

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**

Toms River, New Jersey  
County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2021**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE  
OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
TOMS RIVER, NEW JERSEY**



**YEAR ENDED JUNE 30, 2021**

**PREPARED BY DISTRICT FINANCE OFFICER  
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY  
FRANK J. FRAZEE**

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**INTRODUCTORY SECTION**

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## Board of Education

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**Frank J. Frazee, CPA**  
Business Administrator/Board Secretary  
email: FFrazee@mail.ocvts.org

### Board of Education

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Stephen Scaturro.....Vice President  
Charles Muller.....Member  
Ronald L. Rosetto.....Member  
Maureen C. Stankowitz.....Member

February 18, 2022

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Ocean County Vocational-Technical School District for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education of the Ocean County Vocational-Technical School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2021, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Comprehensive Annual Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School 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 New Jersey OMB's Circular 15-08 OMB,



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“Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

### REPORTING ENTITY AND ITS SERVICES

The Ocean County Vocational-Technical School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels 9 through 12. There are also opportunities in these classes for adult learners. These include instruction for vocational education. The School District’s secondary/post-secondary student enrollment for the past ten fiscal years are detailed below. These figures do not include our adult evening division enrollment which averages approximately 2,500 students within three semesters.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-2021	2,824	-8.46%
2019-2020	3,085	14.01%
2018-2019	2,706	0.56%
2017-2018	2,691	-3.10%
2016-2017	2,777	-1.03%
2015-2016	2,806	-3.34%
2014-2015	2,903	1.26%
2013-2014	2,867	10.40%
2012-2013	2,597	0.54%
2011-2012	2,583	3.73%

### ECONOMIC CONDITION AND OUTLOOK

The Ocean County Vocational-Technical Schools are located in Ocean County, New Jersey, which is situated in the center of the state.

The population in Ocean County has been increasing over the past few years with people relocating from New York and Philadelphia. Senior citizens are also attracted to the area’s adult communities. Thus, in addition to the growing job market through business and industry, there is an even greater need for skilled individuals to work with health care service, construction related trades, service occupations and telecommunications.

It is the mission of the Ocean County Vocational Technical School to prepare students for job placement or further education leading to successful employment. Partnerships have been formed with business and colleges to improve education by keeping up with industry standards and advances in technology.



## MAJOR INITIATIVES

In school year 2020-21, Ocean County Vocational Technical School (OCVTS) started a new program for high school and adult learners, Heavy Equipment Operator Program. In 2020 the program started with 31 students. As of school year 2021-22 the program has grown to 40 students in the daytime and 18 pre-apprentice students in the adult evening program. The program has thrived with tremendous industry support. Local companies donated equipment to the program including a skid steer and asphalt roller. The district was able to leverage funding to acquire additional equipment used in industry including a backhoe and forklift. The acquisition of the additional equipment and professional development provided to the instructor has provided our students with additional credentialing opportunities. Students in the program can now earn their OSHA Forklift Certification. The program has received national recognition and has been featured in trade related magazines as a model to support the development of a talent pipeline to industry.

Through a Comprehensive Local Needs Assessment in 2020-21, the district was able to mobilize industry professionals in the construction industry. The group determined that there is an increased demand for professionals in the Plumbing Industry. Ocean County Vocational Technical School was able to acquire grant funding and received additional industry support to quickly develop an approved Career and Technical Education Plumbing program of study to put students on a path to advanced placement in apprenticeships in order to support the workforce development need. The program began in September of 2021 and enrollment is currently at 20 students in the first year of the program.

Additional outcomes of the Comprehensive Local Needs Assessment conducted lead to the district being awarded \$7,215,805 through the Securing Our Children's Future Bond Act through the Career and Technical Education Expansion Grant. The total project with the matching funds set aside by the County Commissioners is \$9,621,073. Funding will be used for a 24,000 square foot addition to the OCVTS Jackson Campus. The addition will include four shop spaces for in-demand, high-skill, and high-wage Career and Technical Education Programs of Study in Welding, Plumbing, Electrical, and Medical Assisting.

The district is coming off a Middle States Team Visit and has undergone a rigorous self-study and team visit. Subsequently the visiting team recommended and the Commission on Secondary Schools of the Middle States Association of Colleges and Schools voted to award the district with accreditation, which will last until May 1, 2031. The district has prioritized several areas in an effort to strengthen student outcomes related to the Plan for Growth. Over the next several years the district will be placing emphasis on expanding Work Based Learning opportunities to students, conduct CLNAs to identify industry valued credentials to incorporate into the programs that are offered in the district, and expand articulation agreements with advanced education including community colleges, 4-year colleges and universities, and registered apprenticeships through the United States Department of Labor. The comprehensive strategic approach to programming will provide students opportunities to enter at various stages along a career pathway, provide stepping stones to advance within the field, and direction to achieve their career aspirations.

The Marine Academy of Technology and Environmental Science had an active year with independent and community research projects. At the Jersey Shore Science Fair at Stockton University (State Level) in March 2021, students earned the following placements... 1<sup>st</sup> Place: 16 students; 2<sup>nd</sup> Place: 6 students; and 3<sup>rd</sup> Place: 6 students. At the Delaware Valley Science Fair (Super Regional), students earned the following places... 1<sup>st</sup> Place: 9 students; 2<sup>nd</sup> Place: 5 students; and 3<sup>rd</sup> Place: 5 students. Two students qualified for the National Junior Academy of Science Symposium after winning their categories at the NJ Junior Academy of Science Meeting in May 2021. One student earned 3<sup>rd</sup> Place overall in Environmental Science



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at the National Junior Science and Humanities Symposium in March 2021. Ten MATES students were part of a team community project called Rally for Barnegat Bay that is a New Jersey Department of Environmental Protection (NJDEP) supported project to reduce pathogen levels in a local waterway in partnership with Save Barnegat Bay (SBB) and Clean Ocean Action; as well as 14 students who are part of second community-based project to reduce jellyfish populations at Barnegat Bay in conjunction with the NJDEP, SBB and the Berkeley Township Underwater Search and Rescue Team. In school competitions, our MATES Envirothon Team earned first place in the New Jersey State Competition.

At the present time, the Ocean County Vocational Technical School has 27 articulation agreements with post-secondary institutions through Dual Enrollment and Technical Preparation Programs. These articulations permit students to earn college credits while attending Ocean County Vocational Technical School and continue their education at the post-secondary level and progress to successful careers.

Construction was completed for the Grunin Performing Arts Academy High School located on the Ocean County College campus. This project provided a state-of-the-art 53,000 square-foot learning facility for students interested in the fields of acting, voice, dance, or audio recording engineering. The project was financed through partnerships between the State of New Jersey, the Ocean County Board of Chosen Commissioners, the Grunin Foundation and Ocean County College. Students experience learning opportunities in both high school and college courses. Ocean County College has provided additional classroom space for the Grunin Performing Arts students in the annex connected to the new facility.

Since 2004, the Practical Nursing graduates have consistently surpassed the New Jersey state and national averages for pass rates on the National Council Licensure Examination for Practical Nursing. Over 3,569 nursing students have graduated from the Ocean County Vocational Technical School Practical Nursing program from 1960. Nursing homes, rehab centers, doctors' offices, hospitals etc. benefit from the learning and expertise provided by the Ocean County Vocational Technical School district.

The Ocean County Vocational Technical School (OCVTS) Adult Evening School and Post-Secondary 10-month accelerated programs continue to expand with combined enrollment increasing by over 15% from 2019 – 2021. OCVTS has the largest apprentice course offerings in the state. Pre-Apprentice and Apprentice programs available include Residential Electric, Basic Home Systems, Electrical, Plumbing, HVAC, Machine Trades, Maintenance Mechanic, and Heavy Equipment Operator Program. OCVTS has expanded its adult Twilight Cosmetology program by adding a new part-time 2-year program. Both courses are currently at capacity. The OCVTS 10-month accelerated New Home Construction program has forged an alliance with Northern Ocean Habitat for Humanity and continues to perform multiple community service projects.

The Ocean County Vocational Technical School's SkillsUSA chapter provided opportunities for students to compete in both State and National Competitions this year. SkillsUSA competitions for the 2020 - 2021 school year were a combination of in-person and virtual competitions. At the State level, OCVTS totaled 16 medals, breaking down to 8 gold medals, 6 silver medals, and 2 bronze medals. The 8 gold medalists qualified for the National Competitions which were held virtually at different times during the spring/summer. Our Crime Scene Investigation team from the Academy of Law and Public Safety won bronze medals! Our totals for the National Competition were 3 bronze medal winners and our other 7 National Competitors finished in the top 10 in their competitions.

Over \$5,769.83 was awarded to Outstanding high school graduate students and \$57,250.00 was awarded to post-secondary students through the generosity of the Ocean County Foundation for Vocational Technical Education. Additionally, the Ocean County Vocational Technical School has over 300 sponsors,



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organizations, business and educational institutions that provide our graduates with scholarships and grants. Funding for the Foundation scholarships for the 2020 – 2021 school year was supported by the annual Golf Outing. Due to COVID-19, the additional annual events of Chefs Night Out and the Music Festival were canceled.

Traditionally, OCVTS Grunin Performing Arts Academy students have the opportunity to participate in various hands-on and performance-based skills at competitions at the local, state, and national levels. The most recognized of these competitions include: New Jersey Teen Arts Festivals, International Thespian Festivals, and SkillsUSA. In January, our students competed virtually in the International Thespians Festival (state level). Some highlights of our students' success include: seven students earned a superior ranking in musical theatre solo, two students earned a superior ranking in musical theatre duets, we had the only participating dancer to earn a superior rating, one of our students was a technical event winner, a student was offered a scholarship to Drew University and we had Chapter Select winner for original animation. All four majors (Audio Engineering, Dance, Theatre and Vocal) at the Grunin Performing Arts Academy were represented and acknowledged for their talents.

For the 2020-2021 school year, the International Thespian Festival's National Conference was held virtually. In the past, an average of 25 students attend the National Conference, which offers the opportunity for students to audition for scholarships, showcase their acting and vocal talents, network with peers, and participate in various theatre workshops. This year ten of our students participated in the streamed event. The virtual platform did not cultivate the same excitement/participation as does the in-person, live festivals.

Students throughout the Ocean County Vocational Technical School District participate in the nationally recognized SkillsUSA conference. For the 2020-2021 school year, students from the Grunin Performing Arts Academy wrote and rehearsed original scenes for two months that were reflective of an art piece to prepare for an Arts and Communication Cluster competition. Unfortunately, due to COVID, their category was cancelled and therefore they were unable to compete. Regardless of being unable to compete, preparing for the event reinforced skills critical to the workforce, including writing, communication collaboration, cooperation, and time management.

### **INTERNAL ACCOUNTING CONTROLS**

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

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



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**BUDGETARY CONTROLS**

In addition to internal accounting controls, the School 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 voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

**ACCOUNTING SYSTEM AND REPORTS**

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District's accounting system is organized on the basis of funds. The funds are explained in "Notes to Financial Statements", Note 1.

**OTHER INFORMATION**

*INDEPENDENT AUDIT*

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman Frenia Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet 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*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

**ACKNOWLEDGEMENTS**

We would like to express our appreciation to the members of the Board of Education 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 accomplished without the efficient and dedicated services of our business office staff.

Respectfully submitted,

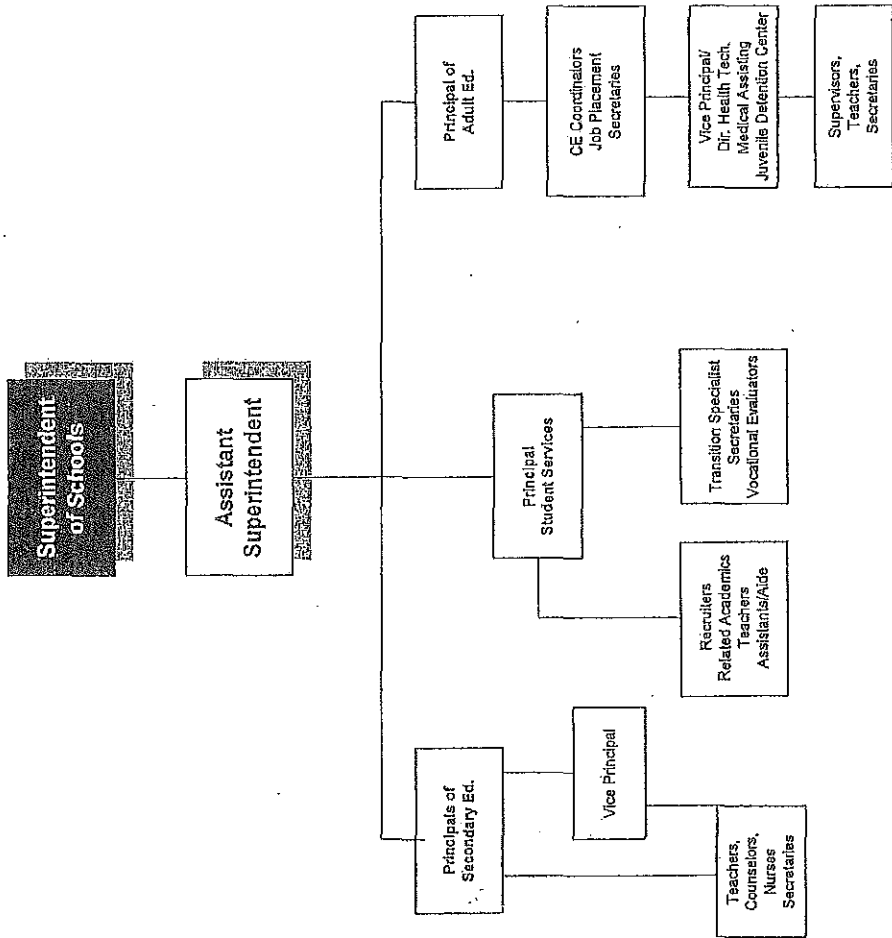
Karen Homiek  
Superintendent

Frank J. Frazee, CPA  
Business Administrator/Board Secretary



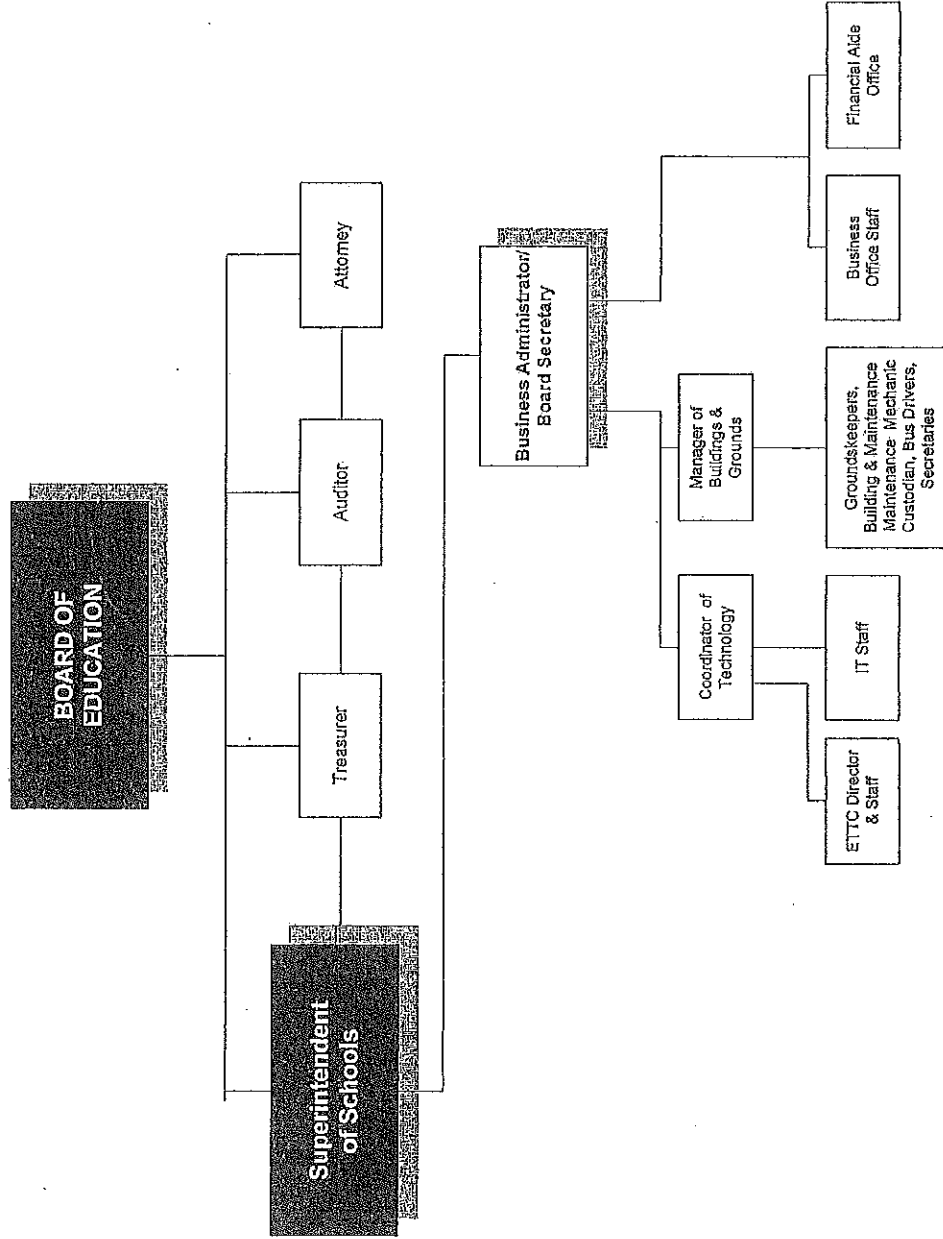
# OCEAN COUNTY VOCATIONAL - TECHNICAL SCHOOLS

## Administrative Organization Chart (A)



# OCEAN COUNTY VOCATIONAL - TECHNICAL SCHOOLS

## Administrative Organization Chart (B)



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
TOMS RIVER, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2021**

**Members of the Board of Education**

**TERM EXPIRES**

Nina Anuario, President	2024
Stephen Scaturro, Vice President	2021
Charles Muller	2024
Ronald L. Rosetto	2023
Maureen C. Stankowitz	2022

**Other Officials**

Karen Homiek, Superintendent of Schools  
Dr. Micheal B. Maschi, Assistant Superintendent  
Frank J. Frazee, School Business Administrator/Board Secretary  
Debra L. Ness, Treasurer of School Monies  
Robert C. Shea, Esq., Solicitor

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
TOMS RIVER, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2021**

**ARCHITECTS**

Yezzi Associates  
Toms River, New Jersey

**AUDITOR/AUDIT FIRM**

Jerry W. Conaty, CPA, PSA, CFE, RMA  
Holman Frenia Allison, P. C.  
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**ATTORNEY**

Robert C. Shea, Esq.  
R.C. Shea & Associates  
244 Main Street  
Toms River, New Jersey 08754

**OFFICIAL DEPOSITORY**

Wells Fargo  
Toms River, New Jersey 08753

**FINANCIAL SECTION**

Second Section

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## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Ocean County Vocational Technical School  
County of Ocean  
Toms River, NJ 08753-2703

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Ocean County Vocational Technical School, County of Ocean, 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 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Emphasis of Matter**

### ***Change in Accounting Principle***

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

## **Other Matters**

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, 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 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 Division of Administration and 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* 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 the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 them.

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

In accordance with Government Auditing Standards, we have also issued our report dated February 18, 2022. 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 them. on our consideration of the 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 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 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty  
Certified Public Accountant  
Public School Accountant, No. 2470

Lakewood, New Jersey  
February 18, 2022

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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# OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2021 UNAUDITED

This section of the Ocean County Vocational Technical Schools Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year 2020-2021 and the prior fiscal year 2019-2020 is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for 2021 are as follows:

- In total, net position of governmental activities increased, \$2,595,873, which represents a 6.6% increase from 2020. Total net position of business-type activities decreased (\$9,496), which represents a decrease of (49.65%) from 2020.
- General revenues accounted for \$33,812,681 in revenue or 71.01% of total revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$13,805,662 or 28.99% of total revenue of \$47,618,343.
- Total assets of governmental activities increased by \$3,595,627 as cash and cash equivalents increased by \$1,876,186, receivables increased by \$984,288, restricted cash and cash equivalents increased by \$606,846, and total capital assets increased by \$128,307.
- Total liabilities of governmental activities decreased by (\$55,428) as non-current liabilities due beyond one year increased by (\$1,042,433).
- The District had \$44,980,023 in governmental activity expenses; only \$13,763,215 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$33,812,681 were not adequate to provide for these programs, resulting in a decrease in net position for governmental activities of \$2,595,873.
- In the governmental funds, the general fund had \$35,690,120 in revenues and \$34,360,254 in expenditures. The general fund's fund balance increased by \$1,329,866 over 2020.

## USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Ocean County Vocational Technical Schools Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

**Fund Financial Statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

### ***Proprietary Funds***

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The School District's enterprise funds (Food Service Fund and Cost Recovery Fund) are listed individually and are considered to be major funds.

### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs.

Under the guidance of the *Governmental Accounting Standards Board* Statement No. 84, the District has reclassified the Fiduciary Funds maintained in the preceding period and now maintains no fiduciary funds.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

**Other Information.** As described in Note 19 to the financial statements, "Prior Period Adjustment/Restatement of Fund Balance and Net Position", the District has adopted the provisions of GASB 84, *Fiduciary Activities*, for the year ended June 30, 2021. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2020 in the amount of \$319,471, as indicated in Note 19 to the financial statements. The adoption of this principle resulted in a restatement of the District's opening General Fund fund balance and Special Revenue Fund fund balance as of July 1, 2020 in the amount of \$106,846 and \$212,625 respectively, as indicated in Note 19 to the financial statements.

### **Government-Wide Financial Analysis**

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2021 and 2020, respectively:

**Net Position**  
**June 30, 2021**

	Governmental Activities		Business-Type Activities	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 8,892,850	\$ 5,425,530	\$ 9,703	\$ 19,780
Capital Assets, Net	48,271,112	48,142,805	-	-
Total Assets	<u>57,163,962</u>	<u>53,568,335</u>	<u>9,703</u>	<u>19,780</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	1,858,125	2,382,870	-	-
<b>Liabilities</b>				
Long-Term Liabilities	11,279,628	12,322,061	-	-
Other Liabilities	1,888,883	901,878	75	656
Total Liabilities	<u>13,168,511</u>	<u>13,223,939</u>	<u>75</u>	<u>656</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	3,942,317	3,731,351	-	-
<b>Net Position</b>				
Net Investment in				
Capital Assets	48,271,112	48,142,805	-	-
Restricted	4,468,849	2,723,663	-	-
Unrestricted	(10,828,702)	(11,870,553)	9,628	19,124
Total Net Position	<u>\$ 41,911,259</u>	<u>\$ 38,995,915</u>	<u>\$ 9,628</u>	<u>\$ 19,124</u>

The District's largest net position component is the Restricted portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position increased \$1,745,186 from the prior year to \$4,468,849 at June 30, 2021.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$10,828,702) is shown as unrestricted net position for Governmental Activities.



The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2021 and 2020. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<b><u>June 30, 2021</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 36,851	\$ 36,851
Operating Grants and Contributions	13,763,215	5,596	13,768,811
General Revenues:			
County Appropriations	19,572,080	-	19,572,080
County Appropriation - Restricted	2,791,206	-	2,791,206
Federal & State Aid Not Restricted	6,578,519	-	6,578,519
Tuition Charges	4,496,785	-	4,496,785
Interest Earnings	1,245	-	1,245
Miscellaneous	372,846	-	372,846
<b>Total Revenues</b>	<b>47,575,896</b>	<b>42,447</b>	<b>47,618,343</b>
<b>Expenses:</b>			
Instructional Services	11,249,869	-	11,249,869
Support Services	25,118,146	51,943	25,170,089
Special Schools	6,359,024	-	6,359,024
Interest and Other Charges	2,252,984	-	2,252,984
<b>Total Expenses</b>	<b>44,980,023</b>	<b>51,943</b>	<b>45,031,966</b>
Change in Net Position	2,595,873	(9,496)	2,586,377
Net Position, Beginning (As Restated, Note 19)	39,315,386	19,124	39,334,510
Net Position, Ending	\$ 41,911,259	\$ 9,628	\$ 41,920,887
<b><u>June 30, 2020</u></b>			
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 165,283	\$ 165,283
Operating Grants and Contributions	7,768,336	12,946	7,781,282
General Revenues:			
County Appropriation	19,011,166	-	19,011,166
County Appropriation - Restricted	889,449	-	889,449
Federal and State Aid Not Restricted	5,950,402	-	5,950,402
Tuition Charges	4,732,203	-	4,732,203
Interest Earnings	2,347	-	2,347
Miscellaneous	356,338	-	356,338
<b>Total Revenues</b>	<b>38,710,241</b>	<b>178,229</b>	<b>38,888,470</b>
<b>Expenses:</b>			
Instructional Services	11,513,044	-	11,513,044
Support Services	19,739,520	178,653	19,918,173
Special Schools	6,088,011	-	6,088,011
Interest and Other Charges	1,872,471	-	1,872,471
<b>Total Expenses</b>	<b>39,213,046</b>	<b>178,653</b>	<b>39,391,699</b>
Change in Net Position	(502,805)	(424)	(503,229)
Net Position, Beginning	39,498,720	19,548	39,518,268
Net Position, Ending	\$ 38,995,915	\$ 19,124	\$ 39,015,039

## Financial Analysis of the District's Funds

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

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

## Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, and special revenue fund revenues for the fiscal year ended June 30, 2021 and 2020 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<u>June 30, 2021</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 11,249,869	27.24%	\$ (263,175)	-2.29%
Special Schools	6,359,024	15.40%	271,013	4.45%
Undistributed	21,303,560	51.59%	3,778,005	21.56%
Capital Outlay	2,331,214	5.65%	(12,481,063)	-84.26%
Debt Service:				
Interest	50,077	0.12%	-	0.00%
Total	\$ 41,293,744	100.00%	\$ (8,695,220)	-17.39%

	<u>June 30, 2020</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2019	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 11,513,044	23.03%	\$ 191,377	1.87%
Special Schools	6,088,011	12.18%	(363,319)	4.75%
Undistributed	17,525,555	35.06%	267,198	10.27%
Capital Outlay	14,812,277	29.63%	996,610	844.44%
Debt Service:				
Interest	50,077	0.10%	-	0.00%
Total	\$ 49,988,964	100.00%	\$ 1,091,866	42.00%

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

## General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2020-2021 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2020-2021 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

**Proprietary Funds.** The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a decrease in net position of (\$19,073) in 2020-2021 as compared to an increase in net position of \$2,903 in 2019-2020. The primary factor(s) affecting the change in net position of the Food Service fund was a result of decreased activity during the 2020-2021 school year.

The Cost Recovery Enterprise Fund showed an increase in net position of \$9,577 in 2020-2021 as compared to a decrease in net position of (\$3,327) in 2019-2020. The primary factor(s) affecting the change in net position of the Cost Recovery fund was a result of increased activity the 2020-2021 school year.

**Capital Assets**

At June 30, 2021 the District has capital assets of \$48,271,112, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2021</u>	
	Governmental Activities	Business-Type Activities
Buildings and Improvements	\$ 66,914,327	\$ -
Machinery and Equipment	17,196,741	-
Accumulated Depreciation	(35,839,956)	-
Total	<u>\$ 48,271,112</u>	<u>\$ -</u>
	<u>June 30, 2020</u>	
	Governmental Activities	Business-Type Activities
Buildings and Improvements	\$ 65,239,045	\$ -
Machinery and Equipment	16,971,959	-
Accumulated Depreciation	(34,068,199)	-
Total	<u>\$ 48,142,805</u>	<u>\$ -</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration and Other Obligations**

At June 30, 2021 and 2020, the District had no outstanding debt issues. Information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

### **Economic Factors and Subsequent Year's Budgets**

- The District anticipates that the approved 2021-2022 budget will be adequate to satisfy all 2021-2022 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2021-2022.
- For the 2020-2021 school year, the School Board was able to sustain its budget through the county aid levy, state education aid and local revenue sources. Approximately 35% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 68% of total revenue is from county appropriation and tuition charges.

### **Requests for Information**

This financial report is designed to provide a general overview of the Ocean County Vocational Technical School finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Frank J. Frazee the Business Administrator's Office, 137 Bey Lea Road, Toms River, NJ 08753-2703, or e-mail [ffrazee@mail.ocvts.org](mailto:ffrazee@mail.ocvts.org).

**BASIC FINANCIAL STATEMENTS**

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**A. Government-Wide Financial Statements**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Cash & Cash Equivalents	\$ 3,478,854	\$ 9,228	\$ 3,488,082
Receivables, Net (Note 4)	4,298,565	475	4,299,040
Restricted Cash & Cash Equivalents	1,115,431	-	1,115,431
Capital Assets, Net (Note 5)			
Depreciable	48,271,112	-	48,271,112
<b>Total Assets</b>	<b>57,163,962</b>	<b>9,703</b>	<b>57,173,665</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	1,858,125	-	1,858,125
<b>Total Deferred Outflow of Resources</b>	<b>1,858,125</b>	<b>-</b>	<b>1,858,125</b>
<b>LIABILITIES:</b>			
Accounts Payable	901,548	75	901,623
Due to Other Governments	705,670	-	705,670
Unearned Revenue	55,414	-	55,414
Unemployment Trust Fund Liability	51,852	-	51,852
Payroll Deductions & Withholdings	174,399	-	174,399
Noncurrent Liabilities (Note 7):			
Due in More Than One Year	11,279,628	-	11,279,628
<b>Total Liabilities</b>	<b>13,168,511</b>	<b>75</b>	<b>13,168,586</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	3,942,317	-	3,942,317
<b>Total Deferred Inflow of Resources</b>	<b>3,942,317</b>	<b>-</b>	<b>3,942,317</b>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	48,271,112	-	48,271,112
Restricted for:			
Capital Projects (Note 3)	3,251,478	-	3,251,478
Maintenance Reserve (Note 3)	907,812	-	907,812
Unemployment Compensation	106,846	-	106,846
Student Activities	187,458	-	187,458
Scholarship	15,255	-	15,255
Unrestricted (Deficit) (Note 18)	(10,828,702)	9,628	(10,819,074)
<b>Total Net Position</b>	<b>\$ 41,911,259</b>	<b>\$ 9,628</b>	<b>\$ 41,920,887</b>

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Basic Skills/Remidial	\$ 3,441,443	\$ -	\$ -	\$ -	(3,441,443)	\$ -	(3,441,443)
Regular Vocational Programs - Instruction	6,386,606	-	1,511,410	-	(4,875,196)	-	(4,875,196)
Special Vocational Programs - Instruction	1,349,181	-	-	-	(1,349,181)	-	(1,349,181)
Sponsored Co-curricular Activities	72,639	-	-	-	(72,639)	-	(72,639)
Support Services:							
Attendance & Social Work Services	82,875	-	-	-	(82,875)	-	(82,875)
Health Services	496,129	-	-	-	(496,129)	-	(496,129)
Other Support Services - Student Regular	4,187,158	-	-	-	(1,059,294)	-	(1,059,294)
Other Support Services - Student Special	315,511	-	3,127,864	-	(315,511)	-	(315,511)
Improvement of Instruction Services	9,034	-	-	-	(9,034)	-	(9,034)
Educational Media Services/School Library	207,618	-	-	-	(207,618)	-	(207,618)
Support Services: General Administration	1,059,582	-	-	-	(1,059,582)	-	(1,059,582)
Support Services: School Administration	2,077,061	-	-	-	(2,077,061)	-	(2,077,061)
Support Services: Central Services	817,051	-	-	-	(817,051)	-	(817,051)
Support Services: Information Technology	324,990	-	-	-	(324,990)	-	(324,990)
Required Maintenance for School Facilities	569,864	-	-	-	(569,864)	-	(569,864)
Operation & Maintenance Plant	1,967,326	-	-	-	(1,967,326)	-	(1,967,326)
Care Upkeep of Grounds	68,984	-	-	-	(68,984)	-	(68,984)
Security	67,300	-	-	-	(67,300)	-	(67,300)
Student Transportation Services	148,418	-	-	-	(148,418)	-	(148,418)
Unallocated Benefits - Employee Benefits	12,719,245	-	9,123,941	-	(3,595,304)	-	(3,595,304)
Unallocated Depreciation	2,202,907	-	-	-	(2,202,907)	-	(2,202,907)
Interest and Other Cost	50,077	-	-	-	(50,077)	-	(50,077)
Special Schools	6,359,024	-	-	-	(6,359,024)	-	(6,359,024)
Total Governmental Activities	44,980,023	-	13,763,215	-	(31,216,808)	-	(31,216,808)
Business-Type Activities:							
Food Service	45,659	20,990	5,596	-	-	(19,073)	(19,073)
Enterprise Fund	6,284	15,861	-	-	-	9,577	9,577
Total Business-Type Activities	51,943	36,851	5,596	-	-	(9,496)	(9,496)
Total Primary Government	\$ 45,031,966	\$ 36,851	\$ 13,768,811	\$ -	(31,216,808)	(9,496)	(31,226,304)
General Revenues:							
County Appropriations					19,572,080	-	19,572,080
County Appropriation - Restricted					2,791,206	-	2,791,206
Federal & State Aid Not Restricted					6,578,519	-	6,578,519
Tuition Charges					4,496,785	-	4,496,785
Interest Earnings					1,245	-	1,245
Miscellaneous					372,846	-	372,846
Total General Revenues					33,812,681	-	33,812,681
Change In Net Position					2,595,873	(9,496)	2,586,377
Net Position - Beginning (As Restated, Note 19)					39,315,386	19,124	39,334,510
Net Position - Ending					\$ 41,911,259	\$ 9,628	\$ 41,920,887

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

**B. Fund Financial Statements**

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## **Governmental Funds**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2021**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	
<b>ASSETS</b>				
Cash & Cash Equivalents	\$ 3,093,720	\$ 385,134	\$ -	\$ 3,478,854
Receivables, Net:				
Interfund Receivable	396,465	-	-	396,465
Due from Other Governments:				
State	175,055	11,905	-	186,960
Other	-	-	4,038,136	4,038,136
Other Accounts Receivable	72,174	1,295	-	73,469
Restricted Cash & Cash Equivalents	1,115,431	-	-	1,115,431
<b>Total Assets</b>	<b>\$ 4,852,845</b>	<b>\$ 398,334</b>	<b>\$ 4,038,136</b>	<b>\$ 9,289,315</b>
<b>LIABILITIES &amp; FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 150,273	\$ 195,621	\$ 490,967	\$ 836,861
Unemployment Trust Fund Liability	51,852	-	-	51,852
Payroll Deductions & Withholdings	174,399	-	-	174,399
Interfund Payable	-	-	396,465	396,465
Unearned Revenue	55,414	-	-	55,414
Accrued Salaries and Wages	64,687	-	-	64,687
<b>Total Liabilities</b>	<b>496,625</b>	<b>195,621</b>	<b>887,432</b>	<b>1,579,678</b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Capital Reserve	100,773	-	-	100,773
Maintenance Reserve	907,812	-	-	907,812
Capital Projects	-	-	3,150,704	3,150,704
Unemployment	106,846	-	-	106,846
Student Activities	-	187,458	-	187,458
Scholarship	-	15,255	-	15,255
<b>Committed to:</b>				
Other Purposes	724,336	-	-	724,336
<b>Assigned to:</b>				
Designated for				
Subsequent Year	1,100,000	-	-	1,100,000
Other Purposes	227,452	-	-	227,452
<b>Unassigned</b>				
General Fund	1,189,001	-	-	1,189,001
<b>Total Fund Balances</b>	<b>4,356,220</b>	<b>202,713</b>	<b>3,150,704</b>	<b>7,709,637</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 4,852,845</b>	<b>\$ 398,334</b>	<b>\$ 4,038,136</b>	
Amounts reported for <i>governmental activities</i> 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 \$84,111,068 and the accumulated depreciation is \$35,839,956.				48,271,112
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.				
Deferred Outflows Related to Pensions				1,858,125
Deferred Inflows Related to Pensions				(3,942,317)
Accrued pension contributions for the June 30, 2021 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.				(705,670)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.				(11,279,628)
<b>Net Position of Governmental Activities</b>				<b>\$ 41,911,259</b>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2021**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	
Revenues:				
Local Sources:				
County Appropriation	\$ 19,572,080	\$ -	\$ 2,791,206	\$ 22,363,286
Tuition Charges	4,496,785	-	-	4,496,785
Interest Earnings	1,245	-	-	1,245
Miscellaneous	256,319	882,084	-	1,138,403
Total Local Sources	24,326,429	882,084	2,791,206	27,999,719
State Sources	10,814,010	148,330	-	10,962,340
Federal Sources	549,681	4,037,585	-	4,587,266
Total Revenues	35,690,120	5,067,999	2,791,206	43,549,325
Expenditures:				
Instruction:				
Basic Skills/Remedial	3,441,443	-	-	3,441,443
Regular Vocational Programs - Instruction	4,875,196	1,511,410	-	6,386,606
Special Vocational Programs - Instruction	1,349,181	-	-	1,349,181
Sponsored Cocurricular Activities	72,639	-	-	72,639
Support Services:				
Attendance & Social Work Services	82,875	-	-	82,875
Health Services	496,129	-	-	496,129
Other Support Services - Student Regular	932,855	3,254,303	-	4,187,158
Other Support Services - Student Special	315,511	-	-	315,511
Improvement of Instruction Services	9,034	-	-	9,034
Educational Media Services/School Library	207,618	-	-	207,618
Support Services: General Administration	1,059,582	-	-	1,059,582
Support Services: School Administration	2,077,061	-	-	2,077,061
Support Services: Central Services	817,051	-	-	817,051
Support Services: Information Technology	324,990	-	-	324,990
Required Maintenance for School Facilities	569,864	-	-	569,864
Operation & Maintenance Plant	1,967,326	-	-	1,967,326
Care Upkeep of Grounds	68,984	-	-	68,984
Security	67,300	-	-	67,300
Student Transportation Services	148,418	-	-	148,418
Unallocated Benefits - Employee Benefits	8,904,659	-	-	8,904,659
Special Schools	6,359,024	-	-	6,359,024
Capital Outlay	163,437	312,198	1,855,579	2,331,214
Interest & Other Charges	50,077	-	-	50,077
Total Expenditures	34,360,254	5,077,911	1,855,579	41,293,744
Excess/(Deficiency) of Revenues Over Expenditures	1,329,866	(9,912)	935,627	2,255,581
Net Changes in Fund Balances	1,329,866	(9,912)	935,627	2,255,581
Fund Balance, July 1 (As Restated, Note 19)	3,026,354	212,625	2,215,077	5,454,056
Fund Balance, June 30	\$ 4,356,220	\$ 202,713	\$ 3,150,704	\$ 7,709,637

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



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2021**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	2,255,581
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation Expense	\$	(2,202,907)
Capital Outlays		<u>2,331,214</u>
		128,307
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.		
		221,312
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 (+).		
		<u>(9,327)</u>
Change in Net Position of Governmental Activities	\$	<u><u>2,595,873</u></u>

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## **Proprietary Funds**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2021**

	<b>MAJOR FUNDS</b>		
	<b>BUSINESS-TYPE ACTIVITIES</b>		
	<b>ENTERPRISE FUNDS</b>		
	<b>FOOD SERVICE</b>	<b>COST RECOVERY</b>	<b>TOTALS</b>
<b>ASSETS</b>			
Current Assets:			
Cash & Cash Equivalents	\$	-	\$ 15,845
Accounts Receivable:			\$ 15,845
Federal	395	-	395
State	80	-	80
Total Assets	475	15,845	16,320
<b>LIABILITIES</b>			
Current Liabilities:			
Cash Deficit	6,617	-	6,617
Accounts Payable	75	-	75
Total Current Liabilities	6,692	-	6,692
<b>NET POSITION</b>			
Unrestricted	(6,217)	15,845	9,628
Total Net Position	\$ (6,217)	\$ 15,845	\$ 9,628

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 YEAR ENDED JUNE 30, 2021**

	<b>MAJOR FUNDS</b>		
	<b>BUSINESS-TYPE ACTIVITIES</b>		
	<b>FOOD SERVICE</b>	<b>COST RECOVERY</b>	<b>TOTALS</b>
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 6,085	\$ -	\$ 6,085
Fees for Services	14,905	15,861	30,766
Total Operating Revenues	20,990	15,861	36,851
Operating Expenses:			
Cost of Sales - Reimbursable Programs	8,218	-	8,218
Cost of Sales - Non-Reimbursable Programs	10,485	-	10,485
Salaries	26,956	-	26,956
Supplies and Materials	-	6,284	6,284
Total Operating Expenses	45,659	6,284	51,943
Operating Income/(Loss)	(24,669)	9,577	(15,092)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	767	-	767
State School Breakfast Program	3		
Federal Sources:			
National School Lunch Program	4,581	-	4,581
National School Performance Based Program	185	-	185
National School Breakfast Program	60	-	60
Total Nonoperating Revenues/(Expenses)	5,596	-	5,593
Change in Net Position	(19,073)	9,577	(9,499)
Total Net Position - Beginning	12,856	6,268	19,124
Total Net Position - Ending	\$ (6,217)	\$ 15,845	\$ 9,628

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 YEAR ENDED JUNE 30, 2021**

	<b>MAJOR FUNDS</b>		
	<b>BUSINESS-TYPE ACTIVITIES</b>		
	<b>ENTERPRISE FUNDS</b>		
	<b>FOOD SERVICE</b>	<b>COST RECOVERY</b>	<b>TOTALS</b>
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 21,328	\$ 15,861	\$ 37,189
Payments to Suppliers	(46,240)	(6,284)	(52,524)
Net Cash Provided by/(Used for) Operating Activities	(24,912)	9,577	(15,335)
Cash Flows From Noncapital Financing Activities:			
State Sources	770	-	770
Federal Sources	4,826	-	4,826
Net Cash Provided by/(Used for) Noncapital Financing Activities	5,596	-	5,596
Net Increase/(Decrease) in Cash & Cash Equivalents	(19,316)	9,577	(9,739)
Balances - Beginning of Year	12,699	6,268	18,967
Balances - End of Year	\$ (6,617)	\$ 15,845	\$ 9,228

**Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities**

Operating Income/(Loss)	\$ (24,669)	\$ 9,577	\$ (15,092)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Increase/(Decrease) in Accounts Receivable, Net	338	-	338
(Increase)/Decrease in Accounts Payable	(581)	-	(581)
Total Adjustments	(243)	-	(243)
Net Cash Provided/(Used) by Operating Activities	\$ (24,912)	\$ 9,577	\$ (15,335)

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

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2021**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

The financial statements of the Ocean County Vocational Technical School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**Reporting Entity**

The Ocean County Vocational Technical School District is a Type I School District located in the County of Ocean, State of New Jersey. As a Type I School District, the School District functions independently through a Board of Education. The Board consists of appointed officials by the County Freeholders and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational service appropriate to grade levels 9 through 12. The School District has an approximate enrollment at June 30, 2021 of 1,367 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2021.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**A. Government-Wide Financial Statements**

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 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 property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**B. Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

The School District reports the following major governmental funds:

**General Fund** - The general fund is the general operating fund of the School District and 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 noninstructional equipment which are classified in the capital outlay sub-fund.

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

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

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

**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 the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**C. Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

**Food Service Fund** – The food service fund accounts for the financial transactions related to the food service operations of the School District.

**Cost Recovery Fund** – The Cost Recovery fund accounts for the financial transactions related to the printing and cosmetology operations of the School District.

**D. Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Net Position. The School District's fiduciary funds include Agency and Private-Purpose Trust Funds. Private Purpose Trust and Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Private Purpose Trust and Agency Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

The School District does not report any fiduciary funds.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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:23-2-2(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:23-2-11.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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 payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, 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 accounts as presented in the general fund budgetary comparison schedules 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 Balance – 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 modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**Encumbrances**

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue 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.



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Cash, Cash Equivalents and Investments**

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.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”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

**Tuition Receivable/Payable**

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

**Inventories**

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

**Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already 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 entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

**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 measureable and the School District is eligible to realize the revenue.

**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, government 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.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**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 assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

**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. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**Pensions**

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

**Fund Balance**

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This 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. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These 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) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**Net Position**

Net position, represents the difference between 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 components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of 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 – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2021 and February 18, 2022, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2021:

For the year June 30, 2021 the District implemented GASB Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. See Note 19 for more information.

Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 87, *Leases*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Statement No. 93, *Replacement of Interbank Offered Rates*. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021.

Management has yet to determine the impact these may have on the financial statements.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 2. Deposits and Investments**

**Deposits**

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2021, the School District’s bank balance of \$4,949,736 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	4,331,631
Uninsured and Uncollateralized		618,105
Total	\$	4,949,736

**Investments**

The School District had no investments at June 30, 2021.

**Note 3. Reserve Accounts**

**Capital Reserve**

A capital reserve account was established by the School District 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 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 either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2* . Pursuant to *N.J.A.C.6:23A-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:

Ending Balance, June 30, 2021 and 2020	\$	100,773
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The June 30, 2021 LRFP balance of local support costs of uncompleted capital projects at June 30, 2021 is \$34,861,500.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 3. Reserve Accounts (Continued)**

Maintenance Reserve

The School District established a maintenance reserve account in June of 2011 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

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

Beginning Balance, July 1, 2020	\$	407,812
Increased by:		
Deposits Approved by Board		500,000
Ending Balance, June 30, 2021	\$	907,812

Unemployment Claim Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2020 (As Restated, Note 19)	\$	106,846
Ending Balance, June 30, 2021	\$	106,846

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2021 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2021, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	General Fund	Special Revenue Fund	Capital Projects Fund	
State Awards	\$ 175,055	\$ 11,905	\$ -	\$ 186,960
Tuition	72,174	-	-	72,174
Other	-	1,295	4,038,136	4,039,431
Total	\$ 247,229	\$ 13,200	\$ 4,038,136	\$ 4,298,565
			Proprietary Funds	
			Food Service Fund	Total Business-Type Activities
Federal Awards			\$ 395	\$ 395
State Awards			80	80
Total			\$ 475	\$ 475

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2021 are as follows:

	Governmental Activities				Balance June 30, 2021
	Balance July 1, 2020	Additions	Retirements and Transfers	Adjustments	
<b>Governmental Activities:</b>					
Capital Assets being depreciated:					
Buildings and Improvements	\$ 65,239,045	\$ 1,675,282	\$ -	\$ -	\$ 66,914,327
Equipment	16,971,959	655,932	(431,150)	-	17,196,741
Total Capital Assets being depreciated	82,211,004	2,331,214	(431,150)	-	84,111,068
Less: Accumulated Depreciation:					
Equipment	(34,068,199)	(2,202,907)	431,150	-	(35,839,956)
Total Accumulated Depreciation	(34,068,199)	(2,202,907)	431,150	-	(35,839,956)
Total Capital Assets being depreciated, net	48,142,805	128,307	-	-	48,271,112
Total Governmental Activities Capital Assets, net	\$ 48,142,805	\$ 128,307	\$ -	\$ -	\$ 48,271,112

Depreciation expense was not allocated amount the various functions/programs of the School District.

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2021 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 396,465	\$ -
Capital Projects Fund	-	396,465
	\$ 396,465	\$ 396,465

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

There were no interfund transfers for the year ended June 30, 2021.

**Note 7. Long-Term Obligations**

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

	Balance <u>June 30, 2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2021</u>	Balance Due Within <u>One Year</u>
	Governmental Activities:				
Compensated Absences	\$ 2,163,191	\$ 9,327	\$ -	\$ 2,172,518	\$ -
Net Pension Liability	10,158,870	-	1,051,760	9,107,110	-
	\$ 12,322,061	\$ 9,327	\$ 1,051,760	\$ 11,279,628	\$ -



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans**

**A. Public Employees' Retirement System (PERS)**

**Plan Description** - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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 ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
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 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 before age 62 with 25 or more years of service credit 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.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2021, the School District reported a liability of \$9,107,110 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2019, to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The School District's proportion measured as of June 30, 2020, was 0.055847%, which was a decrease of (.0005337%) from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the School District recognized full accrual pension expense of \$389,621 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date. At June 30, 2021 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 165,826	\$ 32,207
Changes of Assumptions	295,445	3,813,233
Net Difference between Projected and Actual Earnings on Pension Plan Investments	311,288	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	379,896	96,877
School District contributions subsequent to measurement date	705,670	-
	\$ 1,858,125	\$ 3,942,317

\$705,670 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2020-2021 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2022 and will be recognized as a reduction of the net pension liability in the year ended 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:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Year Ending June 30,</b>	
2022	\$ (767,423)
2023	(1,012,835)
2024	(609,117)
2025	(344,688)
2026	(55,799)
	\$ (2,789,862)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
<b>Differences between Expected and Actual Experience</b>		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
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	-
<b>Changes of Assumptions</b>		
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	-	5.73
June 30, 2019	-	5.21
June 30, 2020	-	5.16
<b>Net Difference between Projected and Actual Earnings on Pension Plan Investments</b>		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
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	-
<b>Changes in Proportion and Differences between District Contributions</b>		
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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00% Based on Age
Thereafter	3.00% - 7.00% Based on Age
Investment Rate of Return	7.00%
Mortality Rate of Return:	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

<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-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2020, calculated using the 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-percentage point lower or 1-percentage point higher than the current rate:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(6.00%)</u></b>	<b>At Current Discount Rate <u>(7.00%)</u></b>	<b>At 1% Increase <u>(8.00%)</u></b>
School District's Proportionate Share of the Net Pension Liability	\$ 11,554,482	\$ 9,107,110	\$ 7,162,828

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2021</u>	<u>6/30/2020</u>
Collective Deferred Outflows of Resources	\$ 2,347,583,337	\$ 3,149,522,616
Collective Deferred Inflows of Resources	7,849,949,467	7,645,087,574
Collective Net Pension Liability	16,435,616,426	18,143,832,135
School District's portion	0.05585%	0.05638%

**B. Teachers' Pension and Annuity Fund (TPAF)**

**Plan Description** - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.nj.gov/treasury/pensions/financial-reports.shtml](http://www.nj.gov/treasury/pensions/financial-reports.shtml).

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.

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
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 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years 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.

**Contributions** - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.2% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2020 was \$72,711,018. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2020. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1104212%, which was an increase of 0.0002773% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized a pension expense in the amount of \$4,521,481 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2020 measurement date.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

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

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55% - 4.45% Based on Years of Service
Thereafter	2.75% - 5.65% Based on Years of Service
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

<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-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(4.40%)</u></b>	<b>At Current Discount Rate <u>(5.40%)</u></b>	<b>At 1% Increase <u>(6.40%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 85,407,606	\$ 72,711,018	\$ 62,168,633

**Pension Plan Fiduciary Net Position** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2021</u>		<u>6/30/2020</u>
Collective Deferred Outflows of Resources	\$ 9,626,548,228	\$	10,129,162,237
Collective Deferred Inflows of Resources	\$ 14,591,988,841	\$	17,736,240,054
Collective Net Pension Liability	\$ 65,993,498,688	\$	61,519,112,443
School District's portion	0.11042%		0.11014%

**C. Defined Contribution Retirement Plan (DCRP)**

**Plan Description** - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2018 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

**Contributions** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan 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 State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. 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.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

**Basis of Presentation**

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**Inflation Rate** 2.50%

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

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

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, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2020 was \$75,123,283. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2020, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the OPEB Obligation attributable to the School District was 0.11078502%, which was a decrease of (0.00014739%) from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$3,725,810 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2020 measurement date.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**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%.

**Discount Rate**

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	6/30/2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 90,564,995	\$ 75,123,283	\$ 63,049,351
State of New Jersey's Total Nonemployer OPEB Liability	\$ 81,748,410,002	\$ 67,809,962,608	\$ 56,911,439,160

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	6/30/2020		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 60,642,047	\$ 75,123,283	\$ 92,367,216
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,738,488,540	\$ 67,809,962,608	\$ 83,375,182,975

\* See Healthcare Cost Trend Assumptions for details of rates.

**Additional Information**

Collective balances of the Local Group at June 30, 2020 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 10,295,318,750	\$ (9,170,703,615)
Changes in Assumption	11,534,251,250	(7,737,500,827)
Contributions Made in Fiscal Year Year Ending 2021 After June 30, 2020 Measurement Date **	TBD	-
	\$ 21,829,570,000	\$ (16,908,204,442)

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Additional Information (continued):**

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

Fiscal Year Ending June 30,		
2021	\$	43,440,417
2022		43,440,417
2023		43,440,417
2024		43,440,417
2025		43,440,417
Thereafter		4,704,163,473
	\$	4,921,365,558

\*\* Employer Contributions made after June 30, 2020 are reported as a deferred outflow of resources, but are not amortized in expense.

**Plan Membership**

At June 30, 2019, the Program membership consisted of the following:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	149,304
	366,108

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

**Total OPEB Liability**

Service Cost	\$ 1,790,973,822
Interest Cost	1,503,341,357
Differences Between Expected and Actual	11,544,750,637
Changes of Assumptions	12,386,549,981
Contributions: Member	35,781,384
Gross Benefit Payments	(1,180,515,618)
Net Change in Total OPEB Liability	26,080,881,563
Total OPEB Liability (Beginning)	41,729,081,045
Total OPEB Liability (Ending)	\$ 67,809,962,608
Total Covered Employee Payroll	14,267,738,657
Net OPEB Liability as a Percentage of Payroll	475%

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2021, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,213,621, \$875,282, \$1,007,099, and \$1,368, respectively.

**Note 11. 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. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending balance</u>	
				<u>Restricted Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2020-2021	\$ -	\$ 27,997	\$ 20,127	\$ 106,846	\$ 51,852
2019-2020	29,692	-	81,481	106,846	43,982
2018-2019	27,674	-	11,624	158,635	-

Starting on July 1, 2020 Unemployment is accounted for in the General Fund.

As of June 30, 2021 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated employment claims.

**Property and Liability Insurance** – The School District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**Joint Insurance Pool** – The School District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property - Blanket Building & Grounds	General & Automobile Liability
Boiler & Machinery	Workers' Compensation
School Board Legal Liability	Comprehensive Crime Coverage

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 12. Contingencies (Continued)**

**Litigation** – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**Economic Dependency** – The School District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the School District’s programs and activities.

**Note 13. Deferred Compensation**

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable  
Ameriprise

Lincoln Investment Planning, Inc.  
Fidelity Investments

Met Life

**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 (GASB 16), “Accounting for Compensated Absences”. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2021, the liability for compensated absences reported was \$2,172,518.

**Note 15. Tax Abatements**

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 15. Tax Abatements (Continued)**

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District did not have any excess fund balance at June 30, 2021.

**Note 17. Fund Balances**

General Fund – Of the \$4,356,220 General Fund fund balance at June 30, 2021, \$100,773 has been restricted for the Capital Reserve Account; \$907,812 has been restricted for the Maintenance Reserve Account; \$106,846 has been restricted for Unemployment Claims; \$724,336 has been committed to other purposes; \$227,452 has been assigned to other purposes; \$1,100,000 has been designated for subsequent year's expenditures and \$1,189,001 is unassigned.

Special Revenue Fund – Of the \$202,713 Special Revenue Fund fund balance at June 30, 2021, \$187,458 is restricted for Student Activities and \$15,255 is restricted for Scholarships.

Capital Projects Fund – Of the \$3,150,704 Capital Projects Fund fund balance at June 30, 2021, \$3,150,704 is restricted for future capital projects approved by the School District.

**Note 18. Deficit in Net Position**

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$10,828,702 at June 30, 2021. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2021. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 19. Prior Period Adjustment/Restatement of Fund Balance and Net Position**

Net Position as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

Net Position as previously reported at June 30, 2020	\$	38,995,915
Prior Period Adjustment-		
Implementation of GASB 84:		
Restricted Fund Balance - Unemployment		106,846
Restricted Fund Balance - Student Activities		193,770
Restricted Fund Balance - Scholarship		18,855
		<hr/>
Total Prior Period Adjustment		319,471
		<hr/>
Net Position as restated, July 1, 2020	\$	<u><u>39,315,386</u></u>

Fund Balance in the General Fund and the Special Revenue Fund as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

	<b>General Fund</b>	<b>Special Revenue Fund</b>
Fund Balance as previously reported at June 30, 2020	\$ 2,919,508	\$ -
Prior Period Adjustment-		
Implementation of GASB 84:		
Restricted Fund Balance - Unemployment	106,846	-
Restricted Fund Balance - Student Activities	-	193,770
Restricted Fund Balance - Scholarship	-	18,855
		<hr/>
Total Prior Period Adjustment	106,846	212,625
		<hr/>
Fund Balance as restated, July 1, 2020	\$ 3,026,354	\$ 212,625
		<hr/> <hr/>

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Revenues:</b>						
<b>Local Sources:</b>						
County Appropriations	10-1200	\$ 19,572,080	\$ -	\$ 19,572,080	\$ 19,572,080	\$ -
Tuition From LEAs	10-1310	2,069,325	-	2,069,325	2,058,402	(10,923)
Tuition From Individuals	10-1320	2,650,000	-	2,650,000	2,438,383	(211,617)
Interest Earned	10-1510	-	-	-	1,245	1,245
Unrestricted Miscellaneous Revenues	10-1990	250,000	-	250,000	256,319	6,319
<b>Total Local Sources</b>		<b>24,541,405</b>	<b>-</b>	<b>24,541,405</b>	<b>24,326,429</b>	<b>(214,976)</b>
<b>State Sources:</b>						
Categorical Special Education Aid	10-3132	837,311	-	837,311	837,311	-
Vocational Expansion Stabilization Aid	10-3140	1,361,904	-	1,361,904	1,361,904	-
Equalization Aid	10-3176	2,014,757	-	2,014,757	2,014,757	-
Categorical Security Aid	10-3177	189,062	-	189,062	189,062	-
Adjustment Aid	10-3178	1,182,061	-	1,182,061	1,182,061	-
Securing Our Children's Future Bond Act (Alyssa's Law)	10-3256	-	131,545	131,545	131,545	-
<b>Nonbudgeted:</b>						
On-Behalf TPAF Pension Contribution		-	-	-	3,213,621	3,213,621
On-Behalf TPAF Post Retirement Medical		-	-	-	1,007,099	1,007,099
On-Behalf TPAF Long Term Disability Insurance		-	-	-	1,368	1,368
Reimbursed TPAF Social Security Contributions		-	-	-	875,282	875,282
<b>Total State Sources</b>		<b>5,585,095</b>	<b>131,545</b>	<b>5,716,640</b>	<b>10,814,010</b>	<b>5,097,370</b>
<b>Federal Sources:</b>						
HEERF Fund For the Improvement of Postsecondary Education	10-4530	-	-	-	119,176	119,176
County Passthrough Coronavirus Relief Fund	10-4532	-	-	-	430,505	430,505
<b>Total Federal Sources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>549,681</b>	<b>549,681</b>
<b>Total Revenues</b>		<b>30,126,500</b>	<b>131,545</b>	<b>30,258,045</b>	<b>35,690,120</b>	<b>5,432,075</b>
<b>Current Expense:</b>						
<b>Regular Programs - Instruction:</b>						
Salaries of Teachers	11-140-100-101	3,607,500	(191,218)	3,416,282	3,398,356	17,926
General Supplies	11-140-100-610	52,200	-	52,200	33,221	18,979
Textbooks	11-140-100-640	10,000	-	10,000	9,866	134
<b>Total Regular Programs - Instruction</b>		<b>3,669,700</b>	<b>(191,218)</b>	<b>3,478,482</b>	<b>3,441,443</b>	<b>37,039</b>
<b>Regular Vocational Programs - Instruction</b>						
Salaries of Teachers	11-310-100-101	3,621,845	34,706	3,656,551	3,630,607	25,944
Other Salaries of Instruction	11-310-100-106	482,950	(32,118)	450,832	429,805	21,027
Purchased Professional & Educational Services	11-310-100-320	15,000	1,763	16,763	16,763	-
Purchased Technical Services	11-310-100-340	85,000	11,147	96,147	92,150	3,997
Travel	11-310-100-580	9,000	-	9,000	1,243	7,757
General Supplies	11-310-100-610	719,075	44,172	763,247	508,164	255,083
Textbooks	11-310-100-640	135,000	61,464	196,464	196,464	-
<b>Total Regular Vocational Programs - Instruction</b>		<b>5,067,870</b>	<b>121,134</b>	<b>5,189,004</b>	<b>4,875,196</b>	<b>313,808</b>
<b>Special Vocational Programs - Instruction</b>						
Salaries of Teachers	11-320-100-101	1,382,806	(81,557)	1,301,249	1,249,648	51,601
Other Salaries of Instruction	11-320-100-106	10,000	-	10,000	-	10,000
Purchased Professional Services	11-320-100-340	4,000	3,202	7,202	7,202	-
Travel	11-320-100-580	750	-	750	-	750
General Supplies	11-320-100-610	136,050	36,206	172,256	88,427	83,829
Textbooks	11-320-100-641	7,500	-	7,500	3,904	3,596
<b>Total Special Vocational Programs - Instruction</b>		<b>1,541,106</b>	<b>(42,149)</b>	<b>1,498,957</b>	<b>1,349,181</b>	<b>149,776</b>
<b>School-Sponsored Cocurricular Activities</b>						
Other Objects	11-401-100-800	273,000	(84,118)	188,882	72,639	116,243
Transfers to Cover Deficit (Agency Funds)	11-401-100-930	-	-	-	-	-
<b>Total School-Sponsored Cocurricular Activities:</b>		<b>273,000</b>	<b>(84,118)</b>	<b>188,882</b>	<b>72,639</b>	<b>116,243</b>
<b>Total Instruction</b>		<b>10,551,676</b>	<b>(196,351)</b>	<b>10,355,325</b>	<b>9,738,459</b>	<b>616,866</b>
<b>Undistributed Expenditures Attendance and Social Work:</b>						
Salaries	11-000-211-100	82,875	-	82,875	82,875	-
<b>Total Undistributed Expenditures Attendance and Social Work</b>		<b>82,875</b>	<b>-</b>	<b>82,875</b>	<b>82,875</b>	<b>-</b>
<b>Undistributed Expenditures - Health Services:</b>						
Salaries	11-000-213-100	471,045	1,910	472,955	472,955	-
Purchased Professional & Technical Services	11-000-213-300	15,000	1,773	16,773	16,773	-
Supplies and Materials	11-000-213-600	6,500	-	6,500	6,401	99
<b>Total Undistributed Expenditures - Health Services</b>		<b>492,545</b>	<b>3,683</b>	<b>496,228</b>	<b>496,129</b>	<b>99</b>

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	702,922	(2,354)	700,568	699,503	1,065
Salaries of Secretaries & Clerical Assistants	11-000-218-105	47,810	-	47,810	47,810	-
Purchased Professional - Educational Services	11-000-218-320	15,000	(389)	14,611	14,611	-
Other Purchased Services	11-000-218-500	1,500	(248)	1,252	88	1,164
Supplies and Materials	11-000-218-600	102,500	70,450	172,950	170,843	2,107
<b>Total Undistributed Expenditures - Guidance</b>		<b>869,732</b>	<b>67,459</b>	<b>937,191</b>	<b>932,855</b>	<b>4,336</b>
Undistributed Expenditures - Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	277,688	(31,921)	245,767	239,876	5,891
Salaries of Secretaries & Clerical Assistants	11-000-219-105	77,529	(4,962)	72,567	72,567	-
Supplies and Materials	11-000-219-600	6,500	-	6,500	3,068	3,432
<b>Total Undistributed Expenditures - Child Study Teams</b>		<b>361,717</b>	<b>(36,883)</b>	<b>324,834</b>	<b>315,511</b>	<b>9,323</b>
Undistributed Expenditures - Improvement of Instruction Services:						
Other Purchased Services	11-000-221-500	15,000	(5,000)	10,000	9,034	966
<b>Total Undistributed Expenditures - Improvement of Instruction Services</b>		<b>15,000</b>	<b>(5,000)</b>	<b>10,000</b>	<b>9,034</b>	<b>966</b>
Undistributed Expenditures - Educational Media Services/Library:						
Supplies and Materials	11-000-222-600	159,700	54,581	214,281	207,618	6,663
<b>Total Undistributed Expenditures - Educational Media Services/Library</b>		<b>159,700</b>	<b>54,581</b>	<b>214,281</b>	<b>207,618</b>	<b>6,663</b>
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	327,635	420	328,055	328,041	14
Legal Services	11-000-230-331	70,000	47,221	117,221	114,716	2,505
Other Purchased Professional Services	11-000-230-339	50,000	(3,270)	46,730	35,050	11,680
Communications/Telephone	11-000-230-530	240,000	74,511	314,511	296,497	18,014
BOE Other Purchased Professional Services	11-000-230-585	10,000	(5,000)	5,000	1,991	3,009
Other Purchased Services	11-000-230-590	248,197	(25,660)	222,537	213,195	9,342
General Supplies	11-000-230-610	15,500	2,666	18,166	15,796	2,370
Miscellaneous Expenditures	11-000-230-890	39,000	15,430	54,430	54,296	134
<b>Total Undistributed Expenditures - Support Services - General Administration</b>		<b>1,000,332</b>	<b>106,318</b>	<b>1,106,650</b>	<b>1,059,582</b>	<b>47,068</b>
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	1,185,134	(22,577)	1,162,557	1,154,764	7,793
Salaries of Other Professional Staff	11-000-240-104	125,300	(5,250)	120,050	116,695	3,355
Salaries of Secretaries & Clerical Assistants	11-000-240-105	568,265	(19,527)	548,738	545,027	3,711
Other Salaries	11-000-240-110	85,500	3,649	89,149	89,149	-
Purchased Professional & Technical Services	11-000-240-300	21,000	-	21,000	19,068	1,932
Other Purchased Services	11-000-240-500	54,000	(29,705)	24,295	15,982	8,313
Supplies and Materials	11-000-240-600	83,500	25,222	108,722	89,266	19,456
Other Objects	11-000-240-800	71,700	(12,194)	59,506	47,110	12,396
<b>Total Undistributed Expenditures - Support Services - School Administration</b>		<b>2,194,399</b>	<b>(60,382)</b>	<b>2,134,017</b>	<b>2,077,061</b>	<b>56,956</b>
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	605,748	(7,937)	597,811	597,375	436
Purchased Professional Services	11-000-251-330	109,867	82,630	192,497	155,961	36,536
Purchased Technical Services	11-000-251-340	18,000	-	18,000	12,750	5,250
Miscellaneous Purchased Services	11-000-251-592	5,500	(658)	4,842	876	3,966
Supplies and Materials	11-000-251-600	5,500	-	5,500	5,431	69
Miscellaneous Expenditures	11-000-251-890	33,500	11,158	44,658	44,658	-
<b>Total Undistributed Expenditures - Central Services</b>		<b>778,115</b>	<b>85,193</b>	<b>863,308</b>	<b>817,051</b>	<b>46,257</b>
Undistributed Expenditures - Administrative Information Technology:						
Salaries	11-000-252-100	301,665	(58,644)	243,021	242,558	463
Purchased Technical Services	11-000-252-340	-	6,048	6,048	3,048	3,000
Other Purchased Services	11-000-252-500	2,000	-	2,000	1,793	207
Supplies and Materials	11-000-252-600	60,000	17,591	77,591	77,591	-
<b>Total Undistributed Expenditures - Administrative Information Technology</b>		<b>363,665</b>	<b>(35,005)</b>	<b>328,660</b>	<b>324,990</b>	<b>3,670</b>
Undistributed Expenditures - Required Maintenance for School Facilities:						
Salaries	11-000-261-100	102,620	(4,872)	97,748	94,674	3,074
Cleaning, Repair & Maintenance Services	11-000-261-420	387,000	262,298	649,298	465,377	183,921
General Supplies	11-000-261-610	35,000	(11,000)	24,000	9,813	14,187
<b>Total Required Maintenance for School Facilities</b>		<b>524,620</b>	<b>246,426</b>	<b>771,046</b>	<b>569,864</b>	<b>201,182</b>



OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures - Custodial Services:						
Salaries	11-000-262-100	649,828	(926)	648,902	612,156	36,746
Cleaning, Repair & Maintenance Services	11-000-262-420	514,200	108,093	622,293	539,426	82,867
Rental of Land & Bldg. Other Than Lease Purch.	11-000-262-441	25,000	(2,561)	22,439	17,685	4,754
Other Purchased Property Services	11-000-262-490	59,500	(8,795)	50,705	30,774	19,931
Miscellaneous Purchased Services	11-000-262-590	15,000	(15,000)	-	-	-
General Supplies	11-000-262-610	214,500	43,003	257,503	204,824	52,679
Energy (Natural Gas)	11-000-262-621	150,000	47,626	197,626	172,262	25,364
Energy (Electricity)	11-000-262-622	430,000	29,246	459,246	389,657	69,589
Energy (Oil)	11-000-262-624	-	1,400	1,400	542	858
<b>Total Undistributed Expenditures - Custodial Services</b>		<b>2,058,028</b>	<b>202,086</b>	<b>2,260,114</b>	<b>1,967,326</b>	<b>292,788</b>
Undistributed Expenditures - Care and Upkeep of Grounds:						
Salaries	11-000-263-100	77,434	(4,356)	73,078	68,984	4,094
<b>Total Care and Upkeep of Grounds</b>		<b>77,434</b>	<b>(4,356)</b>	<b>73,078</b>	<b>68,984</b>	<b>4,094</b>
Security:						
Cleaning, Repair, and Maintenance Services	11-000-266-420	75,000	16,413	91,413	67,300	24,113
<b>Total Security</b>		<b>75,000</b>	<b>16,413</b>	<b>91,413</b>	<b>67,300</b>	<b>24,113</b>
Undistributed Expenditures - Student Transportation Services:						
Sal for Pupil Trans (Bet. H&S) - NonPublic Sch	11-000-270-163	87,000	(59,238)	27,762	22,616	5,146
Cleaning, Repair and Maintenance Services	11-000-270-420	100,000	25,697	125,697	117,963	7,734
Miscellaneous Purchased Services - Transportation	11-000-270-593	58,000	(45,400)	12,600	7,839	4,761
<b>Total Undistributed Expenditures - Student Transportation Services</b>		<b>245,000</b>	<b>(78,941)</b>	<b>166,059</b>	<b>148,418</b>	<b>17,641</b>
Unallocated Benefits:						
Social Security Contributions	11-000-291-220	310,000	(10,000)	300,000	296,058	3,942
Other Retirement Contributions - PERS	11-000-291-241	430,000	9,364	439,364	439,364	-
Pension Contributions	11-000-291-249	20,000	(8,000)	12,000	11,226	774
Workmen's Compensation	11-000-291-260	174,070	(10,000)	164,070	163,480	590
Health Benefits	11-000-291-270	3,387,679	(724,869)	2,662,810	2,648,537	14,273
Tuition Reimbursement	11-000-291-280	75,000	(15,750)	59,250	54,471	4,779
Other Employee Benefits	11-000-291-290	143,000	51,153	194,153	194,153	-
<b>Total Unallocated Benefits</b>		<b>4,539,749</b>	<b>(708,102)</b>	<b>3,831,647</b>	<b>3,807,289</b>	<b>24,358</b>
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	3,213,621	(3,213,621)
On-Behalf TPAF Post Retirement Medical		-	-	-	1,007,099	(1,007,099)
On-Behalf TPAF Long Term Disability Insurance		-	-	-	1,368	(1,368)
Reimbursed TPAF Social Security Contributions		-	-	-	875,282	(875,282)
<b>Total Undistributed Expenditures</b>		<b>13,837,911</b>	<b>(146,510)</b>	<b>13,691,401</b>	<b>18,049,257</b>	<b>(4,357,856)</b>
<b>Total Expenditures - Current Expense</b>		<b>24,389,587</b>	<b>(342,861)</b>	<b>24,046,726</b>	<b>27,787,716</b>	<b>(3,740,990)</b>
Capital Outlay:						
Equipment:						
Vocational Programs: Regular Programs	12-310-100-730	107,423	34,350	141,773	95,475	46,298
Special Education - Instruction: Special Vocational Programs	12-XXX-100-730	-	16,282	16,282	15,532	750
Operating & Maintenance of Plant Services	12-000-260-730	-	41,393	41,393	13,576	27,817
Undist. Expend. - Required Maint for School Fac.	12-000-261-730	17,500	-	17,500	2,999	14,501
School Buses - Special	12-000-270-734	-	294,453	294,453	-	294,453
School Security - Alyssa's Law	12-000-270-720	-	131,545	131,545	35,855	95,690
Assessment for Debt Service on SDA Funding	12-000-400-896	50,077	-	50,077	50,077	-
<b>Total Equipment</b>		<b>175,000</b>	<b>518,023</b>	<b>693,023</b>	<b>213,514</b>	<b>479,509</b>
<b>Total Capital Outlay</b>		<b>175,000</b>	<b>518,023</b>	<b>693,023</b>	<b>213,514</b>	<b>479,509</b>
Special Schools						
Post-Secondary Programs - Instruction						
Salaries of Teachers	13-330-100-101	1,048,170	29,836	1,078,006	1,055,690	22,316
General Supplies	13-330-100-610	186,500	14,661	201,161	166,839	34,322
Textbooks	13-330-100-640	11,000	(1,500)	9,500	5,181	4,319
<b>Total Post-Secondary Programs - Instruction</b>		<b>1,245,670</b>	<b>42,997</b>	<b>1,288,667</b>	<b>1,227,710</b>	<b>60,957</b>
Post-Secondary Programs - Instruction						
Salaries of Teachers	13-330-200-100	267,255	1,562	268,817	268,817	-
General Supplies	13-330-200-600	2,500	-	2,500	2,059	441
Other Objects	13-330-200-800	3,000	9,814	12,814	3,023	9,791
<b>Total Post-Secondary Programs - Support Services</b>		<b>272,755</b>	<b>11,376</b>	<b>284,131</b>	<b>273,899</b>	<b>10,232</b>
<b>Total Post-Secondary Programs - Programs</b>		<b>1,518,425</b>	<b>54,373</b>	<b>1,572,798</b>	<b>1,501,609</b>	<b>71,189</b>

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Adult Education - Local - Support Services						
Salaries of Teachers	13-602-200-100	8,500	-	8,500	-	8,500
Total Adult Education - Local - Support Services		8,500	-	8,500	-	8,500
Vocational Evenings - Local - Instruction						
Salaries of Teachers	13-629-100-101	347,500	118,593	466,093	466,093	-
General Supplies	13-629-100-610	70,000	(7,442)	62,558	59,559	2,999
Textbooks	13-629-100-640	7,000	1,887	8,887	8,828	59
Total Post-Secondary Programs - Instruction		424,500	113,038	537,538	534,480	3,058
Vocational Evenings - Local - Support Services:						
Salaries	13-629-200-100	1,596,283	1,335	1,597,618	1,521,265	76,353
Personal Services - Employee Benefits	13-629-200-200	2,018,831	(4,695)	2,014,136	1,995,851	18,285
Purchased Professional & Technical Services	13-629-200-300	125,658	45,459	171,117	154,273	16,844
Other Purchased Services	13-629-200-500	397,716	28,222	425,938	338,468	87,470
Cleaning, Repair & Maintenance Supplies and Materials	13-629-200-600	337,000	28,447	365,447	298,715	66,732
Other Objects	13-629-200-800	10,000	9,474	19,474	14,363	5,111
Total Vocational Evenings - Local - Support Services:		4,485,488	108,242	4,593,730	4,322,935	270,795
Total Vocational Evening - Local		4,909,988	221,280	5,131,268	4,857,415	273,853
Total Special Schools		6,436,913	275,653	6,712,566	6,359,024	353,542
Total Expenditures		31,001,500	450,815	31,452,315	34,360,254	(2,907,939)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		(875,000)	(319,270)	(1,194,270)	1,329,866	2,524,136
Fund Balances, July 1 (As Restated)		3,579,855	-	3,579,855	3,579,855	-
Fund Balances, June 30		\$ 2,704,855	\$ (319,270)	\$ 2,385,585	\$ 4,909,721	\$ 2,524,136

RECAPULATION OF BUDGET TRANSFERS

Rollover Encumbrances from Prior Year	\$ 319,270
	<u>\$ 319,270</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 100,773
Maintenance Reserve	907,812
Unemployment Reserve	106,846
Committed Fund Balance:	
Year-End Encumbrances	724,336
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	1,100,000
Year-End Encumbrances	227,452
Unassigned Fund Balance	<u>1,742,502</u>
Subtotal	4,909,721
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	<u>(553,501)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 4,356,220</u>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
State Sources	\$ 125,181	\$ 23,149	\$ 148,330	\$ 148,330	\$ -
Federal Sources	900,942	3,136,643	4,037,585	4,037,585	-
Local Sources	663,462	218,622	882,084	882,084	-
<b>Total Revenues</b>	<b>1,689,585</b>	<b>3,378,414</b>	<b>5,067,999</b>	<b>5,067,999</b>	<b>-</b>
Expenditures:					
Instruction:					
Salaries of Teachers	706,691	148,676	855,367	855,367	-
Purchased Professional & Technical Services	-	115,727	115,727	115,727	-
Textbooks	700	562	1,262	1,262	-
Supplies and Materials	590,503	(62,114)	528,389	528,389	-
General Supplies	20,000	(9,335)	10,665	10,665	-
<b>Total Instruction</b>	<b>1,317,894</b>	<b>193,516</b>	<b>1,511,410</b>	<b>1,511,410</b>	<b>-</b>
Support Services:					
Salaries of Personnel Services	125,301	(8,199)	117,102	117,102	-
Salaries of Supervision of Instruction	-	2,000	2,000	2,000	-
Salaries of Principals/Asst.	20,000	32,794	52,794	52,794	-
Salaries of Other Professional Staff	-	84,440	84,440	84,440	-
Salaries of Secretarial & Clerical Assistants	45,708	1,769	47,477	47,477	-
Other Salaries	-	121,401	121,401	121,401	-
Personal Services - Employee Benefits	155,982	221,388	377,370	377,370	-
Other Purchased Services	-	39,175	39,175	39,175	-
Travel	400	(400)	-	-	-
Miscellaneous Purchased Services	800	(800)	-	-	-
Supplies and Materials	3,500	244,300	247,800	247,800	-
Scholarships Awarded	-	2,057,730	2,057,730	2,057,730	-
Student Activities	-	87,014	87,014	87,014	-
Miscellaneous Expenditures	20,000	-	20,000	20,000	-
<b>Total Support Services</b>	<b>371,691</b>	<b>2,882,612</b>	<b>3,254,303</b>	<b>3,254,303</b>	<b>-</b>
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	262,449	262,449	262,449	-
Noninstructional Equipment	-	49,749	49,749	49,749	-
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>312,198</b>	<b>312,198</b>	<b>312,198</b>	<b>-</b>
<b>Total Expenditures</b>	<b>1,689,585</b>	<b>3,388,326</b>	<b>5,077,911</b>	<b>5,077,911</b>	<b>-</b>
<b>Total Outflows</b>	<b>1,689,585</b>	<b>3,388,326</b>	<b>5,077,911</b>	<b>5,077,911</b>	<b>-</b>
Excess/(Deficiency) of Revenues Over/(Under)					
Expenditures & Other Financing Sources/(Uses)	-	(9,912)	(9,912)	(9,912)	-
Fund Balances, July 1 (As Restated, Note 19)	-	-	-	212,625	212,625
<b>Fund Balances, June 30</b>	<b>\$ -</b>	<b>\$ (9,912)</b>	<b>\$ (9,912)</b>	<b>\$ 202,713</b>	<b>\$ 202,713</b>

**RECAPITULATION OF FUND BALANCE**

Restricted:	
Scholarship	\$ 15,255
Student Activities	187,458
<b>Total Fund Balance</b>	<b>\$ 202,713</b>

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2021**

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

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 35,690,120	\$ 5,067,999
<p>The last state aid payments are 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).</p>		
Current Year	(553,501)	-
Prior Year	553,501	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 35,690,120	\$ 5,067,999
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 34,360,254	\$ 5,077,911
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	-
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 34,360,254	\$ 5,077,911

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST EIGHT FISCAL YEARS\*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.05585%	0.05638%	0.05496%	0.05333%	0.05325%	0.05299%	0.05166%	0.04986%
School District's proportionate share of the net pension liability	\$ 9,107,110	\$ 10,158,870	\$ 10,822,252	\$ 12,414,108	\$ 15,771,410	\$ 11,894,178	\$ 9,672,061	\$ 9,528,808
School District's covered payroll	\$ 4,161,086	\$ 4,083,115	\$ 3,908,159	\$ 3,821,499	\$ 3,834,629	\$ 3,849,411	\$ 3,772,423	\$ 3,698,454
School District's proportionate share of the net pension liability as a percentage of its covered payroll	218.86%	248.80%	276.91%	324.85%	411.29%	308.99%	256.39%	257.64%
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%

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST EIGHT FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 705,670	\$ 610,933	\$ 548,416	\$ 546,720	\$ 494,035	\$ 473,074	\$ 455,533	\$ 425,837
Contributions in relation to the contractually required contribution	(705,670)	(610,933)	(548,416)	(546,720)	(494,035)	(473,074)	(455,533)	(425,837)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,364,605	\$ 4,161,086	\$ 4,083,115	\$ 3,908,159	\$ 3,821,499	\$ 3,834,629	\$ 3,849,411	\$ 3,772,423
Contributions as a percentage of covered payroll	16.17%	14.68%	13.43%	13.99%	12.93%	12.34%	11.83%	11.29%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
 LAST EIGHT FISCAL YEARS\*

	2021	2020	2019	2018	2017	2016	2015	2014
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%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 72,711,018	\$ 67,596,367	\$ 67,870,985	\$ 73,427,562	\$ 86,961,725	\$ 68,638,043	\$ 57,362,420	\$ 53,396,894
School District's covered payroll	\$ 12,246,133	\$ 11,957,523	\$ 11,907,597	\$ 11,742,214	\$ 11,741,632	\$ 11,764,127	\$ 11,809,475	\$ 11,789,843
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%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.95%	26.49%	25.41%	23.33%	28.71%	33.64%	33.76%

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT  
BENEFITS (GASB 75)**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)  
LAST FOUR FISCAL YEARS\***

	2021	2020	2019	2018
<b>District's Total OPEB Liability</b>				
Service Cost	\$ 1,853,913	\$ 1,779,996	\$ 1,982,147	\$ 2,368,378
Interest Cost	1,663,072	1,968,914	2,130,383	1,835,473
Differences between Expected and Actual Experience	12,860,973	(6,548,378)	(5,498,466)	-
Changes of Assumptions	13,722,442	690,204	(5,712,414)	(7,422,038)
Contributions: Member	39,640	42,122	46,004	49,606
Gross Benefit Payments	(1,307,835)	(1,420,998)	(1,331,079)	(1,347,170)
<b>Net Change in District's Total OPEB Liability</b>	<b>28,832,205</b>	<b>(3,488,140)</b>	<b>(8,383,425)</b>	<b>(4,515,751)</b>
<b>District's Total OPEB Liability (Beginning)</b>	<b>46,291,078</b>	<b>49,779,218</b>	<b>58,162,643</b>	<b>62,678,394</b>
<b>District's Total OPEB Liability (Ending)</b>	<b>\$ 75,123,283</b>	<b>\$ 46,291,078</b>	<b>\$ 49,779,218</b>	<b>\$ 58,162,643</b>
<b>District's Covered Employee Payroll</b>	<b>\$ 16,407,219</b>	<b>\$ 16,040,638</b>	<b>\$ 15,815,756</b>	<b>\$ 15,563,713</b>
<b>District's Net OPEB Liability as a Percentage of Payroll</b>	<b>458%</b>	<b>289%</b>	<b>315%</b>	<b>374%</b>

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2021**

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 6.28% as of June 30, 2019, to 7.00% as of June 30, 2020.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefits Terms** - None.

**Changes in Assumptions** - The discount rate changed from 3.50% as of June 30, 2019, to 2.21% as of June 30, 2020.

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

	COUNTY FOUNDATION FOR VOCATIONAL EDUCATION	OCEAN COUNTY JUVENILE DETENTION CENTER	STUDENT ACTIVITIES	SCHOLARSHIP FUND	PELL GRANT
Revenues:					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	-	-	-	-	1,128,921
Local Sources	7,065	643,462	80,702	35,825	-
Total Revenues	\$ 7,065	\$ 643,462	\$ 80,702	\$ 35,825	\$ 1,128,921
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ 375,658	\$ -	\$ -	\$ -
Purchased Professional & Technical Services	-	-	-	-	-
Textbooks	-	1,262	-	-	-
General Supplies	7,065	-	-	-	-
Total Instruction	7,065	376,920	-	-	-
Support Services:					
Salaries of Principals/Asst.	-	52,794	-	-	-
Salaries of Secretarial & Clerical Assistants	-	47,477	-	-	-
Personal Services - Employee Benefits	-	143,449	-	-	-
Supplies and Materials	-	2,822	-	-	-
Scholarships Awarded	-	-	-	39,425	1,128,921
Student Activities	-	-	87,014	-	-
Miscellaneous	-	20,000	-	-	-
Total Support Services	-	266,542	87,014	39,425	1,128,921
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-
Total Expenditures	\$ 7,065	\$ 643,462	\$ 87,014	\$ 39,425	\$ 1,128,921
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	(6,312)	(3,600)	-
Fund Balance, July 1 (As Restated)	-	-	193,770	18,855	-
Fund Balance, June 30	\$ -	\$ -	187,458	15,255	\$ -

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

	CARL D. PERKINS GRANT SECONDARY	CARL D. PERKINS GRANT SECONDARY RESERVE	CARL D. PERKINS GRANT POST SECONDARY	TITLE I	TITLE II-A
Revenues:					
State Sources	\$ -	\$ -	\$ 148,330	\$ -	\$ -
Federal Sources	441,758	69,153	-	362,357	59,299
Local Sources	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 441,758</b>	<b>\$ 69,153</b>	<b>\$ 148,330</b>	<b>\$ 362,357</b>	<b>\$ 59,299</b>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 76,349	\$ -	\$ 56,385	\$ 252,253	\$ 41,133
Purchased Professional & Technical Services	13,685	23,792	25,390	-	-
Supplies and Materials	182,266	43,361	1,620	4,376	-
<b>Total Instruction</b>	<b>272,300</b>	<b>67,153</b>	<b>83,395</b>	<b>256,629</b>	<b>41,133</b>
Support Services:					
Salaries of Personnel Services	10,000	-	-	-	-
Salaries of Supervision of Instruction	-	2,000	-	-	-
Personal Services - Employee Benefits	33,690	-	22,554	105,728	18,166
Purchased Professional & Technical Services	-	-	-	-	-
Travel	-	-	-	-	-
Miscellaneous Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total Support Services</b>	<b>43,690</b>	<b>2,000</b>	<b>22,554</b>	<b>105,728</b>	<b>18,166</b>
Facilities Acquisition & Construction Services:					
Instructional Equipment	125,768	-	42,381	-	-
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>125,768</b>	<b>-</b>	<b>42,381</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 441,758</b>	<b>\$ 69,153</b>	<b>\$ 148,330</b>	<b>\$ 362,357</b>	<b>\$ 59,299</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1 (As Restated)	-	-	-	-	-
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 SPECIAL REVENUE FUND  
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
 YEAR ENDED JUNE 30, 2021

	N.C.L.B./Improving Americas Schools	I.D.E.A. PART B	SAFTEY GRANT	EARLE GRANT	CARES HEERF GRANT - Institutional Portion	CARES HEERF GRANT - Student Aid Portion	COUNTY COVID-19	CRF GRANT	CARES EMERGENCY GRANT	Totals
<b>Revenues:</b>										
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,330
Federal Sources	21,026	138,966	-	-	169,992	889,384	508,157	74,138	174,434	4,037,585
Local Sources	-	-	15,030	100,000	-	-	-	-	-	882,084
<b>Total Revenues</b>	<b>\$ 21,026</b>	<b>\$ 138,966</b>	<b>\$ 15,030</b>	<b>\$ 100,000</b>	<b>\$ 169,992</b>	<b>\$ 889,384</b>	<b>\$ 508,157</b>	<b>\$ 74,138</b>	<b>\$ 174,434</b>	<b>\$ 5,067,999</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Salaries of Teachers	\$ 10,641	\$ 42,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 855,367
Purchased Professional & Technical Services	2,086	-	-	-	49,670	-	-	-	1,104	115,727
Textbooks	-	-	-	-	-	-	-	-	-	1,262
Supplies and Materials	-	-	-	5,700	-	-	206,107	-	84,959	528,389
General Supplies	3,600	-	-	-	-	-	-	-	-	10,665
<b>Total Instruction</b>	<b>16,327</b>	<b>42,949</b>	<b>-</b>	<b>5,700</b>	<b>49,670</b>	<b>-</b>	<b>206,107</b>	<b>-</b>	<b>86,063</b>	<b>1,511,410</b>
<b>Support Services:</b>										
Salaries of Personnel Services	-	62,681	-	-	44,421	-	-	-	-	117,102
Salaries of Supervision of Instruction	-	-	-	-	-	-	-	-	-	2,000
Salaries of Principals/Asst.	-	-	-	-	-	-	-	-	-	52,794
Salaries of Other Prof. Staff	-	-	-	-	-	-	84,440	-	-	84,440
Salaries of Secretarial & Clerical Assistants	-	-	-	-	-	-	-	-	-	47,477
Other Salaries	-	-	-	-	-	-	121,401	-	-	121,401
Personal Services - Employee Benefits	4,699	33,336	-	-	-	-	15,747	-	-	377,370
Purchased Professional & Other Purchased Services	-	-	-	-	13,716	-	-	-	25,459	39,175
Supplies and Materials	-	-	15,030	-	62,185	-	30,713	74,138	62,912	247,800
Scholarships Awarded	-	-	-	-	-	889,384	-	-	-	2,057,730
Student Activities	-	-	-	-	-	-	-	-	-	87,014
Miscellaneous	-	-	-	-	-	-	-	-	-	20,000
<b>Total Support Services</b>	<b>4,699</b>	<b>96,017</b>	<b>15,030</b>	<b>-</b>	<b>120,322</b>	<b>889,384</b>	<b>252,301</b>	<b>74,138</b>	<b>88,371</b>	<b>3,254,303</b>
<b>Facilities Acquisition &amp; Construction Services:</b>										
Instructional Equipment	-	-	-	94,300	-	-	-	-	-	262,449
Noninstructional Equipment	-	-	-	-	-	-	49,749	-	-	49,749
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94,300</b>	<b>-</b>	<b>-</b>	<b>49,749</b>	<b>-</b>	<b>-</b>	<b>312,198</b>
<b>Total Expenditures</b>	<b>\$ 21,026</b>	<b>\$ 138,966</b>	<b>\$ 15,030</b>	<b>\$ 100,000</b>	<b>\$ 169,992</b>	<b>\$ 889,384</b>	<b>\$ 508,157</b>	<b>\$ 74,138</b>	<b>\$ 174,434</b>	<b>\$ 5,077,911</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-	-	-	-	-	(9,912)
Fund Balance, July 1 (As Restated)	-	-	-	-	-	-	-	-	-	212,625
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	202,713

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**F. Capital Projects Fund**

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2021**

<u>Project Title / Issue</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2021</u>
		<u>Prior Years</u>	<u>Current Year</u>	
PERFORMING ARTS ACADEMY BUILDING	\$ 26,894,542	\$ 25,044,522	\$ 876,869	\$ 973,151
BRICK CENTER RENOVATIONS	2,791,206	-	751,498	2,039,708
SECURITY GATES	111,342	-	-	111,342
CLASSROOM VENTILATION	35,450	-	35,450	-
TOMS RIVER CENTER GENERATOR	748,907	413,250	320,095	15,562
MATES GENERATOR	169,238	-	158,297	10,941
JACKSON CENTER AIR HANDLER	22,000	-	22,000	-
Total	<u>\$ 30,772,685</u>	<u>\$ 25,457,772</u>	<u>\$ 2,164,209</u>	<u>\$ 3,150,704</u>

**Reconciliation of Fund Balance**

Unexpended Project Balances	<u>\$ 3,150,704</u>
Total Fund Balance (Budgetary Basis) - June 30, 2021	<u>3,150,704</u>
Reserve for Encumbrances	<u>-</u>
Total Fund Balance (GAAP Basis) - June 30, 2021	<u>\$ 3,150,704</u>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

Revenues and Other Financing Sources:	
Transfer from Other Capital Projects	\$ 308,630
County Funding	2,791,206
	<hr/>
Total Revenues and Other Financing Sources	3,099,836
	<hr/>
Expenditures and Other Financing Uses:	
Project Expenditures	1,855,579
Project Balances Cancelled:	
Other Capital Projects	308,630
	<hr/>
Total Expenditures and Other Financing Uses	2,164,209
	<hr/>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	935,627
	<hr/>
Fund Balance, July 1	2,215,077
	<hr/>
Fund Balance, June 30	\$ 3,150,704
	<hr/> <hr/>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
 PROJECT STATUS--BUDGETARY BASIS  
 PERFORMING ARTS ACADEMY BUILDING  
 YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ 26,894,542	\$ -	\$ 26,894,542	\$ 26,894,542
Total Revenues and Other Financing Sources	26,894,542	-	26,894,542	26,894,542
Expenditures and Other Financing Uses:				
Project Expenditures	25,044,522	876,869	25,921,391	26,894,542
Total Expenditures and Other Financing Uses	25,044,522	876,869	25,921,391	26,894,542
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 1,850,020	\$ (876,869)	\$ 973,151	\$ -

**ADDITIONAL PROJECT INFORMATION**

Name of Project:	
<u>PERFORMING ARTS ACADEMY BUILDING</u>	
Grant Date	7/1/2017
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ -
Additional Authorized Cost	\$ 26,894,542
Revised Authorized Cost	\$ 26,894,542
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	96.38%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
 PROJECT STATUS--BUDGETARY BASIS  
 BRICK CENTER RENOVATIONS  
 YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ -	\$ 2,791,206	\$ 2,791,206	\$ 2,791,206
Total Revenues and Other Financing Sources	-	2,791,206	2,791,206	2,791,206
Expenditures and Other Financing Uses:				
Project Expenditures	-	751,498	751,498	2,791,206
Total Expenditures and Other Financing Uses	-	751,498	751,498	2,791,206
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 2,039,708	\$ 2,039,708	\$ -

**ADDITIONAL PROJECT INFORMATION**

<u>Name of Project:</u>	
<u>BRICK CENTER RENOVATIONS</u>	
Grant Date	7/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,791,206
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 2,791,206
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	26.92%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
SECURITY GATES  
YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfers from Other Capital Projects	\$ -	\$ 111,342	\$ 111,342	\$ 111,342
Total Revenues and Other Financing Sources	-	111,342	111,342	111,342
Expenditures and Other Financing Uses:				
Project Expenditures	-	-	-	111,342
Total Expenditures and Other Financing Uses	-	-	-	111,342
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 111,342	\$ 111,342	\$ -

**ADDITIONAL PROJECT INFORMATION**

<u>Name of Project:</u>	
<u>SECURITY GATES</u>	
Grant Date	7/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 111,342
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 111,342
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
 PROJECT STATUS--BUDGETARY BASIS  
 CLASSROOM VENTILATION  
 YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfers from Other Capital Projects	\$ -	\$ 35,450	\$ 35,450	\$ 35,450
Total Revenues and Other Financing Sources	-	35,450	35,450	35,450
Expenditures and Other Financing Uses:				
Project Expenditures	-	35,450	35,450	35,450
Total Expenditures and Other Financing Uses	-	35,450	35,450	35,450
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -

**ADDITIONAL PROJECT INFORMATION**

<u>Name of Project:</u>	
<u>CLASSROOM VENTILATION</u>	
Grant Date	7/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 35,450
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 35,450
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
TOMS RIVER CENTER GENERATOR  
YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ 748,907	\$ -	\$ 748,907	\$ 748,907
Total Revenues and Other Financing Sources	748,907	-	748,907	748,907
Expenditures and Other Financing Uses:				
Project Expenditures	329,785	11,465	341,250	341,250
Project Balances Cancelled:				
Other Capital Projects	83,465	308,630	392,095	407,657
Total Expenditures and Other Financing Uses	413,250	320,095	733,345	748,907
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 335,657	\$ (320,095)	\$ 15,562	\$ -

**ADDITIONAL PROJECT INFORMATION**

<u>Name of Project:</u>	
<u>TOMS RIVER CENTER GENERATOR</u>	
Grant Date	7/1/2019
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 341,250
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 341,250
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	97.92%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
MATES GENERATOR  
YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfers from Other Capital Projects	\$ 29,400	\$ 139,838	\$ 169,238	\$ 169,238
Total Revenues and Other Financing Sources	29,400	139,838	169,238	169,238
Expenditures and Other Financing Uses:				
Project Expenditures	-	158,297	158,297	169,238
Total Expenditures and Other Financing Uses	-	158,297	158,297	169,238
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 29,400	\$ (18,459)	\$ 10,941	\$ -

**ADDITIONAL PROJECT INFORMATION**

<u>Name of Project:</u>	
<u>MATES GENERATOR</u>	
Grant Date	5/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 29,400
Additional Authorized Cost	\$ 139,838
Revised Authorized Cost	\$ 169,238
Percentage Increase over Original Authorized Cost	475.64%
Percentage Completion	93.54%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
JACKSON CENTER AIR HANDLER  
YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfers from Other Capital Projects	\$ -	\$ 22,000	\$ 22,000	\$ 22,000
Total Revenues and Other Financing Sources	-	22,000	22,000	22,000
Expenditures and Other Financing Uses:				
Project Expenditures	-	22,000	22,000	22,000
Total Expenditures and Other Financing Uses	-	22,000	22,000	22,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -

**ADDITIONAL PROJECT INFORMATION**

<u>Name of Project:</u>	
<u>JACKSON CENTER AIR HANDLER</u>	
Grant Date	5/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 22,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 22,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

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**I. Long-Term Debt**

Not Applicable

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**STATISTICAL SECTION (Unaudited)**

Third Section

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**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. The Exhibits are presented for the last ten fiscal years.

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>FISCAL YEAR ENDING JUNE 30,</b>										
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 48,271,112	\$ 48,142,805	\$ 35,152,922	\$ 22,763,578	\$ 22,661,862	\$ 20,523,837	\$ 20,422,313	\$ 20,966,874	\$ 21,617,255	\$ 22,274,579
Restricted	4,468,849	1,925,979	15,868,791	28,559,702	907,773	2,563,505	1,835,068	1,551,331	2,025,137	1,949,551
Unrestricted (Deficit)	(10,828,702)	(11,072,870)	(11,522,933)	(11,214,567)	(11,266,834)	(9,121,155)	(10,489,417)	(746,486)	(991,667)	(143,886)
<b>Total Governmental Activities</b>	<b>\$ 41,911,259</b>	<b>\$ 38,995,914</b>	<b>\$ 39,498,780</b>	<b>\$ 40,108,713</b>	<b>\$ 12,302,801</b>	<b>\$ 13,966,187</b>	<b>\$ 11,767,964</b>	<b>\$ 21,771,719</b>	<b>\$ 22,650,725</b>	<b>\$ 24,080,244</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted (Deficit)	9,628	19,124	19,548	23,282	24,128	24,128	8,542	39,168	23,379	90,192
<b>Total Business-Type Activities</b>	<b>\$ 9,628</b>	<b>\$ 19,124</b>	<b>\$ 19,548</b>	<b>\$ 23,282</b>	<b>\$ 24,128</b>	<b>\$ 24,128</b>	<b>\$ 8,542</b>	<b>\$ 39,168</b>	<b>\$ 23,379</b>	<b>\$ 90,192</b>
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 48,271,112	\$ 48,142,805	\$ 35,152,922	\$ 22,763,578	\$ 22,661,862	\$ 20,523,837	\$ 20,422,313	\$ 20,966,874	\$ 21,617,255	\$ 22,274,579
Restricted	4,468,849	1,925,979	15,868,791	28,559,702	907,773	2,563,505	1,835,068	1,551,331	2,025,137	1,949,551
Unrestricted (Deficit)	(10,819,074)	(11,053,746)	(11,503,385)	(11,191,285)	(11,242,706)	(9,097,027)	(10,480,875)	(707,318)	(968,288)	(53,694)
<b>Total District Net Position</b>	<b>\$ 41,920,887</b>	<b>\$ 39,015,038</b>	<b>\$ 39,518,328</b>	<b>\$ 40,131,995</b>	<b>\$ 12,326,929</b>	<b>\$ 13,990,315</b>	<b>\$ 11,776,506</b>	<b>\$ 21,810,887</b>	<b>\$ 22,674,104</b>	<b>\$ 24,170,436</b>

Source: CAFR Schedule A-1

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)  
 LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ (3,441,443)	\$ (3,465,669)	\$ (3,436,112)	\$ (3,406,736)	\$ (3,256,501)	\$ (2,893,971)	\$ (3,046,659)	\$ (2,946,244)	\$ (2,827,260)	\$ (2,627,618)
Special Education	(1,349,181)	(1,446,229)	(1,362,191)	(1,369,113)	(1,262,946)	(1,345,393)	(1,266,602)	(1,328,327)	(1,439,906)	(1,375,274)
Other Special Education	(72,639)	(92,624)	(236,773)	(275,589)	(266,671)	(244,875)	(226,796)	(211,045)	(254,109)	(188,680)
Vocational	(6,386,606)	(6,508,522)	(6,286,591)	(6,062,405)	(6,001,138)	(6,039,426)	(5,969,783)	(5,723,492)	(5,577,705)	(5,447,967)
Support Services:										
School Administrative										
Services	(2,077,061)	(2,035,570)	(1,992,083)	(1,863,385)	(1,848,497)	(1,810,299)	(1,718,525)	(1,696,007)	(1,647,699)	(1,604,942)
Services	(2,201,623)	(2,138,063)	(1,979,418)	(1,934,401)	(1,935,988)	(1,900,857)	(1,729,444)	(1,726,906)	(1,670,243)	(1,516,129)
Plant Operations & Maintenance	(2,673,474)	(2,773,336)	(2,740,756)	(2,344,968)	(2,628,891)	(2,499,235)	(2,378,067)	(2,523,304)	(2,930,767)	(3,026,195)
Pupil Transportation	(148,418)	(176,509)	(224,061)	(230,126)	(248,790)	(233,039)	(227,015)	(203,878)	(217,048)	(217,739)
Business & Other Support Services	(18,017,570)	(12,616,042)	(13,196,949)	(15,641,742)	(9,940,658)	(12,005,707)	(8,657,498)	(7,516,250)	(7,753,528)	(7,028,409)
Special Schools	(6,359,024)	(6,088,011)	(6,451,330)	(6,158,708)	(6,027,704)	(5,624,554)	(5,532,317)	(5,545,655)	(5,152,877)	(4,827,816)
Interest & Other Charges	(50,077)	(50,077)	(50,077)	(50,077)	(50,077)	-	-	-	-	-
Unallocated Depreciation	(2,202,907)	(1,822,394)	(1,428,242)	(1,367,560)	(1,339,744)	(1,225,660)	(1,243,212)	(1,207,751)	(1,289,331)	(1,263,188)
Total Governmental Activities Expenses	(44,980,023)	(39,213,046)	(39,384,583)	(40,704,810)	(34,807,605)	(35,823,016)	(31,995,918)	(30,628,859)	(30,760,473)	(29,123,957)
Business-Type Activities:										
Food Service	(45,659)	(153,041)	(207,589)	(205,086)	(180,832)	(224,360)	(187,834)	(395,422)	(204,426)	(215,153)
Enterprise Fund	(6,284)	(25,612)	(25,308)	(34,326)	(23,450)	(40,762)	(20,252)	(31,204)	-	(1,042)
Total Business-Type Activities Expense	(51,943)	(178,653)	(232,897)	(239,412)	(204,282)	(265,122)	(208,086)	(426,626)	(204,426)	(216,195)
Total District Expenses	\$ (45,031,966)	\$ (39,391,699)	\$ (39,617,480)	\$ (40,944,222)	\$ (35,011,887)	\$ (36,088,138)	\$ (32,204,004)	\$ (31,055,485)	\$ (30,964,899)	\$ (29,340,152)
Program Revenues:										
Operating Grants & Contributions	\$ 13,763,215	\$ 7,768,336	\$ 8,447,435	\$ 10,879,461	\$ 1,554,377	\$ 7,607,255	\$ 4,561,218	\$ 1,252,071	\$ 1,223,049	\$ 1,026,990
Total Governmental Activities Program Revenues	13,763,215	7,768,336	8,447,435	10,879,461	1,554,377	7,607,255	4,561,218	1,252,071	1,223,049	1,026,990
Business-Type Activities:										
Food Service	26,586	155,944	204,418	204,024	193,881	201,490	200,086	350,941	232,801	227,405
Enterprise Fund	15,861	22,285	24,745	34,542	25,987	33,006	23,789	8,872	5,000	19,470
Total Business Type Activities Program Revenues	42,447	178,229	229,163	238,566	219,868	234,496	223,875	359,813	237,801	246,875
Total District Program Revenues	\$ 13,805,662	\$ 7,946,565	\$ 8,676,598	\$ 11,118,027	\$ 1,774,245	\$ 7,841,751	\$ 4,785,093	\$ 1,611,884	\$ 1,460,850	\$ 1,273,865
Net (Expense)/Revenue:										
Governmental Activities	\$ (31,216,808)	\$ (31,444,710)	\$ (30,937,148)	\$ (29,825,349)	\$ (33,253,228)	\$ (28,215,761)	\$ (27,434,700)	\$ (29,376,788)	\$ (29,537,424)	\$ (28,096,967)
Business-Type Activities	(9,496)	(424)	(3,734)	(846)	15,586	(30,626)	15,789	(66,813)	33,375	30,680
Total District-Wide Net Expense	\$ (31,226,304)	\$ (31,445,134)	\$ (30,940,882)	\$ (29,826,195)	\$ (33,237,642)	\$ (28,246,387)	\$ (27,418,911)	\$ (29,443,601)	\$ (29,504,049)	\$ (28,066,287)

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)  
 LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
County Appropriation	\$ 19,572,080	\$ 19,011,166	\$ 18,638,398	\$ 18,272,939	\$ 17,914,646	\$ 19,855,085	\$ 17,682,495	\$ 17,547,596	\$ 17,364,646	\$ 17,364,646
County Appropriation	-	-	-	27,452,902	386,393	-	-	-	-	-
Capital Project	2,791,206	889,449	698,923	1,146,104	-	-	-	-	-	-
Local Funding	-	-	-	-	-	-	-	-	-	-
Unrestricted Grants & Contributions	6,578,519	5,950,402	6,246,867	6,407,328	8,458,305	5,927,671	5,306,864	7,475,791	7,634,557	7,207,560
Tuition Received	4,496,785	4,732,203	4,339,014	3,994,813	3,928,234	3,885,097	2,850,196	2,735,385	2,155,175	2,263,407
Miscellaneous Income	374,091	358,685	403,953	357,175	902,264	746,131	1,120,198	739,010	953,527	628,737
Transfers In/Out	-	-	-	-	-	-	-	-	-	16,244
Increase in Capital Reserve	-	4,732,203	-	-	-	-	-	-	-	-
Changes in IBNR/Miscellaneous	-	358,685	-	-	-	-	-	-	-	-
Total Governmental Activities	33,812,681	30,941,905	30,327,155	57,631,261	31,589,842	30,413,984	26,959,753	28,497,782	28,107,905	27,480,594
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	-	(16,244)	-	-	-
Total Business-Type Activities	-	-	-	-	-	-	(16,244)	-	-	-
Total District-Wide	\$ 33,812,681	\$ 30,941,905	\$ 30,327,155	\$ 57,631,261	\$ 31,589,842	\$ 30,413,984	\$ 26,943,509	\$ 28,497,782	\$ 28,107,905	\$ 27,480,594
Change in Net Position:										
Governmental Activities	\$ 2,595,873	\$ (502,805)	\$ (609,993)	\$ 27,805,912	\$ (1,663,386)	\$ 2,198,223	\$ (474,947)	\$ (879,006)	\$ (1,429,519)	\$ (616,373)
Business-Type Activities	(9,496)	(424)	(3,734)	(846)	15,586	(30,626)	(455)	(66,813)	17,131	30,680
Total District	\$ 2,586,377	\$ (503,229)	\$ (613,727)	\$ 27,805,066	\$ (1,647,800)	\$ 2,167,597	\$ (475,402)	\$ (945,819)	\$ (1,412,388)	\$ (585,693)

Source: CAFR Schedule A-2

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Fund:</b>										
Restricted	\$ 1,115,431	\$ 508,584	\$ 432,773	\$ 928,773	\$ 907,773	\$ 1,019,206	\$ 631,206	\$ 386,186	\$ 782,816	\$ 2,553,153
Committed	724,336	210,131	271,901	502,727	239,262	416,026	733,995	474,273	220,203	-
Assigned	1,327,452	984,139	920,144	1,165,516	825,344	1,128,273	469,867	690,872	1,022,118	-
Unassigned	1,189,001	1,216,653	1,110,114	918,770	945,869	996,692	1,022,844	1,065,235	728,906	926,567
<b>Total General Fund</b>	<b>\$ 4,356,220</b>	<b>\$ 2,919,507</b>	<b>\$ 2,734,932</b>	<b>\$ 3,515,786</b>	<b>\$ 2,918,248</b>	<b>\$ 3,560,197</b>	<b>\$ 2,857,912</b>	<b>\$ 2,616,566</b>	<b>\$ 2,754,043</b>	<b>\$ 3,479,720</b>
<b>All Other Governmental Funds:</b>										
Restricted										
Capital Projects Fund	\$ 3,150,704	\$ 2,215,077	\$ 15,436,018	\$ 27,630,929	\$ -	\$ 1,892,987	\$ 4,228	\$ -	\$ -	\$ -
Special Revenue Fund	202,713	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 3,353,417</b>	<b>\$ 2,215,077</b>	<b>\$ 15,436,018</b>	<b>\$ 27,630,929</b>	<b>\$ -</b>	<b>\$ 1,892,987</b>	<b>\$ 4,228</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Source: CAFR Schedule B-1



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
LAST TEN FISCAL YEARS  
*(Modified Accrual Basis of Accounting)*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues</b>										
County Appropriation	\$ 22,363,286	\$ 19,900,615	\$ 19,337,321	\$ 45,725,841	\$ 18,301,039	\$ 19,855,085	\$ 17,682,495	\$ 17,547,596	\$ 17,364,646	\$ 17,364,646
Local Funding	-	-	-	1,146,104	-	-	-	-	-	-
Tuition Charges	4,496,785	4,732,203	4,339,014	3,994,813	3,928,234	3,885,097	2,850,196	2,735,385	2,155,175	2,263,407
Interest Earnings	1,245	2,347	4,051	-	-	-	-	-	-	3,149
Miscellaneous	1,138,403	1,128,352	1,173,725	1,053,128	902,264	746,131	1,120,198	739,010	953,527	625,588
State Sources	10,962,340	9,992,654	9,856,796	9,675,973	8,868,768	9,111,709	8,122,551	7,728,201	7,924,367	7,252,074
Federal Sources	4,587,266	1,196,428	1,210,426	1,068,374	1,143,914	1,117,312	991,005	999,661	919,811	982,476
<b>Total Revenues</b>	<b>43,549,325</b>	<b>36,952,599</b>	<b>35,921,333</b>	<b>62,664,233</b>	<b>33,144,219</b>	<b>34,715,334</b>	<b>30,766,445</b>	<b>29,749,853</b>	<b>29,317,526</b>	<b>28,491,340</b>
<b>Expenditures</b>										
Instruction:										
Regular Instruction	3,441,443	3,465,669	3,436,112	3,406,736	3,256,501	2,893,971	3,046,659	2,946,244	2,827,260	2,627,618
Special Education Instruction	1,349,181	1,446,229	1,362,191	1,369,113	1,262,946	1,345,393	1,266,602	1,328,327	1,439,906	1,375,274
Other Special Instruction	72,639	92,624	236,773	275,589	266,671	244,875	226,796	211,045	254,109	188,680
Vocational Instruction	6,386,606	6,508,522	6,286,591	6,062,405	6,001,138	6,039,426	5,969,783	5,723,492	5,577,705	5,447,967
Support Services:										
Student & Instruction Related Services	5,298,325	2,492,947	2,549,914	2,322,564	2,320,631	2,183,315	2,102,344	938,864	921,717	716,255
School Administrative Services	2,077,061	2,035,570	1,992,083	1,863,385	1,848,497	1,810,299	1,718,525	1,696,007	1,647,699	1,604,942
General & Business Administration										
Services	2,201,623	2,138,063	1,979,418	1,934,401	1,935,988	1,900,857	1,729,444	2,006,878	2,093,207	1,872,405
Plant Operations & Maintenance	2,673,474	2,773,336	2,742,675	2,351,404	2,628,987	2,449,176	2,327,997	2,459,236	2,886,239	2,986,232
Pupil Transportation	148,418	176,509	224,061	230,126	248,790	233,039	227,015	203,878	217,048	217,739
Other Support Services:	8,904,659	7,909,130	7,770,206	6,948,418	6,353,552	6,017,914	5,628,896	6,206,266	6,362,329	5,513,596
Special Schools	6,359,024	6,088,012	6,451,330	6,158,708	6,027,704	5,624,554	5,532,317	5,545,655	5,152,877	4,827,816
Capital Outlay	2,331,214	14,812,277	13,815,667	1,462,840	3,477,673	1,377,243	748,721	621,438	676,535	597,238
Interest & Other Charges	50,077	50,077	50,077	50,077	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>41,293,744</b>	<b>49,988,965</b>	<b>48,897,098</b>	<b>34,435,766</b>	<b>35,679,155</b>	<b>32,120,062</b>	<b>30,525,099</b>	<b>29,887,330</b>	<b>30,056,631</b>	<b>27,975,762</b>
<b>Other Financing Sources/Uses):</b>										
Transfers In	-	-	-	-	-	-	-	16,244	-	-
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-	16,244	-	-
<b>Net Change in Fund Balances</b>	<b>\$ 2,255,581</b>	<b>\$ (13,036,366)</b>	<b>\$ (12,975,765)</b>	<b>\$ 28,228,467</b>	<b>\$ (2,534,936)</b>	<b>\$ 2,595,272</b>	<b>\$ 241,346</b>	<b>\$ (121,233)</b>	<b>\$ (739,105)</b>	<b>\$ 515,578</b>

Source: District Records

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

<b>FISCAL YEAR ENDING JUNE 30.</b>	<b>INTEREST ON INVESTMENTS</b>	<b>SUMMER CAMP</b>	<b>MISCELLANEOUS</b>	<b>TOTAL</b>
2021	\$ 1,245	\$ 600	\$ 255,719	\$ 257,564
2020	2,347	16,005	340,333	358,685
2019	4,051	36,135	363,767	403,953
2018	-	30,550	330,960	361,510
2017	-	32,365	263,114	295,479
2016	-	-	205,024	205,024
2015	-	-	578,028	578,028
2014	-	-	159,618	159,618
2013	-	-	361,866	361,866
2012	3,149	-	183,624	186,773

Source: District Records

**EXHIBITS 6 THROUGH 13 ARE NOT APPLICABLE**

### **Demographic and Economic Information**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within 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.

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>YEAR</b>	<b>POPULATION (a)</b>	<b>PERSONAL INCOME (b)</b>	<b>PER CAPITA PERSONAL INCOME (c)</b>	<b>UNEMPLOYMENT RATE (d)</b>
2021	N/A		N/A	N/A
2020	N/A		N/A	N/A
2019	607,186		N/A	N/A
2018	601,478		52,008	4.30%
2017	595,424		49,749	4.80%
2016	590,897		48,490	5.20%
2015	587,091		47,082	6.00%
2014	584,447		44,949	7.20%
2013	582,059		43,262	8.50%
2012	579,932		42,861	10.30%

**Source:** U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.  
income presented.

<sup>b</sup> Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>c</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development. Note that that there is recent revised data for the years 2004 through 2001 due to the new unemployment estimation procedure.

**EXHIBIT J-15 NOT APPLICABLE**

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### **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.

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Vocational	130	131	128	130	128	128	130	133	134	131
Support Services:										
Student & Instruction Related Services	21	22	22	22	22	22	21	22	22	22
School Administrative Services	38	38	39	39	40	38	36	35	35	35
General & Business Administrative Services	4	4	3	4	4	4	4	4	4	4
Plant Operations & Maintenance	22	22	21	22	21	22	22	25	23	21
Business & Other Support Services	17	17	17	16	17	17	18	18	18	18
Total	232	234	230	233	232	231	231	237	236	231

Source: District Personnel Records

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						HIGH SCHOOL	TECHNICAL				
2021	2,096	\$ 35,029,610	\$ 16,713	10.79%	13	13	13	1,345	1,281	0.1%	95.24%
2020	2,332	35,176,688	15,084	-14.65%	13	13	13	1,343	1,278	3.1%	95.16%
2019	1,985	35,081,431	17,673	5.48%	13	13	13	1,302	1,241	1.6%	95.31%
2018	1,968	32,972,926	16,755	5.83%	13	13	13	1,282	1,218	-3%	95.01%
2017	2,034	32,201,482	15,832	5.41%	13	13	13	1,317	1,249	1%	94.84%
2016	2,047	30,742,819	15,018	4.51%	13	13	13	1,309	1,239	-1%	94.65%
2015	2,072	29,776,378	14,371	-0.81%	13	13	13	1,321	1,249	1%	94.55%
2014	2,020	29,265,892	14,488	-13.21%	13	13	13	1,311	1,246	-21.31%	95.04%
2013	1,760	29,380,096	16,693	6.58%	13	13	13	1,666	1,544	0.24%	92.68%
2012	1,748	27,378,524	15,663	-2.42%	13	13	13	1,662	1,565	10.29%	94.16%

Sources: District records

Note: Enrollment based on annual October district count from the year prior

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

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

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

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS

<u>DISTRICT BUILDINGS</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>
High School:										
Brick Center (1972)										
Square Feet	93,500	93,500	93,500	85,870	85,870	85,870	85,870	85,870	85,870	85,870
Capacity (Students)	894	894	894	894	894	894	894	894	894	894
Enrollment	883	1,050	882	875	778	921	792	877	794	833
Jackson Center (1974)										
Square Feet	54,000	54,000	54,000	51,300	51,300	51,300	51,300	51,300	51,300	51,300
Capacity (Students)	454	454	454	454	454	454	454	454	454	454
Enrollment (a)	398	352	360	327	322	342	345	355	366	348
Toms River Center (1975)										
Square Feet	58,000	58,000	58,000	56,725	56,725	56,725	56,725	56,725	56,725	56,725
Capacity (Students)	554	544	554	554	554	554	554	554	554	554
Enrollment	764	873	724	745	941	662	888	712	579	599
Waretown (1974)										
Square Feet	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Capacity (Students)	260	260	260	260	260	260	260	260	260	260
Enrollment	212	258	189	193	144	237	258	303	276	256
NLC (1994)										
Square Feet	-	52,683	52,683	61,506	61,506	61,506	61,506	61,506	61,506	61,506
Capacity (Students)	-	340	340	340	340	340	340	340	340	340
Enrollment	-	-	262	258	297	354	319	337	316	298
MATES (2006)										
Square Feet - 51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598
Capacity (Students)	250	250	250	250	250	250	250	250	250	250
Enrollment	278	275	275	275	280	274	274	266	266	249
Cuisine on the Green (2013)										
Square Feet - 4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	-	-	-
Capacity (Students)	18	18	18	18	18	18	18	-	-	-
Enrollment	11	15	14	18	15	16	27	-	-	-
PAA (2020)										
Square Feet - 57,000	57,000	57,000	-	-	-	-	-	-	-	-
Capacity (Students)	300	300	-	-	-	-	-	-	-	-
Enrollment	278	262	-	-	-	-	-	-	-	-

Number of Schools at June 30, 2021:  
Senior High School = 6

Source: District Facilities Office, District Records

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>SCHOOL FACILITIES</b>	<b>PROJECT # (S)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Brick Center		\$ 153,561	\$ 130,256	\$ 163,451	\$ 135,815	\$ 164,719	\$ 142,653	\$ 94,169	\$ 143,145	\$ 176,216	\$ 178,991
Jackson Center		88,687	75,228	94,400	78,439	101,078	87,537	57,786	87,839	108,132	109,836
Toms River Center		95,257	80,801	101,392	84,249	108,565	94,022	62,066	94,345	116,142	117,972
Ocean Center (Waretown)		39,417	33,435	41,955	34,862	44,924	38,906	25,683	39,039	48,059	48,816
Navy Lakehurst Center		-	73,394	92,097	76,526	98,613	85,402	56,376	85,696	105,495	107,157
Administration Building		9,657	8,192	10,279	8,541	11,006	9,532	6,292	9,565	11,775	11,960
Building 33 - NAES		-	-	-	-	-	-	-	8,576	10,557	10,723
Student Services Center		4,927	4,179	5,244	4,358	5,615	4,863	3,210	4,880	6,007	6,102
MATES		84,743	71,882	90,201	74,950	96,582	83,643	55,215	83,932	103,323	104,950
PAA		93,615	79,408	-	-	-	-	-	-	-	-
<b>Grand Total</b>		<b>\$ 569,864</b>	<b>\$ 556,775</b>	<b>\$ 599,019</b>	<b>\$ 497,740</b>	<b>\$ 631,102</b>	<b>\$ 546,558</b>	<b>\$ 360,797</b>	<b>\$ 557,017</b>	<b>\$ 685,706</b>	<b>\$ 696,507</b>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
INSURANCE SCHEDULE  
JUNE 30, 2021  
UNAUDITED**

	<b>COVERAGE</b>	<b>DEDUCTIBLE</b>
<b>SCHOOL PACKAGE POLICY (1):</b>		
Building and Contents (All Locations)	\$ 500,000,000	5,000
Boiler and Machinery	100,000,000	5,000
Employee Dishonesty	500,000	1,000
Comprehensive General Liability	16,000,000	-
Automobile Liability	16,000,000	-
School Board Legal Liability	16,000,000	5,000
Employee Benefits Liability	16,000,000	1,000
EDP	3,000,000	1,000
Pollution Liability	1,000,000	25,000
<b>SCHOOL ACCIDENT INSURANCE (1):</b>		
Workers' Compensation (1)	3,000,000	-
Compulsory Student Accident Insurance (2)	5,000,000	-
Volunteer Accident Coverage (3)	500,000	-
<b>SURETY BONDS (40):</b>		
Treasurer	250,000	N/A
Board Secretary	100,000	N/A
<b>BOAT POLICY (5)</b>		
Hull & Machinery	99,000	1,000
Protection & Indemnity	1,000,000	1,000

- (1) NJSIG
- (2) United States Fire Insurance Company of Pittsburgh, PA
- (3) Berkley Life & Health Insurance Company
- (4) Hanover Insurance Company
- (5) Atlantic Specialty Insurance Co.
- (6) Beazley Syndicates

Source: District Records

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**SINGLE AUDIT SECTION**

Fourth Section

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Certified Public Accountants + Advisors

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## EXHIBIT K-1

### INDEPENDENT AUDITOR'S 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*

Honorable President and Members  
of the Board of Education  
Ocean County Vocational Technical School  
County of Ocean  
Toms River, NJ 08753-2703

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Ocean County Vocational Technical School as of and for the 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 February 18, 2022.

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

In planning and performing our audit of the financial statements, we considered the Ocean County Vocational Technical School's internal control over financial reporting (internal control) as a basis in determining the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ocean County Vocational Technical School's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 determination of 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 School District'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 School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty  
Certified Public Accountant  
Public School Accountant, No. 2470

Lakewood, New Jersey  
February 18, 2022

## EXHIBIT K-2

### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

Honorable President and Members  
of the Board of Education  
Ocean County Vocational Technical School  
County of Ocean  
Toms River, NJ 08753-2703

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

We have audited the Ocean County Vocational Technical School's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/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 Ocean County Vocational Technical School'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 Ocean County Vocational Technical School'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; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the 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 School District's compliance.

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

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

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

Management of the Ocean County Vocational Technical School 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 or 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 or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty  
Certified Public Accountant  
Public School Accountant, No. 2470

Lakewood, New Jersey  
February 18, 2022

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE June 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REV (ACCOUNTS RECEIVABLE)	BALANCE, JUNE 30, 2021 DUE TO GRANTOR
<b>U.S. Department of Agriculture</b> Food Service Fund Passed Through New Jersey Department of Agriculture Child Nutrition Cluster COVID-19 Cares Act School Breakfast Program	10.553	211NJ304N1099	100-010-3350-100	\$ 60	7/1/20-6/30/21	\$ -	\$ 60	\$ (60)	\$ -	\$ -	\$ -
							60	(60)	-	-	-
	10.555	201NJ304N1099	100-010-3350-028	2,376	7/1/19-6/30/20	(784)	784	-	-	-	-
COVID-19 National School Lunch Program											
COVID-19 National School Lunch Program	10.555	211NJ304N1099	100-010-3350-098	377	7/1/20-6/30/21	-	377	-	-	-	-
National School Lunch Program											
COVID-19 National School Lunch Program	10.555	211NJ304N1099	100-010-3350-026	4,204	7/1/20-6/30/21	-	3,828	(4,204)	-	(375)	-
COVID-19 Healthy Hunger-Free Kids Act											
COVID-19 Healthy Hunger-Free Kids Act	10.555	201NJ304N1099	100-010-3350-026	48	7/1/19-6/30/20	(16)	16	-	-	-	-
COVID-19 Healthy Hunger-Free Kids Act											
COVID-19 Healthy Hunger-Free Kids Act	10.555	211NJ304N1099	100-010-3350-098	15	7/1/20-6/30/21	-	15	(15)	-	-	-
Healthy Hunger-Free Kids Act											
COVID-19 Healthy Hunger-Free Kids Act	10.555	211NJ304N1099	100-010-3350-026	170	7/1/20-6/30/21	-	151	(170)	-	(19)	-
						(800)	5,172	(4,766)	-	(394)	-
Total Child Nutrition Cluster						(800)	5,232	(4,826)	-	(394)	-
<b>Total U.S. Department of Agriculture</b>						(800)	5,232	(4,826)	-	(394)	-
<b>Department of Treasury</b> Special Revenue Fund Passed Through County Offices: Coronavirus Relief Fund (CRF)	21.019	SLT0113	Not Available	508,157	7/1/20-6/30/21	-	508,157	(508,157)	-	-	-
							508,157	(508,157)	-	-	-
Coronavirus Relief Fund (CRF)	21.019	SLT0113	100-034-5120-517	74,138	7/1/20-6/30/21	-	74,138	(74,138)	-	-	-
							74,138	(74,138)	-	-	-
General Fund: Passed Through County Offices: Coronavirus Relief Fund (CRF)	21.019	SLT0113	Not Available	430,505	7/1/20-6/30/21	-	430,505	(430,505)	-	-	-
							430,505	(430,505)	-	-	-
<b>Total Department of Treasury</b>							1,012,800	(1,012,800)	-	-	-
<b>U.S. Department of Education</b> General Fund: HEERF Fund For the Improvement of Postsecondary Educatio	84.425N	P425N200880	Not Available	119,176	11/03/20-11/02/21	-	119,176	(119,176)	-	-	-
							119,176	(119,176)	-	-	-
Total General Fund:							119,176	(119,176)	-	-	-
Special Revenue Fund Elementary and Secondary School Emergency Relief Fun	84.425D	S425D200027	100-034-5120-513	241,439	3/13/20-9/30/22	(67,005)	241,439	(174,434)	-	-	-
						(67,005)	241,439	(174,434)	-	-	-
Higher Education Emergency Relief Fund - Institutional Portio	84.425F	P425F204973	Not Available	190,412	9/17/20-9/16/21	-	169,992	(169,992)	-	-	-
							169,992	(169,992)	-	-	-
Higher Education Emergency Relief Fund - Student Aid Portio	84.425E	P425E206627	Not Available	889,384	9/16/20-5/11/22	-	889,384	(889,384)	-	-	-
							889,384	(889,384)	-	-	-
Student Financial Assistance Cluster: PELL Grant	84.063	P063P164338	Not Available	1,128,921	7/1/20-6/30/21	-	1,128,921	(1,128,921)	-	-	-
							1,128,921	(1,128,921)	-	-	-

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE June 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REV (ACCOUNTS RECEIVABLE)	BALANCE, JUNE 30, 2021 DUE TO GRANTOR	
<b>U.S. Department of Education (continued)</b>												
<b>Student Financial Assistance</b>												
Passed Through New Jersey Department of Education Career and Technical Education Perkins Grant - Secondary Perkins Grant - Secondary Reserve	84.048A 84.048A	V048A200030 V048A200030	100-034-5062-084 100-034-5062-084	441,758 69,153	7/1/20-6/30/21 7/1/20-6/30/21	- -	441,758 69,153	(441,758) (69,153)	- -	- -	- -	
Special Education Cluster: I.D.E.A. Part B - Basic	84.027A	H027A200100	100-034-5065-016	138,966	7/1/20-9/30/21	-	138,966	(138,966)	-	-	-	
<b>Total Student Financial Assistance</b>												
No Child Left Behind (N.C.L.B.) Title I - Part A Title II-A, Supporting Effective Instructor Title IV	84.010 84.367A 84.424A	S010A200030 S367A200029 S424A200031	100-034-5064-194 100-034-5063-290 100-034-5063-348	362,357 59,299 21,026	7/1/20-9/30/21 7/1/20-9/30/21 7/1/20-9/30/21	- - -	350,452 59,299 21,026	(362,357) (59,299) (21,026)	- -	(11,905)	-	
<b>Total U.S. Department of Education</b>												
							(67,005)	3,629,566	(3,574,466)	-	(11,905)	
<b>Total Expenditures of Federal Awards</b>							\$ (67,805)	\$ 4,647,598	\$ (4,592,092)	\$ -	\$ (12,299)	\$ -

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



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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2021**

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Ocean County Vocational Technical School. The School District is defined in Note 1 of the 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 New Jersey OMB's Circular 15-08, 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 is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2. Summary of Significant Accounting Policies**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule 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* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas 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 grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$0.00 for the general fund and \$0.00 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 549,681	\$ 10,814,010	\$ 11,363,691
Special Revenue Fund	4,037,585	148,330	4,185,915
Food Service Fund	4,826	770	5,596
Total Awards & Financial Assistance	<u>\$ 4,592,092</u>	<u>\$ 10,963,110</u>	<u>\$ 15,555,202</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

The Ocean County Vocational Technical School had no loan balances outstanding at June 30, 2021.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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

**Financial Statements**

Type of auditor's report issued		Unmodified	
<hr/>			
Internal control over financial reporting:			
1) Material weakness(es) identified?	_____ yes	_____ X _____ no	
2) Significant deficiency(ies) identified?	_____ yes	_____ X _____ none reported	
Noncompliance material to financial statements noted?	_____ yes	_____ X _____ no	

**Federal Awards**

Internal control over major programs:			
1) Material weakness(es) identified?	_____ yes	_____ X _____ no	
2) Significant deficiency(ies) identified?	_____ yes	_____ X _____ none reported	
Type of auditor's report issued on compliance for major programs		Unmodified	
<hr/>			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	_____ X _____ no	

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425E	P425E205627	Higher Education Emergency Relief Fund - Student Aid Portion
21.019	SLT0113	Coronavirus Relief Fund
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs		\$	750,000
<hr/>			
Auditee qualified as low-risk auditee?	_____ X _____ yes	_____ _____ no	

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

**Section I - Summary of Auditor's Results (Continued)**

**State Financial Assistance**

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	<u>  X  </u> yes	<u>      </u> no
Internal control over major programs:		
1) Material weakness(es) identified?	<u>      </u> yes	<u>  X  </u> no
2) Significant deficiency(ies) identified?	<u>      </u> yes	<u>  X  </u> 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 NJOMB Circular Letter 15-08 as applicable?	<u>      </u> yes	<u>  X  </u> no

Identification of major programs:

<b><u>State Grant/Project Number(s)</u></b>	<b><u>Name of State Program</u></b>
495-034-5094-003	Reimbursed TPAF Social Security Contributions
495-034-5120-089	State Aid Public:
Not Available	Special Education Categorical Aid
495-034-5120-078	Vocational Expansion Stab. Aid
495-034-5120-084	Equalization Aid
495-034-5120-085	Security Aid
	Adjustment Aid

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2021**

This section identifies the status of prior year findings related to the financial statements, 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.