02)</u>	<u>606,554.98</u>	<u>535,600.29</u>	<u>70,954.69</u>
Support Services:					
Salaries		21,190.02	21,190.02	20,740.02	450.00
Salaries of Admin		10,500.00	10,500.00	9,630.00	870.00
Salaries of Secretaries & Clerical Assistants		9,180.56	9,180.56	9,180.56	-
Other Salaries		32,481.52	32,481.52	24,464.11	8,017.41
Other Employee Benefits		93,228.96	93,228.96	91,662.91	1,566.05
Health Benefits		3,141.90	3,141.90	3,141.90	-
Purchased Educational Services	30,716.00	17,784.00	48,500.00	47,050.00	1,450.00
Purchased Technical Services	167,832.00	91,571.51	259,403.51	221,748.51	37,655.00
Other Purchased Services		35,772.00	35,772.00	29,770.25	6,001.75
Supplies and Materials	131,822.00	(60,818.41)	71,003.59	70,440.23	563.36
Student Activities			-	912,638.69	(912,638.69)
Miscellaneous Expenditures		8,815.00	8,815.00	8,146.60	668.40
Other Objects	7,469.00	(6,040.70)	1,428.30	150.00	1,278.30
Total Support Services	<u>337,839.00</u>	<u>256,806.36</u>	<u>594,645.36</u>	<u>1,448,763.78</u>	<u>(854,118.42)</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment		178,980.51	178,980.51	170,485.51	8,495.00
Non-Instructional Equipment		10,202.00	10,202.00	10,202.00	-
Total Facilities Acquisition and Construction Services		<u>189,182.51</u>	<u>189,182.51</u>	<u>180,687.51</u>	<u>8,495.00</u>
Total Expenditures	<u>947,777.00</u>	<u>442,605.85</u>	<u>1,390,382.85</u>	<u>2,165,051.58</u>	<u>(774,668.73)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,309.00)</u>	<u>(61,309.00)</u>
Fund Balance, July 1				-	
Prior Period Adjustment				176,432.79	
Fund Balance, July 1 (Restated)				<u>176,432.79</u>	
Fund Balance, June 30				\$ <u>115,123.79</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 9,084.28	
Student Activities				106,039.51	
Total Fund Balance				<u>\$ 115,123.79</u>	

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ending June 30, 2021

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues 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-series)	\$ 25,638,770.03	\$ 2,103,742.58
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	(9,826.00)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2020.	878,247.00	-
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2021.	<u>(909,001.00)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ <u>25,608,016.03</u>	\$ <u>2,093,916.58</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 24,948,991.07	\$ 2,165,051.58
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	<u>-</u>	<u>(9,826.00)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ <u>24,948,991.07</u>	\$ <u>2,155,225.58</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

ACCOUNTING AND REPORTING FOR PENSIONS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Eight Plan Years

	<u>Measurement Date Ending June 30,</u>							
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0353630563%	0.0370356725%	0.0377254154%	0.0375014626%	0.0391890587%	0.0385788915%	0.0411134073%	0.0398350546%
School District's Proportionate Share of the Net Pension Liability	\$ 5,766,790.00	\$ 6,673,266.00	\$ 7,427,946.00	\$ 8,729,741.00	\$ 11,606,675.00	\$ 8,660,188.00	\$ 7,697,554.00	\$ 7,613,270.00
School District's Covered Payroll (Plan Measurement Period)	\$ 2,607,040.00	\$ 2,772,404.00	\$ 2,664,496.00	\$ 2,638,156.00	\$ 2,792,512.00	\$ 2,742,812.00	\$ 2,830,096.00	\$ 2,854,012.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	221.20%	240.70%	278.77%	330.90%	415.64%	315.74%	271.99%	266.76%
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%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Eight Fiscal Years

	Fiscal Year Ended June 30,							
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 416,303.00	\$ 386,855.00	\$ 360,249.00	\$ 375,246.00	\$ 347,411.00	\$ 348,150.00	\$ 331,675.00	\$ 338,933.00
Contributions in Relation to the Contractually Required Contribution	<u>(416,303.00)</u>	<u>(386,855.00)</u>	<u>(360,249.00)</u>	<u>(375,246.00)</u>	<u>(347,411.00)</u>	<u>(348,150.00)</u>	<u>(331,675.00)</u>	<u>(338,933.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 2,540,903.00	\$ 2,560,599.00	\$ 2,609,623.00	\$ 2,679,321.00	\$ 2,561,481.00	\$ 2,533,436.00	\$ 2,701,631.00	\$ 2,623,407.00
Contributions as a Percentage of School District's Covered Payroll	16.38%	15.11%	13.80%	14.01%	13.56%	13.74%	12.28%	12.92%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Eight Plan Years

	<u>Measurement Date Ending June 30,</u>							
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>47,762,539.00</u>	<u>43,678,110.00</u>	<u>44,674,681.00</u>	<u>46,102,525.00</u>	<u>56,546,936.00</u>	<u>44,352,459.00</u>	<u>39,631,543.00</u>	<u>35,661,474.00</u>
	<u>\$ 47,762,539.00</u>	<u>\$ 43,678,110.00</u>	<u>\$ 44,674,681.00</u>	<u>\$ 46,102,525.00</u>	<u>\$ 56,546,936.00</u>	<u>\$ 44,352,459.00</u>	<u>\$ 39,631,543.00</u>	<u>\$ 35,661,474.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 9,689,584.00	\$ 9,217,580.00	\$ 9,025,816.00	\$ 8,640,612.00	\$ 8,203,956.00	\$ 8,494,940.00	\$ 8,312,884.00	\$ 8,531,772.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	492.93%	473.86%	494.97%	533.56%	689.26%	522.10%	476.75%	417.98%
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%	33.64%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Required Supplementary Information
Schedule of School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2021

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms:

The June 30, 2020 measurement date included one change to the plan provisions. The Division of Pension and Benefits (DPB) adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	5.40%	2016	3.22%
2019	5.60%	2015	4.13%
2018	4.86%	2014	4.68%
2017	4.25%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms:

The June 30, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%
2017	5.00%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

**REQUIRED SUPPLEMENTARY INFORMATION
PART IV**

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
 Last Four Plan Years

	<u>Measurement Date Ending June 30,</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District			
Changes for the Year:			
Service Cost	\$ 1,348,374.00	\$ 1,338,239.00	\$ 1,494,278.00
Interest Cost	1,078,618.00	1,323,607.00	1,447,179.00
Difference Between Expected and Actual Experience	9,154,568.00	(5,636,362.00)	(4,311,293.00)
Changes in Assumptions	9,079,857.00	445,592.00	(3,821,843.00)
Gross Benefit Payments	(865,367.00)	(917,388.00)	(890,547.00)
Member Contributions	26,229.00	27,194.00	30,779.00
Net Change in Total Non-Employer OPEB Liability	19,822,279.00	(3,419,118.00)	(6,051,447.00)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	29,885,248.00	33,304,366.00	39,355,813.00
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 49,707,527.00</u>	<u>\$ 29,885,248.00</u>	<u>\$ 33,304,366.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 11,112,041.00</u>	<u>\$ 10,545,942.00</u>	<u>\$ 10,393,077.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	447.33%	283.38%	320.45%
	<u>2017</u>		
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District			
Changes for the Year:			
Service Cost	\$ 1,792,778.00		
Interest Cost	1,244,161.00		
Difference Between Expected and Actual Experience	-		
Changes in Assumptions	(5,101,030.00)		
Gross Benefit Payments	(911,564.00)		
Member Contributions	33,566.00		
Net Change in Total Non-Employer OPEB Liability	(2,942,089.00)		
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	42,297,902.00		
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 39,355,813.00</u>		
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 10,154,862.00</u>		
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	387.56%		

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT

Notes to Required Supplementary Information - Part IV

For the Fiscal Year Ended June 30, 2021

Changes of Benefit Terms:

There were no changes in benefit terms from the previous valuations.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	2.21%	2018	3.87%
2019	3.50%	2017	3.58%

The mortality assumption was updated upon the direction from the Division of Pension and Benefits (DPB).

The health care trend assumption is used to project the growth of the expected claims over the lifetime of the health care recipients. Medical and prescription drug trend rates are determined by utilizing experience data, industry experience which includes surveys and Aon trend guidance. These rates are adjusted further to be appropriate with respect to the plan provisions. The ultimate trend for medical and prescription drug benefits was lowered from 5.0% to 4.5%. Recent plan experience along with national trend studies indicate a reduction on the expectations of future long-term medical and prescription drug experience. For pre-Medicare medical benefits, the trend 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 rates for Plan Years 2019 through 2022 are reflected. For Plan Year 2023, the Medicare Advantage trend rate includes an assumed increase in the premiums based on recent experience and discussions with the Medicare Advantage vendor. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% decreasing to a 4.5% long-term trend rate after seven years.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ending June 30, 2021

	Title I - A	Title I - A Carryover	Title II - A	Perkins Post Secondary	Perkins Basic Secondary	Perkins Secondary Reserve	I.D.E.A.	I.D.E.A. Carryover	Youth Education & Career Center	Total Carried Forward
REVENUES:										
Federal Sources	\$ 179,020.85	\$ 9,262.61	\$ 52,400.27		\$ 170,656.00	\$ 52,485.00	\$ 204,815.44	\$ 3,926.15	\$ 303,009.17	\$ 975,575.49
State Sources				\$ 95,862.00						95,862.00
Local Sources										-
Total Revenues	\$ 179,020.85	\$ 9,262.61	\$ 52,400.27	\$ 95,862.00	\$ 170,656.00	\$ 52,485.00	\$ 204,815.44	\$ 3,926.15	\$ 303,009.17	\$ 1,071,437.49
EXPENDITURES:										
Instruction:										
Salaries of Teachers	\$ 72,932.79				\$ 2,970.80		\$ 134,622.00		\$ 57,103.02	\$ 267,628.61
Purchased Services				\$ 1,287.78	594.95	\$ 12,088.00			5,705.00	19,675.73
Supplies & Materials	30,565.39	\$ 1,349.51		38,837.82	63,411.98	12,267.40	2,312.35	\$ 784.25	23,561.93	173,090.63
Miscellaneous Expenditures									5,969.98	5,969.98
Total Instruction	103,498.18	1,349.51	-	40,125.60	66,977.73	24,355.40	136,934.35	784.25	92,339.93	466,364.95
Support Services:										
Salaries	3,880.08			10,812.24		6,047.70				20,740.02
Salaries Admin	7,065.00		\$ 1,485.00							8,550.00
Salaries of Secretaries & Clerical Assistants									9,180.56	9,180.56
Other Salaries									24,464.11	24,464.11
Other Employee Benefits	23,122.19		113.64	827.15	227.27	462.65	57,200.89		6,692.31	88,646.10
Health Benefits								3,141.90		3,141.90
Purchased Educational Services			47,050.00							47,050.00
Purchased Technical Services	13,850.00	5,400.00			750.00	12,050.00	6,430.20		159,273.31	197,753.51
Other Purchased Services	14,781.00		3,161.00		1,150.00	2,488.00	4,250.00		2,000.25	27,830.25
Supplies and Materials	12,824.40	2,513.10	590.63			1,386.00			912.10	18,226.23
Miscellaneous Expenditures									8,146.60	8,146.60
Other Objects				150.00						150.00
Student Activities										-
Total Support Services	75,522.67	7,913.10	52,400.27	11,789.39	2,127.27	22,434.35	67,881.09	3,141.90	210,669.24	453,879.28
Facilities Acquisition & Construction Services:										
Instructional Equipment				43,947.01	101,551.00	5,695.25				151,193.26
Non-Instructional Equipment										-
Total Facilities Acquisition & Construction Services	-	-	-	43,947.01	101,551.00	5,695.25	-	-	-	151,193.26
Total Expenditures	\$ 179,020.85	\$ 9,262.61	\$ 52,400.27	\$ 95,862.00	\$ 170,656.00	\$ 52,485.00	\$ 204,815.44	\$ 3,926.15	\$ 303,009.17	\$ 1,071,437.49
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1 Prior Period Adjustment										
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ending June 30, 2021

	Total Brought Forward	CARES Emergency Relief	Coronavirus Relief Fund	ESSER II	World Language	NJSBAIG Grant	Lockheed Martin	Student Activity	Scholarship Fund	Total
REVENUES:										
Federal Sources	\$ 975,575.49	\$ 69,545.29	\$ 53,664.00	\$ 16,901.67						\$ 1,115,686.45
State Sources	95,862.00									95,862.00
Local Sources					\$ 3,000.00	\$ 13,012.00	\$ 24,852.44	\$ 851,329.69		892,194.13
Total Revenues	\$ 1,071,437.49	\$ 69,545.29	\$ 53,664.00	\$ 16,901.67	\$ 3,000.00	\$ 13,012.00	\$ 24,852.44	\$ 851,329.69		\$ 2,103,742.58
EXPENDITURES:										
Instruction:										
Salaries of Teachers	\$ 267,628.61	\$ 23,734.57		\$ 14,620.58						\$ 305,983.76
Purchased Services	19,675.73									19,675.73
Supplies & Materials	173,090.63	22,320.00			\$ 3,000.00		\$ 5,560.19			203,970.82
Miscellaneous Expenditures	5,969.98									5,969.98
Total Instruction	466,364.95	46,054.57	-	14,620.58	3,000.00	-	5,560.19	-	-	535,600.29
Support Services:										
Salaries	20,740.02									20,740.02
Salaries Admin	8,550.00			1,080.00						9,630.00
Salaries of Secretaries & Clerical Assistants	9,180.56									9,180.56
Other Salaries	24,464.11									24,464.11
Other Employee Benefits	88,646.10	1,815.72		1,201.09						91,662.91
Health Benefits	3,141.90									3,141.90
Purchased Educational Services	47,050.00									47,050.00
Purchased Technical Services	197,753.51	21,675.00				\$ 2,320.00				221,748.51
Other Purchased Services	27,830.25		\$ 1,450.00			490.00				29,770.25
Supplies and Materials	18,226.23		52,214.00							70,440.23
Miscellaneous Expenditures	8,146.60									8,146.60
Other Objects	150.00									150.00
Student Activities	-							\$ 912,638.69		912,638.69
Total Support Services	453,879.28	23,490.72	53,664.00	2,281.09	-	2,810.00	-	912,638.69	-	1,448,763.78
Facilities Acquisition & Construction Services:										
Instructional Equipment	151,193.26						19,292.25			170,485.51
Non-Instructional Equipment	-					10,202.00				10,202.00
Total Facilities Acquisition & Construction Services	151,193.26	-	-	-	-	10,202.00	19,292.25	-	-	180,687.51
Total Expenditures	\$ 1,071,437.49	\$ 69,545.29	\$ 53,664.00	\$ 16,901.67	\$ 3,000.00	\$ 13,012.00	\$ 24,852.44	\$ 912,638.69	-	\$ 2,165,051.58
Excess (Deficiency) of Revenues Over (Under) Expenditures										
	-	-	-	-	-	-	-	(61,309.00)	-	(61,309.00)
Fund Balance, July 1										
Prior Period Adjustment								167,348.51	\$ 9,084.28	176,432.79
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	167,348.51	9,084.28	176,432.79
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,039.51	\$ 9,084.28	\$ 115,123.79

OTHER SUPPLEMENTARY INFORMATION

CAPITAL PROJECTS FUND

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ending June 30, 2021

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2021</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Building Renovations & Site Improvements	3/3/2020	\$ <u>24,807,762.40</u>	\$ <u>12,594,136.20</u>	\$ <u>4,825,561.78</u>	\$ <u>7,388,064.42</u>
Year-End Encumbrances					\$ 5,123,188.45
Designated for Subsequent Years' Expenditures					<u>2,264,875.97</u>
					\$ <u>7,388,064.42</u>

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
 From Inception and for the Fiscal Year Ended June 30, 2021

Revenues and Other Financing Sources	
County Sources	\$ <u>9,948,750.23</u>
Total Revenues and Other Financing Sources	<u>9,948,750.23</u>
Expenditures and Other Financing Uses	
Legal Services	1,972.00
Purchased Professional and Technical Services	633,781.21
Equipment Purchases	47,234.00
Construction Services	9,200,110.02
General supplies	1,400.00
Other Objects	<u>64,253.00</u>
Total Expenditures and Other Financing Uses	<u>9,948,750.23</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-
Fund Balance, June 30, 2020	<u>23,153,981.05</u>
Prior Period Adjustment	<u>(23,153,981.05)</u>
Fund Balance, July 1 (Restated)	<u>-</u>
Fund Balance, June 30, 2021	<u>\$ -</u>

(Continued)

27500

Exhibit F-2

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
 From Inception and for the Fiscal Year Ended June 30, 2021

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

Sources / Inflows of Resources:

Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 9,948,750.23
Differences - Budget to GAAP:	
Budgetary basis accounting differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	
Current Year	(5,123,188.45)
Prior Year	<u>8,969,408.69</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 13,794,970.47</u>

Uses / Outflows of Resources:

Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 9,948,750.23
Differences - Budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	
Current Year	(5,123,188.45)
Prior Year	<u>8,969,408.69</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 13,794,970.47</u>

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Project Balance - Budgetary Basis
 Building Renovations and Site Improvements
 From Inception and for the Fiscal Year Ended June 30, 2021

	Restated Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
County Sources	\$ 12,594,136.20	\$ 9,948,750.23	\$ 22,542,886.43	\$ 24,807,762.40
Total Revenues and Other Financing Sources	<u>12,594,136.20</u>	<u>9,948,750.23</u>	<u>22,542,886.43</u>	<u>24,807,762.40</u>
Expenditures and Other Financing Uses				
Legal Services	3,222.00	1,972.00	5,194.00	6,222.00
Purchased Professional and Technical Services	2,153,027.25	633,781.21	2,786,808.46	2,786,808.46
Equipment Purchases	70,496.86	47,234.00	117,730.86	117,730.86
Construction Services	10,303,531.10	9,200,110.02	19,503,641.12	21,767,489.09
General supplies	24,492.53	1,400.00	25,892.53	25,892.53
Other Objects	39,366.46	64,253.00	103,619.46	103,619.46
Total Expenditures and Other Financing Uses	<u>12,594,136.20</u>	<u>9,948,750.23</u>	<u>22,542,886.43</u>	<u>24,807,762.40</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information

Project Number	1775-010-20-1000
Grant Date	3/3/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	\$ 27,333,074.00
Authorized Cost Adjustments	\$ (2,525,311.60)
Revised Authorization Cost	\$ 24,807,762.40
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	91%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	12/31/2021

OTHER SUPPLEMENTARY INFORMATION

PROPRIETARY FUNDS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Proprietary Fund
Business-Type Activities - Enterprise Funds
Combining Statement of Net Position
June 30, 2021

	<u>Food Service</u>	<u>Aquatics & Fitness</u>	<u>Automotive</u>	<u>Culinary Arts</u>	<u>Cosmetology Clinic</u>	<u>Community Evening</u>	<u>Dance</u>	<u>Drama</u>	<u>Vending Machines</u>	<u>Total</u>
ASSETS:										
Current Assets:										
Cash and Cash Equivalents	\$ 56,832.36		\$ 6,653.79	\$ 438,907.58	\$ 88,046.79	\$ 36,561.93	\$ 8,261.06	\$ 93,193.35	\$ 7,828.35	\$ 736,285.21
Accounts Receivable:										
State	1,048.31									1,048.31
Federal	26,087.62									26,087.62
Other	140.80	\$ 7,850.00		400.00		589.10				8,979.90
Inventory	10,347.01			14,885.83					472.10	25,704.94
Total Current Assets	<u>94,456.10</u>	<u>7,850.00</u>	<u>6,653.79</u>	<u>454,193.41</u>	<u>88,046.79</u>	<u>37,151.03</u>	<u>8,261.06</u>	<u>93,193.35</u>	<u>8,300.45</u>	<u>798,105.98</u>
Noncurrent Assets:										
Furniture, Fixtures and Equipment	86,528.41	236,354.45	79,341.25	66,132.26						468,356.37
Less Accumulated Depreciation	(15,757.17)	(140,320.44)	(79,341.25)	(37,894.98)						(273,313.84)
Total Noncurrent Assets	<u>70,771.24</u>	<u>96,034.01</u>	<u>-</u>	<u>28,237.28</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,042.53</u>
Total Assets	<u>165,227.34</u>	<u>103,884.01</u>	<u>6,653.79</u>	<u>482,430.69</u>	<u>88,046.79</u>	<u>37,151.03</u>	<u>8,261.06</u>	<u>93,193.35</u>	<u>8,300.45</u>	<u>993,148.51</u>
DEFERRED OUTFLOWS OF RESOURCES:										
Related to Pensions (Note 9)	19,771.43	23,537.43								43,308.86
LIABILITIES:										
Current Liabilities:										
Cash Overdraft		118,412.95								118,412.95
Accounts Payable	90.88	2,871.69	191.02							3,153.59
Accounts Payable - Related to Pension	8,742.36	10,407.58								19,149.94
Accrued Salaries and Benefits	1,188.00	8,039.58								9,227.58
Unearned Revenue		306.33				3,914.56				4,220.89
Total Current Liabilities	<u>10,021.24</u>	<u>140,038.13</u>	<u>191.02</u>	<u>-</u>	<u>-</u>	<u>3,914.56</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>154,164.95</u>
Noncurrent Liabilities:										
Net Pension Liability	121,102.59	144,169.75								265,272.34
Total Noncurrent Liabilities	<u>121,102.59</u>	<u>144,169.75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,272.34</u>
Total Liabilities	<u>131,123.83</u>	<u>284,207.88</u>	<u>191.02</u>	<u>-</u>	<u>-</u>	<u>3,914.56</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>419,437.29</u>
DEFERRED INFLOWS OF RESOURCES:										
Related to Pensions (Note 9)	61,618.75	73,355.65								134,974.40
NET POSITION:										
Net Investment in Capital Assets	70,771.24	96,034.01		28,237.28						195,042.53
Unrestricted (Deficit)	(78,515.05)	(326,176.10)	6,462.77	454,193.41	88,046.79	33,236.47	8,261.06	93,193.35	8,300.45	287,003.15
Total Net Position (Deficit)	<u>\$ (7,743.81)</u>	<u>\$ (230,142.09)</u>	<u>\$ 6,462.77</u>	<u>\$ 482,430.69</u>	<u>\$ 88,046.79</u>	<u>\$ 33,236.47</u>	<u>\$ 8,261.06</u>	<u>\$ 93,193.35</u>	<u>\$ 8,300.45</u>	<u>\$ 482,045.68</u>

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Proprietary Fund
Business-Type Activities - Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ending June 30, 2021

	<u>Food Service</u>	<u>Aquatics & Fitness</u>	<u>Automotive</u>	<u>Culinary Arts</u>	<u>Cosmetology Clinic</u>	<u>Community Evening</u>	<u>Dance</u>	<u>Drama</u>	<u>Vending Machines</u>	<u>Total</u>
OPERATING REVENUES:										
Charges for Services:										
Daily Sales - Reimbursable Programs	\$ 28,256.20									\$ 28,256.20
Other Revenue	6,678.75	98,794.11	3,859.74	13,724.50	573.40	8,506.60	1,143.05	14,927.76	675.00	148,882.91
Total Operating Revenues	34,934.95	98,794.11	3,859.74	13,724.50	573.40	8,506.60	1,143.05	14,927.76	675.00	177,139.11
OPERATING EXPENSES:										
Cost of Goods Sold - Reimbursable Programs	99,476.56									99,476.56
Cost of Goods Sold - Non-Reimbursable Programs	6,678.75			3,050.22					549.20	10,278.17
Salaries	170,302.41	127,308.01		3,384.00						300,994.42
Employee Benefits	31,149.83	38,287.50		258.86						69,696.19
Purchased Technical Services	1,333.09							200.00		1,533.09
Other Purchased Services	2,898.00	19,092.83								21,990.83
Maintenance		11,986.86								11,986.86
General Supplies	1,059.49	21,237.00	4,723.50							27,019.99
Utilities		134,523.72								134,523.72
Miscellaneous	50.00	2,173.08					3,524.50	6,522.00		12,269.58
Depreciation	6,912.51	22,703.24		6,117.62						35,733.37
Total Operating Expenses	319,860.64	377,312.24	4,723.50	12,810.70	-	-	3,524.50	6,722.00	549.20	725,502.78
Operating Income / (Loss)	(284,925.69)	(278,518.13)	(863.76)	913.80	573.40	8,506.60	(2,381.45)	8,205.76	125.80	(548,363.67)
NONOPERATING REVENUES (EXPENSES):										
State Sources:										
State School Lunch Program	9,637.72									9,637.72
Federal Sources:										
National School Lunch Program	221,809.64									221,809.64
National School Breakfast Program	173,018.16									173,018.16
Food Distribution Program	15,987.14									15,987.14
Total Non Operating Revenues (Expenses)	420,452.66	-	-	-	-	-	-	-	-	420,452.66
Income (Loss) Before Transfers	135,526.97	(278,518.13)	(863.76)	913.80	573.40	8,506.60	(2,381.45)	8,205.76	125.80	(127,911.01)
Change in Net Position	135,526.97	(278,518.13)	(863.76)	913.80	573.40	8,506.60	(2,381.45)	8,205.76	125.80	(127,911.01)
Net Position (Deficit) -- July 1	(143,270.78)	48,376.04	7,326.53	481,516.89	87,473.39	24,729.87	10,642.51	84,987.59	8,174.65	609,956.69
Net Position (Deficit) -- June 30	\$ (7,743.81)	\$ (230,142.09)	\$ 6,462.77	\$ 482,430.69	\$ 88,046.79	\$ 33,236.47	\$ 8,261.06	\$ 93,193.35	\$ 8,300.45	\$ 482,045.68

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Proprietary Fund
Business-Type Activities - Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ending June 30, 2021

	Food Service	Aquatics & Fitness	Automotive	Culinary Arts	Cosmetology Clinic	Community Evening	Dance	Drama	Vending Machines	Total
CASH FLOWS FROM OPERATING ACTIVITIES:										
Receipts from Customers	\$ 34,934.95	\$ 91,250.44	\$ 7,149.02	\$ 13,964.50	\$ 573.40	\$ 9,952.96	\$ 1,143.05	\$ 14,927.76	\$ 675.00	\$ 174,571.08
Payments to Employees	(169,114.41)	(119,268.43)		(3,384.00)						(291,766.84)
Payments for Employee Benefits	(40,246.13)	(49,116.43)		(258.86)						(89,621.42)
Payments to Suppliers	(115,391.16)	(198,185.41)	(4,697.10)	(8,565.40)		-	(3,524.50)	(6,722.00)		(337,085.57)
Net Cash Provided by (used for) Operating Activities	<u>(289,816.75)</u>	<u>(275,319.83)</u>	<u>2,451.92</u>	<u>1,756.24</u>	<u>573.40</u>	<u>9,952.96</u>	<u>(2,381.45)</u>	<u>8,205.76</u>	<u>675.00</u>	<u>(543,902.75)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:										
State Sources	9,103.76									9,103.76
Federal Sources	<u>394,771.48</u>									<u>394,771.48</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>403,875.24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,875.24</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:										
Purchases of Capital Assets	<u>(23,200.00)</u>									<u>(23,200.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(23,200.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,200.00)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	90,858.49	(275,319.83)	2,451.92	1,756.24	573.40	9,952.96	(2,381.45)	8,205.76	675.00	(163,227.51)
Cash and Cash Equivalents -- July 1	<u>(34,026.13)</u>	<u>156,906.88</u>	<u>4,201.87</u>	<u>437,151.34</u>	<u>87,473.39</u>	<u>26,608.97</u>	<u>10,642.51</u>	<u>84,987.59</u>	<u>7,153.35</u>	<u>781,099.77</u>
Cash and Cash Equivalents -- June 30	<u>\$ 56,832.36</u>	<u>\$ (118,412.95)</u>	<u>\$ 6,653.79</u>	<u>\$ 438,907.58</u>	<u>\$ 88,046.79</u>	<u>\$ 36,561.93</u>	<u>\$ 8,261.06</u>	<u>\$ 93,193.35</u>	<u>\$ 7,828.35</u>	<u>\$ 617,872.26</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:										
Operating Income (Loss)	\$ (284,925.69)	\$ (278,518.13)	\$ (863.76)	\$ 913.80	\$ 573.40	\$ 8,506.60	\$ (2,381.45)	\$ 8,205.76	\$ 125.80	\$ (548,363.67)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:										
Depreciation and Net Amortization	6,912.51	22,703.24		6,117.62						35,733.37
(Increase) Decrease in Accounts Receivable, net		(7,850.00)	3,289.28	240.00		(190.10)				(4,510.82)
(Increase) Decrease in Other Current Assets	(3,151.39)			(5,515.18)					549.20	(8,117.37)
Increase (Decrease) in Accounts Payable	(743.88)	(9,171.92)	26.40							(9,889.40)
Increase (Decrease) in Other Current Liabilities		306.33				1,636.46				1,942.79
Increase (Decrease) in Accrued Salaries Benefits	1,188.00	8,039.58								9,227.58
Increase (Decrease) in Accrued Liabilities Related to Pension	(9,096.30)	(10,828.93)								(19,925.23)
Total Adjustments	<u>(4,891.06)</u>	<u>3,198.30</u>	<u>3,315.68</u>	<u>842.44</u>	<u>-</u>	<u>1,446.36</u>	<u>-</u>	<u>-</u>	<u>549.20</u>	<u>4,460.92</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (289,816.75)</u>	<u>\$ (275,319.83)</u>	<u>\$ 2,451.92</u>	<u>\$ 1,756.24</u>	<u>\$ 573.40</u>	<u>\$ 9,952.96</u>	<u>\$ (2,381.45)</u>	<u>\$ 8,205.76</u>	<u>\$ 675.00</u>	<u>\$ (543,902.75)</u>

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities										
Net Investment in Capital Assets	\$ 55,947,319.34	\$ 43,046,161.96	\$ 40,489,826.57	\$ 41,218,273.18	\$ 41,755,746.68	\$ 42,652,953.30	\$ 43,538,827.64	\$ 43,664,017.08	\$ 44,602,871.09	\$ 45,736,506.48
Restricted	671,758.98	23,545,884.60	391,901.55	391,899.55	391,897.20	596,275.89	590,844.27	1,154,557.61	836,920.00	311,715.00
Unrestricted (Deficit)	<u>(5,385,095.60)</u>	<u>(6,521,682.00)</u>	<u>(6,676,766.73)</u>	<u>(5,975,312.46)</u>	<u>(6,182,732.67)</u>	<u>(5,865,375.23)</u>	<u>(7,134,884.39)</u>	<u>695,691.63</u>	<u>(287,985.11)</u>	<u>400,423.81</u>
Total Governmental Activities Net Position	<u>\$ 51,233,982.72</u>	<u>\$ 60,070,364.56</u>	<u>\$ 34,204,961.39</u>	<u>\$ 35,634,860.27</u>	<u>\$ 35,964,911.21</u>	<u>\$ 37,383,853.96</u>	<u>\$ 36,994,787.52</u>	<u>\$ 45,514,266.32</u>	<u>\$ 45,151,805.98</u>	<u>\$ 46,448,645.29</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 195,042.53	\$ 207,575.90	\$ 197,904.54	\$ 189,783.94	\$ 185,876.14	\$ 156,478.29	\$ 181,152.51	\$ 137,476.38	\$ 124,759.18	\$ 125,762.41
Unrestricted	287,003.15	402,380.79	695,293.27	559,551.04	830,840.04	931,271.53	1,630,365.39	1,379,605.08	1,132,799.30	1,085,322.87
Total Business-type Activities Net Position	<u>\$ 482,045.68</u>	<u>\$ 609,956.69</u>	<u>\$ 893,197.81</u>	<u>\$ 749,334.98</u>	<u>\$ 1,016,716.18</u>	<u>\$ 1,087,749.82</u>	<u>\$ 1,811,517.90</u>	<u>\$ 1,517,081.46</u>	<u>\$ 1,257,558.48</u>	<u>\$ 1,211,085.28</u>
Government-wide										
Net Investment in Capital Assets	\$ 56,142,361.87	\$ 43,253,737.86	\$ 40,687,731.11	\$ 41,408,057.12	\$ 41,941,622.82	\$ 42,809,431.59	\$ 43,719,980.15	\$ 43,801,493.46	\$ 44,727,630.27	\$ 45,862,268.89
Restricted	671,758.98	23,545,884.60	391,901.55	391,899.55	391,897.20	596,275.89	590,844.27	1,154,557.61	836,920.00	311,715.00
Unrestricted (Deficit)	<u>(5,098,092.45)</u>	<u>(6,119,301.21)</u>	<u>(5,981,473.46)</u>	<u>(5,415,761.42)</u>	<u>(5,351,892.63)</u>	<u>(4,934,103.70)</u>	<u>(5,504,519.00)</u>	<u>2,075,296.71</u>	<u>844,814.19</u>	<u>1,485,746.68</u>
Total Government-wide Net Position	<u>\$ 51,716,028.40</u>	<u>\$ 60,680,321.25</u>	<u>\$ 35,098,159.20</u>	<u>\$ 36,384,195.25</u>	<u>\$ 36,981,627.39</u>	<u>\$ 38,471,603.78</u>	<u>\$ 38,806,305.42</u>	<u>\$ 47,031,347.78</u>	<u>\$ 46,409,364.46</u>	<u>\$ 47,659,730.57</u>

- NOTES:**
- (1) Source: ACFR Exhibit A-1
 - (2) Amounts for the years 2021 through 2015 include the Implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68.
 - (3) Amounts for 2021 through 2017 include the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
 - (4) Amount for 2021 includes the implementation of Governmental Accounting Standards Board- Statement No. 84, *Fiduciary Activities*.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 5,588,589.89	\$ 5,367,928.70	\$ 5,138,602.32	\$ 4,603,854.06	\$ 4,609,976.01	\$ 4,573,354.00	\$ 4,328,882.52	\$ 4,291,327.65	\$ 4,736,041.35	\$ 4,115,757.97
Special Education	319,783.00	307,268.00	215,908.70	230,030.92	208,466.30	168,473.26	270,968.93	612,774.70	626,841.52	631,697.60
Vocational	4,512,448.40	4,622,385.02	4,395,873.13	4,408,835.31	4,186,616.64	4,034,506.72	4,142,624.46	3,906,931.72	4,165,029.84	4,773,904.46
Other Instruction	542,247.00	527,905.00	646,600.78	595,629.39	619,599.18	612,114.35	534,593.90	521,488.05	532,291.72	443,986.75
Support Services:										
Student & Instruction Related Services	3,186,319.82	3,232,831.94	2,990,166.65	2,930,022.14	2,718,699.00	2,611,779.03	2,502,122.84	1,930,281.89	2,020,872.46	1,960,989.49
General Administrative Services	390,289.99	398,689.19	349,102.62	354,614.98	301,496.78	325,726.79	331,325.53	328,351.23	324,808.01	372,782.97
School Administrative Services	686,969.15	671,039.63	667,665.84	553,850.99	498,634.23	488,272.60	591,347.07	604,948.26	614,319.27	593,036.85
Central Services	331,960.00	367,588.00	377,140.09	357,321.44	343,560.21	311,411.62	331,249.55	236,987.27	234,405.31	255,722.28
Administration Information Technology	33,324.00	38,880.00	38,500.82	31,508.04	37,354.08	12,948.06	29,950.71			
Plant Operations and Maintenance	2,956,402.66	2,935,544.40	2,961,820.38	2,655,707.97	2,788,884.92	2,699,599.67	2,753,675.31	2,714,555.78	3,218,080.28	2,223,893.63
Care and Upkeep of Grounds	32,086.00	20,670.00	24,275.08	73,442.13	45,761.74	88,400.86	86,038.81	95,047.06	78,454.75	54,822.19
Security	98,177.00	127,262.00	260,061.65	255,463.15	284,132.34	355,014.41	343,913.82	364,335.88	373,427.16	311,282.96
Pupil Transportation	48,918.00	67,516.00	94,249.30	68,215.74	65,280.72	74,517.27	82,333.70	66,245.15	57,878.09	63,820.36
Other Support Services	1,448,763.78	441,683.43	421,554.62	433,525.94	547,166.78	510,567.50	711,914.64	764,676.97	625,473.00	702,090.01
Unallocated Benefits	8,289,998.77	6,789,933.43	7,293,958.49	8,714,543.42	8,494,172.91	6,114,333.95	5,638,582.32	3,148,950.26	3,124,965.98	3,570,430.56
Transfer to Cover Deficit - Food Service					53,359.75		65,000.00			
On-Behalf Pension Contributions	701,790.00	602,296.00	649,979.00	686,183.00	643,357.00	1,836,309.00	602,270.00	828,028.00	971,490.00	602,728.00
Reimbursed TPAF Social Security Contributions	637,838.05	617,755.01	589,211.70	563,204.55	554,215.78	514,778.63	525,121.17	549,345.37	525,637.89	550,773.96
Capital Outlay								62,881.00	62,880.00	
Special Schools	248,051.00	281,603.00	284,354.74	236,482.81	231,376.80	202,477.49	207,965.12	216,487.94	258,969.74	233,692.40
Total Governmental Activities Expenses	<u>30,053,956.51</u>	<u>27,418,778.75</u>	<u>27,399,025.91</u>	<u>27,752,435.98</u>	<u>27,232,111.17</u>	<u>25,534,585.21</u>	<u>24,079,880.40</u>	<u>21,243,644.18</u>	<u>22,551,886.37</u>	<u>21,461,412.44</u>
Business-type Activities:										
Food Service	319,860.64	351,959.02	350,260.89	385,047.16	393,490.63	414,515.93	348,813.61	414,759.53	429,292.31	466,908.64
Enterprise Other	405,642.14	588,572.11	1,001,909.62	899,980.64	875,810.56	780,439.05	763,886.25	758,078.71	778,723.79	1,212,617.70
Total Business-type Activities Expense	<u>725,502.78</u>	<u>940,531.13</u>	<u>1,352,170.51</u>	<u>1,285,027.80</u>	<u>1,269,301.19</u>	<u>1,194,954.98</u>	<u>1,112,699.86</u>	<u>1,172,838.24</u>	<u>1,208,016.10</u>	<u>1,679,526.34</u>
Total Government Expenses	<u>\$ 30,779,459.29</u>	<u>\$ 28,359,309.88</u>	<u>\$ 28,751,196.42</u>	<u>\$ 29,037,463.78</u>	<u>\$ 28,501,412.36</u>	<u>\$ 26,729,540.19</u>	<u>\$ 25,192,580.26</u>	<u>\$ 22,416,482.42</u>	<u>\$ 23,759,902.47</u>	<u>\$ 23,140,938.78</u>
Program Revenues										
Governmental Activities:										
Charges for Services:	\$ 851,329.69									
Operating Grants and Contributions	7,164,050.43	4,871,009.41	5,706,221.28	7,215,439.44	6,494,820.04	5,021,451.48	4,345,303.36	2,480,539.25	2,535,494.28	2,288,304.84
Total Governmental Activities Program Revenues	<u>8,015,380.12</u>	<u>4,871,009.41</u>	<u>5,706,221.28</u>	<u>7,215,439.44</u>	<u>6,494,820.04</u>	<u>5,021,451.48</u>	<u>4,345,303.36</u>	<u>2,480,539.25</u>	<u>2,535,494.28</u>	<u>2,288,304.84</u>
Business-type activities:										
Charges for services										
Food Service	34,934.95	218,463.04	283,206.58	291,185.63	293,881.65	265,237.80	276,053.02	252,128.52	285,975.05	370,455.50
Other	142,204.16	365,714.28	683,880.56	603,729.99	674,934.71	515,936.12	640,454.29	909,790.58	904,831.82	837,938.11
Operating Grants and Contributions	420,452.66	73,112.69	62,015.26	72,730.98	88,020.25	101,133.37	107,728.99	119,454.14	122,923.58	117,503.82
Total Business-type Activities Program Revenues	<u>597,591.77</u>	<u>657,290.01</u>	<u>1,029,102.40</u>	<u>967,646.60</u>	<u>1,056,836.61</u>	<u>882,307.29</u>	<u>1,024,236.30</u>	<u>1,281,373.24</u>	<u>1,313,730.45</u>	<u>1,325,897.43</u>
Total Government Program Revenues	<u>\$ 8,612,971.89</u>	<u>\$ 5,528,299.42</u>	<u>\$ 6,735,323.68</u>	<u>\$ 8,183,086.04</u>	<u>\$ 7,551,656.65</u>	<u>\$ 5,903,758.77</u>	<u>\$ 5,369,539.66</u>	<u>\$ 3,761,912.49</u>	<u>\$ 3,849,224.73</u>	<u>\$ 3,614,202.27</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (22,038,576.39)	\$ (22,547,769.34)	\$ (21,692,804.63)	\$ (20,536,996.54)	\$ (20,737,291.13)	\$ (20,513,133.73)	\$ (19,734,577.04)	\$ (18,763,104.93)	\$ (20,016,392.09)	\$ (19,173,107.60)
Business-type Activities	(127,911.01)	(283,241.12)	(323,068.11)	(317,381.20)	(212,464.58)	(312,647.69)	(88,463.56)	108,535.00	105,714.35	(353,628.91)
Total Government-wide Net Expense	<u>\$ (22,166,487.40)</u>	<u>\$ (22,831,010.46)</u>	<u>\$ (22,015,872.74)</u>	<u>\$ (20,854,377.74)</u>	<u>\$ (20,949,755.71)</u>	<u>\$ (20,825,781.42)</u>	<u>\$ (19,823,040.60)</u>	<u>\$ (18,654,569.93)</u>	<u>\$ (19,910,677.74)</u>	<u>\$ (19,526,736.51)</u>

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Revenues and Other Changes in Net Position										
Governmental Activities:										
County Appropriation	\$ 22,094,970.47	\$ 35,078,708.56	\$ 8,150,000.00	\$ 8,150,000.00	\$ 7,900,000.00	\$ 7,800,000.00	\$ 7,675,000.00	\$ 7,625,000.00	\$ 7,608,629.00	\$ 6,937,337.00
Unrestricted Grants and Contributions	9,302,828.51	8,941,220.79	8,415,877.71	8,180,811.07	7,877,157.60	7,890,039.32	7,800,958.67	7,600,047.52	7,425,427.39	7,016,578.61
Tuition - LEA's	4,176,652.00	4,049,956.00	3,753,033.93	3,495,592.31	3,147,254.58	3,084,493.52	3,071,994.00	2,945,642.79	2,723,906.87	2,557,307.36
Non-Resident Fees	251,243.00	206,093.00	180,170.66	145,349.00	130,234.50	147,456.00	111,593.12	222,075.00	197,800.00	229,250.00
Miscellaneous Income	183,890.98	137,194.16	186,099.89	235,192.87	300,114.90	232,807.04	168,822.45	323,110.61	230,084.07	264,888.83
Expense Prior Year Construction in Progress			(55,345.50)							
Transfers			(366,930.94)		2,742.19			57,678.65		129,350.07
Special Item										
Special Revenue Fund Adjustment						(2,999.00)				(7,501.50)
Capital Projects Fund Adjustment				0.35						
Cancellation of Prior Year Payable/(Receivable)					(39,155.39)			(41,043.80)		(3,262,004.12)
Capital Contributions										3,213.95
Net Adjustment on Disposal of Fixed Assets						(9,547.10)		(54,001.79)	(48,368.83)	
Total Governmental Activities	36,009,584.96	48,413,172.51	20,262,905.75	20,206,945.60	19,318,348.38	19,142,249.78	18,828,368.24	18,719,552.78	18,096,434.70	13,868,420.20
Business-type Activities:										
County Appropriation			100,000.00	50,000.00	100,000.00	200,000.00	325,000.00			
Transfers			366,930.94		42,030.94		65,000.00	(57,678.65)		(129,350.07)
Special Item										
Loss on Disposal of Fixed Assets										(9,506.37)
Cancellation of Prior Year Payable/(Receivable)					(600.00)	(2,200.00)	(13,500.00)	(1,562.50)	(2,368.13)	
Prior Year Revenue Adjustment							6,400.00			
Total Business-type Activities	-	-	466,930.94	50,000.00	141,430.94	197,800.00	382,900.00	(59,241.15)	(2,368.13)	(138,856.44)
Total Government-wide	\$ 36,009,584.96	\$ 48,413,172.51	\$ 20,729,836.69	\$ 20,256,945.60	\$ 19,459,779.32	\$ 19,340,049.78	\$ 19,211,268.24	\$ 18,660,311.63	\$ 18,094,066.57	\$ 13,729,563.76
Change in Net Position										
Governmental Activities	\$ 13,971,008.57	\$ 25,865,403.17	\$ (1,429,898.88)	\$ (330,050.94)	\$ (1,418,942.75)	\$ (1,370,883.95)	\$ (906,208.80)	\$ (43,552.15)	\$ (1,919,957.39)	\$ (5,304,687.40)
Business-type Activities	(127,911.01)	(283,241.12)	143,862.83	(267,381.20)	(71,033.64)	(114,847.69)	294,436.44	49,293.85	103,346.22	(492,485.35)
Total Government	\$ 13,843,097.56	\$ 25,582,162.05	\$ (1,286,036.05)	\$ (597,432.14)	\$ (1,489,976.39)	\$ (1,485,731.64)	\$ (611,772.36)	\$ 5,741.70	\$ (1,816,611.17)	\$ (5,797,172.75)

Source: District Records

NOTES:

- (1) Source: ACFR Exhibit A-2
- (2) Amounts for the years 2021 through 2015 include the Implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68.
- (3) Amounts for 2021 through 2017 include the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- (4) Amount for 2021 includes the implementation of Governmental Accounting Standards Board- Statement No. 84, *Fiduciary Activities*.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Reserved										
Unreserved (Deficit)										
Restricted	\$ 556,635.19	\$ 391,903.55	\$ 391,901.55	\$ 391,899.55	\$ 391,897.20	\$ 510,877.00	\$ 450,875.00	\$ 450,873.00	\$ 836,920.00	\$ 311,715.00
Assigned	2,839,907.91	2,059,309.02	3,029,608.00	3,035,089.93	2,709,247.00	2,625,892.00	1,910,458.70	2,317,066.90	803,911.10	1,359,437.80
Unassigned (Deficit)	284,835.51	400,983.23	(648,315.91)	(236,181.56)	(218,800.94)	(474,684.93)	(485,522.29)	(216,615.89)	(233,250.22)	(128,901.72)
Total General Fund	\$ 3,681,378.61	\$ 2,852,195.80	\$ 2,773,193.64	\$ 3,190,807.92	\$ 2,882,343.26	\$ 2,662,084.07	\$ 1,875,811.41	\$ 2,551,324.01	\$ 1,407,580.88	\$ 1,542,251.08
All Other Governmental Funds										
Reserved										
Assigned						\$ 85,398.89	\$ 139,969.27			
Restricted, Reported in:										
Special Revenue Fund	\$ 115,123.79									
Capital Projects Fund										
Total All Other Governmental Funds	\$ 115,123.79	\$ -	\$ -	\$ -	\$ -	\$ 85,398.89	\$ 139,969.27	\$ -	\$ -	\$ -

Source: District Records (Exhibit B-1)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
County Appropriation	\$ 22,094,970.47	\$ 35,078,708.56	\$ 8,150,000.00	\$ 8,150,000.00	\$ 7,900,000.00	\$ 7,800,000.00	\$ 7,675,000.00	\$ 7,625,000.00	\$ 7,625,000.00	\$ 7,608,629.00
Tuition Charges	4,427,895.00	4,256,049.00	3,933,204.59	3,640,941.31	3,277,489.08	3,231,949.52	3,071,994.00	3,194,680.49	3,167,717.79	2,921,706.87
Rents and Royalties	25,000.00	25,000.00	85,000.00	150,000.00						
Miscellaneous	1,051,085.11	132,975.14	161,803.18	96,513.04	305,128.07	243,210.79	329,639.07	434,580.53	332,651.61	241,206.07
State Sources	12,792,092.05	11,771,054.94	11,143,811.70	10,483,332.55	9,741,041.20	9,581,581.63	9,214,423.17	9,312,386.34	9,271,620.29	8,526,493.23
Federal Sources	1,105,860.45	940,638.28	851,240.00	944,224.04	1,146,319.27	1,183,904.42	1,129,448.36	1,039,457.16	854,380.51	1,176,117.00
Total Revenue	41,496,903.08	52,204,425.92	24,325,059.47	23,465,010.94	22,369,977.62	22,040,646.36	21,420,504.60	21,606,104.52	21,251,370.20	20,474,152.17
Expenditures										
Instruction										
Regular Instruction	5,391,921.29	5,190,263.97	4,972,753.92	4,442,358.21	4,451,271.52	4,411,670.98	4,161,056.03	4,122,532.11	4,508,442.61	3,831,288.95
Special Education Instruction	319,783.00	307,268.00	215,908.70	230,030.92	208,466.30	168,473.26	270,968.93	612,774.70	626,841.52	631,697.60
Vocational Education	3,545,160.00	3,655,088.00	3,461,480.37	3,502,299.59	3,299,909.10	3,167,037.27	3,304,305.66	3,076,733.27	3,045,615.65	3,374,781.34
Other Instruction	542,247.00	527,905.00	646,600.78	595,629.39	619,959.18	613,731.65	534,593.90	521,488.05	545,291.72	443,986.75
Support Services:										
Student & Instruction Related Services	3,172,941.00	3,219,453.00	2,977,242.82	2,917,483.61	2,706,434.72	2,599,780.84	2,705,529.58	1,918,799.20	2,005,389.55	1,941,637.86
General Administrative Services	367,546.00	375,945.00	327,132.11	333,299.48	280,647.50	307,056.64	311,614.02	288,912.66	298,487.07	339,885.19
School Administrative Services	632,116.00	616,186.00	614,678.15	502,443.02	448,350.68	440,859.96	544,743.30	557,869.23	481,075.90	477,442.93
Business Administrative Services	331,960.00	367,588.00	377,140.09	357,321.44	343,560.21	312,004.92	332,432.84	236,987.27	234,405.31	255,722.28
Administration Information Technology	33,324.00	38,880.00	38,500.82	31,508.04	37,354.08	12,948.06	29,950.71	19,918.00	69,763.45	36,252.22
Plant Operations and Maintenance	2,810,573.00	2,789,714.00	2,818,811.65	2,570,433.58	2,649,965.38	2,562,329.87	2,618,905.29	2,643,363.10	3,122,086.25	2,103,913.50
Care and Upkeep of Grounds	32,086.00	20,670.00	24,275.08	73,442.13	45,761.74	88,400.86	86,038.81	95,047.06	78,454.75	54,822.19
Security	98,177.00	127,262.00	260,061.65	255,463.15	284,132.34	355,014.41	343,913.82	364,335.88	373,427.16	311,282.96
Pupil Transportation	48,918.00	67,516.00	94,249.30	68,215.74	65,280.72	74,517.27	82,333.70	66,245.15	57,878.09	63,820.36
Other Support Services	1,448,763.78	462,464.41	421,554.62	433,525.94	547,166.78	510,567.50	497,100.05	764,676.97	625,473.00	702,090.01
Transfer to Cover Deficit - Food Service					53,359.75		65,000.00			
Unallocated Employee Benefits	3,999,611.02	4,166,806.00	3,830,570.93	5,520,794.42	3,588,861.48	3,340,535.06	3,260,557.29	3,306,521.48	3,096,432.26	3,591,739.04
On-Behalf Pension Contributions	2,936,251.00	2,221,752.00	2,079,034.00	1,745,423.00	1,412,468.00	1,260,794.00	981,652.00	828,028.00	971,490.00	602,728.00
Reimbursed TPAF Social Security	637,838.05	617,755.01	589,211.70	563,204.55	554,215.78	514,778.63	525,121.17	549,345.37	525,637.89	550,773.96
Special Schools	248,051.00	281,603.00	284,354.74	236,482.81	231,376.80	202,477.49	207,965.12	216,487.94	258,989.74	233,692.40
Capital Outlay	14,301,919.98	3,917,323.32	610,154.46	701,094.46	370,522.06	365,965.41	1,205,138.23	272,295.95	531,537.13	212,335.56
Total Expenditures	40,899,187.12	28,971,442.71	24,643,715.89	25,080,453.48	22,198,704.12	21,308,944.08	22,068,920.45	20,462,361.39	21,443,719.05	19,759,893.10
Excess (Deficiency) of Revenues Over (Under) Expenditures	597,715.96	23,232,983.21	(318,656.42)	(1,615,442.54)	171,273.50	731,702.28	(648,415.85)	1,143,743.13	(192,348.85)	714,259.07
Other Financing Sources (Uses)										
Special Revenue Fund Adjustment										
Cancellation of Prior Year Payables/(Receivables)					(39,155.39)					(41,043.80)
Transfers In/(Out)			(98,957.86)		2,742.19				57,678.55	
Total Other Financing Sources (Uses)	-	-	(98,957.86)	-	(36,413.20)	-	112,872.52	-	57,678.55	(41,043.80)
Net Change in Fund Balances	\$ 597,715.96	\$ 23,232,983.21	\$ (417,614.28)	\$ (1,615,442.54)	\$ 134,860.30	\$ 731,702.28	\$ (535,543.33)	\$ 1,143,743.13	\$ (134,670.30)	\$ 673,215.27

Source: District Records

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>Fiscal Year Ending June 30,</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tuition - LEA's	\$ 4,176,652.00	\$ 4,049,956.00	\$ 3,753,033.93	\$ 3,495,592.31	\$ 3,147,254.58	\$ 3,084,493.52	\$ 3,071,994.00	\$ 3,057,950.49	\$ 2,919,685.79	\$ 2,693,204.37
Nonresident Fees	251,243.00	206,093.00	180,170.66	145,349.00	130,234.50	147,456.00	111,593.12	136,730.00	222,075.00	197,800.00
Interest Earned on Investments										2,110.05
Rent	25,000.00	25,000.00	85,000.00	150,000.00	124,100.00	157,500.00	130,500.00	178,500.00	175,000.00	146,035.00
Summer School									25,957.00	31,286.50
Miscellaneous	158,890.98	112,194.16	101,099.89	85,193.22	176,014.90	72,308.04	38,322.45	247,261.28	150,753.13	84,673.33
	<u>\$ 4,611,785.98</u>	<u>\$ 4,393,243.16</u>	<u>\$ 4,119,304.48</u>	<u>\$ 3,876,134.53</u>	<u>\$ 3,577,603.98</u>	<u>\$ 3,461,757.56</u>	<u>\$ 3,352,409.57</u>	<u>\$ 3,620,441.77</u>	<u>\$ 3,493,470.92</u>	<u>\$ 3,155,109.25</u>

Source: District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2021	Unavailable	Unavailable	Unavailable	Unavailable
2020	293,245	Unavailable	Unavailable	9.3%
2019	291,636	\$ 16,477,142,364	\$ 56,499	3.7%
2018	291,408	15,953,130,960	54,745	4.2%
2017	292,206	15,342,568,236	52,506	4.7%
2016	292,330	14,618,253,980	50,006	5.1%
2015	291,479	14,223,883,721	48,799	6.1%
2014	290,951	13,559,189,453	46,603	7.1%
2013	289,940	13,096,299,860	45,169	8.5%
2012	289,671	12,986,819,943	44,833	10.0%

Source:

- (1) Information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Inspira Medical Center - Woodbury	1,222	2	0.88%			
Underwood Memorial Hospital				1,825	1	1.13%
Rowan University	3,500	1	2.52%	1,300	2	0.80%
Kennedy University Hospital/Jefferson	670	4	0.48%	1,200	3	0.74%
Washington Township High School	400	8	0.29%			
Missa Bay				950	4	0.59%
ExxonMobil Corp				750	5	0.46%
Aryzta LaBrea Bakery, Inc.	500	5	0.36%	725	6	0.45%
Goodwin Pumps/ITT				640	7	0.39%
Paulsboro Refining	402	7	0.29%	600	8	0.37%
Johnson Matthey	379	9	0.27%			
Delaware Valley Floral Group				500	9	0.31%
Walmart Turnersville	800	3	0.58%			
Honda of Turnersville	499	6	0.36%			
Drugstore.com				450	10	0.28%
Heritage's Dairy Stores				450	10	0.28%
Keller Williams Realty	362	10	0.26%			

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Fiscal</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff (2)</u>	<u>Average Daily Enrollment (ADE) (3)</u>	<u>Average Daily Attendance (ADA) (3)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2021	1,569.0	\$ 26,597,267.14	\$ 16,951.73	3.83%	112.50	1,555.8	1,512.4	6.61%	97.21%
2020	1,522.5	25,054,119.39	16,455.91	-5.50%	114.50	1,507.8	1,468.1	8.61%	97.37%
2019	1,472.0	24,033,561.43	16,327.15	-2.24%	112.50	1,459.4	1,398.9	11.98%	95.85%
2018	1,400.0	24,379,359.02	17,413.83	10.67%	106.50	1,388.3	1,323.1	5.18%	95.30%
2017	1,307.0	21,828,182.06	16,700.98	7.22%	109.50	1,303.3	1,243.2	-1.82%	95.39%
2016	1,331.0	20,942,978.67	15,734.77	4.27%	111.50	1,319.9	1,260.9	-0.88%	95.53%
2015	1,339.5	20,863,782.22	15,575.80	-2.80%	108.50	1,327.4	1,266.7	1.68%	95.43%
2014	1,338.0	20,190,065.44	15,089.74	6.64%	109.50	1,331.6	1,289.6	8.14%	96.85%
2013	1,305.0	20,912,181.92	16,024.66	13.25%	110.00	1,305.5	1,262.9	11.08%	96.74%
2012	1,240.0	17,545,630.90	14,149.70	1.68%	107.00	1,231.4	1,195.1	13.32%	97.05%

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

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District Building										
<u>Vocational-Technical School</u>										
Gloucester County Institute of Technology (1972)										
Square Feet	378,676	378,676	378,676	378,676	378,676	378,676	378,676	378,676	378,676	378,676
Capacity (students) ¹										
Enrollment	1,569.0	1,522.5	1,472.0	1,400.0	1,307.0	1,331.0	1,339.5	1,338.0	1,305.0	1,240.0

Number of Schools at June 30, 2021
 High School - 1

¹ N.J.S.A. 18A:7G et seq. provides no standard capacity for County Vocational-Technical School Districts due to the specialized programs offered

Source: District records, ASSA

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 11-000-261-XXX

* School Facilities	Gross Square Footage	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Gloucester County Institute of Technology	378,676	\$ 500,839	\$ 531,690	\$ 529,669	\$ 175,373	\$ 237,251	\$ 231,452	\$ 212,083	\$ 190,033	\$ 600,954	\$ 322,377
Total School Facilities		\$ 500,839	\$ 531,690	\$ 529,669	\$ 175,373	\$ 237,251	\$ 231,452	\$ 212,083	\$ 190,033	\$ 600,954	\$ 322,377

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

Source: District Records

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Insurance Schedule

June 30, 2021

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Automobile Liability (1)		
Bodily Injury and Property Damage	\$ 31,000,000 per occurrence	
Uninsured/Underinsured Motorists - Private Passenger Auto	1,000,000 per accident	
Uninsured/Underinsured Motorists - All Other Vehicles	15,000 Bodily Injury Per Person	
	30,000 Bodily Injury Per Accident	
	5,000 Property Damage Per Accident	
Property (1)		
Blanket Real and Personal Property	\$ 500,000,000 per occurrence NJSIG Limit	\$ 5,000
Blanket Extra Expense	50,000,000 per occurrence NJSIG Limit	5,000
Blanket Valuable Papers and Records	10,000,000 per occurrence NJSIG Limit	5,000
Demolition and Increased Cost of Construction	25,000,000 per occurrence NJSIG Limit	
Loss of Rents	400,000 per occurrence	
Loss of Business Income/Tuition	2,900,000 per occurrence	
Pollutant Cleanup and Removal	250,000 per occurrence/NJSIG annual aggregate	
Earthquake	50,000,000 per occurrence/NJSIG annual aggregate	
Terrorism	1,000,000 per occurrence/NJSIG annual aggregate	
Comprehensive General Liability (1)		
Combined Single Limit for Bodily Injury & Property Damage	\$ 31,000,000 Combined Single Limit for Bodily Injury & Property Damage	
Products and Completed Operations	\$ 31,000,000 annual aggregate	
Sexual Abuse	17,000,000 per occurrence	
	17,000,000 annual NJSIG aggregate	
Personal Injury and Advertising Injury	31,000,000 per occurrence/annual aggregate	
Employee Benefits Liability	31,000,000 per occurrence/annual aggregate	\$ 1,000 per claim
Terrorism	1,000,000 per occurrence/NJSIG annual aggregate	
Worker's Compensation - Employers' Liability (1)		
Bodily Injury by Accident	\$ 3,000,000 each accident	
Bodily Injury by Disease	3,000,000 each employee	
Bodily Injury by Disease	3,000,000 aggregate limit	
School Leaders Errors & Omissions (1)		
Coverage A		
Limit of Liability:	\$ 31,000,000 each policy period	\$ 5,000 each claim
Coverage B		
Limit of Liability:	\$ 100,000 each claim	\$ 5,000 each claim
	300,000 each policy period	
Public Official Bonds (2)		
Assistant Superintendent for Business/Board Secretary	\$ 250,000	
Student Accident Policy (3)		
Accident Medical Expense Benefit	\$ 5,000,000	

(1) - New Jersey School Insurance Group - (ERIC South)

(2) - Western Surety

(3) - Zurich American Insurance Company

Source: District Records

SINGLE AUDIT SECTION

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester County Vocational Technical School District
County of Gloucester, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Gloucester County Vocational Technical School District's, in the County of Gloucester, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2021. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Gloucester County Vocational Technical School District, in the County of Gloucester, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the Gloucester County Vocational Technical School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, 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 Gloucester County Vocational Technical School District's internal control over compliance.

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

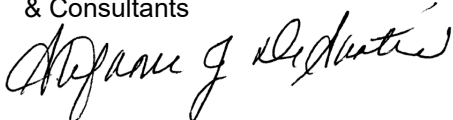
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Public School Accountant No. CS002523

Woodbury, New Jersey
March 10, 2022

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2021

Federal Grantor / Pass-through Grantor / Program Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period		Balance June 30, 2020
						From	To	
Special Revenue Fund:								
U.S. Department of Education:								
Passed-through State Department of Education:								
E.S.S.A.:								
Title I Grants to Local Educational Agencies	84.010	N/A	S010A200030	NCLB177521	\$ 201,829.00	7/1/2020	6/30/2021	
Title I Grants to Local Educational Agencies	84.010	N/A	S010A190030	NCLB177520	188,058.00	7/1/2019	6/30/2020	<u>\$ (34,022.39)</u>
Total Title I								<u>(34,022.39)</u>
Improving Teacher Quality (Title II-A)	84.367A	N/A	S367A200029	NCLB177521	54,552.00	7/1/2020	6/30/2021	
Improving Teacher Quality (Title II-A)	84.367A	N/A	S367A190029	NCLB177520	36,136.00	7/1/2019	6/30/2020	<u>(5,778.87)</u>
Total Title II								<u>(5,778.87)</u>
Individuals with Disabilities Education Act (IDEA)								
Special Education - Grants to States (IDEA, Part B)	84.027A	N/A	H027A200100	IDEA177521	221,277.00	7/1/2020	6/30/2021	
Special Education - Grants to States (IDEA, Part B)	84.027A	N/A	H027A190100	IDEA177520	197,449.00	7/1/2019	6/30/2020	<u>(59,708.85)</u>
Total IDEA Special Education Cluster								<u>(59,708.85)</u>
Career and Technical Education - Basic Grants to States (Perkins IV)								
Secondary Reserve	84.048	N/A	V048A200030	PERK177521	52,485.00	7/1/2020	6/30/2021	
Secondary Reserve	84.048	N/A	V048A190030	PERK177520	50,322.00	7/1/2019	6/30/2020	(13,374.00)
Secondary	84.048	N/A	V048A200030	PERK177521	170,656.00	7/1/2020	6/30/2021	
Secondary	84.048	N/A	V048A190030	PERK177520	200,699.00	7/1/2019	6/30/2020	<u>(24,870.00)</u>
Total Career and Technical Education - Basic Grants to States								<u>(38,244.00)</u>
COVID-19 Elementary and Secondary								
School Emergency Relief Fund (ESSERF)	84.425D	COVID-19	S425D200027	N/A	133,796.00	3/13/2020	9/30/2022	
COVID-19 Elementary and Secondary	84.425D	COVID-19	S425D210027	N/A	16,901.67	3/13/2020	9/30/2023	
Total Elementary and Secondary School Emergency Relief Fund								<u>-</u>
Total U.S. Department of Education (State)								<u>(137,754.11)</u>
U.S. Department of Treasury:								
Passed-through State Department of Education:								
COVID-19 Coronavirus Relief Fund	21.019	COVID-19	SLT0228	N/A	53,664.00	7/1/2020	6/30/2021	
Total Coronavirus Relief Fund								<u>-</u>
Total U.S. Department of Treasury (State)								<u>-</u>
U.S. Department of Labor:								
Passed-Through County of Gloucester:								
WIOA Youth Activities:								
Youth One Stop Career Center "At Risk"	17.259	N/A	unavailable	unavailable	297,600.00	7/1/2020	6/30/2021	
Youth One Stop Career Center "At Risk"	17.259	N/A	unavailable	unavailable	20,090.42	7/1/2020	6/30/2021	
Youth One Stop Career Center "At Risk"	17.259	N/A	unavailable	unavailable	306,000.00	7/1/2019	6/30/2020	<u>(104,854.64)</u>
Total WIOA Cluster								<u>(104,854.64)</u>
Total U.S. Department of Labor								<u>(104,854.64)</u>
Total Special Revenue Fund								<u>(242,608.75)</u>
Enterprise Fund:								
U.S. Department of Agriculture								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
Non-Cash Assistance:								
Food Distribution Program	10.555	N/A	211NJ304N1099	N/A	15,987.14	7/1/2020	6/30/2021	
Cash Assistance:								
School Breakfast Program	10.553	N/A	211NJ304N1099	100-030-3350-021	143,469.90	10/1/2020	6/30/2021	
School Breakfast Program (CARES)	10.553	COVID-19	211NJ304N1099	100-030-3350-021	29,548.26	7/1/2020	9/30/2020	
School Breakfast Program (CARES)	10.553	COVID-19	201NJ304N1099	100-030-3350-021	5,810.72	5/1/2020	6/30/2020	(3,473.92)
National School Lunch Program	10.555	N/A	211NJ304N1099	100-030-3350-023	167,769.54	10/1/2020	6/30/2021	
National School Lunch Program (CARES)	10.555	COVID-19	211NJ304N1099	100-030-3350-023	54,040.10	7/1/2020	9/30/2020	
National School Lunch Program (CARES)	10.555	COVID-19	201NJ304N1099	100-030-3350-023	10,989.84	5/1/2020	6/30/2020	<u>(6,570.24)</u>
Total Child Nutrition Cluster								<u>(10,044.16)</u>
Total Enterprise Fund								<u>(10,044.16)</u>
Total Federal Financial Assistance								<u>\$ (252,652.91)</u>

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures			Passed- Through to Subrecipients	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2021		
		Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
	\$ 141,139.51 34,022.39	\$ 179,020.85 9,262.61		\$ 179,020.85 9,262.61				\$ (37,881.34) (9,262.61)		
-	175,161.90	188,283.46	-	188,283.46	-	-	-	(47,143.95)	-	-
	39,411.00 5,778.87	52,400.27		52,400.27				(12,989.27)		
-	45,189.87	52,400.27	-	52,400.27	-	-	-	(12,989.27)	-	-
	126,760.00 62,851.00	204,815.44 3,926.15		204,815.44 3,926.15				(78,055.44) (784.00)		
-	189,611.00	208,741.59	-	208,741.59	-	-	-	(78,839.44)	-	-
	32,631.00 13,374.00 133,667.00 24,870.00	52,485.00 170,656.00		52,485.00 170,656.00				(19,854.00) (36,989.00)		
-	204,542.00	223,141.00	-	223,141.00	-	-	-	(56,843.00)	-	-
	53,514.00	69,545.29 16,901.67		69,545.29 16,901.67				(16,031.29) (16,901.67)		
-	53,514.00	86,446.96	-	86,446.96	-	-	-	(32,932.96)	-	-
-	668,018.77	759,013.28	-	759,013.28	-	-	-	(228,748.62)	-	-
	53,664.00	53,664.00		53,664.00						-
-	53,664.00	53,664.00	-	53,664.00	-	-	-	-	-	-
-	53,664.00	53,664.00	-	53,664.00	-	-	-	-	-	-
	214,980.47 20,090.42 104,854.64	282,918.75 20,090.42		282,918.75 20,090.42				(67,938.28)		
-	339,925.53	303,009.17	-	303,009.17	-	-	-	(67,938.28)	-	-
-	339,925.53	303,009.17	-	303,009.17	-	-	-	(67,938.28)	-	-
-	1,061,608.30	1,115,686.45	-	1,115,686.45	-	-	-	(296,686.90)	-	-
	15,987.14	15,987.14		15,987.14						
	132,099.66 29,548.26 3,473.92 153,052.16 54,040.10 6,570.24	143,469.90 29,548.26 - 167,769.54 54,040.10 -		143,469.90 29,548.26 - 167,769.54 54,040.10 -				(11,370.24) (14,717.38)		
-	394,771.48	410,814.94	-	410,814.94	-	-	-	(26,087.62)	-	-
-	394,771.48	410,814.94	-	410,814.94	-	-	-	(26,087.62)	-	-
\$ -	\$ 1,456,379.78	\$ 1,526,501.39	\$ -	\$ 1,526,501.39	\$ -	\$ -	\$ -	\$ (322,774.52)	\$ -	\$ -

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2021

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2020		Carryover / (Walkover) Amount
			From	To	Unearned Revenue / (Accounts Receivable)	Due to Grantor	
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public:							
Equalization Aid	21-495-034-5120-078	\$ 7,984,694.00	7/1/2020	6/30/2021			
Equalization Aid	20-495-034-5120-078	7,683,609.00	7/1/2019	6/30/2020	\$ (762,342.00)		
Special Education Categorical Aid	21-495-034-5120-089	1,054,667.00	7/1/2020	6/30/2021			
Special Education Categorical Aid	20-495-034-5120-089	1,054,667.00	7/1/2019	6/30/2020	(104,640.53)		
Security Aid	21-495-034-5120-084	113,534.00	7/1/2020	6/30/2021			
Security Aid	20-495-034-5120-084	113,534.00	7/1/2019	6/30/2020	(11,264.47)		
Total State Aid - Public					(878,247.00)	-	-
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	637,838.05	7/1/2020	6/30/2021			
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	617,755.01	7/1/2019	6/30/2020	(30,742.70)		
Total Reimbursed TPAF Social Security Contributions					(30,742.70)	-	-
On-behalf T.P.A.F. Pension Contributions:							
Normal Cost	21-495-034-5094-002	2,192,741.00	7/1/2020	6/30/2021			
Non-Contributory Insurance	21-495-034-5094-004	41,720.00	7/1/2020	6/30/2021			
Long-Term Disability Insurance Contribution	21-495-034-5094-004	1,545.00	7/1/2020	6/30/2021			
Post-Retirement Medical	21-495-034-5094-001	700,245.00	7/1/2020	6/30/2021			
Total On-Behalf TPAF Pension Contributions (non-budgeted)					-	-	-
Total General Fund					(908,989.70)	-	-
Special Revenue Fund:							
New Jersey Department of Education:							
Apprentice Coordinator	20-100-062-4545-384	37,100.00	7/1/2019	6/30/2020	(11,011.93)		
Total Apprentice Coordinator					(11,011.93)		
Career and Technical Education - Basic Grants to States (Perkins IV)							
Post Secondary	21-100-034-5062-032	95,862.00	7/1/2020	6/30/2021			
Total Career and Technical Education - Basic Grants to States Cluster					-	-	-
Total State Department of Education					(11,011.93)	-	-
Total Special Revenue Fund					(11,011.93)	-	-
Enterprise Fund:							
New Jersey Department of Agriculture:							
State School Lunch Program	21-100-010-3350-023	1,048.31	7/1/2020	6/30/2021			
State School Lunch Program	20-100-010-3350-023	1,401.60	7/1/2019	6/30/2020	(103.84)		
State School Lunch Program	20-100-010-3350-023	410.51	7/1/2019	6/30/2020	(410.51)		
Total Enterprise Fund					(514.35)	-	-
Total State Financial Assistance					\$ (920,515.98)	\$ -	\$ -
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-behalf T.P.A.F. Pension Contributions:							
Normal Cost	21-495-034-5094-002	2,192,741.00	7/1/2020	6/30/2021			
Non-Contributory Insurance	21-495-034-5094-004	41,720.00	7/1/2020	6/30/2021			
Long-Term Disability Insurance Contribution	21-495-034-5094-004	1,545.00	7/1/2020	6/30/2021			
Post-Retirement Medical	21-495-034-5094-001	700,245.00	7/1/2020	6/30/2021			
Total General Fund (Non-Cash Assistance)							
Total State Financial Assistance subject to Major Program Determination for State Single Audit							

The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of the schedule.

Cash Received	Adjustments	Budgetary Expenditures	Passed- Through to Subrecipients	Repayment of Prior Years' Balances	Balance at June 30, 2021			(Memo Only)	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2021	Cumulative Total Expenditures
\$ 7,191,710.49		\$ 7,984,694.00			\$ (792,983.51)			\$ (792,983.51)	\$ 7,984,694.00
762,342.00									7,683,609.00
949,924.91		1,054,667.00			(104,742.09)			(104,742.09)	1,054,667.00
104,640.53									1,054,667.00
102,258.60		113,534.00			(11,275.40)			(11,275.40)	113,534.00
11,264.47									113,534.00
<u>9,122,141.00</u>	<u>-</u>	<u>9,152,895.00</u>	<u>-</u>	<u>-</u>	<u>(909,001.00)</u>	<u>-</u>	<u>-</u>	<u>(909,001.00)</u>	<u>18,004,705.00</u>
606,020.85		637,838.05			(31,817.20)				637,838.05
30,742.70									617,755.01
<u>636,763.55</u>	<u>-</u>	<u>637,838.05</u>	<u>-</u>	<u>-</u>	<u>(31,817.20)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,255,593.06</u>
2,192,741.00		2,192,741.00							2,192,741.00
41,720.00		41,720.00							41,720.00
1,545.00		1,545.00							1,545.00
700,245.00		700,245.00							700,245.00
<u>2,936,251.00</u>	<u>-</u>	<u>2,936,251.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,936,251.00</u>
12,695,155.55	-	12,726,984.05	-	-	(940,818.20)	-	-	(909,001.00)	22,196,549.06
<u>11,011.93</u>									<u>37,100.00</u>
<u>11,011.93</u>									<u>37,100.00</u>
<u>95,862.00</u>		<u>95,862.00</u>							<u>95,862.00</u>
<u>95,862.00</u>	<u>-</u>	<u>95,862.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,862.00</u>
<u>106,873.93</u>	<u>-</u>	<u>95,862.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,962.00</u>
<u>106,873.93</u>	<u>-</u>	<u>95,862.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,962.00</u>
8,589.41		9,637.72			(1,048.31)				1,048.31
103.84									1,401.60
410.51									410.51
<u>9,103.76</u>	<u>-</u>	<u>9,637.72</u>	<u>-</u>	<u>-</u>	<u>(1,048.31)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,860.42</u>
<u>\$ 12,811,133.24</u>	<u>\$ -</u>	<u>12,832,483.77</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (941,866.51)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (909,001.00)</u>	<u>\$ 22,332,371.48</u>

2,192,741.00
41,720.00
1,545.00
700,245.00
2,936,251.00
\$ 9,896,232.77

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2021

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Gloucester County Vocational Technical School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the enterprise funds are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: INDIRECT COST RATE

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund, special revenue fund and proprietary fund (enterprise fund - food service) 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 for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the 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 one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(30,754.00) for the general fund and \$(9,826.00) for the special revenue fund. See exhibit C-3, 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 reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General		\$ 12,696,230.05	\$ 12,696,230.05
Special Revenue	\$ 1,105,860.45	95,862.00	1,201,722.45
Food Service	410,814.94	9,637.72	420,452.66
	<u>1,516,675.39</u>	<u>12,801,729.77</u>	<u>14,318,405.16</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments		30,754.00	30,754.00
Encumbrances	9,826.00	-	9,826.00
	<u>9,826.00</u>	<u>30,754.00</u>	<u>40,580.00</u>
Total Awards and Financial Assistance Expended	<u>\$ 1,526,501.39</u>	<u>\$ 12,832,483.77</u>	<u>\$ 14,358,985.16</u>

Note 5: 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 6: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2021, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 7: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2021

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued UNMODIFIED

Internal control over financial reporting:

 Material weakness(es) identified? ___ yes X no

 Significant deficiency(ies) identified? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

 Material weakness(es) identified? ___ yes X no

 Significant deficiency(ies) identified? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? ___ yes X no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
		U.S. Department of Agriculture - Child Nutrition Cluster:
10.555	211NJ304N1099	Food Distribution Program
10.553	211NJ304N1099	School Breakfast Program
10.553	201NJ304N1099	School Breakfast Program
10.555	211NJ304N1099	National School Lunch Program
10.555	201NJ304N1099	National School Lunch Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000.00

Auditee qualified as low-risk auditee? X yes ___ no

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2021

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? ___ yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

	State Aid - Public:
21-495-034-5120-078	Equalization Aid
21-495-034-5120-089	Special Education Categorical Aid
21-495-034-5120-084	Security Aid
21-495-034-5094-003	Reimbursed TPAF Social Security Contributions

Dollar threshold used to distinguish between type A and type B programs: \$750,000.00

Auditee qualified as low-risk auditee? X yes ___ no

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

No Current Year Findings

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

No Current Year Findings

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

No Current Year Findings

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings