

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

Toms River, New Jersey
County of Ocean

ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

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



YEAR ENDED JUNE 30, 2022

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

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
(First Section)	
Letter of Transmittal	1
Organizational Chart	8
Roster of Officials	10
Consultants and Advisors	11
FINANCIAL SECTION	
(Second Section)	
Independent Auditor's Report	15
REQUIRED SUPPLEMENTARY INFORMATION – PART I	
Management's Discussion and Analysis	21
BASIC FINANCIAL STATEMENTS	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	33
A-2 Statement of Activities	34
B. Fund Financial Statements:	
B-1 Balance Sheet	39
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	40
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	41
Proprietary Funds:	
B-4 Statement of Net Position	45
B-5 Statement of Revenues, Expenditures and Changes in Fund Net Position	46
B-6 Statement of Cash Flows	47
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to Financial Statements	53
REQUIRED SUPPLEMENTARY INFORMATION – PART II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	89
C-2 Budgetary Comparison Schedule – Special Revenue Fund	93
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	97
REQUIRED SUPPLEMENTARY INFORMATION – PART III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	103
L-2 Schedule of the School District Contributions - PERS	104
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF	105
M. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
M-1 Schedule of District's Proportionate Share of the Total OPEB Obligation - OPEB	109
Notes to the Required Supplementary Information - Part III	113

TABLE OF CONTENTS

	PAGE
OTHER SUPPLEMENTARY INFORMATION	
D. School Based Budget Schedules Fund (if applicable):	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues & Expenditures - Special Revenue Fund – Budgetary Basis	121
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	127
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	128
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds Payable	N/A
I-2 Schedule of Obligations Under Financing Leases	N/A
I-3 Debt Service Fund - Budgetary Comparison Schedule	N/A
STATISTICAL SECTION (Unaudited)	
(Third Section)	
Financial Trends:	
J-1 Net Position by Component	143
J-2 Changes in Net Position	144
J-3 Fund Balances – Governmental Funds	146
J-4 Changes in Fund Balances – Governmental Funds	147
J-5 General Fund - Other Local Revenue by Source	148
Revenue Capacity:	
J-6 Assessed Value & Actual Value of Taxable Property	N/A
J-7 Direct and Overlapping Property Tax Rates	N/A
J-8 Principal Property Taxpayers	N/A
J-9 Property Tax Levies and Collections	N/A
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	N/A
J-11 Ratios of Net General Bonded Debt Outstanding	N/A
J-12 Ratios of Overlapping Governmental Activities Debt	N/A
J-13 Legal Debt Margin Information	N/A
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	151
J-15 Principal Employers	N/A
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	155
J-17 Operating Statistics	156
J-18 School Building Information	157
J-19 Schedule of Required Maintenance	158
J-20 Insurance Schedule	159

TABLE OF CONTENTS

	PAGE	
SINGLE AUDIT SECTION (Fourth Section)		
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	163
K-2	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with Uniform Guidance and New Jersey OMB Circular Letter 15-08	165
K-3	Schedule of Expenditures of Federal Awards, Schedule A	169
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	170
K-5	Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	171
K-6	Schedule of Findings and Questioned Costs - Part I, II & III	173
K-7	Summary Schedule of Prior Year Audit Findings	177

This page intentionally left blank

INTRODUCTORY SECTION

This page intentionally left blank



Board of Education

137 Bey Lea Road • Toms River, NJ 08753-2703
(732) 240 - 6414 Fax # (732) 505 - 8929

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

Board of Education

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

March 8, 2023

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 Annual Comprehensive Financial Report (ACFR) of the Ocean County Vocational-Technical School District for the fiscal year ended June 30, 2022, 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, 2022, 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,



Board of Education/Administration Office

137 Bey Lea Road • Toms River, NJ 08753-2703

(732) 240-6414

Fax # (732) 505-8929

“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>
2021-2022	2,925	5.58%
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%

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 the school year 2021-22, Ocean County Vocational Technical School (OCVTS) continued to grow the 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 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. It has been featured in trade related magazines and district stakeholders have presented at the national ACTE conference and National Pavement Expo as a model to support the development of a Talent pipeline to industry.

In the May of 2022 OCVTS partnered with the Ocean County Workforce Development Board and Shore Builders Association to begin the first annual Construction Career Expo. The event was hosted at Jersey Shore BlueClaws stadium. Students from all of the district's construction program attended as well as over 30 employer partners. Many students were interviewed and were able to secure employment at the event.

Through a Comprehensive Local Needs Assessment, 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. At that time, Ocean County Vocational Technical School did not have a shared time Plumbing Program, only the Apprentice four-year Plumbing Program. After grant funding and industry support, the district re-opened its two-year, shared time Plumbing Program, housed in the Brick Center. This Career and Technical Education Plumbing Program of Study puts students on a path to advanced placement in apprenticeships in order to support a workforce that is in dire need of workers. This is the second year of the program and it continues to experience full enrollment and is supported with hands-on instruction, and Work Based Learning opportunities.

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 an almost 20,000 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. Although this project has been delayed, we project that the building addition will be complete to open additional classroom/workshops in the 2024-2025 school year. Recruiting for the high-demand, high-skill, and high-wage programs will begin in the fall of 2023.

The Ocean County Vocational Technical School continues to follow the rigorous Plan for Growth as suggested by the Middle States Association of Colleges and Schools. The district has prioritized several areas in an effort to strengthen student outcomes related to this Plan for Growth. Over the next several years the district will continue to place 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. A number of our instructors have completed the



Board of Education/Administration Office

137 Bay Lea Road • Toms River, NJ 08753-2703

(732) 240-6414

Fax # (732) 505-8929

Work Based Learning Certification and are in the process of working with employers/students for hands-on experiences in their chosen vocational fields.

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 2022, students earned the following placements... 1st Place: 11 students; 2nd Place: 17 students; and 3rd Place: 11 students. At the Delaware Valley Science Fair (Super Regional), students earned the following places... 1st Place: 5 students; 2nd Place: 16 students; and 3rd Place: 9 students. Four students qualified for the National Junior Academy of Science Symposium that will be in Washington, D.C. after winning their categories at the NJ Junior Academy of Science Meeting in May 2022. Two students earned 1st Place and one earned 2nd Place in the General Poster competition Jersey Shore Junior Science and Humanities Symposium in March 2022. Eight 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 2nd Place in New Jersey.

At the present time, the Ocean County Vocational Technical School has 16 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.

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 3,620 nursing students have graduated from the Ocean County Vocational Technical School Practical Nursing program since 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. 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 HEOP. OCVTS has expanded its adult Twi-light 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 and Southern Ocean Habitat for Humanity and continues to participate in 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 2021-2022 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. 7 gold medalists (1 Gold Medal was a State only competition) 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 medal! Our totals for the National competition were 3 bronze medal winners and 3 other National competitors finished in the top 10 in their competitions.



Board of Education/Administration Office

137 Bey Lea Road • Toms River, NJ 08753-2703
(732) 240-6414 Fax # (732) 505-8929

Over \$4,500.00 was awarded to Outstanding high school graduate students and \$55,806.00 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, organizations, business and educational institutions that provide our graduates with scholarships, and grants.

Traditionally, OCVTS Grunin Performing Arts Academy (GPAA) students have the opportunity to participate in various hands-on and performance-based skill 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. Last January, students competed virtually in the International Thespians Festival at the state level. Some highlights of our students' success include: two students earned a superior ranking in musical theatre solo, four students earned a superior ranking in musical theatre duets and one dancer received a superior ranking. All four majors (Audio Engineering, Dance, Theatre and Vocal) at the Grunin Performing Arts Academy were represented and acknowledged for their talents.

For the 2021-2022 school year, students that performed at a superior level and state board members were invited to attend the International Thespian Society (ITS) Festival's National Conference in Bloomington, Indiana. This event was held in-person for the first time since COVID-19. In the past, an average of 25 students attended 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 seven of our students participated in-person and 4 participated virtually. We are happy to see more students participate this year.

In March, GPAA students who received superior rankings during the ITS festival and students from the cast of our musical "Bring it On" participated in the local New Jersey Teen Arts Festival. The cast of "Bring it On" and the students who performed primarily received rating of "distinct" and "advanced." Our students were selected and encouraged to perform at the state level. In addition to their rating of "distinguished" at the New Jersey Teen Arts Festival, our talented cast of the spring musical "Bring it On," received recommendations for nominations for 2022 Rising Star Awards from the Papermill Playhouse (Millburn, NJ) in the following six categories: Outstanding Achievement in Music Direction, Outstanding Performance by a Chorus, Outstanding Performer in a Female-Identified Leading Role, Outstanding Performer in a Female-Identified Supporting Role, Outstanding Performer in a Featured Role and Outstanding Performer in a Featured Role. These are great honors and we are extremely proud of this recognition.

Students throughout the Ocean County Vocational Technical School District participate in the nationally recognized SkillsUSA conference. For the 2021-2022 school year, students from the Grunin Performing Arts Academy wrote and rehearsed original scenes for that were reflective of an art piece to prepare for an Arts and Communication Cluster competition. Unfortunately, due to a scheduling conflict 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



Board of Education/Administration Office

137 Bey Lea Road • Toms River, NJ 08753-2703
(732) 240-6414 Fax # (732) 505-8929

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.

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.



Board of Education/Administration Office

137 Bay Lea Road • Toms River, NJ 08753-2703
(732) 240-6414 Fax # (732) 505-8929

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,

A handwritten signature in cursive script, reading "Karen L. Homiek", written over a horizontal line.

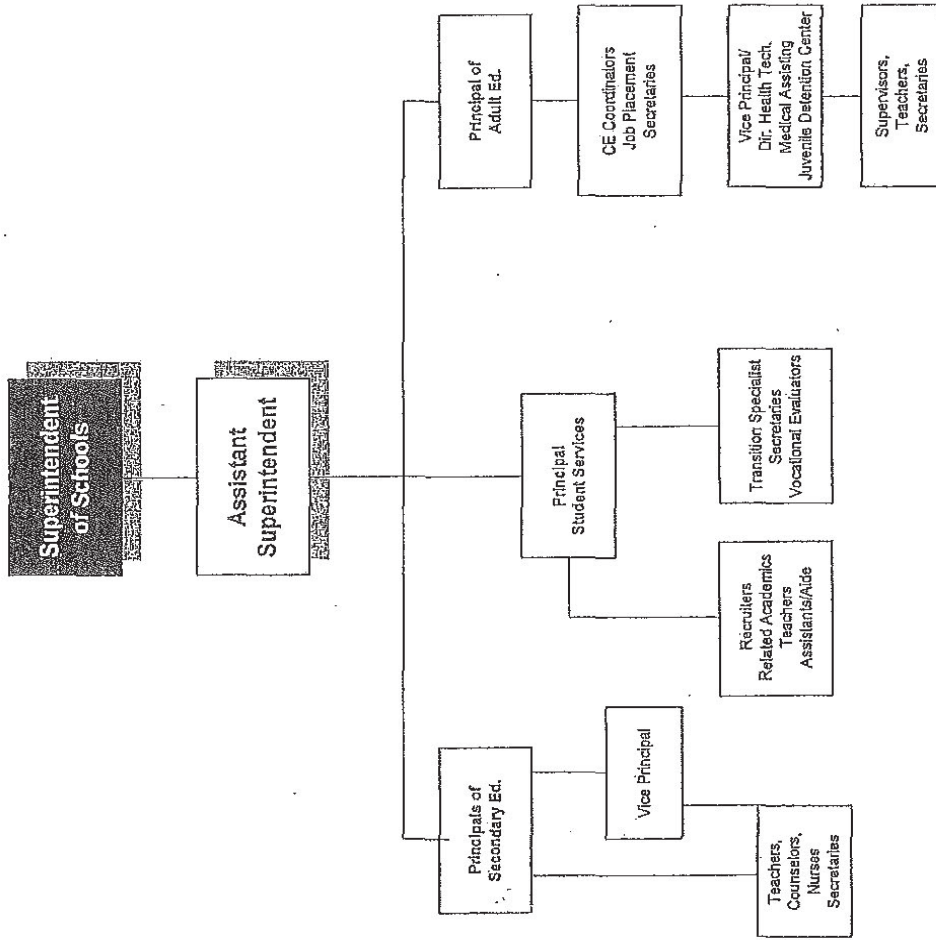
Karen Homiek
Superintendent

A handwritten signature in cursive script, reading "Frank J. Frazee", written over a horizontal line.

Frank J. Frazee, CPA
Business Administrator/Board Secretary

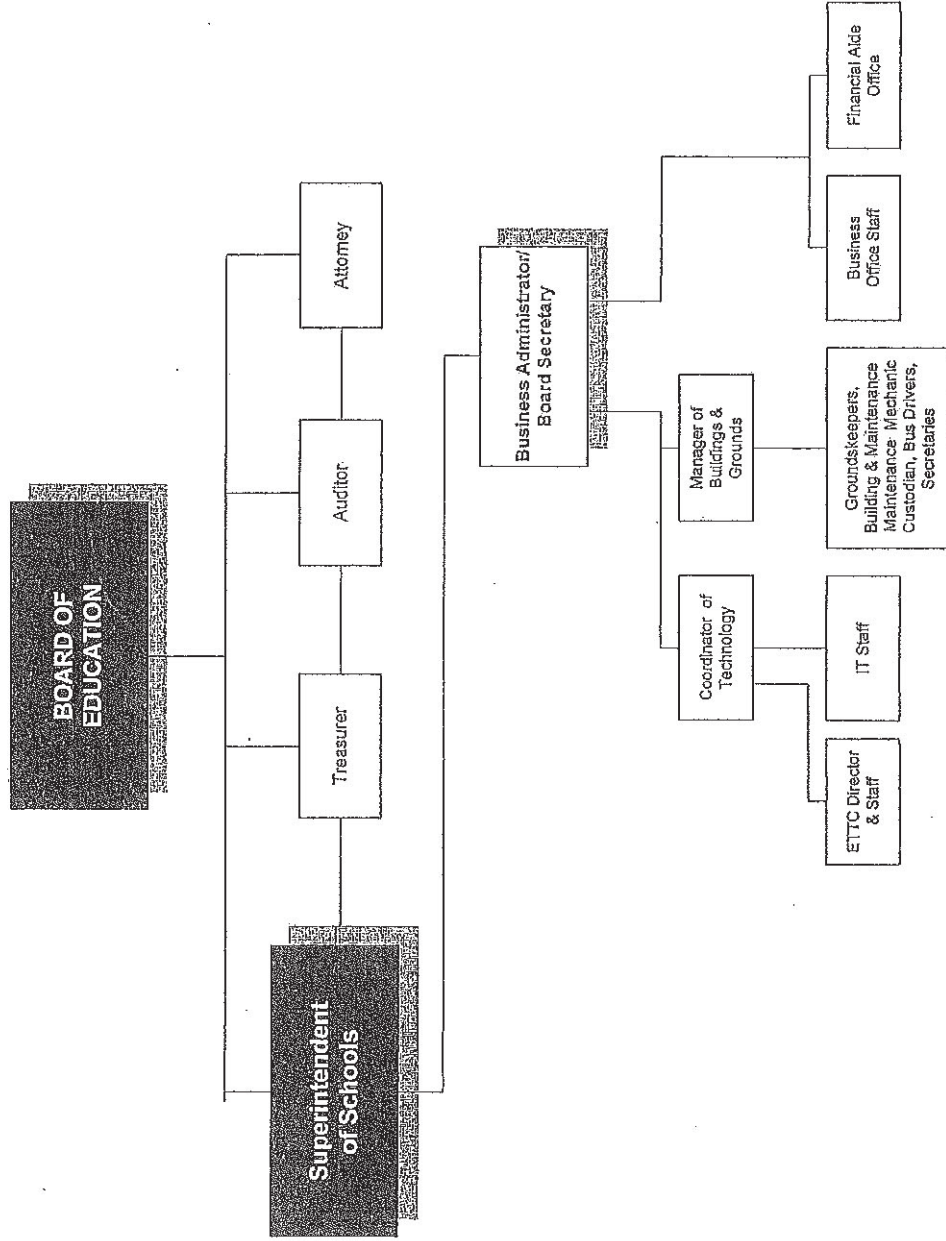
OCEAN COUNTY VOCATIONAL - TECHNICAL SCHOOLS

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, 2022**

Members of the Board of Education

TERM EXPIRES

Nina Anuario, President	2024
Stephen Scaturro, Vice President	2025
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, 2022**

ARCHITECTS

Yezzi Associates
Toms River, New Jersey

AUDITOR/AUDIT FIRM

Jerry W. Conaty, CPA, PSA, CFE, RMA
Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave., Suite 3
Lakewood, New Jersey 08701

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

This page intentionally left blank

FINANCIAL SECTION

Second Section

This page intentionally left blank



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 Audit of the Financial Statements

Opinions

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, 2022, 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.

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 School District as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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.

Supplementary 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 presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2023 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 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
March 8, 2023

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

This page intentionally left blank

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2022 UNAUDITED

This section of the Ocean County Vocational Technical Schools Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. 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 2021-2022 and the prior fiscal year 2020-2021 is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2022 are as follows:

- In total, net position of governmental activities increased, \$9,482,977, which represents a 22.63% increase from 2021. Total net position of business-type activities increased \$13,989, which represents an increase of 145.29% from 2021.
- General revenues accounted for \$41,001,435 in revenue or 79.45% of total revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$10,607,080 or 20.55% of total revenue of \$51,608,515.
- Total assets of governmental activities increased by \$8,385,936 as cash and cash equivalents decreased by (\$732,907), receivables increased by \$6,991,073, and total capital assets increased by \$2,127,770.
- Total liabilities of governmental activities decreased by (\$1,625,909) as non-current liabilities due beyond one year decreased by (\$2,054,414).
- The District had \$41,898,657 in governmental activity expenses; only \$10,380,199 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily county appropriations) of \$41,001,435 were not adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$9,482,977.
- In the governmental funds, the general fund had \$37,334,158 in revenues and \$37,625,976 in expenditures. The general fund's fund balance decreased by (\$291,818) over 2021.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

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. The District does not have any 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.

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, 2022 and 2021, respectively:

Net Position
June 30, 2022

	Governmental Activities		Business-Type Activities	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets				
Current and Other				
Assets	\$ 15,151,016	\$ 8,892,850	\$ 23,617	\$ 9,703
Capital Assets, Net	50,398,882	48,271,112	-	-
Total Assets	<u>65,549,898</u>	<u>57,163,962</u>	<u>23,617</u>	<u>9,703</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	1,933,295	1,858,125	-	-
Liabilities				
Long-Term Liabilities	9,225,214	11,279,628	-	-
Other Liabilities	2,317,388	1,888,883	-	75
Total Liabilities	<u>11,542,602</u>	<u>13,168,511</u>	<u>-</u>	<u>75</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	4,546,355	3,942,317	-	-
Net Position				
Net Investment in				
Capital Assets	50,398,882	48,271,112	-	-
Restricted	10,649,613	4,468,849	-	-
Unrestricted	(9,654,259)	(10,828,702)	23,617	9,628
Total Net Position	<u>\$ 51,394,236</u>	<u>\$ 41,911,259</u>	<u>\$ 23,617</u>	<u>\$ 9,628</u>

The District's largest net position component is the Net Investment in Capital Assets as shown above.

Restricted balances represent resources that are subject to external restrictions on how they may be used. Restricted net position increased \$6,180,764 from the prior year to \$10,649,613 at June 30, 2022.

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 (\$9,654,259) 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, 2022 and 2021. 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.

	<u>June 30, 2022</u>		
	Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 211,130	\$ 211,130
Operating Grants and Contributions	10,380,199	15,751	10,395,950
General Revenues:			
County Appropriations	19,963,522	-	19,963,522
County Appropriation - Restricted	2,098,812	-	2,098,812
Federal & State Aid Restricted	7,215,805	-	7,215,805
Federal & State Aid Not Restricted	6,173,715	-	6,173,715
Tuition Charges	4,885,360	-	4,885,360
Interest Earnings	215	-	215
Miscellaneous	664,006	-	664,006
Total Revenues	<u>51,381,634</u>	<u>226,881</u>	<u>51,608,515</u>
Expenses:			
Instructional Services	11,731,367	-	11,731,367
Support Services	21,451,621	212,892	21,664,513
Special Schools	6,493,794	-	6,493,794
Interest and Other Charges	2,221,875	-	2,221,875
Total Expenses	<u>41,898,657</u>	<u>212,892</u>	<u>42,111,549</u>
Change in Net Position	9,482,977	13,989	9,496,966
Net Position, Beginning	41,911,259	9,628	41,920,887
Net Position, Ending	<u>\$ 51,394,236</u>	<u>\$ 23,617</u>	<u>\$ 51,417,853</u>

	<u>June 30, 2021</u>		
	Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 36,851	\$ 36,851
Operating Grants and Contributions	13,763,215	5,596	13,768,811
General Revenues:			
County Appropriation	19,572,080	-	19,572,080
County Appropriation - Restricted	2,791,206	-	2,791,206
Federal and 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 Revenues	<u>47,575,896</u>	<u>42,447</u>	<u>47,618,343</u>
Expenses:			
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
Total Expenses	<u>44,980,023</u>	<u>51,943</u>	<u>45,031,966</u>
Change in Net Position	2,595,873	(9,496)	2,586,377
Net Position, Beginning	39,315,386	19,124	39,334,510
Net Position, Ending	<u>\$ 41,911,259</u>	<u>\$ 9,628</u>	<u>\$ 41,920,887</u>

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, special revenue fund and capital projects fund expenditures for the fiscal year ended June 30, 2022 and 2021 and the amount and percentage of increases and (decreases) in relation to prior year.

	<u>June 30, 2022</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 11,731,367	25.45%	\$ 481,498	4.28%
Special Schools	6,493,794	14.09%	134,770	2.12%
Undistributed	23,524,242	51.03%	2,220,682	10.42%
Capital Outlay	4,299,567	9.33%	1,968,353	84.43%
Debt Service:				
Interest	50,077	0.11%	-	0.00%
Total	<u>\$ 46,099,047</u>	<u>100.00%</u>	<u>\$ 4,805,303</u>	<u>11.64%</u>

	<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	21.86%
Capital Outlay	2,331,214	5.65%	(12,481,063)	-84.26%
Debt Service:				
Interest	50,077	0.12%	-	0.00%
Total	<u>\$ 41,293,744</u>	<u>100.00%</u>	<u>\$ (8,695,220)</u>	<u>-17.39%</u>

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 2021-2022 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 2021-2022 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 an increase in net position of \$8,915 in 2021-2022 as compared to a decrease in net position of (\$19,073) in 2020-2021. The primary factor(s) affecting the change in net position of the Food Service fund was a result of decreased activity during the 2021-2022 school year.

The Cost Recovery Enterprise Fund showed an increase in net position of \$5,074 in 2021-2022 as compared to an increase in net position of \$9,577 in 2020-2021. The primary factor(s) affecting the change in net position of the Cost Recovery fund was a result of increased activity the 2021-2022 school year.

Capital Assets

At June 30, 2022 the District has capital assets of \$50,398,882, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	June 30, 2022	
	Governmental Activities	Business-Type Activities
Buildings and Improvements	\$ 70,086,627	\$ -
Machinery and Equipment	18,210,814	-
Accumulated Depreciation	(37,898,559)	-
Total	\$ 50,398,882	\$ -

	June 30, 2021	
	Governmental Activities	Business-Type Activities
Buildings and Improvements	\$ 66,914,328	\$ -
Machinery and Equipment	17,196,741	-
Accumulated Depreciation	(35,839,956)	-
Total	\$ 48,271,113	\$ -

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, 2022 and 2021, 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.

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2022-2023 budget will be adequate to satisfy all 2022-2023 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 2022-2023.
- For the 2021-2022 school year, the School Board was able to sustain its budget through the county appropriation, 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.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank

A. Government-Wide Financial Statements

This page intentionally left blank

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 2,745,947	\$ 22,289	\$ 2,768,236
Receivables, Net (Note 4)	11,289,638	1,328	11,290,966
Restricted Cash & Cash Equivalents	1,115,431	-	1,115,431
Capital Assets, Net (Note 5):			
Depreciable	50,398,882	-	50,398,882
Total Assets	65,549,898	23,617	65,573,515
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,933,295	-	1,933,295
Total Deferred Outflow of Resources	1,933,295	-	1,933,295
LIABILITIES:			
Accounts Payable	1,237,614	-	1,237,614
Due to Other Governments	764,955	-	764,955
Unearned Revenue	60,250	-	60,250
Unemployment Trust Fund Liability	83,195	-	83,195
Payroll Deductions & Withholdings	171,374	-	171,374
Noncurrent Liabilities (Note 7):			
Due in More Than One Year	9,225,214	-	9,225,214
Total Liabilities	11,542,602	-	11,542,602
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	4,546,355	-	4,546,355
Total Deferred Inflow of Resources	4,546,355	-	4,546,355
NET POSITION:			
Investment in Capital Assets	50,398,882	-	50,398,882
Restricted for:			
Capital Projects (Note 3)	9,393,797	-	9,393,797
Maintenance Reserve (Note 3)	907,812	-	907,812
Unemployment Compensation	106,846	-	106,846
Student Activities	224,103	-	224,103
Scholarship	17,055	-	17,055
Unrestricted (Deficit) (Note 18)	(9,654,259)	23,617	(9,630,642)
Total Net Position	\$ 51,394,236	\$ 23,617	\$ 51,417,853

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, 2022

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/Remedial	\$ 3,651,575	\$ -	\$ -	\$ -	\$ (3,651,575)	\$ -	\$ (3,651,575)
Regular Vocational Programs - Instruction	6,388,558	-	1,368,614	-	(5,019,944)	-	(5,019,944)
Special Vocational Programs - Instruction	1,481,611	-	-	-	(1,481,611)	-	(1,481,611)
Sponsored Co-curricular Activities	209,623	-	-	-	(209,623)	-	(209,623)
Support Services:							
Attendance & Social Work Services	54,772	-	-	-	(54,772)	-	(54,772)
Health Services	504,279	-	-	-	(504,279)	-	(504,279)
Other Support Services - Student Regular	4,245,459	-	3,173,993	-	(1,071,466)	-	(1,071,466)
Other Support Services - Student Special	334,455	-	-	-	(334,455)	-	(334,455)
Improvement of Instruction Services	7,615	-	-	-	(7,615)	-	(7,615)
Educational Media Services/School Library	222,763	-	-	-	(222,763)	-	(222,763)
Support Services: General Administration	1,054,571	-	-	-	(1,054,571)	-	(1,054,571)
Support Services: School Administration	2,168,470	-	-	-	(2,168,470)	-	(2,168,470)
Support Services: Central Services	793,356	-	-	-	(793,356)	-	(793,356)
Support Services: Information Technology	375,899	-	-	-	(375,899)	-	(375,899)
Required Maintenance for School Facilities	842,167	-	-	-	(842,167)	-	(842,167)
Operation & Maintenance Plant	2,332,375	-	-	-	(2,332,375)	-	(2,332,375)
Care Upkeep of Grounds	80,325	-	-	-	(80,325)	-	(80,325)
Security	73,363	-	-	-	(73,363)	-	(73,363)
Student Transportation Services	231,805	-	-	-	(231,805)	-	(231,805)
Unallocated Benefits - Employee Benefits	8,129,947	-	5,837,592	-	(2,292,355)	-	(2,292,355)
Unallocated Depreciation	2,171,798	-	-	-	(2,171,798)	-	(2,171,798)
Interest and Other Cost	50,077	-	-	-	(50,077)	-	(50,077)
Special Schools	6,493,794	-	-	-	(6,493,794)	-	(6,493,794)
Total Governmental Activities	41,898,657	-	10,380,199	-	(31,518,458)	-	(31,518,458)
Business-Type Activities:							
Food Service	194,093	187,257	15,751	-	-	8,915	8,915
Enterprise Fund	18,799	23,873	-	-	-	5,074	5,074
Total Business-Type Activities	212,892	211,130	15,751	-	-	13,989	13,989
Total Primary Government	\$ 42,111,549	\$ 211,130	\$ 10,395,950	\$ -	\$ (31,518,458)	\$ 13,989	\$ (31,504,469)
General Revenues:							
County Appropriations							
County Appropriation - Restricted					19,963,522	-	19,963,522
Federal & State Aid Restricted					2,098,812	-	2,098,812
Federal & State Aid Not Restricted					7,215,805	-	7,215,805
Tuition Charges					6,173,715	-	6,173,715
Interest Earnings					4,885,360	-	4,885,360
Miscellaneous					215	-	215
Total General Revenues					664,006	-	664,006
Change In Net Position					41,001,435	-	41,001,435
Net Position - Beginning					9,482,977	13,989	9,496,966
Net Position - Ending					41,911,259	9,628	41,920,887
					\$ 51,394,236	\$ 23,617	\$ 51,417,853

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

B. Fund Financial Statements

This page intentionally left blank

Governmental Funds

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	
ASSETS				
Cash & Cash Equivalents	\$ 2,453,735	\$ 292,212	\$ -	\$ 2,745,947
Receivables, Net:				
Interfund Receivable	986,277	-	-	986,277
Due from Other Governments:				
Federal	-	51,335	-	51,335
State	139,491	-	7,215,805	7,355,296
Other	-	-	3,590,741	3,590,741
Other Accounts Receivable	151,983	140,283	-	292,266
Restricted Cash & Cash Equivalents	1,115,431	-	-	1,115,431
Total Assets	\$ 4,846,917	\$ 483,830	\$ 10,806,546	\$ 16,137,293
LIABILITIES & FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 384,687	\$ 242,672	\$ 527,246	\$ 1,154,605
Unemployment Trust Fund Liability	83,195	-	-	83,195
Payroll Deductions & Withholdings	171,374	-	-	171,374
Interfund Payable	-	-	986,277	986,277
Unearned Revenue	60,250	-	-	60,250
Accrued Salaries and Wages	83,009	-	-	83,009
Total Liabilities	782,515	242,672	1,513,523	2,538,710
Fund Balances:				
Restricted for:				
Capital Reserve	100,773	-	-	100,773
Maintenance Reserve	907,812	-	-	907,812
Capital Projects	-	-	9,293,023	9,293,023
Unemployment	106,846	-	-	106,846
Student Activities	-	224,103	-	224,103
Scholarship	-	17,055	-	17,055
Committed to:				
Other Purposes	412,791	-	-	412,791
Assigned to:				
Designated for				
Subsequent Year	1,100,000	-	-	1,100,000
Other Purposes	186,547	-	-	186,547
Unassigned				
General Fund	1,249,633	-	-	1,249,633
Total Fund Balances	4,064,402	241,158	9,293,023	13,598,583
Total Liabilities & Fund Balances	\$ 4,846,917	\$ 483,830	\$ 10,806,546	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$88,297,441 and the accumulated depreciation is \$37,898,559.	50,398,882
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	1,933,295
Deferred Inflows Related to Pensions	(4,546,355)
Accrued pension contributions for the June 30, 2022 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.	(764,955)
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.	(9,225,214)
Net Position of Governmental Activities	\$ 51,394,236

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	
Revenues:				
Local Sources:				
County Appropriation	\$ 19,963,522	\$ -	\$ 2,098,812	\$ 22,062,334
Tuition Charges	4,885,360	-	-	4,885,360
Interest Earnings	215	-	-	215
Miscellaneous	456,015	1,016,940	-	1,472,955
Total Local Sources	25,305,112	1,016,940	2,098,812	28,420,864
State Sources	12,029,046	136,854	7,215,805	19,381,705
Federal Sources	-	4,185,424	-	4,185,424
Total Revenues	37,334,158	5,339,218	9,314,617	51,987,993
Expenditures:				
Instruction:				
Basic Skills/Remedial	3,651,575	-	-	3,651,575
Regular Vocational Programs - Instruction	5,019,944	1,368,614	-	6,388,558
Special Vocational Programs - Instruction	1,481,611	-	-	1,481,611
Sponsored Cocurricular Activities	209,623	-	-	209,623
Support Services:				
Attendance & Social Work Services	54,772	-	-	54,772
Health Services	504,279	-	-	504,279
Other Support Services - Student Regular	901,920	3,343,539	-	4,245,459
Other Support Services - Student Special	334,455	-	-	334,455
Improvement of Instruction Services	7,615	-	-	7,615
Educational Media Services/School Library	222,763	-	-	222,763
Support Services: General Administration	1,054,571	-	-	1,054,571
Support Services: School Administration	2,168,470	-	-	2,168,470
Support Services: Central Services	793,356	-	-	793,356
Support Services: Information Technology	375,899	-	-	375,899
Required Maintenance for School Facilities	842,167	-	-	842,167
Operation & Maintenance Plant	2,332,375	-	-	2,332,375
Care Upkeep of Grounds	80,325	-	-	80,325
Security	73,363	-	-	73,363
Student Transportation Services	231,805	-	-	231,805
Unallocated Benefits - Employee Benefits	10,202,568	-	-	10,202,568
Special Schools	6,493,794	-	-	6,493,794
Capital Outlay	538,649	588,620	3,172,298	4,299,567
Interest & Other Charges	50,077	-	-	50,077
Total Expenditures	37,625,976	5,300,773	3,172,298	46,099,047
Net Changes in Fund Balances	(291,818)	38,445	6,142,319	5,888,946
Fund Balance, July 1	4,356,220	202,713	3,150,704	7,709,637
Fund Balance, June 30	\$ 4,064,402	\$ 241,158	\$ 9,293,023	\$ 13,598,583

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, 2022**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ 5,888,946

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		(2,171,798)	
Retirement of Fully Depreciated Capital Asset		113,195	
Capital Outlays		4,299,567	
Retirement of Fully Depreciated Capital Asset		<u>(113,195)</u>	
			2,127,769

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. 1,380,709

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 (+). 85,553

Change in Net Position of Governmental Activities \$ 9,482,977

This page intentionally left blank

Proprietary Funds

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES		TOTALS
	FOOD SERVICE	COST RECOVERY	
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 1,370	\$ 20,919	\$ 22,289
Accounts Receivable:			
Federal	1,005	-	1,005
State	106	-	106
Other Receivables	217	-	217
Total Current Assets	2,698	20,919	23,617
Total Assets	2,698	20,919	23,617
NET POSITION			
Unrestricted	2,698	20,919	23,617
Total Net Position	\$ 2,698	\$ 20,919	\$ 23,617

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, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES		
	FOOD SERVICE	COST RECOVERY	TOTALS
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 47,088	\$ -	\$ 47,088
Fees for Services	140,169	23,873	164,042
Total Operating Revenues	187,257	23,873	211,130
Operating Expenses:			
Cost of Sales - Reimbursable Programs	70,176	-	70,176
Cost of Sales - Non-Reimbursable Programs	89,314	-	89,314
Salaries	34,603	-	34,603
Supplies and Materials	-	18,799	18,799
Total Operating Expenses	194,093	18,799	212,892
Operating Income/(Loss)	(6,836)	5,074	(1,762)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	1,329	-	1,329
Federal Sources:			
National School Lunch Program	13,180	-	13,180
P-EBT Administrative Costs Grant	1,242	-	1,242
Total Nonoperating Revenues/(Expenses)	15,751	-	15,751
Change in Net Position	8,915	5,074	13,989
Total Net Position - Beginning	(6,217)	15,845	9,628
Total Net Position - Ending	\$ 2,698	\$ 20,919	\$ 23,617

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, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES		
	ENTERPRISE FUNDS		
	FOOD SERVICE	COST RECOVERY	TOTALS
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 186,404	\$ 23,873	\$ 210,277
Payments to Suppliers	(194,168)	(18,799)	(212,967)
Net Cash Provided by/(Used for) Operating Activities	(7,764)	5,074	(2,690)
Cash Flows From Noncapital Financing Activities:			
State Sources	1,329	-	1,329
Federal Sources	14,422	-	14,422
Net Cash Provided by/(Used for) Noncapital Financing Activities	15,751	-	15,751
Net Increase/(Decrease) in Cash & Cash Equivalents	7,987	5,074	13,061
Balances - Beginning of Year	(6,617)	15,845	9,228
Balances - End of Year	\$ 1,370	\$ 20,919	\$ 22,289

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

Operating Income/(Loss)	\$ (6,836)	\$ 5,074	\$ (1,762)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Increase/(Decrease) in Accounts Receivable, Net	(853)	-	(853)
(Increase)/Decrease in Accounts Payable	(75)	-	(75)
Total Adjustments	(928)	-	(928)
Net Cash Provided/(Used) by Operating Activities	\$ (7,764)	\$ 5,074	\$ (2,690)

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

This page intentionally left blank

Fiduciary Fund

Not Applicable

This page intentionally left blank

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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, 2022 of 1,429 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: Omnibus – 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, 2022 (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, 2022 (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, 2022 (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, 2022 (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 and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds which are used to report fiduciary activities where the School District controls assets that are collected on behalf of these entities. These assets are held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District had no fiduciary funds to report during the year.

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, 2022 (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, 2022 (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.

Right to Use Leased Assets

Right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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, 2022 (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, 2022 (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, 2022 and March 8, 2023, 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, 2022 (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, 2022:

Statement No. 87, *Leases*. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities. Management has determined that implementation of the statement did not have a significant impact on the District'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. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. 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. 93, *Replacement of Interbank Offered Rates*. This Statement establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases in addition to identifying appropriate benchmark interest rates for hedging derivative instruments. Requirements of this pronouncement related to paragraph 11b will be effective for reporting periods ending after December 31, 2021, and requirements related to paragraphs 13 and 14 will be effective for fiscal years beginning after 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.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Statement No. 98, *The Annual Comprehensive Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Management has determined these implementations of these statements did not have a significant impact on the District's financial statements.

The following accounting pronouncements will become effective in future reporting periods:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. This statement is effective for reporting periods beginning after June 15, 2022.

Statement No. 99, *Omnibus 2022*. The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Statement No. 100, *Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Statement No. 101, *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has yet to determine the potential impact of these pronouncements on the District's financial statements.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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, 2022, the School District’s bank balance of \$4,817,692 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 4,146,796
Uninsured and Uncollateralized	670,896
Total	\$ 4,817,692

Investments

The School District had no investments at June 30, 2022.

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, 2021 to June 30, 2022 fiscal year is as follows:

Ending Balance, June 30, 2022 and 2021	\$ 100,773
--	------------

The June 30, 2022 LRFP balance of local support costs of uncompleted capital projects at June 30, 2022 is \$34,861,500.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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, 2021 to June 30, 2022 fiscal year is as follows:

Ending Balance, June 30, 2022 and 2021		\$	907,812
			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, 2021 to June 30, 2022 fiscal year is as follows:

Ending Balance, June 30, 2022 and 2021		\$	106,846
			106,846

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 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, 2022, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	
Federal Awards	\$ -	\$ 51,335	\$ -	\$ 51,335
State Awards	139,491	-	7,215,805	7,355,296
Tuition	151,983	-	-	151,983
Other	-	140,283	3,590,741	3,731,024
Total	\$ 291,474	\$ 191,618	\$ 10,806,546	\$ 11,289,638
			Proprietary Funds	
			<u>Food Service Fund</u>	Total Business-Type Activities
Federal Awards			\$ 1,005	\$ 1,005
State Awards			106	106
Other			217	217
Total			\$ 1,328	\$ 1,328

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2022 are as follows:

	Governmental Activities				Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	Adjustments	
Governmental Activities:					
Capital Assets being depreciated:					
Buildings and Improvements	\$ 66,914,328	\$ 3,172,299	\$ -	\$ -	\$ 70,086,627
Equipment	17,196,741	1,127,268	(113,195)	-	18,210,814
Total Capital Assets being depreciated	84,111,069	4,299,567	(113,195)	-	88,297,441
Less: Accumulated Depreciation:					
Equipment	(35,839,956)	(2,171,798)	113,195	-	(37,898,559)
Total Accumulated Depreciation	(35,839,956)	(2,171,798)	113,195	-	(37,898,559)
Total Capital Assets being depreciated, net	48,271,113	2,127,769	-	-	50,398,882
Total Governmental Activities Capital Assets, net	\$ 48,271,113	\$ 2,127,769	\$ -	\$ -	\$ 50,398,882

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, 2022 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 986,277	\$ -
Capital Projects Fund	-	986,277
	<u>\$ 986,277</u>	<u>\$ 986,277</u>

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, 2022.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due Within <u>One Year</u>
	Governmental Activities:				
Compensated Absences	\$ 2,172,518	\$ -	\$ 85,553	\$ 2,086,965	\$ -
Net Pension Liability	9,107,110	4,435,619	6,404,480	7,138,249	-
	<u>\$ 11,279,628</u>	<u>\$ 4,435,619</u>	<u>\$ 6,490,033</u>	<u>\$ 9,225,214</u>	<u>\$ -</u>

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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 Annual Comprehensive Financial Report (ACFR) which can be found on the website of the New Jersey Division of Pensions & Benefits.

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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 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 2021, 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, 2022 (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 (Credit)/Expense and Deferred Outflows/Inflows of Resources - At June 30, 2022, the School District reported a liability of \$7,138,249 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. 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, 2020, to the measurement date of June 30, 2021. 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, 2021. The School District's proportion measured as of June 30, 2021, was 0.060256%, which was an increase of 0.004410% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension credit of (\$658,307) in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2021 measurement date. For the year ended June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 112,579	\$ 51,101
Changes of Assumptions	37,176	2,541,263
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,880,402
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	1,018,585	73,589
School District contributions subsequent to measurement date	764,955	-
	\$ 1,933,295	\$ 4,546,355

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Year Ending June 30,		
2023	\$	(1,247,846)
2024		(851,024)
2025		(603,430)
2026		(610,154)
2027		(65,561)
	<u>\$</u>	<u>(3,378,015)</u>

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:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
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
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
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	-
June 30, 2021	5.00	-
Changes in Proportion and Differences between District Contributions Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
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
June 30, 2021	5.13	5.13

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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-2021
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-2021.

The actuarial assumptions used in the July 1, 2021 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, 2021) 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, 2021 are summarized in the following table:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	8.00%	9.15%
Real Estate	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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, 2021, 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, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 9,824,472	\$ 7,138,249	\$ 4,999,278

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
School District's portion	0.06026%	0.05585%

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 Annual Comprehensive Financial Report (ACFR) which can be found on the website of the New Jersey Division of Pensions & Benefits.

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, 2022 (Continued)

Note 8. Pension Plans (Continued)

Service retirement benefits of $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ 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, 2021 was \$52,155,878. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2020, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1084881%, which was a decrease of (0.00193304%) from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized a pension expense in the amount of \$1,227,251 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, 2021 measurement date.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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-2021.

The actuarial assumptions used in the July 1, 2021 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, 2021) 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, 2021 are summarized in the following table:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	8.00%	9.15%
Real Estate	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 7.00% 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, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 61,709,116	\$ 52,155,878	\$ 44,131,759

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>6/30/2022</u>		<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$	9,626,548,228
Collective Deferred Inflows of Resources	\$ 27,363,906	\$	14,591,988,841
Collective Net Pension Liability	\$ 48,165,991,182	\$	65,993,498,688
School District's portion	0.10849%		0.11042%

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, 2022 (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, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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%	2.00 - 6.00%	3.25 - 15.25%
	based service years	based service years	based service years
Thereafter	2.75 - 5.65%	3.00 - 7.00%	Not
	based service years	based service years	Applicable

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-2021. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021 for current disables retirees. Future disabled retirees were based on Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

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, 2021 was \$66,865,191. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.11142778%, which was an increase of 0.00064275% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$3,706,352 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, 2021 measurement date.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend is 5.00%.

Discount Rate

The discount rate for June 30, 2021 was 2.16%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. 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, 2021, 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:

	6/30/2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 80,094,002	\$ 66,865,191	\$ 56,448,296
State of New Jersey's Total Nonemployer OPEB Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

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, 2021, 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:

	6/30/2021		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 54,127,534	\$ 66,865,191	\$ 83,970,849
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,338,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 9,045,886,863	\$ (18,009,362,976)
Changes in Assumption	10,179,536,966	(6,438,261,807)
Contributions Made in Fiscal Year Ending 6/30/2022 After Measurement Date	TBD	N/A
	\$ 19,225,423,829	\$ (24,447,624,783)

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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,	
2022	\$ (1,182,303,041)
2023	(1,182,303,041)
2024	(1,182,303,041)
2025	(1,182,303,041)
2026	(840,601,200)
Thereafter	<u>347,612,410</u>
	<u><u>\$ (5,222,200,954)</u></u>

** Employer Contributions made after June 30, 2021 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2020, the Program membership consisted of the following:

Active Plan Members	213,901
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>150,427</u>
	<u><u>364,328</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Total OPEB Liability

Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Changes of Benefit Terms	(63,870,842)
Differences Between Expected and Actual	(11,385,071,658)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u><u>\$ 60,007,650,970</u></u>
Total Covered Employee Payroll	14,425,669,769
Net OPEB Liability as a Percentage of Payroll	416%

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (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, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$4,490,743, \$902,641, \$1,049,219, and \$1,348, 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>
2021-2022	\$ -	\$ 31,726	\$ 383	\$ 106,846	\$ 83,195
2020-2021	-	27,997	20,127	106,846	51,852
2019-2020	29,692	-	81,481	106,846	43,982

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

As of June 30, 2022 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 Annual Comprehensive 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, 2022 (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	Lincoln Investment Planning, Inc.	Met Life
Ameriprise	Fidelity Investments	

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, 2022, the liability for compensated absences reported was \$2,086,965.

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, 2022 (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, 2022.

Note 17. Fund Balances

General Fund – Of the \$4,064,402 General Fund fund balance at June 30, 2022, \$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; \$412,791 has been committed to other purposes; \$186,547 has been assigned to other purposes; \$1,100,000 has been designated for subsequent year's expenditures and \$1,249,633 is unassigned.

Special Revenue Fund – Of the \$241,158 Special Revenue Fund fund balance at June 30, 2022, \$224,103 is restricted for Student Activities and \$17,055 is restricted for Scholarships.

Capital Projects Fund – Of the \$9,293,023 Capital Projects Fund fund balance at June 30, 2022, \$9,293,023 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 \$9,654,259 at June 30, 2022. 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, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments at June 30, 2022 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$599,338, \$149,020 in Special Revenue Fund and \$814,810 in the Capital Projects Fund included in Restricted Fund Balance.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

C. Budgetary Comparison Schedules

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
County Appropriations	10-1200	\$ 19,963,522	\$ -	\$ 19,963,522	\$ 19,963,522	\$ -
Tuition From LEAs	10-1310	2,200,500	-	2,200,500	2,111,978	(88,522)
Tuition From Individuals	10-1320	2,550,000	-	2,550,000	2,773,382	223,382
Interest Earned	10-1510	-	-	-	215	215
Miscellaneous	10-1790	262,883	-	262,883	456,015	193,132
Total Local Sources		24,976,905	-	24,976,905	25,305,112	328,207
State Sources:						
Categorical Special Education Aid	10-3132	837,311	-	837,311	837,311	-
Vocational Expansion Stabilization Aid	10-3140	2,362,212	-	2,362,212	2,362,212	-
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	181,753	-	181,753	181,753	-
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	4,490,743	4,490,743
On-Behalf TPAF Post Retirement Medical		-	-	-	1,049,219	1,049,219
On-Behalf TPAF Long Term Disability Insurance		-	-	-	1,348	1,348
Reimbursed TPAF Social Security Contributions		-	-	-	902,641	902,641
Total State Sources		5,585,095	-	5,585,095	12,029,046	6,443,951
Total Revenues		30,562,000	-	30,562,000	37,334,158	6,772,158
Current Expense:						
Regular Programs - Instruction:						
Salaries of Teachers	11-140-100-101	3,689,464	(48,922)	3,640,542	3,613,409	27,133
General Supplies	11-140-100-610	52,200	1,500	53,700	32,606	21,094
Textbooks	11-140-100-640	10,000	-	10,000	5,560	4,440
Total Regular Programs - Instruction		3,751,664	(47,422)	3,704,242	3,651,575	52,667
Regular Vocational Programs - Instruction						
Salaries of Teachers	11-310-100-101	3,755,592	(45,518)	3,710,074	3,635,275	74,799
Other Salaries of Instruction	11-310-100-106	470,268	39,484	509,752	509,752	-
Purchased Professional & Educational Services	11-310-100-320	15,000	15,260	30,260	27,268	2,992
Purchased Technical Services	11-310-100-340	85,000	17,902	102,902	100,656	2,246
Travel	11-310-100-580	7,500	-	7,500	2,102	5,398
General Supplies	11-310-100-610	744,075	31,879	775,954	618,675	157,279
Textbooks	11-310-100-640	150,000	(18,000)	132,000	126,216	5,784
Total Regular Vocational Programs - Instruction		5,227,435	41,007	5,268,442	5,019,944	248,498
Special Vocational Programs - Instruction						
Salaries of Teachers	11-320-100-101	1,338,699	-	1,338,699	1,303,966	34,733
Other Salaries of Instruction	11-320-100-106	10,000	(5,000)	5,000	-	5,000
Purchased Professional Services	11-320-100-340	4,000	-	4,000	3,982	18
Travel	11-320-100-580	750	-	750	-	750
General Supplies	11-320-100-610	132,650	93,457	226,107	171,970	54,137
Textbooks	11-320-100-640	7,500	-	7,500	1,693	5,807
Total Special Vocational Programs - Instruction		1,493,599	88,457	1,582,056	1,481,611	100,445
School-Sponsored Cocurricular Activities						
Other Objects	11-401-100-800	273,000	(31,318)	241,682	209,623	32,059
Total School-Sponsored Cocurricular Activities:		273,000	(31,318)	241,682	209,623	32,059
Total Instruction		10,745,698	50,724	10,796,422	10,362,753	433,669
Undistributed Expenditures Attendance and Social Work:						
Salaries	11-000-211-100	85,444	(30,672)	54,772	54,772	-
Total Undistributed Expenditures Attendance and Social Work		85,444	(30,672)	54,772	54,772	-
Undistributed Expenditures - Health Services:						
Salaries	11-000-213-100	446,890	32,505	479,395	479,395	-
Purchased Professional & Technical Services	11-000-213-300	15,000	3,220	18,220	18,220	-
Supplies and Materials	11-000-213-600	6,500	458	6,958	6,664	294
Total Undistributed Expenditures - Health Services		468,390	36,183	504,573	504,279	294

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	730,055	(787)	729,268	725,408	3,860
Salaries of Secretaries & Clerical Assistants	11-000-218-105	49,164	-	49,164	49,164	-
Purchased Professional - Educational Services	11-000-218-320	15,000	-	15,000	8,785	6,215
Other Purchased Services	11-000-218-500	1,500	-	1,500	324	1,176
Supplies and Materials	11-000-218-600	102,500	29,200	131,700	118,239	13,461
Total Undistributed Expenditures - Guidance		898,219	28,413	926,632	901,920	24,712
Undistributed Expenditures - Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	285,008	(29,657)	255,351	249,718	5,633
Salaries of Secretaries & Clerical Assistants	11-000-219-105	81,161	-	81,161	80,097	1,064
Supplies and Materials	11-000-219-600	6,500	-	6,500	4,640	1,860
Total Undistributed Expenditures - Child Study Teams		372,669	(29,657)	343,012	334,455	8,557
Undistributed Expenditures - Improvement of Instruction Services:						
Other Purchased Services	11-000-221-500	15,000	(7,000)	8,000	7,615	385
Total Undistributed Expenditures - Improvement of Instruction Services		15,000	(7,000)	8,000	7,615	385
Undistributed Expenditures - Educational Media Services/Library:						
Supplies and Materials	11-000-222-600	184,700	43,263	227,963	222,763	5,200
Total Undistributed Expenditures - Educational Media Services/Library		184,700	43,263	227,963	222,763	5,200
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	337,949	375	338,324	337,395	929
Legal Services	11-000-230-331	75,000	14,708	89,708	84,685	5,023
Other Purchased Professional Services	11-000-230-339	50,000	37,283	87,283	55,249	32,034
Communications/Telephone	11-000-230-530	240,000	61,810	301,810	293,555	8,255
BOE Other Purchased Professional Services	11-000-230-585	10,000	-	10,000	3,181	6,819
Other Purchased Services	11-000-230-590	267,930	(25,819)	242,111	236,621	5,490
General Supplies	11-000-230-610	16,000	2,173	18,173	12,315	5,858
Miscellaneous Expenditures	11-000-230-890	39,000	(7,165)	31,835	31,570	265
Total Undistributed Expenditures - Support Services - General Administration		1,035,879	83,365	1,119,244	1,054,571	64,673
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	1,226,136	(29,427)	1,196,709	1,175,026	21,683
Salaries of Other Professional Staff	11-000-240-104	127,150	9,800	136,950	134,813	2,137
Salaries of Secretaries & Clerical Assistants	11-000-240-105	583,999	(11,269)	572,730	572,730	-
Other Salaries	11-000-240-110	90,500	(4,500)	86,000	84,066	1,934
Purchased Professional & Technical Services	11-000-240-300	27,000	-	27,000	24,995	2,005
Other Purchased Services	11-000-240-500	15,000	3,000	18,000	17,581	419
Travel	11-000-240-580	2,000	-	2,000	911	1,089
Supplies and Materials	11-000-240-600	84,500	20,766	105,266	91,050	14,216
Other Objects	11-000-240-800	76,700	(2,874)	73,826	67,298	6,528
Total Undistributed Expenditures - Support Services - School Administration		2,232,985	(14,504)	2,218,481	2,168,470	50,011
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	624,016	885	624,901	623,241	1,660
Purchased Professional Services	11-000-251-330	110,500	16,992	127,492	92,057	35,435
Purchased Technical Services	11-000-251-340	18,000	-	18,000	14,730	3,270
Travel	11-000-251-580	5,500	-	5,500	3,956	1,544
Supplies and Materials	11-000-251-600	5,500	72	5,572	5,572	-
Miscellaneous Expenditures	11-000-251-890	38,500	15,346	53,846	53,800	46
Total Undistributed Expenditures - Central Services		802,016	33,295	835,311	793,356	41,955
Undistributed Expenditures - Administrative Information Technology:						
Salaries	11-000-252-100	311,237	24,388	335,625	327,758	7,867
Purchased Technical Services	11-000-252-340	7,000	3,000	10,000	3,000	7,000
Travel	11-000-252-580	2,000	-	2,000	1,026	974
Supplies and Materials	11-000-252-600	65,000	-	65,000	44,115	20,885
Total Undistributed Expenditures - Administrative Information Technology		385,237	27,388	412,625	375,899	36,726

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures -						
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	106,800	5,716	112,516	112,516	-
Cleaning, Repair & Maintenance Services	11-000-261-420	384,500	402,583	787,083	693,874	93,209
General Supplies	11-000-261-610	35,000	7,436	42,436	35,777	6,659
Total Required Maintenance for School Facilities		526,300	415,735	942,035	842,167	99,868
Undistributed Expenditures - Custodial Services:						
Salaries	11-000-262-100	675,193	24,908	700,101	700,101	-
Cleaning, Repair & Maintenance Services	11-000-262-420	552,200	194,295	746,495	654,940	91,555
Rental of Land & Bldg. Other Than Lease Purch.	11-000-262-441	25,000	32,459	57,459	52,828	4,631
Other Purchased Property Services	11-000-262-490	50,000	4,537	54,537	42,068	12,469
Miscellaneous Purchased Services	11-000-262-590	15,000	(12,000)	3,000	-	3,000
General Supplies	11-000-262-610	221,000	109,429	330,429	294,247	36,182
Energy (Natural Gas)	11-000-262-621	197,000	61,020	258,020	234,408	23,612
Energy (Electricity)	11-000-262-622	405,000	16,332	421,332	353,783	67,549
Total Undistributed Expenditures - Custodial Services		2,140,393	430,980	2,571,373	2,332,375	238,998
Undistributed Expenditures -						
Care and Upkeep of Grounds:						
Salaries	11-000-263-100	80,325	-	80,325	80,325	-
Total Care and Upkeep of Grounds		80,325	-	80,325	80,325	-
Security:						
Cleaning, Repair, and Maintenance Services	11-000-266-420	90,000	12,930	102,930	73,363	29,567
Total Security		90,000	12,930	102,930	73,363	29,567
Undistributed Expenditures -						
Student Transportation Services:						
Sal for Pupil Trans (Bet. H&S) - NonPublic Sch	11-000-270-163	87,000	(38,967)	48,033	45,581	2,452
Cleaning, Repair and Maintenance Services	11-000-270-420	100,000	35,820	135,820	126,773	9,047
Miscellaneous Purchased Services - Transportation	11-000-270-593	58,000	2,321	60,321	59,451	870
Total Undistributed Expenditures - Student Transportation Services		245,000	(826)	244,174	231,805	12,369
Unallocated Benefits:						
Social Security Contributions	11-000-291-220	310,000	21,673	331,673	331,673	-
Other Retirement Contributions - PERS	11-000-291-241	450,000	43,969	493,969	493,969	-
Pension Contributions	11-000-291-249	20,000	-	20,000	15,333	4,667
Workmen's Compensation	11-000-291-260	180,000	(60,882)	119,118	115,045	4,073
Health Benefits	11-000-291-270	3,255,953	(657,659)	2,598,294	2,547,608	50,686
Tuition Reimbursement	11-000-291-280	75,000	(14,370)	60,630	54,165	6,465
Other Employee Benefits	11-000-291-290	168,000	32,824	200,824	200,824	-
Total Unallocated Benefits		4,458,953	(634,445)	3,824,508	3,758,617	65,891
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	4,490,743	(4,490,743)
On-Behalf TPAF Post Retirement Medical		-	-	-	1,049,219	(1,049,219)
On-Behalf TPAF Long Term Disability Insurance		-	-	-	1,348	(1,348)
Reimbursed TPAF Social Security Contributions		-	-	-	902,641	(902,641)
Total Undistributed Expenditures		14,021,510	394,448	14,415,958	20,180,703	(5,764,745)
Total Expenditures - Current Expense		24,767,208	445,172	25,212,380	30,543,456	(5,331,076)
Capital Outlay:						
Equipment:						
Vocational Programs: Regular Programs	12-310-100-730	107,423	67,762	175,185	89,253	85,932
Special Education - Instruction: Special Vocational Programs	12-XXX-100-730	-	7,102	7,102	5,604	1,498
Operating & Maintenance of Plant Services	12-000-260-730	-	57,501	57,501	40,706	16,795
Undist. Expend. - Required Maint for School Fac.	12-000-261-730	17,500	52,795	70,295	12,943	57,352
School Buses - Special	12-000-270-734	-	294,453	294,453	294,453	-
School Security - Alyssa's Law	12-000-270-720	-	95,690	95,690	95,690	-
Assessment for Debt Service on SDA Funding	12-000-400-896	50,077	-	50,077	50,077	-
Total Equipment		175,000	575,303	750,303	588,726	161,577
Total Capital Outlay		175,000	575,303	750,303	588,726	161,577

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Special Schools:						
Post-Secondary Programs - Instruction						
Salaries of Teachers	13-330-100-101	1,136,330	(86,236)	1,050,094	1,047,432	2,662
General Supplies	13-330-100-610	198,500	11,904	210,404	188,324	22,080
Textbooks	13-330-100-640	11,000	(29)	10,971	5,706	5,265
Total Post-Secondary Programs - Instruction		1,345,830	(74,361)	1,271,469	1,241,462	30,007
Post-Secondary Programs - Instruction						
Salaries of Teachers	13-330-200-100	278,907	(15,091)	263,816	249,726	14,090
General Supplies	13-330-200-600	2,500	327	2,827	2,827	-
Other Objects	13-330-200-800	3,000	7,813	10,813	3,578	7,235
Total Post-Secondary Programs - Support Services		284,407	(6,951)	277,456	256,131	21,325
Total Post-Secondary Programs - Programs		1,630,237	(81,312)	1,548,925	1,497,593	51,332
Adult Education - Local - Support Services						
Salaries of Teachers	13-602-200-100	8,500	(8,500)	-	-	-
Total Adult Education - Local - Support Services		8,500	(8,500)	-	-	-
Vocational Evenings - Local - Instruction						
Salaries of Teachers	13-629-100-101	347,500	20,419	367,919	367,919	-
General Supplies	13-629-100-610	70,000	48,814	118,814	118,814	-
Textbooks	13-629-100-640	7,000	-	7,000	6,368	632
Total Post-Secondary Programs - Instruction		424,500	69,233	493,733	493,101	632
Vocational Evenings - Local - Support Services:						
Salaries	13-629-200-100	1,646,155	47,700	1,693,855	1,681,289	12,566
Personal Services - Employee Benefits	13-629-200-200	2,126,000	(179,004)	1,946,996	1,946,996	-
Purchased Professional & Technical Services	13-629-200-300	108,000	30,551	138,551	119,151	19,400
Other Purchased Services	13-629-200-500	164,100	(22,200)	141,900	130,006	11,894
Cleaning, Repair & Maintenance Services	13-629-200-XXX	251,700	51,036	302,736	267,920	34,816
Energy (Heat & Electricity)	13-629-200-XXX	235,600	(937)	234,663	225,132	9,531
Supplies and Materials	13-629-200-600	115,000	24,646	139,646	125,004	14,642
Other Objects	13-629-200-800	10,000	100	10,100	7,602	2,498
Total Vocational Evenings - Local - Support Services:		4,656,555	(48,108)	4,608,447	4,503,100	105,347
Total Vocational Evening - Local		5,081,055	21,125	5,102,180	4,996,201	105,979
Total Special Schools		6,719,792	(68,687)	6,651,105	6,493,794	157,311
Total Expenditures		31,662,000	951,788	32,613,788	37,625,976	(5,012,188)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		(1,100,000)	(951,788)	(2,051,788)	(291,818)	1,759,970
Fund Balances, July 1		4,909,721	-	4,909,721	4,909,721	-
Fund Balances, June 30		\$ 3,809,721	\$ (951,788)	\$ 2,857,933	\$ 4,617,903	\$ 1,759,970

RECAPULATION OF BUDGET TRANSFERS

Rollover Encumbrances from Prior Year	\$ 951,788
---------------------------------------	------------

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	412,791
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	1,100,000
Year-End Encumbrances	186,547
Unassigned Fund Balance	1,803,134
Subtotal	4,617,903
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(553,501)
Fund Balance per Governmental Funds (GAAP)	\$ 4,064,402

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
State Sources	\$ 129,529	\$ 7,325	\$ 136,854	\$ 136,854	\$ -
Federal Sources	870,547	3,463,897	4,334,444	4,334,444	-
Local Sources	705,329	311,611	1,016,940	1,016,940	-
Total Revenues	1,705,405	3,782,833	5,488,238	5,488,238	-
Expenditures:					
Instruction:					
Salaries of Teachers	752,275	(29,183)	723,092	723,092	-
Purchased Professional & Technical Services	55,323	(6,460)	48,863	48,863	-
Other Purchased Services	-	4,825	4,825	4,825	-
Tuition to Cnty Voc Sch	-	188,991	188,991	188,991	-
Textbooks	700	(700)	-	-	-
Supplies and Materials	472,070	(74,922)	397,148	397,148	-
General Supplies	20,000	(15,580)	4,420	4,420	-
Miscellaneous Expenditures	-	1,275	1,275	1,275	-
Total Instruction	1,300,368	68,246	1,368,614	1,368,614	-
Support Services:					
Salaries of Personnel Services	122,038	63,098	185,136	185,136	-
Salaries of Principals/Asst.	20,000	70,830	90,830	90,830	-
Salaries of Secretarial & Clerical Assistants	49,164	13,859	63,023	63,023	-
Other Salaries	-	55,086	55,086	55,086	-
Personal Services - Employee Benefits	151,135	212,210	363,345	363,345	-
Purchased Educational Services	-	80,522	80,522	80,522	-
Other Purchased Services	-	973	973	973	-
Travel	400	(9)	391	391	-
Micellaneous Purchased Services	800	7,248	8,048	8,048	-
Supplies and Materials	3,500	1,066,058	1,069,558	1,069,558	-
Scholarships Awarded	2,000	1,265,695	1,267,695	1,267,695	-
Student Activities	36,000	95,596	131,596	131,596	-
Miscellaneous Expenditures	20,000	7,336	27,336	27,336	-
Total Support Services	405,037	2,938,502	3,343,539	3,343,539	-
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	588,975	588,975	588,975	-
Noninstructional Equipment	-	148,665	148,665	148,665	-
Total Facilities Acquisition & Construction Services	-	737,640	737,640	737,640	-
Total Expenditures	1,705,405	3,744,388	5,449,793	5,449,793	-
Total Outflows	1,705,405	3,744,388	5,449,793	5,449,793	-
Excess/(Deficiency) of Revenues Over/(Under)					
Expenditures & Other Financing Sources/(Uses)	-	38,445	38,445	38,445	-
Fund Balances, July 1	-	(9,912)	(9,912)	202,713	202,713
Fund Balances, June 30	\$ -	\$ 28,533	\$ 28,533	\$ 241,158	\$ 241,158

RECAPITULATION OF FUND BALANCE

Restricted:		
Scholarship	\$ 17,055	
Student Activities	224,103	
Total Fund Balance	\$ 241,158	

This page intentionally left blank

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 37,334,158	\$ 5,488,238
 Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(149,020)
Prior Year	-	-
 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).		
Current Year	(553,501)	-
Prior Year	553,501	-
<hr/>		
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 37,334,158</u>	<u>\$ 5,339,218</u>
 Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 37,625,976	\$ 5,449,793
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.		
	-	(149,020)
<hr/>		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 37,625,976</u>	<u>\$ 5,300,773</u>

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

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

This page intentionally left blank

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.06026%	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	\$ 7,138,249	\$ 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	\$ 4,364,605	\$ 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	163.55%	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	70.33%	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 NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 764,955	\$ 705,670	\$ 610,933	\$ 548,416	\$ 546,720	\$ 494,035	\$ 473,074	\$ 455,533	\$ 425,837
Contributions in relation to the contractually required contribution	(764,955)	(705,670)	(610,933)	(548,416)	(546,720)	(494,035)	(473,074)	(455,533)	(425,837)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,492,269	\$ 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	17.03%	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 NINE FISCAL YEARS*

	2022	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%	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	\$ 52,155,878	\$ 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	\$ 52,155,878	\$ 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 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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	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.

This page intentionally left blank

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

This page intentionally left blank

**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 FIVE FISCAL YEARS***

	2022	2021	2020	2019	2018
District's Total OPEB Liability					
Service Cost	\$ 3,288,466	\$ 1,853,913	\$ 1,779,996	\$ 1,982,147	\$ 2,368,378
Interest Cost	1,734,553	1,663,072	1,968,914	2,130,383	1,835,473
Differences between Expected and Actual Experience	(11,953,911)	12,860,973	(6,548,378)	(5,498,466)	-
Changes of Benefit Terms	(71,170)	-	-	-	-
Changes of Assumptions	65,968	13,722,442	690,204	(5,712,414)	(7,422,038)
Contributions: Member	44,344	39,640	42,122	46,004	49,606
Gross Benefit Payments	(1,366,342)	(1,307,835)	(1,420,998)	(1,331,079)	(1,347,170)
Net Change in District's Total OPEB Liability	(8,258,092)	28,832,205	(3,488,140)	(8,383,425)	(4,515,751)
District's Total OPEB Liability (Beginning)	75,123,283	46,291,078	49,779,218	58,162,643	62,678,394
District's Total OPEB Liability (Ending)	\$ 66,865,191	\$ 75,123,283	\$ 46,291,078	\$ 49,779,218	\$ 58,162,643
District's Covered Employee Payroll	\$ 16,834,002	\$ 15,520,324	\$ 16,040,638	\$ 15,815,756	\$ 15,563,713
District's Net OPEB Liability as a Percentage of Payroll	397%	484%	289%	315%	374%

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.

This page intentionally left blank

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%
2019	5.60%	2016	3.22%		

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.30%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%
2019	6.28%	2016	3.98%		

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%	2016	2.85%

This page intentionally left blank

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank

D. School Based Budget Schedules

Not Applicable

This page intentionally left blank

E. Special Revenue Fund

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	COUNTY FOUNDATION FOR VOCATIONAL EDUCATION	OCEAN COUNTY JUVENILE DETENTION CENTER	STUDENT ACTIVITIES	SCHOLARSHIP FUND	PELL GRANT
Revenues:					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	-	-	-	-	1,229,745
Local Sources	142,282	647,329	168,241	39,750	-
Total Revenues	\$ 142,282	\$ 647,329	\$ 168,241	\$ 39,750	\$ 1,229,745
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ 360,183	\$ -	\$ -	\$ -
Purchased Professional & Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
General Supplies	2,000	-	-	-	-
Total Instruction	2,000	360,183	-	-	-
Support Services:					
Salaries of Personnel Services	-	-	-	-	-
Salaries of Principals/Asst.	-	74,292	-	-	-
Salaries of Secretarial & Clerical Assistants	-	63,023	-	-	-
Personal Services - Employee Benefits	-	125,939	-	-	-
Purchased Professional & Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Travel	-	-	-	-	-
Miscellaneous Purchased Services	-	70	-	-	-
Supplies and Materials	-	3,822	-	-	-
Scholarships Awarded	-	-	-	37,950	1,229,745
Student Activities	-	-	131,596	-	-
Miscellaneous	-	20,000	-	-	-
Total Support Services	-	287,146	131,596	37,950	1,229,745
Facilities Acquisition & Construction Services:					
Instructional Equipment	140,282	-	-	-	-
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	140,282	-	-	-	-
Total Expenditures	\$ 142,282	\$ 647,329	\$ 131,596	\$ 37,950	\$ 1,229,745
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	36,645	1,800	-
Fund Balance, July 1	-	-	187,458	15,255	-
Fund Balance, June 30	\$ -	\$ -	224,103	17,055	\$ -

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	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	\$ -	\$ -	\$ 136,854	\$ -	\$ -
Federal Sources	432,606	69,179	-	285,084	32,969
Local Sources	-	-	-	-	-
Total Revenues	\$ 432,606	\$ 69,179	\$ 136,854	\$ 285,084	\$ 32,969
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 57,738	\$ -	\$ -	\$ 180,079	\$ 16,800
Purchased Professional & Technical Services	6,200	18,619	7,999	-	-
Other Purchased Services	-	-	4,825	-	-
Supplies and Materials	101,758	34,597	74,856	5,205	-
General Supplies	-	-	-	-	-
Total Instruction	165,696	53,216	87,680	185,284	16,800
Support Services:					
Salaries of Personnel Services	21,630	6,927	6,150	-	5,110
Salaries of Principals/Asst. Salaries of Secretarial & Clerical Assistants	-	-	-	-	-
Personal Services - Employee Benefits	30,671	348	470	99,800	1,676
Purchased Professional & Technical Services	-	4,182	-	-	1,600
Other Purchased Services	-	-	-	-	-
Travel	391.00	-	-	-	-
Miscellaneous Purchased Services	195.00	-	-	-	7,783
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Support Services	52,887	11,457	6,620	99,800	16,169
Facilities Acquisition & Construction Services:					
Instructional Equipment	214,023	4,506	42,554	-	-
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	214,023	4,506	42,554	-	-
Total Expenditures	\$ 432,606	\$ 69,179	\$ 136,854	\$ 285,084	\$ 32,969
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2022

TITLE IV	I.D.E.A. PART B	SAFTEY GRANT	CARES HEERF GRANT - Institutional Portion	CARES HEERF II GRANT - Institutional Portion	COUNTY COVID-19	ARP - IDEA	ESSER II	CRRSA - Learning Acceleration	CRRSA - Health	ARP ESSER - ALICES	Totals
Revenues:											
State Sources	\$ 22,335	\$ 120,721	\$ 20,420	\$ 388,575	\$ 75,025	\$ 32,315	\$ 576,737	\$ 48,835	\$ 35,908	\$ 26,100	\$ 136,854
Federal Sources	-	-	-	-	-	-	-	-	-	-	4,334,444
Local Sources	-	19,338	-	-	-	-	-	-	-	-	1,016,940
Total Revenues	\$ 22,335	\$ 120,721	\$ 20,420	\$ 388,575	\$ 75,025	\$ 32,315	\$ 576,737	\$ 48,835	\$ 35,908	\$ 26,100	\$ 5,488,238
Expenditures:											
Instruction:											
Salaries of Teachers	\$ -	\$ 13,942	\$ -	\$ -	\$ -	\$ -	\$ 65,551	\$ 28,799	\$ -	\$ -	\$ 723,092
Purchased Professional & Technical Services	600	-	-	-	-	-	15,445	-	-	-	48,863
Other Purchased Services	-	-	-	-	-	-	-	-	-	-	4,825
Tuition to City Voc Sch	-	-	-	162,745	26,246	-	-	-	-	-	188,991
Supplies and Materials	-	-	-	120,352	-	-	60,380	-	-	-	397,148
General Supplies	2,420	-	-	-	-	-	-	-	-	-	4,420
Miscellaneous Expenditures	-	-	-	-	-	-	1,275	-	-	-	1,275
Total Instruction	3,020	13,942	20,420	283,097	26,246	32,315	142,651	28,799	-	-	1,368,614
Support Services:											
Salaries of Personnel Services	-	66,985	20,420	-	-	30,019	23,951	3,944	-	-	185,136
Salaries of Principals/Asst.	-	-	-	-	-	-	-	-	-	16,538	90,830
Salaries of Secretarial & Clerical Assistants	-	-	-	-	-	-	-	-	-	-	63,023
Other Salaries	-	-	-	12,337	42,749	-	-	-	-	-	55,086
Personal Services - Employee Benefits	-	39,794	-	6,030	6,030	2,296	40,729	-	-	9,562	363,345
Purchased Professional & Technical Services	-	-	-	-	-	-	22,740	16,092	35,908	-	80,522
Other Purchased Services	-	-	-	-	-	-	973	-	-	-	973
Travel	-	-	-	-	-	-	-	-	-	-	391
Miscellaneous Purchased Services	-	-	-	-	-	-	-	-	-	-	8,048
Supplies and Materials	-	19,338	-	-	-	-	108,508	-	-	-	1,069,558
Scholarships Awarded	-	-	-	-	937,890	-	-	-	-	-	1,267,695
Student Activities	-	-	-	-	-	-	-	-	-	-	131,596
Miscellaneous	-	-	-	-	-	-	7,336	-	-	-	27,336
Total Support Services	-	106,779	20,420	18,367	48,779	32,315	204,237	20,036	35,908	26,100	3,343,539
Facilities Acquisition & Construction Services:											
Instructional Equipment	19,315	-	-	87,111	-	-	81,184	-	-	-	588,975
Noninstructional Equipment	-	-	-	-	-	-	148,665	-	-	-	148,665
Total Facilities Acquisition & Construction Services	19,315	-	-	87,111	-	-	229,849	-	-	-	737,640
Total Expenditures	22,335	120,721	20,420	388,575	75,025	32,315	576,737	48,835	35,908	26,100	5,449,793
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-	38,445
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	202,713
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	241,158

This page intentionally left blank

F. Capital Projects Fund

This page intentionally left blank

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2022**

<u>Project Title / Issue</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2022</u>
		<u>Prior Years</u>	<u>Current Year</u>	
PERFORMING ARTS ACADEMY BUILDING	\$ 26,894,542	\$ 25,921,391	\$ 237,588	\$ 735,563
BRICK CENTER RENOVATIONS	2,806,768	751,498	1,702,327	352,943
SECURITY GATES	111,342	-	111,342	-
JACKSON CENTER RENOVATIONS	2,098,812	-	1,081,208	1,017,604
TOMS RIVER CENTER GENERATOR	748,907	733,345	15,562	-
MATES GENERATOR	169,238	158,297	8,074	2,867
JACKSON CENTER EXPANSION	7,215,805	-	31,759	7,184,046
Total	\$ 40,045,414	\$ 27,564,531	\$ 3,187,860	\$ 9,293,023

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

Revenues and Other Financing Sources:	
Transfer from Other Capital Projects	\$ 15,562
County Funding	2,098,812
State Sources - Bond Act CTE Grant	<u>7,215,805</u>
Total Revenues and Other Financing Sources	<u>9,330,179</u>
Expenditures and Other Financing Uses:	
Project Expenditures	3,172,298
Project Balances Cancelled:	
Other Capital Projects	<u>15,562</u>
Total Expenditures and Other Financing Uses	<u>3,187,860</u>
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	6,142,319
Fund Balance, July 1	<u>3,150,704</u>
Fund Balance, June 30	<u><u>\$ 9,293,023</u></u>

**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, 2022**

	<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	25,921,391	237,588	26,158,979	26,894,542
Total Expenditures and Other Financing Uses	25,921,391	237,588	26,158,979	26,894,542
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 973,151	\$ (237,588)	\$ 735,563	\$ -

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	\$ 26,894,542
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 26,894,542
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	97.27%
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, 2022**

	<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
Transfers from Other Capital Projects		15,562	15,562	15,562
Total Revenues and Other Financing Sources	2,791,206	15,562	2,806,768	2,806,768
Expenditures and Other Financing Uses:				
Project Expenditures	751,498	1,702,327	2,453,825	2,806,768
Total Expenditures and Other Financing Uses	751,498	1,702,327	2,453,825	2,806,768
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 2,039,708	\$ (1,686,765)	\$ 352,943	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
BRICK CENTER RENOVATIONS	
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	\$ 15,562
Revised Authorized Cost	\$ 2,806,768
Percentage Increase over Original Authorized Cost	0.56%
Percentage Completion	87.43%
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, 2022**

	<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	111,342	111,342
Total Expenditures and Other Financing Uses	-	111,342	111,342	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	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
JACKSON CENTER RENOVATIONS
YEAR ENDED JUNE 30, 2022**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ -	\$ 2,098,812	\$ 2,098,812	\$ 2,098,812
Total Revenues and Other Financing Sources	-	2,098,812	2,098,812	2,098,812
Expenditures and Other Financing Uses:				
Project Expenditures	-	1,081,208	1,081,208	2,098,812
Total Expenditures and Other Financing Uses	-	1,081,208	1,081,208	2,098,812
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 1,017,604	\$ 1,017,604	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>JACKSON CENTER RENOVATIONS</u>	
Grant Date	7/1/2021
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,098,812
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 2,098,812
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	51.52%
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, 2022**

	<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	341,250	-	341,250	341,250
Project Balances Cancelled:				
Other Capital Projects	392,095	15,562	407,657	407,657
Total Expenditures and Other Financing Uses	733,345	15,562	748,907	748,907
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 15,562	\$ (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	\$ 748,907
Additional Authorized Cost	\$ (407,657)
Revised Authorized Cost	\$ 341,250
Percentage Increase over Original Authorized Cost	-54.43%
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
MATES GENERATOR
YEAR ENDED JUNE 30, 2022**

	<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	\$ 169,238	\$ -	\$ 169,238	\$ 169,238
Total Revenues and Other Financing Sources	169,238	-	169,238	169,238
Expenditures and Other Financing Uses:				
Project Expenditures	158,297	8,074	166,371	169,238
Total Expenditures and Other Financing Uses	158,297	8,074	166,371	169,238
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 10,941	\$ (8,074)	\$ 2,867	\$ -

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	98.31%
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 EXPANSION
YEAR ENDED JUNE 30, 2022**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - Bond Act CTE Grant	\$ -	\$ 7,215,805	\$ 7,215,805	\$ 7,215,805
Total Revenues and Other Financing Sources	-	7,215,805	7,215,805	7,215,805
Expenditures and Other Financing Uses:				
Project Expenditures	-	31,759	31,759	7,215,805
Total Expenditures and Other Financing Uses	-	31,759	31,759	7,215,805
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 7,184,046	\$ 7,184,046	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>JACKSON CENTER EXPANSION</u>	
Grant Date	4/28/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 7,215,805
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 7,215,805
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0.44%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

This page intentionally left blank

I. Long-Term Debt

Not Applicable

This page intentionally left blank

STATISTICAL SECTION (Unaudited)

Third Section

This page intentionally left blank

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.

This page intentionally left blank

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Investment in Capital Assets	\$ 50,398,882	\$ 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
Restricted	10,649,613	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
Unrestricted (Deficit)	(9,654,259)	(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)
Total Governmental Activities	\$ 51,394,236	\$ 41,911,259	\$ 38,995,914	\$ 39,498,780	\$ 40,108,713	\$ 12,302,801	\$ 13,966,187	\$ 11,767,964	\$ 21,771,719	\$ 22,650,725
Business-Type Activities:										
Unrestricted Net Position	\$ 23,617	\$ 9,628	\$ 19,124	\$ 19,548	\$ 23,282	\$ 24,128	\$ 24,128	\$ 8,542	\$ 39,168	\$ 23,379
Total Business-Type Activities	\$ 23,617	\$ 9,628	\$ 19,124	\$ 19,548	\$ 23,282	\$ 24,128	\$ 24,128	\$ 8,542	\$ 39,168	\$ 23,379
District-Wide:										
Investment in Capital Assets	\$ 50,398,882	\$ 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
Restricted	10,649,613	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
Unrestricted (Deficit)	(9,630,642)	(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)
Total District Net Position	\$ 51,417,853	\$ 41,920,887	\$ 39,015,038	\$ 39,518,328	\$ 40,131,995	\$ 12,326,929	\$ 13,990,315	\$ 11,776,506	\$ 21,810,887	\$ 22,674,104

Source: ACFR 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,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ (3,651,575)	\$ (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)
Special Education	(1,481,611)	(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)
Other Special Education	(209,623)	(72,639)	(92,624)	(236,773)	(275,589)	(266,671)	(244,875)	(226,796)	(211,045)	(254,109)
Vocational	(6,388,558)	(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)
Support Services:										
School Administrative										
Services	(2,168,470)	(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)
General & Business Administrative										
Services	(2,223,826)	(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)
Plant Operations & Maintenance	(3,328,230)	(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)
Pupil Transportation	(231,805)	(148,418)	(176,509)	(224,061)	(230,126)	(248,790)	(233,039)	(227,015)	(203,878)	(217,048)
Business & Other Support										
Services	(13,499,290)	(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)
Special Schools	(6,493,794)	(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)
Interest & Other Charges	(50,077)	(50,077)	(50,077)	(50,077)	(50,077)	(50,077)	-	-	-	-
Unallocated Depreciation	(2,171,798)	(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)
Total Governmental Activities	(41,898,657)	(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)
Expenses										
Business-Type Activities:										
Food Service	(194,093)	(45,659)	(153,041)	(207,589)	(205,086)	(180,832)	(224,360)	(187,834)	(395,422)	(204,426)
Enterprise Fund	(18,799)	(6,284)	(25,612)	(25,308)	(34,326)	(23,450)	(40,762)	(20,252)	(31,204)	-
Total Business-Type Activities	(212,892)	(51,943)	(178,653)	(232,897)	(239,412)	(204,282)	(265,122)	(208,086)	(426,626)	(204,426)
Expense										
Total District Expenses	\$ (42,111,549)	\$ (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)
Program Revenues:										
Operating Grants & Contributions	\$ 10,380,199	\$ 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
Total Governmental Activities	10,380,199	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
Program Revenues										
Business-Type Activities:										
Food Service	203,008	26,586	155,944	204,418	204,024	193,881	201,490	200,086	350,941	232,801
Enterprise Fund	23,873	15,861	22,285	24,745	34,542	25,987	33,006	23,789	8,872	5,000
Total Business Type Activities	226,881	42,447	178,229	229,163	238,566	219,868	234,496	223,875	359,813	237,801
Program Revenues										
Total District Program Revenues	\$ 10,607,080	\$ 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
Net (Expense)/Revenue:										
Governmental Activities	\$ (31,518,458)	\$ (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)
Business-Type Activities	13,989	(9,496)	(424)	(3,734)	(846)	15,586	(30,626)	15,789	(66,813)	33,375
Total District-Wide Net Expense	\$ (31,504,469)	\$ (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)

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
County Appropriation	\$ 19,963,522	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
County Appropriation - Capital Project	2,098,812	2,791,206	889,449	698,923	27,452,902	386,393	-	-	-	-
Local Funding	-	-	-	-	1,146,104	-	-	-	-	-
Restricted Grants & Contributions	7,215,805	-	-	-	-	-	-	-	-	-
Unrestricted Grants & Contributions	6,173,715	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
Tuition Received	4,885,360	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
Miscellaneous Income	664,221	374,091	358,685	403,953	357,175	902,264	746,131	1,120,198	739,010	953,527
Transfers In/Out	-	-	-	-	-	-	-	-	-	-
Increase in Capital Reserve	-	-	4,732,203	-	-	-	-	-	-	-
Changes in IBNR/Miscellaneous	-	-	358,685	-	-	-	-	-	-	-
Total Governmental Activities	41,001,435	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
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	-	-	(16,244)	-	-
Total Business-Type Activities	-	-	-	-	-	-	-	(16,244)	-	-
Total District-Wide	\$ 41,001,435	\$ 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
Change in Net Position:										
Governmental Activities	\$ 9,482,977	\$ 2,595,873	\$ (502,805)	\$ (609,993)	\$ 27,805,912	\$ (1,663,386)	\$ 2,198,223	\$ (474,947)	\$ (879,006)	\$ (1,429,519)
Business-Type Activities	13,989	(9,496)	(424)	(3,734)	(846)	15,586	(30,626)	(455)	(66,813)	33,375
Total District	\$ 9,496,966	\$ 2,586,377	\$ (503,229)	\$ (613,727)	\$ 27,805,066	\$ (1,647,800)	\$ 2,167,597	\$ (475,402)	\$ (945,819)	\$ (1,396,144)

Source: ACFR Schedule A-2

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING JUNE 30,										
General Fund:										
Restricted	\$ 1,115,431	\$ 1,115,431	\$ 508,584	\$ 432,773	\$ 928,773	\$ 907,773	\$ 1,019,206	\$ 631,206	\$ 386,186	\$ 782,816
Committed	412,791	724,336	210,131	271,901	502,727	239,262	416,026	733,995	474,273	220,203
Assigned	1,286,547	1,327,452	984,139	920,144	1,165,516	825,344	1,128,273	469,867	690,872	1,022,118
Unassigned	1,249,633	1,189,001	1,216,653	1,110,114	918,770	945,869	996,692	1,022,844	1,065,235	728,906
Total General Fund	\$ 4,064,402	\$ 4,356,220	\$ 2,919,507	\$ 2,734,932	\$ 3,515,786	\$ 2,918,248	\$ 3,560,197	\$ 2,857,912	\$ 2,616,566	\$ 2,754,043
All Other Governmental Funds:										
Restricted										
Capital Projects Fund	\$ 9,293,023	\$ 3,150,704	\$ 2,215,077	\$ 15,436,018	\$ 27,630,929	\$ -	\$ 1,892,987	\$ 4,228	\$ -	\$ -
Special Revenue Fund	241,158	202,713	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 9,534,181	\$ 3,353,417	\$ 2,215,077	\$ 15,536,791	\$ 27,731,702	\$ -	\$ 1,892,987	\$ 4,228	\$ -	\$ -

Source: ACFR Schedule B-1

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
County Appropriation	\$ 22,062,334	\$ 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
Local Funding	-	-	-	-	1,146,104	-	-	-	-	-
Tuition Charges	4,885,360	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
Interest Earnings	215	1,245	2,347	4,051	-	-	-	-	-	-
Miscellaneous	1,472,955	1,138,403	1,128,352	1,173,725	1,053,128	902,264	746,131	1,120,198	739,010	953,527
State Sources	19,381,705	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
Federal Sources	4,185,424	4,587,266	1,196,428	1,210,426	1,068,374	1,143,914	1,117,312	991,005	999,661	919,811
Total Revenues	51,987,993	43,549,325	36,952,599	35,921,333	62,664,233	33,144,219	34,715,334	30,766,445	29,749,853	29,317,526
Expenditures										
Instruction:										
Regular Instruction	3,651,575	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
Special Education Instruction	1,481,611	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
Other Special Instruction	209,623	72,639	92,624	236,773	275,589	266,671	244,875	226,796	211,045	254,109
Vocational Instruction	6,388,558	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
Support Services:										
Student & Instruction Related Services	5,369,343	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
School Administrative Services	2,168,470	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
General & Business Administration										
Services	2,223,826	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
Plant Operations & Maintenance	3,328,230	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
Pupil Transportation	231,805	148,418	176,509	224,061	230,126	248,790	233,039	227,015	203,878	217,048
Other Support Services:	10,202,568	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
Special Schools	6,493,794	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
Capital Outlay	4,299,567	2,331,214	14,812,277	13,815,667	1,462,840	3,477,673	1,377,243	748,721	621,438	676,535
Interest & Other Charges	50,077	50,077	50,077	50,077	50,077	50,077	-	-	-	-
Total Expenditures	46,099,047	41,293,744	49,988,965	48,897,098	34,435,766	35,679,155	32,120,062	30,525,099	29,887,330	30,056,631
Other Financing Sources/Uses):										
Transfers In	-	-	-	-	-	-	-	-	16,244	-
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-	-	16,244	-
Net Change in Fund Balances	\$ 5,888,946	\$ 2,255,581	\$ (13,036,366)	\$ (12,975,765)	\$ 28,228,467	\$ (2,534,936)	\$ 2,595,272	\$ 241,346	\$ (121,233)	\$ (739,105)

Source: District Records

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

FISCAL YEAR ENDING JUNE 30.	INTEREST ON INVESTMENTS	SUMMER CAMP	MISCELLANEOUS	TOTAL
2022	\$ 215	\$ -	\$ 456,015	\$ 456,230
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

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.

This page intentionally left blank

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

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2022	N/A	N/A	N/A	N/A
2021	648,998	N/A	N/A	N/A
2020	614,237	35,222,806,528	57,344	N/A
2019	607,498	32,511,470,466	53,517	N/A
2018	601,649	31,120,294,525	51,725	4.30%
2017	595,564	29,990,220,784	50,356	4.80%
2016	591,142	28,863,099,292	48,826	5.20%
2015	587,238	27,756,978,546	47,267	6.00%
2014	584,563	26,420,493,911	45,197	7.20%
2013	582,166	25,355,075,798	43,553	8.50%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the County population and per capita personal income presented.

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Department of Labor and Workforce Development.

EXHIBIT J-15 NOT APPLICABLE

This page intentionally left blank

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.

This page intentionally left blank

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

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Vocational	126	130	131	128	130	128	128	130	133	134
Support Services:										
Student & Instruction Related Services	21	21	22	22	22	22	22	21	22	22
School Administrative Services	38	38	38	39	39	40	38	36	35	35
General & Business Administrative Services	4	4	4	3	4	4	4	4	4	4
Plant Operations & Maintenance	26	22	22	21	22	21	22	22	25	23
Business & Other Support Services	17	17	17	17	16	17	17	18	18	18
Total	232	232	234	230	233	232	231	231	237	236

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				
2022	2,177	\$ 30,593,299	\$ 14,053	-15.91%	13	13	1,469	1,382	1,382	9.2%	94.08%
2021	2,096	35,029,610	16,713	10.79%	13	13	1,345	1,281	1,281	0.1%	95.24%
2020	2,332	35,176,688	15,084	-14.65%	13	13	1,343	1,278	1,278	3.1%	95.16%
2019	1,985	35,081,431	17,673	5.48%	13	13	1,302	1,241	1,241	1.6%	95.31%
2018	1,968	32,972,926	16,755	5.83%	13	13	1,282	1,218	1,218	-3%	95.01%
2017	2,034	32,201,482	15,832	5.41%	13	13	1,317	1,249	1,249	1%	94.84%
2016	2,047	30,742,819	15,018	4.51%	13	13	1,309	1,239	1,239	-1%	94.65%
2015	2,072	29,776,378	14,371	-0.81%	13	13	1,321	1,249	1,249	1%	94.55%
2014	2,020	29,265,892	14,488	-13.21%	13	13	1,311	1,246	1,246	-21.31%	95.04%
2013	1,760	29,380,096	16,693	3.99%	13	13	1,666	1,544	1,544	10.55%	92.68%

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.

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>2022</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>
High School:										
Brick Center (1972)										
Square Feet	93,500	93,500	93,500	93,500	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	730	883	1,050	882	875	778	921	792	877	794
Jackson Center (1974)										
Square Feet	54,000	54,000	54,000	54,000	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)	393	398	352	360	327	322	342	345	355	366
Toms River Center (1975)										
Square Feet	58,000	58,000	58,000	58,000	56,725	56,725	56,725	56,725	56,725	56,725
Capacity (Students)	554	554	544	554	554	554	554	554	554	554
Enrollment	1,054	764	873	724	745	941	662	888	712	579
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	180	212	258	189	193	144	237	258	303	276
NLC (1994)										
Square Feet	-	-	52,683	52,683	61,506	61,506	61,506	61,506	61,506	61,506
Capacity (Students)	-	-	340	340	340	340	340	340	340	340
Enrollment	-	-	-	262	258	297	354	319	337	316
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	274	278	275	275	275	280	274	274	266	266
Cuisine on the Green (2013)										
Square Feet - 4,200	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	18	-	-
Enrollment	11	11	15	14	18	15	16	27	-	-
PAA (2020)										
Square Feet - 57,000	57,000	57,000	57,000	-	-	-	-	-	-	-
Capacity (Students)	300	300	300	-	-	-	-	-	-	-
Enrollment	283	278	262	-	-	-	-	-	-	-

Number of Schools at June 30, 2022:
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**

SCHOOL FACILITIES	PROJECT # (S)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Brick Center		\$ 226,938	\$ 153,561	\$ 130,256	\$ 163,451	\$ 135,815	\$ 164,719	\$ 142,653	\$ 94,169	\$ 143,145	\$ 176,216
Jackson Center		131,066	88,687	75,228	94,400	78,439	101,078	87,537	57,786	87,839	108,132
Toms River Center		140,775	95,257	80,801	101,392	84,249	108,565	94,022	62,066	94,345	116,142
Ocean Center (Waretown)		58,252	39,417	33,435	41,955	34,862	44,924	38,906	25,683	39,039	48,059
Navy Lakehurst Center		-	-	73,394	92,097	76,526	98,613	85,402	56,376	85,696	105,495
Administration Building		14,272	9,657	8,192	10,279	8,541	11,006	9,532	6,292	9,565	11,775
Building 33 - NAES		-	-	-	-	-	-	-	-	8,576	10,557
Student Services Center		7,281	4,927	4,179	5,244	4,358	5,615	4,863	3,210	4,880	6,007
MATES		125,236	84,743	71,882	90,201	74,950	96,582	83,643	55,215	83,932	103,323
PAA		138,347	93,615	79,408	-	-	-	-	-	-	-
Grand Total		\$ 842,167	\$ 569,864	\$ 556,775	\$ 599,019	\$ 497,740	\$ 631,102	\$ 546,558	\$ 360,797	\$ 557,017	\$ 685,706

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
INSURANCE SCHEDULE
JUNE 30, 2022
UNAUDITED**

	COVERAGE	DEDUCTIBLE
SCHOOL PACKAGE POLICY (1):		
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	500,000,000	1,000
Pollution Liability	1,000,000	25,000
SCHOOL ACCIDENT INSURANCE (1):		
Workers' Compensation (1)	3,000,000	-
Compulsory Student Accident Insurance (2)	5,000,000	-
Volunteer Accident Coverage (3)	500,000	-
SURETY BONDS (40):		
Treasurer	250,000	N/A
Board Secretary	100,000	N/A
BOAT POLICY (5)		
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

This page intentionally left blank

SINGLE AUDIT SECTION

Fourth Section

This page intentionally left blank



Certified Public Accountants + Advisors

1985 Cedar Bridge Avenue, Suite 3, Lakewood, NJ 08701 • Tel: 732.797.1333
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
1415 Hooper Avenue, Suite 305, Unit A, Toms River, NJ 08753 • By Appointment Only

www.hfacpas.com

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 District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 8, 2023.

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.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized flourish at the end.

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

Lakewood, New Jersey
March 8, 2023



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

Opinion on Each Major Federal and State Program

We have audited Ocean County Vocational-Technical School District's compliance with types of compliance requirements identified as subject to audit 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, 2022. The Ocean County Vocational-Technical School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Ocean County Vocational-Technical School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

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* 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. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Ocean County Vocational-Technical School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts of grant agreements applicable to the School District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Ocean County Vocational-Technical School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized flourish at the end.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey
March 8, 2023

This page intentionally left blank

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE June 30, 2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	BALANCE JUNE 30, 2022	
											UNEARNED REVENUE	UNEARNED (ACCOUNTS RECEIVABLE) DUE TO GRANITOR
U.S. Department of Agriculture												
Food Service Fund:												
Passed Through New Jersey Department of Agriculture:												
Child Nutrition Cluster:												
10.555	211N30AN099	100-010-3350-026	\$	4,204	7/1/20-6/30/21	-\$	375	-\$	-\$	-\$	-\$	-\$
10.555	211N30AN099	100-010-3350-026		13,180	7/1/20-6/30/22	(19)	12,111	(13,180)	-\$	-\$	-\$	(1,065)
10.555	211N30AN099	100-010-3350-026		170	7/1/20-6/30/21	(394)	12,569	(13,180)	-\$	-\$	-\$	(1,065)
Total Child Nutrition Cluster												
Other Programs:												
10.649	2022225900941	100-010-3350-115		1,242	7/1/21-6/30/22	-	1,242	(1,242)	-	-	-	-
P-EFT Administrative Costs Grant												
Total Other Programs												
Total U.S. Department of Agriculture												
Department of Treasury												
Special Revenue Fund:												
Passed Through County Offices:												
Coronavirus Relief Fund (CRF)												
Total Department of Treasury												
U.S. Department of Education												
Special Revenue Fund:												
Education Substitution Fund -												
Elementary and Secondary School Emergency Relief Fund												
84.425D	S425D210027	100-034-5120-518		1,002,984	3/13/20-9/30/23	-	400,051	(576,737)	-	-	-	(176,686)
84.425D	S425D210027	100-034-5120-518		64,336	3/13/20-9/30/23	-	43,573	(48,835)	-	-	-	(5,262)
84.425D	S425D210027	100-034-5120-518		45,000	3/13/20-9/30/23	-	35,908	(35,908)	-	-	-	-
84.425U	S425D210027	100-034-5120-518		137,145	3/13/20-9/30/24	-	26,100	(26,100)	-	-	-	-
ARP ESSER III												
Higher Education Emergency Relief Fund - Institutional Portion												
84.425F	P425F20973	Not Available		1,087,547	9/17/20-5/11/22	-	476,873	(484,020)	-	-	-	(7,147)
Student Financial Assistance Cluster												
84.063	P063P164338	Not Available		1,229,745	7/1/21-6/30/22	-	1,229,745	(1,229,745)	-	-	-	-
Pell Grant												
Student Financial Assistance												
Passed Through New Jersey Department of Education:												
Career and Technical Education												
84.048A	V048A200030	100-034-5062-084		441,758	7/1/20-6/30/21	-	432,606	(432,606)	-	-	-	-
84.048A	V048A200030	100-034-5062-084		69,153	7/1/20-6/30/21	-	69,179	(69,179)	-	-	-	-
Perkins Grant - Secondary												
Perkins Grant - Secondary Reserve												
Special Education Cluster:												
84.027X	H027A210100	100-034-5065-016		33,669	7/1/21-9/30/22	-	31,471	(32,315)	-	-	-	(844)
84.027A	H027A210100	100-034-5065-016		120,721	7/1/21-9/30/22	-	120,721	(120,721)	-	-	-	-
ARP I D E A												
L D E A Part B - Basic												
Total Student Financial Assistance												
No Child Left Behind (N.C.L.B.):												
Title I - Part A												
84.010	S010A210030	100-034-5064-194		285,084	7/1/21-9/30/22	-	285,084	(285,084)	-	-	-	-
84.010	S010A200030	100-034-5064-194		362,357	7/1/20-9/30/21	(11,905)	11,905	-	-	-	-	-
84.307A	S307A200029	100-034-5062-290		34,326	7/1/21-9/30/22	-	31,462	(32,469)	-	-	-	(1,507)
84.424A	S424A200061	100-034-5065-348		22,535	7/1/21-9/30/22	(11,905)	13,438	(22,338)	-	-	-	(8,900)
Title IV												
Total Special Revenue Fund												
Total U.S. Department of Education												
Total Expenditures of Federal Awards												
						\$	4,159,805	(4,348,866)	\$	-\$	-\$	(201,060)

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 STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

STATE GRANTOR/ PROGRAM TITLE	GRANTOR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2022 (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	MEMO		
										BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
New Jersey Department of Education:												
General Fund:												
State Aid Public:												
Special Education Categorical Aid	495-034-5120-089	\$ 837,311	7/1/21-6/30/22	\$ -	\$ 837,311	(\$ 837,311)	\$ -	\$ -	\$ -	\$ 82,980	\$ 837,311	
Not Available	Not Available	2,362,212	7/1/21-6/30/22	-	2,362,212	(2,362,212)	-	-	-	234,103	2,362,212	
Vocational Expansion Sub. Aid	495-034-5120-078	2,014,757	7/1/21-6/30/22	-	2,014,757	(2,014,757)	-	-	-	199,669	2,014,757	
Equalization Aid	495-034-5120-084	189,062	7/1/21-6/30/22	-	189,062	(189,062)	-	-	-	18,737	189,062	
Security Aid	495-034-5120-085	181,753	7/1/21-6/30/22	-	181,753	(181,753)	-	-	-	18,012	181,753	
Adjustment Aid												
Total State Aid Public					\$ 5,585,095	(\$ 5,585,095)	-	-	-	\$ 553,501	\$ 5,585,095	
Securing Our Children's Future Bond Act	Not Available	131,545	7/1/20-6/30/21	(131,545)	35,855	-	-	(95,690)	-	-	-	
TPAF - Post Retirement												
Medical (Noncash Assistance)	495-034-5094-001	1,049,219	7/1/21-6/30/22	-	1,049,219	(1,049,219)	-	-	-	-	1,049,219	
TPAF - Pension												
Contributions (Noncash Assistance)	495-034-5094-002	4,490,743	7/1/21-6/30/22	-	4,490,743	(4,490,743)	-	-	-	-	4,490,743	
TPAF - Long-Term Disability												
Insurance (Noncash Assistance)	495-034-5094-004	1,348	7/1/21-6/30/22	-	1,348	(1,348)	-	-	-	-	1,348	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	875,282	7/1/20-6/30/21	(43,510)	43,510	-	-	-	-	-	-	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	902,641	7/1/21-6/30/22	-	858,840	(902,641)	-	(43,801)	-	-	902,641	
Total General Fund				(175,055)	6,479,515	(6,443,951)	-	(139,491)	-	-	6,443,951	
Special Revenue Fund:												
TPAF - Post Secondary	100-034-0562-032	136,854	7/1/21-6/30/22	-	136,854	(136,854)	-	-	-	-	136,854	
Perkins Post Secondary												
Total Special Revenue Fund					136,854	(136,854)	-	-	-	-	136,854	
Capital Projects Fund:												
New Jersey School Development Authority:												
Jackson Center Expansion	21E00197	7,215,805	4/28/22-Completion	-	-	(31,759)	-	(31,759)	-	(31,759)	31,759	
Total Capital Projects Fund						(31,759)	-	(31,759)	-	(31,759)	31,759	
New Jersey Department of Agriculture:												
Enterprise Fund:												
National School Lunch Program	100-010-3350-023	767	7/1/20-6/30/21	(80)	80	-	-	-	-	-	-	
National School Lunch Program	100-010-3350-023	1,329	7/1/21-6/30/22	-	1,223	(1,329)	-	(106)	-	-	1,329	
Total Enterprise Fund				(80)	1,303	(1,329)	-	(106)	-	-	1,329	
Total State Financial Assistance				(175,135)	6,617,672	(12,198,988)	\$ -	(171,356)	\$ -	(31,759)	\$ 6,613,893	
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:												
TPAF - Post Retirement												
Medical (Noncash Assistance)	495-034-5094-001	\$ 1,049,219	7/1/21-6/30/22				\$ 1,049,219					
TPAF - Pension												
Contributions (Noncash Assistance)	495-034-5094-002	4,490,743	7/1/21-6/30/22				4,490,743					
TPAF - Long-Term Disability												
Insurance (Noncash Assistance)	495-034-5094-004	1,348	7/1/21-6/30/22				1,348					
Total State Financial Assistance Subject to Calculation for Major Program Determination							\$ (6,657,678)					

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

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, 2022. 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, 2022.

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022 (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 (\$149,020.00) 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	\$ -	\$ 12,029,046	\$ 12,029,046
Special Revenue Fund	4,185,424	136,854	4,322,278
Capital Projects Fund	-	31,759	31,759
Food Service Fund	14,422	1,329	15,751
Total Awards & Financial Assistance	<u>\$ 4,199,846</u>	<u>\$ 12,198,988</u>	<u>\$ 16,398,834</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, 2022.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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>
84.425D	S425D210027	Education Stabilization Fund - Elementary & Secondary Education: CRRSA ESSER II
84.425D	S425D210027	CRRSA Learning Acceleration Grant
84.425D	S425D210027	CRRSA Mental Health
84.425U	S425U210027	ARP ESSER III
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, 2022**

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, 2022**

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, 2022**

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.