

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

Toms River, New Jersey
County of Ocean

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023**

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



YEAR ENDED JUNE 30, 2023

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

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INTRODUCTORY SECTION

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December 26, 2023

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

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Ocean County Vocational-Technical School District for the fiscal year ended June 30, 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 of the Ocean County Vocational-Technical School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district’s financial activities have been included.

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with



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applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

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

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

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	2,967	1.44%
2021-2022	2,925	5.58%
2020-2021	2,824	-8.46%
2019-2020	3,085	14.01%
2018-2019	2,706	0.56%
2017-2018	2,691	-3.10%
2016-2017	2,777	-1.03%
2015-2016	2,806	-3.34%
2014-2015	2,903	1.26%
2013-2014	2,867	10.40%

ECONOMIC CONDITION AND OUTLOOK

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

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

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



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MAJOR INITIATIVES

In the 2022-23 school year, Ocean County Vocational Technical School (OCVTS) established a new program for high school and adult learners, Audio Engineering for the 2023-2024 school year. This program combines both art and science in the field that requires specialized technical knowledge. Students will be guided through the process of capturing sound (audio) and storing it in both the digital and analog mediums for reproduction. Discussion on this new program has also resulted in an articulation agreement with Ocean County College.

In May of 2023, OCVTS partnered with the Ocean County Workforce Development Board and Shore Builders Association to host the second Construction Career Expo. The event was hosted at Jersey Shore Blue Claws Stadium. Students from all of the district's construction programs attended as well as over 40 employer partners. Many students were interviewed and were able to secure employment at the event.

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

Additional outcomes of the Comprehensive Local Needs Assessment conducted lead to the district being awarded \$7,215,805 through the Securing Our Children's Future Bond Act through the Career and Technical Education Expansion Grant. The total project with the matching funds set aside by the County Commissioners is \$9,621,073. Funding will be used for a 20,000 square foot addition to the OCVTS Jackson Campus. Additional funding from the county had to be secured due to the increase in building costs. The addition will include four shop spaces for in-demand, high-skill, and high-wage Career and Technical Education Programs of Study in Welding, Plumbing, Electrical, and Medical Assisting. Although this project has been delayed, we project that the building addition will be complete to open additional classrooms/workshops in the 2025-2026 school year. Recruiting for the high-demand, high-skill, and high-wage programs will begin in the fall of 2024.

The Ocean County Vocational Technical School continues to follow the rigorous Plan for Growth as suggested by the Middle States Association of Colleges and Schools. The district has prioritized several areas in an effort to strengthen student outcomes related to this Plan for Growth. The district will continue to place emphasis on expanding Work Based Learning opportunities to students, conduct CLNAs to identify industry valued credentials to incorporate into the programs that are offered in the district, and expand articulation agreements with advanced education including community colleges, 4-year colleges and universities, and registered apprenticeships through the United States Department of Labor. The comprehensive strategic approach to programming will provide students opportunities to enter at various stages along a career pathway, provide stepping stones to advance within the field, and direction to achieve their career aspirations. A number of our instructors have completed the Work Based Learning Certification and are in the process of working with employers/students for hands-on experiences in their chosen vocational fields.

The Marine Academy of Technology and Environmental Science had an active year with independent and community research projects. At the Jersey Shore Science Fair at Stockton University (State Level) in



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March 2023, MATES had 44 top award winners. Moving on to the Delaware Valley Science Fair (Super Regional), MATES finished with 23 top awards. Four students were selected and attended the National Junior Academy of Science Symposium held in Washington, D.C. after winning their categories at the NJ Junior Academy of Science Meeting in May 2022. One student earned top honors in the General Poster competition Jersey Shore Junior Science and Humanities Symposium in March 2023. The MATES community project, Rally for Barnegat Bay, continues. In partnership with the New Jersey Department of Environmental Protection (NJDEP), Save Barnegat Bay (SBB), and Clean Ocean Action (COA), this project's target goals include the reduction of pathogen levels in a local waterway. The MATES Bay Nettle team is also still actively working on their community-based project to reduce jellyfish populations at Barnegat Bay in conjunction with the NJDEP, SBB and the Berkeley Township Underwater Search and Rescue Team. In school competitions, our MATES Envirothon Team earned 1st place in New Jersey.

At the present time, the Ocean County Vocational Technical School has 23 articulation agreements with post-secondary institutions through Dual Enrollment and Technical Preparation Programs. These articulations permit students to earn college credits while attending Ocean County Vocational Technical School and continue their education at the post-secondary level and progress to successful careers.

Since 2004, the Practical Nursing graduates have consistently surpassed the New Jersey state and national averages for pass rates on the National Council Licensure Examination for Practical Nursing. Over 3,670 nursing students have graduated from the Ocean County Vocational Technical School Practical Nursing program since 1960. Nursing homes, rehab centers, doctors' offices, hospitals etc. benefit from the learning and expertise provided by the Ocean County Vocational Technical School district.

The Ocean County Vocational Technical School (OCVTS) Adult Evening School and Post-Secondary 10 month accelerated programs continue to expand. OCVTS has the largest course offerings in the state. Pre-Apprentice and Apprentice programs available include Residential Electric, Basic Home Systems, Electrical, Plumbing, HVAC, Machine Trades, Maintenance Mechanic, and HEOP. OCVTS has expanded its adult Two-light Cosmetology program by adding a new part time 2-year program. Both courses are currently at capacity. The OCVTS 10 month accelerated New Home Construction program has forged an alliance with Northern and Southern Ocean Habitat for Humanity and continues to participate in multiple community service projects.

The Ocean County Vocational Technical School's SkillsUSA chapter provided opportunities for students to compete in both state and National Competitions this year. SkillsUSA competitions for the 2022-2023 school year were held on multiple Saturdays through March and April. At the State level, OCVTS totaled 43 medals, breaking down to 16 Gold medals, 18 silver medals, and 9 bronze medals. 9 gold medalists (7 Gold Medal was State only competition) qualified for the National Competitions which were held in Atlanta, Georgia in June 2023. At the Nationals OCVTS had one student place as a silver medalist with 4 others placing in the top 10 in the nation! 3 other Ocean County Vocational Technical School students placed in the top 20 nationally.

Over \$6,500 was awarded to Outstanding high school graduate students and \$55,000 was awarded to post-secondary students through the generosity of the Ocean County Foundation for Vocational Technical Education. Additionally, the Ocean County Vocational Technical School has over 300 sponsors, organizations, business and educational institutions that provide our graduates with scholarships and grants. Funding for the foundation scholarships for the 2022-2023 school year was supported by the annual Golf Outing, Turkey Dash, and the Annual Chefs Night Out event.



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Traditionally, OCVTS Grunin Performing Arts Academy (GPAA) students have the opportunity to participate in various hands-on and performance-based skill competitions at the local, state, and national levels. The most recognized of these competitions include: Ocean County Teen Arts Festivals, International Thespian Festivals (ITS), and SkillsUSA.

At ITS state level our students earned the following rankings/recognitions in the 2022-2023 school year: four students earned a superior ranking in musical solo, four students earned a superior ranking in musical duets, two students earned superior rankings for contrasting monologues, three students earned superior rankings in musical group, one student earned superior ranking in short film, one student earned the title of "best thespian," and one chapter select actor earned 3rd place for best supporting actor. Students who performed at superior level and state board members were invited to attend the International Thespian Society (ITS) Festival's National Conference in Bloomington, Indiana. This year five of our students participated in the national conference, two earned national superior rankings, and all five students received numerous college call backs from colleges and universities represented at the conference. This included some instant college acceptances based on their auditions.

In March, GPAA students who received superior rankings during the ITS festival as well as some selected students, including a number of performers from the cast of our Spring Musical "Sweeney Todd," participated in the Ocean County Teen Arts Festival. The cast of "Sweeney Todd", as well as the other students who performed primarily received ratings of "distinct" and "advanced." Based on our success, the following groups were selected to perform at the State Teen Arts Festival Level: Vocal Ensemble for Small Vocal Music, Junior and Senior Dancers for Dance, and two Senior Vocalists for Small Musical Theatre. In addition to earning 1st Place in the Dance category at the State Teen Arts Festival, the GPAA Junior and Senior Dancers' stellar performance of The Mad Hatter (choreographed by Kelly Bourke) earned them a special recognition. They were selected to be the recipients of the "Salute to Ocean County Award." In April, they were presented with an Award of Merit by Commissioner Virginia E. Haines, Chairwoman of Ocean County Cultural & Heritage Commission.

Students from the cast of Fall Drama "Clue" and Spring Musical "Sweeney Todd" were nominated for various awards from the Montclair State Theatre Awards. One student was nominated and won "Outstanding Achievement by an Actress in a Farcical/Satirical Play" for her role as Mrs. White in Clue. Other GPAA nominations include: "Outstanding Achievement in Live or Original Music in a Play" "Best Supporting Actress" and both casts' performances earned them a nomination for "Outstanding Production of a Farcical/Satirical Play." Additionally, one of our students received a Final Nomination for Outstanding Supporting Performance in their role as the "Beggar Woman" from the Paper Mill Playhouse 28th Rising Star Awards.

Students throughout the Ocean County Vocational Technical School District participate in the nationally recognized SkillsUSA conference. For the 2022-2023 school year, a freshman team of students from the Grunin Performing Arts Academy won the silver medal for the state competition. They were the only team of Freshmen to compete at the event.

INTERNAL ACCOUNTING CONTROLS

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed



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to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

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

BUDGETARY CONTROLS

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

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman Frenia Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.



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ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have accomplished without the efficient and dedicated services of our business office staff.

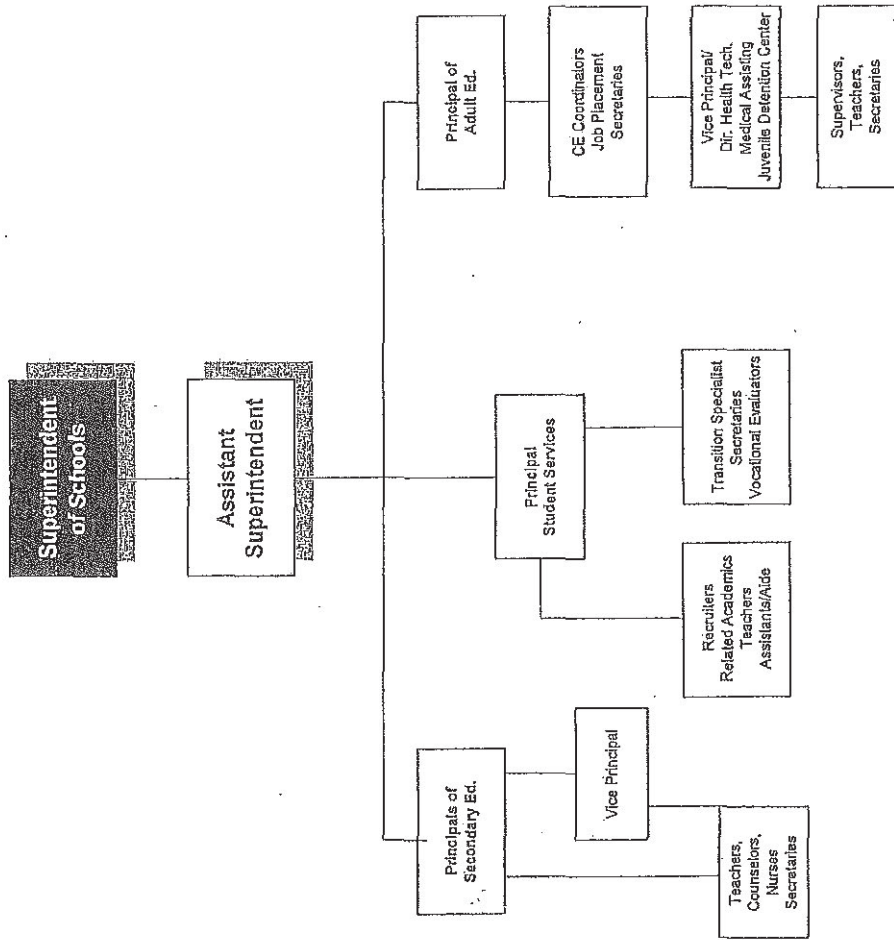
Respectfully submitted,

Karen Homiek
Superintendent

Frank J. Frazee, CPA
Business Administrator/Board Secretary

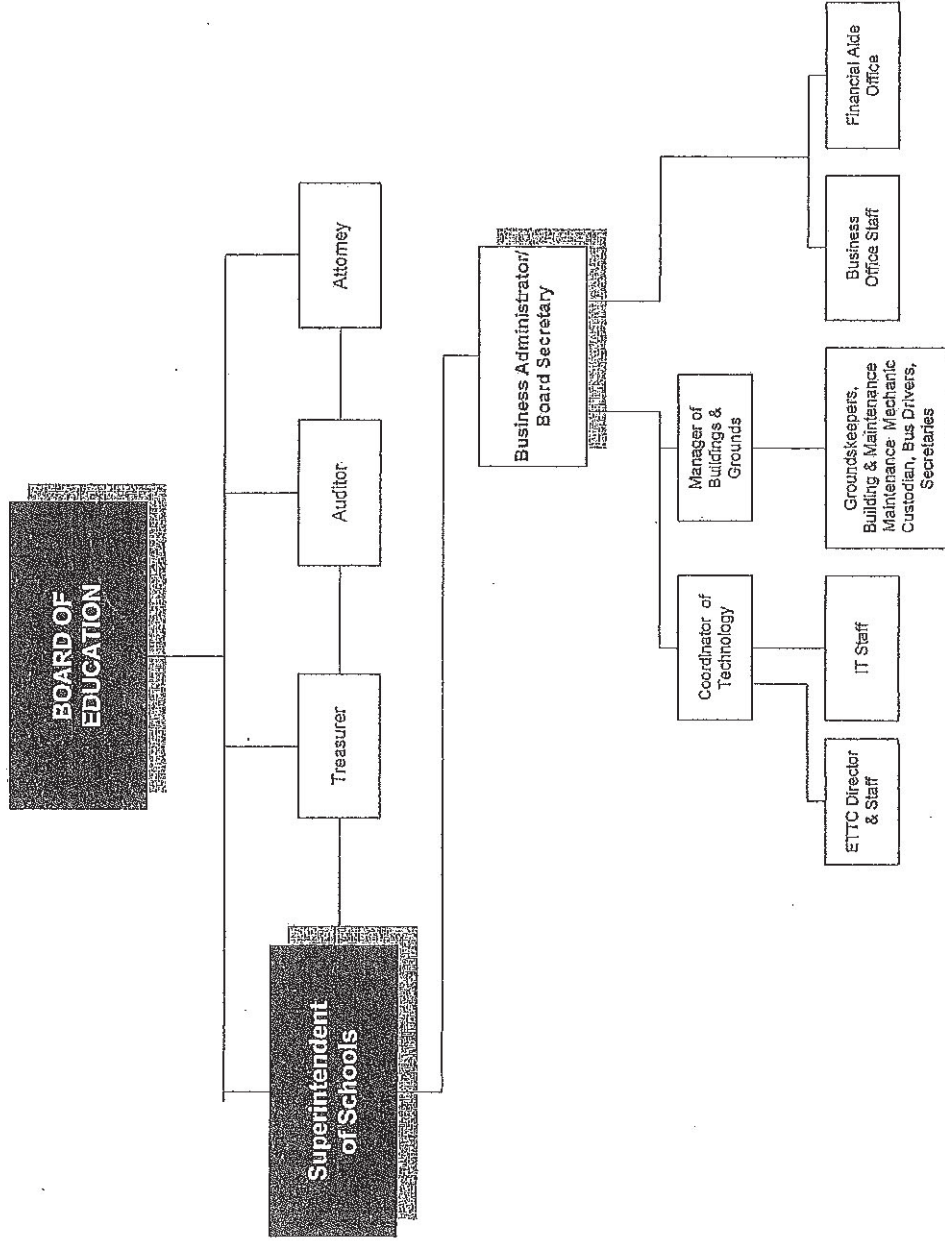
OCEAN COUNTY VOCATIONAL - TECHNICAL SCHOOLS

Administrative Organization Chart (A)



OCEAN COUNTY VOCATIONAL - TECHNICAL SCHOOLS

Administrative Organization Chart (B)



**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
TOMS RIVER, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2023**

Members of the Board of Education

TERM EXPIRES

Nina Anuario, President	2024
Stephen Scaturro, Vice President	2025
Charles Muller	2024
Ronald L. Rosetto	2023
Maureen C. Stankowitz	2026

Other Officials

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
TOMS RIVER, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2023**

ARCHITECTS

Yezzi Associates
Toms River, New Jersey

AUDITOR/AUDIT FIRM

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FINANCIAL SECTION

Second Section

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Ocean County Vocational Technical School, County of Ocean, State of New Jersey, as of and for the fiscal year ended, June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* , we have also issued our report dated December 26, 2023 on our consideration of the School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District’s internal control over financial reporting and compliance.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
December 26, 2023

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2023 UNAUDITED

This section of the Ocean County Vocational Technical Schools Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year 2022-2023 and the prior fiscal year 2021-2022 is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

- In total, net position of governmental activities increased, \$12,242,791, which represents a 23.82% increase from 2022. Total net position of business-type activities decreased (\$4,056), which represents a decrease of (17.17%) from 2022.
- General revenues accounted for \$45,840,927 in revenue or 87.36% of total revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$6,632,725 or 12.64% of total revenue of \$52,473,652.
- Total assets of governmental activities increased by \$10,353,029 as cash and cash equivalents increased by \$737,113, receivables increased by \$10,026,840, and total capital assets decreased by (\$212,463).
- Total liabilities of governmental activities increased by \$1,300,865 as non-current liabilities due beyond one year increased by \$2,041,496.
- The District had \$39,965,771 in governmental activity expenses; only \$6,367,635 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily county appropriations) of \$45,840,927 were not adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$12,242,791.
- In the governmental funds, the general fund had \$38,572,831 in revenues and \$38,466,777 in expenditures. The general fund's fund balance increased by \$106,054 over 2022.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

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

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

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

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

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

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

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

Governmental Funds

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

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

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

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

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

Proprietary Funds

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

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

Fiduciary Funds

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

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

Government-Wide Financial Analysis

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2023 and 2022, respectively:

Net Position
June 30, 2023

	Governmental Activities		Business-Type Activities	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets				
Current and Other				
Assets	\$ 25,716,508	\$ 15,151,016	\$ 25,431	\$ 23,617
Capital Assets, Net	50,186,419	50,398,882	-	-
Total Assets	<u>75,902,927</u>	<u>65,549,898</u>	<u>25,431</u>	<u>23,617</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	2,056,921	1,933,295	-	-
Liabilities				
Long-Term Liabilities				
Other Liabilities	1,576,757	2,317,388	5,870	-
Total Liabilities	<u>12,843,467</u>	<u>11,542,602</u>	<u>5,870</u>	<u>-</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	1,479,354	4,546,355	-	-
Net Position				
Net Investment in				
Capital Assets	50,186,419	50,398,882	-	-
Restricted	21,958,560	10,649,613	-	-
Unrestricted	(8,507,952)	(9,654,259)	19,561	23,617
Total Net Position	<u>\$ 63,637,027</u>	<u>\$ 51,394,236</u>	<u>\$ 19,561</u>	<u>\$ 23,617</u>

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

Restricted balances represent resources that are subject to external restrictions on how they may be used. Restricted net position increased \$11,308,947 from the prior year to \$21,958,560 at June 30, 2023.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$8,507,952) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2023 and 2022. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	<u>June 30, 2023</u>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 246,626	\$ 246,626
Operating Grants and Contributions	6,367,635	18,464	6,386,099
General Revenues:			
County Appropriations	20,762,063	-	20,762,063
County Appropriation - Restricted	12,914,962	-	12,914,962
Federal & State Aid Not Restricted	6,159,579	-	6,159,579
Tuition Charges	5,139,830	-	5,139,830
Interest Earnings	71,966	-	71,966
Miscellaneous	792,527	-	792,527
Total Revenues	<u>52,208,562</u>	<u>265,090</u>	<u>52,473,652</u>
Expenses:			
Instructional Services	11,754,974	-	11,754,974
Support Services	18,744,851	269,146	19,013,997
Special Schools	6,652,967	-	6,652,967
Interest and Other Charges	2,316,005	-	2,316,005
Special Items	496,974	-	496,974
Total Expenses	<u>39,965,771</u>	<u>269,146</u>	<u>40,234,917</u>
Change in Net Position	12,242,791	(4,056)	12,238,735
Net Position, Beginning	51,394,236	23,617	51,417,853
Net Position, Ending	<u>\$ 63,637,027</u>	<u>\$ 19,561</u>	<u>\$ 63,656,588</u>

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

Financial Analysis of the District's Funds

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

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

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund and capital projects fund expenditures for the fiscal year ended June 30, 2023 and 2022 and the amount and percentage of increases and (decreases) in relation to prior year.

	<u>June 30, 2023</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2022	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 11,754,974	26.68%	\$ 23,607	0.20%
Special Schools	6,652,967	15.10%	159,173	2.45%
Undistributed	23,553,021	53.45%	28,779	0.12%
Capital Outlay	2,053,465	4.66%	(2,246,102)	-52.24%
Debt Service:				
Interest	50,077	0.11%	-	0.00%
Total	\$ 44,064,504	100.00%	\$ (2,034,543)	-4.41%

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

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

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2022-2023 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2022-2023 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

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

The Food Services Enterprise Fund showed an increase in net position of \$4,720 in 2022-2023 as compared to an increase in net position of \$8,915 in 2021-2022. The primary factor(s) affecting the change in net position of the Food Service fund was a result of increased cost of sales during the 2022-2023 school year.

The Cost Recovery Enterprise Fund showed a decrease in net position of (\$8,776) in 2022-2023 as compared to an increase in net position of \$5,074 in 2021-2022. The primary factor(s) affecting the change in net position of the Cost Recovery fund was a result of increased activity during the 2022-2023 school year.

Capital Assets

At June 30, 2023 the District has capital assets of \$50,186,419, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2023</u>	
	Governmental Activities	Business-Type Activities
Buildings and Improvements	\$ 71,332,252	\$ -
Machinery and Equipment	19,013,259	-
Accumulated Depreciation	(40,159,092)	-
Total	<u>\$ 50,186,419</u>	<u>\$ -</u>
	<u>June 30, 2022</u>	
	Governmental Activities	Business-Type Activities
Buildings and Improvements	\$ 70,086,627	\$ -
Machinery and Equipment	18,210,814	-
Accumulated Depreciation	(37,898,559)	-
Total	<u>\$ 50,398,882</u>	<u>\$ -</u>

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

Debt Administration and Other Obligations

At June 30, 2023 and 2022, the District had no outstanding debt issues. Information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2023-2024 budget will be adequate to satisfy all 2023-2024 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2023-2024.
- For the 2022-2023 school year, the School Board was able to sustain its budget through the county appropriation, state education aid and local revenue sources. Approximately 31% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 67% of total revenue is from county appropriation and tuition charges.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 3,483,060	\$ 24,655	\$ 3,507,715
Receivables, Net (Note 4)	21,316,478	776	21,317,254
Restricted Cash & Cash Equivalents	916,970	-	916,970
Capital Assets, Net (Note 5):			
Depreciable	50,186,419	-	50,186,419
Total Assets	75,902,927	25,431	75,928,358
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	2,056,921	-	2,056,921
Total Deferred Outflow of Resources	2,056,921	-	2,056,921
LIABILITIES:			
Accounts Payable	461,731	5,870	467,601
Due to Other Governments	819,436	-	819,436
Unearned Revenue	52,122	-	52,122
Unemployment Trust Fund Liability	70,791	-	70,791
Payroll Deductions & Withholdings	172,677	-	172,677
Noncurrent Liabilities (Note 7):			
Due in More Than One Year	11,266,710	-	11,266,710
Total Liabilities	12,843,467	5,870	12,849,337
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,479,354	-	1,479,354
Total Deferred Inflow of Resources	1,479,354	-	1,479,354
NET POSITION:			
Investment in Capital Assets	50,186,419	-	50,186,419
Restricted for:			
Capital Projects (Note 3)	20,601,570	-	20,601,570
Maintenance Reserve (Note 3)	707,812	-	707,812
Excess Surplus	252,859	-	252,859
Unemployment Compensation (Note 3)	107,854	-	107,854
Student Activities	265,902	-	265,902
Scholarship	22,563	-	22,563
Unrestricted (Deficit) (Note 18)	(8,507,952)	19,561	(8,488,391)
Total Net Position	\$ 63,637,027	\$ 19,561	\$ 63,656,588

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Basic Skills/Remidial	\$ 3,587,816	\$ -	\$ -	\$ -	\$ (3,587,816)	\$ -	\$ (3,587,816)
Regular Vocational Programs - Instruction	6,372,160	-	1,127,212	-	(5,244,948)	-	(5,244,948)
Special Vocational Programs - Instruction	1,537,781	-	-	-	(1,537,781)	-	(1,537,781)
Sponsored Co-curricular Activities	257,217	-	-	-	(257,217)	-	(257,217)
Support Services:							
Health Services	488,056	-	-	-	(488,056)	-	(488,056)
Other Support Services - Student Regular	3,685,482	-	2,398,915	-	(1,286,567)	-	(1,286,567)
Other Support Services - Student Special	342,808	-	-	-	(342,808)	-	(342,808)
Improvement of Instruction Services	10,987	-	-	-	(10,987)	-	(10,987)
Educational Media Services/School Library	200,961	-	-	-	(200,961)	-	(200,961)
Support Services: General Administration	1,111,526	-	-	-	(1,111,526)	-	(1,111,526)
Support Services: School Administration	2,235,000	-	-	-	(2,235,000)	-	(2,235,000)
Support Services: Central Services	846,217	-	-	-	(846,217)	-	(846,217)
Support Services: Information Technology	391,155	-	-	-	(391,155)	-	(391,155)
Required Maintenance for School Facilities	677,507	-	-	-	(677,507)	-	(677,507)
Operation & Maintenance Plant	2,392,509	-	-	-	(2,392,509)	-	(2,392,509)
Care Upkeep of Grounds	85,795	-	-	-	(85,795)	-	(85,795)
Security	71,087	-	-	-	(71,087)	-	(71,087)
Student Transportation Services	340,998	-	-	-	(340,998)	-	(340,998)
Unallocated Benefits - Employee Benefits	5,864,763	-	2,841,508	-	(3,023,255)	-	(3,023,255)
Unallocated Depreciation	2,265,928	-	-	-	(2,265,928)	-	(2,265,928)
Interest and Other Cost	50,077	-	-	-	(50,077)	-	(50,077)
Special Schools	6,652,967	-	-	-	(6,652,967)	-	(6,652,967)
Special Item:							
Cancellation of Grant Receivable	496,974	-	-	-	(496,974)	-	(496,974)
Total Governmental Activities	39,965,771	-	6,367,635	-	(33,598,136)	-	(33,598,136)
Business-Type Activities:							
Food Service	227,689	213,945	-	-	-	4,720	4,720
Enterprise Fund	41,457	32,681	-	-	-	(8,776)	(8,776)
Total Business-Type Activities	269,146	246,626	18,464	-	-	(4,056)	(4,056)
Total Primary Government	\$ 40,234,917	\$ 246,626	\$ 6,386,099	\$ -	\$ (33,598,136)	\$ (4,056)	\$ (33,602,192)
General Revenues:							
County Appropriations					20,762,063	-	20,762,063
County Appropriation - Restricted					12,914,962	-	12,914,962
Federal & State Aid Not Restricted					6,159,579	-	6,159,579
Tuition Charges					5,139,830	-	5,139,830
Interest Earnings					71,966	-	71,966
Miscellaneous					792,527	-	792,527
Total General Revenues					45,840,927	-	45,840,927
Change In Net Position					12,242,791	(4,056)	12,238,735
Net Position - Beginning					51,394,236	23,617	51,417,853
Net Position - Ending					\$ 63,637,027	\$ 19,561	\$ 63,656,588

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

B. Fund Financial Statements

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Governmental Funds

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2023

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	
ASSETS				
Cash & Cash Equivalents	\$ 3,176,053	\$ 307,007	\$ -	\$ 3,483,060
Receivables, Net:				
Interfund Receivable	205,343	-	-	205,343
Due from Other Governments:				
Federal	-	281,415	-	281,415
State	88,592	-	7,215,805	7,304,397
Other	-	-	13,440,363	13,440,363
Other Accounts Receivable	280,303	10,000	-	290,303
Restricted Cash & Cash Equivalents	916,970	-	-	916,970
Total Assets	\$ 4,667,261	\$ 598,422	\$ 20,656,168	\$ 25,921,851
LIABILITIES & FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 163,412	\$ 229,653	\$ 30,863	\$ 423,928
Unemployment Trust Fund Liability	70,791	-	-	70,791
Payroll Deductions & Withholdings	172,677	-	-	172,677
Interfund Payable	-	80,304	125,039	205,343
Unearned Revenue	52,122	-	-	52,122
Accrued Salaries and Wages	37,803	-	-	37,803
Total Liabilities	496,805	309,957	155,902	962,664
Fund Balances:				
Restricted for:				
Capital Reserve	101,304	-	-	101,304
Maintenance Reserve	707,812	-	-	707,812
Excess Surplus	252,859	-	-	252,859
Capital Projects	-	-	20,500,266	20,500,266
Unemployment	107,854	-	-	107,854
Student Activities	-	265,902	-	265,902
Scholarship	-	22,563	-	22,563
Committed to:				
Other Purposes	402,273	-	-	402,273
Assigned to:				
Designated for				
Subsequent Year	1,100,000	-	-	1,100,000
Other Purposes	137,150	-	-	137,150
Unassigned				
General Fund	1,361,204	-	-	1,361,204
Total Fund Balances	4,170,456	288,465	20,500,266	24,959,187
Total Liabilities & Fund Balances	\$ 4,667,261	\$ 598,422	\$ 20,656,168	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$90,345,511 and the accumulated depreciation is \$40,159,092. 50,186,419

Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.

Deferred Outflows Related to Pensions	2,056,921
Deferred Inflows Related to Pensions	(1,479,354)

Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. (819,436)

Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (11,266,710)

Net Position of Governmental Activities \$ 63,637,027

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	
Revenues:				
Local Sources:				
County Appropriation	\$ 20,762,063	\$ -	\$ 12,914,962	\$ 33,677,025
Tuition Charges	5,139,830	-	-	5,139,830
Interest Earnings	71,966	-	-	71,966
Miscellaneous	458,849	1,031,737	-	1,490,586
Total Local Sources	26,432,708	1,031,737	12,914,962	40,379,407
State Sources	12,140,123	271,626	-	12,411,749
Federal Sources	-	3,130,926	-	3,130,926
Total Revenues	38,572,831	4,434,289	12,914,962	55,922,082
Expenditures:				
Instruction:				
Basic Skills/Remedial	3,587,816	-	-	3,587,816
Regular Vocational Programs - Instruction	5,244,948	1,127,212	-	6,372,160
Special Vocational Programs - Instruction	1,537,781	-	-	1,537,781
Sponsored Cocurricular Activities	257,217	-	-	257,217
Support Services:				
Health Services	488,056	-	-	488,056
Other Support Services - Student Regular	1,000,196	2,685,286	-	3,685,482
Other Support Services - Student Special	342,808	-	-	342,808
Improvement of Instruction Services	10,987	-	-	10,987
Educational Media Services/School Library	200,961	-	-	200,961
Support Services: General Administration	1,111,526	-	-	1,111,526
Support Services: School Administration	2,235,000	-	-	2,235,000
Support Services: Central Services	846,217	-	-	846,217
Support Services: Information Technology	391,155	-	-	391,155
Required Maintenance for School Facilities	677,507	-	-	677,507
Operation & Maintenance Plant	2,392,509	-	-	2,392,509
Care Upkeep of Grounds	85,795	-	-	85,795
Security	71,087	-	-	71,087
Student Transportation Services	340,998	-	-	340,998
Unallocated Benefits - Employee Benefits	10,672,933	-	-	10,672,933
Special Schools	6,652,967	-	-	6,652,967
Capital Outlay	268,236	574,484	1,210,745	2,053,465
Interest & Other Charges	50,077	-	-	50,077
Total Expenditures	38,466,777	4,386,982	1,210,745	44,064,504
Excess/(Deficiency) of Revenues Over Expenditures	106,054	47,307	11,704,217	11,857,578
Other Financing Sources (Uses):				
Cancellation of Grant Receivable	-	-	(496,974)	(496,974)
Total Other Financing Sources (Uses)	-	-	(496,974)	(496,974)
Net Changes in Fund Balances	106,054	47,307	11,207,243	11,360,604
Fund Balance, July 1	4,064,402	241,158	9,293,023	13,598,583
Fund Balance, June 30	\$ 4,170,456	\$ 288,465	\$ 20,500,266	\$ 24,959,187

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2023**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ 11,360,604

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.

	\$		
Depreciation Expense		(2,265,928)	
Retirement of Fully Depreciated Capital Asset		5,395	
Capital Outlays		2,053,465	
Retirement of Fully Depreciated Capital Asset		<u>(5,395)</u>	
			(212,463)

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 1,119,928

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (25,278)

Change in Net Position of Governmental Activities \$ 12,242,791

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Proprietary Funds

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2023**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES		TOTALS
	FOOD SERVICE	COST RECOVERY	
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 12,512	\$ 12,143	\$ 24,655
Accounts Receivable:			
Federal	738	-	738
State	38	-	38
Total Current Assets	13,288	12,143	25,431
Total Assets	13,288	12,143	25,431
LIABILITIES			
Current Liabilities:			
Accounts Payable	5,870	-	5,870
Total Current Liabilities	5,870	-	5,870
NET POSITION			
Unrestricted	7,418	12,143	19,561
Total Net Position	\$ 7,418	\$ 12,143	\$ 19,561

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES		
	FOOD SERVICE	COST RECOVERY	TOTALS
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 37,837	\$ -	\$ 37,837
Fees for Services	176,108	32,681	208,789
Total Operating Revenues	213,945	32,681	246,626
Operating Expenses:			
Cost of Sales - Reimbursable Programs	86,554	-	86,554
Cost of Sales - Non-Reimbursable Programs	110,158	-	110,158
Salaries	30,977	-	30,977
Supplies and Materials	-	41,457	41,457
Total Operating Expenses	227,689	41,457	269,146
Operating Income/(Loss)	(13,744)	(8,776)	(22,520)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	988	-	988
Federal Sources:			
National School Lunch Program	16,713	-	16,713
National HHFKA	763	-	763
Total Nonoperating Revenues/(Expenses)	18,464	-	18,464
Change in Net Position	4,720	(8,776)	(4,056)
Total Net Position - Beginning	2,698	20,919	23,617
Total Net Position - Ending	\$ 7,418	\$ 12,143	\$ 19,561

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS		
	BUSINESS-TYPE ACTIVITIES		
	ENTERPRISE FUNDS		
	FOOD SERVICE	COST RECOVERY	TOTALS
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 214,497	\$ 32,681	\$ 247,178
Payments to Suppliers	(221,819)	(41,457)	(263,276)
Net Cash Provided by/(Used for) Operating Activities	(7,322)	(8,776)	(16,098)
Cash Flows From Noncapital Financing Activities:			
State Sources	988	-	988
Federal Sources	17,476	-	17,476
Net Cash Provided by/(Used for) Noncapital Financing Activities	18,464	-	18,464
Net Increase/(Decrease) in Cash & Cash Equivalents	11,142	(8,776)	2,366
Balances - Beginning of Year	1,370	20,919	22,289
Balances - End of Year	\$ 12,512	\$ 12,143	\$ 24,655

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

Operating Income/(Loss)	\$ (13,744)	\$ (8,776)	\$ (22,520)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Increase/(Decrease) in Accounts Receivable, Net	552	-	552
(Increase)/Decrease in Accounts Payable	5,870	-	5,870
Total Adjustments	6,422	-	6,422
Net Cash Provided/(Used) by Operating Activities	\$ (7,322)	\$ (8,776)	\$ (16,098)

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

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Fiduciary Fund

Not Applicable

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The Ocean County Vocational Technical School District is a Type I School District located in the County of Ocean, State of New Jersey. As a Type I School District, the School District functions independently through a Board of Education. The Board consists of appointed officials by the County Freeholders and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational service appropriate to grade levels 9 through 12. The School District has an approximate enrollment at June 30, 2023 of 1,434 students.

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

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

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

Component Units

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2023.

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

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

A. Government-Wide Financial Statements

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

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

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

B. Governmental Fund Financial Statements

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

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

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

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

C. Proprietary Fund Financial Statements

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

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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

The School District reports the following major proprietary funds:

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

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

D. Fiduciary Fund Financial Statements

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

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

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

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

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

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

Tuition Receivable/Payable

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

Inventories

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

Interfund Receivables/Payables

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

Right to Use Leased Assets

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

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

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

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

Compensated Absences

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

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Accounting Estimates

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

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

Fund Balance

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

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

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

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

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

Net Position

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

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

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

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

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and December 26, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

- Statement No. 96, *Subscription-Based Information Technology Arrangements*.
- Statement No. 99, *Omnibus 2022*.

Management has determined the implementation of these Statements did not have a significant impact on the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

- Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Management has not yet determined the potential impact on the District's financial statements.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District's bank balance of \$4,851,975 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	4,151,861
Uninsured and Uncollateralized		700,114
		700,114
Total	\$	4,851,975

Investments

The School District had no investments at June 30, 2023.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2022	\$	100,773
Increased by:		
Interest Earnings		531
		531
Ending Balance, June 30, 2023	\$	101,304

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects at June 30, 2023 is \$34,861,500.

Maintenance Reserve

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

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

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

Beginning Balance, July 1, 2022	\$	907,812
Decreased by:		
Budget Withdrawals		(200,000)
		(200,000)
Ending Balance, June 30, 2023	\$	707,812

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 3. Reserve Accounts (Continued)

Unemployment Claim Reserve

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

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

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

Beginning Balance, July 1, 2022	\$	106,846
Increased by:		
Interest Earnings		1,008
Ending Balance, June 30, 2023	\$	107,854

Note 4. Accounts Receivable

Accounts receivable at June 30, 2023 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2023, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	
Federal Awards	\$ -	\$ 281,415	\$ -	\$ 281,415
State Awards	88,592	-	7,215,805	7,304,397
Tuition	280,303	-	-	280,303
Other	-	10,000	13,440,363	13,450,363
Total	\$ 368,895	\$ 291,415	\$ 20,656,168	\$ 21,316,478
			Proprietary Funds	Total
			Food Service <u>Fund</u>	Business-Type Activities
Federal Awards			\$ 738	\$ 738
State Awards			38	38
Total			\$ 776	\$ 776

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2023 are as follows:

	Governmental Activities				Balance June 30, 2023
	Balance July 1, 2022	Additions	Retirements and Transfers	Adjustments	
Governmental Activities:					
Capital Assets being depreciated:					
Buildings and Improvements	\$ 70,086,627	\$ 1,245,625	\$ -	\$ -	\$ 71,332,252
Equipment	18,210,814	807,840	(5,395)	-	19,013,259
Total Capital Assets being depreciated	88,297,441	2,053,465	(5,395)	-	90,345,511
Less: Accumulated Depreciation:					
Equipment	(37,898,559)	(2,265,928)	5,395	-	(40,159,092)
Total Accumulated Depreciation	(37,898,559)	(2,265,928)	5,395	-	(40,159,092)
Total Capital Assets being depreciated, net	50,398,882	(212,463)	-	-	50,186,419
Total Governmental Activities Capital Assets, net	\$ 50,398,882	\$ (212,463)	\$ -	\$ -	\$ 50,186,419

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

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 205,343	\$ -
Special Revenue Fund	-	80,304
Capital Projects Fund	-	125,039
	<u>\$ 205,343</u>	<u>\$ 205,343</u>

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

There were no interfund transfers for the year ended June 30, 2023.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2022</u>	Additions	Reductions	Balance <u>June 30, 2023</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
Compensated Absences	\$ 2,086,965	\$ 25,277	\$ -	\$ 2,112,242	\$ -
Net Pension Liability	7,138,249	5,428,868	3,412,649	9,154,468	-
	<u>\$ 9,225,214</u>	<u>\$ 5,454,145</u>	<u>\$ 3,412,649</u>	<u>\$ 11,266,710</u>	<u>\$ -</u>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found on the website of the New Jersey Division of Pensions & Benefits.

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

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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

Note 8. Pension Plans (Continued)

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

Pension Liability, Pension (Credit)/Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$9,154,468 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.060660%, which was an increase of 0.000404% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension credit of (\$354,972) in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2022 measurement date. For the year ended June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 66,073	\$ 58,267
Changes of Assumptions	28,363	1,370,786
Net Difference between Projected and Actual Earnings on Pension Plan Investments	378,895	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	764,154	50,301
School District contributions subsequent to measurement date	819,436	-
	\$ 2,056,921	\$ 1,479,354

\$819,436 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2022-2023 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.98%. The payable is due on April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

Year Ending <u>June 30,</u>		
2024	\$	(642,490)
2025		(257,293)
2026		(52,333)
2027		568,413
2028		141,834
	<u>\$</u>	<u>(241,869)</u>

Actuarial Assumptions – The collective 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:

Inflation		
Price	2.75%	
Wage	3.25%	
Salary Increases:		
	2.75 - 6.55%	
	Based on Years of Service	
Investment Rate of Return		7.00%
Mortality Rate of Return:		
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021	
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021	

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	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%
	<u>100.00%</u>	

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 and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 11,860,412	\$ 9,154,468	\$ 6,995,110

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

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 1,237,485	\$ 1,168,340
Collective Deferred Inflows of Resources	1,479,354	4,546,355
Collective Net Pension Liability	9,154,468	7,138,249
School District's portion	0.06066%	0.06026%

Special Funding Situation - Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

School District Special Fund Allocation Pension Expense for the year ending June 30, 2023 totaled \$19,261.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found on the website of the New Jersey Division of Pensions & Benefits.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarially determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$55,499,853. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1075695%, which was a decrease of (0.00091864%) from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized a pension expense in the amount of \$1,493,656 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2022 measurement date.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

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 actuarial assumptions, applied to all periods 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 on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
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%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 65,074,757	\$ 55,499,853	\$ 47,434,199

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

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

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
School District's portion	0.10757%	0.10849%

C. Defined Contribution Retirement Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 8. Pension Plans (Continued)

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

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

Basis of Presentation

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 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, applied to all periods in the measurement:

Total Nonemployer OPEB Liability: \$ 50,646,462,966

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%
	based on years of service	based on years of service	based on years of service

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

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$57,069,755. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.11268261%, which was an increase of 0.00125483% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$1,937,320 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% 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 4.50% 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 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For Medicare Part B reimbursement, the trend rate is 5.00%.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

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.

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

The following presents the total nonemployer OPEB liability as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	6/30/2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 67,079,494	\$ 57,069,755	\$ 49,047,450
State of New Jersey's Total Nonemployer OPEB Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

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

The following presents the total nonemployer OPEB liability as of June 30, 2022, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	6/30/2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 47,171,641	\$ 57,069,755	\$ 70,071,529
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 9,042,402,619	\$ (15,462,950,679)
Changes in Assumption	8,765,620,577	(17,237,289,230)
Contributions Made in Fiscal Year Ending 6/30/2023 After Measurement Date	TBD	N/A
	\$ 17,808,023,196	\$ (32,700,239,909)

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information (continued):

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

Fiscal Year Ending June 30,	
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,175,449,761)
2027	(1,243,951,140)
Thereafter	(3,921,361,006)
	\$ (14,892,216,713)

** Employer Contributions made after June 30, 2023 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	151,669
	364,817

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Total OPEB Liability	
Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Changes of Benefit Terms	-
Differences Between Expected and Actual	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	(1,329,476,059)
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	60,007,650,970
Total OPEB Liability (Ending)	\$ 50,646,462,966
Total Covered Employee Payroll	14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)**

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$4,475,212, \$902,866, \$1,175,628, and \$1,322, respectively.

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>	
				<u>Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2022-2023	\$ -	\$ 34,761	\$ 46,157	\$ 107,854	\$ 70,791
2021-2022	-	31,726	383	106,846	83,195
2020-2021	-	27,997	20,127	106,846	51,852

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

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

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

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 12. Contingencies (Continued)

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

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

Note 13. Deferred Compensation

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

AXA Equitable	Lincoln Investment Planning, Inc.	Met Life
Ameriprise	Fidelity Investments	

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2023, the liability for compensated absences reported was \$2,112,242.

Note 15. Tax Abatements

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (Continued)

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$252,859.

Note 17. Fund Balances

General Fund – Of the \$4,170,456 General Fund fund balance at June 30, 2023, \$101,304 has been restricted for the Capital Reserve Account; \$707,812 has been restricted for the Maintenance Reserve Account; \$107,854 has been restricted for Unemployment Claims; \$402,273 has been committed to other purposes; \$137,150 has been assigned to other purposes; \$1,100,000 has been designated for subsequent year's expenditures; \$252,859 has been restricted for excess surplus; and \$1,361,204 is unassigned.

Special Revenue Fund – Of the \$288,465 Special Revenue Fund fund balance at June 30, 2023, \$265,902 is restricted for Student Activities and \$22,563 is restricted for Scholarships.

Capital Projects Fund – Of the \$20,500,266 Capital Projects Fund fund balance at June 30, 2023, \$20,500,266 is restricted for future capital projects approved by the School District.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$8,507,952 at June 30, 2023. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments at June 30, 2023 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$539,423, \$135,521 in Special Revenue Fund and \$814,810 in the Capital Projects Fund included in Restricted Fund Balance.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Sources:						
County Appropriations	10-1200	\$ 20,762,063	\$ -	\$ 20,762,063	\$ 20,762,063	\$ -
Tuition From LEAs	10-1310	2,177,600	-	2,177,600	2,206,730	29,130
Tuition From Individuals	10-1320	2,750,000	-	2,750,000	2,933,100	183,100
Interest Earned	10-1510	-	-	-	71,966	71,966
Miscellaneous	10-1790	244,064	-	244,064	458,849	214,785
Total Local Sources		25,933,727	-	25,933,727	26,432,708	498,981
State Sources:						
Categorical Special Education Aid	10-3132	837,311	-	837,311	837,311	-
Vocational Expansion Stabilization Aid	10-3140	3,247,457	-	3,247,457	3,247,457	-
Equalization Aid	10-3176	1,311,265	-	1,311,265	1,311,265	-
Categorical Security Aid	10-3177	189,062	-	189,062	189,062	-
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	4,475,212	4,475,212
On-Behalf TPAF Post Retirement Medical		-	-	-	1,175,628	1,175,628
On-Behalf TPAF Long Term Disability Insurance		-	-	-	1,322	1,322
Reimbursed TPAF Social Security Contributions		-	-	-	902,866	902,866
Total State Sources		5,585,095	-	5,585,095	12,140,123	6,555,028
Total Revenues		31,518,822	-	31,518,822	38,572,831	7,054,009
Current Expense:						
Regular Programs - Instruction:						
Salaries of Teachers	11-140-100-101	3,732,683	(179,417)	3,553,266	3,545,891	7,375
General Supplies	11-140-100-610	52,600	2,612	55,212	38,309	16,903
Textbooks	11-140-100-640	10,000	-	10,000	3,616	6,384
Total Regular Programs - Instruction		3,795,283	(176,805)	3,618,478	3,587,816	30,662
Regular Vocational Programs - Instruction						
Salaries of Teachers	11-310-100-101	3,881,629	(185,823)	3,695,806	3,671,303	24,503
Other Salaries of Instruction	11-310-100-106	526,258	74,541	600,799	595,743	5,056
Purchased Professional & Educational Services	11-310-100-320	15,000	3,588	18,588	17,790	798
Purchased Technical Services	11-310-100-340	85,000	45,793	130,793	124,291	6,502
Travel	11-310-100-580	7,500	4,300	11,800	11,772	28
General Supplies	11-310-100-610	760,275	304,049	1,064,324	686,152	378,172
Textbooks	11-310-100-640	150,000	-	150,000	137,897	12,103
Total Regular Vocational Programs - Instruction		5,425,662	246,448	5,672,110	5,244,948	427,162
Special Vocational Programs - Instruction						
Salaries of Teachers	11-320-100-101	1,368,356	(14,594)	1,353,762	1,331,809	21,953
Other Salaries of Instruction	11-320-100-106	10,000	-	10,000	4,987	5,013
Purchased Professional Services	11-320-100-340	7,500	9,679	17,179	16,599	580
Travel	11-320-100-580	750	-	750	-	750
General Supplies	11-320-100-610	125,650	104,237	229,887	184,386	45,501
Textbooks	11-320-100-640	7,500	-	7,500	-	7,500
Total Special Vocational Programs - Instruction		1,519,756	99,322	1,619,078	1,537,781	81,297
School-Sponsored Cocurricular Activities						
Other Objects	11-401-100-800	273,000	21,205	294,205	257,217	36,988
Total School-Sponsored Cocurricular Activities:		273,000	21,205	294,205	257,217	36,988
Total Instruction		11,013,701	190,170	11,203,871	10,627,762	576,109
Undistributed Expenditures - Health Services:						
Salaries	11-000-213-100	479,540	(10,700)	468,840	462,064	6,776
Purchased Professional & Technical Services	11-000-213-300	13,000	5,326	18,326	17,973	353
Supplies and Materials	11-000-213-600	6,500	1,848	8,348	8,019	329
Total Undistributed Expenditures - Health Services		499,040	(3,526)	495,514	488,056	7,458

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	761,316	36,495	797,811	797,811	-
Salaries of Secretaries & Clerical Assistants	11-000-218-105	50,724	-	50,724	46,171	4,553
Purchased Professional - Educational Services	11-000-218-320	15,000	(3,000)	12,000	7,055	4,945
Other Purchased Services	11-000-218-500	500	150	650	482	168
Supplies and Materials	11-000-218-600	127,500	25,946	153,446	148,677	4,769
Total Undistributed Expenditures - Guidance		955,040	59,591	1,014,631	1,000,196	14,435
Undistributed Expenditures - Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	293,107	(33,228)	259,879	255,447	4,432
Salaries of Secretaries & Clerical Assistants	11-000-219-105	83,805	487	84,292	81,378	2,914
Supplies and Materials	11-000-219-600	6,500	-	6,500	5,983	517
Total Undistributed Expenditures - Child Study Teams		383,412	(32,741)	350,671	342,808	7,863
Undistributed Expenditures - Improvement of Instruction Services:						
Other Purchased Services	11-000-221-500	11,000	-	11,000	10,987	13
Total Undistributed Expenditures - Improvement of Instruction Services		11,000	-	11,000	10,987	13
Undistributed Expenditures - Educational Media Services/Library:						
Supplies and Materials	11-000-222-600	194,700	8,312	203,012	200,961	2,051
Total Undistributed Expenditures - Educational Media Services/Library		194,700	8,312	203,012	200,961	2,051
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	349,005	877	349,882	349,495	387
Legal Services	11-000-230-331	75,000	(5,675)	69,325	69,094	231
Other Purchased Professional Services	11-000-230-339	50,000	29,980	79,980	23,892	56,088
Communications/Telephone	11-000-230-530	315,000	12,832	327,832	315,570	12,262
BOE Other Purchased Professional Services	11-000-230-585	10,000	2,260	12,260	9,266	2,994
Other Purchased Services	11-000-230-590	269,644	6,664	276,308	275,304	1,004
General Supplies	11-000-230-610	16,000	3,170	19,170	18,721	449
Miscellaneous Expenditures	11-000-230-890	54,500	(249)	54,251	50,184	4,067
Total Undistributed Expenditures - Support Services - General Administration		1,139,149	49,859	1,189,008	1,111,526	77,482
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	1,256,135	(60,000)	1,196,135	1,191,157	4,978
Salaries of Other Professional Staff	11-000-240-104	130,160	9,442	139,602	136,152	3,450
Salaries of Secretaries & Clerical Assistants	11-000-240-105	591,806	(20,162)	571,644	567,477	4,167
Other Salaries	11-000-240-110	94,500	502	95,002	95,002	-
Purchased Professional & Technical Services	11-000-240-300	27,000	20,000	47,000	46,586	414
Other Purchased Services	11-000-240-500	15,000	(3,000)	12,000	11,603	397
Travel	11-000-240-580	2,000	500	2,500	2,452	48
Supplies and Materials	11-000-240-600	84,500	18,699	103,199	82,608	20,591
Other Objects	11-000-240-800	78,000	25,935	103,935	101,963	1,972
Total Undistributed Expenditures - Support Services - School Administration		2,279,101	(8,084)	2,271,017	2,235,000	36,017
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	645,165	(4,301)	640,864	636,959	3,905
Purchased Professional Services	11-000-251-330	140,500	15,919	156,419	123,592	32,827
Purchased Technical Services	11-000-251-340	18,000	1,025	19,025	17,405	1,620
Travel	11-000-251-580	5,500	2,436	7,936	7,679	257
Supplies and Materials	11-000-251-600	5,500	-	5,500	5,165	335
Miscellaneous Expenditures	11-000-251-890	43,500	11,917	55,417	55,417	-
Total Undistributed Expenditures - Central Services		858,165	26,996	885,161	846,217	38,944
Undistributed Expenditures - Administrative Information Technology:						
Salaries	11-000-252-100	345,494	(14,346)	331,148	331,148	-
Purchased Technical Services	11-000-252-340	10,000	2,294	12,294	947	11,347
Travel	11-000-252-580	2,000	-	2,000	1,878	122
Supplies and Materials	11-000-252-600	75,000	(9,499)	65,501	57,182	8,319
Total Undistributed Expenditures - Administrative Information Technology		432,494	(21,551)	410,943	391,155	19,788

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures -						
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	105,721	5,618	111,339	111,339	-
Cleaning, Repair & Maintenance Services	11-000-261-420	384,500	234,523	619,023	539,576	79,447
General Supplies	11-000-261-610	35,000	2,617	37,617	26,592	11,025
Total Required Maintenance for School Facilities		525,221	242,758	767,979	677,507	90,472
Undistributed Expenditures - Custodial Services:						
Salaries	11-000-262-100	683,927	45,747	729,674	726,238	3,436
Cleaning, Repair & Maintenance Services	11-000-262-420	699,200	(94,035)	605,165	496,511	108,654
Rental of Land & Bldg. Other Than Lease Purch.	11-000-262-441	25,000	36,771	61,771	54,165	7,606
Other Purchased Property Services	11-000-262-490	50,000	8,206	58,206	48,782	9,424
Miscellaneous Purchased Services	11-000-262-590	15,000	(13,000)	2,000	-	2,000
General Supplies	11-000-262-610	271,000	87,504	358,504	331,883	26,621
Energy (Natural Gas)	11-000-262-621	197,000	119,175	316,175	286,670	29,505
Energy (Electricity)	11-000-262-622	405,000	102,557	507,557	448,260	59,297
Total Undistributed Expenditures - Custodial Services		2,346,127	292,925	2,639,052	2,392,509	246,543
Undistributed Expenditures -						
Care and Upkeep of Grounds:						
Salaries	11-000-263-100	82,734	3,061	85,795	85,795	-
Total Care and Upkeep of Grounds		82,734	3,061	85,795	85,795	-
Security:						
Cleaning, Repair, and Maintenance Services	11-000-266-420	90,000	(8,401)	81,599	71,087	10,512
Total Security		90,000	(8,401)	81,599	71,087	10,512
Undistributed Expenditures -						
Student Transportation Services:						
Sal for Pupil Trans (Bet. H&S) - NonPublic Sch	11-000-270-163	87,000	(28,017)	58,983	58,982	1
Cleaning, Repair and Maintenance Services	11-000-270-420	110,000	35,050	145,050	141,449	3,601
Miscellaneous Purchased Services - Transportation	11-000-270-593	58,000	88,828	146,828	140,567	6,261
Total Undistributed Expenditures - Student Transportation Services		255,000	95,861	350,861	340,998	9,863
Unallocated Benefits:						
Social Security Contributions	11-000-291-220	310,000	35,119	345,119	341,281	3,838
Other Retirement Contributions - PERS	11-000-291-241	525,000	18,292	543,292	543,292	-
Pension Contributions	11-000-291-249	20,000	-	20,000	17,767	2,233
Workmen's Compensation	11-000-291-260	184,000	(21,035)	162,965	162,960	5
Health Benefits	11-000-291-270	3,185,830	(353,671)	2,832,159	2,819,223	12,936
Tuition Reimbursement	11-000-291-280	75,000	(28,947)	46,053	43,735	2,318
Other Employee Benefits	11-000-291-290	168,000	21,647	189,647	189,647	-
Total Unallocated Benefits		4,467,830	(328,595)	4,139,235	4,117,905	21,330
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	4,475,212	(4,475,212)
On-Behalf TPAF Post Retirement Medical		-	-	-	1,175,628	(1,175,628)
On-Behalf TPAF Long Term Disability Insurance		-	-	-	1,322	(1,322)
Reimbursed TPAF Social Security Contributions		-	-	-	902,866	(902,866)
Total Undistributed Expenditures		14,519,013	376,465	14,895,478	20,867,735	(5,972,257)
Total Expenditures - Current Expense		25,532,714	566,635	26,099,349	31,495,497	(5,396,148)
Capital Outlay:						
Equipment:						
Vocational Programs: Regular Programs	12-310-100-730	107,423	51,901	159,324	144,520	14,804
Special Education - Instruction: Special Vocational Programs	12-XXX-100-730	-	32,620	32,620	30,823	1,797
Operating & Maintenance of Plant Services	12-000-260-730	-	20,591	20,591	20,591	-
Undist. Expend. - Required Maint for School Fac.	12-000-261-730	17,500	54,819	72,319	72,302	17
Assessment for Debt Service on SDA Funding	12-000-400-896	50,077	-	50,077	50,077	-
Total Equipment		175,000	159,931	334,931	318,313	16,618
Total Capital Outlay		175,000	159,931	334,931	318,313	16,618

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Special Schools:						
Post-Secondary Programs - Instruction						
Salaries of Teachers	13-330-100-101	1,200,573	(57,421)	1,143,152	1,137,687	5,465
General Supplies	13-330-100-610	199,700	(4,152)	195,548	164,193	31,355
Textbooks	13-330-100-640	11,000	-	11,000	6,881	4,119
Total Post-Secondary Programs - Instruction		1,411,273	(61,573)	1,349,700	1,308,761	40,939
Post-Secondary Programs - Instruction						
Salaries of Teachers	13-330-200-100	309,052	(45,391)	263,661	248,603	15,058
General Supplies	13-330-200-600	2,500	-	2,500	2,040	460
Other Objects	13-330-200-800	3,000	16,173	19,173	4,217	14,956
Total Post-Secondary Programs - Support Services		314,552	(29,218)	285,334	254,860	30,474
Total Post-Secondary Programs - Programs		1,725,825	(90,791)	1,635,034	1,563,621	71,413
Adult Education - Local - Support Services						
Salaries of Teachers	13-602-200-100	8,500	-	8,500	8,040	460
Total Adult Education - Local - Support Services		8,500	-	8,500	8,040	460
Vocational Evenings - Local - Instruction						
Salaries of Teachers	13-629-100-101	402,500	-	402,500	353,987	48,513
General Supplies	13-629-100-610	75,000	40,412	115,412	112,369	3,043
Textbooks	13-629-100-640	9,000	-	9,000	3,520	5,480
Total Post-Secondary Programs - Instruction		486,500	40,412	526,912	469,876	57,036
Vocational Evenings - Local - Support Services:						
Salaries	13-629-200-100	1,794,857	7,868	1,802,725	1,730,576	72,149
Personal Services - Employee Benefits	13-629-200-200	2,191,070	(138,561)	2,052,509	2,039,403	13,106
Purchased Professional & Technical Services	13-629-200-300	133,000	32,346	165,346	146,780	18,566
Other Purchased Services	13-629-200-500	159,056	(26,529)	132,527	125,309	7,218
Cleaning, Repair & Maintenance Services	13-629-200-XXX	251,700	(2,481)	249,219	187,629	61,590
Energy (Heat & Electricity)	13-629-200-XXX	235,600	26,660	262,260	255,006	7,254
Supplies and Materials	13-629-200-600	115,000	22,122	137,122	119,231	17,891
Other Objects	13-629-200-800	10,000	1,725	11,725	7,496	4,229
Total Vocational Evenings - Local - Support Services:		4,890,283	(76,850)	4,813,433	4,611,430	202,003
Total Vocational Evening - Local		5,376,783	(36,438)	5,340,345	5,081,306	259,039
Total Special Schools		7,111,108	(127,229)	6,983,879	6,652,967	330,912
Total Expenditures		32,818,822	599,337	33,418,159	38,466,777	(5,048,618)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		(1,300,000)	(599,337)	(1,899,337)	106,054	2,005,391
Fund Balances, July 1		4,617,903	-	4,617,903	4,617,903	-
Fund Balances, June 30		\$ 3,317,903	\$ (599,337)	\$ 2,718,566	\$ 4,723,957	\$ 2,005,391

RECAPULATION OF BUDGET TRANSFERS

Rollover Encumbrances from Prior Year	\$ 599,337
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RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 101,304
Maintenance Reserve	707,812
Excess Surplus	252,859
Unemployment Reserve	107,854
Committed Fund Balance:	
Year-End Encumbrances	402,273
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	1,100,000
Year-End Encumbrances	137,150
Unassigned Fund Balance	1,914,705
Subtotal	4,723,957
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(553,501)
Fund Balance per Governmental Funds (GAAP)	\$ 4,170,456

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2023**

	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
State Sources	\$ 109,483	\$ 162,143	\$ 271,626	\$ 271,626	\$ -
Federal Sources	3,177,789	(60,362)	3,117,427	3,117,427	-
Local Sources	716,078	315,659	1,031,737	1,031,737	-
Total Revenues	4,003,350	417,440	4,420,790	4,420,790	-
Expenditures:					
Instruction:					
Salaries of Teachers	988,792	(235,931)	752,861	752,861	-
Purchased Professional & Technical Services	57,671	86,868	144,539	144,539	-
Tuition to Cnty Voc Sch	-	225	225	225	-
Textbooks	700	(700)	-	-	-
Supplies and Materials	643,568	(413,981)	229,587	229,587	-
Total Instruction	1,690,731	(563,519)	1,127,212	1,127,212	-
Support Services:					
Salaries of Personnel Services	119,077	(17,642)	101,435	101,435	-
Salaries of Principals/Asst.	20,000	121,197	141,197	141,197	-
Salaries of Secretarial & Clerical Assistants	50,582	(12,796)	37,786	37,786	-
Other Salaries	120,000	13,254	133,254	133,254	-
Personal Services - Employee Benefits	149,597	204,098	353,695	353,695	-
Purchased Educational Services	9,092	246,941	256,033	256,033	-
Other Purchased Services	-	130,733	130,733	130,733	-
Travel	400	(400)	-	-	-
Micellaneous Purchased Services	800	100	900	900	-
Supplies and Materials	3,500	35,429	38,929	38,929	-
Scholarships Awarded	762,869	591,339	1,354,208	1,354,208	-
Student Activities	36,000	213,246	249,246	249,246	-
Miscellaneous Expenditures	20,000	3,391	23,391	23,391	-
Total Support Services	1,291,917	1,528,890	2,820,807	2,820,807	-
Facilities Acquisition & Construction Services:					
Instructional Equipment	317,525	105,624	423,149	423,149	-
Noninstructional Equipment	703,177	(700,862)	2,315	2,315	-
Total Facilities Acquisition & Construction Services	1,020,702	(595,238)	425,464	425,464	-
Total Expenditures	4,003,350	370,133	4,373,483	4,373,483	-
Total Outflows	4,003,350	370,133	4,373,483	4,373,483	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	47,307	47,307	47,307	-
Fund Balances, July 1	-	28,533	28,533	241,158	241,158
Fund Balances, June 30	\$ -	\$ 75,840	\$ 75,840	\$ 288,465	\$ 288,465

RECAPITULATION OF FUND BALANCE

Restricted:	
Scholarship	\$ 22,563
Student Activities	265,902
Total Fund Balance	\$ 288,465

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 38,572,831	\$ 4,420,790
 Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(135,521)
Prior Year	-	149,020
 The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(553,501)	-
Prior Year	553,501	-
 Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	\$ 38,572,831	\$ 4,434,289
 Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 38,466,777	\$ 4,373,483
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	13,499
 Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		
	\$ 38,466,777	\$ 4,386,982

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.06066%	0.06026%	0.05585%	0.05638%	0.05496%	0.05333%	0.05325%	0.05299%	0.05166%	0.04986%
School District's proportionate share of the net pension liability	\$ 9,154,468	\$ 7,138,249	\$ 9,107,110	\$ 10,158,870	\$ 10,822,252	\$ 12,414,108	\$ 15,771,410	\$ 11,894,178	\$ 9,672,061	\$ 9,528,808
School District's covered payroll	\$ 4,492,269	\$ 4,364,605	\$ 4,161,086	\$ 4,083,115	\$ 3,908,159	\$ 3,821,499	\$ 3,834,629	\$ 3,849,411	\$ 3,772,423	\$ 3,698,454
School District's proportionate share of the net pension liability as a percentage of its covered payroll	203.78%	163.55%	218.86%	248.80%	276.91%	324.85%	411.29%	308.99%	256.39%	257.64%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 819,436	\$ 764,955	\$ 705,670	\$ 610,933	\$ 548,416	\$ 546,720	\$ 494,035	\$ 473,074	\$ 455,533	\$ 425,837
Contributions in relation to the contractually required contribution	(819,436)	(764,955)	(705,670)	(610,933)	(548,416)	(546,720)	(494,035)	(473,074)	(455,533)	(425,837)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,658,382	\$ 4,497,269	\$ 4,364,605	\$ 4,161,086	\$ 4,083,115	\$ 3,908,159	\$ 3,821,499	\$ 3,834,629	\$ 3,849,411	\$ 3,772,423
Contributions as a percentage of covered payroll	17.59%	17.03%	16.17%	14.68%	13.43%	13.99%	12.93%	12.34%	11.83%	11.29%

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 55,499,853	\$ 52,155,878	\$ 72,711,018	\$ 67,596,367	\$ 67,870,985	\$ 73,427,562	\$ 86,961,725	\$ 68,638,043	\$ 57,362,420	\$ 53,396,894
School District's covered payroll	\$ 12,419,468	\$ 12,469,397	\$ 11,359,238	\$ 11,957,523	\$ 11,907,597	\$ 11,742,214	\$ 11,741,632	\$ 11,764,127	\$ 11,809,475	\$ 11,789,843
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	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%	23.33%	28.71%	33.64%	33.76%

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

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

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

	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability						
Service Cost	\$ 2,969,607	\$ 3,288,466	\$ 1,853,913	\$ 1,779,996	\$ 1,982,147	\$ 2,368,378
Interest Cost	1,512,411	1,734,553	1,663,072	1,968,914	2,130,383	1,835,473
Differences between Expected and Actual Experience	2,482,049	(11,953,911)	12,860,973	(6,548,378)	(5,498,466)	-
Changes of Benefit Terms	-	(71,170)	-	-	-	-
Changes of Assumptions	(15,309,474)	65,968	13,722,442	690,204	(5,712,414)	(7,422,038)
Contributions: Member	48,059	44,344	39,640	42,122	46,004	49,606
Gross Benefit Payments	(1,498,088)	(1,366,342)	(1,307,835)	(1,420,998)	(1,331,079)	(1,347,170)
Net Change in District's Total OPEB Liability	(9,795,436)	(8,258,092)	28,832,205	(3,488,140)	(8,383,425)	(4,515,751)
District's Total OPEB Liability (Beginning)	66,865,191	75,123,283	46,291,078	49,779,218	58,162,643	62,678,394
District's Total OPEB Liability (Ending)	\$ 57,069,755	\$ 66,865,191	\$ 75,123,283	\$ 46,291,078	\$ 49,779,218	\$ 58,162,643
District's Covered Employee Payroll	\$ 16,911,737	\$ 16,834,002	\$ 15,520,324	\$ 16,040,638	\$ 15,815,756	\$ 15,563,713
District's Net OPEB Liability as a Percentage of Payroll	337%	397%	484%	289%	315%	374%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2023**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	5.60%	2016	3.22%
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%

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

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2022 measurement date includes three changes to the plan provisions, only one of which had an impact on the Total Pension Liability. Chapter 26, P.L. 2021 reopened the Prosecutor Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	6.28%	2016	3.98%
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%

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

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	3.54%	2019	3.50%	2016	2.85%
2021	2.16%	2018	3.87%		
2020	2.21%	2017	3.58%		

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

	COUNTY FOUNDATION FOR VOCATIONAL EDUCATION	OCEAN COUNTY JUVENILE DETENTION CENTER	STUDENT ACTIVITIES	SCHOLARSHIP FUND	PELL GRANT
Revenues:					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	-	-	-	-	1,320,474
Local Sources	25,580	658,078	291,045	42,633	-
Total Revenues	\$ 25,580	\$ 658,078	\$ 291,045	\$ 42,633	\$ 1,320,474
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ 384,061	\$ -	\$ -	\$ -
Purchased Professional & Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Textbooks	-	225	-	-	-
Supplies and Materials	23,080	-	-	-	-
Total Instruction	23,080	384,286	-	-	-
Support Services:					
Salaries of Personnel Services	-	-	-	-	-
Salaries of Principals/Asst.	-	106,210	-	-	-
Salaries of Secretarial & Clerical Assistants	-	37,786	-	-	-
Other Salaries	-	-	-	-	-
Personal Services - Employee Benefits	-	106,187	-	-	-
Purchased Professional & Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Miscellaneous Purchased Services	-	900	-	-	-
Supplies and Materials	-	2,709	-	-	-
Scholarships Awarded	-	-	-	37,125	1,317,083
Student Activities	-	-	249,246	-	-
Miscellaneous	-	20,000	-	-	3,391
Total Support Services	-	273,792	249,246	37,125	1,320,474
Facilities Acquisition & Construction Services:					
Instructional Equipment	2,500	-	-	-	-
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	2,500	-	-	-	-
Total Expenditures	\$ 25,580	\$ 658,078	\$ 249,246	\$ 37,125	\$ 1,320,474
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	41,799	5,508	-
Fund Balance, July 1	-	-	224,103	17,055	-
Fund Balance, June 30	\$ -	\$ -	265,902	22,563	\$ -

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

	CARL D. PERKINS GRANT SECONDARY	CARL D. PERKINS GRANT SECONDARY RESERVE	CARL D. PERKINS GRANT POST SECONDARY	TITLE I	TITLE II-A
Revenues:					
State Sources	\$ -	\$ -	\$ 150,744	\$ -	\$ -
Federal Sources	553,688	71,170	-	368,948	36,579
Local Sources	-	-	-	-	-
Total Revenues	\$ 553,688	\$ 71,170	\$ 150,744	\$ 368,948	\$ 36,579
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ 235,432	\$ -
Purchased Professional & Technical Services	39,804	23,817	72,789	6,450	-
Textbooks	-	-	-	-	-
Supplies and Materials	114,559	43,104	16,557	-	-
Total Instruction	154,363	66,921	89,346	241,882	-
Support Services:					
Salaries of Personnel Services	26,076	-	2,370	-	-
Personal Services - Employee Benefits	340	-	-	127,066	-
Purchased Professional & Technical Services	3,000	-	400	-	31,877
Other Purchased Services	5,000	4,249	5,000	-	4,702
Miscellaneous Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Support Services	34,416	4,249	7,770	127,066	36,579
Facilities Acquisition & Construction Services:					
Instructional Equipment	364,909	-	53,628	-	-
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	364,909	-	53,628	-	-
Total Expenditures	\$ 553,688	\$ 71,170	\$ 150,744	\$ 368,948	\$ 36,579
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 YEAR ENDED JUNE 30, 2023

TITLE IV	I.D.E.A. PART B	SAFETY GRANT	SDA Emergent Needs & Capital Maintenance	School Climate Change	GRANT - Institutional Portion	CARES HEERF III	ESSER II	CRRSA - Learning Acceleration	ARP ESSER	ARP ESSER - ALCES	ARP ESSER - EBSE	ARP ESSER - EBBSD	ARP ESSER - NUTTS MHS	Totals	
Revenues:															
State Sources	19,873	-	114,697	6,185	26,485	-	416,247	13,889	55,560	55,100	40,000	25,675	6,000	271,626	
Federal Sources	-	107,739	-	-	-	-	-	-	-	-	-	-	-	3,117,427	
Local Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	1,031,737	
Total Revenues	19,873	107,739	114,697	6,185	26,485	416,247	13,889	55,560	55,100	40,000	25,675	6,000	6,000	4,420,790	
Expenditures:															
Instruction:															
Salaries of Teachers	-	-	-	-	-	-	64,105	10,149	3,198	-	33,625	22,291	-	752,861	
Purchased Professional & Technical Services	-	-	-	-	-	-	-	-	-	-	-	1,679	-	144,539	
Textbooks	-	-	-	-	-	-	-	-	-	-	-	-	-	225	
Supplies and Materials	17,761	-	-	3,186	-	-	-	7,537	-	3,803	-	-	-	229,587	
Total Instruction	17,761	-	-	3,186	-	64,105	10,149	10,735	-	37,428	23,970	-	-	1,127,212	
Support Services:															
Salaries of Personnel Services	-	69,973	-	-	-	-	-	3,016	-	-	-	-	-	101,435	
Salaries of Principals/Asst. Salaries of Secretarial & Clerical Assistants	-	-	-	-	-	-	-	-	34,987	-	-	-	-	141,197	
Other Salaries	-	-	-	-	16,393	88,250	724	27,887	-	-	-	-	-	37,786	
Personal Services - Employee Benefits	-	37,766	-	-	10,692	45,721	-	2,133	20,113	2,572	1,705	-	-	133,254	
Purchased Professional & Technical Services	-	-	-	1,650	-	213,106	-	-	-	-	-	-	6,000	353,695	
Other Purchased Services	-	-	-	-	-	111,782	-	-	-	-	-	-	-	256,033	
Miscellaneous Purchased Services	-	-	-	-	-	-	-	-	-	-	-	-	-	130,733	
Supplies and Materials	-	-	2,915	1,349	-	2,750	-	14,805	-	-	-	-	-	900	
Scholarships Awarded	-	14,401	-	-	-	-	-	-	-	-	-	-	-	38,929	
Student Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	1,354,208	
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	249,246	
Total Support Services	-	107,739	114,697	2,999	26,485	349,827	3,740	44,825	55,100	2,572	1,705	6,000	6,000	2,820,807	
Facilities Acquisition & Construction Services:															
Instructional Equipment	2,112	-	-	-	-	-	-	-	-	-	-	-	-	423,149	
Noninstructional Equipment	-	-	-	-	-	2,315	-	-	-	-	-	-	-	2,315	
Total Facilities Acquisition & Construction Services	2,112	-	-	-	-	2,315	-	-	-	-	-	-	-	425,464	
Total Expenditures	19,873	107,739	114,697	6,185	26,485	416,247	13,889	55,560	55,100	40,000	25,675	6,000	6,000	4,373,483	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,307
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	241,158	
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-	-	-	288,465	

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F. Capital Projects Fund

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2023**

<u>Project Title / Issue</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2023</u>
		<u>Prior Years</u>	<u>Current Year</u>	
PERFORMING ARTS ACADEMY BUILDING	\$ 26,894,542	\$ 26,158,979	\$ 735,563	\$ -
BRICK CENTER RENOVATIONS	2,809,635	2,453,825	355,810	-
BRICK CENTER ENTRANCE RENOVATION	1,499,085	-	24,800	1,474,285
JACKSON CENTER RENOVATIONS	2,098,812	1,081,208	295,923	721,681
WARETOWN CENTER RENOVATIONS	1,305,000	-	57,497	1,247,503
MATES GENERATOR	169,238	166,371	2,867	-
JACKSON CENTER EXPANSION	17,206,682	31,759	223,126	16,951,797
TOMS RIVER CENTER RENOVATIONS	120,000	-	15,000	105,000
Total	<u>\$ 52,102,994</u>	<u>\$ 29,892,142</u>	<u>\$ 1,710,586</u>	<u>\$ 20,500,266</u>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

Revenues and Other Financing Sources:	
Transfer from Other Capital Projects	\$ 2,867
County Funding	12,914,962
	<hr/>
Total Revenues and Other Financing Sources	12,917,829
	<hr/>
Expenditures and Other Financing Uses:	
Project Expenditures	1,210,745
Project Balances Cancelled:	
Other Capital Projects	2,867
Return to County	496,974
	<hr/>
Total Expenditures and Other Financing Uses	1,710,586
	<hr/>
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	11,207,243
Fund Balance, July 1	9,293,023
	<hr/>
Fund Balance, June 30	\$ 20,500,266
	<hr/> <hr/>

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
 PROJECT STATUS--BUDGETARY BASIS
 PERFORMING ARTS ACADEMY BUILDING
 YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ 26,894,542	\$ -	\$ 26,894,542	\$ 26,894,542
Total Revenues and Other Financing Sources	26,894,542	-	26,894,542	26,894,542
Expenditures and Other Financing Uses:				
Project Expenditures	26,158,979	238,589	26,397,568	26,894,542
Project Balances Cancelled:				
Return to County	-	496,974	496,974	-
Total Expenditures and Other Financing Uses	26,158,979	735,563	26,894,542	26,894,542
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 735,563	\$ (735,563)	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>PERFORMING ARTS ACADEMY BUILDING</u>	
Grant Date	7/1/2017
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 26,894,542
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 26,894,542
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
BRICK CENTER RENOVATIONS
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ 2,791,206	\$ -	\$ 2,791,206	\$ 2,791,206
Transfers from Other Capital Projects	15,562	2,867	18,429	18,429
	<hr/>			
Total Revenues and Other Financing Sources	2,806,768	2,867	2,809,635	2,809,635
	<hr/>			
Expenditures and Other Financing Uses:				
Project Expenditures	2,453,825	355,810	2,809,635	2,809,635
	<hr/>			
Total Expenditures and Other Financing Uses	2,453,825	355,810	2,809,635	2,809,635
	<hr/>			
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 352,943	\$ (352,943)	\$ -	\$ -
	<hr/> <hr/>			

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>BRICK CENTER RENOVATIONS</u>	
Grant Date	7/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,791,206
Additional Authorized Cost	\$ 18,429
Revised Authorized Cost	\$ 2,809,635
Percentage Increase over Original Authorized Cost	0.66%
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
BRICK CENTER ENTRANCE RENOVATION
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ -	\$ 1,499,085	\$ 1,499,085	\$ 1,499,085
Total Revenues and Other Financing Sources	-	1,499,085	1,499,085	1,499,085
Expenditures and Other Financing Uses:				
Project Expenditures	-	24,800	24,800	1,499,085
Total Expenditures and Other Financing Uses	-	24,800	24,800	1,499,085
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 1,474,285	\$ 1,474,285	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>BRICK CENTER ENTRANCE RENOVATION</u>	
Grant Date	7/1/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 111,342
Additional Authorized Cost	\$ 1,387,743
Revised Authorized Cost	\$ 1,499,085
Percentage Increase over Original Authorized Cost	1246.38%
Percentage Completion	1.65%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
JACKSON CENTER RENOVATIONS
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ 2,098,812	\$ -	\$ 2,098,812	\$ 2,098,812
Total Revenues and Other Financing Sources	2,098,812	-	2,098,812	2,098,812
Expenditures and Other Financing Uses:				
Project Expenditures	1,081,208	295,923	1,377,131	2,098,812
Total Expenditures and Other Financing Uses	1,081,208	295,923	1,377,131	2,098,812
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 1,017,604	\$ (295,923)	\$ 721,681	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>JACKSON CENTER RENOVATIONS</u>	
Grant Date	7/1/2021
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,098,812
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 2,098,812
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	65.61%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
WARETOWN CENTER RENOVATIONS
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ -	\$ 1,305,000	\$ 1,305,000	\$ 1,305,000
Total Revenues and Other Financing Sources	-	1,305,000	1,305,000	1,305,000
Expenditures and Other Financing Uses:				
Project Expenditures	-	57,497	57,497	1,305,000
Total Expenditures and Other Financing Uses	-	57,497	57,497	1,305,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 1,247,503	\$ 1,247,503	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>WARETOWN CENTER RENOVATIONS</u>	
Grant Date	4/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,305,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,305,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	4.41%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
JACKSON CENTER EXPANSION
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ -	\$ 9,990,877	\$ 9,990,877	\$ 9,990,877
State Sources - Bond Act CTE Grant	7,215,805	-	7,215,805	7,215,805
Total Revenues and Other Financing Sources	7,215,805	9,990,877	17,206,682	17,206,682
Expenditures and Other Financing Uses:				
Project Expenditures	31,759	223,126	254,885	17,206,682
Total Expenditures and Other Financing Uses	31,759	223,126	254,885	17,206,682
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 7,184,046	\$ 9,767,751	\$ 16,951,797	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>JACKSON CENTER EXPANSION</u>	
Grant Date	4/28/2022
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 17,206,682
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 17,206,682
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	1.48%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
MATES GENERATOR
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfers from Other Capital Projects	\$ 169,238	\$ -	\$ 169,238	\$ 169,238
Total Revenues and Other Financing Sources	169,238	-	169,238	169,238
Expenditures and Other Financing Uses:				
Project Expenditures	166,371	-	166,371	169,238
Project Balances Cancelled:				
Other Capital Projects	-	2,867	2,867	2,867
Total Expenditures and Other Financing Uses	166,371	2,867	169,238	169,238
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 2,867	\$ (2,867)	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

<u>Name of Project:</u>	
<u>MATES GENERATOR</u>	
Grant Date	5/1/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 29,400
Additional Authorized Cost	\$ 139,838
Revised Authorized Cost	\$ 169,238
Percentage Increase over Original Authorized Cost	475.64%
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
TOMS RIVER CENTER RENOVATIONS
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
County Funding	\$ -	\$ 120,000	\$ 120,000	\$ 120,000
Total Revenues and Other Financing Sources	-	120,000	120,000	120,000
Expenditures and Other Financing Uses:				
Project Expenditures	-	15,000	15,000	15,000
Total Expenditures and Other Financing Uses	-	15,000	15,000	120,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 105,000	\$ 105,000	\$ -

Additional Project Information:

<u>Name of Project:</u>	
<u>TOMS RIVER CENTER RENOVATIONS</u>	
Grant Date	4/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 120,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 120,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	12.50%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

I. Long-Term Debt

Not Applicable

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30,										
Governmental Activities:										
Investment in Capital Assets	\$ 50,186,419	\$ 50,398,882	\$ 48,271,112	\$ 48,142,805	\$ 35,152,922	\$ 22,763,578	\$ 22,661,862	\$ 20,523,837	\$ 20,422,313	\$ 20,966,874
Restricted	21,958,560	10,649,613	4,468,849	1,925,979	15,868,791	28,559,702	907,773	2,563,505	1,835,068	1,551,331
Unrestricted (Deficit)	(8,507,952)	(9,654,259)	(10,828,702)	(11,072,870)	(11,522,933)	(11,214,567)	(11,266,834)	(9,121,155)	(10,489,417)	(746,486)
Total Governmental Activities	\$ 63,637,027	\$ 51,394,236	\$ 41,911,259	\$ 38,995,914	\$ 39,498,780	\$ 40,108,713	\$ 12,302,801	\$ 13,966,187	\$ 11,767,964	\$ 21,771,719
Business-Type Activities:										
Unrestricted Net Position	\$ 19,561	\$ 23,617	\$ 9,628	\$ 19,124	\$ 19,548	\$ 23,282	\$ 24,128	\$ 24,128	\$ 8,542	\$ 39,168
Total Business-Type Activities	\$ 19,561	\$ 23,617	\$ 9,628	\$ 19,124	\$ 19,548	\$ 23,282	\$ 24,128	\$ 24,128	\$ 8,542	\$ 39,168
District-Wide:										
Investment in Capital Assets	\$ 50,186,419	\$ 50,398,882	\$ 48,271,112	\$ 48,142,805	\$ 35,152,922	\$ 22,763,578	\$ 22,661,862	\$ 20,523,837	\$ 20,422,313	\$ 20,966,874
Restricted	21,958,560	10,649,613	4,468,849	1,925,979	15,868,791	28,559,702	907,773	2,563,505	1,835,068	1,551,331
Unrestricted (Deficit)	(8,488,391)	(9,630,642)	(10,819,074)	(11,053,746)	(11,503,385)	(11,191,285)	(11,242,706)	(9,097,027)	(10,480,875)	(707,318)
Total District Net Position	\$ 63,656,588	\$ 51,417,853	\$ 41,920,887	\$ 39,015,038	\$ 39,518,328	\$ 40,131,995	\$ 12,326,929	\$ 13,990,315	\$ 11,776,506	\$ 21,810,887

Source: ACFR Schedule A-1

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

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ (3,587,816)	\$ (3,651,575)	\$ (3,441,443)	\$ (3,465,669)	\$ (3,436,112)	\$ (3,406,736)	\$ (3,256,501)	\$ (2,893,971)	\$ (3,046,659)	\$ (2,946,244)
Special Education	(1,537,781)	(1,481,611)	(1,349,181)	(1,446,229)	(1,362,191)	(1,369,113)	(1,262,946)	(1,345,393)	(1,266,602)	(1,328,327)
Other Special Education	(257,217)	(209,623)	(72,639)	(92,624)	(236,773)	(275,589)	(266,671)	(244,875)	(226,796)	(211,045)
Vocational	(6,372,160)	(6,388,558)	(6,386,606)	(6,508,522)	(6,286,591)	(6,062,405)	(6,001,138)	(6,039,426)	(5,969,783)	(5,723,492)
Support Services:										
School Administrative										
Services	(2,235,000)	(2,168,470)	(2,077,061)	(2,035,570)	(1,992,083)	(1,863,385)	(1,848,497)	(1,810,299)	(1,718,525)	(1,696,007)
General & Business Administrative										
Services	(2,348,898)	(2,223,826)	(2,201,623)	(2,138,063)	(1,979,418)	(1,934,401)	(1,935,988)	(1,900,857)	(1,729,444)	(1,726,906)
Plant Operations & Maintenance	(3,226,898)	(3,328,230)	(2,673,474)	(2,773,336)	(2,740,756)	(2,344,968)	(2,628,891)	(2,499,235)	(2,378,067)	(2,523,304)
Pupil Transportation	(340,998)	(231,805)	(148,418)	(176,509)	(224,061)	(230,126)	(248,790)	(233,039)	(227,015)	(203,878)
Business & Other Support										
Services	(10,593,057)	(13,499,290)	(18,017,570)	(12,616,042)	(13,196,949)	(15,641,742)	(9,940,658)	(12,005,707)	(8,657,498)	(7,516,250)
Special Schools	(6,652,967)	(6,493,794)	(6,359,024)	(6,088,011)	(6,451,330)	(6,158,708)	(6,027,704)	(5,624,554)	(5,532,317)	(5,545,655)
Interest & Other Charges	(50,077)	(50,077)	(50,077)	(50,077)	(50,077)	(50,077)	(50,077)	-	-	-
Unallocated Depreciation	(2,265,928)	(2,171,798)	(2,202,907)	(1,822,394)	(1,428,242)	(1,367,560)	(1,339,744)	(1,225,660)	(1,243,212)	(1,207,751)
Total Governmental Activities	(39,468,797)	(41,898,657)	(44,980,023)	(39,213,046)	(39,384,583)	(40,704,810)	(34,807,605)	(35,823,016)	(31,995,918)	(30,628,859)
Expenses										
Business-Type Activities:										
Food Service	(227,689)	(194,093)	(45,659)	(153,041)	(207,589)	(205,086)	(180,832)	(224,360)	(187,834)	(395,422)
Enterprise Fund	(41,457)	(18,799)	(6,284)	(25,612)	(25,308)	(34,326)	(23,450)	(40,762)	(20,252)	(31,204)
Total Business-Type Activities	(269,146)	(212,892)	(51,943)	(178,653)	(232,897)	(239,412)	(204,282)	(265,122)	(208,086)	(426,626)
Expense										
Total District Expenses	\$ (39,737,943)	\$ (42,111,549)	\$ (45,031,966)	\$ (39,391,699)	\$ (39,617,480)	\$ (40,944,222)	\$ (35,011,887)	\$ (36,088,138)	\$ (32,204,004)	\$ (31,055,485)
Program Revenues:										
Operating Grants & Contributions	\$ 6,367,635	\$ 10,380,199	\$ 13,763,215	\$ 7,768,336	\$ 8,447,435	\$ 10,879,461	\$ 1,554,377	\$ 7,607,255	\$ 4,561,218	\$ 1,252,071
Total Governmental Activities	6,367,635	10,380,199	13,763,215	7,768,336	8,447,435	10,879,461	1,554,377	7,607,255	4,561,218	1,252,071
Business-Type Activities:										
Food Service	232,409	203,008	26,586	155,944	204,418	204,024	193,881	201,490	200,086	350,941
Enterprise Fund	32,681	23,873	15,861	22,285	24,745	34,542	25,987	33,006	23,789	8,872
Total Business Type Activities	265,090	226,881	42,447	178,229	229,163	238,566	219,868	234,496	223,875	359,813
Program Revenues										
Total District Program Revenues	\$ 6,632,725	\$ 10,607,080	\$ 13,805,662	\$ 7,946,565	\$ 8,676,598	\$ 11,118,027	\$ 1,774,245	\$ 7,841,751	\$ 4,785,093	\$ 1,611,884
Net (Expense)/Revenue:										
Governmental Activities	\$ (33,101,162)	\$ (31,518,458)	\$ (31,216,808)	\$ (31,444,710)	\$ (30,937,148)	\$ (29,825,349)	\$ (33,253,228)	\$ (28,215,761)	\$ (27,434,700)	\$ (29,376,788)
Business-Type Activities	(4,056)	13,989	(9,496)	(424)	(3,734)	(846)	15,586	(30,626)	15,789	(66,813)
Total District-Wide Net Expense	\$ (33,105,218)	\$ (31,504,469)	\$ (31,226,304)	\$ (31,445,134)	\$ (30,940,882)	\$ (29,826,195)	\$ (33,237,642)	\$ (28,246,387)	\$ (27,418,911)	\$ (29,443,601)

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

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
County Appropriation	\$ 20,762,063	19,963,522	19,572,080	19,011,166	18,638,398	18,272,939	17,914,646	19,855,085	17,682,495	17,547,596
County Appropriation - Capital Project	12,914,962	2,098,812	2,791,206	889,449	698,923	27,452,902	386,393	-	-	-
Local Funding	-	-	-	-	-	1,146,104	-	-	-	-
Unrestricted Grants & Contributions	6,159,579	7,215,805	6,578,519	5,950,402	6,246,867	6,407,328	8,458,305	5,927,671	5,306,864	7,475,791
Tuition Received	5,139,830	6,173,715	4,496,785	4,732,203	4,339,014	3,994,813	3,928,234	3,885,097	2,850,196	2,735,385
Miscellaneous Income	864,493	4,885,360	374,091	358,685	403,953	357,175	902,264	746,131	1,120,198	739,010
Transfers In/Out	-	664,221	-	-	-	-	-	-	-	-
Increase in Capital Reserve	-	-	-	4,732,203	-	-	-	-	-	-
Cancellation of Grant Receivable	(496,974)	-	-	-	-	-	-	-	-	-
Changes in IBNR/Miscellaneous	-	-	-	358,685	-	-	-	-	-	-
Total Governmental Activities	45,343,953	41,001,435	33,812,681	30,941,905	30,327,155	57,631,261	31,589,842	30,413,984	26,959,753	28,497,782
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	-	-	-	(16,244)	-
Total Business-Type Activities	-	-	-	-	-	-	-	-	(16,244)	-
Total District-Wide	\$ 45,343,953	\$ 41,001,435	\$ 33,812,681	\$ 30,941,905	\$ 30,327,155	\$ 57,631,261	\$ 31,589,842	\$ 30,413,984	\$ 26,943,509	\$ 28,497,782
Change in Net Position:										
Governmental Activities	\$ 12,242,791	9,482,977	2,595,873	(502,805)	(609,993)	27,805,912	(1,663,386)	2,198,223	(474,947)	(879,006)
Business-Type Activities	(4,056)	13,989	(9,496)	(424)	(3,734)	(846)	15,586	(30,626)	(455)	(66,813)
Total District	\$ 12,238,735	9,496,966	2,586,377	(503,229)	(613,727)	27,805,066	(1,647,800)	2,167,597	(475,402)	(945,819)

Source: ACFR Schedule A-2

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

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 1,169,829	\$ 1,115,431	\$ 1,115,431	\$ 508,584	\$ 432,773	\$ 928,773	\$ 907,773	\$ 1,019,206	\$ 631,206	\$ 386,186
Committed	402,273	412,791	724,336	210,131	271,901	502,727	239,262	416,026	733,995	474,273
Assigned	1,237,150	1,286,547	1,327,452	984,139	920,144	1,165,516	825,344	1,128,273	469,867	690,872
Unassigned	1,361,204	1,249,633	1,189,001	1,216,653	1,110,114	918,770	945,869	996,692	1,022,844	1,065,235
Total General Fund	\$ 4,170,456	\$ 4,064,402	\$ 4,356,220	\$ 2,919,507	\$ 2,734,932	\$ 3,515,786	\$ 2,918,248	\$ 3,560,197	\$ 2,857,912	\$ 2,616,566
All Other Governmental Funds:										
Restricted										
Capital Projects Fund	\$ 20,500,266	\$ 9,293,023	\$ 3,150,704	\$ 2,215,077	\$ 15,436,018	\$ 27,630,929	\$ -	\$ 1,892,987	\$ 4,228	\$ -
Special Revenue Fund	288,465	241,158	202,713	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 20,788,731	\$ 9,534,181	\$ 3,353,417	\$ 2,215,077	\$ 15,436,018	\$ 27,630,929	\$ -	\$ 1,892,987	\$ 4,228	\$ -

Source: ACFR Schedule B-1

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
County Appropriation	\$ 33,677,025	\$ 22,062,334	\$ 22,363,286	\$ 19,900,615	\$ 19,337,321	\$ 45,725,841	\$ 18,301,039	\$ 19,855,085	\$ 17,682,495	\$ 17,547,596
Local Funding	-	-	-	-	-	1,146,104	-	-	-	-
Tuition Charges	5,139,830	4,885,360	4,496,785	4,732,203	4,339,014	3,994,813	3,928,234	3,885,097	2,850,196	2,735,385
Interest Earnings	71,966	215	1,245	2,347	4,051	-	-	-	-	-
Miscellaneous	1,490,586	1,472,955	1,138,403	1,128,352	1,173,725	1,053,128	902,264	746,131	1,120,198	739,010
State Sources	12,411,749	19,381,705	10,962,340	9,992,654	9,856,796	9,675,973	8,868,768	9,111,709	8,122,551	7,728,201
Federal Sources	3,130,926	4,185,424	4,587,266	1,196,428	1,210,426	1,068,374	1,143,914	1,117,312	991,005	999,661
Total Revenues	55,922,082	51,987,993	43,549,325	36,952,599	35,921,333	62,664,233	33,144,219	34,715,334	30,766,445	29,749,853
Expenditures										
Instruction:										
Regular Instruction	3,587,816	3,651,575	3,441,443	3,465,669	3,436,112	3,406,736	3,256,501	2,893,971	3,046,659	2,946,244
Special Education Instruction	1,537,781	1,481,611	1,349,181	1,446,229	1,362,191	1,369,113	1,262,946	1,345,393	1,266,602	1,328,327
Other Special Instruction	257,217	209,623	72,639	92,624	236,773	275,589	266,671	244,875	226,796	211,045
Vocational Instruction	6,372,160	6,388,558	6,386,606	6,508,522	6,286,591	6,062,405	6,001,138	6,039,426	5,969,783	5,723,492
Support Services:										
Student & Instruction Related Services	4,728,294	5,369,343	5,298,325	2,492,947	2,549,914	2,322,564	2,320,631	2,183,315	2,102,344	938,864
School Administrative Services	2,235,000	2,168,470	2,077,061	2,035,570	1,992,083	1,863,385	1,848,497	1,810,299	1,718,525	1,696,007
General & Business Administration										
Services	2,348,898	2,223,826	2,201,623	2,138,063	1,979,418	1,934,401	1,935,988	1,900,857	1,729,444	2,006,878
Plant Operations & Maintenance	3,226,898	3,328,230	2,673,474	2,773,336	2,742,675	2,351,404	2,628,987	2,449,176	2,327,997	2,459,236
Pupil Transportation	340,998	231,805	148,418	176,509	224,061	230,126	248,790	233,039	227,015	203,878
Other Support Services:	10,672,933	10,202,568	8,904,659	7,909,130	7,770,206	6,948,418	6,353,552	6,017,914	5,628,896	6,206,266
Special Schools	6,652,967	6,493,794	6,359,024	6,088,012	6,451,330	6,158,708	6,027,704	5,624,554	5,532,317	5,545,655
Capital Outlay	2,053,465	4,299,567	2,331,214	14,812,277	13,815,667	1,462,840	3,477,673	1,377,243	748,721	621,438
Interest & Other Charges	50,077	50,077	50,077	50,077	50,077	50,077	50,077	-	-	-
Total Expenditures	44,064,504	46,099,047	41,293,744	49,988,965	48,897,098	34,435,766	35,679,155	32,120,062	30,525,099	29,887,330
Other Financing Sources/Uses):										
Transfers In	-	-	-	-	-	-	-	-	-	16,244
Cancellation of Grant Receivable	(496,974)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	(496,974)	-	-	-	-	-	-	-	-	16,244
Net Change in Fund Balances	\$ 11,360,604	\$ 5,888,946	\$ 2,255,581	\$ (13,036,366)	\$ (12,975,765)	\$ 28,228,467	\$ (2,534,936)	\$ 2,595,272	\$ 241,346	\$ (121,233)

Source: District Records

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

FISCAL YEAR ENDING JUNE 30.	INTEREST ON INVESTMENTS	SUMMER CAMP	MISCELLANEOUS	TOTAL
2023	\$ 71,966	\$ -	\$ 458,849	\$ 530,815
2022	215	-	456,015	456,230
2021	1,245	600	255,719	257,564
2020	2,347	16,005	340,333	358,685
2019	4,051	36,135	363,767	403,953
2018	-	30,550	330,960	361,510
2017	-	32,365	263,114	295,479
2016	-	-	205,024	205,024
2015	-	-	578,028	578,028
2014	-	-	159,618	159,618

Source: District Records

EXHIBITS 6 THROUGH 13 ARE NOT APPLICABLE

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2023	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A
2021	648,998	N/A	N/A	N/A
2020	614,237	35,222,806,528	57,344	N/A
2019	607,498	32,511,470,466	53,517	N/A
2018	601,649	31,120,294,525	51,725	4.30%
2017	595,564	29,990,220,784	50,356	4.80%
2016	591,142	28,863,099,292	48,826	5.20%
2015	587,238	27,756,978,546	47,267	6.00%
2014	584,563	26,420,493,911	45,197	7.20%

Source:

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

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

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

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

EXHIBIT J-15 NOT APPLICABLE

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Operating Information

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

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Vocational	129	126	130	131	128	130	128	128	130	133
Support Services:										
Student & Instruction Related Services	21	21	21	22	22	22	22	22	21	22
School Administrative Services	37	38	38	38	39	39	40	38	36	35
General & Business Administrative Services	4	4	4	4	3	4	4	4	4	4
Plant Operations & Maintenance	27	26	22	22	21	22	21	22	22	25
Business & Other Support Services	17	17	17	17	17	16	17	17	18	18
Total	235	232	232	234	230	233	232	231	231	237

Source: District Personnel Records

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						HIGH SCHOOL	13				
2023	2,201	\$ 31,593,436	\$ 14,354	2.14%	13	13	1,469	1,382	0.0%	94.08%	
2022	2,177	30,593,299	14,053	-15.91%	13	13	1,469	1,382	9.2%	94.08%	
2021	2,096	35,029,610	16,713	10.79%	13	13	1,345	1,281	0.1%	95.24%	
2020	2,332	35,176,688	15,084	-14.65%	13	13	1,343	1,278	3.1%	95.16%	
2019	1,985	35,081,431	17,673	5.48%	13	13	1,302	1,241	1.6%	95.31%	
2018	1,968	32,972,926	16,755	5.83%	13	13	1,282	1,218	-3%	95.01%	
2017	2,034	32,201,482	15,832	5.41%	13	13	1,317	1,249	1%	94.84%	
2016	2,047	30,742,819	15,018	4.51%	13	13	1,309	1,239	-1%	94.65%	
2015	2,072	29,776,378	14,371	-0.81%	13	13	1,321	1,249	1%	94.55%	
2014	2,020	29,265,892	14,488	-13.21%	13	13	1,331	1,246	-21.31%	93.61%	

Sources: District records

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

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

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

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

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

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

<u>DISTRICT BUILDINGS</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
High School:										
Brick Center (1972)										
Square Feet	93,500	93,500	93,500	93,500	93,500	85,870	85,870	85,870	85,870	85,870
Capacity (Students)	894	894	894	894	894	894	894	894	894	894
Enrollment	918	730	883	1,050	882	875	778	921	792	877
Jackson Center (1974)										
Square Feet	54,000	54,000	54,000	54,000	54,000	51,300	51,300	51,300	51,300	51,300
Capacity (Students)	454	454	454	454	454	454	454	454	454	454
Enrollment (a)	440	393	398	352	360	327	322	342	345	355
Toms River Center (1975)										
Square Feet	58,000	58,000	58,000	58,000	58,000	56,725	56,725	56,725	56,725	56,725
Capacity (Students)	554	554	544	554	554	554	554	554	554	554
Enrollment	624	1,054	764	873	724	745	941	662	888	712
Waretown (1974)										
Square Feet	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Capacity (Students)	260	260	260	260	260	260	260	260	260	260
Enrollment	214	180	212	258	189	193	144	237	258	303
NLC (1994)										
Square Feet	-	-	52,683	52,683	52,683	61,506	61,506	61,506	61,506	61,506
Capacity (Students)	-	-	340	340	340	340	340	340	340	340
Enrollment	-	-	-	0	262	258	297	354	319	337
MATES (2006)										
Square Feet - 51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598	51,598
Capacity (Students)	250	250	250	250	250	250	250	250	250	250
Enrollment	274	274	275	275	275	275	280	274	274	266
Cuisine on the Green (2013)										
Square Feet - 4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	-
Capacity (Students)	18	18	18	18	18	18	18	18	18	-
Enrollment	9	11	11	15	14	18	15	16	18	-
PAA (2020)										
Square Feet - 57,000	57,000	57,000	57,000	57,000	-	-	-	-	-	-
Capacity (Students)	300	300	300	300	-	-	-	-	-	-
Enrollment	488	283	278	262	-	-	-	-	-	-

Number of Schools at June 30, 2023:
Senior High School = 6

Source: District Facilities Office, District Records

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

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

SCHOOL FACILITIES	PROJECT # (S)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Brick Center		\$ 182,568	\$ 226,938	\$ 153,561	\$ 130,256	\$ 163,451	\$ 135,815	\$ 164,719	\$ 142,653	\$ 94,169	\$ 143,145
Jackson Center		105,440	131,066	88,687	75,228	94,400	78,439	101,078	87,537	57,786	87,839
Toms River Center		113,250	140,775	95,257	80,801	101,392	84,249	108,565	94,022	62,066	94,345
Ocean Center (Waretown)		46,862	58,252	39,417	33,435	41,955	34,862	44,924	38,906	25,683	39,039
Navy Lakehurst Center		-	-	-	73,394	92,097	76,526	98,613	85,402	56,376	85,696
Administration Building		11,481	14,272	9,657	8,192	10,279	8,541	11,006	9,532	6,292	9,565
Building 33 - NAES		-	-	-	-	-	-	-	-	-	8,576
Student Services Center		5,858	7,281	4,927	4,179	5,244	4,358	5,615	4,863	3,210	4,880
MATES		100,750	125,236	84,743	71,882	90,201	74,950	96,582	83,643	55,215	83,932
PAA		111,298	138,347	93,615	79,408	-	-	-	-	-	-
Grand Total		\$ 677,507	\$ 842,167	\$ 569,864	\$ 556,775	\$ 599,019	\$ 497,740	\$ 631,102	\$ 546,558	\$ 360,797	\$ 557,017

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED**

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

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

Source: District Records

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SINGLE AUDIT SECTION

Fourth Section

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Certified Public Accountants + Advisors

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EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Ocean County Vocational Technical School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 26, 2023.

Report On Internal Control Over Financial Reporting

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

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

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

Report On Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
December 26, 2023



EXHIBIT K-2

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

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Ocean County Vocational-Technical School District's compliance with types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2023. The Ocean County Vocational-Technical School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Ocean County Vocational-Technical School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
December 26, 2023

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**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Ocean County Vocational Technical School. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

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

OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023 (Continued)

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$0.00 for the general fund and \$13,499.00 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 12,140,123	\$ 12,140,123
Special Revenue Fund	3,130,926	271,626	3,402,552
Food Service Fund	17,476	988	18,464
	<hr/>		
Total Awards & Financial Assistance	\$ 3,148,402	\$ 12,412,737	\$ 15,561,139
	<hr/>		

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Ocean County Vocational Technical School had no loan balances outstanding at June 30, 2023.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.063	P063P164338	Student Financial Assistance Cluster: Federal Pell Grant Program

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

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section II - Financial Statement Findings

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

None.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

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

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2023**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.