

Annual Comprehensive Financial Report

of the

Board of Education for Vocational Schools
Cape May County

Cape May County, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

Cape May County Technical School District
Board of Education
Finance Department

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Introductory Section

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CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT

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

Jamie Moscony, Superintendent
Lauren Flynn, Business Administrator/Board Secretary



November 15, 2023

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

Dear Board Members:

The annual comprehensive financial report of the Cape May County Technical School District for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial Section includes the Basic Financial Statements and Schedules, as well as the Auditor's Report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as revised in 1996, and the U.S. Office of Management and Budget Circular Uniform Guidance, "Audits of States, Local Governments and Nonprofit Organizations," and the State of NJ Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the Auditor's Report on the Internal Control Structure and Compliance with Applicable Laws and Regulations and Findings and Recommendations, are included in the Single Audit Section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The District is a component unit of the County of Cape May within the criteria set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards. All funds of the District are included in this report.

2. MAJOR INITIATIVES: During the 2022-2023 school year, the district provided opportunities for all staff to improve instructional practices and increase their technology skills by providing monthly professional development workshops. In addition, the district focused on increasing student participation in academic supports and extracurricular activities and athletics to support academic achievement and social/emotional wellness.

During the 2022-2023 school year, Cape May Tech implemented new elective courses as well as continued in growing dual enrollment course partnerships with the local community college. Following a global pandemic, the after school tutoring program was rebranded and we increased our support services for students to address mental health and chronic absenteeism. Curriculum revisions were implemented in order to expand dual credit opportunities and update instructional best practices were also exercised.

The Office of Curriculum and Instruction worked to expand their curricular offerings and bridge the gap between the county's workforce needs and available future employees as part of the Phase I Securing Our Children's Future Bond Act grant application. The school worked on curriculum and hiring for the new Environmental Science & Sustainability program.

Cape May Tech had zero senior students graduate via the NJSLA/PARCC graduation portfolio as the State waived all requirements. NJGPA and NJSLA testing was provided to all participating students and data from the exams was used to identify instructional gaps and build professional development programs in order to improve instructional strategies that yield improved student outcomes on high stake exams. Students participated in sequential career and technical education programming and took advantage of field trips exposing them to career awareness and job shadowing opportunities.

The Post-Secondary Division includes adult and continuing education evening programs providing county residents with vocational and training throughout the year. Adult learners can earn licensure/certification career training in Practical Nursing, Dental Assisting, Welding, Carpentry, and Cosmetology. In 2022/2023, 75 students were served in these programs. Adult Basic Education (ABE) programs provide courses/training in adult basic education, English as a Second Language (ESL) and Civics to anyone needing of a high school diploma. In addition, we provide ESL students preparation through employment credential training. The district offered year-round High School Equivalency (HSE) preparation classes for adults to work at their own pace and prepare for the HSE exam. In 2022/2023, over 146- students in ABE/HSE and 106 ESL students were served. The district's testing center also awarded 43 adults a High School Equivalency credential for successfully passing the HSE exam and earning a diploma. The district also offers Evening & Community Education programs over 2 semesters, fall and winter/spring. Each 8 week semester offers approximately 40 classes and services 300-400 adults each semester.

Construction on the High School Front Entrance Project neared completion during the 2022/2023 school year and Construction on Phase I of the Securing Our Children Bond Act grant in the amount of \$4,299,141 began in January 2023 that includes renovations to our Café, Conference Center, Media Center, and school-based hotel. This project also included implementing our new Environmental Science & Sustainability Program of Study. These upgraded spaces will allow for students to work in state of the art classrooms and instructional spaces that support best practices in security and technology, as well as support cross curricular opportunities throughout the District.

Finally, the District continues to work with our architects, engineers, and stakeholders to finalize plans for Phase II of the Securing Our Children's Future Bond Act grant in the amount of \$14,450,859 which will begin in the 2024/2025 school year. This project includes renovations to existing spaces and expanded classroom/shop areas for new programs of study that align with high interest and high wage careers such as marine maintenance, cyber security, electrical, dental, veterinary science, and medical assisting programs.

3. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2022.

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

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

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

9. OTHER INFORMATION:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as revised in 1996, and the related OMB Circular Uniform Guidance and New Jersey OMB Circular Letter 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS:

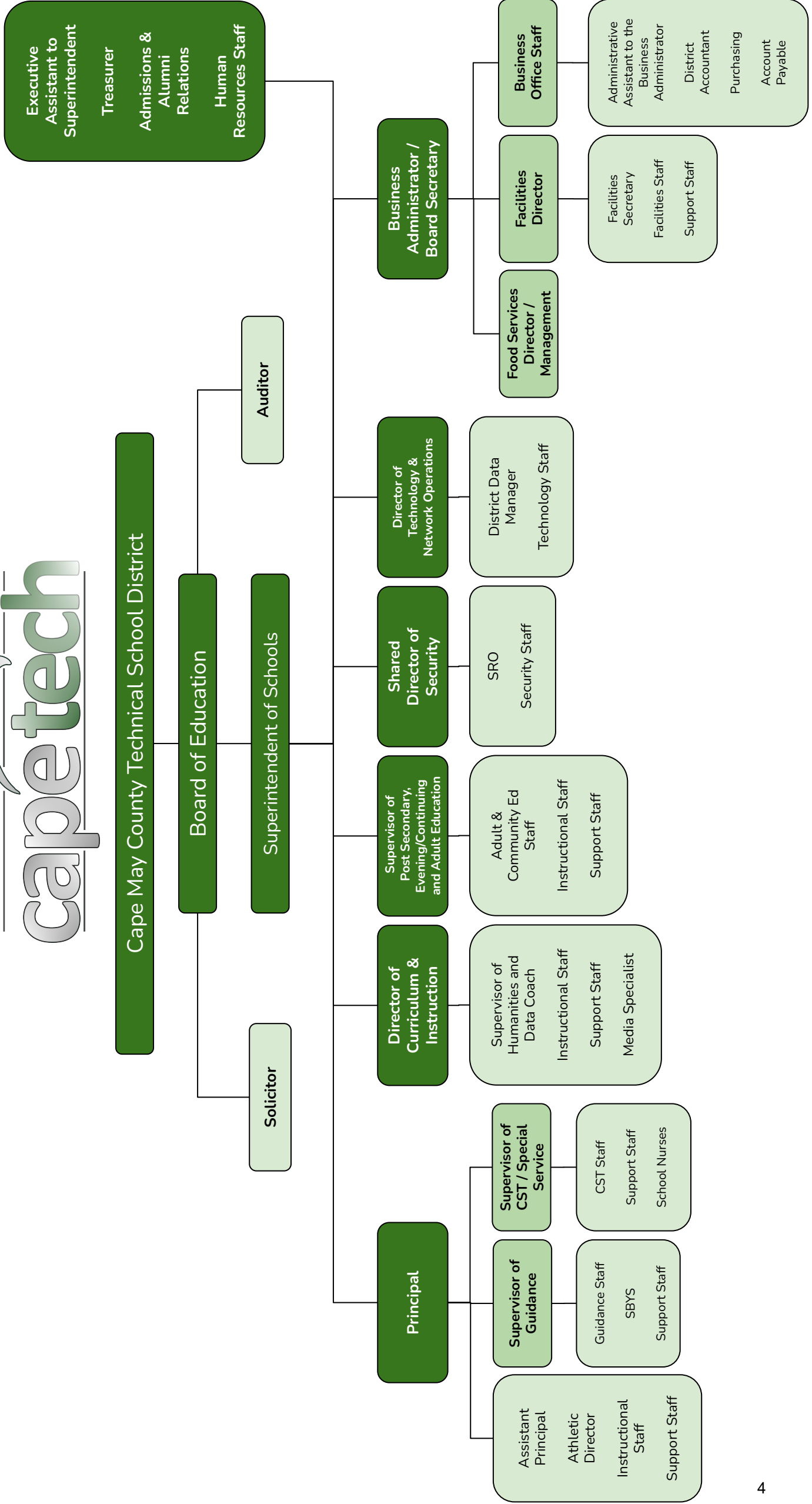
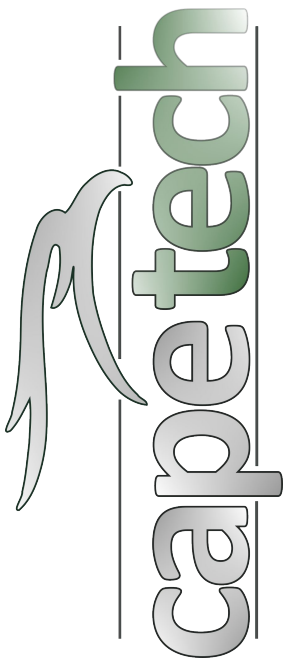
With the support of the Board of Chosen Freeholders, the Cape May County Technical School will continue to provide for the educational needs of students of all ages throughout the county. The increased technology in the District will help assure that our high school students are computer literate early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

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

Respectfully submitted,

Jamie Moscony
Jamie Moscony
Superintendent

Lauren Flynn
Lauren Flynn
Business Administrator/Board Secretary



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

ROSTER OF OFFICIALS

JUNE 30, 2023

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Alan I. Gould, President	2024
Christopher Kobik, Vice - President	2025
Casey Halverson	2025
Kenneth R. Merson	2024
Lauren Reed	2025
Nancy Ramundo	2025
Dr. Judith DeStefano-Anen, Interim Executive County Superintendent	Ex-Officio

OTHER OFFICIALS

Jamie Moscony, Superintendent

Lauren Flynn, Business Administrator/Board Secretary

James V. Craft, Treasurer

Stephen Vitiello, Principal

Kristen T. Schaffer, Director of Curriculum

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

CONSULTANTS AND ADVISORS

AUDIT FIRM

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

ATTORNEY

Cooper Levinson, PA
1125 Atlantic Avenue
3rd Floor
Atlantic City, N.J. 08401

SERVICE BUREAU

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

OFFICIAL DEPOSITORY

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

Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

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

Report on the Audit of 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 Board of Education for Vocational Schools, in the County of Cape May, New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the 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 Board of Education for Vocational Schools, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the 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 Financial Statements section of our report. We are required to be independent of the Board of Education for Vocational Schools 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.

Responsibility 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Board of Education for Vocational Schools 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 Responsibilities for the Audit of the Financial Statements

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 opinions. 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 GAAS, *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 an 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 judgement made by a reasonable user based on the financial statements.

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

- exercise professional judgement 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 the 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 entity'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education for Vocational Schools basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023 on our consideration of the Board of Education for Vocational Schools internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board of Education for Vocational Schools internal control over financial reporting and compliance.

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

Leon P. Costello

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

November 15, 2023

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Required Supplementary Information
Part I

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

The discussion and analysis of Cape May County Technical School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Using this Annual Comprehensive Financial Report (ACFR)

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the school district to provide programs and activities, the view of the school district as a whole looks at all financial transactions and ask the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Enterprise Fund

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

Notes to the Financial Statements

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

The School District as a Whole

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

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

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

The following schedule provides a summary of the School District's net position for 2023 and 2022.

	2023	2022
Assets		
Current and Other Assets	\$ 29,794,778.45	17,128,559.71
Capital Assets	34,269,674.54	28,001,055.77
Total Assets	64,064,452.99	45,129,615.48
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	565,814.00	159,584.00
Liabilities		
Long-Term Liabilities	1,915,890.73	2,069,549.71
Other Liabilities	1,571,548.41	1,735,152.45
Net Pension Liability	4,406,837.00	3,204,034.00
Total Liabilities	7,894,276.14	7,008,736.16
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	816,592.00	2,208,831.00
Net Position		
Net Investment in Capital Assets	34,269,674.54	28,001,055.77
Restricted	24,936,555.41	12,054,718.66
Unrestricted	(3,286,831.10)	(3,984,142.11)
Total Net Position	\$ 55,919,398.85	36,071,632.32

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

The following schedule shows the changes in net position for fiscal year 2023 and 2022.

	2023	2022
Revenues		
Program Revenues:		
Charges for Services	\$ 6,192,874.71	5,802,064.91
Operating Grants and Contributions	4,892,859.59	5,089,563.28
Capital Grants and Contributions	19,062,449.07	205,362.93
General Revenues:		
County Appropriation	8,224,834.00	8,224,834.00
Grants and Entitlements	1,798,083.00	1,396,049.00
Other	120,664.71	246,261.39
Total Revenues	40,291,765.08	20,964,135.51
 Program Expenses		
Instruction	9,066,633.64	9,466,266.08
Support Services:		
Student and Instruction Related Services	2,483,212.29	2,145,725.59
General Administration, School Administration,	2,748,407.11	2,701,147.30
Plant Operations and Maintenance of Facilities	3,661,824.03	3,653,109.14
Pupil Transportation	290,294.18	245,266.61
Capital Outlay	9,760.00	9,760.00
Adult and Continuing Education	1,547,955.56	1,570,539.23
Othe Special Items	60,556.31	83,384.00
Food Service	363,028.90	299,049.00
Other Enterprise Funds	212,328.53	107,006.28
Total Expenses	20,444,000.55	20,281,253.23
Increase/(Decrease) in Net Assets	\$ 19,847,764.53	682,882.28

The decrease in Operating Grants and Contributions, as well as the various support service expense categories, is primarily due to a decrease in Other Post-Employment Benefit costs which are allocated based on GASB 69 guidelines. The increase in Capital Grants and Contributions is related to the funding received through the Securing Our Children's Future Bond Act program.

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**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Governmental Activities

The County Appropriation made up 20.70% of revenues for governmental activities for the Cape May County Technical School District for fiscal year 2023. Charges for Service for operating purposes accounted for another 14.68% of revenue. Capital grants and contributions accounted for 47.96% of revenue due to funding received through the Securing Our Children's Future Bond Act program. The District's total revenues were \$39,742,830.90 for the year ended June 30, 2023.

	2023		2022	
	Amount	Percentage	Amount	Percentage
County Appropriation	\$ 8,224,834.00	20.70%	8,224,834.00	40.03%
Unrestricted Federal/State Aid	1,798,083.00	4.52%	1,396,049.00	6.79%
Charges for Services	5,835,251.90	14.68%	5,691,979.90	27.70%
Operating Grants and Contributions	4,702,336.77	11.83%	4,780,979.89	23.27%
Capital Grants and Contributions	19,062,449.07	47.96%	205,362.93	1.00%
Other	119,876.16	0.30%	246,236.46	1.20%
Totals	\$ 39,742,830.90	100.00%	20,545,442.18	100.00%

The total cost of all program and services was \$19,808,086.83. As indicated below, instruction comprises 45.60% of District expenses.

	2023		2022	
	Amount	Percentage	Amount	Percentage
Instruction	\$ 9,066,633.64	45.77%	9,466,266.08	47.83%
Undistributed Expenses	9,183,737.63	46.36%	8,745,248.64	44.19%
Capital Outlay	9,760.00	0.05%	9,760.00	0.05%
Adult & Continuing Educ	1,547,955.56	7.81%	1,570,539.23	7.94%
Totals	\$ 19,808,086.83	100.00%	19,791,813.95	100.00%

Business-Type Activities

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

- The combined Business-Type Activities revenues exceeded expenses by \$33,576.25.
- Charges for services of the combined Business-Type Activities represent \$357,622.81 of revenue. This represents amounts paid by students and others for daily food service and various fees and charges.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$190,522.82.

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following schedule shows the total cost of services and the net cost of services for 2022 and 2023. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
Instruction	\$ 9,066,633.64	(1,979,857.08)	9,466,266.08	(2,379,230.23)
Support Services:				
Pupils & Instructional Staff	2,483,212.31	(1,497,397.28)	2,145,725.59	(1,399,690.53)
General and School Administration and Business Operations	2,748,407.11	(2,203,790.90)	2,701,147.30	(2,033,415.58)
Operation and Maintenance of Facilities	3,661,824.03	(2,941,562.07)	3,653,109.14	(2,724,056.90)
Pupil Transportation	290,294.18	(254,639.33)	245,266.61	(200,333.19)
Adult and Continuing Education	1,547,955.56	(1,113,117.16)	1,570,539.23	(603,911.92)
Capital Outlay	9,760.00	19,782,314.73	9,760.00	227,147.12
Total Expenses	<u>\$ 19,808,086.83</u>	<u>9,791,950.91</u>	<u>19,791,813.95</u>	<u>(9,113,491.23)</u>

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

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

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

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

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

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$40,703,325.41 and expenditures were \$27,769,813.41. The General Fund fund balance increased \$12,856,051.08 primarily due to funding awarded for capital projects through the Securing Our Children First Bond Act.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2023, and the amount and percentage of total revenues compared to prior year revenues.

Revenue	2022-2023 Amount	Percentage of Total	2021-2022 Amount	Percentage of Total
Local Sources	\$ 19,750,584.50	48.53%	14,381,206.32	71.84%
State Sources	19,491,002.23	47.89%	4,910,044.93	24.53%
Federal Sources	1,459,793.17	3.59%	727,438.93	3.63%
Total	\$ 40,701,379.90	100.00%	20,018,690.18	100.00%

The following schedule represents a summary of general fund, special revenue fund, and capital projects fund expenditures for the fiscal year ended June 30, 2023, and the percentage of total expenditures compared to prior year amounts.

Expenditures	2022-2023 Amount	Percentage of Total	2021-2022 Amount	Percentage of Total
Current Expense:				
Instruction	\$ 6,356,114.44	22.89%	6,178,649.12	30.49%
Undistributed				
Expenditures	12,702,667.43	45.76%	11,637,086.93	57.45%
Capital Outlay	7,773,708.51	28.00%	1,475,526.17	7.29%
Special Schools	927,795.03	3.35%	964,852.10	4.77%
Total	\$ 27,760,285.41	100.00%	20,256,114.32	100.00%

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. The most significant revisions are detailed in Footnote 1-E(9) of these financial statements.

TPAF Social Security and On-Behalf TPAF Pension are recorded as both non-budget revenue and expenditure lines in the budgetary comparison schedule. These amounts reflect contributions made by the State of New Jersey to the District's Teachers Retirement Plans. This amount was \$3,297,072.16 during 2022/2023.

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Capital Assets

At the end of the fiscal year 2023, the School District had \$34,192,242.66 invested in land improvement, building, furniture and equipment, and vehicles. The following table shows fiscal year 2023 balances compared to 2022.

	2023	2022
Construction in Progress	\$ 11,599,332.85	4,062,804.53
Land Improvements	32,804.00	39,475.99
Buildings and Improvements	21,177,441.65	22,306,519.51
Machinery and Equipment	1,382,664.16	1,518,325.12
Total	\$ 34,192,242.66	27,927,125.15

Overall, capital assets increased \$6,265,117.51 from fiscal year 2022 to fiscal year 2023. The increase in capital assets is primarily due to costs associated with the High School Addition, as well as Phase I of the Building Renovations for Expansion of the CTE Program capital projects. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

The Cape May County Technical School District is a Type I district. As such, all debt of the district is considered the obligation of the County of Cape May. The Board of School Estimates has approved two construction projects totaling \$26 million. These projects will be partially funded by the County through the sale of bonds in the amount of \$6,250,000. This project, which includes an addition to the high school as well as renovations to district buildings, is also funded through a Career and Technical Education Program Expansion Grant (Securing Our Children First Bond Act).

For the Future

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

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

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact the School Business Administrator/Board Secretary at the Board of Education, 188 Crest Haven Road, Cape May Court House, N.J. 08210.

BASIC FINANCIAL STATEMENTS

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DISTRICT - WIDE FINANCIAL STATEMENTS

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Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,529,552.76	761,798.97	2,291,351.73
Cash Held by Fiscal Agents	165,351.77		165,351.77
Due from Payroll Agency Fund	3,980.00	-	3,980.00
Receivables, Net	26,002,537.80	115,891.50	26,118,429.30
Right to Use Leased Assets	1,151,356.77		1,151,356.77
Subscription Based IT Arrangements	49,304.60		49,304.60
Inventory	-	15,004.28	15,004.28
Capital Assets:			
Construction in Progress	11,599,332.85	-	11,599,332.85
Capital Assets Being Depreciated, Net	22,592,909.81	77,431.88	22,670,341.69
Total Assets	<u>63,198,614.60</u>	<u>865,838.39</u>	<u>64,064,452.99</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	565,814.00	-	565,814.00
Total Deferred Outflows of Resources	<u>565,814.00</u>	<u>-</u>	<u>565,814.00</u>
LIABILITIES			
Accounts Payable	751,092.44	-	751,092.44
Other Liabilities	128,842.42		128,842.42
Unearned Revenue	666,697.00	24,916.55	691,613.55
Noncurrent Liabilities			
Due Within One Year	140,946.91		140,946.91
Due Beyond One Year	1,774,943.82	-	1,774,943.82
Net Pension Liability	4,406,837.00	-	4,406,837.00
Total Liabilities	<u>7,869,359.59</u>	<u>24,916.55</u>	<u>7,894,276.14</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	816,592.00	-	816,592.00
NET POSITION			
Net Investment in Capital Assets	34,192,242.66	77,431.88	34,269,674.54
Restricted for:			
Capital Projects	23,891,652.41	-	23,891,652.41
Maintenance Reserve	1,044,903.00	-	1,044,903.00
Unrestricted	(4,050,321.06)	763,489.96	(3,286,831.10)
Total Net Position	<u>\$ 55,078,477.01</u>	<u>840,921.84</u>	<u>55,919,398.85</u>

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

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Statement of Activities
For the Fiscal Year Ended June 30, 2023**

Function/Programs	Expenses	Indirect Expense Allocation	Program Revenue			Net (Expense Revenue and Changes in Net Position)		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular Instruction	\$ 3,079,416.88	1,481,597.67	2,599,870.56	1,022,653.71		(938,490.29)	(938,490.29)	
Vocational Education	2,413,892.64	1,576,087.81	2,765,679.49	280,654.25		(943,646.72)	(943,646.72)	
Other Instruction	299,419.27	216,219.37	379,416.35	38,502.22		(97,720.08)	(97,720.08)	
Support Services:								
Student & Instruction Related Services	1,862,937.75	620,274.54		985,815.01		(1,497,397.28)	(1,497,397.28)	
School Administrative Services	347,365.43	193,785.25		109,198.79		(431,951.89)	(431,951.89)	
General Administrative and Business Services	1,434,560.41	772,696.02		435,417.41		(1,771,839.01)	(1,771,839.01)	
Plant Operation and Maintenance	2,383,640.08	1,278,183.95		720,261.96		(2,941,562.07)	(2,941,562.07)	
Pupil Transportation	227,020.72	63,273.46		35,654.86		(254,639.33)	(254,639.33)	
Unallocated Benefits	6,813,565.04	(6,813,565.04)				-	-	
Capital Outlay	9,760.00							
Adult and Continuing Education	936,508.60	611,446.96	90,285.50	729,625.66	19,062,449.07	19,782,314.73	19,782,314.73	
Total Governmental Activities	19,808,086.83	-	5,835,251.90	4,702,336.77	19,062,449.07	(1,113,117.16)	(1,113,117.16)	
Business-Type Activities:								
Food Service	363,028.90		182,574.36	190,522.82		10,068.28	10,068.28	
Early Childhood/Summertime Adventures	84,019.08		40,772.50			(43,246.58)	(43,246.58)	
Job Cards	-		5,966.50			5,966.50	5,966.50	
Education Technology Training Center	128,309.45		128,309.45			0.00	0.00	
Total Business-Type Activities	575,357.43	-	357,622.81	190,522.82		(27,211.80)	(27,211.80)	
Total Primary Government	\$ 20,383,444.26	-	6,192,874.71	4,892,859.59	19,062,449.07	9,791,950.91	9,791,950.91	
General Revenues:								
County Appropriation, Levied for General Purposes						8,224,834.00	8,224,834.00	
Federal and State Aid not Restricted						1,798,083.00	1,798,083.00	
Investment Earnings						24.07	812.62	
Miscellaneous Income						119,852.09	119,852.09	
Special Items: Loss on Disposal of Capital Assets						(43,094.87)	(43,094.87)	
Prior Adjustment to Fixed Assets						(18,200.00)	(18,200.50)	
Cancellation of Prior Year Receivables						739.08	739.08	
Cancellation of Prior Year Payables						(60,000.00)	-	
Transfers						60,000.00	-	
Total General Revenues, Special Items, Extraordinary Items and Transfers						10,022,237.37	10,083,025.42	
Change in Net Position						19,814,188.28	19,847,764.53	
Net Position - July 1						35,264,288.73	36,071,634.32	
Net Position - Ending						\$ 55,078,477.01	\$ 55,919,398.85	

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

FUND FINANCIAL STATEMENTS

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Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Governmental Funds
Balance Sheet
June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 684,527.92	845,024.84	-	1,529,552.76
Cash Held by Fiscal Agents			165,351.77	165,351.77
Receivables, Net	79,853.00	1,815.00	-	81,668.00
Due from Other Funds	1,945,386.00	-	-	1,945,386.00
Due from Payroll Agency Fund	3,980.00	-	-	3,980.00
Receivables from Other Governments	436,844.80	484,025.00	25,000,000.00	25,920,869.80
Prepaid Expenses	-	-	-	-
Restricted Cash & Cash Equivalents	-	-	-	-
Total Assets	<u>3,150,591.72</u>	<u>1,330,864.84</u>	<u>25,165,351.77</u>	<u>29,646,808.33</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	48,500.76	91,178.50	611,413.18	751,092.44
Due to Other Funds	-	-	1,841,097.76	1,841,097.76
Payroll Deductions and Withholdings Payable	47,945.90	-	-	47,945.90
Unemployment Claims Payable	80,896.52	-	-	80,896.52
Unearned Revenue	-	666,697.00	-	666,697.00
Total Liabilities	<u>177,343.18</u>	<u>757,875.50</u>	<u>2,452,510.94</u>	<u>3,387,729.62</u>
Fund Balances:				
Restricted for:				
Capital Projects	-	-	17,968,071.36	17,968,071.36
Unemployment Compensation	320,255.44	-	-	320,255.44
Scholarships	-	354,000.88	-	354,000.88
Athletics	-	7,582.49	-	7,582.49
Student Activities	-	211,405.97	-	211,405.97
Committed to:				
Capital Reserve Account	1,178,811.58	-	-	1,178,811.58
Maintenance Reserve Account	1,044,903.00	-	-	1,044,903.00
Other Purposes	-	-	4,744,769.47	4,744,769.47
Assigned to:				
Other Purposes	112,412.34	-	-	112,412.34
Unassigned:				
General Fund	316,866.18	-	-	316,866.18
Total Fund Balances	<u>2,973,248.54</u>	<u>572,989.34</u>	<u>22,712,840.83</u>	<u>26,259,078.71</u>
Total Liabilities and Fund Balances	<u>\$ 3,150,591.72</u>	<u>1,330,864.84</u>	<u>25,165,351.77</u>	

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

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

The cost of the assets is \$68,154,769.46 and the accumulated depreciation is \$34,067,718.35. 34,192,242.66

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. 1,097,324.95

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. (1,812,554.31)

Pension Liabilities Net of Deferred Outflows & Inflows (4,657,615.00)

Net position of governmental activities \$ 55,078,477.01

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
County Line Item Appropriation	\$ 8,224,834.00		4,816,953.00	13,041,787.00
Tuition Charges - Other LEAs	5,165,920.40			5,165,920.40
Tuition - Other Sources	579,046.00			579,046.00
Miscellaneous	197,938.85	765,892.25	-	963,831.10
Total Local Sources	<u>14,167,739.25</u>	<u>765,892.25</u>	<u>4,816,953.00</u>	<u>19,750,584.50</u>
State Sources	5,095,155.16	150,351.00	14,245,496.07	19,491,002.23
Federal Sources	-	1,459,793.17		1,459,793.17
Total Revenues	<u>\$ 19,262,894.41</u>	<u>2,376,036.42</u>	<u>19,062,449.07</u>	<u>40,701,379.90</u>
EXPENDITURES				
Current:				
Regular Instruction	2,584,400.60	758,825.34		3,343,225.94
Vocational Instruction	2,677,329.07			2,677,329.07
Other Instruction	335,559.43			335,559.43
Support Services:				
Student & Instruction Related Serv.	1,091,251.41	875,362.61		1,966,614.02
School Administrative Services	344,603.85			344,603.85
Other Administrative Services	1,423,548.92			1,423,548.92
Plant Operation and Maintenance	2,470,616.57	-		2,470,616.57
Transportation Services	226,119.03			226,119.03
Employee Benefits	6,271,165.04			6,271,165.04
Capital Outlay	13,170.53	729,625.66	7,030,912.32	7,773,708.51
Adult and Continuing Education	927,795.03			927,795.03
Total Expenditures	<u>18,365,559.48</u>	<u>2,363,813.61</u>	<u>7,030,912.32</u>	<u>27,760,285.41</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>897,334.93</u>	<u>12,222.81</u>	<u>12,031,536.75</u>	<u>12,941,094.49</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(3,000,000.00)		3,000,000.00	-
Transfers to Cover Deficit	(60,000.00)			(60,000.00)
Cancellation of Prior Year Receivables	(18,200.00)			(18,200.00)
Cancellation of Prior Year Liability	739.08			739.08
Total Other Financing Sources and Uses	<u>(3,077,460.92)</u>	<u>-</u>	<u>3,000,000.00</u>	<u>(77,460.92)</u>
Net Changes in Fund Balance	(2,180,125.99)	12,222.81	15,031,536.75	12,863,633.57
Fund Balance - July 1	\$5,153,374.53	560,766.53	7,681,304.08	13,395,445.14
Fund Balance - June 30	<u>\$ 2,973,248.54</u>	<u>572,989.34</u>	<u>22,712,840.83</u>	<u>26,259,078.71</u>

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 12,863,633.57

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

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount capital outlays exceeded depreciation for the period.

	Depreciation expense	(1,577,093.94)	
	Capital Assets charged to expense	16,166.26	
	Capital Outlays	<u>7,763,948.51</u>	6,203,020.83

Governmental funds report district pension contributions as expenditures.

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

	District pension contributions - PERS	368,239.00	
	Cost of benefits earned net of employee contributions	<u>227,425.00</u>	595,664.00

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

	Capital lease payments		105,191.55
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In the statement of activities, only the loss on disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale (if any) increases financial resources. Thus, the change in net assets differs from the change in fund balance by book value of the assets disposed.

(43,094.87)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+).

89,773.20

Change in Net Position of Governmental Activities

\$ 19,814,188.28

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Statement of Net Position
June 30, 2023

	Non-Major Funds	Total 2023
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 761,798.97	761,798.97
Intergovernmental Accounts Receivable	5,714.26	5,714.26
Other Accounts Receivable	110,177.24	110,177.24
Inventory	15,004.28	15,004.28
Total Current Assets	892,694.75	892,694.75
Noncurrent Assets:		
Furniture, Machinery & Equipment		
Less Accumulated Depreciation	77,431.88	77,431.88
Total Noncurrent Assets	77,431.88	77,431.88
Total Assets	970,126.63	970,126.63
LIABILITIES		
Current Liabilities:		
Interfunds Payable	104,288.24	104,288.24
Unearned Revenue	24,916.55	24,916.55
Total Current Liabilities	129,204.79	129,204.79
NET POSITION		
Invested in Capital Assets Net of Related Debt	77,431.88	77,431.88
Unrestricted	763,489.96	763,489.96
Total Net Position	\$ 840,921.84	840,921.84

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2023

	Non-Major Funds	Total 2023
Operating Revenue:		
Charges for Service:		
Daily Sales - Non-reimbursable Programs	\$ 91,395.98	91,395.98
Daily Sales - Reimbursable Programs	90,407.80	90,407.80
Special Functions	360.58	360.58
Early Childhood Program Fees	26,325.00	26,325.00
Summertime Adventure Fees	14,447.50	14,447.50
Cosmetology Revenue	5,966.50	5,966.50
Personal Aides	34,967.00	34,967.00
Shared Services	93,342.45	93,342.45
Miscellaneous	410.00	410.00
Total Operating Revenue	357,622.81	357,622.81
Operating Expenses:		
Cost of Sales		
Reimbursable Programs	115,608.82	115,608.82
Non-reimbursable Programs	37,611.35	37,611.35
Salaries	166,611.41	166,611.41
Fringe Benefits	14,941.84	14,941.84
Other Purchased Services	182,253.19	182,253.19
Miscellaneous Expenditures	25,284.80	25,284.80
General Supplies	24,796.78	24,796.78
Depreciation	8,249.24	8,249.24
Total Operating Expenses	575,357.43	575,357.43
Operating Income (Loss)	(217,734.62)	(217,734.62)
Nonoperating Revenues (Expenses):		
State Sources:		
State Breakfast Program	452.40	452.40
State School Lunch Program	4,685.02	4,685.02
Federal Sources:		
National School Lunch Program	96,277.90	96,277.90
Performance Based HFFKA	3,484.64	3,484.64
School Breakfast Program	16,719.90	16,719.90
P-EBT Administrative Costs	653.00	653.00
Supply Chain Assistance	40,218.50	40,218.50
Food Distribution Program	28,031.46	28,031.46
Interest and Investment Income	788.55	788.55
Total Nonoperating Revenues (Expenses)	191,311.37	191,311.37
Income (loss) before Contributions & Transfers	(26,423.25)	(26,423.25)
Capital Contributions (Uses)	-	-
Cancel Prior Year Revenue	(0.50)	(0.50)
Transfers In (Out)	60,000.00	60,000.00
Changes in Net Position	33,576.25	33,576.25
Total Net Position - Beginning	807,345.59	807,345.59
Total Net Position - Ending	\$ 840,921.84	840,921.84

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Comparative Statement of Cash Flows
For the Year Ended June 30, 2023

	Non-Major Funds	Total 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 344,631.94	344,631.94
Payments to Employees	(166,611.41)	(166,611.41)
Payments for Employee Benefits	(14,941.84)	(14,941.84)
Payments for Supplies and Services	(362,224.53)	(362,224.53)
Net Cash (Used for) Operating Activities	<u>(199,145.84)</u>	<u>(199,145.84)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	5,846.17	5,846.17
Federal Sources	194,348.02	194,348.02
Operating Subsidies and Transfers to Other Funds	60,000.00	60,000.00
Net Cash Provided by Noncapital Financing Activities	<u>260,194.19</u>	<u>260,194.19</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of Capital Assets	(11,750.50)	(11,750.50)
Net Cash (Used for) Capital and Related Financing Activities	<u>(11,750.50)</u>	<u>(11,750.50)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and Dividends	788.55	788.55
Net Cash Provided by (Used for) Investing Activities	<u>788.55</u>	<u>788.55</u>
Net Increase in Cash and Cash Equivalents	50,086.40	50,086.40
Balance - Beginning of Year	711,712.57	711,712.57
Balance - End of Year	<u>761,798.97</u>	<u>761,798.97</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating (Loss)	(217,734.62)	(217,734.62)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	8,249.24	8,249.24
Federal Commodities - Non-Cash	28,031.46	28,031.46
(Increase) in Accounts Receivable	(110,177.24)	(110,177.24)
(Increase) in Inventories	(4,675.70)	(4,675.70)
(Decrease) in Accounts Payable	(25.35)	(25.35)
(Decrease) in Deferred Revenue	(7,101.87)	(7,101.87)
Increase in Interfund Payable	104,288.24	104,288.24
Total Adjustments	<u>18,588.78</u>	<u>18,588.78</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (199,145.84)</u>	<u>(199,145.84)</u>

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

Notes to the Financial Statements

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**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Cape May County Technical School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Cape May County Technical School District is a Type I District located in the County of Cape May, State of New Jersey. As a Type I District, the School District functions independently through a Board of Education. The Board is comprised of five members appointed to four-year terms by the Board of Chosen Freeholders, and the County Superintendent of Schools as an ex-officio member. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the District is to educate students in grades 9-12 for both regular and vocational programs and operate the adult and continuing education programs. The District had an enrollment at June 30, 2023 of 628 students.

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

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

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

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

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

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

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(CONTINUED)**

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

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

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

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

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

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

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

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

The following fund types are used by the District:

1. Governmental Funds:

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

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(CONTINUED)**

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

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

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

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

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

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

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

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

2. Proprietary Funds:

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

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(CONTINUED)**

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

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

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

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

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

Shared Services Fund, which accounts for revenue and expense related to the shared services agreement the District has entered into with the Cape May County Special Services School District. The agreement includes services provided by the Chief School Administrator, Media Specialist, Information Technology Director, and Security officer.

Personal Aide Fund, which accounts for all revenues and expenses pertaining to the District's personal aide operations.

3. Fiduciary Funds:

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

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

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

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(CONTINUED)**

2. Modified Accrual:

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

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

2. Investments:

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

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first-out method. As of June 30, 2023, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(CONTINUED)**

Food	\$	12,173.20
Supplies		<u>2,831.08</u>
	\$	<u><u>15,004.28</u></u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2023 is \$9,198.46.

4. Capital Assets:

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

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

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

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

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

7. Compensated absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(CONTINUED)**

and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

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

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

8. Interfund Activity:

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

9. Budgets/Budgetary Control:

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

Significant transfers approved by the Board of Education during the 2023 and 2022 fiscal years were as follows:

	2023	2022
Regular Programs - Instruction Grades 9-12		
Salaries of Teachers	\$ (133,061.00)	-
Undistributed Expenditures - Required Maintenance of School Facilities		
Cleaning, Repair, and Maintenance Services	130,000.00	-
Undistributed Expenditures - Custodial Services		
Salaries	(174,775.00)	-
Undistributed Expenditures - Student Transportation Services		
Contracted Srvs-Other than Bet Home & School	197,500.00	-
Unallocated Benefits - Employee Benefits		
Health Benefits	-	(287,798.03)

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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 last state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

10. Tuition Receivable:

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

11. Use of Estimates:

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

12. Allocation of Costs:

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

13. Pensions:

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

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections (an amendment of GASB Statement No. 62)". This statement, which is effective for fiscal years beginning after June 15, 2023, may have an effect on the District's financial reporting.

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In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, may have an effect on the District's financial reporting.

NOTE 2. CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$450,006.56 of the government's bank balance of \$3,664,531.42 was exposed to custodial credit risk.

NOTE 3. FIXED ASSETS

Capital Asset activity for the year ended June 30, 2023 was as follows:

	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Disposals/ Adjustments</u>	<u>Balance June 30, 2023</u>
Governmental Activities:				
Capital assets that are not being depreciated:				
Construction in process	\$ 4,062,804.53	7,536,528.32		11,599,332.85
Total capital assets not being depreciated	<u>4,062,804.53</u>	<u>7,536,528.32</u>	<u>-</u>	<u>11,599,332.85</u>
Land Improvements	816,899.94			816,899.94
Bldg and bldg improve	51,660,697.43		105,191.55	51,765,888.98
Machinery & equipment	4,125,827.85	243,586.45	(291,575.06)	4,077,839.24
Total at historical cost	<u>56,603,425.22</u>	<u>243,586.45</u>	<u>(186,383.51)</u>	<u>56,660,628.16</u>
Less accum depr for:				
Land Improvements	(777,423.95)	(6,671.99)		(784,095.94)
Bldg and bldg improve	(29,354,177.92)	(1,234,269.41)		(30,588,447.33)
Equipment	(2,607,502.73)	(336,152.54)	248,480.19	(2,695,175.08)
Total accum deprec	<u>(32,739,104.60)</u>	<u>(1,577,093.94)</u>	<u>248,480.19</u>	<u>(34,067,718.35)</u>
Total capital assets being depr, net of accum depr	<u>23,864,320.62</u>	<u>(1,333,507.49)</u>	<u>62,096.68</u>	<u>22,592,909.81</u>
Governmental Activities Capital Assets, net	<u>\$ 27,927,125.15</u>	<u>6,203,020.83</u>	<u>62,096.68</u>	<u>34,192,242.66</u>
Business-Type Activities:				
Equipment	\$ 242,002.37	11,750.50		253,752.87
Less accum depr for:				
Equipment	(168,071.75)	(8,249.24)		(176,320.99)
Business-Type Activities Capital Assets, net	<u>\$ 73,930.62</u>	<u>3,501.26</u>	<u>-</u>	<u>77,431.88</u>

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Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular Instruction	\$	342,936.28
Vocational Instruction		364,807.34
Other Instruction		50,046.97
Support Services		
Student & Instruction Related Services		143,571.13
School Administrative Services		44,854.28
General Administration and Business Services		178,851.19
Plant Operation and Maintenance		295,853.37
Pupil Transportation		14,645.52
Adult and Continuing Education		141,527.86
Total Depreciation Expense	\$	<u><u>1,577,093.94</u></u>

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education by inclusion of \$1.00 on October 17, 2000 retroactive to October 13, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. A capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning balance, July 1, 2022	\$	3,428,661.58
Increased by:		
Interest earned		150.00
Transfer by Board Resolution		750,000.00
Decreased by:		
Budgeted Capital Withdrawal		<u>(3,000,000.00)</u>
Ending balance, June 30, 2023	\$	<u><u>1,178,811.58</u></u>

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NOTE 5. MAINTENANCE RESERVE ACCOUNT

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

Beginning balance, July 1, 2022	\$ 944,753.00
Interest earnings	150.00
Deposits:	
Board Resolution	100,000.00
	\$ 1,044,903.00
Withdrawals:	
None	-
Ending balance, June 30, 2023	\$ 1,044,903.00

NOTE 6. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Issues or Additions	Payments or Expenditures	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 805,002.56		89,773.20	715,229.36	-
Net Pension Liability	3,204,034.00	1,202,803.00		4,406,837.00	-
Lease Liability	62,030.65	10,085.20	18,084.03	54,031.82	13,240.92
Subscription Based IT	-	49,304.60		49,304.60	16,434.87
Obligations Under Capital Leases	1,202,516.50		105,191.55	1,097,324.95	111,271.12
Total Debt	\$ 5,273,583.71	1,262,192.80	213,048.78	6,322,727.73	140,946.91

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

A. Capital Leases Payable

Commencing May 26, 2016, the District is leasing various equipment totaling \$1,715,000 under capital leases. The lease is for a term of 15 years and semiannual lease payments in amounts ranging from \$51,380.00 to \$85,084.09 will be made to Webster Bank. Payments include interest at a rate of 2.59% per annum. The following is a schedule of the future minimum lease payments under the capital lease and the net minimum lease payments at June 30, 2023.

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	Total
FY2024	\$ 138,975.99
FY2025	142,363.99
FY2026	145,827.98
FY2027	149,369.99
FY2028	154,990.00
FY2029-31	495,332.24
Total future minimum lease payments	1,226,860.19
Less amount representing interest	129,535.24
Present value of lease payments	\$ 1,097,324.95

B. Lease Liability

The District has commitments to lease certain office equipment under operating leases that expire in fiscal years 2023 through 2027. Total operating lease payments made during the year ended June 30, 2023 were \$18,084.03. Future minimum lease payments are as follows:

Fiscal Year End June 30,	Payment
2024	\$ 13,240.92
2025	13,240.92
2026	13,240.92
2027	12,292.02
2028	2,017.04
Total	\$ 54,031.82

NOTE 7. PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/omb/publications/21fr/NJFRFY2021Complete.pdf>

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January, 1955 under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan

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with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System

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

Defined Contribution Retirement Program (DCRP)

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

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 45.47% and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2023, 2022, and 2021 were \$2,245,856.00, \$2,240,520.00, and \$1,676,908.00, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2023, 2022, and 2021, were \$368,239.00, \$316,743.00, and \$295,098.00, respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2023, 2022, and 2021, the State of New Jersey contributed \$589,981.00, \$523,476.00, and \$525,517.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$460,472.16, \$445,861.00, and \$447,106.69, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

For the DCRP, members contribute at a uniform rate of 6.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were 2 employees enrolled in the DCRP for the year ended June 30, 2023.

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Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates
- increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current ad future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

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

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

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

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

NOTE 8: PENSION LIABILITIES – PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. The following information describes the District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the District's pension liabilities as June 30, 2022:

Public Employees' Retirement System

The District has a liability of \$4,406,837 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion is 0.02920102910%, which is an increase of 7.97% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$227,425. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 31,807	\$ (28,049)
Changes of assumptions	13,654	(659,878)
Net difference between projected and actual earnings		
on pension plan investments	182,395	-
Changes in proportion	337,958	(128,665)
 Total	 \$ 565,814	 \$ (816,592)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2024	\$ (229,225)
2025	(84,422)
2026	(5,932)
2027	69,340
2028	(539)
 Total	 \$ (250,778)

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disable 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 generational basis. Mortality improvement is based on Scale MP-2021.

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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, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) 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 weighing 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 PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

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

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	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 5,284,701	\$ 4,406,837	\$ 3,660,570

Pension plan fiduciary net position.

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

NOTE 9 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2022, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		27,689,968.00
Total	\$	27,689,968.00

The net pension liability was measured as of June 30, 2022 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of \$745,214 and revenue of \$745,214 for support provided by the State.

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Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary increases	2.75% - 5.65% (based on years of service)
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-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, 2018 to June 30, 2021.

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, 2022) 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 weighing 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, 2022 are summarized in the following table:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	2.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	8.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	5.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount rate.

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all 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 in determining the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net position liability associated with the District	\$ 32,467,075.90	\$ 27,689,968.00	\$ 23,665,854.85

Pension plan fiduciary net position.

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

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Additional Information

Collective balances of the local group at June 30, 2022 are as follows:

Deferred outflows of resources	\$	5,004,259,312
Deferred inflows of resources		19,682,774,794
Net pension liability		51,676,587,303

Collective pension expense for the plan for the measurement period ended June 30, 2022 is \$1,390,761,344.

NOTE 10. OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be reported on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contributions. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent, from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2022, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. 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 and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases

TPAF/ABP	PERS	PFRS
2.75% to 4.25% based on service years	2.75% to 6.55% based on service years	3.25% to 16.25% based on service years

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2020 "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, 2021 valuation were based on the results of the TPAF, PERS, and PFRS experience studies for the period July 1, 2018 to June 30, 2021.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

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Discount Rate

The discount rate used to measure the total OPEB liability was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

Balance at 6/30/22 (Based on 6/30/2021 measurement date)	\$ 60,007,650,970.00
Changes for the year:	
Service cost	2,770,618,025.00
Interest	1,342,187,139.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	1,399,200,736.00
Changes in assumptions or other inputs	(13,586,368,097.00)
Contributions: Member	42,650,252.00
Benefit payments	<u>(1,329,476,059.00)</u>
Net changes	<u>(9,361,188,004.00)</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u>\$ 50,646,462,966.00</u>

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

The following presents the total OPEB liability as of June 20, 2022, respectively, calculated using a discount rate as disclosed above as well as what the total non-employer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 59,529,589,697.00	\$ 50,646,462,966.00	\$ 43,527,080,995.00

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

The following presents the total OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 41,862,397,291.00	\$ 50,646,462,966.00	\$ 62,184,866,635.00

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of \$542,400.00 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,042,402,619.00	\$ (15,462,950,679.00)
Changes in assumptions	8,765,620,577.00	(17,237,289,230.00)
	\$ 17,808,023,196.00	\$ (32,700,239,909.00)

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

Year Ended June 30,	
2023	\$ (2,517,151,602.00)
2024	(2,517,151,602.00)
2025	(2,517,151,602.00)
2026	(2,175,449,761.00)
2027	(1,243,951,140.00)
Thereafter	(3,921,361,006.00)
	\$ (14,892,216,713.00)

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

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

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NOTE 11. DEFERRED COMPENSATION

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

Lincoln Investment Planning
AXA Equitable
ABCO-ING

NOTE 12. COMPENSATED ABSENCES

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

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

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

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,945,386.00	
Capital Projects Fund		1,841,097.76
Enterprise Fund		104,288.24
Total	\$ 1,945,386.00	1,945,386.00

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

NOTE 14. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) – Of the \$2,973,248.54 General Fund fund balance, at June 30, 2023, \$0.00 is reserved as excess surplus in accordance with NJSA 18A:7F-7, \$320,255.44 has been reserved for Unemployment Compensation; \$1,178,811.58 has been reserved in the Capital Reserve Account; \$1,044,903.00 has been reserved in the Maintenance Reserve Account; \$0.00 has been appropriated

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and included as anticipated revenue for the year ending June 30, 2023; \$112,412.34 has been assigned for other purposes (encumbrances) and \$316,866.18 has been classified as Unassigned.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years’ budget. The excess fund balance at June 30, 2023 is \$0.

NOTE 16. RISK MANAGEMENT

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2023, the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Unemployment Claims</u>	<u>Interest Earnings</u>	<u>Ending Balance</u>
2022-2023	\$ 320,255.44	-	1,504.74	1,504.74	320,255.44
2021-2022	320,166.94	-		88.50	320,255.44
2020-2021	270,007.90	50,000.00		159.04	320,166.94

NOTE 17. LITIGATION

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

NOTE 18. RIGHT TO USE ASSETS

The school district has recorded right to use lease assets as a result of implementing GASB 87. The right to use 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 district has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right to Use Assets at their remaining liability payments.

The district has recorded two right to use leased assets. The assets are right to use assets for leased building equipment and copiers. The related leases are discussed in Note 6.

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	Beginning Balance	Increases	Decreases	Ending Balance
Copiers	\$ 62,030.65	10,085.20	18,084.03	54,031.82
Building	1,202,516.50		105,191.55	1,097,324.95
Right to use assets, net	\$ 1,264,547.15	10,085.20	123,275.58	1,151,356.77

NOTE 19 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The District has entered into Subscription-Based Information Technology Arrangements (SBITAs) involving:

- Education Software
- Various desktop and server software subscriptions

The total of the District's subscription assets are recorded at a cost of \$49,304.60, less accumulated amortization of \$0.00.

The future subscription payments under SBITA agreements are as follows:

Subscriptions			
	Principal	Interest	Total
2024	\$ 16,434.87		16,434.87
2025	16,434.87		16,434.87
2026	16,434.87		16,434.87
2027	-		-
2028	-		-
	\$ 49,304.61	-	49,304.61

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NOTE 20. SUBSEQUENT EVENTS

Operating Lease:

Effective 9/1/2023, the District entered into a lease agreement for 13 Canon copier/printers. The lease term is 60 months with payments of \$2,339.60 due monthly. The lease is scheduled to terminate as of August 31, 2029.

The following are minimum lease payments due on an annual basis:

<u>Year Ending June 30,</u>		
2024	\$	22,396.00
2025		26,875.20
2026		26,875.20
2027		26,875.20
2028		26,875.20
2029		<u>4,479.20</u>
Total	\$	<u>134,376.00</u>

Other

The District has evaluated subsequent events through November 15, 2023, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

Required Supplementary Information
Part II

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BUDGETARY COMPARISON SCHEDULES

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Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
REVENUES:					
Local Sources:					
County Line Item Appropriation	\$ 8,224,834.00	-	8,224,834.00	8,224,834.00	-
Tuition - Other LEAs	5,153,156.00		5,153,156.00	5,165,920.40	12,764.40
Tuition - Other Sources	612,000.00		612,000.00	579,046.00	(32,954.00)
Nonresident Fees	46,518.00		46,518.00	61,614.00	15,096.00
Adult Education Testing Center Fees	6,200.00		6,200.00	3,454.00	(2,746.00)
Interest on Maintenance Reserve	150.00		150.00	18.26	(131.74)
Interest on Capital Reserve	150.00		150.00	5.81	(144.19)
Other Restricted Miscellaneous Revenue	34,000.00	-	34,000.00	28,671.50	(5,328.50)
Unrestricted Miscellaneous Revenue	130,337.00	-	130,337.00	104,175.28	(26,161.72)
Total Local Sources	<u>14,207,345.00</u>	<u>-</u>	<u>14,207,345.00</u>	<u>14,167,739.25</u>	<u>(39,605.75)</u>
State Sources:					
Categorical Special Education Aid	447,941.00		447,941.00	447,941.00	-
Vocational Expansion Stabilization Aid	653,679.00		653,679.00	653,679.00	-
Categorical Security Aid	79,387.00		79,387.00	79,387.00	-
Adjustment Aid	215,042.00		215,042.00	215,042.00	-
Maintenance of Equity Aid				402,034.00	402,034.00
TPAF Pension (On-Behalf - Non-Budgeted)					
Teachers Pension and Annuity Fund	-		-	2,245,856.00	2,245,856.00
TPAF - Post Retirement Medical	-		-	589,981.00	589,981.00
TPAF-Non-contributory Insurance	-		-	763.00	763.00
TPAF Social Security (Reimbursed- Non-Budgeted)	-		-	460,472.16	460,472.16
Total State Sources	<u>1,396,049.00</u>	<u>-</u>	<u>1,396,049.00</u>	<u>5,095,155.16</u>	<u>3,699,106.16</u>
Federal Sources:					
Medicaid Reimbursement	11,370.00		11,370.00	-	(11,370.00)
Total Federal Sources	<u>11,370.00</u>	<u>-</u>	<u>11,370.00</u>	<u>-</u>	<u>(11,370.00)</u>
Total Revenues	<u>15,614,764.00</u>	<u>-</u>	<u>15,614,764.00</u>	<u>19,262,894.41</u>	<u>3,648,130.41</u>
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION GRADES 9-12					
Salaries of Teachers	2,659,543.00	(133,061.00)	2,526,482.00	2,524,968.99	1,513.01
Purchased Professional - Educational Services		5,500.00	5,500.00	4,335.00	1,165.00
Other Purchased Services (400-500 series)	18,200.00	(4,000.00)	14,200.00	12,050.88	2,149.12
General Supplies	44,137.75	(6,652.69)	37,485.06	35,896.00	1,589.06
Textbooks	25,000.00	(18,000.00)	7,000.00	6,358.23	641.77
Other Objects	-	3,000.00	3,000.00	481.50	2,518.50
Regular Programs - Home Instruction					
Salaries of Teachers	4,018.00	-	4,018.00	310.00	3,708.00
Purchased Professional - Educational Services	3,500.00	(900.00)	2,600.00	-	2,600.00
Purchased Technical Services	-	900.00	900.00	-	900.00
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>2,754,398.75</u>	<u>(153,213.69)</u>	<u>2,601,185.06</u>	<u>2,584,400.60</u>	<u>16,784.46</u>
VOCATIONAL PROGRAMS - INSTRUCTION					
Regular Vocational Programs - Instruction					
Salaries of Teachers	1,629,184.00	(33,000.00)	1,596,184.00	1,594,291.51	1,892.49
Other Salaries for Instruction	234,074.00	(43,900.00)	190,174.00	190,172.82	1.18
Other Purchased Services (400-500 series)	51,300.00	(22,500.00)	28,800.00	20,969.67	7,830.33
General Supplies	99,938.16	(18,519.89)	81,418.27	79,518.63	1,899.64
Textbooks	5,000.00	(3,350.00)	1,650.00	1,649.14	0.86
Other Objects	8,500.00	-	8,500.00	4,847.31	3,652.69
Total Regular Vocational Programs - Instruction	<u>2,027,996.16</u>	<u>(121,269.89)</u>	<u>1,906,726.27</u>	<u>1,891,449.08</u>	<u>15,277.19</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Special Vocational Programs - Instruction					
Salaries of Teachers	813,749.00	(85,412.48)	728,336.52	722,732.09	5,604.43
Other Salaries for Instruction	48,002.00	5,424.00	53,426.00	52,159.17	1,266.83
Purchased Professional - Educational Services	-	2,528.48	2,528.48	1,077.59	1,450.89
Other Purchased Services (400-500 series)	-	1,534.00	1,534.00	1,531.69	2.31
General Supplies	40,315.69	(31,508.79)	8,806.90	8,379.45	427.45
Textbooks	-	-	-	-	-
Total Special Vocational Programs - Instruction	<u>902,066.69</u>	<u>(107,434.79)</u>	<u>794,631.90</u>	<u>785,879.99</u>	<u>8,751.91</u>
TOTAL VOCATIONAL PROGRAMS - INSTRUCTION	<u>2,930,062.85</u>	<u>(228,704.68)</u>	<u>2,701,358.17</u>	<u>2,677,329.07</u>	<u>24,029.10</u>
School-Spon. Cocurricular Activities - Instruction					
Salaries	45,100.00	(6,000.00)	39,100.00	33,240.00	5,860.00
Purchased Services (300-500 series)	15,000.00	-	15,000.00	5,568.80	9,431.20
Supplies & Materials	4,540.00	-	4,540.00	1,416.62	3,123.38
Other Objects	15,462.00	-	15,462.00	10,774.00	4,688.00
Total School-Spon. Cocurricular Activities - Inst.	<u>80,102.00</u>	<u>(6,000.00)</u>	<u>74,102.00</u>	<u>50,999.42</u>	<u>23,102.58</u>
School-Spon. Cocurricular Athletics - Instruction					
Salaries	234,376.00	(9,513.00)	224,863.00	211,013.94	13,849.06
Purchased Services (300-500 series)	41,391.00	(2,515.00)	38,876.00	31,277.76	7,598.24
Supplies & Materials	30,440.86	2,515.00	32,955.86	32,394.42	561.44
Other Objects	12,000.00	-	12,000.00	9,601.44	2,398.56
Total School-Spon. Cocurricular Athletics - Inst.	<u>318,207.86</u>	<u>(9,513.00)</u>	<u>308,694.86</u>	<u>284,287.56</u>	<u>24,407.30</u>
Other Instructional Programs - Instruction					
Supplies & Materials	3,657.81	-	3,657.81	272.45	3,385.36
Total Other Instructional Programs - Inst.	<u>3,657.81</u>	<u>-</u>	<u>3,657.81</u>	<u>272.45</u>	<u>3,385.36</u>
TOTAL INSTRUCTION	<u>6,086,429.27</u>	<u>(397,431.37)</u>	<u>5,688,997.90</u>	<u>5,597,289.10</u>	<u>91,708.80</u>
UNDISTRIBUTED EXPENDITURES					
Undistributed Expend. - Attendance & Social Work					
Salaries	45,023.00	(12,970.00)	32,053.00	31,515.46	537.54
Total Undistributed Expend. - Attend & Social Work	<u>45,023.00</u>	<u>(12,970.00)</u>	<u>32,053.00</u>	<u>31,515.46</u>	<u>537.54</u>
Undistributed Expend. - Health Services					
Salaries	96,993.00	(4,332.00)	92,661.00	91,998.50	662.50
Purchased Professional and Technical Services	700.00	3,500.00	4,200.00	3,766.67	433.33
Other Purchased Services (400-500 series)	200.00	-	200.00	151.93	48.07
Supplies & Materials	9,049.86	(6,700.00)	2,349.86	2,346.08	3.78
Other Objects	-	500.00	500.00	471.00	29.00
Total Undistributed Expend. - Health Services	<u>106,942.86</u>	<u>(7,032.00)</u>	<u>99,910.86</u>	<u>98,734.18</u>	<u>1,176.68</u>
Undistributed Expend. - Guidance					
Salaries of Other Professional Staff	210,572.00	31,580.00	242,152.00	242,148.42	3.58
Salaries of Secretarial and Clerical Assistants	135,590.00	(27,000.00)	108,590.00	107,202.81	1,387.19
Unused Vacation Payment to Termin/Retired Staff	1,300.00	(1,300.00)	-	-	-
Purchased Professional and Technical Services	11,158.05	2,104.00	13,262.05	13,043.31	218.74
Other Purchased Services (400-500 series)	180.00	22,500.00	22,680.00	20,948.78	1,731.22
Supplies & Materials	10,000.00	(3,800.00)	6,200.00	4,966.64	1,233.36
Other Objects	2,900.00	-	2,900.00	1,741.50	1,158.50
Total Undistributed Expend. - Guidance	<u>371,700.05</u>	<u>24,084.00</u>	<u>395,784.05</u>	<u>390,051.46</u>	<u>5,732.59</u>
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	261,235.00	(24,579.55)	236,655.45	235,746.38	909.07
Salaries of Secretarial and Clerical Assistants	-	22,415.00	22,415.00	22,407.71	7.29
Unused Vacation Payment to Termin/Retired Staff	1,300.00	1,279.55	2,579.55	2,579.55	-
Purchased Professional - Educational Services	10,000.00	11,396.00	21,396.00	21,396.00	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies & Materials	3,000.00	(900.00)	2,100.00	2,015.94	84.06
Other Objects	1,070.00	-	1,070.00	577.50	492.50
Total Undist. Expend. - Child Study Teams	<u>276,605.00</u>	<u>9,611.00</u>	<u>286,216.00</u>	<u>284,723.08</u>	<u>1,492.92</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	113,177.00	(800.00)	112,377.00	111,541.44	835.56
Salaries of Other Professional Staff	5,000.00	3,905.00	8,905.00	8,903.45	1.55
Salaries of Secretarial and Clerical Assistants	30,227.00	936.65	31,163.65	30,664.74	498.91
Unused Vacation Payment to Termin/Retired Staff	2,100.00	283.35	2,383.35	2,383.35	-
Other Purchased Services (400-500 series)	11,635.00	18,000.00	29,635.00	27,580.34	2,054.66
Supplies & Materials	2,750.00	-	2,750.00	775.06	1,974.94
Other Objects	1,100.00	2,000.00	3,100.00	2,122.00	978.00
Total Undist. Expend. - Improvement of Inst. Serv.	165,989.00	24,325.00	190,314.00	183,970.38	6,343.62
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	105,099.00	(25,895.00)	79,204.00	79,080.97	123.03
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies & Materials	20,571.96	(6,276.45)	14,295.51	6,304.46	7,991.05
Other Objects	272.00	7.00	279.00	279.00	-
Total Undistributed Expenditures - Educational Media Services - School Library	125,942.96	(32,164.45)	93,778.51	85,664.43	8,114.08
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisor of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	12,575.00	-	12,575.00	12,393.60	181.40
Salaries of Secretarial and Clerical Assistants	3,358.00	-	3,358.00	3,255.80	102.20
Unused Vacation Payment to Termin/Retired Staff	-	-	-	-	-
Other Purchased Services (400-500 series)	45,000.00	(42,000.00)	3,000.00	943.02	2,056.98
Total Undistributed Expenditures - Instructional Staff Training Services	60,933.00	(42,000.00)	18,933.00	16,592.42	2,340.58
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	356,875.00	(32,785.00)	324,090.00	323,670.22	419.78
Unused Vacation Payment to Termin/Retired Staff	5,000.00	61,785.00	66,785.00	66,369.03	415.97
Legal Services	21,000.00	15,000.00	36,000.00	28,531.86	7,468.14
Audit Fees	25,000.00	1,000.00	26,000.00	26,000.00	-
Architectural/Engineering Services	10,000.00	(4,570.00)	5,430.00	5,430.00	-
Other Purchased Professional Services	10,000.00	5,000.00	15,000.00	11,254.96	3,745.04
Purchased Professional and Technical Services	-	7,475.00	7,475.00	6,745.31	729.69
Communications/Telephone	51,900.00	16,500.00	68,400.00	66,175.37	2,224.63
BOE Other Purchased Services	-	-	-	-	-
Other Purchased Services (400-500 series)	64,600.00	(18,430.00)	46,170.00	40,212.86	5,957.14
General Supplies	4,500.00	500.00	5,000.00	4,769.15	230.85
BOE In-House Training/Meeting Supplies	900.00	-	900.00	862.00	38.00
Miscellaneous Expenditures	26,500.00	-	26,500.00	23,586.88	2,913.12
BOE Membership Dues and Fees	7,100.00	-	7,100.00	6,110.88	989.12
Total Undistributed Expenditures - Support Services - General Administration	583,375.00	51,475.00	634,850.00	609,718.52	25,131.48
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals	245,857.00	(80.45)	245,776.55	243,863.06	1,913.49
Salaries of Secretarial and Clerical Assistants	68,239.00	3,001.00	71,240.00	70,898.67	341.33
Unused Vacation Payment to Termin/Retired Staff	5,000.00	80.45	5,080.45	5,080.45	-
Other Purchased Services (400-500 series)	15,915.00	(8,285.00)	7,630.00	7,411.43	218.57
Supplies & Materials	17,750.00	-	17,750.00	14,716.45	3,033.55
Other Objects	7,500.00	-	7,500.00	2,633.79	4,866.21
Total Undistributed Expenditures - Support Services - School Administration	360,261.00	(5,284.00)	354,977.00	344,603.85	10,373.15
Undist. Expend. - Central Services					
Salaries	385,667.00	(29,315.00)	356,352.00	355,821.54	530.46
Unused Vacation Payment to Termin/Retired Staff	4,500.00	-	4,500.00	3,633.15	866.85
Purchased Technical Services	-	-	-	-	-
Misc. Purchased Services (400-500 series)	60,585.81	1,500.00	62,085.81	59,975.62	2,110.19
Supplies & Materials	7,200.00	-	7,200.00	6,456.63	743.37
Miscellaneous Expenditures	1,850.00	-	1,850.00	1,665.00	185.00
Total Undistributed Expenditures - Central Services	459,802.81	(27,815.00)	431,987.81	427,551.94	4,435.87

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Undist. Expend. - Admin. Info. Tech					
Salaries	314,154.00	-	314,154.00	309,100.80	5,053.20
Unused Vacation Payment to Termin/Retired Staff	4,200.00	-	4,200.00	4,066.30	133.70
Purchased Technical Services	60,000.00	(3,250.00)	56,750.00	56,746.40	3.60
Other Purchased Services (400-500 series)	4,000.00	(3,750.00)	250.00	-	250.00
Supplies & Materials	10,966.77	8,000.00	18,966.77	16,364.96	2,601.81
Total Undistributed Expenditures - Admin Info Tech	<u>393,320.77</u>	<u>1,000.00</u>	<u>394,320.77</u>	<u>386,278.46</u>	<u>8,042.31</u>
Undist. Expend. - Required Maint. School Facilities					
Salaries	168,933.00	(37,513.00)	131,420.00	131,174.47	245.53
Cleaning, Repair and Maintenance Service	52,148.54	130,000.00	182,148.54	150,850.45	31,298.09
General Supplies	32,579.18	1,570.93	34,150.11	31,333.19	2,816.92
Miscellaneous Expenditures		1,000.00	1,000.00	588.80	411.20
Total Undistributed Expenditures - Required Maintenance for School Facilities	<u>253,660.72</u>	<u>95,057.93</u>	<u>348,718.65</u>	<u>313,946.91</u>	<u>34,771.74</u>
Undist. Expend. - Custodial Services					
Salaries	607,188.00	(174,775.00)	432,413.00	431,924.93	488.07
Unused Vacation Payment to Termin/Retired Staff	-	-	-	-	-
Purchased Professional and Technical Services	267,541.00	(47,000.00)	220,541.00	199,735.12	20,805.88
Cleaning, Repair and Maintenance Service	91,108.00	(38,000.00)	53,108.00	45,935.07	7,172.93
Rental of Land and Buildings	1,000.00	500.00	1,500.00	1,439.88	60.12
Other Purchased Property Services	65,000.00	11,999.98	76,999.98	66,481.46	10,518.52
Insurance	164,000.00	-	164,000.00	163,553.49	446.51
General Supplies	62,929.00	(16,000.00)	46,929.00	43,800.26	3,128.74
Energy (Natural Gas)	226,399.00	84,500.00	310,899.00	294,319.52	16,579.48
Energy (Electricity)	501,252.00	(40,000.00)	461,252.00	456,923.37	4,328.63
Energy (Oil)	-	1,000.00	1,000.00	176.40	823.60
Energy (Gasoline)	-	4,000.00	4,000.00	3,226.18	773.82
Lease Purchase Payments-Energy Savings Imp Prog	135,660.00	0.02	135,660.02	135,660.02	-
Other Objects	500.00	750.00	1,250.00	851.00	399.00
Total Undist. Expend. - Custodial Services	<u>2,122,577.00</u>	<u>(213,025.00)</u>	<u>1,909,552.00</u>	<u>1,844,026.70</u>	<u>65,525.30</u>
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	-	88,000.00	88,000.00	87,371.83	628.17
Cleaning, Repair and Maintenance Service	-	36,503.00	36,503.00	35,681.29	821.71
General Supplies	-	5,750.00	5,750.00	3,214.67	2,535.33
Total Undist. Expend. - Care and Upkeep of Grounds	<u>-</u>	<u>130,253.00</u>	<u>130,253.00</u>	<u>126,267.79</u>	<u>3,985.21</u>
Undist. Expend. - Security					
Salaries	-	62,500.00	62,500.00	50,391.28	12,108.72
Purchased Professional and Technical Services	-	132,417.00	132,417.00	127,667.00	4,750.00
General Supplies	-	8,383.00	8,383.00	8,316.89	66.11
Total Undist. Expend. - Care and Upkeep of Grounds	<u>-</u>	<u>203,300.00</u>	<u>203,300.00</u>	<u>186,375.17</u>	<u>16,924.83</u>
Total Undistributed Expenditures					
Operations and Maintenance of Plant	<u>2,376,237.72</u>	<u>215,585.93</u>	<u>2,591,823.65</u>	<u>2,470,616.57</u>	<u>121,207.08</u>
Undist. Expend. - Student Transportation Serv.					
Salaries - Pupil Trans. (Other than Bet Home & Sch.)	250.00	-	250.00	-	250.00
Management Fee - ESC & CTSA Transportation Program		20,500.00	20,500.00	18,338.13	2,161.87
Cleaning, Repair and Maintenance Service	-	500.00	500.00	-	500.00
Contracted Services - (Other than Bet. Home & School)	15,000.00	197,500.00	212,500.00	205,760.25	6,739.75
Cont Services - (Bet Home & School) - Joint	7,500.00	(7,500.00)	-	-	-
Contracted Services - (Reg Students) ESC's & CTSA's	94,439.00	(94,439.00)	-	-	-
General Supplies	441.00	3,000.00	3,441.00	2,020.65	1,420.35
Total Undistributed Expenditures - Student Transportation Services	<u>117,630.00</u>	<u>119,561.00</u>	<u>237,191.00</u>	<u>226,119.03</u>	<u>11,071.97</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Unallocated Benefits - Employee Benefits					
Group Insurance	3,300.00	300.00	3,600.00	3,594.50	5.50
Social Security Contribution	222,345.90	33,481.00	255,826.90	240,523.42	15,303.48
Other Retirement Contributions - PERS	340,820.00	27,419.00	368,239.00	368,239.00	-
Other Retirement Contributions - Regular	-	5,750.00	5,750.00	2,490.93	3,259.07
Unemployment Compensation	-	5,000.00	5,000.00	-	5,000.00
Workmen's Compensation	153,538.00	(2,450.00)	151,088.00	150,797.96	290.04
Health Benefits	2,153,364.00	(7,450.89)	2,145,913.11	2,097,856.83	48,056.28
Tuition Reimbursement	10,000.00	(4,000.00)	6,000.00	5,840.00	160.00
Other Employee Benefits	3,500.00	47,950.89	51,450.89	48,972.53	2,478.36
Unused Vacation Payment to Termin/Retired Staff	35,000.00	25,000.00	60,000.00	55,777.71	4,222.29
Total Unallocated Benefits - Employee Benefits	<u>2,921,867.90</u>	<u>131,000.00</u>	<u>3,052,867.90</u>	<u>2,974,092.88</u>	<u>78,775.02</u>
On-Behalf Contributions					
On-Behalf TPAF Pension (nonbudgeted)					
Teachers Pension and Annuity Fund				2,245,856.00	(2,245,856.00)
TPAF - Post Retirement Medical				589,981.00	(589,981.00)
TPAF-Non-contributory Insurance				763.00	(763.00)
Reimbursed TPAF Social Security Cont.(non-bud)				460,472.16	(460,472.16)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,297,072.16</u>	<u>(3,297,072.16)</u>
Total Personal Services - Employee Benefits	<u>2,921,867.90</u>	<u>131,000.00</u>	<u>3,052,867.90</u>	<u>6,271,165.04</u>	<u>(3,218,297.14)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>8,365,631.07</u>	<u>449,376.48</u>	<u>8,815,007.55</u>	<u>11,827,304.82</u>	<u>(3,012,297.27)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>14,452,060.34</u>	<u>51,945.11</u>	<u>14,504,005.45</u>	<u>17,424,593.92</u>	<u>(2,920,588.47)</u>
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures:					
General Administration	-	3,415.00	3,415.00	3,410.53	4.47
Central Services	-	3,710.00	3,710.00	-	3,710.00
Admin Info Tech	-	-	-	-	-
Required Maintenance for School Facilities	57,338.90	-	57,338.90	-	57,338.90
Total Equipment	<u>57,338.90</u>	<u>7,125.00</u>	<u>64,463.90</u>	<u>3,410.53</u>	<u>61,053.37</u>
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA	9,760.00	-	9,760.00	9,760.00	-
Interest Deposit to Maintenance Reserve	150.00	-	150.00	-	150.00
Interest Deposit to Capital Reserve	-	-	-	-	-
Total Facilities Acquisition and Construction Services	<u>9,910.00</u>	<u>-</u>	<u>9,910.00</u>	<u>9,760.00</u>	<u>150.00</u>
Interest Deposit to Capital Reserve	150.00	-	150.00	-	150.00
TOTAL CAPITAL OUTLAY	<u>67,398.90</u>	<u>7,125.00</u>	<u>74,523.90</u>	<u>13,170.53</u>	<u>61,353.37</u>
SPECIAL SCHOOLS					
Post-Secondary - Instruction:					
Salaries of Teachers	372,231.00	(12,985.00)	359,246.00	348,807.62	10,438.38
Other Salaries for Instruction	23,527.00	(12,900.00)	10,627.00	5,016.00	5,611.00
Other Purchased Services (400-500 series)	1,858.00	-	1,858.00	-	1,858.00
General Supplies	93,997.09	(21,034.35)	72,962.74	68,328.03	4,634.71
Textbooks	57,950.00	(23,150.00)	34,800.00	32,921.28	1,878.72
Other Objects	28,000.00	(1,047.45)	26,952.55	19,029.37	7,923.18
Total Post-Secondary - Instruction	<u>577,563.09</u>	<u>(71,116.80)</u>	<u>506,446.29</u>	<u>474,102.30</u>	<u>32,343.99</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Post-Secondary - Support Services:					
Salaries	50,172.00	51,081.00	101,253.00	101,156.57	96.43
Unused Vacation Payment to Termin/Retired Staff	2,800.00	(1,752.55)	1,047.45	1,047.45	-
Personal Services - Employee Benefits	93,570.00	19,650.00	113,220.00	105,207.09	8,012.91
Other Purchased Services (400-500 series)	-	1,700.00	1,700.00	756.10	943.90
General Supplies	1,662.65	-	1,662.65	262.65	1,400.00
Other Objects	2,300.00	(1,700.00)	600.00	547.50	52.50
Total Post-Secondary - Support Services	150,504.65	68,978.45	219,483.10	208,977.36	10,505.74
Total Post-Secondary Programs	728,067.74	(2,138.35)	725,929.39	683,079.66	42,849.73
Accredited Evening/Adult H.S./Post-Grad. - Instruction:					
Salaries of Teachers	4,350.00	(4,350.00)	-	-	-
General Supplies	-	-	-	-	-
Textbooks	-	-	-	-	-
Total Accredited Evening/Adult H.S./Post-Grad. - Instruction	4,350.00	(4,350.00)	-	-	-
Accredited Evening/Adult H.S./Post-Grad. - Support Services:					
Salaries	45,501.00	(45,501.00)	-	-	-
Personal Services - Employee Benefits	34,160.00	(34,160.00)	-	-	-
Supplies and Materials	-	-	-	-	-
Total Accredited Evening/Adult H.S./Post-Grad. - Support Services	79,661.00	(79,661.00)	-	-	-
Total Accredited Evening/Adult H.S./Post-Grad.	84,011.00	(84,011.00)	-	-	-
Adult Education - Local - Instruction:					
Salaries of Teachers	29,000.00	-	29,000.00	19,558.00	9,442.00
General Supplies	5,500.00	1,000.00	6,500.00	4,182.86	2,317.14
Other Objects	-	-	-	-	-
Total Adult Education - Local - Instruction	34,500.00	1,000.00	35,500.00	23,740.86	11,759.14
Adult Education - Local - Support Services:					
Salaries	80,126.00	(6,793.00)	73,333.00	72,270.71	1,062.29
Unused Vacation Payment to Termin/Retired Staff	-	1,858.65	1,858.65	1,858.65	-
Personal Services - Employee Benefits	10,396.00	4,134.35	14,530.35	13,818.12	712.23
Other Purchased Services (400-500 series)	6,500.00	-	6,500.00	4,939.37	1,560.63
Supplies & Materials	200.00	-	200.00	-	200.00
Other Objects	3,600.00	(3,000.00)	600.00	113.70	486.30
Total Adult Education - Local - Support Services	100,822.00	(3,800.00)	97,022.00	93,000.55	4,021.45
Total Adult Education	135,322.00	(2,800.00)	132,522.00	116,741.41	15,780.59
Vocational Evening - Local - Instruction:					
Salaries of Teachers	79,000.00	(21,650.00)	57,350.00	35,174.00	22,176.00
Purchased Professional and Technical Services	-	5,000.00	5,000.00	1,595.00	3,405.00
General Supplies	19,664.00	(6,047.45)	13,616.55	2,715.15	10,901.40
Other Objects	1,070.00	1,000.00	2,070.00	1,165.49	904.51
Total Vocational Evening - Local - Instruction	99,734.00	(21,697.45)	78,036.55	40,649.64	37,386.91
Vocational Evening - Support Services:					
Salaries	64,924.00	19,270.00	84,194.00	65,750.17	18,443.83
Unused Vacation Payment to Termin/Retired Staff	-	1,047.45	1,047.45	1,047.45	-
Personal Services - Employee Benefits	10,396.00	36,160.00	46,556.00	12,114.78	34,441.22
Other Purchased Services (400-500 series)	6,000.00	-	6,000.00	4,410.00	1,590.00
Supplies and Materials	1,000.00	-	1,000.00	-	1,000.00
Other Objects	1,070.00	-	1,070.00	547.50	522.50
Total Vocational Evening - Support	83,390.00	56,477.45	139,867.45	83,869.90	55,997.55
Total Vocational Evening	183,124.00	34,780.00	217,904.00	124,519.54	93,384.46

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
General Education Development (GED)/High School Equivalency (HSE) Test Centers:					
Salaries	4,000.00	-	4,000.00	3,233.50	766.50
Supplies & Materials	2,200.00	-	2,200.00	220.92	1,979.08
Total GED/HSE Test Centers	<u>6,200.00</u>	<u>-</u>	<u>6,200.00</u>	<u>3,454.42</u>	<u>2,745.58</u>
TOTAL SPECIAL SCHOOLS	1,136,724.74	(54,169.35)	1,082,555.39	927,795.03	154,760.36
TOTAL EXPENDITURES	<u>15,656,183.98</u>	<u>4,900.76</u>	<u>15,661,084.74</u>	<u>18,365,559.48</u>	<u>(2,704,474.74)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(41,419.98)</u>	<u>(4,900.76)</u>	<u>(46,320.74)</u>	897,334.93	943,655.67
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Transfer to Cover Deficit (Enterprise Fund)					
Early Childhood	(82,500.00)	8,000.00	(74,500.00)	(60,000.00)	14,500.00
Transfer to Capital Projects Fund	(3,000,000.00)	-	(3,000,000.00)	(3,000,000.00)	-
Withdrawal from Capital Reserve-for Local Share	3,000,000.00	-	3,000,000.00	-	(3,000,000.00)
Withdrawal from Capital Reserve-Excess Costs and Other Capital Projects					-
Cancellation of Prior Year Receivable				(18,200.00)	(18,200.00)
Cancellation of Prior Year Liability				739.08	739.08
Total Other Financing Sources:	<u>(82,500.00)</u>	<u>8,000.00</u>	<u>(74,500.00)</u>	<u>(3,077,460.92)</u>	<u>(3,002,960.92)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(123,919.98)	3,099.24	(120,820.74)	(2,180,125.99)	(2,059,305.25)
Fund Balance July 1	5,292,003.53	-	5,292,003.53	5,292,003.53	-
Fund Balance June 30	<u>\$ 5,168,083.55</u>	<u>3,099.24</u>	<u>5,171,182.79</u>	<u>3,111,877.54</u>	<u>(2,059,305.25)</u>
Recapitulation:					
Nonspendable Fund Balance:					
Restricted Fund Balance:					
Excess Surplus				\$ -	
Unemployment Trust				320,255.44	
Capital Reserve Account				1,178,811.58	
Maintenance Reserve				1,044,903.00	
Assigned Fund Balance:					
Year End Encumbrances				112,412.34	
Designated for Subsequent Year's Expenditures					
Unassigned Fund Balance				<u>455,495.18</u>	
				3,111,877.54	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				(138,629.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 2,973,248.54</u>	

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 75,000.00	391,094.34	466,094.34	765,892.25	299,797.91
State Sources	63,852.00	146,195.18	210,047.18	150,351.00	(59,696.18)
Federal Sources	443,345.00	666,355.92	1,109,700.92	1,109,700.92	-
Total Revenues	<u>582,197.00</u>	<u>1,203,645.44</u>	<u>1,785,842.44</u>	<u>2,025,944.17</u>	<u>240,101.73</u>
EXPENDITURES:					
Instruction:					
Salaries	63,852.00	(44,510.25)	19,341.75	19,341.75	-
Salaries of Teachers	147,328.00	46,872.13	194,200.13	194,200.13	-
Purchased Professional - Technical Services		50,434.25	50,434.25	50,434.25	-
Other Purchased Services (400-500 series)		-	-	-	-
General Supplies	276,115.00	218,734.21	494,849.21	494,849.21	-
Textbooks		-	-	-	-
Total Instruction	<u>487,295.00</u>	<u>271,530.34</u>	<u>758,825.34</u>	<u>758,825.34</u>	<u>-</u>
Support Services:					
Salaries	76,988.00	48,691.50	125,679.50	125,679.50	-
Salaries - Program Directors		136,345.00	136,345.00	136,345.00	-
Personal Services - Employee Benefits		114,467.02	114,467.02	114,467.02	-
Purchased Professional Educational Services			100,793.75	100,793.75	-
Purchased Professional - Technical Services		21,959.00	21,959.00	21,959.00	-
Travel		4,644.67	4,644.67	4,644.67	-
Other Purchased Services (400-500 series)		76,509.00	76,509.00	76,509.00	-
Supplies & Materials	17,914.00	44,859.25	62,773.25	62,773.25	-
Other Objects		4,312.50	4,312.50	4,312.50	-
Scholarships Awarded				136,615.82	(136,615.82)
Student Activities				91,263.10	(91,263.10)
Total Support Services	<u>94,902.00</u>	<u>451,787.94</u>	<u>647,483.69</u>	<u>875,362.61</u>	<u>(227,878.92)</u>
Facilities Acquisition and Constr. Services:					
Non-instructional Equipment		8,115.00	8,115.00	8,115.00	-
Instructional Equipment		77,126.19	77,126.19	77,126.19	-
Construction Services		294,292.22	294,292.22	294,292.22	-
Total Facilities Acquisition and Constr. Services	<u>-</u>	<u>379,533.41</u>	<u>379,533.41</u>	<u>379,533.41</u>	<u>-</u>
Total Outflows	<u>582,197.00</u>	<u>1,102,851.69</u>	<u>1,785,842.44</u>	<u>2,013,721.36</u>	<u>(227,878.92)</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>100,793.75</u>	<u>-</u>	<u>12,222.81</u>	<u>12,222.81</u>
Fund Balance, July 1				<u>560,766.53</u>	
Fund Balance, June 30				<u><u>572,989.34</u></u>	
Recapitulation:					
Restricted:					
Scholarships				354,000.88	
Athletics				7,582.49	
Student Activities				<u>211,405.97</u>	
Total Fund Balance				<u><u>\$ 572,989.34</u></u>	

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

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Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Required Supplementary Information
Budget to GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2023

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	[C-1]	\$ 19,262,894.41	[C-2]	2,025,944.17
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Encumbrances at June 30, 2023		-		-
Encumbrances at June 30, 2022		-		350,092.25
Final State Aid payment was delayed until July 2022 is recorded as GAAP revenue but is not recognized as budgetary revenue.		138,629.00		-
Final State Aid payment was delayed until July 2023 is recorded as budgetary revenue but is not recognized under GAAP.		(138,629.00)		-
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	[B-2]	<u>19,262,894.41</u>	[B-2]	<u>2,376,036.42</u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows"				
from the budgetary comparison schedule	[C-1]	\$ 18,365,559.48	[C-2]	\$ 2,013,721.36
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances at June 30, 2023				-
Encumbrances at June 30, 2022				350,092.25
	[B-2]	<u>\$ 18,365,559.48</u>	[B-2]	<u>2,363,813.61</u>

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Required Supplementary Information
Part III

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.02920102910%	0.02704624810%	0.02697546670%	0.02804250800%	0.02850764850%	0.02865154860%	0.02446561170%	0.02604475010%	0.02688574568%	0.027326421%
District's proportionate of the net pension liability (asset)	\$ 4,406,837.00	3,204,034.00	4,398,993.00	5,052,835.00	5,613,014.00	6,669,623.00	7,246,012.00	5,846,524.00	5,028,450.00	5,222,622.00
District's covered payroll	2,118,191.00	2,084,665.00	2,180,974.00	1,915,615.00	1,987,897.00	1,952,312.00	1,980,940.00	1,941,558.00	1,762,144.00	1,852,432.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	208%	154%	202%	264%	282%	342%	366%	301.13%	285.36%	281.93%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

Note: This schedule is required by GASB 68 to be show information for a 10 year period.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 368,239.00	316,743.00	295,098.00	274,397.00	285,495.00	271,620.76	217,349.00	223,915.00	221,409.00	205,899
Contributions in relation to the contractually required contribution	368,239.00	316,743.00	295,098.00	274,397.00	285,495.00	271,620.76	217,349.00	223,915.00	221,409.00	205,899
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	\$ -
District's covered-employee payroll	\$ 2,118,191.00	2,084,665.00	2,180,974.00	1,915,615.00	1,987,897.00	1,952,312.00	1,990,940.00	1,941,558.00	1,762,144.00	1,852,432
Contributions as a percentage of covered-employee payroll	17.38%	15.19%	13.53%	14.32%	14.36%	13.91%	10.97%	11.53%	12.56%	11.12%

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

Note: This schedule is required by GASB 68 to be show information for a 10 year period.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	-	-	-	-	-	-	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	27,689,968.00	27,215,595.00	37,636,683.00	34,964,471.00	36,952,713.00	37,841,088.00	44,429,116.00	37,652,511.00	31,974,161.00	30,410,087.00
Total	27,689,968.00	27,215,595.00	37,636,683.00	34,964,471.00	36,952,713.00	37,841,088.00	44,429,116.00	37,652,511.00	31,974,161.00	30,410,087.00
District's covered payroll	\$ 6,174,843.00	6,181,793.00	6,270,127.00	5,983,619.00	6,265,769.00	5,984,961.00	5,886,595.00	6,024,097.00	5,689,658.00	5,863,308.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

Note: This schedule is required by GASB 68 to be show information for a 10 year period.

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

	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	-	-	-	-	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	29,585,041.00	34,003,807.00	37,662,150.00	23,701,861.00	25,726,447.00	28,842,124.00	30,871,180.00
Total	\$ 29,585,041.00	34,003,807.00	37,662,150.00	23,701,861.00	25,726,447.00	28,842,124.00	30,871,180.00
District's covered payroll	8,293,034.00	8,266,458.00	8,451,101.00	7,899,234.00	8,253,666.00	7,937,273.00	7,846,535.00
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:							
Service Cost	1,485,020	1,753,502	986,824	974,721.00	1,083,928.00	1,295,982.00	
Interest Cost	784,036	882,085	853,073	1,019,804.00	1,059,569.00	907,659.00	
Change in Benefit Terms	-	(36,193)	-	-	-	-	
Differences between Expected & Actual	2,000,328	(5,619,002)	5,876,605	(3,666,499.00)	(1,642,794.00)	-	
Changes in Assumptions	(7,936,453)	33,547	6,879,581	353,397.00	(2,952,239.00)	(3,589,251.00)	
Member Contributions	24,914	22,551	19,873	21,567.00	23,775.00	24,599.00	
Benefit Payments	(776,611)	(694,843)	(655,667)	(727,576.00)	(687,916.00)	(668,045.00)	
Change in Total Opeb Liability	(4,418,766.00)	(3,658,343.00)	13,960,289.00	(2,024,586.00)	(3,115,677.00)	(2,029,056.00)	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	34,003,807.00	37,662,150.00	23,701,861.00	25,726,447.00	28,842,124.00	30,871,180.00	
Ending Balance	\$ 29,585,041.00	34,003,807.00	37,662,150.00	23,701,861.00	25,726,447.00	28,842,124.00	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	356.75%	411.35%	445.65%	300.05%	311.70%	363.38%	

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

Note: This schedule is required by GASB 75 to be show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

SPECIAL REVENUE FUND

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**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023**

	Total Brought Forward (Ex. E-1a)	SDA Emergent Needs	NJDCA Local Recreation Grant	School Climate Awareness	Carl Perkins Secondary	Carl Perkins Post Secondary	Carl Perkins Secondary Reserve	Totals 2023
REVENUES:								
Local Sources	\$ 765,892.25					-		765,892.25
State Sources	-	15,684.00	45,000.00	6,600.00		83,067.00		150,351.00
Federal Sources	1,012,729.92				81,377.00	-	15,594.00	1,109,700.92
Total Revenues	<u>1,778,622.17</u>	<u>15,684.00</u>	<u>45,000.00</u>	<u>6,600.00</u>	<u>81,377.00</u>	<u>83,067.00</u>	<u>15,594.00</u>	<u>2,025,944.17</u>
EXPENDITURES:								
Instruction:								
Salaries	17,881.75					1,460.00		19,341.75
Salaries of Teachers	192,060.13						2,140.00	194,200.13
Purchased Professional - Technical Services	377.25				6,665.00	40,728.00	2,664.00	50,434.25
Other Purchased Services (400-500 series)	-							-
General Supplies	420,537.21			6,600.00	43,095.00	14,842.00	9,775.00	494,849.21
Textbooks	-							-
Total Instruction	<u>630,856.34</u>	<u>-</u>	<u>-</u>	<u>6,600.00</u>	<u>49,760.00</u>	<u>57,030.00</u>	<u>14,579.00</u>	<u>758,825.34</u>
Support Services:								
Salaries	107,509.50					18,170.00		125,679.50
Salaries - Program Directors	136,345.00							136,345.00
Personal Services - Employee Benefits	108,367.02					5,936.00	164.00	114,467.02
Purchased Professional Educational Services	100,543.75					100.00	150.00	100,793.75
Purchased Professional - Technical Services	21,959.00							21,959.00
Travel	3,655.67				171.00	818.00		4,644.67
Other Purchased Services (400-500 series)	74,795.00					1,013.00	701.00	76,509.00
Supplies & Materials	62,773.25							62,773.25
Other Objects	4,312.50							4,312.50
Scholarships Awarded	136,615.82							136,615.82
Student Activities	91,263.10							91,263.10
Total Support Services	<u>848,139.61</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171.00</u>	<u>26,037.00</u>	<u>1,015.00</u>	<u>875,362.61</u>
Facilities Acquisition and Constr. Services:								
Non-instructional Equipment	8,115.00							8,115.00
Instructional Equipment	45,680.19				31,446.00			77,126.19
Construction Services	233,608.22	15,684.00	45,000.00					294,292.22
Total Facilities Acquisition and Constr. Services	<u>287,403.41</u>	<u>15,684.00</u>	<u>45,000.00</u>	<u>-</u>	<u>31,446.00</u>	<u>-</u>	<u>-</u>	<u>379,533.41</u>
Contribution to Charter Schools	-							-
Total Expenditures	<u>1,766,399.36</u>	<u>15,684.00</u>	<u>45,000.00</u>	<u>6,600.00</u>	<u>81,377.00</u>	<u>83,067.00</u>	<u>15,594.00</u>	<u>2,013,721.36</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	12,222.81	-	-	-	-	-	-	12,222.81
Fund Balance, July 1	560,766.53							560,766.53
Fund Balance, June 30	<u>\$ 572,989.34</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>572,989.34</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

	Total Brought Forward (Ex. E-1b)	ABE GED	Civics GED	I.D.E.A. Part B	ARP I.D.E.A. Part B	Total Carried Forward
REVENUES:						
Local Sources	\$ 765,892.25	-	-	-	-	765,892.25
State Sources	-	-	-	-	-	-
Federal Sources	714,373.98	128,457.00	52,585.00	97,367.00	19,946.94	1,012,729.92
Total Revenues	<u>1,480,266.23</u>	<u>128,457.00</u>	<u>52,585.00</u>	<u>97,367.00</u>	<u>19,946.94</u>	<u>1,778,622.17</u>
EXPENDITURES:						
Instruction:						
Salaries	17,881.75	-	-	-	-	17,881.75
Salaries of Teachers	104,976.78	54,264.40	32,818.95	-	-	192,060.13
Purchased Professional - Technical Services	377.25	-	-	-	-	377.25
Other Purchased Services (400-500 series)	-	-	-	-	-	-
General Supplies	415,749.91	1,521.25	3,266.05	-	-	420,537.21
Textbooks	-	-	-	-	-	-
Total Instruction	<u>538,985.69</u>	<u>55,785.65</u>	<u>36,085.00</u>	<u>-</u>	<u>-</u>	<u>630,856.34</u>
Support Services:						
Salaries	25,707.50	59,164.00	9,520.00	-	13,118.00	107,509.50
Salaries - Program Directors	89,325.00	-	-	47,020.00	-	136,345.00
Personal Services - Employee Benefits	62,242.61	13,507.35	6,980.00	24,633.00	1,004.06	108,367.02
Purchased Professional Educational Services	100,543.75	-	-	-	-	100,543.75
Purchased Professional - Technical Services	3,100.00	-	-	18,859.00	-	21,959.00
Travel	3,655.67	-	-	-	-	3,655.67
Other Purchased Services (400-500 series)	74,795.00	-	-	-	-	74,795.00
Supplies & Materials	50,093.37	-	-	6,855.00	5,824.88	62,773.25
Other Objects	4,312.50	-	-	-	-	4,312.50
Scholarships Awarded	136,615.82	-	-	-	-	136,615.82
Student Activities	91,263.10	-	-	-	-	91,263.10
Total Support Services	<u>641,654.32</u>	<u>72,671.35</u>	<u>16,500.00</u>	<u>97,367.00</u>	<u>19,946.94</u>	<u>848,139.61</u>
Facilities Acquisition and Constr. Services:						
Non-instructional Equipment	8,115.00	-	-	-	-	8,115.00
Instructional Equipment	45,680.19	-	-	-	-	45,680.19
Construction Services	233,608.22	-	-	-	-	233,608.22
Total Facilities Acquisition and Constr. Services	<u>287,403.41</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>287,403.41</u>
Contribution to Charter Schools	-	-	-	-	-	-
Total Expenditures	<u>1,468,043.42</u>	<u>128,457.00</u>	<u>52,585.00</u>	<u>97,367.00</u>	<u>19,946.94</u>	<u>1,766,399.36</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	12,222.81	-	-	-	-	12,222.81
Fund Balance, July 1	560,766.53	-	-	-	-	560,766.53
Fund Balance, June 30	<u>\$ 572,989.34</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>572,989.34</u>

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenues Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023**

	Total Brought Forward (Ex. E-1c)	Sustainable Jersey Farm to Table	Safety Grant	ACE Grant Program Year 5	ACCC DOL DIG LIT	RH Doherty	Jerry Fund	Renewable Energy	Della Dental	Dollar General 5/22-4/23	Play Unified	Total Carried Forward
REVENUES:												
Local Sources	\$ 240,101.73	-	44,920.37	83,723.09	59,696.18	265,350.88	15,000.00	37,785.00	10,000.00	7,500.00	1,815.00	765,892.25
State Sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal Sources	714,373.98	-	-	-	-	-	-	-	-	-	-	714,373.98
Total Revenues	954,475.71	-	44,920.37	83,723.09	59,696.18	265,350.88	15,000.00	37,785.00	10,000.00	7,500.00	1,815.00	1,480,266.23
EXPENDITURES:												
Instruction:												
Salaries	11,628.75	-	-	40,085.78	4,653.00	-	-	-	-	100.00	1,500.00	17,881.75
Salaries of Teachers	64,891.00	-	-	377.25	-	-	-	-	-	-	-	104,976.78
Purchased Professional - Technical Services	-	-	-	-	-	-	-	-	-	-	-	377.25
Other Purchased Services (400-500 series)	123,243.87	-	-	24,875.96	54,037.18	176,670.51	2,718.20	30,924.69	-	3,079.50	200.00	415,749.91
General Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	199,763.62	-	-	65,338.99	58,690.18	176,670.51	2,718.20	30,924.69	-	3,179.50	1,700.00	538,985.69
Support Services:												
Salaries	19,200.00	-	-	320.00	-	-	-	6,187.50	-	-	-	25,707.50
Salaries - Program Directors	89,325.00	-	-	-	-	-	-	-	-	-	-	89,325.00
Personal Services - Employee Benefits	61,265.61	-	-	24.00	356.00	-	-	474.00	-	8.00	115.00	62,242.61
Purchased Professional Educational Services	89,795.00	-	-	10,748.75	-	-	-	-	-	-	-	100,543.75
Purchased Professional - Technical Services	3,100.00	-	-	-	-	-	-	-	-	-	-	3,100.00
Travel	-	-	-	-	-	-	-	198.81	-	-	-	3,655.67
Other Purchased Services (400-500 series)	71,175.00	-	-	3,456.86	650.00	-	-	-	2,970.00	4,312.50	-	74,795.00
Supplies & Materials	5,173.00	-	-	-	-	-	-	-	-	-	-	50,093.37
Other Objects	-	-	44,920.37	-	-	-	-	-	-	-	-	4,312.50
Scholarships Awarded	136,615.82	-	-	-	-	-	-	-	-	-	-	136,615.82
Student Activities	91,263.10	-	-	-	-	-	-	-	-	-	-	91,263.10
Total Support Services	566,912.53	-	44,920.37	14,549.61	1,006.00	-	-	6,860.31	2,970.00	4,320.50	115.00	641,654.32
Facilities Acquisition and Constr. Services:												
Non-instructional Equipment	8,115.00	-	-	3,834.49	-	10,595.90	12,281.80	-	7,030.00	-	-	8,115.00
Instructional Equipment	11,938.00	-	-	-	-	78,084.47	-	-	-	-	-	45,680.19
Construction Services	155,523.75	-	-	-	-	-	-	-	-	-	-	233,608.22
Total Facilities Acquisition and Constr. Services	175,576.75	-	-	3,834.49	-	88,680.37	12,281.80	-	7,030.00	-	-	287,403.41
Contribution to Charter Schools	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	942,252.90	-	44,920.37	83,723.09	59,696.18	265,350.88	15,000.00	37,785.00	10,000.00	7,500.00	1,815.00	1,468,043.42
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	12,222.81	-	-	-	-	-	-	-	-	-	-	12,222.81
Fund Balance, July 1	560,766.53	-	-	-	-	-	-	-	-	-	-	560,766.53
Fund Balance, June 30	\$ 572,989.34	-	-	-	-	-	-	-	-	-	-	572,989.34

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023**

	Total Brought Forward (Ex. E-1d)	Every Student Succeeds Act				REAP SRSA	Total Carried Forward
		ESEA Title I-A	Prior Year ESEA Title I-A	ESEA Title II-A	ESEA Title IV-A		
REVENUES:							
Local Sources	\$ 240,101.73	-					240,101.73
State Sources	-	-				-	-
Federal Sources	458,816.98	188,599.00	-	24,133.00	12,635.00	30,190.00	714,373.98
Total Revenues	698,918.71	188,599.00	-	24,133.00	12,635.00	30,190.00	954,475.71
EXPENDITURES:							
Instruction:							
Salaries	11,628.75						11,628.75
Salaries of Teachers	-	64,891.00					64,891.00
Purchased Professional - Technical Services	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	51,397.87	35,870.00			5,786.00	30,190.00	123,243.87
Textbooks	-						-
Total Instruction	63,026.62	100,761.00	-	-	5,786.00	30,190.00	199,763.62
Support Services:							
Salaries	19,200.00						19,200.00
Salaries - Program Directors	84,435.00			4,890.00			89,325.00
Personal Services - Employee Benefits	40,353.61	20,538.00		374.00			61,265.61
Purchased Professional Educational Services	76,225.00			13,570.00			89,795.00
Purchased Professional - Technical Services	-				3,100.00		3,100.00
Travel	-						-
Other Purchased Services (400-500 series)	-	66,991.00		4,184.00			71,175.00
Supplies & Materials	-	309.00		1,115.00	3,749.00		5,173.00
Other Objects	-						-
Scholarships Awarded	136,615.82						136,615.82
Student Activities	91,263.10						91,263.10
Total Support Services	448,092.53	87,838.00	-	24,133.00	6,849.00	-	566,912.53
Facilities Acquisition and Constr. Services:							
Non-instructional Equipment	8,115.00						8,115.00
Instructional Equipment	11,938.00						11,938.00
Construction Services	155,523.75						155,523.75
Total Facilities Acquisition and Constr. Services	175,576.75	-	-	-	-	-	175,576.75
Contribution to Charter Schools	-	-	-	-	-	-	-
Total Expenditures	686,695.90	188,599.00	-	24,133.00	12,635.00	30,190.00	942,252.90
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	12,222.81	-	-	-	-	-	12,222.81
Fund Balance, July 1	560,766.53						560,766.53
Fund Balance, June 30	\$ 572,989.34	-	-	-	-	-	572,989.34

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023**

	CRRSA	American Rescue Plan	ESSER III	Accel Learning Coach & Educator Support	Evidence Based Summer Learning	Evidence Based Comprehensive	NJSS Mental Health Support Staffing	Scholarship Fund	Athletic Fund	Student Activity Fund	Total Carried Forward
REVENUES:											
Local Sources											
State Sources											
Federal Sources											
Total Revenues	163,412.70	16,986.00	171,290.86	5,634.00	9,390.00	31,221.42	18,482.00	151,079.03	14.18	89,008.52	240,101.73
	163,412.70	16,986.00	171,290.86	5,634.00	9,390.00	31,221.42	18,482.00	151,079.03	14.18	89,008.52	458,816.98
EXPENDITURES:											
Instruction:											
Salaries	7,328.75				1,760.00	2,540.00					11,628.75
Salaries of Teachers											
Purchased Professional - Technical Services											
Other Purchased Services (400-500 series)		16,986.00	0.45		7,495.00	20,372.42	6,544.00				51,397.87
General Supplies											
Textbooks											
Total Instruction	7,328.75	16,986.00	0.45		9,255.00	22,912.42	6,544.00				63,026.62
Support Services:											
Salaries			17,520.00	1,680.00							19,200.00
Salaries - Program Directors	560.20		84,435.00								84,435.00
Personal Services - Employee Benefits			39,335.41	129.00	135.00	194.00					40,363.61
Purchased Professional Educational Services			30,000.00	3,825.00							76,225.00
Purchased Professional - Technical Services											
Travel											
Other Purchased Services (400-500 series)											
Supplies & Materials											
Other Objects											
Scholarships Awarded								136,615.82	6,924.88	84,338.22	136,615.82
Student Activities											
Total Support Services	560.20		171,290.41	5,634.00	135.00	194.00		136,615.82	6,924.88	84,338.22	448,092.53
Facilities Acquisition and Constr. Services:											
Non-Instructional Equipment						8,115.00	11,938.00				8,115.00
Instructional Equipment	155,523.75										11,938.00
Construction Services											155,523.75
Total Facilities Acquisition and Constr. Services	155,523.75					8,115.00	11,938.00				175,576.75
Contribution to Charter Schools											
Total Expenditures	163,412.70	16,986.00	171,290.86	5,634.00	9,390.00	31,221.42	18,482.00	136,615.82	6,924.88	84,338.22	686,695.90
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)								14,463.21	(6,910.70)	4,670.30	12,222.81
Fund Balance, July 1								339,537.67	14,493.19	206,735.67	560,766.53
Fund Balance, June 30								354,000.88	7,582.49	211,405.97	572,989.34

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CAPITAL PROJECTS FUND

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**Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 Capital Projects Fund
 Summary Statement of Project Expenditures
 For the Fiscal Year Ended June 30, 2023**

Number	Issue / Project Title	Original Date	Appropriations	Expenditures to Date		Canceled	Unexpended Balance
				Prior Years	Current Year		
	Energy Savings Improvement Plan (ESIP)	5/26/2016	1,715,000.00	1,549,896.08	-		165,103.92
	Addition to the High School Building	6/15/2021	4,407,569.50	633,117.34	3,148,411.69		626,040.47
	Building Renovations for Expansion of CTE Programs	6/15/2021	6,741,748.00	205,362.93	3,341,404.97		3,194,980.10
	Phase I	7/1/2022	19,267,812.00	-	541,095.66		18,726,716.34
	Phase II						
			<u>\$ 32,132,129.50</u>	<u>2,388,376.35</u>	<u>7,030,912.32</u>	<u>-</u>	<u>22,712,840.83</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2023

REVENUES AND OTHER FINANCING SOURCES:

State Sources:	
Other Revenue	\$ -
Career and Technical Education Program	
Expansion Grants	14,245,496.07
Local Sources	
Capital Reserve	3,000,000.00
ESIP (Energy Savings Improvement Program) Lease Proceeds	-
Capital Outlay	-
County Appropriation	<u>4,816,953.00</u>
Total Revenues	<u>22,062,449.07</u>
EXPENDITURES	
Purchased Professional and Technical Services	1,154,261.08
Construction Services	5,733,649.09
Equipment purchases	143,002.15
Other Objects	<u>-</u>
Total Expenditures	<u>7,030,912.32</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,031,536.75
Fund Balances, July 1	<u>7,681,304.08</u>
Fund Balances, June 30	<u><u>\$ 22,712,840.83</u></u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Installation of Energy Saving Equipment
From Inception and for the Year Ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Costs
REVENUES AND OTHER FINANCING SOURCES:				
County Appropriation			-	-
ESIP Lease Proceeds	\$ 1,715,000.00		1,715,000.00	1,715,000.00
Capital Reserve			-	-
Capital Outlay			-	-
Career and Technical Education Program Expansion Grant			-	-
Other Revenue		-	-	-
Total Revenues	1,715,000.00	-	1,715,000.00	1,715,000.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional/Technical Services	275,888.80		275,888.80	
Construction Services	1,274,007.28		1,274,007.28	
Purchase of Equipment			-	
Other Objects			-	
Total Expenditures	1,549,896.08	-	1,549,896.08	-
Excess (Deficiency) of Revenues Over Expenditures	\$ 165,103.92	-	165,103.92	1,715,000.00
ADDITIONAL PROJECT INFORMATION:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	1,715,000.00			
Additional Authorized Cost	-			
Revised Authorized Cost	1,715,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	90.37%			
Original Target Completion Date	June 2017			
Revised Target Completion Date	December, 2017			

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Addition to the High School Building
From Inception and for the Year Ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Costs
REVENUES AND OTHER FINANCING SOURCES:				
County Appropriation	\$ 2,250,000.00		2,250,000.00	2,250,000.00
ESIP Lease Proceeds	-		-	-
Capital Reserve	168,727.50	1,990,440.00	2,159,167.50	2,159,167.50
Capital Outlay	-		-	-
Career and Technical Education Program Expansion Grant	-		-	-
Other Revenue	-		-	-
Total Revenues	2,418,727.50	1,990,440.00	4,409,167.50	4,409,167.50
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional/Technical Services	142,292.43	43,357.27	185,649.70	518,407.50
Construction Services	490,824.91	2,962,052.27	3,452,877.18	1,900,320.00
Purchase of Equipment		143,002.15	143,002.15	-
Other Objects			-	-
Total Expenditures	633,117.34	3,148,411.69	3,781,529.03	2,418,727.50
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,785,610.16	(1,157,971.69)	627,638.47	1,990,440.00
ADDITIONAL PROJECT INFORMATION:				
Project Number	0720-030-21-1000			
Grant Date	6/15/2021			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	2,418,727.50			
Additional Authorized Cost	-			
Revised Authorized Cost	2,418,727.50			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	85.77%			
Original Target Completion Date	June 2022			
Revised Target Completion Date	June 2022			

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Building Renovations for Expansion of CTE Programs - Phase I
From Inception and for the Year Ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Costs
REVENUES AND OTHER FINANCING SOURCES:				
County Appropriation	\$ 1,433,047.00		1,433,047.00	1,433,047.00
ESIP Lease Proceeds	-		-	-
Capital Reserve	-	1,009,560.00	1,009,560.00	1,009,560.00
Capital Outlay	-		-	-
Career and Technical Education Program Expansion Grant	4,504,503.93	(205,362.93)	4,299,141.00	4,299,141.00
Other Revenue	-		-	-
Total Revenues	5,937,550.93	804,197.07	6,741,748.00	6,741,748.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional/Technical Services		569,808.15	569,808.15	1,242,300.00
Construction Services	205,362.93	2,771,596.82	2,976,959.75	4,489,888.00
Purchase of Equipment			-	
Other Objects			-	
Total Expenditures	205,362.93	3,341,404.97	3,546,767.90	5,732,188.00
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,732,188.00	(2,537,207.90)	3,194,980.10	1,009,560.00
ADDITIONAL PROJECT INFORMATION:				
Project Number	0720-030-21-2000			
Grant Date	6/15/2021			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Cost Authorized	5,732,188.00			
Additional Authorized Cost	-			
Revised Authorized Cost	5,732,188.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	52.61%			
Original Target Completion Date	June 2022			
Revised Target Completion Date	February 2024			

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Building Renovations for Expansion of CTE Programs - Phase II
From Inception and for the Year Ended June 30, 2023

	Prior Periods	Current Year	Totals	Revised Authorized Costs
REVENUES AND OTHER FINANCING SOURCES:				
County Appropriation	\$ -	4,816,953.00	4,816,953.00	4,816,953.00
ESIP Lease Proceeds	-		-	-
Capital Reserve	-		-	-
Capital Outlay	-		-	-
Career and Technical Education Program Expansion Grant	-	14,450,859.00	14,450,859.00	14,450,859.00
Other Revenue	-		-	-
Total Revenues	-	19,267,812.00	19,267,812.00	19,267,812.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional/Technical Services		541,095.66	541,095.66	2,327,716.00
Construction Services	-		-	15,656,690.00
Purchase of Equipment			-	1,250,000.00
Other Objects			-	33,406.00
Total Expenditures	-	541,095.66	541,095.66	19,267,812.00
Excess (Deficiency) of Revenues Over Expenditures	\$ -	18,726,716.34	18,726,716.34	-

ADDITIONAL PROJECT INFORMATION:

Project Number	23CTEB003
Grant Date	11/17/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Cost Authorized	19,267,812.00
Additional Authorized Cost	-
Revised Authorized Cost	19,267,812.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	2.81%
Original Target Completion Date	June 2025
Revised Target Completion Date	June 2025

PROPRIETARY FUNDS

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Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Combining Schedule of Net Position
June 30, 2023

	Non-Major Funds				Total Non-Major Funds
	Food Service	Early Childhood/ Lab School/ Summertime Adventures	Job Cards	Shared Services/ Personal Aides	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 151,107.54	237,945.16	372,746.27		761,798.97
Intergovernmental Accounts Receivable	5,714.26				5,714.26
Other Accounts Receivable	-			110,177.24	110,177.24
Inventory	15,004.28				15,004.28
Total Current Assets	<u>171,826.08</u>	<u>237,945.16</u>	<u>372,746.27</u>	<u>110,177.24</u>	<u>892,694.75</u>
Noncurrent Assets:					
Furniture, Machinery & Equipment					-
Less Accumulated Depreciation	20,755.59	56,676.29			77,431.88
Total Noncurrent Assets	<u>20,755.59</u>	<u>56,676.29</u>	<u>-</u>	<u>-</u>	<u>77,431.88</u>
Total Assets	<u>192,581.67</u>	<u>294,621.45</u>	<u>372,746.27</u>	<u>110,177.24</u>	<u>970,126.63</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	-				-
Interfunds Payable				104,288.24	104,288.24
Unearned Revenue	766.55	24,150.00			24,916.55
Total Current Liabilities	<u>766.55</u>	<u>24,150.00</u>	<u>-</u>	<u>104,288.24</u>	<u>129,204.79</u>
NET POSITION					
Invested in Capital Assets Net of Related Debt	20,755.59	56,676.29	-	-	77,431.88
Unrestricted	171,059.53	213,795.16	372,746.27	5,889.00	763,489.96
Total Net Position	<u>\$ 191,815.12</u>	<u>270,471.45</u>	<u>372,746.27</u>	<u>5,889.00</u>	<u>840,921.84</u>

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2023

	Non-Major Funds				Total Non-Major Funds
	Food Service	Early Childhood/ Summertime Adventures	Job Cards	Shared Services/ Personal Aides	
Operating Revenue:					
Charges for Service:					
Daily Sales - Non-reimbursable Programs	\$ 91,395.98				91,395.98
Daily Sales - Reimbursable Programs	90,407.80				90,407.80
Special Functions	360.58				360.58
Early Childhood Program Fees		26,325.00			26,325.00
Summertime Adventure Fees		14,447.50			14,447.50
Cosmetology Revenue			5,966.50		5,966.50
Personal Aides				34,967.00	34,967.00
Shared Services				93,342.45	93,342.45
Miscellaneous	410.00				410.00
Total Operating Revenue	182,574.36	40,772.50	5,966.50	128,309.45	357,622.81
Operating Expenses:					
Cost of Sales					
Reimbursable Programs	115,608.82				115,608.82
Non-reimbursable Programs	37,611.35				37,611.35
Salaries		72,672.77		93,938.64	166,611.41
Fringe Benefits		1,327.84		13,614.00	14,941.84
Other Purchased Services	168,615.19	180.00		13,458.00	182,253.19
Miscellaneous Expenditures	17,944.08	894.85		6,445.87	25,284.80
General Supplies	20,131.15	3,812.69		852.94	24,796.78
Depreciation	3,118.31	5,130.93			8,249.24
Total Operating Expenses	363,028.90	84,019.08	-	128,309.45	575,357.43
Operating Income (Loss)	(180,454.54)	(43,246.58)	5,966.50	-	(217,734.62)
Nonoperating Revenues (Expenses):					
State Sources:					
State School Breakfast Program	452.40				452.40
State School Lunch Program	4,685.02				4,685.02
Federal Sources:					
National School Lunch Program	96,277.90				96,277.90
School Breakfast Program	16,719.90				16,719.90
PB Lunch-HHFKA	3,484.64				3,484.64
P-EBT Administrative Cost	653.00				653.00
Supply Chain Assistance	40,218.50				40,218.50
Food Distribution Program	28,031.46				28,031.46
Interest and Investment Income	788.55				788.55
Total Nonoperating Revenues (Expenses)	191,311.37	-	-	-	191,311.37
Income (loss) before Contributions & Transfers	10,856.83	(43,246.58)	5,966.50	-	(26,423.25)
Capital Contributions (Uses)					
Cancel Prior Year Revenue			(0.50)		(0.50)
Transfers In (Out)	-	60,000.00	-	-	60,000.00
Changes in Net Position	10,856.83	16,753.42	5,966.00	-	33,576.25
Total Net Position - Beginning	180,958.29	253,718.03	366,780.27	5,889.00	807,345.59
Total Net Position - Ending	\$ 191,815.12	270,471.45	372,746.27	5,889.00	840,921.84

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2023

	Non-Major Funds				Total
	Food Service	Early Childhood/ Lab School/ Summertime Adventures	Job Cards	Shared Services/ Personal Aides	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 165,179.99	51,065.00	5,966.50	122,420.45	344,631.94
Payments to Employees		(72,672.77)		(93,938.64)	(166,611.41)
Payments for Employee Benefits		(1,327.84)		(13,614.00)	(14,941.84)
Payments for Supplies and Services	(336,554.83)	(4,887.54)	(25.35)	(20,756.81)	(362,224.53)
Net Cash Provided by (Used for) Operating Activities	<u>(171,374.84)</u>	<u>(27,823.15)</u>	<u>5,941.15</u>	<u>(5,889.00)</u>	<u>(199,145.84)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State Sources	5,846.17	-	-	-	5,846.17
Federal Sources	194,348.02	-	-	-	194,348.02
Operating Subsidies and Transfers to Other Funds	-	60,000.00	-	-	60,000.00
Net Cash Provided by Noncapital Financing Activities	<u>200,194.19</u>	<u>60,000.00</u>	<u>-</u>	<u>-</u>	<u>260,194.19</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Capital Assets	(11,750.50)	-	-	-	(11,750.50)
Net Cash (Used for) Capital and Related Financing Activities	<u>(11,750.50)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,750.50)</u>
CASH FLOW FROM INVESTING ACTIVITIES					
Interest and Dividends	788.55	-	-	-	788.55
Net Cash Provided by Investing Activities	<u>788.55</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>788.55</u>
Net Increase (Decrease) in Cash and Cash Equivalents	17,857.40	32,176.85	5,941.15	(5,889.00)	50,086.40
Balance - Beginning of Year	133,250.14	205,768.31	366,805.12	5,889.00	711,712.57
Balance - End of Year	<u>151,107.54</u>	<u>237,945.16</u>	<u>372,746.27</u>	<u>0.00</u>	<u>761,798.97</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	(180,454.54)	(43,246.58)	5,966.50	-	(217,734.62)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	3,118.31	5,130.93	-	-	8,249.24
Federal Commodities - Non-Cash	28,031.46	-	-	-	28,031.46
(Increase) in Accounts Receivable	-	-	-	(110,177.24)	(110,177.24)
(Increase) in Inventories	(4,675.70)	-	-	-	(4,675.70)
(Decrease) in Accounts Payable	-	-	(25.35)	-	(25.35)
Increase (Decrease) in Deferred Revenue	(17,394.37)	10,292.50	-	-	(7,101.87)
Increase in Interfund Payable	-	-	-	104,288.24	104,288.24
Total Adjustments	<u>9,079.70</u>	<u>15,423.43</u>	<u>(25.35)</u>	<u>(5,889.00)</u>	<u>18,588.78</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (171,374.84)</u>	<u>(27,823.15)</u>	<u>5,941.15</u>	<u>(5,889.00)</u>	<u>(199,145.84)</u>

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LONG-TERM DEBT

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**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Schedule of Obligations Under Capital Leases
As of June 30, 2023**

Description	Amount of Original Issue	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
<u>Capital Financing Agreements</u>					
Energy Savings Improvement Program (ESIP) Equipment	\$ 1,715,000.00	1,202,516.50		105,191.55	1,097,324.95
		1,202,516.50	-	105,191.55	1,097,324.95
<u>Leases Payable</u>					
Copier Leases	202,928.00	62,030.65	10,085.20	18,084.03	54,031.82
		62,030.65	10,085.20	18,084.03	54,031.82
Total Lease Payable		<u>\$ 1,264,547.15</u>	<u>10,085.20</u>	<u>123,275.58</u>	<u>1,151,356.77</u>

**Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 Schedule of Obligations Under Subscription-Based Information Technology Arrangements
 As of June 30, 2023**

Description	Amount of	Balance	Additions	Deletions	Balance
	Original Issue	7/1/2022			6/30/2023
Sophos Central Intercept X Webserver Protection	\$ 49,304.60	-	49,304.60		49,304.60
		-	49,304.60	-	49,304.60

Statistical Section

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**Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 Net Position by Component,
 For the Fiscal Year Ended June 30, 2023
 (accrual basis of accounting)**

	For the Fiscal Year Ending June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Invested in capital assets, net of related debt	\$ 18,382,559.00	17,125,854.80	15,947,753.86	33,039,352.45	32,037,483.59	30,843,930.84	29,537,568.97	29,049,017.62	27,927,125.15	34,192,242.66
Restricted	3,280,299.00	3,710,264.66	5,282,762.97	3,774,362.69	3,944,122.12	4,112,799.57	4,798,513.57	12,577,541.68	12,054,718.66	24,936,555.41
Unrestricted	(385,796.27)	(5,359,289.43)	(5,693,599.71)	(7,733,162.23)	(8,073,111.86)	(8,023,005.13)	(8,049,353.72)	(6,926,766.93)	-47,175,570.88	(4,050,321.06)
Total governmental activities net position	21,277,061.73	15,476,830.03	15,536,917.12	29,080,552.91	27,908,493.85	26,933,725.28	26,288,728.82	34,699,792.37	35,264,266.73	55,078,477.01
Business-type activities										
Invested in capital assets, net of related debt	96,936.00	90,573.02	76,704.60	152,319.39	143,026.58	121,119.24	100,829.73	81,592.29	73,930.62	77,431.88
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	229,798.00	494,833.86	575,715.64	489,238.11	477,194.02	501,143.79	574,502.41	607,365.38	733,414.97	763,489.96
Total business-type activities net position	326,734.00	585,406.88	652,420.24	641,557.50	620,220.60	622,263.03	675,332.14	689,957.67	807,345.59	840,921.84
District-wide										
Invested in capital assets, net of related debt	18,479,495.00	17,216,427.82	16,024,458.46	33,191,671.84	32,180,510.17	30,965,050.08	29,638,398.70	29,130,609.91	28,001,055.77	34,269,674.54
Restricted	3,280,299.00	3,710,264.66	5,282,762.97	3,774,362.69	3,944,122.12	4,112,799.57	4,798,513.57	12,577,541.68	12,054,718.66	24,936,555.41
Unrestricted	(155,998.27)	(4,864,455.57)	(5,117,884.07)	(7,243,824.12)	(7,595,917.84)	(7,521,861.34)	(7,474,851.31)	(6,319,401.55)	(3,984,142.11)	(3,286,831.10)
Total district net position	21,603,795.73	16,062,236.91	16,189,337.36	29,722,110.41	28,528,714.45	27,555,988.31	26,962,060.96	35,388,750.04	36,071,632.32	55,919,398.85

Source: ACFR Schedule A-1

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Changes in Net Position
For the Fiscal Year Ended June 30, 2023
(accrual basis of accounting)

Exhibit J-2

	For the Fiscal Year Ending June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Instruction:										
Regular instruction	3,601,347.49	4,815,156.72	6,434,119.72	4,978,985.22	5,390,647.48	5,099,390.99	4,924,081.95	5,496,410.40	4,694,743.61	4,561,014.56
Vocational education	3,994,238.12	4,373,749.27	4,243,980.14	5,064,633.40	5,556,114.22	5,412,236.25	4,818,063.53	5,048,693.53	4,235,789.90	3,989,980.46
Other instruction	400,239.54	496,583.43	404,261.63	555,219.88	623,201.14	567,184.09	519,486.37	586,186.17	535,733.57	515,638.65
Support Services:										
Student & instruction related services	1,688,269.27	1,877,697.02	1,709,225.83	1,909,663.75	2,092,422.73	2,138,182.86	2,042,148.54	2,306,799.60	2,145,725.59	2,483,212.29
General administrative/Business services	1,624,011.87	1,609,868.85	1,746,707.91	2,265,538.82	2,193,293.15	2,034,510.08	2,030,267.11	2,401,993.65	2,160,764.32	2,207,256.43
School administrative services	652,561.77	624,047.24	638,819.18	729,067.45	714,961.58	701,779.28	585,164.22	547,848.55	540,382.98	541,150.69
Plant operations and maintenance	3,051,473.60	3,191,622.04	3,249,769.18	3,856,242.61	3,638,702.44	3,563,106.04	3,495,985.21	3,790,721.26	3,653,109.14	3,661,824.03
Pupil transportation	125,821.94	148,303.64	135,641.14	209,012.07	208,083.68	200,916.70	165,233.06	212,584.39	245,266.60	290,924.18
Adult and continuing education	1,123,247.63	1,540,642.28	1,691,571.85	2,259,705.55	2,061,711.11	1,780,547.96	1,657,228.50	1,608,579.97	1,570,539.22	1,547,955.55
Capital Outlay	-	-	-	3,740,575.82	515,369.68	250,180.11	7,590.00	9,760.00	9,760.00	9,760.00
Unallocated depreciation	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	16,261,211.23	18,477,670.49	20,254,096.58	25,568,654.55	22,994,507.21	21,748,034.37	20,245,237.18	22,009,577.52	19,791,813.95	19,808,086.83
Business-type activities:										
Food service	299,974.60	285,051.49	275,386.27	277,107.81	274,051.62	257,438.08	202,427.58	196,095.28	299,049.00	363,028.90
Early childhood/Summertime adventures	101,369.14	100,329.54	105,042.81	106,110.95	119,797.55	122,607.76	132,473.76	8,688.17	71,422.54	84,019.08
Job cards	16,658.13	22,688.66	18,530.87	19,249.62	14,907.18	14,089.25	6,728.98	3,672.39	9,533.94	-
Educational technology training center	39,189.79	42,148.10	41,509.82	43,717.94	28,777.50	22,948.00	22,948.00	24,936.20	26,049.80	128,309.45
Total business-type activities expenses	457,191.66	450,217.79	440,469.77	446,186.32	437,533.85	417,083.09	364,578.32	233,392.04	406,055.28	575,357.43
Total district expenses	16,718,402.89	18,927,888.28	20,694,566.35	26,014,840.87	23,432,041.06	22,165,117.46	20,609,815.50	22,242,969.56	20,197,869.23	20,383,444.26
Program Revenues										
Governmental activities:										
Charges for services	5,717,836.72	5,906,236.19	5,973,026.33	6,341,437.57	6,070,218.00	6,153,447.60	5,927,715.40	5,850,019.14	5,691,979.90	5,835,251.90
Operating grants and contributions	1,792,476.24	3,296,055.72	4,068,601.25	5,152,991.32	5,810,546.27	4,814,041.86	4,064,647.01	6,147,900.18	4,780,979.89	4,702,336.77
Capital grants and contributions	-	17,440.00	942,560.00	-	-	-	-	7,982,188.00	205,362.93	19,062,449.07
Total governmental activities program revenues	7,510,412.96	9,221,731.91	10,984,187.58	11,494,428.89	11,880,764.27	10,967,489.46	9,992,362.41	19,980,107.32	10,678,322.72	29,600,037.74
Business-type activities:										
Charges for services:										
Food service	203,889.19	188,065.74	191,425.67	185,323.13	168,179.79	154,477.36	110,179.28	29,380.94	62,742.68	182,574.36
Early childhood/Summertime adventures	25,273.00	36,265.50	35,577.39	50,165.00	29,970.00	56,618.02	34,285.76	1,572.00	27,253.00	40,772.50
Job cards	18,927.85	23,550.34	20,247.92	23,748.25	20,374.25	18,217.19	67,689.99	11,371.94	14,109.33	5,866.50
Educational technology training center	6,565.00	7,255.00	41,509.82	2,050.00	3,380.00	22,948.00	4,047.04	3,920.00	5,980.00	128,309.45
Operating grants and contributions	87,585.81	92,534.62	96,896.50	101,113.38	92,757.35	84,320.61	74,116.76	129,040.43	308,583.39	190,522.82
Total business-type activities program revenue	342,240.85	347,691.20	385,657.30	362,399.76	314,661.39	336,581.18	290,318.83	175,265.31	418,668.40	548,145.63
Total district program revenue	7,852,653.81	9,569,423.11	11,369,844.88	11,856,828.65	12,195,425.66	11,304,070.64	10,282,681.24	20,155,372.63	11,096,991.12	30,148,183.37

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Changes in Net Position
For the Fiscal Year Ended June 30, 2023**
(accrual basis of accounting)

	For the Fiscal Year Ending June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental activities	(8,750,798.27)	(9,255,938.58)	(9,269,909.00)	(14,074,225.66)	(11,113,742.94)	(10,780,544.91)	(10,252,874.77)	(2,029,470.20)	(9,113,491.23)	9,791,950.91
Business-type activities	(114,950.81)	(102,526.59)	(54,812.47)	(83,786.56)	(122,872.46)	(80,501.91)	(74,259.49)	(56,126.73)	12,613.12	(27,211.80)
Total district-wide net expense	<u>(8,865,749.08)</u>	<u>(9,358,465.17)</u>	<u>(9,324,721.47)</u>	<u>(14,158,012.22)</u>	<u>(11,236,615.40)</u>	<u>(10,861,046.82)</u>	<u>(10,327,134.26)</u>	<u>(2,087,596.93)</u>	<u>(9,100,878.11)</u>	<u>9,764,739.11</u>
General Revenues and Other Changes in Net Position										
Governmental activities:	7,314,862.00	7,314,862.00	7,864,862.00	7,614,862.00	7,905,454.00	8,063,563	8,224,833	8,224,834.00	8,224,834.00	8,224,834.00
County appropriation for general purposes										
County appropriation for capital improvement										
Unrestricted grants and contributions	1,370,786.00	1,380,652.00	1,436,040.00	1,403,215.00	1,435,613.00	1,400,445	1,396,049	1,437,454.00	1,396,049.00	1,798,083.00
Investment earnings	1,734.00	2,117.02							613.08	24.07
Miscellaneous income	115,658.00	150,215.05	166,699.62	181,447.64	155,324.55	124,054	110,452	194,549.61	245,623.38	119,852.09
Transfers	(172,300.00)	(361,184.00)	(121,799.82)	(112,177.94)	(107,897.50)	(82,500)	(127,277)	(71,724.11)	(105,749.87)	(60,000.00)
Loss on disposal of capital assets	(14,425.00)	(14,232.16)	(15,805.71)	(7,594.40)	(16,759.42)	(2,425)	(948)	(11,475.52)	(4,778.76)	(43,094.87)
Cancellation of prior year payables							928	33,244.38	6,867.76	739.08
Adjustment to prior year receivables				(0.51)	(10,750.00)	62,219	(4,504)	-	-	(18,200.00)
Adjustment to prior year fixed assets				18,538,109.66	580,695.26	240,420	(1,976)	-	(85,473.00)	-
Unauthorized payments										
Unauthorized payments										
Total governmental activities	<u>8,616,315.00</u>	<u>8,472,429.91</u>	<u>9,329,996.09</u>	<u>27,617,861.45</u>	<u>9,941,683.89</u>	<u>9,805,776.34</u>	<u>9,605,878.31</u>	<u>9,806,882.36</u>	<u>9,677,985.59</u>	<u>10,022,237.37</u>
Business-type activities:										
Investment earnings	16.00	15.50	26.01	45.70	49.86	44.34	51.60	28.15	24.93	788.55
Adjustment to prior year receivables				(39,299.82)	(6,411.80)	-	-	-	-	(0.50)
Transfers	172,300.00	361,184.00	121,799.82	112,177.94	107,897.50	82,500.00	127,277.00	71,724.11	105,749.87	60,000.00
Total business-type activities	<u>172,316.00</u>	<u>361,199.50</u>	<u>121,825.83</u>	<u>72,923.82</u>	<u>101,535.56</u>	<u>82,544.34</u>	<u>127,328.60</u>	<u>71,752.26</u>	<u>105,774.80</u>	<u>60,788.05</u>
Total district-wide	<u>8,788,631.00</u>	<u>8,833,629.41</u>	<u>9,451,821.92</u>	<u>27,690,785.27</u>	<u>10,043,219.45</u>	<u>9,888,320.68</u>	<u>9,733,206.91</u>	<u>9,878,634.62</u>	<u>9,783,760.39</u>	<u>10,083,025.42</u>
Changes in Net Position	(134,483.27)	(783,508.67)	60,087.09	13,543,635.79	(1,172,059.05)	(974,768.57)	(646,996.46)	7,777,412.16	564,494.36	19,814,188.28
Governmental activities	57,365.19	258,672.91	67,013.36	(10,862.74)	(21,336.90)	2,042.43	53,069.11	13,625.53	118,387.92	33,576.25
Business-type activities	(77,118.08)	(524,635.76)	127,100.45	13,532,773.05	(1,193,395.95)	(972,726.14)	(593,927.35)	7,791,037.69	682,882.28	19,847,764.53
Total district										

Source: ACFR Schedule A-2

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Fund Balances, Governmental Funds,
For the Fiscal Year Ended June 30, 2023
(modified accrual basis of accounting)

	For the Fiscal Year Ending June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	-	-	-	-	-	-	-	320,166.94	320,255.44	320,255.44
Committed	2,908,463.63	2,143,802.63	2,752,802.63	2,679,062.63	3,370,984.29	3,780,081.85	4,465,795.85	3,973,114.58	4,373,414.58	2,223,714.58
Assigned	22,824.89	429,750.19	390,600.49	45,313.71	100,989.12	53,225.40	21,642.53	65,667.42	123,919.98	112,412.34
Unassigned	341,963.55	-	-	341,709.81	196,445.72	357,067.55	290,917.08	290,916.00	335,784.53	316,866.18
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total general fund	<u>3,273,252.07</u>	<u>2,573,552.82</u>	<u>3,143,403.12</u>	<u>3,066,086.15</u>	<u>3,668,419.13</u>	<u>4,190,374.80</u>	<u>4,778,355.46</u>	<u>4,649,864.94</u>	<u>5,153,374.53</u>	<u>2,973,248.54</u>
All Other Governmental Funds										
Restricted	161,043.00	132,154.95	681,177.71	501,463.17	325,045.30	315,562.33	315,562.33	8,775,450.50	5,968,815.45	18,541,060.70
Committed	187,967.00	1,434,307.08	1,848,782.63	593,836.89	248,092.53	17,155.39	17,155.39	306,435.95	2,273,255.16	4,744,769.47
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:	-	-	-	-	-	-	-	-	-	-
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>349,010.00</u>	<u>1,566,462.03</u>	<u>2,529,960.34</u>	<u>1,095,300.06</u>	<u>573,137.83</u>	<u>332,717.72</u>	<u>332,717.72</u>	<u>9,081,886.45</u>	<u>8,242,070.61</u>	<u>23,285,830.17</u>

Source: ACFR Schedule B-1

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Changes in Fund Balances, Governmental Funds,
For the Fiscal Year Ended June 30, 2023**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
County appropriation	7,314,862.00	7,314,862.00	7,864,862.00	7,614,862.00	7,905,454.00	8,063,563.00	8,224,833.00	11,907,881.00	8,224,834.00	13,041,787.00
Tuition charges - other LEAs	5,332,826.00	5,417,317.05	5,492,985.36	5,890,351.00	5,697,746.00	5,696,111.10	5,317,988.40	5,345,569.10	5,132,710.40	5,165,920.40
Tuition - other sources										579,046.00
Miscellaneous	506,394.00	677,485.30	658,838.24	667,004.41	540,980.00	602,880.32	733,370.89	821,260.60	1,023,661.92	963,831.10
State sources	2,578,034.00	2,766,951.21	3,909,474.78	3,077,969.12	3,419,201.82	3,603,905.81	3,671,898.37	8,469,189.67	4,910,044.93	19,491,002.23
Federal sources	581,336.00	494,524.42	546,783.82	555,326.00	557,285.00	575,586.00	551,342.04	795,230.56	727,438.93	1,459,793.17
Total revenue	16,313,452.00	16,671,139.98	18,472,924.20	17,805,512.53	18,120,666.82	18,532,046.23	18,499,432.70	27,339,130.93	20,018,690.18	40,701,379.90
Expenditures										
Instruction:										
Regular instruction	2,824,745.00	2,831,580.91	2,938,527.40	2,922,571.18	2,867,201.53	2,963,415.65	3,019,667.47	3,189,144.95	3,176,890.33	3,343,225.94
Vocational instruction	2,608,123.00	2,464,591.41	2,729,329.46	2,819,213.97	2,734,182.51	2,964,904.13	2,793,204.46	2,687,425.86	2,653,451.61	2,677,329.07
Other instruction	284,435.00	312,082.66	275,479.41	304,443.99	299,678.23	291,718.38	274,149.63	280,902.95	348,307.18	335,559.43
Support Services:										
Student & instruction related services	1,140,786.00	1,148,728.58	1,135,120.41	1,160,996.46	1,174,194.29	1,289,441.84	1,282,919.08	1,364,261.98	1,518,068.92	1,966,614.02
General & business administrative services	1,049,421.00	1,076,361.61	1,163,613.46	1,249,658.04	1,221,920.94	1,194,768.75	1,264,332.20	1,502,674.20	1,364,000.06	1,423,548.92
School administrative services	434,262.00	428,257.52	412,939.27	392,123.95	389,197.10	425,774.87	343,181.01	330,518.09	344,318.56	344,603.85
Plant operations and maintenance	1,920,701.00	2,067,620.77	2,070,409.31	2,161,622.40	2,203,863.21	2,257,614.17	2,300,040.75	2,324,454.11	2,371,068.49	2,470,616.57
Pupil transportation	86,210.00	109,007.40	103,018.84	133,343.08	123,457.45	134,224.21	108,872.85	123,860.44	178,466.57	226,119.03
Unallocated employee benefits	3,783,896.00	3,835,480.82	4,217,371.73	4,541,371.06	5,100,296.35	5,260,691.93	5,185,586.86	5,605,263.78	5,861,174.33	6,271,165.04
Special schools	1,125,134.00	1,141,474.18	520,967.21	1,145,909.99	1,041,229.27	981,527.80	1,055,630.67	897,378.67	964,852.10	927,795.03
Capital outlay	221,373.00	377,018.04	1,250,999.27	4,089,057.21	769,627.69	486,148.34	161,335.49	1,009,739.35	1,475,526.17	7,773,708.51
Total Expenditures	15,479,086.00	15,792,203.90	16,817,775.77	20,920,311.33	17,921,848.57	18,230,230.07	17,788,920.47	19,315,624.38	20,256,114.32	27,760,285.41
Excess (Deficiency) of revenues over (under) expenditures	834,366.00	878,936.08	1,655,148.43	(3,114,798.80)	198,818.25	301,816.16	710,512.23	8,023,506.55	(237,424.14)	12,941,094.49
Other Financing Sources (Uses)										
Transfers out										
Adjustment to prior year receivables	(172,300.00)	(361,184.00)	(121,799.82)	(112,177.94)	(107,897.50)	(82,500.00)	(127,277.00)	(71,724.11)	(105,749.87)	(60,000.00)
Cancellation of prior year liability				(0.51)	(10,750.00)	62,219.40	(4,504.00)	-	-	(18,200.00)
ESIP Lease Proceeds				1,715,000.00			9,249.43	33,244.38	6,867.76	739.08
Unauthorized payments										
Total other financing sources (uses)	(172,300.00)	(361,184.00)	(121,799.82)	1,602,821.55	(118,647.50)	(20,280.60)	(122,531.57)	(38,479.73)	(98,882.11)	(77,460.92)
Net change in fund balances	662,066.00	517,752.08	1,533,348.61	(1,511,977.25)	80,170.75	8,003,225.95	587,980.66	7,985,026.82	(336,306.25)	12,863,633.57

Source: ACFR Schedule B-2

Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 General Fund Other Local Revenue by Source,
 For the Fiscal Year Ended June 30, 2023
 Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Non-Resident Fees	Registration Fees	Refund Prior Year Expense	Bookstore	Miscellaneous	Totals
2014	1,733.97	5,332,826.00	44,634.25	350,337.72	-	15,674.00	76,093.56	5,821,299.50
2015	2,117.02	5,420,162.05	38,987.00	435,682.15	-	13,462.00	126,162.25	6,036,572.47
2016	3,038.94	5,492,965.36	55,953.50	424,106.96	-	8,103.50	146,861.58	6,131,029.84
2017	3,240.65	5,890,351.00	16,678.00	434,408.57	17,075.33	5,795.50	152,492.29	6,520,041.34
2018	4,254.30	5,697,746.00	8,382.00	374,488.00	176.84	79.00	140,416.41	6,225,542.55
2019	4,898.36	5,686,111.10	67,404.00	399,932.50	-	-	119,155.41	6,277,501.37
2020		5,317,988.40	83,180.00	526,547.00				5,927,715.40
2021	4,621.34	5,345,569.10	95,629.00	408,821.04	2,679.89		75,433.52	5,932,753.89
2022	1,691.70	5,132,710.40	38,407.00	520,862.50	94,106.60		67,130.98	5,854,909.18
2023	21,430.77	5,165,920.40	61,614.00	607,717.50	22,442.16		63,780.42	5,942,905.25

Source: District Records

**Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 Demographic and Economic Statistics,
 For the Fiscal Year Ended June 30, 2023**

Fiscal Year Ended June 30,	(a) Population	(b) Personal Income (thousands of dollars)	(c) Per Capita Personal Income	(d) Unemployment Rate
2014	94,961	4,827,912,201	50,841	7.8%
2015	94,330	4,990,151,330	52,901	13.5%
2016	93,825	5,138,982,900	54,772	10.9%
2017	93,283	5,361,626,991	57,477	9.8%
2018	92,604	5,579,020,584	60,246	9.1%
2019	92,247	5,830,287,141	63,203	8.4%
2020	91,546	6,210,114,456	67,836	7.2%
2021	95,661	6,888,548,610	72,010	14.8%
2022	95,634	6,886,604,340	72,010	8.9%
2023	95,634	6,886,604,340	72,010	6.5%

Source:

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

Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 Full-time Equivalent District Employees by Function/Program,
 For the Fiscal Year Ended June 30, 2023

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction:										
140 Regular instruction	33.40	33.40	33.34	34.34	33.67	33.67	33.67	33.67	34.34	33.33
320 Other special education instruction	10.00	10.00	12.00	13.00	13.00	13.00	13.00	14.00	12.50	11.67
310 Vocational education	25.91	25.16	26.16	26.16	26.91	26.91	25.20	25.52	27.02	27.17
330 Adult/continuing education programs	8.34	8.34	7.34	7.34	6.59	6.59	6.30	6.48	6.48	5.00
Support Services:										
Tuition										
211-219, 222 Student & instruction related services	15.00	14.10	14.00	14.00	15.00	15.00	15.00	15.00	15.00	16.80
230 General administrative services	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
240 School administrative services	5.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00
221 Other administrative services	3.50	2.60	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
290, 251 Business administrative services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
252 Administrative Information Technology	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
261-262 Plant operations and maintenance	17.00	17.00	17.00	17.00	17.00	17.00	17.00	16.00	16.00	16.75
Special schools	4.00	4.00	4.50	4.50	3.50	3.50	3.00	3.00	3.00	4.00
Personal Aides	-	-	-	-	-	-	-	-	-	1.00
Child Care	1.75	1.50	1.50	1.50	1.50	1.50	1.50	-	1.00	1.50
Total	136.40	133.60	135.34	137.34	136.67	136.67	133.17	132.17	133.84	133.72

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

Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 Operating Statistics,
 For the Fiscal Year Ended June 30, 2023

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Overall	District				
2014	654	15,651,386	23,932	8.30%	78	8.39:1	8.39:1	643	602	-5.44%	93.62%
2015	723	16,153,388	22,342	-6.64%	77	9.39:1	9.39:1	639	599	-0.62%	93.74%
2016	722	16,939,576	23,462	5.01%	80	9.03:1	9.03:1	642	603	0.47%	93.93%
2017	711	21,032,489	29,582	26.08%	80	8.89:1	8.89:1	642	608	0.00%	94.70%
2018	627	18,029,746	28,756	-2.79%	83	7.55:1	7.55:1	642	608	0.00%	94.70%
2019	607	18,312,730	30,169	4.92%	83	7.31:1	7.31:1	588	557	-8.34%	94.69%
2020	643	17,916,197	27,885	-7.57%	85	7.56:1	7.56:1	576	553	-2.20%	96.04%
2021	554	19,387,348	34,995	21.70%	80	6.93:1	6.93:1	565	528	-1.82%	93.45%
2022	579	20,361,864	35,167	16.57%	91	6.36:1	6.36:1	536	482	-5.19%	90.03%
2023	628	27,829,813	44,315	58.92%	86	7.35:1	7.35:1	554	514	3.45%	92.72%

Source: District records, ASSA and Schedule J-14

**Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
School Building Information,
For the Fiscal Year Ended June 30, 2023**

Exhibit J-18

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Buildings</u>										
<u>Technical School</u>										
CMC VoTech H.S. Instructional(100,200,300 Bldgs)(1969)	224,724	231,475	231,475	231,475	231,475	231,475	231,475	231,475	231,475	231,475
Square Feet	652	652	652	652	652	652	652	652	652	652
Capacity (students)	643	639	642	658	628.5	598.5	575.5	565.4	579.0	628.0
Enrollment										
<u>Other</u>										
Greenhouse [400] Building (1960 & 1985)	4,032	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Square Feet										
Service Station [500] Building (1997)	1,618	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,650	1,650
Square Feet										
Broadley Administration [600] Building (1993)	3,590	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,000	5,000
Square Feet										
Senior Citizen House [700] Building (1972)	1,700	-	-	-	-	-	-	-	-	-
Square Feet										
Other Misc. Buildings (1970 & 1975)	2,025	2,855	2,855	2,855	2,855	2,855	2,855	2,855	1,750	1,750
Square Feet										

Number of Schools/Buildings at June 30, 2023

Elementary - 0
Middle - 0
High School - 1
Other - 5

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

Board of Education for Vocational Schools, County of Cape May
 (A Component Unit of the County of Cape May)
 General Fund
 For the Fiscal Year Ended June 30, 2023
 Last Ten Fiscal Years
 (Unaudited)

Exhibit J-19

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

School Facilities	Project # (s)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Technical School - Only Building	N/A	266,466.00	424,483.71	358,247.48	379,155.79	287,836.47	312,306.43	292,713.59	304,607.85	254,663.01	313,946.91
Total School Facilities		266,466.00	424,483.71	358,247.48	379,155.79	287,836.47	312,306.43	292,713.59	304,607.85	254,663.01	313,946.91
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		266,466.00	424,483.71	358,247.48	379,155.79	287,836.47	312,306.43	292,713.59	304,607.85	254,663.01	313,946.91

Source: District Records

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Insurance Schedule
For the Fiscal Year Ended June 30, 2023
(Unaudited)

Exhibit J-20

Company and Type of Coverage	Amount of Coverage	Deductible
New Jersey School Boards Association Insurance Group		
Package Policy		
Property		
Blanket Real & Personal Property - per occurrence	\$ 65,997,100	5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Vaulable Papers & Records	10,000,000	5,000
Environmental Package	1,000,000	50,000
Demolition & Increased Cost of Construction - per occurrence	25,000,000	
Loss of Business Income/Tuition	5,318,000	5,000
Restart (Demolition & Rebuild)	5,000,000	
Crisis Management	1,000,000	various
Limited Builders Risk	10,000,000	
Fire Department Service Charge	10,000	
Arson Award	10,000	
Pollutant Cleanup and Removal	250,000	
Sublimits: Flood Zones (SFHA)		
per occurrence	25,000,000	
NJSBAIG annual aggregate	25,000,000	
per building - zones prefix A & V		500,000
per building contents		500,000
Accounts Receivable - per occurrence	250,000	
All Other Flood Zones - per occurrence/NJSBAIG annual aggregate	75,000,000	
per occurrence/per member (subject to max retained ded. Of \$1,000,000 to NJSBAIG)		10,000
Earthquake		
per occurrence	50,000,000	
NJSBAIG annual aggregate	50,000,000	
Terrorism		
per occurrence	1,000,000	
NJSBAIG annual aggregate	1,000,000	
Electronic Data Processing		
Blanket Hardware/Software - per occurrence	3,297,000	1,000
Blanket Extra Expense		
Cyber Liability	1,000,000	5,000
Coverage Extensions:		
Transit	25,000	
Loss of Income	10,000	
Terrorism	Included in Property	
Computer Virius	250,000	
SFHA Flood Deductible:		
per building contents		500,000
All Other Flood Zones:		
per occurrence/per member (subject to max retained ded. Of \$1,000,000 to NJSBAIG)		10,000
Equipment Breakdown		
Combined Single Limit per Accident for Property Damage & Business Income	100,000,000	25,000
Sublimits:		
Property Damage	Deductible-per accident	Included
Off Premises Property Damage		1,000,000
Business Income		Included
Extra Expense	Deductible-per accident	10,000,000
Service Interruption	Deductible-per accident	10,000,000
Perishable Goods		1,000,000
Data Restoration		1,000,000
Contingent Business Income		1,000,000
Demolition		1,000,000
Ordinance or Law		1,000,000
Expediting Expenses		1,000,000
Hazardous Substances		1,000,000
Newly Acquired Locations (120 days notice)	Deductible-Waiting Period 60 Days	1,000,000
Terrorism		Included
Interruption of Service Waiting Period 24 Hours		

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Insurance Schedule
For the Fiscal Year Ended June 30, 2023
(Unaudited)

Exhibit J-20

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

Source: District records.

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Single Audit Section

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K-1

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America 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 Board of Education for Vocational Schools, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education for Vocational Schools basic financial statements, and have issued our report thereon dated November 15, 2023.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education for Vocational Schools financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

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

Leon P. Costello

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

November 15, 2023



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K-2

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE),
AND NEW JERSEY OMB'S CIRCULAR 15-08**

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

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Board of Education for Vocational Schools compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education for Vocational Schools major federal and state programs for the year ended June 30, 2023. The Board of Education for Vocational Schools 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 Board of Education for Vocational Schools 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, 2023.

Basis for Opinion on Each Major Federal & State Program

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Board of Education for Vocational Schools 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 opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education for Vocational Schools compliance with the 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 or grant agreements applicable to its 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 the Board of Education for Vocational Schools 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 and NJ OMB 15-08 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 the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Board of Education for Vocational Schools compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Board of Education for Vocational Schools compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Board of Education for Vocational Schools 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 NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of Board of Education for Vocational Schools 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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

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 paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been 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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
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Licensed Public School Accountant
No. 767

November 15, 2023

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance June 30, 2022	Cash Received	Budgetary Expenditures		(Accounts Receivable 06/30/2023)	Deferred Revenue/ 06/30/2023	Due to Grantor June 30, 2023
							Pass Through	Total			
U.S. Department of Education											
Passed-Through State Department of Education											
Special Revenue Fund:											
Title I, Part A Cluster:											
	84.010A	S010A210030	10/1/2021	\$ 154,687.00	\$ (59,097.00)	59,097.00	-	-	-	-	-
	84.010A	S010A220030	10/1/2022	188,599.00	-	134,062.00	(188,599.00)	(54,537.00)	-	-	-
					(69,097.00)	193,159.00	(188,599.00)	(54,537.00)	-	-	-
					(12,915.00)	23,434.00	(24,133.00)	(699.00)	-	-	-
	84.367A	S367A210029	10/1/2021	22,392.00	-	23,434.00	-	-	-	-	-
	84.367A	S367A220029	10/1/2022	24,133.00	-	-	-	-	-	-	-
					(11,558.00)	11,558.00	-	-	-	-	-
					12,635.00	7,355.00	(12,635.00)	(5,280.00)	-	-	-
Title IV, Part A-Student Support and Academic Enrichment											
	84.424	S424A210031	10/1/2021	11,811.00	-	-	-	-	-	-	-
	84.424	S424A220031	10/1/2022	12,635.00	-	-	-	-	-	-	-
Vocational Education:											
	84.048A	V048A210030	7/1/2021	81,960.00	(23,688.00)	23,688.00	-	-	-	-	-
	84.048A	V048A220030	7/1/2022	81,377.00	-	607.00	(81,377.00)	-	-	-	-
	84.048A	V048A210030	7/1/2021	16,681.00	(607.00)	607.00	-	-	-	-	-
	84.048A	V048A220030	7/1/2022	15,594.00	(607.00)	15,594.00	(15,594.00)	-	-	-	-
					(607.00)	97,578.00	(86,971.00)	(15,594.00)	-	-	-
					(43,506.00)	43,509.00	(97,367.00)	(33,384.00)	-	-	-
					(2,904.06)	22,851.00	(19,946.94)	(19,946.94)	-	-	-
					(46,413.06)	130,343.00	(117,313.94)	(33,384.00)	-	-	-
Small Rural School Achievement - Rural Education Achievement Program (REAP)											
	84.358	S358E220030	7/1/2022	30,190.00	-	30,190.00	(30,190.00)	-	-	-	-
Coronavirus Response and Relief Act - Elementary and Secondary School Emergency Relief Funds (CRRSA-ESSER)											
	84.425D	S425D210027	3/13/2020	530,357.00	(386,944.30)	530,357.00	(163,412.70)	-	-	-	-
	84.425D	S425D210027	3/13/2020	34,036.00	(17,650.00)	34,036.00	(16,986.00)	-	-	-	-
	84.425D	S425D210027	3/13/2020	43,000.00	(2,600.00)	43,000.00	(42,400.00)	-	-	-	-
					(386,594.30)	609,393.00	(222,798.70)	(222,798.70)	-	-	-
American Recovery Plan (ARP)											
	84.425U	S425U210027	3/13/2020	1,191,942.00	(92,524.14)	92,525.00	(171,290.86)	(171,290.00)	-	-	-
	84.425U	S425U210027	3/13/2020	54,185.00	-	5,634.00	(5,634.00)	-	-	-	-
	84.425U	S425U210027	3/13/2020	40,000.00	(4,118.00)	11,938.00	(9,390.00)	(1,570.00)	-	-	-
	84.425U	S425U210027	3/13/2020	40,000.00	(1,656.58)	23,256.00	(31,221.42)	(9,622.00)	-	-	-
	84.425U	S425U210027	3/13/2020	88,501.00	-	6,544.00	(18,482.00)	(11,938.00)	-	-	-
					(98,298.72)	139,897.00	(236,018.28)	(194,420.00)	-	-	-
					(615,463.08)	1,255,822.00	(628,658.92)	(288,320.00)	-	-	-
Sub-total - Passed thru State Department of Education											
U.S. Department of Education (Passed-Through State Department of Labor and Workforce Development)											
Passed-Through Atlantic Cape Community College:											
	84.002A	91-0400-0-1-501	7/1/2020	121,826.00	-	-	-	-	-	-	-
	84.002A	91-0400-0-1-501	7/1/2020	40,068.00	-	-	-	-	-	-	-
	84.002A	91-0400-0-1-501	7/1/2021	121,826.00	(73,856.30)	73,856.30	(128,457.00)	(128,457.00)	-	-	-
	84.002A	91-0400-0-1-501	7/1/2021	40,068.00	(29,700.33)	29,700.33	(52,585.00)	(52,585.00)	-	-	-
					(103,556.63)	103,556.63	(181,042.00)	(181,042.00)	-	-	-
					(719,039.71)	1,358,378.63	(1,109,700.92)	(469,362.00)	-	-	-
Sub-total Passed thru Atlantic Cape Community College											
Total Special Revenue Fund											

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

U.S. Department of Agriculture Passed-Through State	Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance June 30, 2022	Cash Received	Budgetary Expenditures		(Accounts Receivable) 06/30/2023	Deferred Revenue/ 06/30/2023	Due to Grantor June 30, 2023
								Pass Through	Total			
Enterprise Funds:												
	Child Nutrition Cluster:											
	Food Distribution Program	10.585	231NJ304N1099	7/1/2022	28,031.46	(40,006.56)	28,031.46	(28,031.46)	(28,031.46)		-	-
	National School Lunch Program	10.585	221NJ304N1099	7/1/2021	242,516.02		40,008.56					
	National School Lunch Program	10.585	231NJ304N1199	7/1/2022	96,277.90		92,612.90	(96,277.90)	(96,277.90)	(3,665.00)		
	Performance Based HRKA	10.585	231NJ304N1199	7/1/2022	3,484.64		3,388.24	(3,484.64)	(3,484.64)	(126.40)		
	Supply Chain Assistance	10.585	221NJ304N6903	7/1/2022	40,216.50	(2,487.76)	40,216.50	(40,216.50)	(40,216.50)			
	School Breakfast Program	10.585	231NJ304N1199	7/1/2022	3,671.42		15,662.04			(1,057.86)		
	School Breakfast Program	10.583	231NJ304N1199	7/1/2022	16,719.90	(42,496.34)	222,379.48	(184,732.40)	(184,732.40)	(4,849.26)		
	Total Child Nutrition Cluster				653.00		222,379.48	(653.00)	(653.00)			
	P-EBT Administrative Costs	10-649	202222S900941	7/1/2022	653.00		222,379.48	(185,385.40)	(185,385.40)	(5,502.26)		
	Total Enterprise Funds						1,581,758.11	(1,295,086.32)	(1,295,086.32)	(474,884.26)		
	Total Federal Financial Awards					\$ (761,536.05)						

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Schedule of Expenditures of Financial Assistance
For the Year Ended June 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2023		MEMO
				Deferred Revenue/ (Accrued Receivable)	Due to Grantor					(Accounts Receivable)	Deferred Revenue	
State Department of Education												
General Fund:												
Reimbursed TPAF Social Security Contributions	22-100-034-5095-004	7/1/2021	\$ 445,861.00	\$ (21,901.94)			21,601.94					445,861.00
On-Behalf TPAF Social Security Contributions	23-100-034-3995-004	7/1/2022	460,472.16			415,484.16	(460,472.16)			(44,988.00)		460,472.16
Pension Contribution	22-495-034-5094-002	6/30/2022	2,245,856.00			2,245,856.00	(2,245,856.00)					2,245,856.00
Post-Retirement Medical	22-495-034-5094-101	7/1/2021	589,981.00			589,981.00	(589,981.00)					589,981.00
Non-contributory Insurance	22-495-034-5094-034	7/1/2021	763.00			763.00	(763.00)					763.00
				(21,901.94)		3,273,966.10	(3,273,966.10)			(44,988.00)		3,742,933.16
State Aid Public Cluster:												
Categorical Special Education Aid	23-495-034-5120-089	7/1/2022	447,941.00			403,460.03	(447,941.00)					447,941.00
Adjustment Aid	23-495-034-5120-085	7/1/2022	215,042.00			193,688.12	(215,042.00)					215,042.00
Vocational Expansion Stabilization Aid	23-495-034-5120-088	7/1/2022	633,679.00			594,498.05	(633,679.00)					633,679.00
Capital Projects Fund	23-495-034-5120-084	7/1/2022	79,367.00			1,257,420.00	(1,396,049.00)					1,366,049.00
						402,034.00	(402,034.00)					402,034.00
Maintenance of Equity (MOEQ)	23-495-034-5120-128	7/1/2022	402,034.00			4,933,440.10	(5,095,155.16)			(44,988.00)		5,541,016.16
				(21,901.94)		4,933,440.10	(5,095,155.16)					5,541,016.16
Total General Fund												
Special Revenue Fund:												
Vocational Education:												
Carl Perkins Post-Secondary Education	PSFSComs072021	7/1/2022	83,067.00			83,067.00	(83,067.00)					83,067.00
School Climate Awareness	N/A	7/1/2022	17,728.00			15,684.00	(15,684.00)					15,684.00
Department of Community Affairs	N/A	7/1/2022	45,000.00			45,000.00	(45,000.00)					45,000.00
						150,351.00	(150,351.00)					150,351.00
Sub-Total Special Revenue Fund						150,351.00	(150,351.00)					150,351.00
Total Special Revenue Fund												
Capital Projects Fund:												
Career and Technical Education Program												
Expansion Grant - Phase I	0720-030-21-1000	6/15/2021	4,299,141.00	(205,362.93)			(2,506,053.73)	205,362.90		(2,506,053.76)		6,189.33
Expansion Grant - Phase I	0720-030-22-1000	11/17/2022	14,450,858.00	(205,362.93)			(405,821.75)			(405,821.75)		4,685.02
								205,362.90		(2,911,875.50)		10,874.35
												5,660,641.51
Total Capital Projects Fund:												
State Department of Agriculture												
Enterprise Fund:												
School Breakfast Program (State Share)	22-100-010-3350-023	7/1/2022	452.40			421.50	(452.40)					452.40
National School Lunch Program (State Share)	22-100-010-3350-023	7/1/2021	6,189.33	(920.75)		920.75	(4,685.02)			(181.10)		6,189.33
National School Lunch Program (State Share)	23-100-010-3350-023	7/1/2022	4,685.02	(920.75)		5,846.17	(5,137.42)			(212.00)		4,685.02
						5,089,637.27	(6,162,519.05)			(2,937,075.50)		10,874.35
								205,362.90		(2,937,075.50)		5,660,641.51
Total State Financial Assistance												
Less: On-Behalf TPAF Pension System Contributions (2,245,856.00)												
Post-Retirement Medical (589,981.00)												
Non-contributory Insurance (763.00)												
Subtotal On-Behalf TPAF Pension System Contributions (2,835,600.00)												
Total for State Financial Assistance Major Program Determinator \$ (5,325,919.05)												

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

Exhibit K-5

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2023**

Note 1: General

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

Note 2: Basis of Accounting

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

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

Note 3: Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97, (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$0.00 for the General Fund and \$350,092.25 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis on the following page:

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2023
(CONTINUED)**

Note 3: Relationship to Basic Financial Statements – Continued

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
State Assistance:					
Actual amounts (budgetary) "revenue" from the Schedule of Expenditures of State Financial Assistance	\$ 5,095,155.16	150,351.00	2,911,875.47	5,137.42	8,162,519.05
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	138,629.00				138,629.00
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(138,629.00)				(138,629.00)
Capital grant funding awarded but not yet expended.		-	11,333,620.60		11,333,620.60
Total State revenue as reported on the statement of revenues, expenditures, and changes in fund balance.	<u>\$ 5,095,155.16</u>	<u>150,351.00</u>	<u>14,245,496.07</u>	<u>5,137.42</u>	<u>19,496,139.65</u>

**BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2023
(CONTINUED)**

	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Federal Assistance:			
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of Federal Awards	\$ 1,109,700.92	185,385.40	1,295,086.32
Difference - budget to "GAAP" Grant accounting budgetary basis differs from "GAAP" in that encumbrances are recognized as expenditures, and the related revenue is recognized.	350,092.25		350,092.25
Commodities received in the prior year but not used until the current fiscal year	_____	-	-
Total Federal revenue as reported on the statement of revenue, expenditures, and changes in fund balance	<u>\$ 1,459,793.17</u>	<u>185,385.40</u>	<u>1,645,178.57</u>

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2023. 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, 2023.

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
k-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part I -- Summary of Auditor's Results

Financial Statement Section

A) Type of auditor's report issued:		Unmodified		
<hr/>				
B) Internal control over financial reporting:				
1) Material weakness(es) identified?	yes	<u> X </u>	no	
2) Were significant deficiencies identified?	yes	<u> X </u>	none reported	
C) Noncompliance material to general-purpose financial statements noted?	yes	<u> X </u>	no	

Federal Awards Section

D) Internal Control over compliance:				
1) Material weakness(es) identified?	yes	<u> X </u>	no	
2) Were significant deficiencies identified?	yes	<u> X </u>	none reported	
E) Type of auditor's report on compliance for major programs		Unmodified		
<hr/>				
F) Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR 200 Section .516(a) of the Uniform Guidance?	yes	<u> X </u>	no	

G) Identification of major programs:

<u>AL/FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D / S425D210027</u>	<u>Coronavirus Response and Relief Act - CRRSA</u> Elementary and Secondary School Emergency Relief Funds (ESSER II) Learning Acceleration Mental Health
<u>84.425U / S425U210027</u>	<u>American Rescue Plan (ARP)</u> Elementary and Secondary School Emergency Relief Funds (ESSER III) Accelerated Learning Coaching and Educator Support Evidence Based Summer Learning and Enrichment Activities Evidence Based Comprehensive Beyond the School Day Activities NJTSS Mental Health Support Staffing
<hr/>	<hr/>
<hr/>	<hr/>

H) Dollar threshold used to determine Type A programs:		\$ 750,000.00		
<hr/>				
I) Auditee qualified as low-risk auditee?	X	yes	no	n/a

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

State Awards Section

J) Internal Control over compliance:
1) Material weakness(es) identified? _____ yes X no

2) Were significant deficiencies identified that were not considered to be material weaknesses? _____ yes X no

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

L) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08? _____ yes X no

M) Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
N/A	Securing Our Children's Future Bond Act

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

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

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section II - Financial Statement Findings

None

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

FEDERAL AWARDS

None

STATE AWARDS

None

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

STATUS OF PRIOR YEAR FINDINGS

There were no prior year findings.