

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
(A COMPONENT UNIT OF THE COUNTY OF UNION)
SCOTCH PLAINS, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS

**Union County Vocational-Technical Schools
(a component unit of the County of Union)
Scotch Plains, New Jersey**

**Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2024**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Union County Vocational-Technical Schools
(a component unit of the County of Union)
For The Fiscal Year Ended June 30, 2024**

**Prepared by
Union County Vocational-Technical Schools
Business Office**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	4
Roster of Officials	5
Consultants and Advisors	6
FINANCIAL SECTION	
Independent Auditor's Report	7
Management's Discussion and Analysis	12
Basic Financial Statements:	
A. District-Wide Financial Statements:	
A-1 Statement of Net Position	27
A-2 Statement of Activities	28
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	29
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	31
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Proprietary Funds:	
B-4 Statement of Net Position	34
B-5 Statement of Revenues, Expenditures and Changes in Fund Net Position	35
B-6 Statement of Cash Flows	36
Fiduciary Funds:	
Not Applicable	
Notes to the Basic Financial Statements	37
Required Supplementary Information:	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	75
C-2 Budgetary Comparison Schedule - Special Revenue Fund	79
C-3 Budgetary Comparison Schedule - Note to the Required Supplementary Information	80

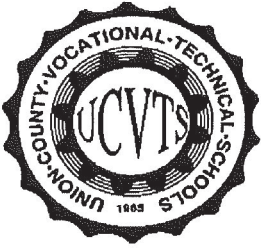
UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024

	<u>Page</u>
FINANCIAL SECTION (Continued)	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Share of the Net Pension Liability - Public Employees Retirement System	81
L-2 Schedule of District's Contributions - Public Employees Retirement System	82
L-3 Schedule of District's Share of the Net Pension Liability - Teacher's Pension and Annuity Fund	83
L-4 Schedule of District's Contributions - Teacher's Pension and Annuity Fund	84
L-5 Note to Required Schedules of Supplementary Information	85
M. Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
M-1 Schedule of Changes in the District's Proportionate Share of the State OPEB Liability	86
Other Supplementary Schedules	
D. School Level Schedules: Not Applicable	
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	87
E-1a Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	88
E-1b Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	89
E-1c Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	90
E-1d Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	91
F. Capital Projects Fund:	
F-1 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	92
F-1a- Schedule of Project Revenues, Expenditures, Project Balances	93-
F-1n and Project Status - Budgetary Basis	106
F-2 Summary Schedule of Project Expenditures	107
G. Proprietary Funds:	
G-1 Combining Statement of Net Position	108
G-2 Combining Statement of Revenues Expenses, and Changes in Fund Net Position	109
G-3 Combining Statement of Cash Flows	110
Internal Service Fund: Not Applicable	

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2024

	<u>Page</u>
H. Fiduciary Fund:	
Not Applicable	
I. Long Term Debt:	
I-1 Not Applicable	
I-2 Schedule of Capital Leases and Lease Purchase Agreements	111
I-3 Not Applicable	
J. Statistical Section (Unaudited)	
J-1 Net Position by Component	115
J-2 Changes in Net Position	116
J-3 Fund Balances - Governmental Funds	118
J-4 Changes in Fund Balances - Governmental Funds	119
J-5 General Fund Other Local Revenue by Source	120
J-6 Not Applicable	
J-7 Not Applicable	
J-8 Not Applicable	
J-9 Property Tax Levies and Collections	121
J-10 Not Applicable	
J-11 Not Applicable	
J-12 Not Applicable	
J-13 Not Applicable	
J-14 Not Applicable	
J-15 Not Applicable	
J-16 Full-time Equivalent District Employees by Function/Program	122
J-17 Operating Statistics	123
J-18 School Building Information	124
J-19 Schedule of Required Maintenance for School Facilities	125
J-20 Insurance Schedule	126
K. Single Audit Section	
K-1 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	127
K-2 Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with the Uniform Guidance and N.J. OMB Circular 15-08	129
K-3 Schedule of Expenditure of Federal Awards	133
K-4 Schedule of Expenditure of State Awards and Local Awards	135
K-5 Notes to the Schedules of Expenditures of Federal and State Awards	137
K-6 Schedule of Findings and Questioned Costs	140
K-7 Summary Schedule of Prior Audit Findings	144

INTRODUCTORY SECTION



UNION COUNTY VOCATIONAL - TECHNICAL SCHOOLS

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(908)889-8288, Ext. 120 Fax: (908)889-4336 Email: gryan@ucvts.org

Mrs. Gwendolyn S. Ryan
Superintendent of Schools

January 29, 2025

Honorable President and
Members of the Board of Education
Union County Vocational-Technical Schools
Scotch Plains, New Jersey 07076

Dear Board Members:

The annual comprehensive financial report of the Union County Vocational-Technical School (UCVTS) District (District) for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures rests with management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Uniform Guidance (Federal) and the State Treasury Circular Letter OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** Effective beginning prior to fiscal year 2019, UCVTS District is no longer an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. The UCVTS Board of Education and all its schools are now considered fiscally dependent upon County Government and must now report under GASB Statement No. 34.

The District provides a full range of educational services appropriate to grade levels 9 through 12. The District completed the 2023-2024 fiscal year with an enrollment of 2,362 students.

Board Members

2) ECONOMIC CONDITION AND OUTLOOK: Union County area is experiencing the same struggles as the rest of the nation, a turn down in development and expansion. Any number of businesses starting or relocating to the area will result in an increase in the employment level which results in an increased tax base, both residential and industrial and an anticipated increase in annual daily enrollment. It is critical that Union County take steps to continue efforts for expansion and Union County Vocational-Technical Schools provides programs that match local labor market demands.

3) MAJOR INITIATIVES: In the vast majority of our vocational-technical programs, students continue to score above the state and national averages on a variety of standardized assessments.

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in subsequent years. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of fund and account groups. These fund and account groups are explained in "Notes to the Financial Statement," Note I.

Board Members

- 7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. You should review in detail the Management's Discussion and Analysis for the Fiscal Year ended June 30, 2024, for Financial Summaries.
- 8) DEBT ADMINISTRATION: At June 30, 2024, the District had no outstanding debt.
- 9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
- 10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehension/collision, hazard and theft insurance on property and contents, and fidelity bonds.
- 11) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkotz & Company LLC, Certified Public Accountants, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related Uniform Guidance (Federal) and State Treasury Circular Letter OMB 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
- 12) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the UCVTS Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of Union County and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial staff.

Respectfully submitted,

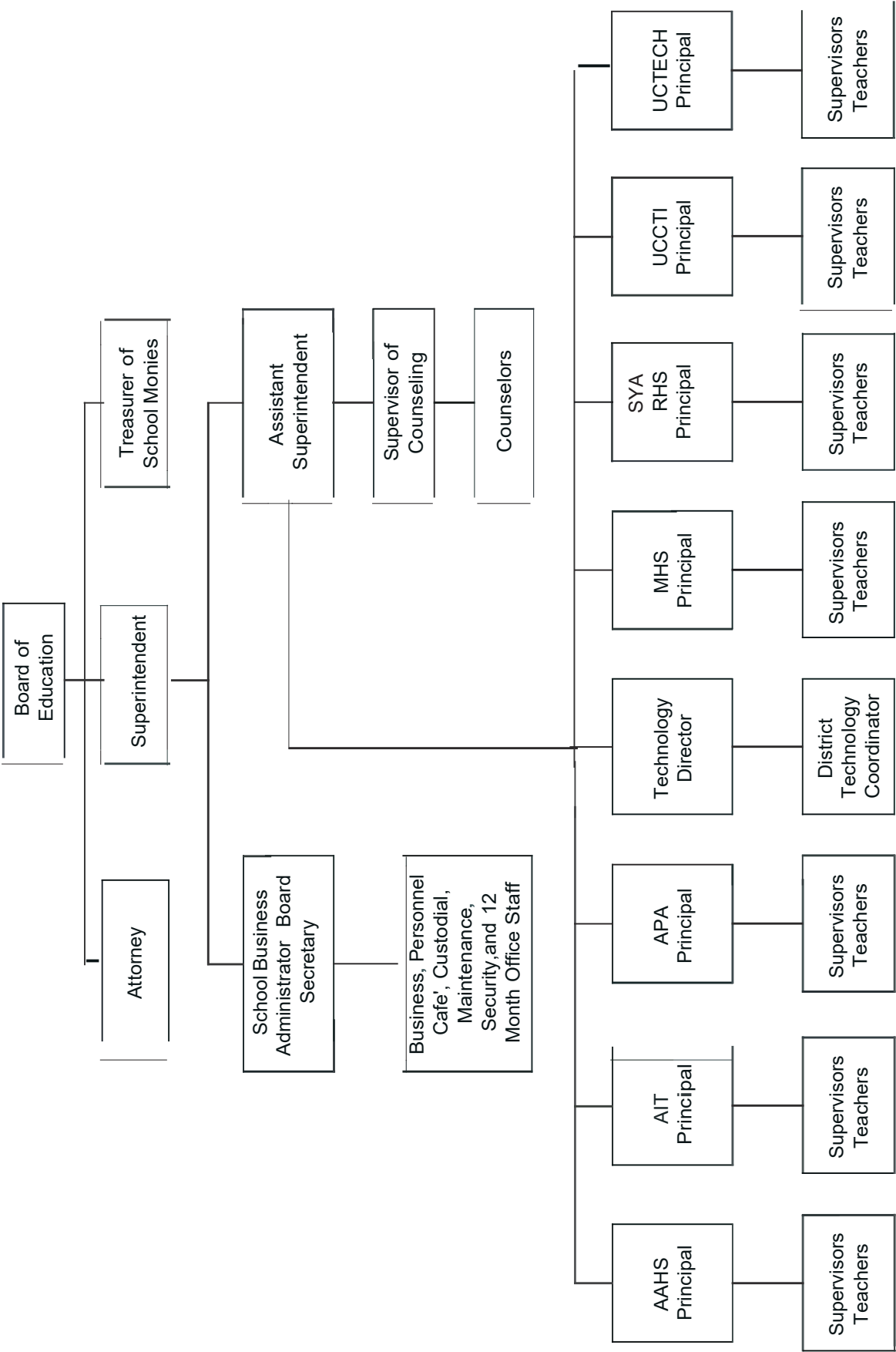


Gwendolyn S. Ryan
Superintendent of Schools



Janet Behrmann
Board Secretary/School Business Administrator

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
ORGANIZATIONAL CHART
2023-2024



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS

ROSTER OF OFFICIALS

JUNE 30, 2024

Members of the Board of Education

Term Expires

Jean Perkins, President

2024

Jon-Henry Barr, Vice-President

2024

Andrew Casais

2025

Phyllis Mirabella

2026

Daryl Palmieri

Indefinite

Denise Piatnochka

2024

Other Officials

Gwendolyn S. Ryan, Superintendent of Schools

Janet Behrmann, Business Administrator/Board Secretary

David Oliveira, Treasurer of Monies (as of 11/1/23)

2024

Joanne Wilson, Treasurer of Monies (resigned as of 9/30/23)

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS

CONSULTANTS & ADVISORS

JUNE 30, 2024

Attorney

Lester Taylor, Esq.
Taylor Law Group, LLC
430 Mountain Avenue, Suite 103
New Providence, NJ 07974

District Auditor

Wielkottz & Company, LLC
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

Official Depositories

Citizens Bank
437 Park Avenue
Scotch Plains, New Jersey 07076

BCB Bank
2000 Morris Avenue
Union, New Jersey 07083

Northfield Bank
581 Main Street, Suite 810
Woodbridge, New Jersey 07095

Architect

DIGroup Architecture
15 Bethany Street
New Brunswick, New Jersey 08901

Insurance Broker of Record

Reliance Insurance Group, LLC
1460 Route 9 North, Suite 310
Woodbridge, New Jersey 07095

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Union County Vocational-Technical Schools
County of Union, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Union County Vocational-Technical Schools, in the County of Union, State of New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the District as of June 30, 2024, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Emphasis of Matter

As explained in Note 16, during the 2024 fiscal year the District contracted with an outside service provider to prepare a fixed asset report. As a result, the District recorded a prior period adjustment of (\$1,773,714) to capitalize \$3,132,765 and cancel \$4,906,479 of recorded fixed assets. Our opinion is not modified with respect to this matter.

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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, issued by the Comptroller General of the United States, 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of 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 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express

an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Union County Vocational-Technical School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2025 on our consideration of the Union County Vocational-Technical School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Union County Vocational-Technical School District's internal control over financial reporting and compliance.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 29, 2025



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

As management of the Union County Vocational-Technical Schools (the “School District”), we offer readers of the School District’s financial statements this narrative overview and analysis of the financial activities of Union County Vocational-Technical Schools for the fiscal year ended June 30, 2024.

The management’s discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District’s financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District’s revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Union County Vocational-Technical Schools exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$118,307,577. (Net Position)
- In total, net position increased \$32,098,687. Net position of governmental activities increased \$32,054,135 while net position of business-type activity increased by \$44,552.
- General revenues accounted for \$47,219,719 in revenue or 66 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$24,389,898 or 34 percent of total revenues of \$71,609,617.
- The School District had \$39,122,790 in expenses related to governmental activities; only \$23,957,206 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily Federal and State aid not restricted) of \$47,219,719 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District’s governmental funds reported a combined ending fund balance of \$59,138,748.
- The General Fund fund balance at June 30, 2024 was \$51,536,950 an increase of \$31,379,172 compared to the ending fund balance at June 30, 2023 of \$18,439,035.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$68,961 which represents a decrease of \$109,001 compared to the ending unassigned budgetary fund balance at June 30, 2023 of \$177,692. The decrease is primarily due to the increase in state aid deferred.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ**

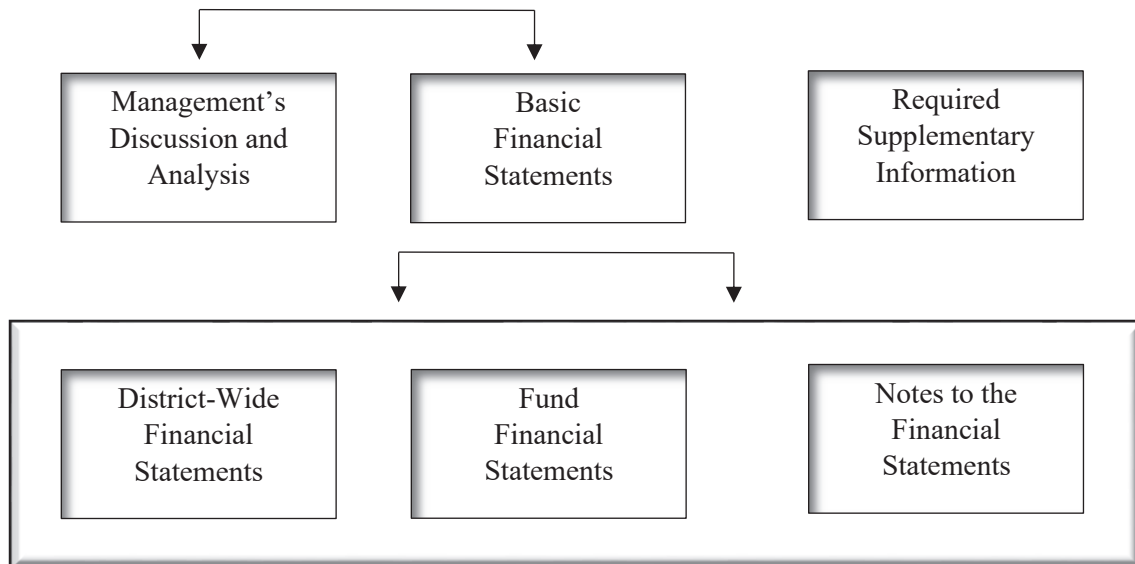
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the district-wide statements.
- The district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are detailed below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the Union County Vocational-Technical Schools basic financial statements. The Union County Vocational-Technical Schools basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-Wide Financial Statements

The *statement of net position and statement of activities* reports information about the District as a whole and about its activities in a manner that helps answer the question, “Is the District better or worse off as a result of the year’s activities?” These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year’s revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the Union County Vocational-Technical Schools that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

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

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

The two statements report the District’s net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District’s financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District’s overall financial health.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Union County Vocational-Technical Schools, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Union County Vocational-Technical Schools can be divided into two categories: Governmental funds and Proprietary 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 district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

Because the focus of governmental funds is narrower than that of the district-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 balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities* (reported in the Statement of Net Position and the Statement of Activities).

The Union County Vocational-Technical Schools maintain four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund, which are all considered to be major funds.

The Union County Vocational-Technical Schools adopt annual appropriated budgets for its' governmental funds except for the capital projects fund. A budgetary comparison schedule has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Union County Vocational-Technical Schools use proprietary funds to account for its food service program and Material for Resale program.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

DISTRICT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

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

The School District's net positions was \$118,307,577 at June 30, 2024 and \$86,208,890 at June 30, 2023, respectively. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2024 compared to 2023 (Table 1) and change in net position (Table 2) of the School District.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>Restated 2023</u>	<u>2024</u>	<u>Restated 2023</u>	<u>2024</u>	<u>Restated 2023</u>
Assets						
Current and Other Assets	60,998,543	29,855,701	581,952	638,502	61,580,495	30,494,203
Capital Assets	<u>63,908,490</u>	<u>63,786,860</u>	<u>43,346</u>	<u>17,389</u>	<u>63,951,836</u>	<u>63,804,249</u>
Total Assets	<u>124,907,033</u>	<u>93,642,561</u>	<u>625,298</u>	<u>655,891</u>	<u>125,532,331</u>	<u>94,298,452</u>
Deferred Outflows:						
Deferred Outflows of Resources						
Related to PERS	<u>697,589</u>	<u>816,014</u>	<u> </u>	<u> </u>	<u>697,589</u>	<u>816,014</u>
Total Deferred Outflows	<u>697,589</u>	<u>816,014</u>	<u> </u>	<u> </u>	<u>697,589</u>	<u>816,014</u>
Liabilities						
Current Liabilities	2,200,812	3,811,543	14,797	89,942	2,215,609	3,901,485
Noncurrent Liabilities	<u>5,421,590</u>	<u>4,385,575</u>	<u> </u>	<u> </u>	<u>5,421,590</u>	<u>4,385,575</u>
Total Liabilities	<u>7,622,402</u>	<u>8,197,118</u>	<u>14,797</u>	<u>89,942</u>	<u>7,637,199</u>	<u>8,287,060</u>
Deferred Inflows:						
Deferred Inflows of Resources						
Related to PERS	<u>285,144</u>	<u>618,516</u>	<u> </u>	<u> </u>	<u>285,144</u>	<u>618,516</u>
Total Deferred Inflows	<u>285,144</u>	<u>618,516</u>	<u> </u>	<u> </u>	<u>285,144</u>	<u>618,516</u>
Net Assets						
Net Investment in Capital Assets	63,201,109	63,373,836	43,346	17,389	63,244,455	63,391,225
Restricted	57,318,842	24,342,772			57,318,842	24,342,772
Unrestricted	<u>(2,822,875)</u>	<u>(2,073,667)</u>	<u>567,155</u>	<u>548,560</u>	<u>(2,255,720)</u>	<u>(1,525,107)</u>
Total Net Position	<u>117,697,076</u>	<u>85,642,941</u>	<u>610,501</u>	<u>565,949</u>	<u>118,307,577</u>	<u>86,208,890</u>

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Net Position:

The District's total net position increased \$32,098,687 over the course of the 2023-2024 fiscal year (See Table 2). Net position invested in capital assets decreased \$146,770 due to current fiscal year depreciation, offset by capital asset additions and paydown of right to use leased assets, offset by amortization. Restricted net position increased \$32,976,070 as a result of net increases in the capital reserve, encumbrances and capital projects, and student activities. Unrestricted net position decreased \$730,613 primarily due to changes in compensated absences payable, net pension liability, deferred inflows and outflows of resources related to pensions, unexpended budget appropriations and an excess in state revenues.

Table 2 below shows the changes in net position for fiscal year 2024 compared to 2023.

**Table 2
Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues:						
Charges for Services and Sales	\$450,619	\$11,320,518	\$163,087	\$339,202	\$613,706	\$11,659,720
Operating Grants and Contributions	23,506,587	8,830,374	269,605	221,964	23,776,192	9,052,338
General Revenues:						
Taxes:						
Local Tax Levy	5,553,393	5,553,393			5,553,393	5,553,393
Federal and State Aid not Restricted	25,000,000				25,000,000	0
Tuition Received	13,057,587	10,911,747			13,057,587	10,911,747
County of Union	1,400,000	2,818,031			1,400,000	2,818,031
Miscellaneous Income		1,211,867			0	1,211,867
Investment Income	439,684			1,631	439,684	1,631
Unrestricted Miscellaneous Revenue	587,005				587,005	0
Other Financing Sources/ (Uses)	<u>1,182,050</u>	<u>55,009</u>	<u>_____</u>	<u>_____</u>	<u>1,182,050</u>	<u>55,009</u>
Total Revenues and Transfers	<u>71,176,925</u>	<u>40,700,939</u>	<u>432,692</u>	<u>562,797</u>	<u>71,609,617</u>	<u>41,263,736</u>

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Functions/Program Expenses						
Instruction:						
Vocational - Regular	\$14,781,822	\$19,431,585			\$14,781,822	\$19,431,585
Vocational - Special	1,306,149	1,432,659			1,306,149	1,432,659
School-sponsored cocurricular activities	433,269	404,624			433,269	404,624
Alternative Education Program	40,912				40,912	0
Support Services:						
Student & Instruction						
Related Services	2,733,319	4,104,622			2,733,319	4,104,622
General Administrative						
Services	766,900	1,857,356			766,900	1,857,356
School Administrative						
Services	1,675,717	2,228,322			1,675,717	2,228,322
Central Services	845,690	1,316,248			845,690	1,316,248
Administrative Information Tech.	173,971	148,675			173,971	148,675
Plant Operations and Maintenance	5,028,476	7,732,738			5,028,476	7,732,738
Pupil Transportation	100,361	76,428			100,361	76,428
Unallocated Benefits	6,801,071				6,801,071	0
Capital Outlay - nondepreciable	1,813,418				1,813,418	0
Special Schools	386,683	454,424			386,683	454,424
Interest on long-term debt	17,445	17,459			17,445	17,459
Unallocated depreciation	2,172,960				2,172,960	0
Amortization	44,627				44,627	0
Food Service			388,140	646,627	388,140	646,627
Total Expenses	<u>39,122,790</u>	<u>39,205,140</u>	<u>388,140</u>	<u>646,627</u>	<u>39,510,930</u>	<u>39,851,767</u>
Increase or (Decrease) in						
Net Position	<u>\$32,054,135</u>	<u>\$1,495,799</u>	<u>\$44,552</u>	<u>(\$83,830)</u>	<u>\$32,098,687</u>	<u>\$1,411,969</u>

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental Activities

Net position from the District's governmental activities increased by \$32,054,135 during the fiscal year. However, maintaining existing programs, the provision of multitude of special programs/services for student with special needs and the cost of employee benefits has placed great demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Table 3 presents the costs of six major District activities: instruction, pupil and instructional services, administrative and business, maintenance and operations, transportation, and other. The table also shows each activity's net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific program). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**Table 3
Net Cost of Governmental Activities
Year Ended June 30,**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction	\$16,562,152	\$21,268,868	\$257,567	\$5,489,895
Pupil and Instruction Services	2,733,319	4,104,622	(597,131)	2,195,146
Administrative and Business	3,462,278	5,550,601	3,462,278	4,447,609
Maintenance and Operations	5,028,476	7,732,738	4,827,177	7,245,326
Transportation	100,361	76,428	100,361	76,428
Other	<u>11,236,204</u>	<u>471,973</u>	<u>7,115,332</u>	<u>(400,065)</u>
	<u><u>\$39,122,790</u></u>	<u><u>\$39,205,230</u></u>	<u><u>\$15,165,584</u></u>	<u><u>\$19,054,339</u></u>

Business-Type Activities

The net position of the District's business-type activities increased by \$44,552. The net position of the Food Service program decreased by \$44,552 due to a decrease in operating expenses.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business-Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$39,510,930. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$5,553,393 because some of the cost was paid by those who benefitted from the programs \$613,706, by other governments and organizations who subsidized certain programs with grants and contributions \$23,776,192, Federal and State Aid not restricted \$25,000,000, County of Union capital ordinance \$1,400,000, tuition received \$13,057,587, and by miscellaneous sources \$2,208,739.

Revenues for the District's business-type activities (Food Service program and Materials for Resale program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service and Materials for Resale service revenues exceeded expenses by \$44,552.
- ✓ Charges for services provided totaled \$163,087 represents amounts paid by consumers for daily food services and for materials for resale.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$269,605.

The following schedules present a summary of governmental fund revenues for the fiscal year ended June 30, 2024, and the amount and percentage of increases/(decreases) relative to the prior year.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$21,520,849	29.6%	\$1,025,811	5.01%	\$20,495,038
State Source	49,695,701	67.6%	27,577,762	124.69%	22,117,939
Federal Source	<u>2,055,909</u>	<u>2.8%</u>	<u>252,214</u>	13.98%	<u>1,803,695</u>
Total	<u>\$73,272,459</u>	<u>100.0%</u>	<u>\$28,855,787</u>	64.97%	<u>\$44,416,672</u>

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures					
Instruction	\$15,570,213	36.5%	\$1,184,018	8.23%	\$14,386,195
Undistributed	23,236,070	55.3%	256,568	1.12%	22,979,502
Debt Service	43,659	0.1%	43,659	100.00%	-
Capital Outlay	3,026,064	7.2%	831,209	37.88%	2,194,755
Special Schools	<u>386,683</u>	<u>0.9%</u>	<u>25,123</u>	6.95%	<u>361,560</u>
Total	<u>\$42,262,689</u>	<u>100.0%</u>	<u>\$2,340,577</u>	5.86%	<u>\$39,922,012</u>

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2024, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditures item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$5,113,518 for increases in federal and state grant awards.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

General Fund

The general fund actual revenue was \$70,709,715, including transfers and other financing sources. That amount is \$34,041,909 above the final amended budget of \$36,667,806. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$6,583,547 for TPAF social security reimbursements and on-behalf pension payments, \$25,000,000 for Other State Aid, an excess in miscellaneous of \$474,976, and other financing sources of \$1,803,004.

The actual expenditures of the general fund were \$37,433,804 which is \$2,198,898 below the final amended budget of \$39,632,702. The variance between the actual expenditures and the final budget was due to non-budgeted on-behalf TPAF social security and pension payments of \$6,583,547 and \$8,782,445 of unexpended budgeted funds.

The General Fund had total revenues of \$70,709,715, including transfers and other financing sources and total expenditures including transfers of \$37,433,804 with an ending fund balance of \$53,281,747 on the budgetary basis.

Special Revenue Fund

The special revenue fund actual revenue was \$3,859,977. That amount is above the original budget estimate of \$1,063,845 and below the final amended budget of \$6,177,363. The \$5,113,518 variance between the original and final budget was due to additional federal, state and local grant monies awarded to the District after the original budget was approved. The \$2,317,386 variance between the final amended budget and the June 30, 2024 actual results was due to the deferral of Federal and State grants received in the current fiscal year to be spent in the next fiscal year, and the inclusion of student activity fund and scholarship revenues.

The actual expenditures of the special revenue fund were \$3,853,061, which is above the original budget of \$1,063,845 and below the final amended budget of \$6,177,363. The \$5,113,518 variance between the original and final budget was due to additional expenditures related to the additional grants awarded to the District after the original budget was approved. The \$2,324,302 variance between the final amended budget and the June 30, 2024 actual results was due to the anticipation of fully expending federal and state grant programs, and the inclusion of student activity fund and scholarship expenses.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024 the School District had \$105,091,314 invested in land, land improvements, buildings and building improvements, machinery and equipment and right to use leased assets. Of this amount, \$41,139,478 in depreciation/amortization has been taken over the years. We currently have a net book value of \$63,951,836. Table 4 shows fiscal year 2024 balances compared to 2023.

**Table 4
Capital Assets at June 30,
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total</u>	
	<u>2024</u>	Restated <u>2023</u>	<u>2024</u>	Restated <u>2023</u>	<u>2024</u>	Restated <u>2023</u>
Land	\$6,289,142	6,289,142			6,289,142	6,289,142
Construction in Progress	4,446,622	3,371,393			4,446,622	3,371,393
Buildings and Improvements	51,145,796	53,052,243			51,145,796	53,052,243
Machinery and Equipment	1,306,518	1,074,082	43,346	17,389	1,349,864	1,091,471
Right to use Leased Asset	<u>720,412</u>	<u> </u>	<u> </u>	<u> </u>	<u>720,412</u>	<u>0</u>
	<u><u>\$63,908,490</u></u>	<u><u>\$63,786,860</u></u>	<u><u>\$43,346</u></u>	<u><u>\$17,389</u></u>	<u><u>\$63,951,836</u></u>	<u><u>\$63,804,249</u></u>

Debt Administration

At June 30, 2024, the District had \$5,421,590 in long-term debt. Of this amount, \$923,709 is for compensated absences, \$707,381 represents lease-purchase agreements payable, \$3,054,130 is for the District's net pension liability, and \$736,370 represents the lease liability. For more detailed information, please refer to the Notes to the Financial Statements.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCOTCH PLAINS, NJ
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The district continues to rely predominately upon local property taxes as its main source of funding. Therefore, in consideration of current economic conditions and the anticipation of continued flat state aid support, the Board of Education has sought to control budget expenses to minimize the impact on the local tax levy.

The following factors were considered in preparing the 2024-2025 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

Prior to the end of fiscal 2004, S1701 was enacted. The law is meant to control public school district budgets by revising the calculation of budget caps and reducing surplus. Starting in 2005-06 the CAP will be set at 2.5% or the cost of living, whichever is greater. A number of other changes will affect the calculation of SGLA's and per pupil administrative costs. Any undesignated general fund balance in excess of 2% or \$250,000, whichever is greater must be appropriated for tax relief.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Union County Vocational-Technical Schools' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Janet Behrmann
Business Administrator
Union County Vocational-Technical Schools
1776 Raritan Road
Scotch Plains, NJ 07076

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	18,164,135	600,845	18,764,980
Receivables, net	10,563,277	40,802	10,604,079
Internal balances	61,887	(61,887)	-
Inventory		2,192	2,192
Restricted assets:			
Capital reserve account - cash	31,079,133		31,079,133
Payroll deductions and withholdings account - cash	57,708		57,708
Flexible spending account - cash	23,162		23,162
Summer Pay - cash	311,842		311,842
Student activity accounts - cash	262,415		262,415
Federal Pell Grant Program - cash	442,385		442,385
Scholarship accounts - cash	32,599		32,599
Capital assets, net:			
Land	10,735,764		10,735,764
Other capital assets, net	52,452,314	43,346	52,495,660
Right to use lease assets, net of amortization	720,412		720,412
Total Assets	<u>124,907,033</u>	<u>625,298</u>	<u>125,532,331</u>
Deferred Outflow of Resources:			
Deferred outflows of resources related to PERS	<u>697,589</u>		<u>697,589</u>
Total Deferred Outflows	<u>697,589</u>		<u>697,589</u>
LIABILITIES			
Accounts payable and accrued liabilities	482,788	-	482,788
Payable to federal government	224,683		224,683
Unearned revenue	1,100,629	14,797	1,115,426
Payroll deductions and withholdings payable	392,712		392,712
Noncurrent liabilities:			
Due within one year	194,355		194,355
Due beyond one year	5,227,235		5,227,235
Total liabilities	<u>7,622,402</u>	<u>14,797</u>	<u>7,637,199</u>
Deferred Inflow of Resources:			
Deferred inflows of resources related to PERS	<u>285,144</u>		<u>285,144</u>
Total Deferred Inflows	<u>285,144</u>		<u>285,144</u>
NET POSITION			
Net investment in capital assets	63,201,109	43,346	63,244,455
Restricted for:			
Capital projects	7,306,784		7,306,784
Special Revenue	295,014		295,014
Other purposes	49,717,044		49,717,044
Unrestricted (Deficit)	<u>(2,822,875)</u>	<u>567,155</u>	<u>(2,255,720)</u>
Total net position	<u>117,697,076</u>	<u>610,501</u>	<u>118,307,577</u>

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

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Activities
Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:						
Instruction:						
Vocational - Regular	13,189,830	1,591,992		15,460,624	678,802	678,802
Vocational - Special	1,231,137	75,012		843,961	(462,188)	(462,188)
School-sponsored cocurricular activities	387,581	45,688			(433,269)	(433,269)
Alternative Education Program	38,143	2,769			(40,912)	(40,912)
Support services:						
Student & instruction related services	2,524,317	209,002	450,619 *	2,879,831	597,131	597,131
General administrative services	702,226	64,674			(766,900)	(766,900)
School administrative services	1,471,977	203,740			(1,675,717)	(1,675,717)
Central Services	753,362	92,328			(845,690)	(845,690)
Administrative information tech.	151,553	22,418			(173,971)	(173,971)
Plant operations and maintenance	4,911,254	117,222		201,299	(4,827,177)	(4,827,177)
Pupil transportation	100,361				(100,361)	(100,361)
Unallocated benefits	6,801,071			3,899,636	(2,901,435)	(2,901,435)
Capital outlay - non-depreciable	1,813,418			221,236	(1,592,182)	(1,592,182)
Special Schools	386,683				(386,683)	(386,683)
Interest on long-term debt	17,445				(17,445)	(17,445)
Unallocated depreciation	2,172,960 (D)				(2,172,960)	(2,172,960)
Amortization	44,627				(44,627)	(44,627)
Total governmental activities	36,697,945	2,424,845	450,619	23,506,587	(15,165,584)	(15,165,584)
Business-type activities:						
Food Service	388,140		163,087	269,605		44,552
Total business-type activities	388,140		163,087	269,605	44,552	44,552
Total primary government	37,086,085		613,706	23,776,192	(15,165,584)	(15,121,032)
General revenues:						
Taxes:						
Levied for general purposes					5,553,393	5,553,393
Federal and State aid not restricted					25,000,000	25,000,000
Tuition from Other LEAs Within the State					12,770,470	12,770,470
Other Tuition					287,117	287,117
Interest on Investments					439,684	439,684
County of Union					1,400,000	1,400,000
Unrestricted Miscellaneous Revenues					587,005	587,005
Other Financing Sources/(Uses)					1,182,050	1,182,050
Total general revenues, special items, extraordinary items and transfers					47,219,719	47,219,719
Change in Net Position					32,054,135	32,098,687
Net Position—beginning (Restated)					85,642,941	86,208,890
Net Position—ending					117,697,076	118,307,577

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

* - Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"
(D) - Unallocated depreciation excludes direct depreciation expenses of the various programs.

FUND FINANCIAL STATEMENTS

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Balance Sheet
Governmental Funds
June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents				
Checking	16,967,179	1,196,956		18,164,135
Accounts Receivable -				
Intergovernmental - State	50,908			50,908
Intergovernmental - Federal		520,963		520,963
Intergovernmental - Other	1,945,525		8,045,881	9,991,406
Interfund receivables	1,140,475			1,140,475
Restricted cash and cash equivalents:				
Capital reserve	31,079,133			31,079,133
Federal Pell Grant Program	442,385			442,385
Summer Pay	311,842 *			311,842
Payroll deductions and withholdings	57,708 *			57,708
Flexible spending	23,162 *			23,162
Student activity accounts		262,415 *		262,415
Scholarship accounts		32,599 *		32,599
Total assets	<u>52,018,317</u>	<u>2,012,933</u>	<u>8,045,881</u>	<u>62,077,131</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	88,655		53,116	141,771
Intergovernmental payable:				
Federal		224,683		224,683
Interfund Payable		392,607	685,981	1,078,588
Unearned revenue		1,100,629		1,100,629
Payroll deductions and withholdings payable	392,712 **			392,712
Total liabilities	<u>481,367</u>	<u>1,717,919</u>	<u>739,097</u>	<u>2,938,383</u>
Fund Balances:				
Restricted for:				
Excess Surplus - current year	3,424,459			3,424,459
Excess Surplus - prior year - designated for subsequent year's expenditures	10,422,207			10,422,207
Capital reserve account	31,079,133			31,079,133
Committed to:				
Student Groups		262,415		262,415
Scholarships		32,599		32,599
Assigned to:				
Year-end Encumbrances	6,542,190			6,542,190
Capital projects fund			7,306,784	7,306,784
Unassigned:				
General Fund	68,961			68,961
Total Fund balances	<u>51,536,950</u>	<u>295,014</u>	<u>7,306,784</u>	<u>59,138,748</u>
Total liabilities and fund balances	<u>52,018,317</u>	<u>2,012,933</u>	<u>8,045,881</u>	

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Balance Sheet
Governmental Funds
June 30, 2024

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 \$104,044,325 and the accumulated depreciation, is \$40,856,247	63,188,078
Right to use lease assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use lease assets at historical cost	765,039
Accumulated amortization	(44,627)
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds	(2,455)
Accounts payable for subsequent Pension payment is not a payable in the funds	(338,562)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	697,589
Deferred inflows of resources related to PERS Pension Liability	(285,144)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	<u>(5,421,590)</u>
Net position of governmental activities	<u><u>117,697,076</u></u>

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

* Include former fiduciary fund cash and cash equivalents

** Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local sources:				
Local tax levy	5,553,393			5,553,393
Tuition from LEAs	12,770,470			12,770,470
Other Tuition	287,117			287,117
Interest on Investments	439,684			439,684
Unrestricted Miscellaneous Revenues	587,005			587,005
County of Union			1,400,000	1,400,000
Miscellaneous		5,719		5,719
Scholarship Receipts		26,842 **		26,842
Student Group Receipts		450,619 *		450,619
Total - Local Sources	19,637,669	483,180	1,400,000	21,520,849
State sources	48,910,664	785,037		49,695,701
Federal sources	180,382	1,875,527		2,055,909
Total revenues	68,728,715	3,143,744	1,400,000	73,272,459
EXPENDITURES				
Current:				
Regular vocational programs - instruction	13,208,733			13,208,733
Special vocational programs - instruction	585,476	1,350,280		1,935,756
School sponsored/other instructional	387,581			387,581
Alternative Education Program	38,143			38,143
Support services and undistributed costs:				
Health services	152,909			152,909
Student & instruction related services	1,241,966	1,565,312 **		2,807,278
General administrative services	702,226			702,226
School administrative services	1,471,977			1,471,977
Central services	753,362			753,362
Administrative information tech.	151,553			151,553
Plant operations and maintenance	5,033,664			5,033,664
Pupil transportation	100,361			100,361
Unallocated benefits	5,479,193			5,479,193
On-behalf contributions	6,583,547			6,583,547
Debt Service:				
Principal	28,669			28,669
Interest and charges	14,990			14,990
Capital outlay	1,112,771	221,236	1,692,057	3,026,064
Special Schools	386,683			386,683
Total expenditures	37,433,804	3,136,828	1,692,057	42,262,689
Excess (Deficiency) of revenues over expenditures	31,294,911	6,916	(292,057)	31,009,770

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES)				
Assets acquired under capital leases	620,954			620,954
Reallocation of Prior Year Grant Expenses	1,182,050			1,182,050
Total other financing sources and uses	1,803,004	-	-	1,803,004
Net change in fund balances	33,097,915	6,916	(292,057)	32,812,774
Fund balance—July 1	18,439,035	288,098	7,598,841	26,325,974
Fund balance—June 30	51,536,950	295,014	7,306,784	59,138,748

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

* Special revenue fund now includes revenues from scholarships and student activities

** Special revenue fund now includes expenditures from scholarships and student activities

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2024

Total net change in fund balances - governmental funds (from B-2) 32,812,774

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 capital outlays exceeded depreciation in the period.

	Depreciation expense	(2,172,960)	
	Non-depreciable capital outlay - Construction in Progress	1,075,229	
	Asset retired prior to full depreciation	(57,187)	
	Depreciable outlays	<u>556,136</u>	
			(598,782)

Right to use leased assets used in governmental activities are not financial resources and therefore are not present in the funds.

	Right to use assets at historical cost	765,039	
	Accumulated amortization	<u>(44,627)</u>	
			720,412

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

In the current year, these amounts consist of:

	Right to Use Leased Assets	28,669	
	Capital lease obligations	<u>326,597</u>	
			355,266

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

	Proceeds of lease liability	(765,039)	
	Capital lease proceeds	<u>(620,954)</u>	
			(1,385,993)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in interest is an adjustment in the reconciliation.

	Current Year - Right to Use Leased Assets	<u>(2,455)</u>	
			(2,455)

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 (+).

	Increase in compensated absences payable		(43,072)
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District pension contributions are reported as expenditures in the governmental funds when made.

However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

	District Pension Contributions	281,816	
	Less: Pension Expense	<u>(85,831)</u>	
	(Increase)/Decrease in Pension Expense		195,985

Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

	Decrease in On-behalf State Aid TPAF Pension		(3,054,348)
	Decrease in On-behalf TPAF Pension Expense		3,054,348

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

	Increase in On-behalf State Aid TPAF Post Employment Medical Revenue		370,437
	Increase in On-behalf State Aid TPAF Post Employment Medical Expense		<u>(370,437)</u>

			<u><u>32,054,135</u></u>
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The accompanying Notes to Basic Financial Statements are an integral part of this statement.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Net Position
Proprietary Funds
June 30, 2024

<u>ASSETS</u>	Food Service Program	Materials for Resale Program	Totals
Current assets:			
Cash and cash equivalents	351,483	249,362	600,845
Accounts receivable:			
State	516	-	516
Federal	6,918	-	6,918
Satellite Sales Café Rental	33,368	-	33,368
Inventories	2,192	-	2,192
Total current assets	<u>394,477</u>	<u>249,362</u>	<u>643,839</u>
Noncurrent assets:			
Capital assets:			
Equipment	281,950	-	281,950
Less accumulated depreciation	<u>(238,604)</u>	<u>-</u>	<u>(238,604)</u>
Total capital assets (net of accumulated depreciation)	<u>43,346</u>	<u>-</u>	<u>43,346</u>
Total assets	<u><u>437,823</u></u>	<u><u>249,362</u></u>	<u><u>687,185</u></u>
<u>LIABILITIES</u>			
Current liabilities:			
Due to General Fund	56,887	5,000	61,887
Unearned Revenue	<u>14,797</u>	<u>-</u>	<u>14,797</u>
Total current liabilities	<u>71,684</u>	<u>5,000</u>	<u>76,684</u>
<u>NET POSITION</u>			
Net investment in capital assets	43,346	-	43,346
Unrestricted	<u>322,793</u>	<u>244,362</u>	<u>567,155</u>
Total net position	<u><u>366,139</u></u>	<u><u>244,362</u></u>	<u><u>610,501</u></u>

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

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2024

	Food Service Program	Materials for Resale Program	Totals
Operating revenues:			
Charges for services:			
Daily sales - non-reimbursable programs	141,505	21,582	163,087
Total operating revenues	<u>141,505</u>	<u>21,582</u>	<u>163,087</u>
Operating expenses:			
Cost of sales - reimbursable	144,718	-	144,718
Cost of sales - non-reimbursable	56,572	-	56,572
Salaries	72,249	-	72,249
Benefits	28,500	-	28,500
Supplies and materials	56,952	-	56,952
Purchased property services	20,652	-	20,652
Other expenses	4,604	-	4,604
Total operating expenses	<u>388,140</u>	<u>-</u>	<u>388,140</u>
Operating income (loss)	<u>(246,635)</u>	<u>21,582</u>	<u>(225,053)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	6,261	-	6,261
State school lunch program NJEIE	2,102	-	2,102
State breakfast programs	129	-	129
State school breakfast program NJEIE	207	-	207
Federal sources:			
National school lunch program	118,850	-	118,850
National breakfast program	8,340	-	8,340
Supply chain assistance	91,943	-	91,943
Food distribution program	41,773	-	41,773
Total nonoperating revenues (expenses)	<u>269,605</u>	<u>-</u>	<u>269,605</u>
Income (loss) before contributions & transfers	22,970	21,582	44,552
Change in net position	22,970	21,582	44,552
Total net position—beginning (Restated)	<u>343,169</u>	<u>222,780</u>	<u>565,949</u>
Total net position—ending	<u><u>366,139</u></u>	<u><u>244,362</u></u>	<u><u>610,501</u></u>

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

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2024

	Food Service Program	Materials for Resale Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	141,505	21,582	163,087
Payments to suppliers	(367,564)	-	(367,564)
Net cash provided by (used for) operating activities	(226,059)	21,582	(204,477)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	8,526	-	8,526
Federal Sources	171,288	-	171,288
Net cash provided by (used for) non-capital financing activities	179,814	-	179,814
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(29,850)	-	(29,850)
Net cash provided by (used for) capital and related financing activities	(29,850)	-	(29,850)
Net increase (decrease) in cash and cash equivalents	(76,095)	21,582	(54,513)
Balances—beginning of year	427,578	227,780	655,358
Balances—end of year	351,483	249,362	600,845
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(246,635)	21,582	(225,053)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	3,893	-	3,893
Food Distribution Program	41,773	-	41,773
(Increase) decrease in inventories	(1,094)	-	(1,094)
Increase (decrease) in accounts payable	(30,728)	-	(30,728)
Increase (decrease) in prepaid revenue	6,732	-	6,732
Total adjustments	20,576	-	20,576
Net cash provided by (used for) operating activities	(226,059)	21,582	(204,477)

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

NOTES TO THE FINANCIAL STATEMENTS

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education of the Union County Vocational-Technical Schools have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the board's accounting policies are described below.

A. Description of the School District and Reporting Entity

The Union County Vocational-Technical Schools is a Type I District located in Union County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Union County Vocational-Technical School consists of five (5) members; four (4) members are appointed by the Union County Board of County Commissioners and one (1) statutory member, who is the Union County Superintendent of Schools. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet all of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include a Vocational-Technical School, Magnet High School, Academy for Information Technology, Academy for Performing Arts, Adult High School, and Academy for Allied Health Sciences located in the Township of Scotch Plains. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Currently the District does not have any fiduciary funds.

District-wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *government*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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 the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

GOVERNMENTAL FUNDS, (continued)

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

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund and Materials for Resale Program.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

**Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

**Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Budgets/Budgetary Control, (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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

F. 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 reservations of 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 Board has received advances, are reflected in the balance sheet as unearned revenues at fiscal year end.

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

G. 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 stated at cost. All other investments are stated at fair value.

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

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Cash, Cash Equivalents and Investments, (continued)

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

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

H. Tuition Revenues/Receivable

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

I. Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities 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.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

L. Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at their acquisition value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board maintains a capitalization threshold of \$2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

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

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

N. Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

O. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, 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 due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

P. 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.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date—an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Accounting and Financial Reporting for Pensions, (continued)

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial 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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

S. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

S. Fund Balances, (continued)

- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

T. Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

U. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service and materials for resale. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

W. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

X. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

Y. Recently Issued Accounting Pronouncements

The GASB has issued the following statements that will become effective for the School District for fiscal years ending June 30, 2025 and 2026:

GASB Statement No. 101, Compensated Absences, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Recently Issued Accounting Pronouncements, (continued)

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the District.

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$-0- of the District's bank balance of \$52,903,363 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS, (continued)

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

NOTE 3. RECEIVABLES

Receivables at June 30, 2024, consisted of accounts receivable, other, interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise Fund <u>Fund</u>	District Wide Financial <u>Statements</u>
State Aid	\$50,908	\$516	\$51,424
Federal Aid	520,963	6,918	527,881
Other	9,991,406	33,368	10,024,774
Interfunds	<u>1,140,475</u>		
Gross Receivables	11,703,752	40,802	10,604,079
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$11,703,752</u>	<u>\$40,802</u>	<u>\$10,604,079</u>

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at June 30, 2024, consist of the following:

\$392,607	Due to the General Fund from the Special Revenue Fund for excess funds turned over.
685,981	Due to the General Fund from the Capital Projects Fund for excess funds turned over.
61,887	Due to the General Fund from the Propriety Funds for excess funds turned over.
<u>\$1,140,475</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Restated Balance <u>6/30/23</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>6/30/24</u>
Governmental activities:				
Capital Assets, Not Being Depreciated:				
Land	\$6,289,142	\$	\$	\$6,289,142
Construction in Progress	<u>3,371,393</u>	<u>1,075,229</u>		<u>4,446,622</u>
Total Capital Assets, Not Being Depreciated	<u>9,660,535</u>	<u>1,075,229</u>	<u>0</u>	<u>10,735,764</u>
Buildings and Improvements	87,828,567	121,589	(84,098)	87,866,058
Machinery and Equipment	<u>5,007,956</u>	<u>434,547</u>		<u>5,442,503</u>
Totals at historical cost	<u>92,836,523</u>	<u>556,136</u>	<u>(84,098)</u>	<u>93,308,561</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(34,776,324)	(1,970,849)	26,911	(36,720,262)
Equipment	<u>(3,933,874)</u>	<u>(202,111)</u>		<u>(4,135,985)</u>
Total Accumulated Depreciation	<u>(38,710,198)</u>	<u>(2,172,960)</u>	<u>(26,911)</u>	<u>(40,856,247)</u>
Total Capital Assets, Being Depreciated, Net	<u>54,126,325</u>	<u>(1,616,824)</u>	<u>(57,187)</u>	<u>52,452,314</u>
Governmental Activities Capital Assets, Net	<u>\$63,786,860</u>	<u>(\$541,595)</u>	<u>(\$57,187)</u>	<u>\$63,188,078</u>

	Restated Balance <u>6/30/23</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>6/30/24</u>
Business-type activities:				
Machinery and Equipment	\$252,100	\$29,850	\$	\$281,950
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(234,711)</u>	<u>(3,893)</u>		<u>(238,604)</u>
Business-type activities, Capital Assets, Net	<u>\$17,389</u>	<u>\$25,957</u>	<u>\$0</u>	<u>\$43,346</u>

*Depreciation expenses was not allocated to governmental functions. It appears on the statement of activities as "unallocated depreciation".

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 6. LONG-TERM OBLIGATIONS

Changes in long-term obligations for the fiscal year ended June 30, 2024 were as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Other Liabilities:					
Obligations under capital lease	\$413,024	\$620,954	\$(326,597)	\$707,381	\$145,918
Compensated Absences Payable	880,637	133,494	(90,422)	923,709	
Net Pension Liability PERS	3,091,915		(37,785)	3,054,130	
Lease Liability	<u> </u>	<u>765,039</u>	<u>(28,669)</u>	<u>736,370</u>	<u>48,437</u>
Total other liabilities	<u>4,385,576</u>	<u>1,519,487</u>	<u>(483,473)</u>	<u>5,421,590</u>	<u>194,355</u>
Total Governmental Activities	<u>\$4,385,576</u>	<u>\$1,519,487</u>	<u>(\$483,473)</u>	<u>\$5,421,590</u>	<u>\$194,355</u>

A. Lease Purchase Agreements:

The District has entered into various lease purchase agreements for copiers and printers as outlined in Schedule I-2.

The following is a schedule of future minimum lease payments for these agreements, and the present value of the net minimum lease payments at June 30, 2024.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$145,918	\$36,435	\$182,353
2026	154,026	28,327	182,353
2027	152,168	19,791	171,959
2028	138,504	11,474	149,978
2029	<u>116,765</u>	<u>3,224</u>	<u>119,989</u>
	<u>\$707,381</u>	<u>\$99,251</u>	<u>\$806,632</u>
Total minimum lease payments			\$806,632
Less: Amount representing interest			<u>(99,251)</u>
Present value of lease payments			<u>\$707,381</u>

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 6. LONG-TERM OBLIGATIONS, (continued)

B. Compensated Absences:

Compensated Absences will be paid from the fund which the employees' salaries are paid.

C. Net Pension Liability

For details on the net pension liability, refer to Note 7. The District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

D. Leases

The District has entered into a lease as a lessee of a building to use for the location of the Raymond J. Lesniak Experience, Strength and Hope Recovery High School. An initial lease liability was recorded in the amount of \$765,039 in fiscal year 2024. For the year ended June 30, 2024, the value of the lease liability is \$736,370. The lease has an interest rate of 4.00%. The value of the right to use assets for the year ended June 30, 2024 was \$720,412, with accumulated amortization of \$44,627.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024 were as follows:

<u>Fiscal Year</u>			
<u>Ending</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
<u>June 30,</u>			
2025	\$77,028	\$48,437	\$28,591
2026	80,877	54,329	26,548
2027	84,920	60,660	24,260
2028	89,167	67,456	21,711
2029	93,625	74,744	18,881
2030-2031	<u>472,099</u>	<u>430,744</u>	<u>41,355</u>
	<u>\$897,716</u>	<u>\$736,370</u>	<u>\$161,346</u>
Total Minimum Lease payments			\$897,716
Less: Amount representing interest			<u>(161,346)</u>
Present value of lease payments			<u>\$736,370</u>

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Benefits Provided

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 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.

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Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. 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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Benefits Provided

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

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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.

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

<u>Year</u> <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/24	\$281,816	\$7,873
6/30/23	258,363	
6/30/22	228,791	

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year	Pension	Post-Retirement	NCGI	Long-Term
<u>Ending</u>	<u>Contributions</u>	<u>Medical</u>	<u>Premium</u>	<u>Liability</u>
6/30/24	\$4,328,070	\$1,191,376	\$49,359	\$2,401
6/30/23	4,314,212	1,149,057	59,855	2,412
6/30/22	4,482,796	1,062,139	63,246	2,638

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,012,341 during the year ended June 30, 2024 for the employer's share of social security Contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2024, the District had a liability of \$3,054,130 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2023, the District's proportion was 0.0210856904 percent, which was an increase of 0.00059773 percent from its proportion measured as of June 30, 2022.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

For the year ended June 30, 2024, the District recognized pension expense of \$85,831. At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$29,201	\$12,484
Changes of assumptions	6,709	185,093
Net difference between projected and actual earnings on pension plan investments	14,065	
Changes in proportion and differences between the District's contributions and proportionate share of contributions	309,052	87,567
District contributions subsequent to the measurement date	<u>338,562</u>	<u> </u>
Total	<u>\$697,589</u>	<u>\$285,144</u>

The \$338,562 as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2024	(\$161,246)
2025	(90,002)
2026	125,771
2027	(22,508)
2028	383

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,484,374,047	15,091,376,611
District's Proportion	0.0210856904%	0.0204879589%

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55% (based on years of service)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Mortality Rates

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 based on Scale MP-2021.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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 PERS's target asset allocation as of June 30, 2023 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	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2023 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$3,983,598	\$3,054,130	\$2,263,030

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

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, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share	
associated with the District	<u>53,855,812</u>
	<u><u>\$53,855,812</u></u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the proportion of the TPAF net pension liability associated with the District was 0.1055320303%.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of \$1,323,081 for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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%-4.25% (based on years of service)
Investment Rate of Return	7.00%

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Health Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with a 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, 2022 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, 2023) 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, 2023 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	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS, (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 8. POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

State Health Benefit State Retired Employees Plan, (continued)

"pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Total OPEB Liability

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

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2023 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>31,428,533</u>
	<u>\$31,428,533</u>

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. 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:

	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:	2.75 - 4.25%	2.75 - 6.55%
	based on service years	based on service years

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS and PFRS actuarial experience studies prepared for July 1, 2018 to June 30, 2021.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

(a) Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursements, the trend rate is 5.00%.

(b) Discount Rate

The discount rate used to measure the total OPEB Liability was 3.65%. 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 the Discount Rate

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

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

For the year ended June 30, 2024, the board of education/board of trustees recognized on-behalf OPEB expense of \$1,561,813 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Union County Vocational-Technical Schools's proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

**Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 9. DEFERRED COMPENSATION

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

MetLife	Lincoln Investment
AXA Equitable	
Lincoln National Life Insurances	

NOTE 10. RISK MANAGEMENT

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

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this method, the District remits all contributions directly to the State of New Jersey Unemployment Trust Fund.

NOTE 11. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Union County Vocational-Technical Schools by inclusion of \$500,001 during Fiscal year 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 11. CAPITAL RESERVE ACCOUNT, (continued)

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

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$5,351,337
Increased by:	
State Aid	25,000,000
Deposit Approved by Resolution June 24, 2024	750,000
Decreased by:	
Budget Appropriations	<u>22,204</u>
Ending Balance, June 30, 2024	<u>\$31,079,133</u>

NOTE 12. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$51,536,950 General Fund fund balance at June 30, 2024, \$13,846,666 is reserved as excess surplus in accordance with *N.J.S.A. 18A:7F-7*; \$10,422,207 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025); \$31,079,133 has been reserved in the Capital Reserve Account; \$6,542,190 is reserved for encumbrances; and \$68,961 is unreserved and undesignated.

Special Revenue Fund: Of the \$295,014 Special Revenue Fund fund balance at June 30, 2024, \$262,415 is reserved for Student Groups and \$32,599 is reserved for scholarships.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 13. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). 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, 2024 is \$13,846,666. Of this amount is \$3,424,459, as a result of current year operations.

NOTE 14. INVENTORY

Inventory in the Enterprise Funds at June 30, 2024 consisted of the following:

Food	\$668
Supplies	<u>1,524</u>
	<u>\$2,192</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 15. RIGHT TO USE LEASED ASSET

The District has recorded a right to use lease asset. This asset is for the lease of a building to use as the location for the Raymond J Lesniak Experience, Strength and Recovery High School. The lease was initiated on December and runs through November 30, 2033. The right to use lease asset is amortized on a straight-line basis over the terms of the related issue.

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Right to use assets				
Leased Building	\$ _____	<u>\$765,040</u>	\$ _____	<u>\$765,040</u>
Total right to use assets	_____	<u>765,040</u>	_____ -	<u>765,040</u>
Less accumulated amortization for:				
Leased Building	_____	<u>(44,627)</u>	_____	<u>(44,627)</u>
Total accumulated amortization	_____	<u>(44,627)</u>	_____ -	<u>(44,627)</u>
Right to use leased asset, net	<u>\$ _____</u>	<u>\$720,412</u>	<u>\$ _____</u>	<u>\$720,412</u>

Lease Asset Quantitative Disclosure:

Lease Description	Role	Classification Building	Net Asset Balance	Accumulated Amortization	Gross Asset Balance
Board of Education Office	Lessee	Building	<u>\$720,412</u>	<u>\$44,627</u>	<u>\$765,039</u>
			<u>\$720,412</u>	<u>\$44,627</u>	<u>\$765,039</u>

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 16. RETROACTIVE RESTATEMENT DUE TO UPDATED FIXED ASSET SCHEDULE

During fiscal year 2024, the District contracted with an outside service provider to prepare a fixed asset report. The following adjustments were made to the capital asset schedule and the Statement of Net Position as of June 30, 2023.

	Balance June 30, 2023	Restatement	Restated Balance June 30, 2023
<u>GOVERNMENTAL FUNDS:</u>			
Assets:			
Capital Assets			
Not Being Depreciated	6,545,159	3,115,376	9,660,535
Being Depreciated, Net	59,032,804	(4,906,479)	54,126,325
Net Assets:			
Net Investment in Capital Assets	65,164,939	(1,791,103)	63,373,836
Total Net Position	87,434,044	(1,791,103)	85,642,941
<u>BUSINESS-TYPE ACTIVITIES:</u>			
Assets:			
Capital Assets			
Being Depreciated, Net	-	17,389	17,389
Net Assets:			
Net Investment in Capital Assets	-	17,389	17,389
Total Net Position	548,560	17,389	565,949

NOTE 17. CONTINGENT LIABILITIES

Grant Programs - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation - No litigation was noted by the Board's Attorney. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Union County Vocational-Technical Schools
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 18. SUBSEQUENT EVENTS

The District has evaluated subsequent events through January 29, 2025, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

Exhibit C-1

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
General Fund:					
Revenues from Local Sources:					
Local Tax Levy	5,553,393	-	5,553,393	5,553,393	-
Tuition from LEAs	12,769,250	-	12,769,250	12,770,470	1,220
Other Tuition	440,000	-	440,000	287,117	(152,883)
Interest Earned on Capital Reserve Funds	50	-	50		(50)
Interest on Investments	-	-		439,684	439,684
Unrestricted Miscellaneous Revenues	400,000	-	400,000	587,005	187,005
Total - Local Sources	19,162,693	-	19,162,693	19,637,669	474,976
Revenues from State Sources:					
Categorical Special Education Aid	1,665,799	-	1,665,799	1,665,799	-
Equalization Aid	15,637,942	-	15,637,942	15,637,942	-
Categorical Security Aid	201,372	-	201,372		-
Other State Aids	-	-	-	25,000,000	25,000,000
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)	-	-		1,191,376	1,191,376
On-behalf TPAF Pension (non-budgeted)	-	-		4,328,070	4,328,070
On-behalf TPAF NCGI Premium (non-budgeted)	-	-		49,359	49,359
On-behalf TPAF LTDI	-	-		2,401	2,401
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-		1,012,341	1,012,341
Total - State Sources	17,505,113	-	17,505,113	49,088,660	31,583,547
Revenues from Federal Sources:					
Federal Pell Grant	-	-		180,382	180,382
Total - Federal Sources	-	-	-	180,382	180,382
TOTAL REVENUES	36,667,806	-	36,667,806	68,906,711	32,238,905
EXPENDITURES:					
Current Expense:					
Regular Vocational Programs- Instruction					
Salaries of Teachers	12,087,067	-	12,087,067	10,762,613	1,324,454
Purchased Professional - Educational Services	1,284,166	283,871	1,568,037	1,209,756	358,281
Other Purchased Services (400-500 series)	204,063	9,275	213,338	199,126	14,212
General Supplies	925,496	37,130	962,626	853,328	109,298
Textbooks	348,989	(52,922)	296,067	156,512	139,555
Other Objects	37,510	1,000	38,510	27,398	11,112
Total Regular Vocational Programs- Instruction	14,887,291	278,354	15,165,645	13,208,733	1,956,912
Special Vocational Programs - Instruction					
Salaries of Teachers	904,935	-	904,935	507,118	397,817
General Supplies	83,677	(2,027)	81,650	76,314	5,336
Textbooks	4,000	(4,000)	-	-	-
Other Objects	5,500	(3,456)	2,044	2,044	-
Total Special Vocational Programs - Instruction	998,112	(9,483)	988,629	585,476	403,153
TOTAL VOCATIONAL PROGRAMS - INSTRUCTION	15,885,403	268,871	16,154,274	13,794,209	2,360,065
SPECIAL EDUCATION - INSTRUCTION					
School-Sponsored Co/Extra Curricular Activities - Instruction					
Salaries	336,927	-	336,927	308,874	28,053
Supplies and Materials	15,575	(1,975)	13,600	12,170	1,430
Other Objects	30,870	37,639	68,509	66,537	1,972
Total School-Sponsored Co/Extra Curricular Activities - Instruction	383,372	35,664	419,036	387,581	31,455
Instructional Alternative Education Program - Instruction					
Salaries of Teachers	516,130	(120,480)	395,650	-	395,650
Purchased Professional and Technical Services	225,000	69,336	294,336	18,950	275,386
General Supplies	2,064	-	2,064	-	2,064
Other Objects	6,455	2	6,457	469	5,988
Instructional Total Alternative Education Program - Instruction	749,649	(51,142)	698,507	19,419	679,088
Instructional Alternative Education Program - Support Services					
Salaries	123,414	30,480	153,894	18,724	135,170
Total Instructional Alternative Education Program - Support Services	123,414	30,480	153,894	18,724	135,170
TOTAL INSTRUCTION	17,141,838	283,873	17,425,711	14,219,933	3,205,778
Undist. Expend. - Health Services					
Salaries	150,364	1,100	151,464	151,464	-
Purchased Professional and Technical Services	1,500	(300)	1,200	-	1,200
Supplies and Materials	3,633	-	3,633	1,445	2,188
Total Undistributed Expenditures - Health Services	155,497	800	156,297	152,909	3,388
Undist. Expend. - Speech, OT, PT & Related Services					
Purchased Professional - Educational Services	1,900	300	2,200	2,200	-
Total Undist. Expend. - Speech, OT, PT & Related Services	1,900	300	2,200	2,200	-
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,277,584	(1,100)	1,276,484	906,009	370,475
Salaries of Secretarial and Clerical Assistants	245,254	-	245,254	185,752	59,502
Supplies and Materials	6,301	-	6,301	1,140	5,161
Other Objects	6,587	-	6,587	-	6,587
Total Undist. Expend. - Guidance	1,535,726	(1,100)	1,534,626	1,092,901	441,725

Exhibit C-1

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	276,150	(7,208)	268,942	82,131	186,811
Salaries of Secretarial and Clerical Assistants	46,852	7,208	54,060	54,060	-
Purchased Professional - Educational Services	50,000	-	50,000	-	50,000
Supplies and Materials	6,321	-	6,321	1,637	4,684
Other Objects	5,000	-	5,000	138	4,862
Total Undist. Expend. - Child Study Teams	384,323	-	384,323	137,966	246,357
Undist. Expend. - Improvement of Instructional Services					
Salaries of Other Professional Staff	40,000	-	40,000	27,102	12,898
Total Undist. Expend. - Improvement of Inst. Services	40,000	-	40,000	27,102	12,898
Undist. Expend. - Instructional Staff Training Services					
Salaries of Other Professional Staff	31,700	-	31,700	6,438	25,262
Other Purchased Professional and Technical Services	16,500	-	16,500	-	16,500
Other Purchased Services (400-500 series)	29,915	-	29,915	19,018	10,897
Total Undist. Expend. - Instructional Staff Training Serv.	78,115	-	78,115	25,456	52,659
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	437,845	-	437,845	437,229	616
Legal Services	69,000	58,000	127,000	107,991	19,009
Audit Fees	32,250	-	32,250	32,250	-
Communications/Telephone	139,025	(29,000)	110,025	99,740	10,285
BOE Other Purchased Services	2,500	-	2,500	1,050	1,450
Miscellaneous Purchased Services (400-500) [Other than 530 and 585]	5,000	-	5,000	5,000	-
General Supplies	18,016	(14,000)	4,016	1,943	2,073
Miscellaneous Expenditures	15,000	-	15,000	12,823	2,177
BOE Membership Dues and Fees	5,000	-	5,000	4,200	800
Total Undist. Expend. - Supp. Serv. - General Administration	723,636	15,000	738,636	702,226	36,410
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals/Program Directors	1,208,564	-	1,208,564	1,005,074	203,490
Salaries of Other Professional Staff	5,200	-	5,200	3,600	1,600
Salaries of Secretarial and Clerical Assistants	461,301	-	461,301	343,578	117,723
Other Salaries	47,870	-	47,870	25,129	22,741
Other Purchased Services (400-500 series)	67,198	-	67,198	54,010	13,188
Supplies and Materials	22,026	-	22,026	9,904	12,122
Other Objects	44,940	-	44,940	30,682	14,258
Total Undist. Expend. - Support Serv. - School Administration	1,857,099	-	1,857,099	1,471,977	385,122
Undist. Expend. - Central Services					
Salaries	709,978	(241)	709,737	624,182	85,555
Purchased Professional Services	158,003	(15,000)	143,003	60,154	82,849
Miscellaneous Purchased Services (400-500) [Other than 594]	6,430	-	6,430	2,502	3,928
Supplies and Materials	23,458	-	23,458	15,082	8,376
Miscellaneous Expenditures	57,487	-	57,487	51,442	6,045
Total Undist. Expend. - Central Services	955,356	(15,241)	940,115	753,362	186,753
Undist. Expend. - Admin Info. Technology					
Salaries	151,312	241	151,553	151,553	-
Other Purchased Services (400-500 series)	10,000	-	10,000	-	10,000
Total Undist. Expend. - Admin Info. Technology	161,312	241	161,553	151,553	10,000
Undist. Expend. - Required Maint. for School Facilities (261)					
Salaries	436,945	-	436,945	339,492	97,453
Cleaning, Repair, and Maintenance Services	2,128,938	(20,147)	2,108,791	1,068,641	1,040,150
General Supplies	221,694	20,147	241,841	218,428	23,413
Total Undist. Expend. - Required Maint. for School Facilities	2,787,577	-	2,787,577	1,626,561	1,161,016
Undist. Expend. - Custodial Services (262)					
Salaries	612,517	-	612,517	394,354	218,163
Salaries of Non-Instructional Aides	58,622	-	58,622	58,620	2
Cleaning, Repair, and Maintenance Services	865,870	103,538	969,408	964,280	5,128
Other Purchased Property Services	65,083	-	65,083	57,916	7,167
Insurance	309,108	1,219	310,327	310,327	-
Energy (Natural Gas)	322,279	-	322,279	270,138	52,141
Energy (Electricity)	1,667,603	(103,539)	1,564,064	961,260	602,804
Total Undist. Expend. - Custodial Services	3,901,082	1,218	3,902,300	3,016,895	885,405
Undist. Expend. - Security (266)					
Purchased Professional and Technical Services	673,621	-	673,621	390,208	283,413
Total Undist. Expend. - Security	673,621	-	673,621	390,208	283,413
Undist. Expend. - Student Transportation Services (270)					
Cleaning, Repair and Maintenance Services	5,000	-	5,000	-	5,000
Contract Services (Other than Between Home and School)-Vendors	161,136	-	161,136	100,361	60,775
Transportation Supplies	5,000	-	5,000	-	5,000
Total Undist. Expend. - Student Transportation Services	171,136	-	171,136	100,361	70,775

Exhibit C-1

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS (291)					
Social Security Contributions	388,594	-	388,594	320,881	67,713
T.P.A.F. Contributions - ERIP	160,000	-	160,000	-	160,000
Other Retirement Contributions-PERS	281,542	4,599	286,141	285,147	994
Unemployment Compensation	30,000	(4,600)	25,400	485	24,915
Workmen's Compensation	137,154	(1,219)	135,935	134,574	1,361
Health Benefits	6,628,761	(274,599)	6,354,162	4,627,588	1,726,574
Tuition Reimbursement	115,258	-	115,258	76,123	39,135
Other Employee Benefits	30,000	-	30,000	21,673	8,327
Unused Sick Payment to Terminated/Retired Staff	50,000	-	50,000	12,722	37,278
TOTAL UNALLOCATED BENEFITS	7,821,309	(275,819)	7,545,490	5,479,193	2,066,297
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)	-	-	-	1,191,376	(1,191,376)
On-behalf TPAF Pension (non-budgeted)	-	-	-	4,328,070	(4,328,070)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	49,359	(49,359)
On-behalf TPAD LTDI	-	-	-	2,401	(2,401)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	1,012,341	(1,012,341)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	6,583,547	(6,583,547)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	7,821,309	(275,819)	7,545,490	12,062,740	(4,517,250)
TOTAL UNDISTRIBUTED EXPENDITURES	21,247,689	(274,601)	20,973,088	21,714,417	(741,329)
TOTAL GENERAL CURRENT EXPENSE	38,389,527	9,272	38,398,799	35,934,350	2,464,449
CAPITAL OUTLAY					
Undistributed					
Required Maintenance for School Facilities	-	445,670	445,670	445,670	-
Total Equipment	-	445,670	445,670	445,670	-
Facilities Acquisition and Construction Services					
Assessment for Debt Service on SDA Funding	46,147	-	46,147	46,147	-
Total Facilities Acquisition and Construction Services	46,147	-	46,147	46,147	-
Assets Acquired Under Capital Leases (non-budgeted)					
Various Equipment	-	-	-	620,954	(620,954)
Total Assets Acquired Under Capital Leases (non-budgeted)	-	-	-	620,954	(620,954)
Capital Reserve - Transfer to Capital Projects	22,204	-	22,204	-	22,204
TOTAL CAPITAL OUTLAY	68,351	445,670	514,021	1,112,771	(598,750)
SPECIAL SCHOOLS:					
Accredited Evening/Adult High School/Post-Graduate - Instruction					
Salaries of Teachers	356,420	-	356,420	271,631	84,789
General Supplies	37,093	-	37,093	22,035	15,058
Textbooks	15,000	-	15,000	-	15,000
Other Objects	5,002	-	5,002	3,125	1,877
Total Accredited Evening/Adult High School/Post-Graduate - Instruction	413,515	-	413,515	296,791	116,724
Accredited Evening/Adult High School/Post-Graduate - Support Services					
Salaries	143,513	-	143,513	65,421	78,092
Supplies and Materials	10,000	-	10,000	4,221	5,779
Other Objects	16,546	-	16,546	4,806	11,740
Total Accredited Evening/Adult High School/Post-Graduate - Support Services	170,059	-	170,059	74,448	95,611
Vocational Evening-Local-Instruction					
Salaries of Teachers	131,308	-	131,308	15,444	115,864
Supplies and Materials	5,000	-	5,000	-	5,000
Total Vocational Evening-Local-Instruction	136,308	-	136,308	15,444	120,864
TOTAL EXPENDITURES	39,177,760	454,942	39,632,702	37,433,804	2,198,898
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(2,509,954)	(454,942)	(2,964,896)	31,472,907	34,437,803
Other Financing Sources/(Uses):					
Capital Leases (non-budgeted)	-	-	-	620,954	(620,954)
Reallocation of Prior Year Grant Expenses	-	-	-	1,182,050	(1,182,050)
Total Other Financing Sources/(Uses):	-	-	-	1,803,004	(1,803,004)
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	(2,509,954)	(454,942)	(2,964,896)	33,275,911	32,634,799
Fund Balance, July 1	20,005,836		20,005,836	20,005,836	-
Fund Balance, June 30	17,495,882	(454,942)	17,040,940	53,281,747	32,634,799

Exhibit C-1

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	(1,805,512)		(1,805,512)	(1,805,512)	-
Increase in Capital Reserve:					-
Principal	-			25,750,000	25,750,000
Interest Deposit to Capital Reserve	50		50		(50)
Withdrawal from Capital Reserve	(22,204)		(22,204)	(22,204)	-
Budgeted Fund Balance	<u>(682,288)</u>	<u>(454,942)</u>	<u>(1,127,958)</u>	<u>9,353,627</u>	<u>6,884,849</u>
	<u>(2,509,954)</u>	<u>(454,942)</u>	<u>(2,955,624)</u>	<u>33,275,911</u>	<u>32,634,799</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus - Current Year				3,424,459	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				10,422,207	
Capital Reserve				31,079,133	
Committed Fund Balance:					
Year-end Encumbrances				6,542,190	
Unassigned Fund Balance				<u>1,813,758</u>	
Total Fund Balance per Governmental Funds (Budgetary)				<u>53,281,747</u>	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>1,744,797</u>	
Total Fund Balance per Governmental Funds (GAAP)				<u><u>51,536,950</u></u>	

* Include interest earnings on the unemployment compensation bank account

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		152,480	152,480	488,237	335,757 note 1
State Sources		2,505,468	2,505,468	863,495	(1,641,973)
Federal Sources	1,063,845	2,455,570	3,519,415	2,508,245	(1,011,170)
Total Revenues	<u>1,063,845</u>	<u>5,113,518</u>	<u>6,177,363</u>	<u>3,859,977</u>	<u>(2,317,386)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers		478,455	478,455	323,776	154,679
Purchased Services	1,063,845	280,626	1,344,471	823,724	520,747
Other Purchased Services (400-500 Series)		45,023	45,023	6,578	38,445
Instructional Supplies		417,524	417,524	183,098	234,426
Other Objects		339,422	339,422	97,014	242,408
Total instruction	<u>1,063,845</u>	<u>1,561,050</u>	<u>2,624,895</u>	<u>1,434,190</u>	<u>1,190,705</u>
Support services:					
Salaries of Program Directors		1,717	1,717	1,717	-
Salaries of Secretaries and Clerical Assistants		4,654	4,654	4,654	-
Salaries - Support		537,114	537,114	369,910	167,204
Employee Benefits		523,759	523,759	185,259	338,500
Professional Technical Services		401,424	401,424	247,892	153,532
Other Purchased Services		589,612	589,612	48,047	541,565
Contracted Transportation Services		18,068	18,068	18,068	-
Travel		3,634	3,634	2,334	1,300
Supplies and Materials		38,112	38,112	3,656	34,456
Other Objects		229,307	229,307	99,827	129,480
Cleaning, Repair, and Maintenance Services		41,318	41,318	-	41,318
Scholarships Awarded		-	-	2,000	(2,000) note 1
Student Activities		-	-	468,545	(468,545) note 1
Total support services	<u>-</u>	<u>2,388,719</u>	<u>2,388,719</u>	<u>1,451,909</u>	<u>936,810</u>
Facilities acquisition and const. serv.:					
Buildings		1,029,170	1,029,170	839,106	190,064
Instructional Equipment		134,579	134,579	127,856	6,723
Total facilities acquisition and const. serv.	<u>-</u>	<u>1,163,749</u>	<u>1,163,749</u>	<u>966,962</u>	<u>196,787</u>
Total Expenditures	<u>1,063,845</u>	<u>5,113,518</u>	<u>6,177,363</u>	<u>3,853,061</u>	<u>2,324,302</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,916</u>	<u>6,916</u>
Fund Balance, July 1				<u>288,098</u>	
Fund Balance, June 30				<u><u>295,014</u></u>	
Recapitulation:					
Restricted:					
Scholarships				32,599	
Student Activities				\$ 262,415	
Total Fund Balance				<u><u>\$ 295,014</u></u>	

note 1 Not required to budget for student activity or scholarship funds

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2024

**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-1]&[C-2]	68,906,711	3,859,977
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			373,278
Current Year			(1,089,511)
 The last state aid payment is recognized for GAAP Statements in the current year, previously recognized for budgetary purposes		1,566,801	
 The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(1,744,797)	
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>68,728,715</u>	<u>3,143,744</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	37,433,804	3,853,061
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are 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.			
Prior Year			373,278
Current Year			(1,089,511)
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>37,433,804</u>	<u>3,136,828</u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's		District's Covered Payroll - PERS Employee's	District's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
		Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll		Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	
2015	0.0148149123%	\$	2,773,757	\$	1,136,043	244.16%	47.92%
2016	0.0160037118%		3,592,513		1,241,024	289.48%	52.07%
2017	0.0177637930%		5,261,126		1,278,576	411.48%	59.86%
2018	0.0180599339%		4,204,064		1,281,711	328.00%	51.90%
2019	0.0183000124%		3,603,181		1,400,591	257.26%	46.40%
2020	0.0181168927%		3,264,389		1,469,096	222.20%	43.43%
2021	0.0204846738%		3,340,515		1,467,094	227.70%	41.35%
2022	0.0195361481%		2,314,350		1,511,491	153.12%	29.35%
2023	0.0204879589%		3,091,915		1,736,753	178.03%	36.78%
2024	0.0210856904%		3,054,130		1,900,838	160.67%	34.48%

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
Last 10 Fiscal Years

Fiscal Year Ending June 30,	Contributions in Relations to the			Contribution Deficiency (Excess)	District's PERS		Contributions as a Percentage of PERS Covered- Employee Payroll
	Contractually Required Contribution	Contractually Required Contributions			Covered- Employee Payroll		
2015	\$ 122,132	\$ (122,132)	\$ -	-	\$ 1,136,043		10.75%
2016	\$ 137,589	\$ (137,589)	\$ -	-	\$ 1,241,024		11.09%
2017	\$ 157,811	\$ (157,811)	\$ -	-	\$ 1,278,576		12.34%
2018	\$ 167,306	\$ (167,306)	\$ -	-	\$ 1,281,711		13.05%
2019	\$ 182,026	\$ (182,026)	\$ -	-	\$ 1,400,591		13.00%
2020	\$ 176,224	\$ (176,224)	\$ -	-	\$ 1,469,096		12.00%
2021	\$ 224,092	\$ (224,092)	\$ -	-	\$ 1,467,094		15.27%
2022	\$ 228,791	\$ (228,791)	\$ -	-	\$ 1,511,491		15.14%
2023	\$ 258,363	\$ (258,363)	\$ -	-	\$ 1,736,753		14.88%
2024	\$ 281,816	\$ (281,816)	\$ -	-	\$ 1,900,838		14.83%

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's		District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	State's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
			Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll - TPAF Employee's			
2015	0.0975289691%	\$	\$	9,770,347	0.00%	533.51%	33.64%
2016	0.0954123341%	-	60,304,670	10,539,012	0.00%	572.20%	28.71%
2017	0.0906090509%	-	71,278,849	11,074,052	0.00%	643.66%	22.33%
2018	0.0972219846%	-	65,550,568	11,174,211	0.00%	586.62%	25.41%
2019	0.1052714677%	-	66,971,477	11,392,669	0.00%	587.85%	26.49%
2020	0.1030364178%	-	63,234,422	11,569,425	0.00%	546.56%	26.95%
2021	0.1063023853%	-	69,998,842	12,191,921	0.00%	574.14%	24.60%
2022	0.1039190780%	-	49,959,293	12,088,830	0.00%	413.27%	35.52%
2023	0.1088941045%	-	56,183,277	11,883,667	0.00%	472.78%	32.29%
2024	0.1055320303%	-	53,855,812	13,827,778	0.00%	389.48%	34.68%

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedules of Required Supplementary Information
Schedule of the School District's Contribution
Teacher's Pension and Annuity Fund (TPAF)
Last 10 Fiscal Years

This schedule is not applicable.

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

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

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2024

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in
Note 7 of the Notes to the Financial Statements.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in
Note 7 of the Notes to the Financial Statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
*Last 10 Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Costs	\$ 1,951,786	\$ 2,618,930	\$ 3,038,933	\$ 1,598,643	\$ 1,324,763	\$ 1,461,201	\$ 1,753,122
Interest on Total OPEB Liability	1,106,875	835,107	1,000,384	959,143	1,075,762	1,172,272	1,003,323
Change of Benefit Terms	(2,371,174)	(1,251,529)	(9,585,202)	8,696,755	(2,689,004)	(3,626,436)	(4,224,906)
Difference between Expected and Actual Expenditures	63,347	(8,453,420)	38,046	8,197,132	390,360	(3,082,196)	(732,559)
Changes in Assumptions	(862,827)	(827,198)	(788,022)	(781,238)	(803,677)	(718,198)	(732,559)
Gross Benefit Payments	28,365	26,537	25,575	23,679	23,823	24,822	26,975
Contribution from the Member	(83,628)	(7,051,573)	(6,311,332)	18,694,114	(677,973)	(4,768,535)	(2,174,045)
Net Changes in total Share of OPEB Liability	31,512,161	38,563,734	44,875,066	26,180,952	26,858,925	31,627,460	33,801,505
Total OPEB Liability - Beginning	<u>\$ 31,428,533</u>	<u>\$ 31,512,161</u>	<u>\$ 38,563,734</u>	<u>\$ 44,875,066</u>	<u>\$ 26,180,952</u>	<u>\$ 26,858,925</u>	<u>\$ 31,627,460</u>
Total OPEB Liability - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Proportionate Share of OPEB Liability	31,428,533	31,512,161	38,563,734	44,875,066	26,180,952	26,858,925	31,627,460
State's Proportionate Share of OPEB Liability	<u>\$ 31,428,533</u>	<u>\$ 31,512,161</u>	<u>\$ 38,563,734</u>	<u>\$ 44,875,066</u>	<u>\$ 26,180,952</u>	<u>\$ 26,858,925</u>	<u>\$ 31,627,460</u>
Total OPEB Liability - Ending	<u>\$ 15,728,616</u>	<u>\$ 13,620,420</u>	<u>\$ 13,600,321</u>	<u>\$ 13,659,015</u>	<u>\$ 13,038,521</u>	<u>\$ 12,793,260</u>	<u>\$ 12,455,922</u>
District's Covered Employee Payroll							
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Change in benefit terms Decrease in liability due to employers adopting provisions of Chapter 44.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 8.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B Basic	Title I, Part A	Title II, Part A Teacher & Principal Training & Recruiting	Perkins Secondary Federal Funds	Perkins Secondary Reserve Funds	Totals 2024
REVENUES							
Local Sources	488,237						488,237
State Sources	863,495						863,495
Federal Sources	1,398,903	339,612	252,880	14,072	433,273	69,505	2,508,245
Total Revenues	2,750,635	339,612	252,880	14,072	433,273	69,505	3,859,977
EXPENDITURES:							
Instruction:							
Salaries of Teachers	247,776	76,000					323,776
Purchased Services	569,441				204,525	49,758	823,724
Other Purchased Services (400-500 Series)	6,578						6,578
Instructional Supplies	117,592	2,200			52,772	10,534	183,098
Other Objects	93,460		1,175			2,379	97,014
Total instruction	1,034,847	78,200	1,175	-	257,297	62,671	1,434,190
Support services:							
Salaries of Program Directors	1,717						1,717
Salaries of Secretaries and Clerical Assistants	4,654						4,654
Other Salaries	149,527	60,000	146,311	14,072			369,910
Personnel Services - Employee Benefits	28,396	88,600	68,263				185,259
Professional Technical Services	85,481	104,687	36,831		16,600	4,293	247,892
Other Purchased Services	10,675				36,977	395	48,047
Contracted Transportation Services	18,068					2,146	18,068
Travel	188						2,334
Supplies and Materials	3,356		300				3,656
Other Objects	91,702	8,125					99,827
Scholarships Awarded	2,000						2,000
Student Activities	468,545						468,545
Total support services	864,309	261,412	251,705	14,072	53,577	6,834	1,451,909
Facilities acquisition and const. serv.:							
Buildings	839,106						839,106
Instructional Equipment	5,457				122,399		127,856
	844,563	-	-	-	122,399	-	966,962
Total Expenditures	2,743,719	339,612	252,880	14,072	433,273	69,505	3,853,061
Excess (Deficiency) of Revenues Over (Under)							
Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1	6,916	-	-	-	-	-	6,916
Fund Balance, July 1	288,098	-					288,098
Fund Balance, June 30	295,014	-	-	-	-	-	295,014

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1b)	Perkins Post Secondary State Funds	ESSER II - Learning Acceleration	CR Mental Health	ARP - ESSER	ARP - ESSER Accelerated Learning Coach and Educator Support	Total Carried Forward
REVENUES							
Local Sources	488,237						488,237
State Sources	863,495						863,495
Federal Sources	420,000	91,434	2,425	280	844,563	40,201	1,398,903
Total Revenues	1,771,732	91,434	2,425	280	844,563	40,201	2,750,635
EXPENDITURES:							
Instruction:							
Salaries of Teachers	247,776						247,776
Purchased Services	564,741	4,700					569,441
Other Purchased Services (400-500 Series)	6,578						6,578
Instructional Supplies	46,819	68,348	2,425				117,592
Other Objects	93,460						93,460
Total instruction	959,374	73,048	2,425	-	-	-	1,034,847
Support services:							
Salaries of Program Directors	1,717						1,717
Salaries of Secretaries and Clerical Assistants	4,654						4,654
Other Salaries	132,622	16,905					149,527
Personnel Services - Employee Benefits	27,103	1,293					28,396
Professional Technical Services	45,000			280		40,201	85,481
Other Purchased Services	10,675						10,675
Contracted Transportation Services	18,068						18,068
Travel	-	188					188
Supplies and Materials	3,356						3,356
Other Objects	91,702						91,702
Scholarships Awarded	2,000						2,000
Student Activities	468,545						468,545
Total support services	805,442	18,386	-	280	-	40,201	864,309
Facilities acquisition and const. serv.:							
Buildings	-				839,106		839,106
Instructional Equipment	-				5,457		5,457
Total facilities acquisition and const. serv.	-	-	-	-	844,563	-	844,563
Total Expenditures	1,764,816	91,434	2,425	280	844,563	40,201	2,743,719
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	6,916	-	-	-	-	-	6,916
Fund Balance, July 1	288,098						288,098
Fund Balance, June 30	295,014	-	-	-	-	-	295,014

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures – Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1c)	ARP - ESSER NJTSS Mental Health Support Staffing	WIOA	Recovery High School Access Grant	Transportation Port Grant	AAHA STS Award	Total Carried Forward
REVENUES							
Local Sources	485,549				735	1,953	488,237
State Sources	-	45,000	375,000	863,495			863,495
Federal Sources	-						420,000
Total Revenues	485,549	45,000	375,000	863,495	735	1,953	1,771,732
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-		44,492	203,284			247,776
Purchased Services	-		121,645	443,096			564,741
Other Purchased Services (400-500 Series)	-		6,578				6,578
Instructional Supplies	5,345		620	38,901		1,953	46,819
Other Objects	2,043			91,417			93,460
Total instruction	7,388	-	173,335	776,698	-	1,953	959,374
Support services:							
Salaries of Program Directors	-			1,717			1,717
Salaries of Secretaries and Clerical Assistants	-			4,654			4,654
Other Salaries	-		132,622	903			132,622
Personnel Services - Employee Benefits	-		26,200				27,103
Professional Technical Services	-	45,000					45,000
Other Purchased Services	700		950	8,290	735		10,675
Contracted Transportation Services	-			18,068			18,068
Travel	-						-
Supplies and Materials	-		3,356				3,356
Other Objects	-		38,537	53,165			91,702
Scholarships Awarded	2,000						2,000
Student Activities	468,545						468,545
Total support services	471,245	45,000	201,665	86,797	735	-	805,442
Facilities acquisition and const. serv.:							
Buildings	-						-
Instructional Equipment	-						-
Total facilities acquisition and const. serv.	-	-	-	-	-	-	-
Total Expenditures	478,633	45,000	375,000	863,495	735	1,953	1,764,816
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	6,916	-	-	-	-	-	6,916
Fund Balance, July 1	288,098						288,098
Fund Balance, June 30	295,014	-	-	-	-	-	295,014

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures – Budgetary Basis
Fiscal Year Ended June 30, 2024

	Essex County Vocational Schools; Port Authority NY/NJ Construction Trades Grant					National FFA Foundation, Inc.: Grants for Growing	UCTECH High School Student Activity Fund	Academy for Performing Arts Student Activity Fund	Academy for Information Technology Student Activity Fund	Total Carried Forward
REVENUES	Total Brought Forward (Ex. E-1d)									
Local Sources	185,078			5,115		2,973	83,230	86,193	122,960	485,549
State Sources	-									-
Federal Sources	-									-
Total Revenues	185,078			5,115		2,973	83,230	86,193	122,960	485,549
EXPENDITURES:										
Instruction:										
Salaries of Teachers	-									-
Purchased Services	-									-
Other Purchased Services (400-500 Series)	-					2,973				-
Instructional Supplies	-			2,372						5,345
Other Objects	-			2,043						2,043
Total instruction	-			4,415		2,973	-	-	-	7,388
Support services:										
Salaries of Program Directors	-									-
Salaries of Secretaries and Clerical Assistants	-									-
Other Salaries	-									-
Personnel Services - Employee Benefits	-									-
Professional Technical Services	-									-
Other Purchased Services	-			700						700
Contracted Transportation Services	-									-
Travel	-									-
Supplies and Materials	-									-
Other Objects	-									-
Scholarships Awarded	2,000									2,000
Student Activities	150,253						108,026	84,764	125,502	468,545
Total support services	152,253			700		-	108,026	84,764	125,502	471,245
Facilities acquisition and const. serv.:										
Buildings	-									-
Instructional Equipment	-									-
Total facilities acquisition and const. serv.	-			-		-	-	-	-	-
Total Expenditures	152,253			5,115		2,973	108,026	84,764	125,502	478,633
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	32,825			-		-	(24,796)	1,429	(2,542)	6,916
Fund Balance, July 1	103,312									288,098
Fund Balance, June 30	136,137			-		-	39,941	86,029	32,907	295,014

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures – Budgetary Basis
Fiscal Year Ended June 30, 2024

	Academy for Allied Health Sciences Student Activity Fund				Magnet High School Student Activity Fund	Levensburg Scholarship Fund	Carpentry Scholarship Fund	Total Carried Forward
REVENUES								
Local Sources	92,561			65,675		691	26,151	185,078
State Sources								-
Federal Sources								-
Total Revenues	92,561			65,675		691	26,151	185,078
EXPENDITURES:								
Instruction:								
Salaries of Teachers								-
Purchased Services								-
Other Purchased Services (400-500 Series)								-
Instructional Supplies								-
Other Objects								-
Total instruction	-			-		-	-	-
Support services:								
Salaries of Program Directors								-
Salaries of Secretaries and Clerical Assistants								-
Other Salaries								-
Personnel Services - Employee Benefits								-
Professional Technical Services								-
Other Purchased Services								-
Contracted Transportation Services								-
Travel								-
Supplies and Materials								-
Other Objects								-
Scholarships Awarded							2,000	2,000
Student Activities	78,214			72,039				150,253
Total support services	78,214			72,039		-	2,000	152,253
Facilities acquisition and const. serv.:								
Buildings								-
Instructional Equipment								-
Total facilities acquisition and const. serv.				-				-
Total Expenditures	78,214			72,039		-	2,000	152,253
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	14,347			(6,364)		691	24,151	32,825
Fund Balance, July 1	35,896			59,659		7,757	-	103,312
Fund Balance, June 30	50,243			53,295		8,448	24,151	136,137

CAPITAL PROJECTS FUND

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Summary Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budgetary Basis
Fiscal Year Ended June 30, 2024

Revenues and Other Financing Sources

State Sources - SCC Grant	-
Bond proceeds and transfers	-
County of Union Capital Ordinances	1,400,000
Transfers from Capital Reserve	-
Transfers from Capital Outlay	-
Interest on Investments	-
	<hr/>
	1,400,000
	<hr/>

Expenditures and Other Financing Uses

Purchased professional and technical services	-
Land and improvements	-
Construction services	1,075,228
General supplies	-
Equipment purchases	616,829
Transfer to General Fund	-
	<hr/>
	1,692,057
	<hr/>

Excess (deficiency) of revenues over (under) expenditures (292,057)

Fund balance - beginning

 7,598,841

Fund balance - ending

 7,306,784

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvement to Union County Vocational School-APA/Kean Easement
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	87,561		87,561	87,561
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>87,561</u>	<u>-</u>	<u>87,561</u>	<u>87,561</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services	87,561		87,561	87,561
General supplies			-	-
Equipment purchases			-	
	<u>87,561</u>	<u>-</u>	<u>87,561</u>	<u>87,561</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	669			
Grant date	N/A			
County Authorization Date	6/26/2009			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	87,561			
Additional authorized cost	-			
Revised authorized cost	87,561			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	June 2010			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	371		371	371
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>371</u>	<u>-</u>	<u>371</u>	<u>371</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services			-	371
General supplies			-	-
Equipment purchases			-	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>371</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>371</u>	<u>-</u>	<u>371</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	671			
Grant date	N/A			
County Authorization Date	10/9/2008			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	371			
Additional authorized cost	-			
Revised authorized cost	371			
Percentage increase over original authorized cost	-			
Percentage completion	0%			
Original target completion date				
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Construction of Campus Covered Walkways and Purchase of Equipment
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	971,043		971,043	971,043
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>971,043</u>	<u>-</u>	<u>971,043</u>	<u>971,043</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	2,603		2,603	18,164
Land and improvements			-	-
Construction services	605,467		605,467	605,467
General supplies			-	-
Equipment purchases	<u>347,412</u>	<u>-</u>	<u>347,412</u>	<u>347,412</u>
	<u>955,482</u>	<u>-</u>	<u>955,482</u>	<u>971,043</u>
Other Financing Sources (Uses)				
Canceled County Funding	<u>15,561</u>	<u>-</u>	<u>15,561</u>	
	<u>15,561</u>	<u>-</u>	<u>15,561</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	740			
Grant date	N/A			
County Authorization Date	9/13/2012			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	971,043			
Additional authorized cost	(15,561)			
Revised authorized cost	955,482			
Percentage increase over original authorized cost	(0.02)			
Percentage completion	100%			
Original target completion date	November 2014			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,442,000		1,442,000	1,442,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,442,000</u>	<u>-</u>	<u>1,442,000</u>	<u>1,442,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	-
Land and improvements			-	-
Construction services	894,445	32,698	927,143	942,000
General supplies			-	-
Equipment purchases	<u>500,000</u>	<u></u>	<u>500,000</u>	<u>500,000</u>
	<u>1,394,445</u>	<u>32,698</u>	<u>1,427,143</u>	<u>1,442,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>47,555</u>	<u>(32,698)</u>	<u>14,857</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	752 CC			
Grant date	N/A			
County Authorization Date	8/22/2013			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,442,000			
Additional authorized cost	-			
Revised authorized cost	1,442,000			
Percentage increase over original authorized cost	-			
Percentage completion	99%			
Original target completion date	November 2015			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	978,500		978,500	978,500
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>978,500</u>	<u>-</u>	<u>978,500</u>	<u>978,500</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	28,500
Land and improvements			-	-
Construction services	452,002	48,802	500,804	800,000
General supplies			-	-
Equipment purchases	<u>40,564</u>	<u></u>	<u>40,564</u>	<u>150,000</u>
	<u>492,566</u>	<u>48,802</u>	<u>541,368</u>	<u>978,500</u>
Other Financing Sources (Uses)				
Canceled County Funding	<u>42,000</u>	<u></u>	<u>42,000</u>	
	<u>42,000</u>	<u>-</u>	<u>42,000</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>443,934</u>	<u>(48,802)</u>	<u>395,132</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	759 BB			
Grant date	N/A			
County Authorization Date	9/11/2014			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	978,500			
Additional authorized cost	-			
Revised authorized cost	978,500			
Percentage increase over original authorized cost	-			
Percentage completion	55%			
Original target completion date	June 2016			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,184,500		1,184,500	1,184,500
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,184,500</u>	<u>-</u>	<u>1,184,500</u>	<u>1,184,500</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	15,371		15,371	34,500
Land and improvements			-	150,000
Construction services	300,350		300,350	800,000
General supplies			-	-
Equipment purchases	<u>158,056</u>		<u>158,056</u>	<u>200,000</u>
	<u>473,777</u>	<u>-</u>	<u>473,777</u>	<u>1,184,500</u>
Other Financing Sources (Uses)				
Canceled County Funding	<u>18,779</u>		<u>18,779</u>	
	<u>18,779</u>	<u>-</u>	<u>18,779</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>691,944</u>	<u>-</u>	<u>691,944</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	765			
Grant date	N/A			
County Authorization Date	7/16/2015			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,184,500			
Additional authorized cost	-			
Revised authorized cost	1,184,500			
Percentage increase over original authorized cost	-			
Percentage completion	40%			
Original target completion date	June 2017			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,442,000		1,442,000	1,442,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,442,000</u>	<u>-</u>	<u>1,442,000</u>	<u>1,442,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	16,500		16,500	42,000
Land and improvements			-	
Construction services	528,919	32,486	561,405	600,000
General supplies			-	-
Equipment purchases	<u>789,777</u>	<u></u>	<u>789,777</u>	<u>800,000</u>
	<u>1,335,196</u>	<u>32,486</u>	<u>1,367,682</u>	<u>1,442,000</u>
Other Financing Sources (Uses)				
Canceled County Funding	<u>25,500</u>	<u></u>	<u>25,500</u>	
	<u>25,500</u>	<u>-</u>	<u>25,500</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>81,304</u>	<u>(32,486)</u>	<u>48,818</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	776			
Grant date	N/A			
County Authorization Date	8/18/2016			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,442,000			
Additional authorized cost	-			
Revised authorized cost	1,442,000			
Percentage increase over original authorized cost	-			
Percentage completion	95%			
Original target completion date	June 2018			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,400,000		1,400,000	1,400,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services	742,050		742,050	800,000
General supplies			-	-
Equipment purchases	<u>600,000</u>	<u></u>	<u>600,000</u>	<u>600,000</u>
	<u>1,342,050</u>	<u>-</u>	<u>1,342,050</u>	<u>1,400,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>57,950</u>	<u>-</u>	<u>57,950</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	787			
Grant date	N/A			
County Authorization Date	8/17/2017			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,400,000			
Additional authorized cost	-			
Revised authorized cost	1,400,000			
Percentage increase over original authorized cost	-			
Percentage completion	96%			
Original target completion date	June 2019			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	2,250,000		2,250,000	2,250,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>2,250,000</u>	<u>-</u>	<u>2,250,000</u>	<u>2,250,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	300,000
Construction services	307,697		307,697	1,000,000
General supplies			-	-
Equipment purchases	911,905	10,503	922,408	950,000
	<u>1,219,602</u>	<u>10,503</u>	<u>1,230,105</u>	<u>2,250,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>1,030,398</u>	<u>(10,503)</u>	<u>1,019,895</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	795			
Grant date	N/A			
County Authorization Date	9/13/2018			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	2,250,000			
Additional authorized cost	-			
Revised authorized cost	2,250,000			
Percentage increase over original authorized cost	-			
Percentage completion	55%			
Original target completion date	June 2021			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,400,000		1,400,000	1,400,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services		593,467	593,467	800,000
General supplies			-	-
Equipment purchases	500,000	46,267	546,267	600,000
	<u>500,000</u>	<u>639,734</u>	<u>1,139,734</u>	<u>1,400,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>900,000</u>	<u>(639,734)</u>	<u>260,266</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	808			
Grant date	N/A			
County Authorization Date	7/25/2019			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,400,000			
Additional authorized cost	-			
Revised authorized cost	1,400,000			
Percentage increase over original authorized cost	-			
Percentage completion	81%			
Original target completion date	June 2023			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,400,000		1,400,000	1,400,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services	8,563	116,142	124,705	700,000
General supplies			-	-
Equipment purchases	<u>566,782</u>	<u></u>	<u>566,782</u>	<u>700,000</u>
	<u>575,345</u>	<u>116,142</u>	<u>691,487</u>	<u>1,400,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>824,655</u>	<u>(116,142)</u>	<u>708,513</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	820			
Grant date	N/A			
County Authorization Date	11/5/2020			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,400,000			
Additional authorized cost	-			
Revised authorized cost	1,400,000			
Percentage increase over original authorized cost	-			
Percentage completion	49%			
Original target completion date	June 2024			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	1,400,000		1,400,000	1,400,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services			-	600,000
General supplies			-	-
Equipment purchases	431,469	169,469	600,938	800,000
	<u>431,469</u>	<u>169,469</u>	<u>600,938</u>	<u>1,400,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>968,531</u>	<u>(169,469)</u>	<u>799,062</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	834			
Grant date	N/A			
County Authorization Date	12/2/2021			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,300,000			
Additional authorized cost	100,000			
Revised authorized cost	1,400,000			
Percentage increase over original authorized cost	7.69%			
Percentage completion	43%			
Original target completion date	June 2025			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances	2,718,031		2,718,031	2,718,031
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>2,718,031</u>	<u>-</u>	<u>2,718,031</u>	<u>2,718,031</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	-
Land and improvements			-	-
Construction services	105,496	251,633	357,129	2,043,031
General supplies			-	-
Equipment purchases	<u>60,336</u>	<u>390,590</u>	<u>450,926</u>	<u>675,000</u>
	<u>165,832</u>	<u>642,223</u>	<u>808,055</u>	<u>2,718,031</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	-
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>2,552,199</u>	<u>(642,223)</u>	<u>1,909,976</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	839			
Grant date	N/A			
County Authorization Date	10/6/2022			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	2,718,031			
Additional authorized cost	-			
Revised authorized cost	2,718,031			
Percentage increase over original authorized cost	0.00%			
Percentage completion	30%			
Original target completion date	June 2025			
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Improvements to Union County Vocational-Technical Schools
Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
County of Union Capital Ordinances		1,400,000	1,400,000	1,400,000
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	100,000
Construction services			-	600,000
General supplies			-	-
Equipment purchases			-	700,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,400,000</u>
Other Financing Sources (Uses)				
Canceled County Funding			-	
	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>1,400,000</u>	<u>1,400,000</u>	
Additional project information:				
Project number	N/A			
County Ordinance Number	844			
Grant date	N/A			
County Authorization Date	9/7/2023			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,400,000			
Additional authorized cost	-			
Revised authorized cost	1,400,000			
Percentage increase over original authorized cost	0.00%			
Percentage completion	0%			
Original target completion date				
Revised target completion date				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Capital Projects Fund
Summary Statement of Project Expenditures
Fiscal Year Ended June 30, 2024

Project Title/Issue	Date	Ordinance Number	Appropriations	Expenditures to Date		Cancelled	Operating Transfer to Capital Reserve	Unexpended Balance June 30, 2024
				Prior Years	Current Year			
Improvements to Union County Vocational-Technical Schools	10/9/2008	671	371	-	-			371
Improvements to Union County Vocational-Technical Schools	8/22/2013	752 CC	1,442,000	1,394,445	32,698			14,857
Improvements to Union County Vocational Technical Schools	9/11/2014	759 BB	978,500	492,566	48,802	42,000		395,132
Improvements to Union County Vocational Technical Schools	7/16/2015	765	1,184,500	473,777	-	18,779		691,944
Improvements to Union County Vocational Technical Schools	8/18/2016	776	1,442,000	1,335,196	32,486	25,500		48,818
Improvements to Union County Vocational Technical Schools	8/17/2017	787	1,400,000	1,342,050	-			57,950
Improvements to Union County Vocational Technical Schools	9/13/2018	795	2,250,000	1,219,602	10,503			1,019,895
Improvements to Union County Vocational Technical Schools	7/25/2019	808	1,400,000	500,000	639,734			260,266
Improvements to Union County Vocational Technical Schools	11/5/2020	820	1,400,000	575,345	116,142			708,513
Improvements to Union County Vocational Technical Schools	12/2/2021	834	1,400,000	431,469	169,469			799,062
Improvements to Union County Vocational Technical Schools	10/6/2022	839	2,718,031	165,832	642,223			1,909,976
Improvements to Union County Vocational Technical Schools	9/7/2023	844	1,400,000	-	-			1,400,000
			17,015,402	7,930,282	1,692,057	86,279	-	7,306,784
				Fund Balance/(Deficit) - June 30, 2024				
				7,306,784				

<p>PROPRIETARY FUNDS</p>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Combining Statement of Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2024

	Food Service Program	Materials for Resale Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	351,483	249,362	600,845
Accounts receivable:			
State	516		516
Federal	6,918		6,918
Satellite Sales Café Rental	33,368		33,368
Inventories	2,192		2,192
Total current assets	394,477	249,362	643,839
Noncurrent assets:			
Capital assets:			
Equipment	281,950		281,950
Less accumulated depreciation	(238,604)		(238,604)
Total capital assets (net of accumulated depreciation)	43,346	-	43,346
Total assets	437,823	249,362	687,185
LIABILITIES			
Current liabilities:			
Interfunds payable	56,887	5,000	61,887
Unearned revenue	14,797		14,797
Total current liabilities	71,684	5,000	76,684
Total liabilities	71,684	5,000	76,684
NET POSITION			
Net investment in capital assets	43,346	-	43,346
Unrestricted	322,793	244,362	567,155
Total net position	366,139	244,362	610,501

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2024

	Food Service Program	Materials for Resale Program	Totals
Operating revenues:			
Charges for services:			
Daily sales - non-reimbursable programs	141,505	21,582	163,087
Total operating revenues	141,505	21,582	163,087
Operating expenses:			
Cost of sales - reimbursable programs	144,718		144,718
Cost of sales - non-reimbursable programs	56,572		56,572
Salaries	72,249		72,249
Benefits	28,500		28,500
Supplies and materials	56,952		56,952
Purchased property services	20,652		20,652
Other expenses	4,604		4,604
Depreciation	3,893		3,893
Total operating expenses	388,140	-	388,140
Operating income (loss)	(246,635)	21,582	(225,053)
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	6,261		6,261
State school lunch program NJEIE	2,102		2,102
State breakfast programs	129		129
State breakfast NJEIE	207		207
Federal sources:			
National school lunch program	118,850		118,850
National breakfast program	8,340		8,340
Supply chain assistance	91,943		91,943
Food distribution program	41,773		41,773
Total nonoperating revenues (expenses)	269,605	-	269,605
Income (loss) before contributions & transfers	22,970	21,582	44,552
Change in net position	22,970	21,582	44,552
Total net position—beginning (Restated)	343,169	222,780	565,949
Total net position—ending	366,139	244,362	610,501

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Combining Statement of Cash Flows
Enterprise Funds
Fiscal Year Ended June 30, 2024

	Food Service Program	Materials for Resale Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	141,505	21,582	163,087
Payments to suppliers	(367,564)		(367,564)
Net cash provided by (used for) operating activities	(226,059)	21,582	(204,477)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	8,526		8,526
Federal Sources	171,288		171,288
Net cash provided by (used for) non-capital financing activities	179,814	-	179,814
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(29,850)		(29,850)
Net cash provided by (used for) capital and related financing activities	(29,850)	-	(29,850)
Net increase (decrease) in cash and cash equivalents	(76,095)	21,582	(54,513)
Balances—beginning of year	427,578	227,780	655,358
Balances—end of year	351,483	249,362	600,845
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(246,635)	21,582	(225,053)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	3,893		3,893
Food Distribution Program	41,773		41,773
(Increase) decrease in inventories	(1,094)		(1,094)
Increase (decrease) in accounts payable	(30,728)		(30,728)
Increase (decrease) in prepaid revenue	6,732		6,732
Total adjustments	20,576	-	20,576
Net cash provided by (used for) operating activities	(226,059)	21,582	(204,477)

LONG-TERM DEBT

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
General Long-Term Debt Account Group
Schedule of Capital Leases Payable
Fiscal Year Ended June 30, 2024

<u>Issue</u>	<u>Date of Lease</u>	<u>Amount of Lease</u>	<u>Principal Payment</u> <u>Date</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
Copiers - Refinanced	January 28, 2020	138,013			52,978		52,978	-
Copiers - Refinanced	October 28, 2020	409,993			216,202		216,202	-
Copiers	April 28, 2021	10,163			5,817		5,817	-
Copiers	March 17, 2022	135,014	7/17/2024	8.142%	107,747		28,149	79,598
			8/17/2024	7.898%				
			9/17/2024	7.653%				
			10/17/2024	7.408%				
			11/17/2024	7.162%				
			12/17/2024	6.915%				
			1/17/2025	6.668%				
			2/17/2025	6.420%				
			3/17/2025	6.171%				
			4/17/2025	5.921%				
			5/17/2025	5.672%				
			6/17/2025	5.421%				
			7/17/2025	5.169%				
			8/17/2025	4.918%				
			9/17/2025	4.665%				
			10/17/2025	4.411%				
			11/17/2025	4.157%				
			12/17/2025	3.903%				
			1/17/2026	3.647%				
			2/17/2026	3.391%				
			3/17/2026	3.135%				
			4/17/2026	2.877%				
			5/17/2026	2.619%				
			6/17/2026	2.360%				
			7/17/2026	2.101%				
			8/17/2026	1.841%				
			9/17/2026	1.580%				
			10/17/2026	1.318%				
			11/17/2026	1.056%				
			12/17/2026	0.793%				
			1/17/2027	0.529%				
			2/17/2027	0.265%				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
General Long-Term Debt Account Group
Schedule of Capital Leases Payable
Fiscal Year Ended June 30, 2024

	<u>Issue</u>	<u>Date of Lease</u>	<u>Amount of Lease</u>	<u>Principal Payment Date</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
Printers		May 28, 2023	31,182	7/28/2024	19.693%	30,280		5,597	24,683
				8/28/2024	19.309%				
				9/28/2024	18.923%				
				10/28/2024	18.536%				
				11/28/2024	18.147%				
				12/28/2024	17.756%				
				1/28/2025	17.362%				
				2/28/2025	16.968%				
				3/28/2025	16.571%				
				4/28/2025	16.172%				
				5/28/2025	15.771%				
				6/28/2025	15.369%				
				7/28/2025	14.965%				
				8/28/2025	14.558%				
				9/28/2025	14.150%				
				10/28/2025	13.740%				
				11/28/2025	13.327%				
				12/28/2025	12.913%				
				1/28/2026	12.497%				
				2/28/2026	12.078%				
				3/28/2026	11.659%				
				4/28/2026	11.237%				
				5/28/2026	10.813%				
				6/28/2026	10.386%				
				7/28/2026	9.958%				
				8/28/2026	9.528%				
				9/28/2026	9.095%				
				10/28/2026	8.661%				
				11/28/2026	8.224%				
				12/28/2026	7.785%				
				1/28/2027	7.346%				
				2/28/2027	6.902%				
				3/28/2027	6.457%				
				4/28/2027	6.010%				
				5/28/2027	5.561%				
				6/28/2027	5.110%				
				7/28/2027	4.656%				
				8/28/2027	4.200%				
				9/28/2027	3.743%				
				10/28/2027	3.282%				
				11/28/2027	2.820%				
				12/28/2027	2.356%				
				1/28/2028	1.890%				
				2/28/2028	1.421%				
				3/28/2028	0.948%				
				4/28/2028	0.476%				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
General Long-Term Debt Account Group
Schedule of Capital Leases Payable
Fiscal Year Ended June 30, 2024

	Date of Lease	Amount of Lease	Principal Payment		Interest Rate	Balance, June 30, 2023	Issued	Retired	Balance, June 30, 2024
			Date	Amount					
Copiers	5/17/2024	620,954	7/17/2024	8,994	25.048%				
			8/17/2024	9,038	24.674%				
			9/17/2024	9,083	24.299%				
			10/17/2024	9,129	23.921%				
			11/17/2024	9,174	23.542%				
			12/17/2024	9,220	23.161%				
			1/17/2025	9,266	22.778%				
			2/17/2025	9,312	22.393%				
			3/17/2025	9,358	22.007%				
			4/17/2025	9,405	21.618%				
			5/17/2025	9,452	21.228%				
			6/17/2025	9,499	20.835%				
			7/17/2025	9,546	20.440%				
			8/17/2025	9,594	20.044%				
			9/17/2025	9,642	19.645%				
			10/17/2025	9,690	19.245%				
			11/17/2025	9,738	18.843%				
			12/17/2025	9,787	18.438%				
			1/17/2026	9,835	18.032%				
			2/17/2026	9,884	17.623%				
			3/17/2026	9,934	17.213%				
			4/17/2026	9,983	16.800%				
			5/17/2026	10,033	16.386%				
			6/17/2026	10,083	15.969%				
			7/17/2026	10,133	15.550%				
			8/17/2026	10,184	15.129%				
			9/17/2026	10,234	14.706%				
			10/17/2026	10,285	14.281%				
			11/17/2026	10,337	13.854%				
			12/17/2026	10,388	13.425%				
			1/17/2027	10,440	12.993%				
			2/17/2027	10,492	12.560%				
			3/17/2027	10,544	12.124%				
			4/17/2027	10,597	11.686%				
			5/17/2027	10,650	11.246%				
			6/17/2027	10,703	10.804%				
			7/17/2027	10,756	10.359%				
			8/17/2027	10,810	9.913%				
			9/17/2027	10,863	9.464%				
			10/17/2027	10,918	9.013%				
			11/17/2027	10,972	8.559%				
			12/17/2027	11,027	8.103%				
			1/17/2028	11,082	7.645%				
			2/17/2028	11,137	7.185%				
			3/17/2028	11,192	6.723%				
			4/17/2028	11,248	6.258%				
Copiers (continued)	5/17/2024		5/17/2028	11,304	5.791%				
			6/17/2028	11,360	5.321%				
			7/17/2028	11,417	4.849%				
			8/17/2028	11,474	4.375%				
			9/17/2028	11,531	3.899%				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
General Long-Term Debt Account Group
Schedule of Capital Leases Payable
Fiscal Year Ended June 30, 2024

<u>Issue</u>	<u>Date of Lease</u>	<u>Amount of Lease</u>	<u>Principal Payment Date</u>	<u>Principal Payment Amount</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
			10/17/2028	11,589	3.420%				
			11/17/2028	11,646	2.938%				
			12/17/2028	11,704	2.455%				
			1/17/2029	11,763	1.969%				
			2/17/2029	11,821	1.480%				
			3/17/2029	11,880	0.989%				
			4/17/2029	11,940	0.496%				
						\$ 413,024	\$ 620,954	326,597	707,381

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

- J-14 Demographic and Economic Statistics
- J-15 Principal Employers

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

Union County Vocational-Technical Schools
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,										Restated
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Governmental activities											
Invested in capital assets											
Restricted	\$ 74,128,223	\$ 73,829,592	\$ 73,137,985	\$ 71,976,956	\$ 71,852,535	\$ 68,894,118	\$ 66,525,718	\$ 65,571,514	\$ 63,373,836	\$ 63,201,109	
Unrestricted	6,369,308	5,588,974	5,643,832	6,400,106	9,129,085	9,876,964	11,029,983	12,451,097	24,342,772	57,318,842	
Total governmental activities net position	<u>(3,801,444)</u>	<u>(3,768,433)</u>	<u>(3,980,194)</u>	<u>(3,533,694)</u>	<u>(2,865,170)</u>	<u>(612,247)</u>	<u>2,374,417</u>	<u>5,099,976</u>	<u>(2,073,667)</u>	<u>(2,822,875)</u>	
	\$ 76,696,087	\$ 75,650,133	\$ 74,801,623	\$ 74,843,368	\$ 78,116,450	\$ 78,158,835	\$ 79,930,118	\$ 83,122,587	\$ 85,642,941	\$ 117,697,076	
Business-type activities											
Invested in capital assets											
Unrestricted	\$ -	166,679	221,644	269,797	295,128	358,315	373,016	632,390	548,560	43,346	
Total business-type activities net position	<u>177,072</u>	<u>166,679</u>	<u>221,644</u>	<u>269,797</u>	<u>295,128</u>	<u>358,315</u>	<u>373,016</u>	<u>632,390</u>	<u>548,560</u>	<u>567,155</u>	
	\$ 177,072	\$ 166,679	\$ 221,644	\$ 269,797	\$ 295,128	\$ 358,315	\$ 373,016	\$ 632,390	\$ 548,560	\$ 610,501	
District-wide											
Invested in capital assets											
Restricted	\$ 73,829,592	\$ 73,137,985	\$ 71,976,956	\$ 71,976,956	\$ 71,852,535	\$ 68,894,118	\$ 66,525,718	\$ 65,571,514	\$ 63,391,225	\$ 63,244,455	
Unrestricted	5,588,974	5,643,832	6,400,106	6,400,106	9,129,085	9,876,964	11,029,983	12,451,097	24,342,772	57,318,842	
Total district net position	<u>(3,601,754)</u>	<u>(3,758,550)</u>	<u>(3,263,896)</u>	<u>(3,263,897)</u>	<u>(2,570,042)</u>	<u>(253,932)</u>	<u>2,747,433</u>	<u>5,732,366</u>	<u>(1,525,107)</u>	<u>(2,255,720)</u>	
	\$ 75,816,812	\$ 75,023,267	\$ 75,113,166	\$ 75,113,165	\$ 78,411,578	\$ 78,517,150	\$ 80,303,134	\$ 83,754,977	\$ 86,208,890	\$ 118,307,577	

Source: ACFR Exhibit A-1

Union County Vocational-Technical Schools
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Vocational - Regular	\$ 14,305,881	\$ 15,295,872	\$ 16,793,700	\$ 17,437,055	\$ 17,868,903	\$ 19,339,721	\$ 19,125,717	\$ 19,138,758	\$ 19,431,586	\$ 14,781,822
Vocational - Special	1,363,775	1,334,179	1,642,628	1,605,796	1,419,187	1,574,507	1,708,868	1,387,954	1,432,658	1,306,149
School-sponsored cocurricular activities										433,269
Alternative Education Program										40,912
Other instruction	291,364	358,898	370,898	361,021	364,835	349,319	278,286	324,148	404,624	
Support Services:										
Student & instruction related services	1,757,373	2,020,858	2,304,986	2,337,646	3,100,083	3,506,671	3,631,988	3,657,423	4,104,622	2,733,319
General administrative services	982,545	1,100,191	1,238,045	1,387,324	1,614,922	1,458,295	1,877,946	1,788,405	1,857,356	766,900
School administrative services	1,464,774	1,584,193	1,901,007	1,816,082	1,727,578	1,864,323	2,111,008	1,880,835	2,228,322	1,675,717
Central services	1,049,023	1,177,102	1,300,905	1,351,308	1,343,856	1,407,719	1,476,306	1,345,814	1,464,923	845,690
Administrative information tech.										173,971
Plant operations and maintenance	5,905,540	5,707,503	5,537,509	6,145,320	6,135,829	7,353,147	7,691,654	6,970,982	7,732,738	5,028,476
Pupil Transportation	52,533	47,030	46,273	52,009	69,716	36,541		35,959	76,428	100,361
Unallocated Benefits										6,801,071
Capital outlay - non-depreciable										1,813,418
Special Schools	1,093,462	1,210,799	1,414,409	1,183,945	1,039,701	1,025,408	1,084,841	567,034	454,425	386,683
Interest on long-term debt	19,441	15,255	13,002	19,156	16,464	13,551	21,397	18,918	17,549	17,445
Unallocated depreciation										2,172,960
Amortization										44,627
Total governmental activities expenses	28,285,711	29,851,880	32,563,362	33,696,662	34,701,074	37,929,202	39,008,011	37,116,230	39,205,231	39,122,790
Business-type activities:										
Materials for Resale	39,389	39,212	47,345	38,274	38,500					388,140
Food Service	358,900	364,039	337,358	358,028	400,245	257,455	145,436	487,590	646,627	388,140
Total business-type activities expense	398,289	403,251	384,703	396,302	438,745	257,455	145,436	487,590	646,627	
Total district expenses	\$ 28,684,000	\$ 30,255,131	\$ 32,948,065	\$ 34,092,964	\$ 35,139,819	\$ 38,186,657	\$ 39,153,447	\$ 37,603,820	\$ 39,851,858	\$ 39,510,930
Program Revenues										
Governmental activities:										
Charges for services	\$ 10,343,696	\$ 10,624,413	\$ 11,321,328	\$ 11,523,985	\$ 12,101,274	\$ 11,861,452	\$ 11,894,052	\$ 11,591,529	\$ 11,320,518	\$ 450,619
Operating grants and contributions	5,162,679	6,229,188	8,024,524	9,703,982	10,294,393	10,217,530	12,211,444	9,639,916	8,830,374	23,506,587
Total governmental activities program revenues	15,506,375	16,853,601	19,345,852	21,227,967	22,395,667	22,078,982	24,105,496	21,231,445	20,150,892	23,957,206

Union County Vocational-Technical Schools
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services										
Materials for Resale	31,233	45,462	43,884	42,578	45,546	14,809		4,425	13,423	
Food Service	209,053	247,157	286,604	287,584	302,411	196,336	293	191,018	325,779	163,087
Operating grants and contributions	101,644	100,239	110,268	114,294	116,024	109,139	159,254	551,240	221,964	269,605
Total business type activities program revenues	341,930	392,858	440,756	444,456	463,981	320,284	159,547	746,683	561,166	432,692
Total district program revenues	\$ 15,848,305	\$ 17,246,459	\$ 19,786,608	\$ 21,672,423	\$ 22,859,648	\$ 22,399,266	\$ 24,265,043	\$ 21,978,128	\$ 20,712,058	\$ 24,389,898
Net (Expense)/Revenue										
Governmental activities	\$ (12,998,279)	\$ (13,217,509)	\$ (12,468,695)	\$ (12,468,695)	\$ (12,305,407)	\$ (15,850,220)	\$ (14,902,515)	\$ (15,884,785)	\$ (19,054,339)	\$ (15,165,584)
Business-type activities	(10,393)	56,053	48,155	48,154	25,236	62,829	14,111	259,093	(85,461)	44,552
Total district-wide net expense	\$ (10,936,558)	\$ (13,161,456)	\$ (12,420,540)	\$ (12,420,541)	\$ (12,280,171)	\$ (15,787,391)	\$ (14,888,404)	\$ (15,625,692)	\$ (19,139,800)	\$ (15,121,032)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 4,500,000	\$ 4,690,000	\$ 4,833,800	\$ 5,130,476	\$ 5,233,086	\$ 5,337,748	\$ 5,444,503	\$ 5,553,393	\$ 5,553,393	\$ 5,553,393
Federal and State aid not restricted	5,663,996	5,731,954	5,726,897	5,548,583	7,787,676	8,934,128	9,379,405	11,671,286	14,225,333	25,000,000
Restricted grants and contributions	165,068	48,412	154,580	142,657	85,328	54,971	78,962	54,320	364,613	12,770,470
Tuition from Other LEAs Within the State										
County of Union	1,418,550	1,272,431	1,442,000	1,400,000	2,250,000	1,400,000	1,400,000	1,300,000	2,818,031	
Miscellaneous Income	277,880	209,529	211,722	288,724	238,738	213,624	419,153	495,914	553,197	2,713,806
Canceled Receivables	394,443				(45,223)	(18,982)	(15,237)	(290,824)	(111,186)	
Disposal of Capital Assets (Net)									(37,585)	
Other Financing Sources/(Uses)										1,182,050
Total governmental activities	10,616,079	11,952,326	12,368,999	12,510,440	15,549,605	15,921,489	16,706,786	18,784,089	23,365,796	47,219,719
Business-type activities:										
Miscellaneous income					94	358	591	281	1,631	
Transfers	15									
Total business-type activities	15				94	358	591	281	1,631	
Total district-wide	\$ 10,616,094	\$ 11,952,326	\$ 12,368,999	\$ 12,510,440	\$ 15,549,699	\$ 15,921,847	\$ 16,707,377	\$ 18,784,370	\$ 23,367,427	\$ 47,219,719
Contributed Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in Net Position										
Governmental activities	\$ (2,382,200)	\$ (1,265,183)	\$ (99,696)	\$ 41,745	\$ 3,244,198	\$ 71,269	\$ 1,804,271	\$ 2,899,304	\$ 4,311,457	\$ 32,054,135
Business-type activities	(10,378)	56,053	48,155	48,154	25,330	63,187	14,702	259,374	(83,830)	44,552
Total district	\$ (2,392,578)	\$ (1,209,130)	\$ (51,541)	\$ 89,899	\$ 3,269,528	\$ 134,456	\$ 1,818,973	\$ 3,158,678	\$ 4,227,627	\$ 32,098,687

Source: ACFR Exhibit A-2

Union County Vocational-Technical Schools
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 1,712,504	\$ 1,301,337	\$ 1,779,117	\$ 2,239,278	\$ 3,595,342	\$ 4,292,216	\$ 4,375,348	5,700,601	16,455,832	44,925,799
Assigned	10,948	233,472	114,153	521,269	2,472,346	3,687,279	6,697,839	9,029,727	1,805,512	6,542,190
Unassigned	707,846	687,179	763,549	710,326	480,379	510,246	433,960	295,482	177,692	68,961
Total general fund	<u>\$ 2,431,298</u>	<u>\$ 2,221,988</u>	<u>\$ 2,656,819</u>	<u>\$ 3,470,873</u>	<u>\$ 6,548,067</u>	<u>\$ 8,489,741</u>	<u>\$ 11,507,147</u>	<u>\$ 15,025,810</u>	<u>\$ 18,439,036</u>	<u>\$ 51,536,950</u>
All Other Governmental Funds										
Restricted	\$ 4,645,855	\$ 3,642,998	\$ 3,750,562	\$ 4,076,836	\$ 4,087,236	\$ 5,232,150	\$ 6,136,147	\$ 5,410,871	\$ 6,913,386	
Assigned				83,992	446,507	352,597	518,488	1,339,625	973,553	
Unreserved, reported in:										
Special revenue fund										295,014
Capital projects fund										7,306,784
Total all other governmental funds	<u>\$ 4,645,855</u>	<u>\$ 3,642,998</u>	<u>\$ 3,750,562</u>	<u>\$ 4,160,828</u>	<u>\$ 4,533,743</u>	<u>\$ 5,584,747</u>	<u>\$ 6,654,635</u>	<u>\$ 6,750,496</u>	<u>\$ 7,886,939</u>	<u>\$ 7,601,798</u>

Source: ACFR Exhibit B-1

Union County Vocational-Technical Schools
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Local tax levy	\$ 4,500,000	\$ 4,690,000	\$ 4,833,800	\$ 5,130,476	\$ 5,233,086	\$ 5,337,748	\$ 5,444,503	\$ 5,553,393	\$ 5,553,393	\$ 5,553,393
County of Union	1,418,550	1,272,431	1,442,000	1,400,000	2,250,000	1,400,000	1,400,000	1,300,000	2,818,031	1,400,000
Tuition from LEAs	9,873,100	10,135,475	10,788,004	11,045,050	11,573,900	11,456,825	11,402,000	10,886,537	10,494,305	12,770,470
Other Tuition	470,596	488,938	533,324	478,935	527,374	404,628	371,929	422,232	417,442	287,117
Interest on Investments										439,684
Unrestricted Miscellaneous Revenues										587,005
Miscellaneous	288,984	209,529	231,722	222,046	223,133	561,420	728,068	1,040,900	1,211,867	5,719
Other Local Revenue	7,713,986	8,122,621	8,544,539	10,161,389	14,034,371	15,238,107	15,832,208	19,617,441	22,117,939	49,695,701
State sources	977,615	930,242	1,082,552	964,981	768,976	1,116,540	1,068,318	1,249,062	1,803,695	2,055,909
Federal sources	25,242,831	25,849,236	27,455,941	29,402,877	34,610,840	35,515,268	36,247,026	40,069,565	44,416,672	73,272,459
Total revenue										
Expenditures										
Instruction										
Regular vocational programs - instruction	9,471,324	9,793,582	10,243,890	10,692,480	11,278,102	12,730,269	11,058,877	12,334,331	13,129,890	13,208,733
Special vocational programs - instruction	910,081	795,193	949,890	920,518	779,030	928,775	943,000	853,924	892,394	1,935,756
School sponsored/other instructional	251,349	298,617	295,836	290,080	302,210	287,444	209,720	290,291	363,911	387,581
Alternative Education Program										38,143
Support Services:										
Health services										
Student & instruction related services	1,273,993	1,435,329	1,539,588	1,584,626	2,382,241	2,809,864	2,789,412	3,103,811	3,520,243	152,909
General administrative services	583,751	571,020	554,037	587,575	600,954	490,410	718,115	614,551	664,771	2,807,278
School Administrative services	838,470	884,857	917,818	922,223	929,405	1,062,913	1,138,740	1,238,397	1,495,398	702,226
Central services	679,593	655,065	642,251	650,905	658,117	699,514	692,974	727,569	793,380	1,471,977
Administrative information tech										753,362
Plant operations and maintenance	3,639,581	3,340,971	3,399,627	3,338,172	3,684,304	3,698,581	4,132,296	4,149,858	4,826,691	151,553
Pupil transportation	52,533	47,030	46,272	53,435	69,715	36,541		35,959	76,428	5,033,664
Unallocated employee benefits	5,492,713	5,953,444	6,691,318	7,450,643	7,983,396	8,807,636	9,545,795	11,291,402	11,602,591	100,361
On-behalf contributions										5,479,193
Capital outlay	8,253,370	2,508,050	1,535,163	1,588,530	2,124,097	450,114	1,293,262	1,327,031	2,194,755	6,583,547
Special Schools	497,389	505,281	508,024	509,363	484,696	520,530	517,484	487,917	361,560	3,026,064
Debt service:										386,683
Principal										28,669
Interest and charges										14,990
Total expenditures	31,944,147	26,788,439	27,323,714	28,588,550	31,276,267	32,522,591	33,039,675	36,455,041	39,922,012	42,262,689
Excess (Deficiency) of revenues over (under) expenditures	(6,701,316)	(939,203)	132,227	814,327	3,334,573	2,992,677	3,207,351	3,614,524	4,494,660	31,009,770
Other Financing sources (uses)										
Financed purchases										
Canceled Receivables		138,203		409,993	115,538		619,766		166,195	
Assets acquired under capital leases									(111,186)	
Reallocation of Prior Year Expenses										620,954
Total other financing sources (uses)	-	138,203	-	409,993	115,538	-	619,766	-	55,009	1,182,050
Net change in fund balances	\$ (6,701,316)	\$ (801,000)	\$ 132,227	\$ 1,224,320	\$ 3,450,111	\$ 2,992,677	\$ 3,827,117	\$ 3,614,524	\$ 4,549,669	\$ 32,812,774
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%

Source: ACFR Exhibit B-2

**Union County Vocational-Technical Schools
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited**

<u>Fiscal Year Ended June 30,</u>	<u>PSE&G Reimbursement</u>	<u>Interest on Investments</u>	<u>Miscellaneous</u>	<u>Total</u>
2015	150,873		127,007	277,880
2016	114,177		95,352	209,529
2017	111,024		100,698	211,722
2018	107,468		114,578	222,046
2019	117,918		101,325	219,243
2020	96,252		117,372	213,624
2021	90,523		143,899	234,422
2022	104,388		391,526	495,914
2023	110,800		442,397	553,197
2024	113,918	439,684	473,087	1,026,689

Source: District Records

Exhibit J-9

**Union County Vocational-Technical Schools
Property Tax Levies and Collections
Last Ten Years**

Fiscal Year Ended June 30,	Taxes Levied for the Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
			Amount	Percentage of Levy	
2015	\$	4,500,000	\$ 4,500,000	100.00%	-
2016		4,690,000	4,690,000	100.00%	-
2017		4,833,800	4,833,800	100.00%	-
2018		5,130,476	5,130,476	100.00%	-
2019		5,233,086	5,233,086	100.00%	-
2020		5,337,748	5,337,748	100.00%	-
2021		5,444,503	5,444,503	100.00%	-
2022		5,553,393	5,553,393	100.00%	-
2023		5,553,393	5,553,393	100.00%	-
2024		5,553,393	5,553,393	100.00%	-

Source: Municipal Tax Collector

Union County Vocational-Technical Schools
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Vocational, Regular and Special Education	128	132	134	144	141	148	148	142	149	150
Support Services:										
Student & instruction related services	10	10	13	13	13	13	16	16	16	16
General administrative services	2	3	4	4	4	4	4	4	4	5
School administrative services	6	6	6	6	7	7	7	7	7	7
Central services	17	17	22	22	22	22	22	22	22	22
Administrative information technology	2	2	2	2	2	2	2	2	2	2
Plant operations and maintenance	10	10	10	10	10	10	10	10	10	10
Total	175	180	191	201	199	206	209	203	210	212

Source: District Personnel Records

Union County Vocational-Technical Schools
Operating Statistics
Last Ten Fiscal Years

Fiscal	Enrollment	Operating	Cost Per	Percentage	Teaching Staff ^a	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	1,639	22,345,238	13,633	-1.80%	128	n/a	n/a	1:13	1,632	1,547	3.68%	94.79%
2016	1,674	22,868,777	13,661	0.20%	132	n/a	n/a	1:13	1,671	1,588	2.39%	95.03%
2017	1,987	24,323,555	12,241	-10.39%	134	n/a	n/a	1:15	1,842	1,732	10.23%	94.03%
2018	1,841	27,000,020	14,666	19.81%	144	n/a	n/a	1:13	1,846	1,795	0.22%	97.24%
2019	2,195	28,471,061	12,971	-11.56%	141	n/a	n/a	1:15	2,063	1,963	11.76%	95.15%
2020	2,234	29,412,163	13,166	1.50%	148	n/a	n/a	1:15	2,171	2,090	5.24%	96.27%
2021	2,198	25,083,572	11,412	-13.32%	148	n/a	n/a	1:15	2,104	2,019	-3.09%	95.96%
2022	2,243	26,696,102	11,902	4.29%	142	n/a	n/a	1:16	1,755	1,656	-16.59%	94.36%
2023	2,239	28,667,169	12,804	7.58%	149	n/a	n/a	1:15	1,838	1,782	4.73%	96.95%
2024	2,218	38,367,742	17,298	35.11%	150	n/a	n/a	1:15	1,999.0	1,979.0	8.76%	99.00%

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

Note: Enrollment based on annual October district count for all students attending school facilities.

^a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4

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

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

**Union County Vocational-Technical Schools
School Building Information
Last Ten Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Buildings</u>										
<u>Union County Vocational - 1965 West Hall</u>										
Square Feet	190,639	223,059	223,059	223,059	223,059	223,059	223,059	223,059	223,059	223,059
Capacity (students)	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130
Enrollment	883	932	957	953	1,047	1,066	1,043	1,043	1,040	1,060
<u>Mancuso Hall - 1997</u>										
Square Feet	47,038	47,038	47,038	47,038	47,038	47,038	47,038	47,038	47,038	47,038
Capacity (students)	428	428	428	428	428	428	428	428	428	428
Enrollment	292	298	296	304	303	299	297	308	301	311
<u>Bistocchi Hall - 1997</u>										
Square Feet	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500
Capacity (students)	518	518	518	518	518	518	518	518	518	518
Enrollment	263	275	286	293	284	308	284	284	295	303
<u>Baxel Hall - 2008</u>										
Square Feet	55,733	55,733	55,733	55,733	55,733	55,733	55,733	55,733	55,733	55,733
Capacity (students)	498	498	498	498	498	498	498	498	498	498
Enrollment	262	282	287	296	308	308	305	309	300	304
<u>APA Building - 2010</u>										
Square Feet	43,341	43,341	43,341	43,341	43,341	43,341	43,341	43,341	43,341	43,341
Capacity (students)	385	385	385	385	385	385	385	385	385	385
Enrollment	186	190	205	223	236	232	226	235	228	240

Number of Schools at June 30, 2024

Union+ County Technical High School = 1

Magnet High School = 1

Academy for Information Technology = 1

Academy for Allied Health Sciences = 1

Adult High School = 1

APA Building = 1

Number of Buildings - 5

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

Union County Vocational-Technical Schools
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Fiscal Years
Unaudited

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

School Facilities	Project # (s)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Union County Magnet High School (housed in Mancuso Hall)	N/A	226,987	180,103	154,303	168,608	142,984	131,229	106,248	106,961	105,475	113,305
Union County Vocational-Technical High School (housed in West Hall)	N/A	590,927	771,244	660,762	722,019	612,294	561,953	454,977	458,033	427,351	459,211
Union County Academy for Information Technology (housed in Bistocchi Hall)	N/A	330,554	261,968	224,441	245,248	207,978	190,879	154,542	155,580	153,534	165,003
Union County Academy for Allied Health Sciences (housed in Baxel Hall)	N/A	268,946	212,850	182,359	199,264	168,982	155,089	125,566	126,409	124,916	134,249
Union County Academy for Performing Arts Building	N/A	209,147	163,729	140,275	153,279	129,986	119,298	96,588	97,237	97,208	104,399
Grand Total		\$ 1,626,561	\$ 1,589,894	\$ 1,362,140	\$ 1,488,418	\$ 1,262,224	\$ 1,158,448	\$ 937,921	\$ 944,220	\$ 908,484	\$ 976,167

Union County Vocational-Technical Schools
Insurance Schedule
For the Fiscal Year Ended June 30, 2024
Unaudited

Company	Type of Coverage	Coverage	Deductible
School Package policy:			
Property and Casualty:			
	Building and Contents including Equipment Breakdown	\$ 184,290,513	184,290,513
	Commercial General Liability	1,000,000	1,000,000
	Boiler and Machinery Blanket Property Limit	Incl. in Blanket Property	Incl. in Blanket Property
	Crime - Blanket Employee Dishonesty	500,000	500,000
	- Forgery or Alteration	250,000	250,000
	- Loss Inside and Outside Money & Securities	250,000	250,000
	- Computer Fraud	250,000	250,000
	Earthquake - Blanket Coverage	5,000,000	5,000,000
	Flood - Outside Zones A, V or B	10,000,000	10,000,000
	- Zone B	7,500,000	7,500,000
	- Zone A or V	2,500,000	2,500,000
	Commercial Automotive	1,000,000	1,000,000
	Towing & Labor		
	Comprehensive & Collision		
	Commercial Umbrella	9,000,000	1,000,000
	Excess Liability	30,000,000	
	Fireman's Fund	25,000,000	
	School Board Legal Liability E & O	1,000,000	15,000
Public Official Bonds:			
	Janet Behrmann - Board Secretary/Business Administrator	250,000	N/A
	Joanne Wilson - Treasurer of School Monies	250,000	N/A
Accidental Death and Dismemberment			
	Principal Sum	100,000	N/A
	Aggregate	500,000	N/A
Environmental Impairment Liability - Site Specific			
	Each Occurrence	1,000,000	N/A
	Aggregate	3,000,000	N/A
	Program Aggregate	10,000,000	25,000
	Mold		100,000
Storage Tank Liability			
	Policy Aggregate	1,000,000	
	Each Occurrence	1,000,000	
	Defense Cost Expense Limit	250,000	
	Deductible - Per Claim		5,000
			10,000
	Cyber	1,000,000	25,000

Source: District Records

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY ^{LLC}

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K-1
Page 1 of 2

**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
Union County Vocational-Technical Schools
County of Union, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Union County Vocational-Technical Schools, in the County of Union, New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 29, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Union County Vocational-Technical School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Union 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2024-001 that we consider to be material weaknesses.

Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Union County Vocational-Technical Schools School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated January 29, 2025.

Purpose of this Report

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

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 29, 2025





WIELKOTZ & COMPANY LLC

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K-2
Page 1 of 4

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE
AND N.J. OMB CIRCULAR 15-08**

Honorable President and
Members of the Board of Education
Union County Vocational-Technical Schools
County of Union, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Union County Vocational-Technical Schools, School District in the County of Union, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Union County Vocational-Technical Schools Board of Education's major federal and state programs for the year ended June 30, 2024. The 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 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, 2024.



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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our responsibilities under those standards and the Uniform Guidance and N.J. 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 Union 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 Union County Vocational-Technical 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 or grant agreements applicable to Union County Vocational-Technical Schools 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 Union 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 and N.J. OMB Circular 15-08, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Union County Vocational-Technical 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 and N.J. OMB Circular 15-08, 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 Union County Vocational-Technical Schools District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Union County Vocational-Technical 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 N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Union County Vocational-Technical 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 and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 29, 2025



UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023	Curryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2024	
					From	To						(Accounts Receivable)	Deferred Revenue
US Department of Education													
General Fund													
Federal Pell Grant Program	84.063		N/A	180,382	7/1/2023	6/30/2024			180,382	180,382			
Total General Fund									180,382	180,382			
US Department of Education													
Passed Through State Department of Education													
Special Revenue Fund													
Title I Part A, Improving Basic Programs	84.010	S010A230030	ESEA-4310-24	243,635	7/1/2023	9/30/2024	(133,739)	(133,739)	284,074	252,880		(102,545)	
Title I Part A, Improving Basic Programs	84.010	S010A220030	ESEA-4310-23	312,580	7/1/2022	9/30/2023	(24,179)	133,739					
Title I Part A, Improving Basic Programs	84.010	S010A210030	ESEA-4310-22	243,895	7/1/2021	9/30/2022	(157,918)		284,074	252,880	24,179	(102,545)	
Title II, Part A, Teacher/Principal Training and Recruiting													
Title II, Part A, Teacher/Principal Training and Recruiting	84.367A	S367A230029	ESEA-4310-24	41,135	7/1/2023	9/30/2024	(29,261)	(29,261)	29,261	14,072		(14,072)	
Title II, Part A, Teacher/Principal Training and Recruiting	84.367A	S367A220029	ESEA-4310-23	91,034	7/1/2022	9/30/2023	(29,261)	29,261	29,261	14,072		(14,072)	
Title IV													
Title IV	84.424A	S424A230031	ESEA-4310-24	18,391	7/1/2023	9/30/2024	(25,497)	(25,497)	25,497				
	84.424A	S424A220031	ESEA-4310-23	34,263	7/1/2022	9/30/2023	(25,497)	25,497	25,497				
IDEA, Part B-Basic													
IDEA, Part B-Basic	84.027A	H027A230100	IDEA-4310-24	289,457	7/1/2023	9/30/2024	(105,018)	(105,018)	356,636	339,612		(87,994)	
IDEA, Part B-Basic	84.027A	H027A220100	IDEA-4310-23	302,218	7/1/2022	9/30/2023	(29,040)	105,018					
IDEA, Part B-Basic	84.027A	H027A210100	IDEA-4310-22	252,899	7/1/2021	9/30/2022	(75,708)		75,708				
ARP - IDEA Part B, Basic													
ARP - IDEA Part B, Basic	84.027X	H027X210100	IDEA-4310-22	75,708	7/1/2021	9/30/2022	(151,686)		432,344	339,612		(87,994)	29,040
Perkins Secondary Federal Funds													
Perkins Secondary Reserve Funds	84.048A	V048A230030	N/A	447,502	7/1/2023	6/30/2024			320,476	433,273		(112,797)	
Perkins Secondary Federal & Reserve Funds	84.048A	V048A230030	N/A	73,405	7/1/2023	6/30/2024			69,505	69,505			
Perkins Post Secondary State Funds	84.048	245062032	N/A	538,950	7/1/2022	6/30/2023	(91,224)		97,592				6,368
Perkins Post Secondary State Funds	84.048	235062032	N/A	93,273	7/1/2023	6/30/2024	(143)		91,432	91,434	143	(2)	
	84.048	235062032	N/A	95,793	7/1/2022	6/30/2023	(91,367)		579,005	594,212	143	(112,799)	6,368
Coronavirus Response and Relief Supplemental Act:													
Appropriations Act (CRRSA):													
CRSSA - ESSER II	84.425D	S425D230027		669,747	3/13/2020	9/30/2023	(190,209)		338,619		40,101		188,511
ESSER II - Learning Acceleration	84.425D	S425D210027		42,981	3/13/2020	9/30/2023	(5,196)		7,622	2,425			1
CR Mental Health	84.425D	S425D210027		45,000	3/13/2020	9/30/2023			1,043	280			763
American Rescue Plan:													
ARP - ESSER	84.425U	S425U210027		1,505,212	3/13/2020	9/30/2024	(218,100)		310,137	844,563	(71,833)	(824,359)	
Accelerated Learning, Coach and Educator Support	84.425U	S425U210027		187,444	3/13/2020	9/30/2024	(59,527)		40,201	40,201	(29,781)	(129,509)	
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027		40,000	3/13/2020	9/30/2024					(9,337)	(9,337)	
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027		40,000	3/13/2020	9/30/2024			45,000	45,000	(40,000)	(40,000)	
NIJSS Mental Health Support Staffing	84.425U	S425U210027		45,000	3/13/2020	9/30/2024	(473,032)		702,421	932,469	(110,850)	(1,003,205)	189,275
US Department of Labor													
Passed Through State Department of Labor and Workforce Development													
WIOA Out-of-School Youth	17.258	N/A	N/A	375,000	11/1/2023	2/1/2025	(44,970)		219,549	375,000		(155,451)	
WIOA Out-of-School Youth	17.258	N/A	N/A	44,970	7/1/2022	6/30/2023	(44,970)		219,549	375,000		(200,421)	
Total Special Revenue Fund							(973,731)		2,272,151	2,508,245	(86,528)	(1,521,036)	224,683

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS

Schedule of Expenditures of Federal Awards

For the Fiscal Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023	Curryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2024	
					From	To						(Accounts Receivable)	Deferred Revenue
US Department of Agriculture													
Passed Through State Department of Education													
Enterprise Fund													
Food Distribution Program	10.555	241N1309N1099	N/A	41,575	7/1/2023	6/30/2024	198		41,575	41,575			
Food Distribution Program	10.555	241N1309N1099	N/A	43,348	7/1/2023	6/30/2023							
Non-Severe Breakfast Program	10.553	241N1304N1099	N/A	8,340	7/1/2023	6/30/2024	(476)		7,806	8,340	(534)		
Non-Severe Breakfast Program	10.553	231N1304N1099	N/A	6,276	7/1/2022	6/30/2023							
National School Lunch Program	10.555	241N1304N1099	N/A	118,850	7/1/2023	6/30/2024	(7,854)		112,466	118,850	(6,384)		
National School Lunch Program	10.555	231N1304N1099	N/A	127,704	7/1/2022	6/30/2023							
Supply Chain Assistance Funding (4th Round)	10.555	241N1344N8903	N/A	42,033	7/1/2023	6/30/2024			42,033	42,033			
Supply Chain Assistance Funding (3rd Round)	10.555	231N1344N8903	N/A	88,262	7/1/2022	6/30/2023	49,910		49,910				
							41,778		212,210	260,906	(6,918)		
P-EBT Administrative Cost	10.649	202321S900941	N/A	653	7/1/2022	6/30/2023	(653)		653				
							(653)						
Total Enterprise Fund							41,125		212,863	260,906	(6,918)		
Total Federal Financial Assistance							\$ (932,606)		2,665,396	2,949,533	(86,528)	(1,527,954)	224,683

See accompanying notes to the Schedules of Expenditures of Federal and State Awards.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedule of Expenditures of State and Local Financial Awards

Year ended June 30, 2024

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023			Balance at June 30, 2024			Memo							
			From	To	Deferred Revenue (Assets Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances		(Accounts Receivable)	Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures		
State Department of Education:																		
General Fund																		
Equalization Aid	495-034-5120-078	\$	7/1/2023	6/30/2024	\$			14,079,862	15,637,942			*	(1,558,080)	15,637,942				
Special Education Aid	495-034-5120-089	1,665,799	7/1/2023	6/30/2024			1,499,219	1,665,799			*	(166,580)	1,665,799					
Security Aid	495-034-5120-084	201,372	7/1/2023	6/30/2024			181,235	201,372			*	(20,137)	201,372					
Capital Improvements, Development, and Related Expenditures State Aid	495-034-5120-084	25,000,000	7/1/2023	6/30/2024			25,000,000				*		25,000,000					
Reimbursed TPAF Social Security	495-034-5094-003	1,012,341	7/1/2023	6/30/2024			961,433	1,012,341		(50,908)	*		1,012,341					
Reimbursed TPAF Social Security	495-034-5094-003	981,164	7/1/2022	6/30/2023			93,876				*		981,164					
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	1,191,376	7/1/2023	6/30/2024			1,191,376	1,191,376			*		1,191,376					
On Behalf TPAF Pension Contributions	495-034-5094-002	4,328,070	7/1/2023	6/30/2024			4,328,070	4,328,070			*		4,328,070					
On Behalf TPAF NCGI Premium	495-034-5094-004	49,359	7/1/2023	6/30/2024			49,359	49,359			*		49,359					
On Behalf TPAF - LTDI	495-034-5094-004	2,401	7/1/2023	6/30/2024			2,401	2,401			*		2,401					
Total General Fund							47,386,831	24,088,660		(50,908)	*		(1,744,797)	25,069,824				
Special Revenue Fund																		
State Department of Education																		
Recovery High School Access Grant	24-495-034-5120-107	500,000	7/1/2023	6/30/2024			500,000	181,230			*		318,770	181,230				
Recovery High School Access Grant	23-495-034-5120-107	500,000	7/1/2022	6/30/2023			388,733	97,439	(269,636)		*		21,658	208,706				
Recovery High School Access Grant	22-495-034-5120-107	500,000	7/1/2021	6/30/2022			303,140		(278,239)		*		24,901	196,860				
Recovery High School Access Grant	21-495-034-5120-107	500,000	7/1/2020	6/30/2021			418,597		(381,932)		*		36,665	81,403				
Recovery High School Access Grant	20-495-034-5120-107	1,000,000	7/1/2019	6/30/2020			855,112	584,826	(44,313)		*		225,973	193,021				
NJ School Development Authority																		
Emergent Needs and Capital Maintenance	22-100-034-5120-519	60,698	7/1/2021	6/30/2022			41,318				*		41,318	60,698				
Total Special Revenue							2,006,900	863,495	(974,120)		*		669,285	921,918				
Enterprise Fund																		
State Department of Agriculture																		
Severe Breakfast Program	100-010-3350-023	129	7/1/2023	6/30/2024			116	129		(13)	*			129				
Severe Breakfast Program	100-010-3350-023	13	7/1/2022	6/30/2023			(1)	1			*			13				
National School Breakfast Program NJIE	100-010-3350-023	207	7/1/2023	6/30/2024			190	207		(17)	*			207				
National School Lunch Program (State Share)	100-010-3350-023	6,261	7/1/2023	6/30/2024			5,917	6,261		(344)	*			6,261				
National School Lunch Program (State Share)	100-010-3350-023	5,484	7/1/2022	6/30/2023			(342)	342			*			5,484				
National School Lunch Program NJIE	100-010-3350-023	2,102	7/1/2023	6/30/2024			1,960	2,102		(142)	*			2,102				
Total Enterprise Fund							(343)	8,699		(516)	*			14,196				
Total State Financial Assistance							1,912,681	24,960,854	(974,120)	(51,424)	*		(1,744,797)	26,005,938				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
Schedule of Expenditures of State and Local Financial Awards

Year ended June 30, 2024

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023					Balance at June 30, 2024					Memo	
			From	To	Deferred Revenue (Assets Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)	Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable		Cumulative Total Expenditures
Less: On-Behalf TPAF Pension System Contributions																
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	1,191,376	7/1/2023	6/30/2024			1,191,376	1,191,376								
On Behalf TPAF Pension Contributions	495-034-5094-002	4,328,070	7/1/2023	6/30/2024			4,328,070	4,328,070								
On Behalf TPAF NCGI Premium	495-034-5094-004	49,359	7/1/2023	6/30/2024			49,359	49,359								
On Behalf TPAF - LTDI	495-034-5094-004	2,401	7/1/2023	6/30/2024			2,401	2,401								
							5,571,206	5,571,206								
							42,324,151	19,389,648								
Total State Financial Assistance																
Local Sources:																
FY19 Transportation Port Grant	N/A	10,660	7/1/2018	6/30/2019		10,660		735				9,925		*		
FY20 Transportation Port Grant	N/A	16,930	7/1/2019	6/30/2020		16,930						16,930		*		
Transportation Port Grant	N/A	890	7/1/2022	6/30/2023		(890)					(890)			*		
AAHA STS Award	N/A	2,000	7/1/2022	6/30/2023		2,000		1,953				47		*		
Bristol Myers Squibb Grant - Program Development for Cell and Gene Therapy UC/UTS/Kean University	N/A	106,340	7/1/2023	6/30/2024			106,340					106,340		*		
Capacity-Building Grant Award - Simon Youth Academy at The Mills at Jersey Garden 2023	N/A	5,000	7/1/2023	6/30/2024			5,000					5,000		*		
Capacity-Building Grant Award - Raymond J. Lesniak Experience	N/A	5,000	7/1/2023	6/30/2024			5,000					5,000		*		
County of Union: Simon Youth Academy	N/A	182,742	7/1/2023	6/30/2024			182,742					182,742		*		
Essex County Vocational Schools: Port Authority NY/NJ Construction Trades Grant	N/A	21,600	7/1/2023	6/30/2024			21,600	5,115				16,485		*		
National FFA Foundation, Inc.: Grants for Growing FY24	N/A	4,050	7/1/2023	6/30/2024			4,050	2,973				1,077		*		
National FFA Foundation, Inc.: Grants for Growing FY23	N/A	500	7/1/2022	6/30/2023		500						500		*		
Dig In Grant	N/A	1,250	7/1/2022	6/30/2023		(1,250)					(1,250)			*		
						27,950	324,732	10,776				344,046		*		
						1,912,681	42,648,883	19,400,424	(974,120)		(53,564)	26,013,331		*	(1,744,797)	26,005,938
Total State and Local Financial Assistance																

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Union County Vocational-Technical Schools. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and the 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 last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(177,996) for the general fund and \$(716,233) for the special revenue fund. See Notes to Required Supplemental Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund	\$180,382	\$48,910,664	\$	\$49,091,046
Special Revenue Fund	1,875,527	785,037	5,719	2,666,283
Food Service Funds	<u>260,906</u>	<u>8,699</u>	<u></u>	<u>269,605</u>
Total Awards and Financial Assistance	<u>\$2,316,815</u>	<u>\$49,704,400</u>	<u>\$5,719</u>	<u>\$52,026,934</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF 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, 2024.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$5,571,206, are excluded from major program determination.

NOTE 7. INDIRECT COST RATE

The Union County Vocational-Technical Schools has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$252,880
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	<u>14,072</u>
Total	<u><u>\$266,952</u></u>

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- | | | |
|---|--------------------------|------------------------------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ yes | _____ <u>X</u> _____ none reported |
| 2. Material weakness(es) identified? | _____ <u>X</u> _____ yes | _____ no |

Noncompliance material to basic financial statements noted?	_____ yes	_____ <u>X</u> _____ no
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Federal Awards

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

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?	_____ <u>X</u> _____ yes	_____ no
--	--------------------------	----------

Internal Control over major programs:

- | | | |
|---|-----------|------------------------------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ yes | _____ <u>X</u> _____ none reported |
| 2. Material weakness(es) identified? | _____ yes | _____ <u>X</u> _____ no |

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of the Uniform Guidance?	_____ yes	_____ <u>X</u> _____ no
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Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D/84.425U (A)	S425D210027/ S425U210027	CR Learning Acceleration/ CR Mental Health/ ARP - ESSER/Accelerated Learning Coach and Educator Support/NJTSS Mental Health Support Staffing

Note: (A) - Tested as Major Type A Program.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(continued)**

Section I - Summary of Auditor's Results, (continued)

State Awards

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

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

- | | | |
|---|-----------|------------------------------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ yes | _____ X _____ none reported |
| 2. Material weakness(es) identified? | yes | X no |

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	yes	X	no
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Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
495-034-5120-78/495-034-5120-84/ 495-034-5120-89	State Aid Public Cluster: Equalization Aid/Special Education Categorical Aid/Security Aid
495-034-2094-003	Reimbursed TPAF Social Security
495-034-5120-107	Recovery High School Access Grant

Note: (A) - Tested as Major Type A Program.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

Finding 2024-001

Material Weakness in Internal Control over Financial Reporting

Statement of Condition

Essential to timely and accurate financial reporting are standard and recurring procedures for the reconciliation of interim and year-end financial information.

Criteria

The District did not reconcile amounts reported in grant specific reporting documents to amounts presented in the District's special revenue fund.

Effect

Amounts presented in the District's special revenue fund were not accurate for several previous years. During the 2024 audit, these amounts were investigated and corrected.

Cause

The District does not have standard policies and procedures in place for regular reconciliation of its amounts outlined in grant specific reporting documents to amounts presented in the District's special revenue fund.

Questioned Costs

Not Applicable.

Recommendation

The District should implement formal and defined financial close and reporting procedures designed to verify and adjust account balances on a regular basis. The procedures should include reconciliation of grant specific reporting documents to amounts presented in the District's special revenue fund.

View of Responsible Official and Planned Corrective Actions (Unaudited)

Management will address the finding and the response will be documented and approved in the District's Corrective Action Plan.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS

NONE

STATE AWARDS

NONE

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Status of Prior Year Findings

There were no prior year audit findings.