

**TOWNSHIP OF PISCATAWAY, IN THE
COUNTY OF MIDDLESEX, NEW JERSEY**

**NOTICE OF SALE FOR
\$31,721,675 BOND ANTICIPATION NOTES, SERIES 2025
CONSISTING OF:**

**\$12,951,675 GENERAL IMPROVEMENT BOND ANTICIPATION NOTE AND
\$18,770,000 ENERGY SAVINGS OBLIGATION REFUNDING BOND ANTICIPATION NOTE**

Pursuant to the Preliminary Official Statement, dated October 7, 2025, proposals for the purchase of the \$31,721,675 Bond Anticipation Notes, Series 2025, consisting of the \$12,951,675 General Improvement Bond Anticipation Note and the \$18,770,000 Energy Savings Obligation Refunding Note (together, the "Notes"), of the Township of Piscataway, in the County of Middlesex, New Jersey (the "Township"), will be received on **Wednesday, October 15, 2025 (the "Bid Date")**, until **11:30 a.m.** by:

- (i) e-mailed proposals (with the completed bid form scanned and attached) to Elizabeth Manuel, Paralegal, of McManimon, Scotland & Baumann, LLC, 75 Livingston Avenue, Roseland, New Jersey 07068, Bond Counsel to the Township, e-mail address: notebids@msbnj.com, or
- (ii) electronic submission (via PARITY®) in the manner described below under the heading "Procedure Regarding Electronic Bidding".

Bids submitted by e-mail are the sole responsibility of the bidder and must be received by 11:30 a.m. The Township accepts no responsibility for the failure of any e-mailed bids to be received on time for whatever reason. No bids will be received after 11:30 a.m. A determination as to the award will be made no later than 2:00 p.m. on that date.

Each bid must offer to purchase the entire note issue being offered at a price of not less than par and must specify a single rate of interest offered for the Notes. Interest shall be calculated on a 30-day month/360-day year basis. Bids may be submitted by completing the proposal form provided by the Township and by submitting it in accordance with this Notice of Sale or by electronic submission via PARITY®. The Chief Financial Officer expects to award the Notes to the bidder specifying the lowest net interest payable by the Township. However, the Chief Financial Officer reserves the right to reject all bids or to award the Notes to a bidder other than the lowest bidder. Each bidder, by submitting a bid, agrees to accept the determination of the Chief Financial Officer.

SPECIFICATIONS OF NOTES

Principal Amount	\$31,721,675
Dated Date	October 30, 2025
Maturity Date	October 29, 2026
Interest Rate Per Annum	Specified by winning bidder
Tax Matters	Federal and State tax-exempt
Bank-Qualified	No
Legal Opinion	McManimon, Scotland & Baumann, LLC, Roseland, New Jersey

Paying Agent	The Township will act as paying agent
Closing	
a. date	October 30, 2025
b. location	McManimon, Scotland & Baumann, LLC, 75 Livingston Avenue, 2nd Floor, Roseland, New Jersey, or at such other place as agreed to by the Township
Denominations	\$5,000 or any integral multiple of \$1,000 in excess thereof (except for any necessary odd denomination)
Payment	Immediately available funds received prior to 11:00 a.m. on the date of closing

The Notes will be non-callable, valid and legally binding obligations of the Township payable ultimately from *ad valorem* taxes levied upon all the taxable property within the Township to the extent that payment is not otherwise provided.

Each bidder may, on the attached bid sheet, designate the Notes as "Direct Purchase, Not Reoffered". If a bidder makes such designation and is awarded the Notes, such winning bidder shall certify at closing that (i) it has not reoffered the Notes to the public and does not expect to do so and (ii) it has purchased the Notes for its own account (or the account of a related party) and not with a view to resell or distribute.

In the event the winning bidder designates the Notes as "Direct Purchase, Not Reoffered", then the issue price of the Notes shall be the purchase price offered by the winning bidder.

Otherwise, in the event the Township receives at least three (3) bids for the Notes, then the issue price for the Notes shall be established based on the reasonably expected initial offering price of the Notes as of the Bid Date (the "Expected Offering Price"). The Expected Offering Price shall consist of the price of the Notes used by the winning bidder in formulating its bid to purchase the Notes. The winning bidder shall be required to deliver on the closing date a certificate to such effect and provide to the Township, in writing, the Expected Offering Price as of the Bid Date.

In the event the Township receives fewer than three (3) bids for the Notes, then the issue price for the Notes shall be established based on the following method as selected by the winning bidder on the Bid Date:

10% Sold: The issue price for the Notes shall be established based on the first price at which at least 10% of the Notes was sold to the Public (as defined herein). The winning bidder shall be required to deliver on the closing date a certificate to such effect and provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of such sales price for the Notes. In the event that the winning bidder has not sold at least 10% of the Notes to the Public as of the closing date, the winning bidder shall (i) provide to the Township, in writing, on the closing date, the Expected Offering Price for the Notes as of the Bid Date and a certificate regarding same and (ii) have a continuing obligation to provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of the first price at which at least 10% of the Notes is sold to the Public, contemporaneous with such sale.

Hold-the-Price: The issue price for the Notes shall be established based on the initial offering price of the Notes to the Public as of the Bid Date, provided that the winning bidder shall, in writing, (i) confirm that the Underwriters (as defined herein) have offered or will offer the Notes to the public on or before the Bid Date at the offering price or prices set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the Underwriters participating in the purchase of the Notes, that the Underwriters will neither offer nor sell the

Notes to any person at a price that is higher than the initial offering price to the Public during the period starting on the Bid Date and ending on the earlier of: (1) the close of the fifth (5th) business day after the Bid Date; or (2) the date on which the Underwriters have sold at least 10% of the Notes to the Public at a price that is no higher than the initial offering price to the Public.

Public means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" generally means any two or more persons who have greater than 50% common ownership, directly or indirectly. Underwriter means (i) any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

At delivery of the Notes, the Township will furnish to the winning bidder customary closing documents, including (1) a certificate executed by the officials who execute the Notes stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Notes or the levy or collection of taxes to pay the principal of or interest due on the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Notes or the levy or collection of taxes, or affecting the validity of the Notes or the levy or collection of taxes, and (2) the approving legal opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, in the form attached to the Preliminary Official Statement.

Procedure Regarding Electronic Bidding

Bids may be submitted electronically via PARITY® in accordance with this Notice of Sale until 11:30 a.m. (New Jersey time) on the Bid Date, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth on PARITY® conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY®, potential bidders may contact Heather Litzebauer of NW Financial Group, LLC (the "Municipal Advisor") at hlitzebauer@nwfinancial.com, (201) 656-0115, or PARITY® at (212) 404-8102. In the event that a bid for the Notes is submitted via PARITY®, the bidder further agrees that:

1. The Township may regard the electronic transmission of the bid through PARITY® (including information about the purchase price of the Notes, the interest rate to be borne by the Notes and any other information included in such transmission) as though the same information were submitted on the proposal form provided by the Township and executed and submitted by a duly authorized representative of the bidder. If the bid submitted electronically via PARITY® is accepted by the Township, the terms of the bid for the Notes and this Notice of Sale, as well as the information that is electronically transmitted through PARITY®, shall form a contract and the winning bidder shall be bound by the terms of such contract.

2. PARITY® is not an agent of the Township, and the Township shall have no liability whatsoever based on any bidder's use of PARITY®, including, but not limited to, any failure by PARITY® to correctly or timely transmit information provided by the Township or information provided by the bidder.

3. The Township may choose to discontinue use of electronic bidding via PARITY® by issuing a notification to such effect via The Municipal Market Monitor or other similar service no later than 3:00 p.m. (New Jersey time) on the last business day prior to the Bid Date.

4. Once the bids are communicated electronically via PARITY® to the Township, as described above, each bid will constitute a bid for the Notes and shall be deemed to be an irrevocable offer to purchase the Notes on the terms provided in this Notice of Sale. For purposes of submitting bids for the Notes electronically via PARITY®, the time maintained on PARITY® shall constitute the official time.

5. Each bidder shall be solely responsible to make necessary arrangements to access PARITY® for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Township, the Municipal Advisor nor PARITY® shall have any duty or obligation to provide or assure access to any bidder, and neither the Township, the Municipal Advisor nor PARITY® shall be responsible for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Township is using PARITY® as a communication mechanism, and not as the Township's agent, to conduct the electronic bidding for the Notes. By using PARITY®, each bidder agrees to hold the Township harmless for any harm or damages caused by such bidder in connection with its use of PARITY® for bidding on the Notes.

It is anticipated that a CUSIP identification number will be printed on the Notes. The Township's Municipal Advisor will timely apply for a CUSIP identification number with respect to the Notes as required by MSRB Rule G-34. CUSIP Global Service's charge for the assignment of the CUSIP identification number shall be the responsibility of and shall be paid for by the winning bidder. The winning bidder will be responsible for notifying CUSIP Global Services of any changes in structure and shall add or cancel CUSIP identification numbers as needed to the final structure. The Township will assume no obligation for the assignment or printing of such number on the Notes or for the correctness of such number, and neither the failure to print such number on the Notes nor any error with respect thereto shall constitute cause for a failure or refusal by the winning bidder to accept delivery of and make payment for the Notes. **One CUSIP identification number is required for the entire note issue.**

Preliminary Official Statement

A Preliminary Official Statement has been prepared in connection with the Notes by the Township and is "deemed final" in accordance with Rule 15c2-12 of the Securities and Exchange Commission. The winning bidder shall be responsible for providing a reoffering yield within 24 hours of award, which yield will appear on the front cover of the final Official Statement. The Township, at its expense, will make available to the winning bidder a reasonable number of final Official Statements within seven (7) business days following the date of acceptance of its bid.

Padmaja Rao, Chief Financial Officer
Dated: October 7, 2025

**TOWNSHIP OF PISCATAWAY, IN THE
COUNTY OF MIDDLESEX, NEW JERSEY**

**\$31,721,675 BOND ANTICIPATION NOTES, SERIES 2025
CONSISTING OF:
\$12,951,675 GENERAL IMPROVEMENT BOND ANTICIPATION NOTE AND
\$18,770,000 ENERGY SAVINGS OBLIGATION REFUNDING BOND ANTICIPATION NOTE**

TO: Elizabeth Manuel
E-MAIL ADDRESS: notebids@msbnj.com
PHONE NO.: 973-622-5280

DATE: October 15, 2025

PROPOSAL

<u>Amount of Notes</u>	<u>Price</u>	<u>Rate of Interest</u>
\$31,721,675	\$ _____	_____ % per annum
Name of Bidder: _____	Authorized Signature: _____	
Phone Number: _____	Print Name: _____	
E-Mail Address: _____		

PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Notes	\$ _____
Less: Premium (if any)	\$ _____
Net Interest Payable	\$ _____
Net Interest Cost %	_____ %
Purchased and Reoffered for Sale	_____ yes _____ no
Direct Purchase, Not Reoffered	_____ yes _____ no

THIS PORTION OF THE PROPOSAL IS NOT PART OF THE BID

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 7, 2025

NEW ISSUE – BOOK-ENTRY-ONLY

Ratings: See "RATINGS" herein.

In the opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel, assuming compliance by the Township (as defined herein) with certain tax covenants described herein, under existing law, interest on the Obligations (as defined herein) is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Obligations is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax; however, interest on the Obligations is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code. Based upon existing law, interest on the Obligations and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

**TOWNSHIP OF PISCATAWAY, IN THE
COUNTY OF MIDDLESEX, NEW JERSEY**

\$48,695,000*
GENERAL IMPROVEMENT BONDS, SERIES 2025
(CALLABLE)
DATED: DATE OF DELIVERY
DUE: APRIL 15, AS SHOWN ON THE
INSIDE FRONT COVER PAGE

\$31,721,675
BOND ANTICIPATION NOTES, SERIES 2025,
CONSISTING OF:
\$12,951,675 GENERAL IMPROVEMENT BOND ANTICIPATION
NOTE AND \$18,770,000 ENERGY SAVINGS OBLIGATION
REFUNDING BOND ANTICIPATION NOTE
(NON-CALLABLE)
DATED DATE: OCTOBER 30, 2025
MATURITY DATE: OCTOBER 29, 2026

The \$48,695,000* General Improvement Bonds, Series 2025 (the "*Bonds*"), of the Township of Piscataway, in the County of Middlesex, New Jersey (the "*Township*"), will be issued in the form of one certificate for each maturity of the Bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York ("*DTC*"), which will act as securities depository for the Bonds. See "THE BONDS – Book-Entry-Only System" herein.

Interest on the Bonds will be payable semiannually on the fifteenth day of April and October in each year until maturity or prior redemption, commencing April 15, 2026. The principal of and interest due on the Bonds will be paid to DTC by the Township or its designated paying agent. Interest on the Bonds will be credited to the DTC Participants (as defined herein) as listed on the records of DTC as of each next preceding April 1 and October 1 (the "*Record Dates*" for the payment of interest on the Bonds).

The Bonds are subject to optional redemption prior to their stated maturities as described herein. See "THE OBLIGATIONS – Redemption" herein.

The Bonds are valid and legally binding obligations of the Township and, unless paid from other sources, are payable from *ad valorem* taxes levied upon all the taxable property within the Township for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

The \$31,721,675 Bond Anticipation Notes, Series 2025, consisting of the \$12,951,675 General Improvement Bond Anticipation Note (the "*General Improvement Note*") and the \$18,770,000 Energy Savings Obligation Refunding Note (the "*ESIP Note*"; and together with the General Improvement Note, the "*Notes*"; and together with the Bonds, the "*Obligations*"), will be issued in the form of one certificate for the principal amount of each series of the Notes and, when issued, will be registered in the name of DTC, which will act as securities depository for the Notes. Interest on the Notes will be credited to the participants of DTC as listed on the records of DTC as of one business day prior to the maturity date set forth above. See "THE OBLIGATIONS – Book-Entry-Only System" herein.

The Notes are valid and legally binding obligations of the Township, payable in the first instance from the proceeds of the sale of bonds or refunding bonds, as applicable, in anticipation of which the Notes are issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable property within the Township without limitation as to rate or amount.

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision.

The Obligations are offered when, as and if issued and delivered to the Underwriters (as defined herein), subject to prior sale, to withdrawal or modification of the offer without notice and to the approval of legality by the law firm of McManimon, Scotland & Baumann, LLC, Roseland, New Jersey, and certain other conditions described herein. NW Financial Group, LLC, Bloomfield, New Jersey, has served as Municipal Advisor in connection with the issuance of the Obligations. Delivery is anticipated to be via DTC in Brooklyn, New York, on or about October 30, 2025.

**ELECTRONIC SUBMISSIONS FOR THE OBLIGATIONS WILL BE RECEIVED VIA PARITY
AT WWW.I-DEALPROSPECTUS.COM UNTIL 11:00 A.M. FOR THE BONDS AND 11:30 A.M. FOR THE NOTES
ON WEDNESDAY, OCTOBER 15, 2025. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY,
VIEW THE NOTICE OF SALES POSTED AT THE ADDRESS LISTED ABOVE.**

*Preliminary; subject to change.

**TOWNSHIP OF PISCATAWAY, IN THE
COUNTY OF MIDDLESEX, NEW JERSEY**

\$48,695,000* GENERAL IMPROVEMENT BONDS, SERIES 2025,

**MATURITIES, PRINCIPAL AMOUNTS*, INTEREST RATES,
YIELDS AND CUSIP NUMBERS◇**

<u>Year</u> <u>(April 15)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number◇</u>
2026	\$2,500,000	%	%	
2027	2,500,000			
2028	2,185,000			
2029	3,565,000			
2030	3,840,000			
2031	4,105,000			
2032	5,000,000			
2033	5,000,000			
2034	5,000,000			
2035	5,000,000			
2036	5,000,000			
2037	5,000,000			

\$12,951,675 GENERAL IMPROVEMENT BOND ANTICIPATION NOTE

Interest Rate: ____%

Yield: ____%

CUSIP◇:

\$18,770,000 ENERGY SAVINGS OBLIGATION REFUNDING BOND ANTICIPATION NOTE

Interest Rate: ____%

Yield: ____%

CUSIP◇:

*Preliminary; subject to change.

◇"CUSIP" is a registered trademark of the American Bankers Association. CUSIP numbers are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of holders only at the time of issuance of the Obligations, and the Township does not make any representations with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specified maturity is subject to being changed after the issuance of the Obligations as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Obligations.

**TOWNSHIP OF PISCATAWAY, IN THE
COUNTY OF MIDDLESEX, NEW JERSEY**

MAYOR

Brian C. Wahler

TOWNSHIP COUNCIL

Dennis Espinosa, Council President
Michele Lombardi
Gabrielle Cahill
Laura Leibowitz
Sarah Rashid
Frank Uhrin
Sharon Carmichael

TOWNSHIP CLERK

Melissa A. Seader

CHIEF FINANCIAL OFFICER

Padmaja Rao

TOWNSHIP ATTORNEY

Rajvir S. Goomer, Esq.
New Brunswick, New Jersey

INDEPENDENT AUDITOR

PKF O'Connor Davies, LLP
Cranford, New Jersey

BOND COUNSEL

McManimon, Scotland & Baumann, LLC
Roseland, New Jersey

No broker, dealer, salesperson or other person has been authorized by the Township to give any information or to make any representations with respect to the Obligations other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. The information contained herein has been provided by the Township and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation or warranty by the Underwriters or, as to information from sources other than itself, by the Township. The information and the expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof or since the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Township during normal business hours.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the Township from time to time (collectively, the "*Official Statement*"), may be treated as a "Final Official Statement" with respect to the Obligations described herein that is deemed final as of the date hereof (or of any such supplement or amendment) by the Township.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Obligations in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE OBLIGATIONS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

McManimon, Scotland & Baumann, LLC has not participated in the preparation of the financial or statistical information contained in this Official Statement nor has it verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion with respect thereto.

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OFFICIAL STATEMENT

RELATING TO

TOWNSHIP OF PISCATAWAY, IN THE COUNTY OF MIDDLESEX, NEW JERSEY

\$48,695,000* GENERAL IMPROVEMENT BONDS, SERIES 2025

AND

**\$31,721,675 BOND ANTICIPATION NOTES, SERIES 2025,
CONSISTING OF:**

**\$12,951,675 GENERAL IMPROVEMENT BOND ANTICIPATION NOTE AND
\$18,770,000 ENERGY SAVINGS OBLIGATION REFUNDING BOND ANTICIPATION NOTE**

INTRODUCTION

This Official Statement, which includes the cover page, the inside front cover page and the appendices attached hereto, has been prepared by the Township of Piscataway (the "*Township*"), in the County of Middlesex (the "*County*"), State of New Jersey (the "*State*"), in connection with the sale and issuance of its \$48,695,000* General Improvement Bonds, Series 2025 (the "*Bonds*"), and its \$31,721,675 Bond Anticipation Notes, Series 2025, consisting of the \$12,951,675 General Improvement Bond Anticipation Note (the "*General Improvement Note*") and the \$18,770,000 Energy Savings Obligation Refunding Bond Anticipation Note (the "*ESIP Note*"; and together with the General Improvement Note, the "*Notes*"; and together with the Bonds, the "*Obligations*"). This Official Statement has been executed by and on behalf of the Township by its Chief Financial Officer and may be distributed in connection with the sale of the Obligations described herein.

This Official Statement is "deemed final", as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

THE OBLIGATIONS

General Description

The Bonds shall be dated their date of issuance and shall mature on April 15 in the years and in the principal amounts as set forth on the inside front cover page hereof. The Bonds shall bear interest from their date, payable semiannually on each April 15 and October 15 (each, an "*Interest Payment Date*"), commencing April 15, 2026, in each year until maturity or prior redemption, at the interest rates shown on the inside front cover page hereof. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day calendar months.

The Bonds are issuable as fully registered book-entry securities in the form of one certificate for each maturity of the Bonds and in the principal amount of such maturity. The Bonds may be purchased in book-entry only form in the amount of \$5,000 or any integral multiple of \$1,000 in excess thereof through book-entries made on the books and records of The Depository Trust Company, Brooklyn, New York ("*DTC*"), and its participants. So long as DTC or its nominee, Cede & Co. (or any successor or assign), is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by

* Preliminary; subject to change.

the Township directly to Cede & Co. (or any successor or assign), as nominee for DTC. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each next preceding April 1 and October 1 (the "*Record Dates*" for the payment of interest on the Bonds). See "THE OBLIGATIONS – Book-Entry-Only System" herein.

The Notes shall be dated, shall mature on the date and in the amounts and shall bear interest payable at the interest rate as set forth on the inside front cover page hereof. Interest on the Notes shall be calculated on the basis of a 360-day year consisting of twelve 30-day calendar months. The Notes will be issued in the form of one certificate for the aggregate principal amount of each series of the Notes and, when issued, shall be registered in the name of Cede & Co., as nominee for DTC, which will act as securities depository. The Notes may be purchased in book-entry only form in the amount of \$5,000 or any integral multiple of \$1,000 in excess thereof (except for any necessary odd denomination) through book-entries made on the books and records of DTC and its participants. Interest on the Notes will be credited to the participants of DTC as listed on the records of DTC as of one business day prior to maturity.

Redemption

The Bonds

The Bonds maturing prior to October 15, 2034 are not subject to redemption prior to their stated maturity dates. The Bonds maturing on or after October 15, 2034 are subject to redemption, in whole or in part, on any date on or after October 15, 2033 at the option of the Township at 100% of the principal amount of the Bonds being redeemed (the "*Redemption Price*"), plus in each case accrued interest thereon to the date fixed for redemption.

Notice of redemption shall be given by first class mail in a sealed envelope with postage prepaid to the registered owners of the Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township at least 30 but not more than 60 days before the date fixed for redemption. However, so long as DTC (or any successor thereto) acts as securities depository for the Bonds, notice of redemption shall be sent to such securities depository and shall not be sent to the beneficial owners of the Bonds, and will be done in accordance with DTC procedures. Any failure of such securities depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of a maturity of the Bonds, such Bonds shall be selected by the Township by lot.

So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Township shall send redemption notices only to Cede & Co.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the Bonds after the date fixed for redemption. Payment shall be made upon surrender of the Bonds redeemed.

The Notes

The Notes are not subject to redemption prior to their stated maturity.

Book-Entry-Only System

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Obligations, payment of principal of and interest and other payments due on the Obligations to DTC Participants or Beneficial Owners (each as defined below), confirmation and transfer of beneficial ownership interests in the Obligations and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations concerning these matters.

DTC will act as securities depository for the Obligations. The Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each series of the Obligations, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"; and together with the Direct Participants, the "*DTC Participants*"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Obligations on DTC's records. The ownership interest of each actual purchaser of each Bond ("*Beneficial Owner*") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Obligations, except in the event that use of the book-entry system for the Obligations is discontinued.

To facilitate subsequent transfers, all Obligations deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Obligations with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township or its paying agent, if any, as soon as possible after the applicable record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Obligations are credited on the applicable record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, if applicable, and distributions on the Obligations will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Township or its paying agent, if any, on the payable date in accordance with their respective holdings shown on DTC's records.

Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such DTC Participant and not of DTC, the paying agent, if any, or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, if applicable, and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or its paying agent, if any, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Obligations at any time by giving reasonable notice to the Township or its paying agent, if any. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Township believes to be reliable, but the Township does not take any responsibility for the accuracy thereof.

THE TOWNSHIP AS PAYING AGENT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, OR THE INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE OBLIGATIONS, AS NOMINEE FOR DTC, REFERENCES HEREIN TO THE HOLDERS OR REGISTERED OWNERS OF THE OBLIGATIONS (OTHER THAN UNDER THE CAPTIONS "TAX MATTERS" AND "SECONDARY MARKET DISCLOSURE") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE OBLIGATIONS.

Discontinuance of Book-Entry-Only System

If the Township, in its sole discretion, determines that DTC is not capable of discharging its duties, or if DTC discontinues providing its services with respect to the Obligations at any time, the Township will attempt to locate another qualified securities depository. If the Township fails to find such a securities depository, or if the Township determines, in its sole discretion, that it is in the best interest of the Township or that the interest of the Beneficial Owners might be adversely affected if the book-entry-only system of transfer is continued (the Township undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination), the Township shall notify DTC of the termination of the book-entry-only system.

SECURITY AND SOURCE OF PAYMENT

The Bonds are valid and legally binding obligations of the Township, and the Township has pledged its full faith and credit for the payment of the principal of and interest on the Bonds. The Township is required by law to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the principal of and interest on the Bonds without limitation as to rate or amount.

The Notes are valid and legally binding obligations of the Township, payable in the first instance from the proceeds of the sale of bonds in anticipation of which the Notes are issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable property within the Township for the payment of the principal of and interest on the Notes without limitation as to rate or amount.

AUTHORIZATION AND PURPOSE OF OBLIGATIONS

The Bonds

The Bonds have been authorized by and are being issued pursuant to: (i) the laws of the State of New Jersey, including the Local Bond Law (constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended) (the "*Local Bond Law*"); (ii) the bond ordinances set forth below, each finally adopted by the Township Council; and (iii) an authorizing resolution duly adopted by the Township Council on September 9, 2025 (the "*Resolution*").

Amount Funded from Bond Proceeds	Bond Ordinance	Description of Improvement and Date of Adoption of Bond Ordinance
\$3,570,000	10-01	Various capital improvements, finally adopted January 26, 2010.
\$1,853,000	11-21	Renovations, expansion and improvements to municipal facilities, finally adopted December 6, 2011.
\$1,877,000	13-26, as supplemented by 15-32	Rehabilitation of various roads, finally adopted November 26, 2013, as supplemented November 24, 2015.
\$1,905,000	13-27	Various capital improvements, finally adopted December 3, 2013.

Amount Funded from Bond Proceeds	Bond Ordinance	Description of Improvement and Date of Adoption of Bond Ordinance
\$1,080,000	14-01	Various capital improvements, finally adopted January 28, 2014.
\$4,189,000	14-21, as amended and supplemented by 15-33, as supplemented by 16-36	Road rehabilitation and improvements, finally adopted November 25, 2014, as amended and supplemented November 15, 2024, as supplemented December 6, 2016.
\$3,750,000	15-19	Baekeland Avenue road improvements, finally adopted July 21, 2015.
\$1,302,000	15-34	Various roads, curbs and parking lot improvements, finally adopted December 1, 2015.
\$976,000	19-30	Various capital improvements, finally adopted November 26, 2019.
\$2,223,000	21-10	Road rehabilitation and improvements, finally adopted April 20, 2021.
\$8,910,000	21-31	Various capital improvements, finally adopted November 23, 2021.
\$8,500,000	22-26	Various capital improvements, finally adopted December 6, 2022.
\$1,800,000	23-03	International Avenue Road Improvement Project, finally adopted January 24, 2023.
\$4,000,000	23-32	Various capital improvements, finally adopted December 5, 2023.
\$2,760,000	24-05	Various capital improvements, finally adopted February 13, 2024.

Proceeds from the sale and issuance of the Bonds will be used to: (i) currently refund \$28,093,000 of the Township's \$28,423,750 Bond Anticipation Note, dated and issued December 17, 2024 and maturing October 31, 2025, together with \$330,750 in principal reduction payments; (ii) provide \$20,602,000 in new money to fund various capital improvements in the Township; and (iii) pay the costs in connection with the authorization, sale and issuance of the Bonds.

The General Improvement Note

The General Improvement Note has been authorized by and is being issued pursuant to (i) the Local Bond Law and (ii) the bond ordinances set forth below, each finally adopted by the Township Council.

Amount Funded from Bond Proceeds	Bond Ordinance	Description of Improvement and Date of Adoption of Bond Ordinance
\$6,665,000	24-06	Energy saving improvements, finally adopted February 13, 2024.
\$4,540,000	24-29	Various capital improvements, finally adopted November 26, 2024.
\$1,746,675	25-09	Various capital improvements, finally adopted May 6, 2025.

Proceeds from the sale and issuance of the General Improvement Note will be used by the Township to (i) provide \$12,951,675 in new money to fund various capital improvements in the Township and (iii) pay costs and expenses in connection with the authorization, sale and issuance of the General Improvement Note.

The ESIP Note

The ESIP Note has been authorized by and is being issued pursuant to: (i) the Energy Savings Improvement Program Law (N.J.S.A. 18A:65A-1) and N.J.S.A 40A:2-52 *et seq.*; (ii) the bond ordinance set forth below, finally adopted by the Township Council; and (iii) an authorizing resolution duly adopted by the Township Council on September 9, 2025.

Amount Funded from Bond Proceeds	Bond Ordinance	Description of Improvement and Date of Adoption of Bond Ordinance
\$18,770,000	24-07	Acquisition, construction and installation of energy conservation improvements, finally adopted February 13, 2024.

Proceeds from the sale and issuance of the ESIP Note will be used by the Township to (i) provide \$18,770,000 in new money to fund energy conservation improvements in the Township and (iii) pay costs and expenses in connection with the authorization, sale and issuance of the ESIP Note.

INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC AND ONGOING CONCERNS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to, among other things, provide relief to state and local governments, including the American Rescue Plan Act of 2021 (the "*Plan*"). The pandemic and certain mitigation measures, which altered the behavior of businesses and people, have had and may continue to have negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level.

To date, the overall finances and operations of the Township have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, there can be no assurance regarding the extent to which the COVID-19 pandemic, or any other national health crisis or pandemic, may impact the national, State or local economies in the future, nor how any such event may materially adversely impact municipalities, including the Township. The Township cannot quantify any such impacts at this time.

The Plan, signed into law on March 12, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Township has received \$7,310,209 from the Plan. The deadline to obligate the funds was December 31, 2024, and such funds can only be spent on certain allowable uses as set forth in the Plan.

MUNICIPAL FINANCE – FINANCIAL REGULATION OF COUNTIES AND MUNICIPALITIES

Local Bond Law (N.J.S.A. 40A:2-1 *et seq.*)

The Local Bond Law governs the issuance of bonds and notes to finance certain general municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5% cash down payment is generally required toward the financing of expenditures for municipal purposes. All bonds and notes issued by the Township are general full faith and credit obligations.

The authorized bonded indebtedness of the Township for municipal purposes is limited by statute, subject to the exceptions noted below, to an amount equal to 3½% of its average equalized valuation basis. The average for the last three years of the equalized value of all taxable property and improvements and certain Class II railroad property within the boundaries of Township, as annually determined by the State Director of Taxation, is \$11,265,865,209.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit, including school bonds that do not exceed the school bond borrowing margin and certain debt that may be deemed self-liquidating. As of December 31, 2024, after taking into account the deductions referred to in the prior sentence, the statutory net debt of the Township as a percentage of average equalized valuation was 1.471%.

The Township may exceed its debt limit with the approval of the Local Finance Board, a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the Township may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the Township or substantially reduce the ability of the Township to meet its obligations or to provide essential public improvements and services, or if it makes certain other statutory determinations, approval is granted. In addition, debt in excess of the statutory limit may be issued by the Township to fund certain notes, to provide for self-liquidating purposes and, in each fiscal year, to provide for purposes in an amount not exceeding 2/3 of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

The Township may sell short-term "bond anticipation notes" to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or a subsequent resolution so provides. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the ordinance creating such capital expenditure, as it may be amended and supplemented. A local unit's bond anticipation notes may be issued for periods not greater than one year. Generally, bond anticipation notes may not be outstanding for longer than ten years. An additional period may be available following the tenth anniversary date equal to the period from the notes' maturity to the end of the tenth fiscal year in which the notes mature plus four months (May 1) in the next following fiscal year from the date of original issuance. Beginning in the third year, the amount of notes that may be issued is decreased by the minimum amount required for the first year's principal payment for a bond issue.

Local Budget Law (N.J.S.A. 40A:4-1 *et seq.*)

The foundation of the New Jersey local finance system is the annual cash basis budget. Every local unit must adopt a budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "*Division*"). Certain items of revenue and

appropriation are regulated by law and the proposed budget must be certified by the Director of the Division (the "*Director*") prior to final adoption. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations.

The local unit is authorized to issue emergency notes and special emergency notes pursuant to the Local Budget Law. Tax anticipation notes are limited in amount by law and must be paid off in full within 120 days of the close of the fiscal year.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all local units.

The cash basis budgets of local units must be in balance, *i.e.*, the total of anticipated revenues must equal the total of appropriations (N.J.S.A. 40A:4-22). If in any year a local unit's expenditures exceed its realized revenues for that year, then such excess must be raised in the succeeding year's budget.

The Local Budget Law (N.J.S.A. 40A:4-26) provides that no miscellaneous revenues from any source may be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director determines that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and certifies that determination to the local unit.

No budget or budget amendment may be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar year. However, grant revenue is generally not realized until received in cash.

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the local unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also, the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by December 31 of that year. The budget also must provide for any cash deficits of the prior year.

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body of a local unit. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, revaluation programs, revision and codification of ordinances, master plan preparation, drainage map preparation for flood control purposes and contractually required severance liabilities, which may be amortized over five years. Of course, emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project.

Under legislation enacted to address the COVID-19 pandemic, P.L. 2020, c. 74 (A3971), a local unit may adopt an emergency appropriation to fund certain deficits resulting from COVID-19 with approval of the Director and may either fund it as a deferred charge or issue special emergency notes to

fund it payable by 1/5 each year beginning in the year after the year in which the deferred charge appears in the financial statements so it is paid off no later than the last day of the sixth fiscal year following the end of the fiscal year in which the application is made. If there is a showing of fiscal distress, that may be extended to ten years. The Director may also promulgate guidelines modifying the standard for anticipated revenues when the amount realized in cash from the same source during the next preceding fiscal year experienced reductions due to COVID-19. Also, local units may be able to issue refunding bonds with Local Finance Board approval to repay a Federal Emergency Management Agency Community Disaster Loan for which it executed a promissory note in 2013.

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between appropriation accounts may be made only during the last two months of the year. Appropriation reserves may also be transferred during the first three months of the year to the previous year's budget. Both types of transfers require a 2/3 vote of the full membership of the governing body; however, transfers cannot be made from either the down payment account or the capital improvement fund. Transfers may be made between sub-account line items within the same account at any time during the year, subject to internal review and approval. In a "CAP" budget, no transfers may be made from excluded from "CAP" appropriations to within "CAP" appropriations nor can transfers be made between excluded from "CAP" appropriations.

A provision of law known as the New Jersey "Cap Law" (N.J.S.A. 40A:4-45.1 *et seq.*) imposes limitations on increases in municipal appropriations, subject to various exceptions. The payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically it permits a municipality to increase its overall appropriations by the lesser of 2.5% or the "Index Rate". The "Index Rate" is the rate of annual percentage increase, rounded to the nearest one-half percent, in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other things including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. Counties are also prohibited from increasing their tax levies by more than the lesser of 2.5% or the Index Rate, subject to certain exceptions. Municipalities by ordinance approved by a majority of the full membership of the governing body may increase appropriations up to 3.5% over the prior year's appropriation, and counties by resolution approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior year's tax levy in years when the Index Rate is 2.5% or less.

Additionally, legislation constituting P.L. 2010, c. 44, approved July 13, 2010, limits tax levy increases for those local units to 2% with exceptions only for capital expenditures including debt service, increases in pension contributions and accrued liability for pension contributions in excess of 2%, certain healthcare increases, extraordinary costs directly related to a declared emergency and amounts approved by a simple majority of voters voting at a special election.

Neither the tax levy limitation nor the "Cap Law" limits the obligation of the Township to levy *ad valorem* taxes upon all taxable property within the Township to pay debt service on its bonds or notes, including the Obligations.

In accordance with the Local Budget Law, each local unit must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six years as a general improvement program. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures that the local unit may contemplate over the six years. Expenditures for capital purposes may be made either by ordinances

adopted by the governing body setting forth the items and the method of financing or from the annual operating budget if the terms were detailed.

Tax Assessment and Collection Procedure

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the result of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners, but it often results in a divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values.

Upon the filing of certified adopted budgets by the Township's local school district and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, the levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 *et seq.* Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are typically mailed annually in June or following the adoption of the State budget, at which time State aid is certified, by the Township's Tax Collector. The taxes are due August 1 and November 1, respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500 of the delinquency and 18% per annum on any amount in excess of \$1,500, and if a delinquency (including interest) is in excess of \$10,000 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency. These interest rates and penalties are the highest permitted under New Jersey statutes. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey statutes.

Tax Appeals

The New Jersey statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. Prior to February 1 in each year, the Township must mail to each property owner a notice of the current assessment and taxes on the property. The taxpayer has a right to petition the County Board of Taxation on or before April 1 for review. The County Board of Taxation has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the County Board of Taxation, appeal may be made to the Tax Court of New Jersey for further hearing. Some State Tax Court appeals may take several years prior to settlement and any losses in tax collections from prior years are charged directly to operations.

Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 *et seq.*)

This law regulates the non-budgetary financial activities of local governments. The chief financial officer of every local unit must file annually, with the Director, a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of each local unit's accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit", includes recommendations for improvement of the local unit's financial procedures and must be filed with the Director. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2024 for the Township is on file with the Township Clerk and is available for review during business hours.

TAX MATTERS

Exclusion of Interest on the Obligations From Gross Income for Federal Tax Purposes

The Internal Revenue Code of 1986, as amended (the "*Code*"), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the Obligations in order to assure that interest on the Obligations will be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the Township to comply with such requirements may cause interest on the Obligations to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Obligations. The Township will make certain representations in its Arbitrage and Tax Certificates, which will be executed on the date of issuance of the Obligations, as to various tax requirements. The Township has covenanted to comply with the provisions of the Code applicable to the Obligations and has covenanted not to take any action or fail to take any action that would cause interest on the Obligations to lose the exclusion from gross income under Section 103 of the Code. Bond Counsel (as defined herein) will rely upon the representations made in the Arbitrage and Tax Certificates and will assume continuing compliance by the Township with the above covenants in rendering its federal income tax opinions with respect to the exclusion of interest on the Obligations from gross income for federal income tax purposes and with respect to the treatment of interest on the Obligations for the purposes of alternative minimum tax.

Assuming the Township observes its covenants with respect to compliance with the Code, McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township ("*Bond Counsel*"), is of the opinion that, under existing law, interest on the Obligations is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Obligations is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax; however, interest on the Obligations is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Obligations from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("*IRS*") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and enforcement of the Code or those regulations by the IRS.

Bond Counsel's engagement with respect to the Obligations ends with the issuance of the Obligations, and, unless separately engaged, Bond Counsel is not obligated to defend the Township or the owners of the Obligations regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Obligations, under current IRS procedures, the IRS will treat the Township as the taxpayer and the beneficial owners of the Obligations will have only limited rights, if any, to obtain and participate in

judicial review of such audit. Any action of the IRS, including, but not limited to, selection of the Obligations for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Obligations.

Payments of interest on tax-exempt obligations, including the Obligations, are generally subject to IRS Form 1099-INT information reporting requirements. If an owner of the Obligations is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Original Issue Discount

Certain maturities of the Bonds may be sold at an initial offering price less than the principal amount payable on such Bonds at maturity (the "*Discount Bonds*"). The difference between the initial public offering price of the Discount Bonds at which a substantial amount of each of the Discount Bonds was sold and the principal amount payable at maturity of each of the Discount Bonds constitutes the original issue discount. Bond Counsel is of the opinion that the appropriate portion of the original issue discount allocable to the original and each subsequent owner of the Discount Bonds will be treated for federal income tax purposes as interest not includable in gross income under Section 103 of the Code to the same extent as stated interest on the Discount Bonds. Under Section 1288 of the Code, the original issue discount on the Discount Bonds accrues on the basis of economic accrual. The basis of an initial purchaser of a Discount Bond acquired at the initial public offering price of the Discount Bonds will be increased by the amount of such accrued discount. Owners of the Discount Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of the original issue discount properly accruable with respect to the Discount Bonds and the tax accounting treatment of accrued interest.

Original Issue Premium

The Notes and certain maturities of the Bonds may be sold at an initial offering price in excess of the amount payable at the maturity date (the "*Premium Obligations*"). The excess, if any, of the tax basis of the Premium Obligations to a purchaser (other than a purchaser who holds such Premium Obligations as inventory, as stock-in-trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is amortizable bond premium, which is not deductible from gross income for federal income tax purposes. Amortizable bond premium, as it amortizes, will reduce the owner's tax cost of the Premium Obligations used to determine, for federal income tax purposes, the amount of gain or loss upon the sale, redemption at maturity or other disposition of the Premium Obligations. Accordingly, an owner of a Premium Obligation may have taxable gain from the disposition of the Premium Obligation, even though the Premium Obligation is sold, or disposed of, for a price equal to the owner's original cost of acquiring the Premium Obligation. Bond premium amortizes over the term of the Premium Obligations under the "constant yield method" described in regulations interpreting Section 1272 of the Code. Owners of the Premium Obligations should consult their own tax advisors with respect to the calculation of the amount of bond premium that will be treated for federal income tax purposes as having amortized for any taxable year (or portion thereof) of the owner and with respect to other federal, state and local tax consequences of owning and disposing of the Premium Obligations.

Bank-Qualification

The Obligations **will not** be designated as qualified under Section 265 of the Code by the Township for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

The Code denies the interest deduction for certain indebtedness incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations. The denial to such institutions of 100% of the deduction for interest paid on funds allocable to tax-exempt obligations applies to those tax-exempt obligations acquired by such institutions after August 7, 1986. For certain issues that are eligible to be designated, and that are designated, by the issuer as qualified under Section 265 of the Code, 80% of such interest may be deducted as a business expense by such institutions.

Additional Federal Income Tax Consequences of Holding the Obligations

Prospective purchasers of the Obligations should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Obligations, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the Obligations from gross income pursuant to Section 103 of the Code and interest on the Obligations not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the Obligations should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Obligations.

Changes in Federal Tax Law Regarding the Obligations

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State of New Jersey. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Obligations. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Obligations will not have an adverse effect on the tax status of interest on the Obligations or the market value or marketability of the Obligations. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax) or repeal (or reduction in the benefit) of the exclusion of interest on the Obligations from gross income for federal or state income tax purposes for all or certain taxpayers.

State Taxation

Bond Counsel is of the opinion that, based upon existing law, interest on the Obligations and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

THE OPINIONS EXPRESSED BY BOND COUNSEL WITH RESPECT TO THE OBLIGATIONS ARE BASED UPON EXISTING LAWS AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL DECISIONS AND REGULATORY CHANGES AS OF THE DATE OF ISSUANCE OF THE OBLIGATIONS, AND BOND COUNSEL HAS EXPRESSED NO OPINION WITH RESPECT TO ANY LEGISLATION, REGULATORY CHANGES OR LITIGATION ENACTED, ADOPTED OR DECIDED SUBSEQUENT THERETO. PROSPECTIVE PURCHASERS OF THE OBLIGATIONS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE POTENTIAL IMPACT OF ANY PENDING OR PROPOSED FEDERAL OR STATE TAX LEGISLATION, REGULATIONS OR LITIGATION.

LITIGATION

To the best of the knowledge of Rajvir S. Goomer, Esq., New Brunswick, New Jersey (the "Township Attorney"), there is no litigation of any nature, now pending or threatened, restraining or enjoining the issuance or delivery of the Obligations, or the levy or collection of any taxes to pay the principal of or interest on the Obligations, or in any manner questioning the authority or the proceedings for the issuance of the Obligations or for the levy or collection of taxes, or contesting the corporate existence or boundaries of the Township or the title of any of the present officers. Moreover, to the best of the knowledge of the Township Attorney, no litigation is presently pending or threatened that, in the opinion of the Township Attorney, would have a material adverse impact on the financial condition of the Township if adversely decided.

SECONDARY MARKET DISCLOSURE

The Bonds

The Township, pursuant to the Resolution, has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain secondary market disclosure information pursuant to Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"). Specifically, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Township shall provide:

(a) On or prior to September 30 of each year, beginning September 30, 2026, electronically to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system or such other repository designated by the Securities and Exchange Commission to be an authorized repository for filing secondary market disclosure information, if any, annual financial information with respect to the Township consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Township and certain financial information and operating data, consisting of (i) the Township and overlapping indebtedness, including a schedule of outstanding debt issued by the Township, (ii) the Township's property valuation information and (iii) tax rate, levy and collection data. The audited financial information will be prepared in accordance with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law.

(b) In a timely manner not in excess of ten business days after the occurrence of the event, to EMMA, notice of any of the following events with respect to the Bonds (herein "Disclosure Events"):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;

- (12) Bankruptcy, insolvency, receivership or similar event of the Township;
- (13) The consummation of a merger, consolidation or acquisition involving the Township or the sale of all or substantially all of the assets of the Township, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the Township, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Township, any of which affect holders of the Bonds, if material; and
- (16) Default, event of acceleration, termination event, modification of terms or other similar events under a Financial Obligation of the Township, if any such event reflects financial difficulties.

The term "*Financial Obligation*" as used in subparagraphs (b)(15) and (b)(16) above means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (iii) guarantee of (i) or (ii); *provided, however*, that the term "*Financial Obligation*" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

(c) In a timely manner to the EMMA, notice of failure of the Township to provide required annual financial information on or before the date specified in the Resolution.

The Notes

The Township has covenanted for the benefit of the holders and beneficial owners of the Notes to provide certain secondary market disclosure information pursuant to the Rule. Specifically, for so long as the Notes remain outstanding (unless the Notes have been wholly defeased), the Township will provide in a timely manner not in excess of ten business days after the occurrence of the event, to EMMA, notice of any Disclosure Events with respect to the Notes.

The Obligations

In the event that the Township fails to comply with the above-described undertakings and covenants, the Township shall not be liable for any monetary damages, remedy of the beneficial owners of the Obligations being specifically limited in the undertaking to specific performance of the covenants.

The undertaking may be amended by the Township from time to time, without the consent of the holders or beneficial owners of the Obligations, in order to make modifications required in connection with a change in legal requirements or change in law, which in the opinion of nationally recognized bond counsel complies with the Rule.

If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under the Resolution, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

The Township has entered into prior continuing disclosure undertakings under the Rule for certain outstanding bond and note issues. The Township has previously failed to comply with prior undertakings to timely post certain operating and financial data for its fiscal year ended December 31, 2024. The Township has engaged the services of NW Financial Group, LLC to serve as continuing disclosure agent.

MUNICIPAL BANKRUPTCY

The undertakings of the Township should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. §901 *et seq.*, as amended by Public Law 94-260, approved April 8, 1976, and as further amended on November 6, 1978 by the Bankruptcy Reform Act of 1978, effective October 1, 1979, as further amended by Public Law 100-597, effective November 3, 1988, and as further amended and other bankruptcy laws affecting creditors' rights and municipalities in general. The amendments of P.L. 94-260 replace former Chapter IX and permit the State or any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts to file a petition in a court of bankruptcy for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under said chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to debt owed for services or material actually provided within three months of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount or more than one-half in number of the listed creditors. The 1976 Amendments were incorporated into the Bankruptcy Reform Act of 1978 with only minor changes.

Reference should also be made to N.J.S.A. 52:27-40 *et seq.*, which provides that a municipality has the power to file a petition in bankruptcy provided the approval of the Municipal Finance Commission has been obtained. The powers of the Municipal Finance Commission have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, issuance, sale and delivery of the Obligations are subject to the approval of McManimon, Scotland & Baumann, LLC, Roseland, New Jersey, Bond Counsel to the Township, whose approving legal opinions will be delivered with the Obligations substantially in the forms set forth as Appendix C. Certain legal matters will be passed upon for the Township by the Township Attorney.

UNDERWRITING

The Bonds

The Bonds have been purchased from the Township at a public sale by _____ (the "Bond Underwriter") at a price of \$_____ (consisting of the par amount of the Bonds *plus* [net] original issue premium in the amount of \$_____ *minus* underwriter's discount in the amount of \$_____). The Bond Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Bond Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Bond Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investments trusts) at yields higher

than the public offering yields set forth on the inside front cover page of this Official Statement, and such yields may be changed, from time to time, by the Bond Underwriter without prior notice.

The Notes

The Notes have been purchased from the Township at a public sale by _____ (the "*Note Underwriter*"; and together with the Bond Underwriter, the "*Underwriters*") at a price of \$ _____ (consisting of the par amount of the Notes *plus* original issue premium in the amount of \$ _____ *minus* underwriter's discount in the amount of \$ _____). The Note Underwriter intends to offer the Notes to the public initially at the offering yield set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Note Underwriter reserves the right to join with dealers and other underwriters in offering the Notes to the public. The Note Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investments trusts) at a yield higher than the public offering yield set forth on the inside front cover page of this Official Statement, and such yield may be changed, from time to time, by the Note Underwriter without prior notice.

RATINGS

Moody's Ratings (the "*Rating Agency*") has assigned a rating of "Aa1" to the Bonds and a short-term rating of "MIG 1" to the Notes based upon the creditworthiness of the Township. An explanation of the significance of such ratings may be obtained from the Rating Agency. The ratings are not a recommendation to buy, sell or hold the Obligations and there is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the Rating Agency if, in its judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price or marketability of the Obligations.

MUNICIPAL ADVISOR

NW Financial Group, LLC, Bloomfield, New Jersey (the "*Municipal Advisor*"), serves as Municipal Advisor to the Township with respect to the issuance of the Obligations and has assisted in matters relating to the planning, structuring and issuance of the Obligations. However, the Municipal Advisor has not audited or participated in the preparation of the financial or statistical information contained in this Official Statement nor has it verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion or other assurance with respect thereto. The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities

PREPARATION OF OFFICIAL STATEMENT

The Township hereby states that the descriptions and statements herein, including financial statements, are true and correct in all material respects, and it will confirm to the Underwriters by certificates signed by the Mayor and the Chief Financial Officer that, to their knowledge, such descriptions and statements, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

PKF O'Connor Davies, LLP has reviewed certain financial and statistical information contained in this Official Statement and has compared it to the Township's audited financial statements. It has not verified the accuracy of other information or the completeness and fairness of that and other information

contained herein and, accordingly, expresses no opinion with respect thereto. However, it takes responsibility for the audited financial statements to the extent specified in the Independent Auditors' Report appearing in Appendix B hereto.

All other information has been obtained from sources that the Township considers to be reliable, and it makes no warranty, guaranty or other representation with respect to the accuracy and completeness of such information.

McManimon, Scotland & Baumann, LLC has not participated in the preparation of the financial or statistical information contained in this Official Statement nor has it verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Padmaja Rao, the Township's Chief Financial Officer, at the Municipal Complex, 455 Hoes Lane, Piscataway, New Jersey 08854, telephone (732) 562-2300, or by e-mail at prao@piscatawaynj.org.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement among the Township, the Underwriters and the holders of any of the Obligations. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Obligations made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs (financial or otherwise) of the Township since the date hereof. The information contained in this Official Statement is not guaranteed as to accuracy or completeness.

TOWNSHIP OF PISCATAWAY

By: _____
Padmaja Rao
Chief Financial Officer

Dated: October __, 2025

APPENDIX A

CERTAIN ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE TOWNSHIP OF PISCATAWAY

**GENERAL INFORMATION CONCERNING
THE TOWNSHIP OF PISCATAWAY
IN THE COUNTY OF MIDDLESEX
STATE OF NEW JERSEY**

INTRODUCTION

The Township of Piscataway is a 19 square mile suburban community located between the Raritan River and Watchung Mountains in Central New Jersey. Its prime location with easy access to the New Jersey Turnpike, Garden State Parkway, I-78, I-287 and Routes 1, 18, 22 and 27 make Piscataway especially attractive to commuters and corporations alike. Piscataway is 45 minutes southwest of New York City and 53 minutes northeast of Philadelphia. With over 61,000 residents, Piscataway features a mix of predominately single-family homes with a fair percentage of apartments, townhouses and condominium developments, many municipal parks, and thriving community center.

Piscataway Township was formed on December 18, 1666, and officially incorporated by an Act of the New Jersey Legislature on February 21, 1798, as part of the state's initial group of 104 townships. The community, the fifth-oldest municipality in New Jersey, has grown from Native American territory, through a colonial period and is one of the links in the earliest settlement of the Atlantic seacoast that ultimately led to the formation of the United States. Over the years, portions of Piscataway were annexed to form Raritan Township (March 17, 1870, now Edison), Dunellen (October 28, 1887), Middlesex (April 9, 1913) and South Plainfield (March 10, 1926).

Piscataway is a college community with easy access to major highways, state parks, and the Jersey shore. Our proximity to New York City is certainly an advantage, but Piscataway is home to several corporations and the Livingston and Busch campuses of Rutgers University, making it a destination for both employment and education. We are a diverse community with residents who are representative of many nationalities, ethnicities and religions. Piscataway also has housing in a variety of price ranges, which adds to our attractiveness.

The Township has advanced educational and research facilities in large part due to the presence of Rutgers University. Two campuses of the State University are located in Piscataway; they are Livingston Campus and Busch Campus. Part of the Robert Wood Johnson Medical School is located on Busch Campus as well as the School of Pharmacy, Departments of Civil and Environmental Engineering and Chemical and Biochemical Engineering, 5 libraries, 17 dormitories/apartments and an 18-hole golf course. SHI Stadium, also located on Busch Campus, is home to the Rutgers Scarlet Knights football team. The renovated stadium has 52,454 seats and opened in September 2011. The Livingston Campus of Rutgers recently experienced a major expansion/renovation, which included new classrooms, new dormitory space, a performing arts/movie theater, retail/dining space and a solar parking canopy. Livingston is also home to an ecological preserve and the Rutgers Athletic Center; better known as "The RAC", where visitors can see the Rutgers women's and men's basketball teams. In addition, new to the Livingston Campus is the RWJ/Barnabas Health Athletic Performance Center, which provides state of the art practice facilities for the basketball, gymnastics, and wrestling teams.

Piscataway has earned the distinction of being named by MONEY Magazine in 2008, 2010, 2014 and 2019 as one the best places to live in the United States. In 2014, SafeWise paired data from the FBI's Crime Statistics in the US Report and named Piscataway one of the 50 safest communities in New Jersey and Sports Illustrated has named Piscataway a "SI Sports Town".

Interstate Highway 287 with five interchanges in Piscataway provides a direct connection with the New Jersey Turnpike, Garden State Parkway, US Route 22, US Route 1 and Interstate 78 all nearby. Passenger bus service to New York City is provided by Suburban Bus Company and New Jersey Transit and passenger rail service is provided by Amtrak and New Jersey Transit both within a few miles of the Township. Local industry is serviced by the Reading Railroad and Con-Rail and for those seeking to travel by air Liberty/Newark International Airport is less than 25 miles away.

MUNICIPAL GOVERNMENT

Piscataway operates under a Mayor-Council form of government authorized under the "Faulkner Act of 1950" and adopted by township voters in 1967. The Mayor-Council form provides for the direct election of the Mayor and seven Council members and for the separation of powers into legislative (Township Council) and administrative (Mayor). As part of the administrative branch, Piscataway employs a full-time Business Administrator and professional personnel to run the daily operations of the Township. The functions, which fall under the Mayor, are administration, finance, public safety, engineering, public works, health, welfare, recreation and law.

The Township has a 15.6-acre municipal complex located in an area of the township designated as the Civic Center. The municipal complex houses the administrative offices, a police facility and a public works facility. The Civic Center also includes a state of the art community center, library, senior center and Sterling Village, a housing complex for low and moderate-income senior citizens.

Piscataway has a civilian Public Safety Director, 79 sworn police officers, 5 special police officers, 12 full time and 6 per diem telecommunicators and 5 administrative personnel. There are four (4) Fire Districts located within the Township consisting of six volunteer fire companies.

Piscataway is fortunate to have numerous volunteer boards and commissions whose members serve township interests without receiving a salary. Interests served include, implementing land use policies, cultural and civic events, economic development as well as substance abuse awareness activities and recreational activities. There are over 100 volunteers currently serving on various Boards and Commissions.

Boards & Commissions

- Civil Rights Advisory Commission
- Community Outreach Advisory Board
- Cultural Arts Advisory Commission
- Ethics Board
- Health Advisory Commission

- Historic Preservation Commission
- Housing & Community Development
- Library Board of Trustees
- Planning Board
- Property Maintenance Appeal Board
- Public Relations Advisory Commission
- Recreation Advisory Commission
- Rent Leveling Board
- Senior Citizens Advisory Commission
- Senior Citizens Housing Board of Trustees
- Zoning Board of Adjustment

EDUCATION

The Township and School District are coterminous. The School District is an independent legal entity operating under Title 18A, Education of the New Jersey Statutes. The Piscataway School District serves over 7,500 students in pre-school through 12th grade. The schools are organized on a K-5, 6-8, and 9-12 system and include a senior high school, three middle schools, and six elementary schools with all schools operating on a full day schedule. In addition, Piscataway has four parochial elementary schools, a county magnet school focusing on vocational and technical training and Piscataway Regional Day School committed to individualized special education for students ages 3 through 21.

The district operates three grant-funded preschools for three and four year olds. In 2005, Piscataway introduced full-day kindergarten to help improve academic performance in the primary grades and the program has been demonstrating gains. We restructured our middle schools in 2006-07 to help meet the special needs of today's middle school students and to make sure our three middle schools provide equal access to high-quality education.

The New Jersey Department of Education recently designated Piscataway School District as a "Highly Effective School District" after evaluating us through its Quality Single Accountability Continuum, also known as QSAC. The QSAC process is designed to evaluate the thoroughness and efficiency of all the public school districts in the state and focuses on five areas: Operations Management; Personnel; Instruction and Program; Governance and Fiscal Management. Other recent awards of note include:

Best High Schools in America: US News & World Report, Best High Schools in New Jersey: Niche.com, Best Communities for Music Education: NAMM Foundation, AP Honor Roll: College Board, Magna Grand Prize for You, I, We Inspire Character Education: NSBA, Districts of Distinction: District Administration Magazine, School Leader Award for PHS Biomedical Program: NJSBA, Bright Spot for Hispanic Education: White House Initiative on Educational Excellence.

RECREATION

Piscataway is home to 26 municipal parks, a county park (Johnson Park) and two 18-hole golf courses, one maintained by Middlesex County and the other Rutgers University. Also located within the township are a little league baseball complex, a fishing pond in New Market Park and various recreational facilities maintained by the Piscataway School District. Piscataway recently embarked on major upgrades to our park facilities, which include gazebos, docks in New Market Pond, playground equipment and bathroom facilities.

The Township also provides recreational activities for adults and young people that include baseball, basketball, football, softball, tennis, wrestling, pickle ball, cricket, cheerleading and soccer.

Plans are underway for the Piscataway Ecological Park, which will feature a mall plaza and bridge, 600 seat outdoor amphitheater, fitness stations, playground, dog park and memorial garden.

The Township continues to maintain and upgrade its municipal parks. For calendar year 2025, the Township comprehensively evaluated Township parks to plan for imminent and future improvements as well as conducted minor upgrades to playgrounds and installed new safety surfaces. The list below provides more detailed information of executed efforts in CY 2025 and planned upgrades for CY2026:

CY 2025

Kroeger Park

New Cricket Field Installed

Programs Added

Additional basketball programs

Expanded baseball and softball programs for the spring and fall.

Currently working with the Central Jersey Cricket League regarding the taking over current leagues and creating new ones.

CY 2026

NJ Local Improvement Recreation Improvement Grant received in the amount of \$92K. Grant funding to be use to upgrade the lighting at Riverside Park.

PISCATAWAY COMMUNITY CENTER

The Piscataway Community Center (YPCC) opened October 1, 2020.

The Community Center is located at 520 Hoes Lane (Route 18) in Piscataway just south of the Township Municipal Complex. The \$39 million facility has 83,000 square feet equipped with an aquatic center, fitness center, exercise/dance/art studios, gymnasium with 202 bleacher seats, child watch room, teen center and golf simulators. The second floor consists of an indoor track that looks over a full-sized basketball and volleyball courts. The community center also serves as an emergency evacuation site and is equipped with two full building generators. The Community Center currently has over 14,000 members, primarily from Piscataway and neighboring

communities. Last year, there were over 340,000 visits by members using the facility along with another approximately 50,000 visits for others attending meetings, events and other community activities.

In addition, the outdoor spray park “Raritan Rapids” opened during the summer of 2020. This large, pirate themed spray park has two open flume water slides, two spray cannons, a deck geyser and a large splash bucket. The spray park is located in the northwest corner of the YPCC lot, and compliments its indoor aquatic center.

The Township has engaged the YMCA of Metuchen, Edison, Woodbridge, and South Amboy to manage and operate the facility. A variety of membership types are available for all interested and are available by contacting the facility. Room rentals are available for meetings and parties. Camp runs for ten weeks in the summer with registration available by the week.

ZONING & PLANNING

In 1978, the Township adopted a modern zoning, site plan and land subdivision code and has operated under a zoning code since 1937. A Master Plan was initially adopted in 1960 and has been revised periodically as required under the New Jersey Municipal Land Use Law. The last Master Plan reexamination took place in 2020. The Township most recently adopted a Fourth Round Housing Element and Fair Share Plan in June 2025. The Master Plan has provided Piscataway with an orderly growth, diversification into new uses such as data centers, distribution centers, warehouses and adaptive reuses of outdated buildings, affordable housing units and rehabilitation and development of areas in need of redevelopment under the State, Local Redevelopment and Housing Law.

The estimated average price of new residential construction in Piscataway ranges from \$550,000 for townhouses and \$867,000 for single-family dwellings.

UTILITIES

New Jersey American Water Company provides Piscataway residents and industry with an adequate supply of water. The Public Services Electric and Gas Company (PSE&G) supplies electricity and gas.

Approximately 98% of the Township is serviced by a sanitary sewer system, which is operated as a self-liquidating utility by the Township. The annual charge is \$360 per residential unit. For disposal purposes, Piscataway is a participant of the Middlesex County Utilities Authority, which assesses its costs against the member municipalities and industries in proportion to the quantity and quality of sewage contributed. The Budgeted CY 2025 charge to Piscataway is \$11,000,000 and is included in the adopted sewer utility operating budget.

Approximately 18 private collectors with an average monthly residential cost of \$36 provide garbage collection. The Township provides for the collection of materials that can be recycled including paper, glass and aluminum.

SENIOR CITIZENS HOUSING UTILITY

Sterling Village is the Township's independent living residence for senior citizens that are 62 years of age or older (you do not need to be a resident of Piscataway to be eligible for tenancy). The Township is proud to provide affordable housing to senior citizens through the Department of Aging. It is conveniently located adjacent to the Piscataway Township Senior Center and it consists of 150 apartments, a large Community Room and many sitting areas throughout the building. Outdoor areas include a large furnished patio, benches, picnic table, grills, and a large carport for easy pick up and drop off.

On November 21, 1989, the Township Council adopted a bonding ordinance authorizing the construction of a 150-unit low and moderate senior citizens housing complex and appropriating \$11,300,000 to be financed in the following manner:

Bonds and Notes Authorized	\$	3,600,000
From Developer' Trust Funds		2,900,000
From Sale of Municipal Lands		3,600,000
From a New Jersey Balanced Housing Grant		<u>1,200,000</u>
	\$	<u>11,300,000</u>

The project is operated as a self-liquidating utility.

The construction phase of the project has been completed and operations began on or about January 1, 1992. The occupancy rate remains at 100% and there is a long waiting list. The final cost of the project is approximately \$10,000,000 thereby reducing the amount of the required bond issue from \$3,600,000 to \$2,400,000. The bonds are completely paid off and the utility is currently debt free.

There have been several improvements to the complex worth over \$4,500,000 including replacement of the roof and siding, hallway flooring, Rehabilitation of Parking Lot, new windows and a standby generator, that provides the entire facility with electricity in case of a power outage.

The Senior Housing Complex has been in the process of renovating units for compliance with ADA regulations.

SENIOR CENTER

The Piscataway Township Senior Center is a community focal point where older persons can gather together for activities and services, which enhances their independence and encourages involvement in and within the community. Many programs have been developed and implemented in the areas of health and fitness, education, recreation, socialization and volunteerism. The services and activities are available to Piscataway Township residents 60 years of age and older. Middlesex County Office on Aging and Disabled Services offers nutritious meals in a congregate setting and provides Meals on Wheels to individuals who are home bound in the community,

Coordination with many hospitals and organizations such as St. Peters University Hospital, Robert Wood Johnson Hospital, JFK Hackensack Medical Center, Rutgers University, Middlesex County

office on Aging and Disabled Services Middlesex County Dept. of Health, Parker Home and Services, Catholic Charities Family Mobile Success Center, Division of Motor Vehicles and Wellspring Center for Prevention bring in programs that educate the seniors and offer free health programs.

Diverse Programs and Events are held at the Piscataway Township Senior Center several times throughout the year. Each February Black History Programs are held every Friday of the month with a special theme. A Special Black History Celebration is held the last Friday of February where participants dress in their ethnic attire. An annual International Women's Day is held in March which empowers women of the center to participate. Various Indo American events and parties are held at the center throughout the year.

A Computer room with high speed Internet with 14 computers are available to the members of the Center to learn computer skills such as how to use the internet, email, Word and various other programs. The Senior Center works with the High School and other agencies to bring in additional computer assistance.

Trained Staff members assist senior citizens daily to provide them with the most updated resources and services so that they can remain independently in the community. An Elder Care Coordinator is available to help seniors in the community and at Sterling Village to give them resources, options and services.

Transportation Services are offered daily to the seniors to receive transportation to the center. A bus schedule is designed to assist seniors to have availability to go grocery shopping. Medical Transportation is available for seniors to go to doctor appointments in and out of Piscataway.

LIBRARY

The Piscataway Township Public Library is operated under the control of the Board of Trustees. Seven members are appointed by the Mayor and approved by the Municipal Council. The Mayor and the Superintendent of Schools, or their appointed alternatives, are also members of the Library Board of Trustees. The Library system, which is administered by a Director, consists of two locations, J.F. Kennedy Library (500 Hoes Lane and J.W. Westergard Library (20 Murray Avenue).

The Library offers public computer access at 25 workstations and wireless hi-speed internet access. Piscataway Public Library is home to MiY Makerspace, the first public library "makerspace" in New Jersey. The space was renovated in 2025 with dedicated HVAC and exhaust systems, a new storefront addition, and new finishes and furnishings. The makerspace houses tools and equipment including 3D printers, laser cutters, digital cutting machines, sewing machines, design software. Multiple laptops at both library buildings facilitate computer classes.

A local history collection is available to consult on-site at the Kennedy Library. Professional librarians provide support for the evaluation of resources, reference assistance, reader's advisory and community-oriented services and programs on-line and in-person.

Approximately 30,000 residents attend the nearly 1,000 programs and events presented annually. Several large scale activities such as Preschool Night at the Library, NJ Makers Day, How to Festival, and Community Arts Day include community organizations and service providers.

Children's programs include story times to promote early childhood literacy and a variety of activities to foster a love of reading and support children's learning and development. Teens enjoy their own dedicated spaces at both buildings and participate in a variety of programs including STEM (science, technology, engineering and math) activities like computer and coding clubs, art classes, writing workshops and book discussions. A popular teen volunteer program promotes community service. Adult programs include educational and cultural presentations, a variety of hands-on classes for strengthening technology skills, art, craft and sewing classes, English conversation and English language learning groups, American Sign Language classes, poetry and writing workshops and book discussion groups.

Library services are offered beyond the buildings with a robust outreach schedule that includes home delivery to residents unable to visit in person, classroom visits for grades pre-k to high school, and attendance at a variety of local events.

The Library's collection of books, DVDs, downloadable e-books, e-audiobooks, e-magazines, and other digital media are available for loan to library cardholders. Piscataway Public Library's membership in the STELLA consortium allow for seamless borrowing from over 50 local libraries through a shared catalog. The Library is fine free to enhance access to all of the resources and collections.

ECONOMY

Piscataway is the home of many well-known industrial companies, research centers and data centers comfortably spaced in attractively designed modern buildings on broad beautifully landscaped sites including the major employers listed here. Corporate residents include Cintas Corporation, Colgate-Palmolive Research and Development, IEEE, Ingersoll Rand and its wholly owned subsidiary Trane, Johnson & Johnson Health Care Systems Inc., Pepsi Cola Bottling Group – bottling plant, Siemens Hearing Instruments, the world's largest manufacturer of hearing aids, Chanel, Roma Foods, Cascades Container, Kinkisharyo International, Best Buy Distribution Center, Louis Vuitton, Human Scale, SHI, Kuehne & Nagel, Horiba and Bob's Discount Furniture distribution center.

Piscataway's accessibility from either Exit 9 or 10 of the NJ Turnpike and the recent expansion of Route 18 to connect to I-287 has contributed to an increase in our industrial and mixed-use development. The following projects have received site plan approval from the Planning Board and current status is as follows:

Redevelopment Projects

Rockefeller Group (River Road) – Block 3502 Lots 1.03, 1.04 & 6.03 **Redevelopment Area with Approved Redevelopment Plan**

- Total acreage: 228 acres
- Site Plan approval granted for five new warehouse buildings with ancillary retail sales. The building area totals 2.1 million square feet.
- *Complete*

Cascades Containerboard Packing – Piscataway & Evonik Corporation (Turner Pl.) Block 4901 Lot 1.02 & 1.03

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 73.9 acres
- Site Plan approval granted for a warehouse building consisting of 450,000 square feet (Cascades)
- *Complete*

IPT -Piscataway Holding Company (276 Old New Brunswick Road) - Block 4401 Lot 8.05

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 43.5 acres
- Site Plan approval granted for three warehouse buildings consisting of a total of 564,700 square feet
- *Complete*

Abundant Life (475 Stelton Road) – Block 5204 Lot 1.03

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 3.41 acres
- Site Plan approval granted by the Planning Board for a house of worship, retail and bank or restaurant
- Permits for construction under review

Skilled Nursing Facility (10 Sterling Drive) – Block 10402 Lot 2.04

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 3.45 acres
- Site Plan approval granted for a skilled nursing facility
- *Complete*

Former Jacobs Environmental Building (120 Centennial Avenue) - Block 6703 Lot 7

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 5 acres
- Preliminary Investigation Report and Redevelopment Plan approved by Council and Planning Board
- Proposed use: adult day care facility and medical or general office
- Site plan approval granted by the Planning Board
- Project abandoned

Rivendell Meadows (behind Rivendell Apartments) – Block 9201 Lots 46.06, 46.07 & 46.11

Redevelopment Area with Approved Redevelopment Plan and Amended Redevelopment Plan

- Total acreage: 20.8 acres
- Site plan approval granted for apartments
- *Complete*

Penford Group – Block 6703 Lot 2.02

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 19.39 acres
- Site Plan approval granted for a warehouse building consisting of 277,830 square feet
- *Complete*

Miller House – Block 11901 Lot 22.15

Redevelopment Area with Approved Redevelopment Plan (Amended)

- Total acreage: 8.7 acres
- Preliminary & Final Subdivision approved by the Planning Board; approved for 14 single-family dwellings (the 2 additional lots are for stormwater basins)
- Under construction

SS White Technology Property – Block 4503 Lot 1.03

Area Designated as Area in Need of Redevelopment; (May proceed as an Area in Need of Rehabilitation)

- Total acreage: 6.88 acres
- Site Plan approval granted by the Planning Board

Seeley Avenue Project – Block 5501 Lots 10.01 & 10.13

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 9.95 acres
- Site Plan approval granted by the Planning Board for a 117 room hotel and car wash
- Car wash completed; hotel not yet constructed

88 Centennial Avenue – Block 6703 Lot 8

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 5 acres
- Site Plan and subdivision approval granted by the Planning Board for a fuel station and convenience store and a 120 room hotel
- Convenience store/gas station under construction
- Permits under review for the hotel

SW Investors - Wawa (451 Stelton Road) – Block 5204 Lot 1.04

Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 1.38 acres

- Site Plan approval granted by the Planning Board for a fuel station and convenience store
- *Complete*

Former Sun Oil Property, 1028 Stelton Road – Block 5401 Lot 1.02

Area Designated as Area in Need of Redevelopment

- Preliminary Investigation report and Redevelopment Plan approved by Council and Planning Board

Former Friendly's Property, 1060 Stelton Road- Block 5402 Lot 14.02

Area Designated as Area in Need of Redevelopment

- Preliminary Investigation report approved by Council and Planning Board

Transwestern – General Plumbing Supply (GPS), 330 South Randolphville Road – Block 4701 Lot 5.05

Redevelopment Area with Approved Redevelopment Plan (Amended)

- Total acreage: 16.08 acres
- Site Plan approval granted by the Planning Board for a 151,708 square foot warehouse building including 6,000 square feet for office
- *Complete*

1570 South Washington Avenue – Block 5101 Lots 5.02, 6.02 & 7.02

Redevelopment Area with Approved Redevelopment plan

- Site Plan approval granted by the Planning Board for a 216,892 square foot warehouse facility with office space
- *Complete*

141 Circle Drive North – Block 4102 Lot 2

Redevelopment Area with Approved Redevelopment Plan

- Site Plan approval granted by the Planning Board for a 132,855 square foot trailer-storage parking area
- *Complete*

10 Constitution Avenue – Block 5901 Lot 3.23

Redevelopment Area with Approved Redevelopment Plan

- Site plan approval granted by the Planning Board for a 147,000 square foot building (142,000 square feet warehouse; 5,000 square feet office)
- *Complete*

40 Kingsbridge Road – Block 6702 Lot 6.02

Redevelopment Area with Approved Redevelopment Plan

- Site plan approval granted by the Planning Board for a 100,673 square foot building (95,673 square feet warehouse; 5,000 square feet office)
- *Complete*

1551 South Washington Avenue – Block 5301 Lot 14.04

Redevelopment Area with Approved Redevelopment Plan

- Site plan approval granted by the Planning Board for a 155,272 square foot building (148,884 square feet warehouse; 6,388 square feet office)
- Permits issued for demolition of the existing building

Ericsson Property (Hoes Lane) – Block 6201 Lot 6.02, Block 7401 Lot 2.02

Area Designated as Area in Need of Redevelopment

- Total acreage: 77.12 acres
- Proposed use: Town Center Development, mixed use project consisting of commercial, office, institutional and residential land uses
- A General Development Plan was approved by the Planning Board 9/11/2024

Duke Realty (Old New Brunswick Road) – Block 4501 Lots 1.02 and an unimproved portion of North Randolphville Road

Revised Redevelopment Area with Approved Redevelopment Plan

- Total acreage: 41.9 acres
- Site Plan approval granted by the Planning Board for a 622,230 square foot warehouse building including 5,000 square feet for office
- *Complete*

10 Normandy Drive – Block 3702 Lot 1.02, 2 Hancock Road – Block 3702 Lot 2

Redevelopment Area with Approved Redevelopment Plan and Amended Redevelopment Plan

- Site Plan approval granted by Planning Board for a 241,200 square foot building (226,700 square feet warehouse; 14,500 square feet office)
- Under construction

4100 New Brunswick Avenue – Block 1701 Lot 2.03

Redevelopment Area with Approved Redevelopment Plan and Addendum to the Redevelopment Plan

- Preliminary Investigation report and Redevelopment Plan approved by Council and Planning Board
- Amended Redevelopment Plan adopted by Planning Board and Council

Clawson Street and Baekeland Avenue – Block 3405 Lot 1.01

Redevelopment Area with Approved Redevelopment Plan

- Site Plan approval granted by the Planning Board for a truck and trailer and equipment service facility
- Under construction

1776 S Second Street & 1791 S Second Street – Block 202 Lot 42.02, Block 201 Lot 1.01

Area Designated as Area in Need of Redevelopment

- Preliminary Investigation report approved by Council and Planning Board

Rivercrest – Block 7305 Lots 19.01, 20 and 21

Redevelopment Area with Approved Redevelopment Plan

- Site Plan approval granted by the Planning Board for four, age restricted (55 years and older) townhouse buildings. Each building will consist of four, two bedroom units for a total of 16 townhomes.

1700 South Washington Ave – Block 5701 Lot 11
Redevelopment Area with Approved Redevelopment Plan

- Pending site plan approval for 190 senior apartments (55 years and older) and a 39-lot senior single-family subdivision.

Further proof of Piscataway's economic viability is the issuance of over 20,273 permits, which equates to over \$903,916,737 in construction cost and over \$14,578,605.00 permit fees between 2018 and October 31, 2024 by the Construction Office.

Approximately 34% of Piscataway's ratable base is industrial and commercial as detailed in the 2023 Middlesex County Board of Taxation Abstract of Ratables.

Construction Permits

<u>Year</u>	<u># Permits</u>	<u>Construction Cost</u>	<u>Total Permit Fees</u>
2025 _(as of 9/23/25)	1,986	\$72,045,557	\$1,096,826
2024	2,634	\$124,717,433	\$1,783,803
2023	3,235	\$100,192,526	\$1,877,847
2022	3,024	\$160,115,387	\$2,097,287
2021	2,857	\$ 98,977,707	\$1,993,944
2020	2,132	\$ 99,208,576	\$1,922,693
2019	2,580	\$194,393,711	\$2,642,323
2018	3,812	\$139,146,685	\$2,400,488

Population Trends

<u>Year</u>	<u>Piscataway</u>	<u>Percentage Growth</u>
2020	60,804	8%
2010	56,044	10%
2000	50,482	7% (from 1990)

Local Banking Institutions

Bank of America	Chase Bank	Affinity Credit Union
Citizens Bank	PNC Bank	Bank of Princeton
Santander Bank	Provident Bank	Valley National Bank
TD Bank	Wells Fargo Bank	The Bank of Princeton

RETIREMENT & HEALTH BENEFITS

The Township of Piscataway provides retirees with health benefits, which are funded by the Township. Employees who retire from the Township under the following criteria will be eligible for health benefits at retirement: (a) who have retired after 25 years of full-time service with the Township (b) who have retired after 25 years of service credited in the New Jersey State retirement system whose last five years of full-time employment immediately preceding their retirement were with the Township of Piscataway (c) Employees who have retired with 15 years of service in the PERS system and reached the age of 62 years or older and whose last five years of full-time employment immediately preceding their retirement were with the Township of Piscataway.

At January 1, 2022, there were 219 retirees and surviving spouses; and 214 active employees covered by the plan, for a total of 567 participants, as utilized by the actuarial valuation. Covered payroll for the year ended December 31, 2022 was \$21,791,433 with the Net OPEB Liability as a percentage of payroll being 650.60%.

TOWNSHIP OF PISCATAWAY
Property Valuations

CLASS	DESCRIPTION	2022			2023			2024			2025			COMPARISON (2025 VS 2024)		
		# of Parcels 2022	-%	Valuations -	# of Parcels 2023	-%	Valuations -	# of Parcels 2024	-%	Valuations -	# of Parcels 2025	-%	Valuations -	Parcels	% Change (2025 vs 2024)	Valuation Change (2025 vs 2024)
1	Vacant Land	434	0.93%	79,740,800	346	0.84%	79,855,200	334	1.29%	133,659,400	334	1.06%	123,156,500	0	-0.23%	(10,502,900)
2	Residential	13,537	58.76%	5,058,999,100	13,615	59.11%	5,623,123,200	13,632	59.09%	6,119,074,000	13,630	60.92%	7,091,841,600	(2)	1.82%	972,767,600
3A	Farm Regular	5	0.02%	1,802,800	5	0.02%	1,981,000	4	0.02%	1,868,800	4	0.02%	1,949,500	0	0.00%	80,700
3B	Farm Qualified	9	0.00%	90,000	8	0.00%	86,500	7	0.00%	82,800	7	0.00%	79,300	0	0.00%	(3,500)
SUBTOTAL 3		14	0.02%	1,892,800	13	0.02%	2,067,500	11	0.02%	1,951,600	11	0.02%	2,028,800	0	0.00%	77,200
4A	Commercial	274	5.62%	483,594,400	270	5.28%	502,088,500	269	5.08%	526,278,300	282	4.66%	542,799,600	13	-0.42%	16,521,300
4B	Industrial	204	26.83%	2,310,364,300	201	27.06%	2,573,834,900	202	26.63%	2,757,911,500	202	26.10%	3,038,780,200	0	-0.53%	280,868,700
4C	Apartments	30	7.58%	652,445,600	29	7.43%	706,554,700	29	7.65%	792,228,100	30	7.03%	818,384,900	1	-0.62%	26,156,800
SUBTOTAL 4		508	40.03%	3,446,404,300	500	39.76%	3,782,478,100	500	39.37%	4,076,417,900	514	37.79%	4,399,964,700	14	-1.57%	323,546,800
TOTAL WITHOUT PUBLIC UTIL		14,493	99.73%	8,587,037,000	14,474	99.74%	9,487,524,000	14,477	99.77%	10,331,102,900	14,489	99.79%	11,616,991,600	12	0.02%	1,285,888,700
6A	Public Utilities	4	0.27%	23,080,672	1	0.26%	24,852,400	1	0.23%	23,830,284	1	0.21%	24,877,453		-0.02%	1,047,169
TOTAL RATABLES		14,497	100.00%	8,610,117,672	14,475	100.00%	9,512,376,400	14,478	100.00%	10,354,933,184	14,490	100.00%	11,641,869,053	12	0.00%	1,286,935,869
Average Assessed Valuation			\$ 0	\$ 373,716		\$ 0	\$ 413,009			\$ 452,126			520,311		15.08%	\$ 68,185
Change in Assessed Valuations			\$ 0	\$ 28,400		\$ 0	\$ 39,293			\$ 39,117			\$ 68,185		74.31%	\$ 29,068
Exempt Properties			0.00		700	0.00	2,240,374,100	709.00		2,265,360,800	726.00		2,629,343,500			

Source: Piscataway Township Tax Assessor's Office

TOWNSHIP OF PISCATAWAY
Real property Analysis

Year	Residential Class 2	Industrial Class 4B	Apartments Class 4C	Commercial Class 4A	Vacant Land Class I	Farm Class 3A & 3B	Total Real Property Excluding Utilities	Utility Property	Total Real Property Including Utilities	Change in Real Property (\$)	Change in Real Property (%)	Equalized Value	County Equalized Ratio
2025*	7,091,841,600	3,038,780,200	818,384,900	542,799,600	123,156,500	2,028,800	11,616,991,600	24,877,453	11,641,869,053	1,286,935,869	12.43%	10,069,543,621	100.00%
2024	6,119,074,000	2,757,911,500	792,228,100	526,278,300	133,659,400	1,951,600	10,331,102,900	23,830,284	10,354,933,184	842,556,740	8.86%	10,069,543,621	100.00%
2023	5,623,123,200	2,573,834,900	706,554,700	502,088,500	79,855,200	2,067,500	9,487,524,000	24,852,444	9,512,376,444	902,258,772	10.48%	10,069,543,621	100.00%
2022	5,058,999,100	2,310,364,300	652,445,600	483,594,400	79,740,800	1,892,800	8,587,037,000	23,080,672	8,610,117,672	604,475,056	7.55%	9,258,260,916	100.00%
2021	4,673,513,900	2,109,149,500	609,135,900	461,455,200	128,222,500	1,751,100	7,983,228,100	22,414,516	8,005,642,616	145,181,581	1.85%	9,889,214,788	80.91%
2020	4,632,537,500	1,985,129,900	589,005,400	476,944,300	155,018,000	1,613,100	7,840,248,200	20,212,835	7,860,461,035	311,940,703	4.13%	8,632,084,756	91.04%
2019	4,464,492,500	1,994,936,500	502,281,900	442,425,200	121,332,200	2,159,000	7,527,627,300	20,893,032	7,548,520,332	210,226,464	2.86%	7,548,520,332	100.00%
2018	4,381,483,800	1,865,246,300	479,362,300	455,062,100	133,530,800	2,076,200	7,316,761,500	21,532,368	7,338,293,868	1,044,093,558	16.59%	6,948,313,112	105.63%
2017	3,747,531,300	1,683,656,300	345,533,100	418,247,800	73,447,500	2,037,300	6,270,453,300	23,747,010	6,294,200,310	2,344,024	0.04%	6,957,193,814	90.42%
2016	3,734,441,600	1,692,225,600	346,285,500	417,898,500	75,018,800	2,386,400	6,268,256,400	23,599,886	6,291,856,286	137,208,998	2.23%	6,992,903,825	90.37%
2015	3,722,461,100	1,536,938,600	346,285,500	442,449,200	85,606,900	2,380,000	6,136,121,300	18,525,988	6,154,647,288	13,461,996	0.22%	6,174,688,645	100.33%
2014	3,695,903,700	1,577,361,100	345,925,300	423,777,500	79,560,000	3,503,800	6,126,031,400	15,153,892	6,141,185,292	3,894,216,094	173.31%	6,156,111,593	100.27%
2013	1,477,940,450	483,830,900	106,538,200	140,251,800	32,008,000	1,590,900	2,242,160,250	4,808,948	2,246,969,198	2,186,316	0.10%	6,174,688,645	36.39%
2012	1,452,762,350	505,954,300	102,411,800	144,429,300	32,052,300	1,752,600	2,239,362,650	5,420,232	2,244,782,882	46,666,053	2.12%	6,156,111,593	35.65%
2011	1,451,405,950	458,436,700	99,063,300	149,871,900	32,197,500	1,759,900	2,192,735,250	5,381,579	2,198,116,829	(30,917,658)	-1.39%	6,566,091,793	33.64%
2010	1,449,086,300	482,765,600	93,897,600	159,999,200	33,990,800	2,331,500	2,222,071,000	6,963,487	2,229,034,487	30,199,816	1.37%	6,860,691,226	32.49%
2009	1,447,655,600	449,835,500	93,946,900	161,932,300	34,668,700	3,434,000	2,191,473,000	7,361,671	2,198,834,671	(35,545,370)	-1.59%	6,892,093,857	31.90%
2008	1,441,450,200	488,525,900	96,492,600	165,344,100	31,227,300	3,777,800	2,226,817,900	7,562,141	2,234,380,041	(1,636,794)	-0.07%	6,839,825,666	32.67%
2007	1,422,113,800	509,869,700	96,492,600	165,210,800	30,884,600	3,998,500	2,228,570,000	7,446,835	2,236,016,835	(20,067,875)	-0.89%	6,532,330,806	34.23%
2006	1,410,123,900	520,566,300	110,431,000	169,827,900	33,209,800	4,009,800	2,248,168,700	7,916,010	2,256,084,710	(7,019,771)	-0.31%	5,789,285,886	38.97%
2005	1,386,888,200	543,852,300	110,431,000	171,504,500	36,287,000	4,138,900	2,253,101,900	10,002,581	2,263,104,481	(1,001,480)	-0.04%	4,965,126,110	45.58%
2004	1,373,672,400	553,372,300	110,431,000	170,458,400	39,986,900	4,702,900	2,252,623,900	11,482,061	2,264,105,961			4,403,162,117	51.42%

Source: Piscataway Township Tax Assessor's Office

TOWNSHIP OF PISCATAWAY
2024 Principal Taxpayers and Assessed Valuations

#	Property Owner	Property Location	Block & Lot	Land	Improvement	Assessment	Class	Taxes
1	DIGITAL PISCATAWAY LLC % L RICKER	1115 Centennial Avenue	B 5002, Lot 1.03	25,700,000	451,300,000	477,000,000	4B	9,240,840
2	WHALE VENTURES LLC % QTS INVESTMENT	101 & 175 Possumtown Road	B 4202, Lot 6.02	36,000,000	164,100,000	200,100,000	4B	6,953,250
3	US REAL ESTATE HOLDINGS NO 2 LTD	40 Corpoate Place South	B 5801, Lot 9.14	20,400,000	106,800,000	127,200,000	4C	2,488,032
4	COLGATE PALMOLIVE CO	946 & 909 River Road	B 11701, Lot 16.05	19,680,000	100,320,000	120,000,000	4B	2,348,400
5	AVALON PISCATAWAY LLC	47 Old New Brunswick Avenue	B 2101, Lot 11.06	18,000,000	80,760,000	98,760,000	4B	1,876,456
6	RGA EMPIRE LLC & RGA SPENCE LLC	3150 New Brunswick Avenue	B 1601, Lot 1.06	24,750,000	71,500,000	96,250,000	4C	1,857,625
7	AP ASPEN LLC	2800 New Brunswick Avenue	B 1301, Lot 1.05	15,750,000	50,400,000	66,150,000	4C	1,276,695
8	CARLTON CLUB APARTMENTS LLC	74 Old New Brunswick Road	B 2201, Lot 23.02	26,051,900	35,378,100	61,430,000	AB	1,185,599
9	PLEASANT VIEW GARDENS OWNER LLC	Ben Place	B 1602, Lot 3	16,217,400	43,347,600	59,565,000	4C	1,149,605
10	PLEASANT VIEW GARDENS	11 Ben Place	B 1701, Lot 1	16,217,400	43,347,600	#REF!	4C	1,149,605
11	H'Y2 KNIGHTSBRIDGE LLC	30 Knightsbridge Road	B 6201, Lot 4.02	37,850,000	20,570,000	58,420,000	4B	1,106,047
12	CENTENNIAL SQUARE LLC	1303 Centennial Avenue	B 5501, Lot 12.02	18,300,000	34,411,000	52,711,000	4A	1,029,355
13	SOUTH WASHINGTON PK LLC-% CBRE INC	10 Knox Drive	B 5701, Lot 1.04	27,518,000	24,482,000	52,000,000	4B	1,017,120
14	GWL 21 CONSTITUTION	21 Constituion Avenue	B 5901, Lot 3.06	16,810,000	26,190,000	43,000,000	4B	841,080
15	CHANEL INC C/O REAL ESTATE	876 Centennial Avenue	B 6101, Lot 1.04	17,940,000	22,480,000	40,420,000	4B	790,432
16	5 ACCESS ROAD LLC	5 Access Road	B 5101, Lot 4.02	15,913,000	24,357,000	40,270,000	4B	777,211
17	FRANKLIN ESTATES INC	3350 New Brunswick Avenue	B 1601, Lot 2	11,678,900	27,831,100	39,510,000	4C	762,543
18	SOUTH WASHINGTON PK LLC - % CBRE INC	30 Knox Drive	B 5701, Lot 1.05	20,434,000	18,176,000	38,610,000	4C	755,212
19	BROWN, HH & SHEAT C/O CENT IND PARK	91 New England Avenue	B 4701, Lot 7.01	11,373,000	23,937,000	35,310,000	4B	681,483
20	COSMAIR COSM/ L'OREAL USA	81 New England Avenue	B 4701, Lot 3.03	14,100,000	18,520,000	32,620,000	4B	629,566
Notes	4A-Commercial; 4B-Industrial; 4C-Apartments; 1 Land					0		
Source: Piscataway Township Tax Assessor's Office								

TOWNSHIP OF PISCATAWAY
Sewer Utility Levy

SFY	YEAR	Levy	Cash Collections	PERCENT of Tax Levy
CY	2024	11,180,395.93	11,069,544.70	99.01%
CY	2023	11,369,935.51	10,939,491.86	96.21%
CY	2022	11,313,513.81	11,383,691.09	100.62%
CY	2021	10,613,036.04	10,542,083.86	99.33%
CY	2020	10,559,721.30	10,684,578.52	101.18%
CY	2019	11,656,431.89	12,035,909.46	103.26%
CY	2018	11,224,895.32	11,464,595.51	102.14%
CY	2017	10,911,380.99	10,913,419.40	100.02%
CY	2016	10,691,202.00	11,059,304.00	103.44%
CY	2015	9,360,111.00	9,381,657.00	100.23%
CY	2014	9,586,208.00	9,853,323.00	102.79%
CY	2013	9,097,844.00	9,191,492.00	101.03%
CY	2012	9,418,291.00	9,413,004.00	99.94%
CY	2011	8,550,093.00	8,847,600.00	103.48%
TY	2010	4,228,800.00	3,514,476.00	83.11%

Source: Piscataway township Tax Collector's Office

TOWNSHIP OF PISCATAWAY
SCHEDULE OF OUTSTANDIGN DEBT AS OF December 31, 2024

Type II School Debt:			Balance as of 12/31/2024
	Serial Bonds Outstanding		
Sewer Utility:			
	Serial Bonds Outstanding	\$ 920,000	
	Bonds & Notes Authorized But not Issued	-	
			\$ 920,000
General Purpose Debt:			
	Serial Bonds Outstanding	62,725,000.00	
	Bond Aniticipation Notes	28,423,750.00	
	Bonds & Notes Authorized But not Issued	66,094,310.70	
			\$ 157,243,061
GROSS DEBT			\$ 158,163,061
Statutory Deductions (note1):			
	General Debt	\$ 157,243,060.70	
	School Debt	\$ -	
	Sewer Utility Debt	\$ 920,000	
Statutory Net Debt			\$ 158,163,061
Equalized Valuation Basis (Average of Real Property, 2024, 2023, 2022)			11,265,865,209
STATUTORY NET DEBT PERCENTAGE			1.404%
NOTE 1: Statutory Deductions are utilized to reflect deductions permitted by New Jersey Statutes in determing the portion of the school and utility debt that may be charged to the statutory allowable borrowing capacity of the Township and is not intended to reflect that the debt is payable from another source.			

**TOWNSHIP OF PISCATAWAY
TAX LEVY ANALYSIS**

SFY/CY	YEAR	Total Levy	Collections	Collection %	% Change	3 Year Average %
CY	2024	205,123,317	203,444,037	99.18%	0.05%	99.29%
CY	2023	199,832,475	198,100,825	99.13%	-0.43%	99.05%
CY	2022	193,338,377	192,499,674	99.57%	1.11%	99.05%
CY	2021	188,667,926	185,746,710	98.45%	-0.68%	98.78%
CY	2020	183,453,866	181,862,211	99.13%	0.37%	98.90%
CY	2019	179,672,351	177,447,641	98.76%	-0.03%	98.87%
CY	2018	174,598,559	172,493,896	98.79%	-0.27%	98.94%
CY	2017	172,489,371	170,877,229	99.07%	0.10%	98.88%
CY	2016	168,230,466	166,490,088	98.97%	0.35%	98.83%
CY	2015	166,732,369	164,418,523	98.61%	-0.30%	98.66%
CY	2014	159,616,349	157,879,158	98.91%	0.46%	98.52%
CY	2013	154,087,435	151,702,194	98.45%	0.26%	98.34%
CY	2012	146,348,436	143,705,802	98.19%	-0.17%	98.11%
CY	2011	142,819,439	140,483,806	98.36%	0.58%	97.99%
TY	2010	69,749,806	68,202,465	97.78%	-0.05%	98.10%
SFY	2010	137,570,420	134,585,096	97.83%	-0.86%	98.18%
SFY	2009	133,026,343	131,284,061	98.69%	0.66%	98.40%
SFY	2008	126,491,057	124,003,840	98.03%	-0.44%	98.46%
SFY	2007	120,821,888	118,977,401	98.47%	-0.39%	98.49%
SFY	2006	115,316,064	114,000,639	98.86%	0.73%	98.54%
SFY	2005	110,708,429	108,638,099	98.13%	-0.51%	98.36%
SFY	2004	103,736,078	102,325,800	98.64%	0.32%	98.46%
SFY	2003	98,349,667	96,699,783	98.32%	-0.09%	98.44%
SFY	2002	91,315,365	89,866,020	98.41%	-0.18%	98.45%
SFY	2001	89,053,783	87,799,908	98.59%	0.24%	98.38%
SFY	2000	85,995,994	84,575,257	98.35%	0.14%	98.28%

Source: Piscataway township Tax Collector's Office

ANALYSIS OF LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT & UNEMPLOYMENT RATE

According to the State of New Jersey, Department of Labor and Industry, the Unemployment Percentages for the years 2001 to 2023 (on an annual average basis) were as follows:

YEAR	TOTAL LABOR FORCE			EMPLOYMENT LABOR FORCE			TOTAL UNEMPLOYMENT			UNEMPLOYMENT RATE		
	Township of Piscataway	County of Middlesex	State of New Jersey	Township of Piscataway	County of Middlesex	State of New Jersey	Township of Piscataway	County of Middlesex	State of New Jersey	Township of Piscataway	County of Middlesex	State of New Jersey
2024	33,068	451,078	4,898,008	31,566	430,775	4,676,064	1,502	20,303	221,944	4.50%	4.50%	4.50%
2023	33,100	478,600	4,883,300	31,400	455,600	4,636,900	1,700	23,000	246,400	5.10%	4.80%	5.00%
2022	31,900	462,700	4,739,800	30,800	447,200	4,564,100	1,100	15,500	175,700	3.70%	9.10%	3.30%
2021	30,100	442,500	4,500,400	28,100	412,100	4,158,700	2,000	30,400	341,700	6.70%	6.90%	7.60%
2020	29,600	436,300	4,495,200	27,200	398,300	4,055,300	1,700	38,000	439,900	8.30%	8.70%	9.80%
2019	29,200	428,600	4,535,000	28,400	417,700	4,367,300	800	10,900	167,700	2.80%	2.50%	3.70%
2018	29,600	435,100	4,422,900	28,500	419,300	4,239,600	1,100	15,800	183,676	3.80%	3.60%	4.10%
2017	29,800	436,700	4,453,526	28,500	\$ 418,900	4,247,537	1,300	17,800	206,000	4.30%	4.10%	4.60%
2016	29,800	436,200	4,474,700	28,400	416,800	4,252,100	1,400	19,300	222,600	4.70%	4.40%	5.00%
2015	30,134	438,789	4,554,900	28,578	416,391	4,357,000	1,556	22,398	197,900	5.20%	5.10%	4.30%
2014	30,079	432,112	4,522,774	28,541	409,405	4,258,507	1,538	25,938	264,267	5.10%	6.00%	6.60%
2013	29,760	430,721	4,465,889	27,807	398,721	4,164,907	1,953	32,000	300,982	6.60%	7.40%	8.20%
2012	29,830	431,418	4,560,277	27,340	394,496	4,121,433	2,490	36,922	436,174	8.20%	8.60%	9.30%
2011	32,021	437,083	4,545,181	29,375	400,269	4,120,017	2,646	36,814	425,164	8.30%	8.40%	9.40%
2010	31,836	435,841	4,548,492	29,217	397,918	4,111,155	2,619	37,923	437,337	8.20%	8.70%	9.60%
2009	29,992	427,171	4,543,927	27,482	391,123	4,135,921	2,510	36,048	408,006	8.40%	8.40%	9.00%
2008	29,962	425,867	4,508,578	28,483	404,422	4,261,840	1,479	21,445	246,738	4.90%	5.00%	5.50%
2007	29,744	421,754	4,456,306	28,647	405,387	4,264,617	1,097	16,367	191,689	3.70%	3.90%	4.30%
2006	29,875	421,868	4,465,067	28,614	403,617	4,257,899	1,261	18,251	207,168	4.20%	4.30%	4.60%
2005	29,383	415,943	4,404,451	28,163	398,420	4,207,738	1,220	17,523	196,713	4.20%	4.20%	4.50%
2004	28,134	413,814	4,358,908	27,014	394,840	4,144,223	1,121	18,974	214,685	4.00%	4.60%	4.90%
2003	28,039	412,943	4,363,896	26,690	390,100	4,108,397	1,349	22,843	255,499	4.80%	5.50%	5.90%
2002	28,086	413,685	4,370,809	26,713	390,439	4,117,265	1,373	23,246	253,544	4.90%	5.60%	5.80%
2001	27,618	405,919	4,302,340	26,650	389,525	4,117,543	968	16,394	184,797	3.50%	4.00%	4.30%

Source: NJ Department of Labor, Labor Market and Demographic Research

APPENDIX B

**INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS
OF THE TOWNSHIP OF PISCATAWAY**

Township of
PISCATAWAY

**COUNTY OF MIDDLESEX
NEW JERSEY**



REPORT OF AUDIT

YEARS ENDED DECEMBER 31, 2024 AND 2023

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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TOWNSHIP OF PISCATAWAY COUNTY
OF MIDDLESEX, NEW JERSEY

PART I

REPORT ON FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023



Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Piscataway
Piscataway, New Jersey**

Report on the Audit of the Regulatory Basis Financial Statements

Opinions on Regulatory Basis Financial Statements

We have audited the regulatory basis financial statements of the various funds and the governmental fixed assets of the Township of Piscataway, New Jersey, ("Township") which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements present fairly, in all material respects, the regulatory basis balance sheets of the Township as of December 31, 2024 and 2023, and the regulatory basis revenues, expenditures, and changes in fund balances for the years then ended, the statement of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2024 and the related notes to the financial statements, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2024 and 2023, or its revenues, expenditures and changes in fund balance thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and requirements prescribed by the Division. Our responsibilities under those standards and requirements are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301 Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | www.pkfod.com

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of the Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and requirements prescribed by the Division, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and requirements prescribed by the Division, and we:

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

PKF O'Connor Davies, LLP
Cranford, New Jersey
October 3, 2025

Robert E. Provost

Robert E. Provost, CPA
Registered Municipal Accountant, No. 582

FINANCIAL STATEMENTS – REGULATORY BASIS

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

<u>Assets and Deferred Charges</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash, Cash Equivalents and Investments - Treasurer	\$ 75,501,372.98	\$ 60,001,314.57	Liabilities:		
Cash - Change Fund	535.00	535.00	Appropriation Reserves	\$ 10,553,815.23	\$ 7,460,100.09
Due from State of N.J. per Ch. 129, P.L. 76		3,307.73	Reserve for Encumbrances	4,431,490.12	5,394,657.11
	<u>75,501,907.98</u>	<u>60,005,157.30</u>	Prepaid Taxes	2,163,622.01	2,139,182.60
			Due to State of N.J. per Ch. 129, P.L. 76	1,131.44	
Deferred Charges			Interfund Payable	10,969,033.11	49,298.28
Overexpenditure of Appropriation Reserves	<u>58,521.56</u>		Due County Added Taxes	739,277.81	397,207.18
			Various Payables	1,011,344.18	3,176,549.55
Receivables With Offsetting Reserves:			Various Reserves	<u>11,152,120.41</u>	<u>11,855,693.55</u>
Taxes Receivable	1,674,853.03	1,569,041.62		41,021,834.31	30,472,688.36
Tax Title Liens	875,319.88	850,350.78			
Property Acquired for Taxes (At Assessed Valuation)	2,592,900.00	2,592,900.00	Reserve for Receivables	12,031,882.99	5,842,094.63
PILOT Receivable	158,355.52	116,200.30	Fund Balance	<u>34,538,595.23</u>	<u>29,532,468.94</u>
Interfunds Receivable	6,710,508.15	692,266.22			
Revenue Accounts Receivable	<u>19,946.41</u>	<u>21,335.71</u>			
	<u>12,031,882.99</u>	<u>5,842,094.63</u>			
Total Current Fund	<u>87,592,312.53</u>	<u>65,847,251.93</u>	Total Current Fund	<u>87,592,312.53</u>	<u>65,847,251.93</u>
			Federal and State Grant Fund:		
Federal and State Grant Fund:			Reserve for State and Federal Grants:		
Cash and Cash Equivalents - Treasurer	52,362.04	8,022,318.01	Appropriated	3,774,417.38	1,936,355.43
Grants Receivable	3,911,034.48	2,392,730.11	Unappropriated	16,772.00	5,619.05
Interfund Receivable	<u>8,868.87</u>		Reserve for Encumbrances	181,076.01	376,012.49
			Interfunds Payable		8,097,061.15
Total Federal and State Grant Fund	<u>3,972,265.39</u>	<u>10,415,048.12</u>	Total Federal and State Grant Fund	<u>3,972,265.39</u>	<u>10,415,048.12</u>
Grand Total	<u>\$ 91,564,577.92</u>	<u>\$ 76,262,300.05</u>	Grand Total	<u>\$ 91,564,577.92</u>	<u>\$ 76,262,300.05</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

<u>Revenues and Other Income</u>	<u>2024</u>	<u>2023</u>
Fund Balance Utilized	\$ 12,861,353.80	\$ 12,612,002.00
Miscellaneous Revenues Anticipated	30,865,639.90	22,342,180.29
Receipts from Delinquent Taxes	1,493,759.29	1,159,769.63
Miscellaneous Revenues Not Anticipated	458,119.47	524,521.80
Receipts from Current Taxes	203,063,937.50	198,100,824.54
Other Credits to Income:		
Unexpended Balances of Approp. Reserves	9,885,265.24	5,013,807.31
Accounts Payable Cancelled	2,839,885.71	3,105,098.31
Refund of Prior Year Expenditures	59,695.30	
Interfunds Returned, Net	692,266.22	
Adjustment to Grant Appropriations	116,518.74	
Prior Year Appropriation Refund		1,582.00
Total Revenues and Other Income	262,336,441.17	242,859,785.88
<u>Expenditures and Other Charges</u>		
Budget Appropriations		
Within "CAP"		
Operations:		
Salaries and Wages	22,498,417.00	21,363,570.50
Other Expenses	24,945,000.00	25,793,636.00
Deferred Charges and Statutory Expend.	6,403,770.00	6,840,600.00
Appropriations Excluded from "CAP"		
Operations:		
Salaries and Wages	3,257,000.00	1,185,000.00
Other Expenses	11,843,302.46	9,168,494.00
Capital Improvements	9,026,728.69	6,050,000.00
Municipal Debt Service	10,467,915.78	9,759,425.00
Deferred Charges and Statutory Expend.	1,171,650.00	1,100,000.00
Fire District Taxes	4,677,021.00	4,474,453.00
County Tax	35,882,123.47	34,358,743.58
County Open Space Fund	3,259,933.17	3,034,574.26
Due County for Added Taxes	739,277.81	397,207.18
Local District School Taxes	103,578,193.00	102,670,940.00
Interfunds Advanced	6,710,508.15	
Prior Year Senior Citizen Deduction Disallowed	8,120.55	5,049.31
Total Expenditures and Other Charges	244,468,961.08	226,201,692.83
Excess in Revenues and Other Income		
Over Expenditures and Other Charges	17,867,480.09	16,658,093.05
<u>Fund Balance</u>		
	29,532,468.94	25,486,377.89
Balance - January 1		
Decreased by:	47,399,949.03	42,144,470.94
Utilization as Anticipated Revenue	12,861,353.80	12,612,002.00
Balance - December 31	\$ 34,538,595.23	\$ 29,532,468.94

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	Anticipated 2024 Budget	Appropriated By N.J.S.A. 40A:4-87	Realized	Excess
Fund Balance Anticipated	\$ 12,861,353.80		\$ 12,861,353.80	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	51,000.00		53,064.00	\$ 2,064.00
Other	110,000.00		130,332.00	20,332.00
Fees and Permits	545,637.00		747,573.50	201,936.50
Fines and Costs:				
Municipal Court	430,000.00		518,562.08	88,562.08
Interest and Costs on Taxes	330,000.00		454,791.51	124,791.51
Interest on Investments and Deposits	1,100,000.00		4,401,646.34	3,301,646.34
Rental Registration Fees & Housing Certificate of Inspection	275,000.00		282,030.00	7,030.00
Payment In Lieu Of Taxes	4,250,000.00		5,734,591.36	1,484,591.36
Hotel Occupancy Tax	275,000.00		378,206.16	103,206.16
Energy Receipts Taxes	5,928,439.00		5,928,439.48	0.48
Municipal Relief Fund	305,606.22		305,606.22	
Dedicated Uniform Construction Code Fees offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):	1,200,000.00		1,828,995.00	628,995.00
Uniform Fire Safety Act	95,000.00		295,157.93	200,157.93
Cable TV Franchise Fee	148,000.00		163,044.56	15,044.56
General Capital Fund Balance	876,650.00		876,650.00	
Reserve for Payment of Debt Service	295,000.00		295,000.00	
Reserve PCTV	14,000.00		14,000.00	
Reserve for Sale of Municipal Assets	1,470,000.00		1,569,588.30	99,588.30
Public and Private Revenues Offset with Appropriations:				
Alcohol Education & Rehabilitation Fund		\$ 8,090.53	8,090.53	
Body Armor Grant	5,619.05	6,071.11	11,690.16	
Clean Communities Program		131,656.83	131,656.83	
Click it or Ticket		10,000.00	10,000.00	
Community Development Block Grant		293,017.00	293,017.00	
COPS Technology Grant		963,000.00	963,000.00	
County Arts & History Grant	5,000.00		5,000.00	
CSC TKR Cablevision		15,000.00	15,000.00	
Distracted Driving Crack Down	8,750.00		8,750.00	
Municipal Recycling		10,000.00	10,000.00	
National Opioids Settlement		112,505.49	112,505.49	
New Jersey Lead Grant Assistance Program	33,400.00		33,400.00	
NJ Electric Vehicle		80,000.00	80,000.00	
NJDOT - Centennial Avenue Road		4,000,000.00	4,000,000.00	
NJDOT - LEVGAR 2024		551,800.00	551,800.00	
NJDOT - Old New Brunswick Road		414,747.00	414,747.00	
Piscataway Promotes Safe Street		98,590.00	98,590.00	
Recycling Tonnage Grant	78,464.45		78,464.45	
Safe and Secure Communities Program		45,150.00	45,150.00	
Stormwater Maintenance Grant	15,000.00		15,000.00	
SWBS NJ Fall Stipend		2,500.00	2,500.00	
Total Miscellaneous Revenues	17,845,565.72	6,742,127.96	30,865,639.90	6,277,946.22
Receipts from Delinquent Taxes	750,000.00		1,493,759.29	743,759.29
Subtotal General Revenues	31,456,919.52	6,742,127.96	45,220,752.99	7,021,705.51
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	49,968,695.31		53,080,988.69	3,112,293.38
Minimum Library Tax	3,774,516.00		3,774,516.00	
Total Amount to be Raised by Taxes for Support of Municipal Budget	53,743,211.31		56,855,504.69	3,112,293.38
Budget Totals	85,200,130.83	6,742,127.96	102,076,257.68	\$ 10,133,998.89
Miscellaneous Revenues Not Anticipated			458,119.47	
	\$ 85,200,130.83	\$ 6,742,127.96	\$ 102,534,377.15	
Miscellaneous Revenues Anticipated				
Revenue Accounts Receivable			\$ 23,977,278.44	
State and Federal Grants Fund Grants Receivable			6,888,361.46	
			\$ 30,865,639.90	

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TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Appropriated By	Budget After	Expended			Unexpended
	Budget	N.J.S.A. 40A:4-87	Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
<u>Operations Within "CAPS"</u>							
<u>General Government</u>							
Township Council							
Salaries and Wages	\$ 87,000.00		\$ 87,000.00	\$ 86,422.70		\$ 577.30	
Other Expenses	15,000.00		15,000.00	3,760.38	\$ 7,432.48	3,807.14	
Township Clerk							
Salaries and Wages	277,000.00		277,000.00	269,919.29		7,080.71	
Other Expenses	47,500.00		47,500.00	35,471.07	3,736.48	8,292.45	
Elections							
Salaries and Wages	25,000.00		12,500.00	525.54		11,974.46	
Other Expenses	90,000.00		90,000.00	31,996.28		58,003.72	
<u>Administration</u>							
Dept. of Administration							
Salaries and Wages	388,850.00		408,850.00	400,027.43		8,822.57	
Other Expenses	240,000.00		240,000.00	176,683.85	37,245.74	26,070.41	
Division of Personnel							
Salaries and Wages	148,500.00		148,500.00	144,680.60		3,819.40	
Other Expenses	115,000.00		115,000.00	25,040.97	380.70	89,578.33	
Computerized Data Processing							
Salaries and Wages	161,500.00		171,500.00	159,700.62		11,799.38	
Other Expenses	250,000.00		400,000.00	196,813.83	116,252.81	86,933.36	
Division of Purchasing							
Salaries and Wages	57,200.00		63,200.00	62,576.02		623.98	
Other Expenses	105,000.00		105,000.00	85,685.40	19,253.83	60.77	
Postage							
Miscellaneous Other Expenses	100,000.00		100,000.00	82,223.56	5,468.39	12,308.05	
Municipal Land Use (N.J.S.A. 40:55 D-1):							
Planning Board							
Salaries and Wages	12,000.00		12,000.00	6,210.10		5,789.90	
Other Expenses	75,000.00		75,000.00	25,016.71	8,330.76	41,652.53	
Document Management							
Other Expenses	50,000.00		50,000.00	50,000.00			
Economic Development							
Salaries and Wages	40,000.00						
Other Expenses	5,000.00						

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Appropriated By	Budget After	Expended			Unexpended
	<u>Budget</u>	N.J.S.A. <u>40A:4-87</u>	<u>Modification</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
				<u>Charged</u>			<u>Cancelled</u>
Zoning Board of Adjustment							
Salaries and Wages	\$ 12,000.00		\$ 12,000.00	\$ 6,210.10		\$ 5,789.90	
Other Expenses	70,000.00		70,000.00	38,062.75	\$ 9,145.65	22,791.60	
Cable TV Studio							
Salaries and Wages	250,000.00		255,000.00	253,227.54		1,772.46	
Other Expenses	88,000.00		63,000.00	27,003.43	171.03	35,825.54	
Celebration of Public Events							
Other Expenses	15,000.00		14,500.00	14,500.00			
<u>Finance and Revenue</u>							
Department of Finance							
Salaries and Wages	375,300.00		400,300.00	394,654.31		5,645.69	
Other Expenses	72,000.00		92,000.00	32,041.93	25,939.55	34,018.52	
Annual Audit							
Other Expenses	85,000.00		85,000.00		85,000.00		
Division of Assessment							
Salaries and Wages	288,000.00		334,000.00	319,361.47		14,638.53	
Other Expenses	440,000.00		421,000.00	278,107.40	122,637.00	20,255.60	
Division of Revenue							
Salaries and Wages	200,400.00		137,400.00	131,728.13		5,671.87	
Other Expenses	35,000.00		25,000.00	16,955.33	192.39	7,852.28	
Insurance							
Surety Bond Insurance							
Liability Insurance	2,150,000.00		2,150,000.00	1,946,603.70	127,281.73	76,114.57	
Health Insurance Waiver	175,000.00		175,000.00	173,045.66		1,954.34	
Employee Group Insurance	11,000,000.00		11,000,000.00	10,026,100.06	206,472.95	767,426.99	
<u>Municipal Court</u>							
Salaries and Wages	520,000.00		520,000.00	484,773.12		35,226.88	
Other Expenses	40,000.00		32,000.00	18,755.99	2,394.90	10,849.11	
<u>Public Defender (P.L. 1997, Ch. 256)</u>							
Other Expenses	60,000.00		60,000.00	59,939.22		60.78	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Appropriated By	Budget After	Expended			Unexpended
	<u>Budget</u>	N.J.S.A. <u>40A:4-87</u>	<u>Modification</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
				<u>Charged</u>			<u>Cancelled</u>
<u>Law</u>							
Department of Law							
Other Expenses	\$ 940,000.00		\$ 940,000.00	\$ 669,265.89	\$ 208,228.61	\$ 62,505.50	
Municipal Prosecutor							
Other Expenses	140,000.00		140,000.00	88,799.92	8,600.08	42,600.00	
<u>Public Safety</u>							
Fire Department (Fire Prevention , Uniform Fire Code)							
Salaries and Wages	348,600.00		348,600.00	345,202.83		3,397.17	
Other Expenses	20,000.00		20,000.00	10,435.62	6,207.01	3,357.37	
Animal Control							
Salaries and Wages	12,000.00		2,000.00	1,385.74		614.26	
Other Expenses	280,000.00		235,000.00	205,085.00	29,315.00	600.00	
Division of Schools Crossing Guards							
Salaries and Wages	405,000.00		415,000.00	402,100.00		12,900.00	
Other Expenses	5,000.00		5,000.00	4,915.83		84.17	
Division of Police							
Salaries and Wages	13,037,800.00		12,656,800.00	11,970,270.12		686,529.88	
Other Expenses	900,000.00		900,000.00	216,842.90	279,250.09	403,907.01	
Aid to Volunteer Fire Companies							
Other Expenses	205,000.00		205,000.00			205,000.00	
Emergency Medical Services							
Other Expenses	455,000.00		455,000.00	305,401.99	99,205.01	50,393.00	
Office of Emergency Management							
Salaries and Wages	42,000.00		42,000.00	39,012.22		2,987.78	
Other Expenses	20,000.00		20,000.00	5,800.08		14,199.92	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Appropriated By	Budget After	Expended			Unexpended
	Budget	N.J.S.A. 40A:4-87	Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
<u>Public Works</u>							
Department of Public Works							
Salaries and Wages	\$ 275,925.00		\$ 265,925.00	\$ 249,316.68		\$ 16,608.32	
Other Expenses	62,500.00		62,500.00	31,160.72	\$ 22,490.88	8,848.40	
Division of Engineering							
Salaries and Wages	466,200.00		466,200.00	461,026.78		5,173.22	
Other Expenses	55,000.00		55,000.00	51,546.95	1,574.36	1,878.69	
Division of Community Development and Planning							
Salaries and Wages	399,000.00		379,000.00	372,302.83		6,697.17	
Other Expenses	70,000.00		55,000.00	5,426.89	2,396.90	47,176.21	
Zoning Enforcement							
Salaries and Wages	158,000.00		158,000.00	156,932.10		1,067.90	
Other Expenses	50,000.00		50,000.00	3,035.08	3,464.92	43,500.00	
Inspections							
Salaries and Wages	429,000.00		355,000.00	344,288.04		10,711.96	
Other Expenses	20,000.00		20,000.00	5,912.48	12.99	14,074.53	
Public Buildings & Grounds							
Salaries and Wages	185,918.00		200,918.00	158,177.40		42,740.60	
Other Expenses	540,000.00		540,000.00	307,076.89	222,744.26	10,178.85	
Division of Property Maintenance (Traffic)							
Salaries and Wages	226,050.00		127,050.00	101,720.45		25,329.55	
Other Expenses	108,500.00		108,500.00	42,361.75	3,888.00	62,250.25	
Division of Property Maintenance (Fleet)							
Salaries and Wages	337,080.00		271,580.00	264,848.89		6,731.11	
Other Expenses	355,000.00		355,000.00	310,432.51	35,371.17	9,196.32	
Division of Streets and Road Maintenance							
Salaries and Wages	1,081,700.00		1,071,700.00	1,046,167.42		25,532.58	
Other Expenses	75,000.00		75,000.00	4,880.50	46,821.76	23,297.74	
Snow Removal							
Salaries and Wages	240,000.00		240,000.00	240,000.00			
Other Expenses	300,000.00		300,000.00	135,117.83	134,227.11	30,655.06	
Utilities							
Other Expenses	2,100,000.00		2,100,000.00	1,097,390.00	629,535.88	373,074.12	
Division of Parks							
Salaries and Wages	873,400.00		623,400.00	598,932.40		24,467.60	
Other Expenses	787,500.00		787,500.00	499,934.61	284,153.16	3,412.23	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Appropriated By	Budget After	Expended			Unexpended
	<u>Budget</u>	N.J.S.A. <u>40A:4-87</u>	<u>Modification</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
				<u>Charged</u>			<u>Cancelled</u>
Shade Tree							
Other Expenses	\$ 1,500.00		\$ 1,500.00			\$ 1,500.00	
Storm Sewer System							
Other Expenses	15,000.00		15,000.00	\$ 519.15	\$ 1.67	14,479.18	
Solid Waste Collection							
Salaries and Wages	470,776.00		289,776.00	260,839.20		28,936.80	
Other Expenses	15,000.00		15,000.00	879.34	105.00	14,015.66	
Recycling Program							
Other Expenses	45,000.00		45,000.00	21,478.98	3,446.02	20,075.00	
Community Services Act							
Other Expenses	100,000.00		100,000.00			100,000.00	
<u>Health and Welfare</u>							
Welfare / Administration of Public Service							
Other Expenses	15,000.00		15,000.00	15,000.00			
Office on Aging (Senior Citizen Services and Programs)							
Salaries and Wages	504,800.00		387,800.00	368,504.90		19,295.10	
Other Expenses	110,000.00		110,000.00	73,165.27	16,297.52	20,537.21	
<u>Recreation and Education</u>							
Department of Recreation							
Salaries and Wages	488,918.00		443,918.00	404,744.27		39,173.73	
Other Expenses	230,000.00		255,000.00	224,442.00	8,862.97	21,695.03	
<u>Accumulated Leave Compensation</u>							
Salaries and Wages	7,500.00		7,500.00	7,500.00			
Salary and Wage Adjustment							
Salaries and Wages	15,000.00						
<u>Reserve for Tax Appeals</u>							
Other Expenses	1,250,000.00		1,250,000.00	1,250,000.00			

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 Budget	Appropriated By N.J.S.A. 40A:4-87	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
					Encumbered	Reserved	
<u>Uniform Construction Code</u>							
Construction Official							
Salaries and Wages	\$ 902,000.00		\$ 902,000.00	\$ 817,120.29		\$ 84,879.71	
Other Expenses	250,000.00		250,000.00	195,198.64	\$ 40,017.00	14,784.36	
Boards and Commissions							
Salaries and Wages	5,000.00		5,000.00	4,062.16		937.84	
Other Expenses	50,000.00		35,000.00	22,954.75	0.01	12,045.24	
Total Operations Within "CAPS"	48,646,917.00	-	47,443,417.00	40,482,740.78	2,863,553.77	4,097,122.45	
Total Operations Including Contingent Within "CAPS"	48,646,917.00	-	47,443,417.00	40,482,740.78	2,863,553.77	4,097,122.45	
Detail:							
Salaries and Wages	23,754,417.00	-	22,498,417.00	21,334,471.69	-	1,163,945.31	
Other Expenses (Including Contingent)	24,892,500.00	-	24,945,000.00	19,148,269.09	2,863,553.77	2,933,177.14	
Deferred Charges and Statutory Expenditures							
<u>Municipal Within "CAPS"</u>							
<u>Deferred Charges</u>							
Anticipated Deficit for Recreation Utility	400,000.00		400,000.00				\$ 400,000.00
<u>Statutory Expenditures</u>							
Contribution to:							
Social Security System (O.A.S.I.)	1,000,000.00		948,500.00	945,018.24		3,481.76	
Public Employees' Retirement System	1,703,735.00		1,703,735.00	1,703,734.00		1.00	
Police and Firemen's Pension Fund	3,661,535.00		3,661,535.00	3,661,535.00			
State Unemployment Insurance	10,000.00		10,000.00	10,000.00			
Defined Contribution Retirement Program	80,000.00		80,000.00	24,333.71		55,666.29	
Total Deferred Charges and Statutory Expenditures							
Municipal Within "CAPS"	6,855,270.00	-	6,803,770.00	6,344,620.95	-	59,149.05	400,000.00
Total General Appropriations for Municipal							
Purposes Within "CAPS"	55,502,187.00	-	54,247,187.00	46,827,361.73	2,863,553.77	4,156,271.50	400,000.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Appropriated By	Budget After	Expended			Unexpended
	<u>Budget</u>	N.J.S.A. <u>40A:4-87</u>	<u>Modification</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
<u>Operations Excluded from "CAPS"</u>				<u>Charged</u>			<u>Cancelled</u>
911 Emergency Telecommunication Services							
Salaries and Wages	\$ 1,199,000.00		\$ 1,199,000.00	\$ 1,119,184.54		\$ 79,815.46	
Other Expenses	350,000.00		350,000.00	277,102.94	\$ 24,795.59	48,101.47	
Maintenance of Free Public Library (NJSA 40:54-8)							
Salaries and Wages	2,058,000.00		2,058,000.00	1,964,060.24		93,939.76	
Other Expenses	1,716,516.00		1,716,516.00	1,390,826.13	306,957.12	18,732.75	
NJDES - Storm Water							
Other Expenses	95,000.00		470,000.00	43,263.20	39,249.80	387,487.00	
Supplemental Fire Services District Payment	18,425.00		18,425.00	18,425.00			
Rutgers University Behavior Health Care Program							
Other Expenses	40,000.00		40,000.00	10,351.60		29,648.40	
MCIA Recycling Program							
Other Expenses	1,100,000.00		1,100,000.00	837,905.00	162,095.00	100,000.00	
MCUA Solid Waste Agreement							
Other Expenses	400,000.00		400,000.00	150,692.57	65,307.43	184,000.00	
Middlesex County Health Department							
Other Expenses	460,000.00		460,000.00	456,265.36		3,734.64	
Public and Private Programs							
<u>Offset by Revenues</u>							
Matching Funds for Grants	400,000.00		400,000.00			400,000.00	
Alcohol Education & Rehabilitation Fund		\$ 8,090.53	8,090.53	8,090.53			
Body Armor Grant	5,619.05	6,071.11	11,690.16	11,690.16			
Clean Communities Program		131,656.83	131,656.83	131,656.83			
Click it or Ticket		10,000.00	10,000.00	10,000.00			
Community Development Block Grant		293,017.00	293,017.00	293,017.00			
COPS Technology Grant		963,000.00	963,000.00	963,000.00			
County Arts & History Grant	5,000.00		5,000.00	5,000.00			
CSC TKR Cablevision		15,000.00	15,000.00	15,000.00			
Distracted Driving Crack Down	8,750.00		8,750.00	8,750.00			
Municipal Recycling		10,000.00	10,000.00	10,000.00			
National Opioids Settlement		112,505.49	112,505.49	112,505.49			
New Jersey Lead Grant Assistance Program	33,400.00		33,400.00	33,400.00			

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 Budget	Appropriated By N.J.S.A. 40A:4-87	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
					Encumbered	Reserved	
<u>Operations Excluded from "CAPS" (Cont.)</u>							
NJ Electric Vehicle		\$ 80,000.00	\$ 80,000.00	\$ 80,000.00			
NJDOT - Centennial Avenue Road		4,000,000.00	4,000,000.00	4,000,000.00			
NJDOT - LEVGAR 2024		551,800.00	551,800.00	551,800.00			
NJDOT - Old New Brunswick Road		414,747.00	414,747.00	414,747.00			
Piscataway Promotes Safe Street		98,590.00	98,590.00	98,590.00			
Recycling Tonnage Grant	\$ 78,464.45		78,464.45	78,464.45			
Safe and Secure Communities Program		45,150.00	45,150.00	45,150.00			
Stormwater Maintenance Grant	15,000.00		15,000.00	15,000.00			
SWIBS NJ Fall Stipend		2,500.00	2,500.00	2,500.00			
Total Operations Excluded from "CAPS"	7,983,174.50	6,742,127.96	15,100,302.46	13,156,438.04	\$ 598,404.94	\$ 1,345,459.48	
DETAIL:							
Salaries and Wages	3,257,000.00		3,257,000.00	3,083,244.78		173,755.22	
Other Expenses	4,726,174.50	6,742,127.96	11,843,302.46	10,073,193.26	598,404.94	1,171,704.26	
<u>Capital Improvements Excluded from "CAPS"</u>							
Capital Improvement Fund	750,000.00		1,630,000.00	1,130,000.00		500,000.00	
Acquisition of Land and Property	950,000.00		950,000.00	459,754.23		490,245.77	
Road Safety Equipment	60,000.00		60,000.00			60,000.00	
Various Road Improvements	1,000,000.00		1,000,000.00	816,771.01	136,412.07	46,816.92	
Acquisition and Installation of Security Cameras	250,000.00		250,000.00	547.66	224,715.24	24,737.10	
Police: 911 Equipment Upgrade	1,100,000.00		1,100,000.00	298,366.95	23,199.00	778,434.05	
Police: Evidence Data Management System	750,000.00		750,000.00	299,673.18		450,326.82	
Building: Metlars House Improvement	1,470,000.00		1,470,000.00			1,470,000.00	
Professional For Design and Improvement	750,000.00		750,000.00		435,750.00	314,250.00	
Various Computer Equipment	150,000.00		150,000.00		149,455.10	544.90	
Various Building Improvements	916,728.69		916,728.69			916,728.69	
Total Capital Improvements Excl. from "CAPS"	8,146,728.69	-	9,026,728.69	3,005,113.03	969,531.41	5,052,084.25	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 Budget	Appropriated By N.J.S.A. 40A:4-87	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
					Encumbered	Reserved	
<u>Municipal Debt Service Excluded from "CAPS"</u>							
Payment of Bond Principal	\$ 7,580,000.00		\$ 7,580,000.00	\$ 7,580,000.00			
Payment of Bond Anticipation Notes and Capital Notes							
Interest on Bonds	2,016,275.00		2,016,275.00	2,016,275.00			
Interest on Notes	872,000.00		872,000.00	871,640.78			\$ 359.22
Total Municipal Debt Service - Excl. from "CAPS"	10,468,275.00	-	10,468,275.00	10,467,915.78	-	-	359.22
Deferred Charges - Municipal							
<u>Excluded from "CAPS"</u>							
Deferred Charges							
Unfunded Ordinance 13-07	1,171,650.00		1,171,650.00	1,171,650.00			
Total Deferred Charges - Municipal							
Excluded from "CAPS"	1,171,650.00	-	1,171,650.00	1,171,650.00	-	-	-

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 Budget	Appropriated By N.J.S.A. 40A:4-87	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
					Encumbered	Reserved	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>\$ 27,769,828.19</u>	<u>\$ 6,742,127.96</u>	<u>\$ 35,766,956.15</u>	<u>\$27,801,116.85</u>	<u>\$1,567,936.35</u>	<u>\$ 6,397,543.73</u>	<u>\$ 359.22</u>
Subtotal General Appropriations	83,272,015.19	6,742,127.96	90,014,143.15	74,628,478.58	4,431,490.12	10,553,815.23	400,359.22
Reserve for Uncollected Taxes	<u>1,928,115.64</u>		<u>1,928,115.64</u>	<u>1,928,115.64</u>			
Total General Appropriations	<u>\$ 85,200,130.83</u>	<u>\$ 6,742,127.96</u>	<u>\$ 91,942,258.79</u>	<u>\$76,556,594.22</u>	<u>\$4,431,490.12</u>	<u>\$10,553,815.23</u>	<u>\$ 400,359.22</u>
Adopted Budget			\$ 85,200,130.83				
Approp. by N.J.S.A. 40A:4-87			<u>6,742,127.96</u>				
Budget After Modification			91,942,258.79				
Reserve for Uncollected Taxes			(1,928,115.64)				
Cancelations			<u>(400,359.22)</u>				
			<u>\$ 89,613,783.93</u>				
Cash Disbursed				\$ 66,490,117.12			
Reserve for Uncollected Taxes				1,928,115.64			
State and Federal Grants Fund Appropriated Grant Reserves				6,888,361.46			
Reserve for Tax Appeals				<u>1,250,000.00</u>			
				<u>\$ 76,556,594.22</u>			

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

<u>Assets and Deferred Charges</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Assessment Trust Fund:			Assessment Trust Fund:		
Assessment Receivable	\$ 75,513.59	\$ 127,398.30	Reserve for Assessments Receivable	\$ 75,513.59	\$ 127,398.30
Total Assessment Trust Fund	75,513.59	127,398.30	Total Assessment Trust Fund	75,513.59	127,398.30
Animal Control Fund:			Animal Control Fund:		
Cash and Cash Equivalents - Treasurer	406.99	36,740.28	Due to State of New Jersey	12.00	24.00
Deferred Charges - Overexpenditures	7,394.29		Interfund Payable	7,789.28	7,735.28
Total Animal Control Fund	7,801.28	36,740.28	Reserve for Animal Control Expenditures		28,981.00
			Total Animal Control Fund	7,801.28	36,740.28
Other Trust Funds:			Other Trust Funds:		
Cash and Cash Equivalents - Treasurer	22,817,728.81	28,369,570.57	Payroll Liabilities	70,994.86	71,993.56
Interfund Receivable	8,437,228.52		Unemployment Insurance Trust Fund	813,030.16	863,373.76
Total Other Trust Fund	31,254,957.33	28,369,570.57	Forfeited Funds	109,650.51	88,737.18
			Interfund Payable		21,548.79
			Miscellaneous Deposits	8,209,365.87	8,278,501.13
			Affordable Housing	11,578,587.84	10,168,240.19
			Recreation Trust	41,821.12	33,811.12
			Schedule of Escrow Deposits	10,431,506.97	8,843,364.84
			Total Other Trust Fund	31,254,957.33	28,369,570.57
Public Assistance Fund:			Public Assistance Fund:		
Cash and Cash Equivalents - Treasurer	33,411.35	18,411.35	Reserve for Public Assistance	33,411.35	18,411.35
Total Public Assistance Fund	33,411.35	18,411.35	Total Public Assistance Fund	33,411.35	18,411.35
Grand Total	\$ 31,371,683.55	\$ 28,552,120.50	Grand Total	\$ 31,371,683.55	\$ 28,552,120.50

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Assets and Deferred Charges</u>		
Cash and Cash Equivalents	\$ 1,870,335.51	\$ 583,338.43
Federal and State Grants Receivable	4,551,800.00	
Interfunds Receivable		7,458,935.26
Deferred Charges to Future Taxation:		
Funded	62,725,000.00	70,305,000.00
Unfunded	94,518,060.70	54,436,510.70
Total Assets	<u>\$ 163,665,196.21</u>	<u>\$ 132,783,784.39</u>
<u>Liabilities, Reserves and Fund Balance</u>		
General Serial Bonds	\$ 62,725,000.00	\$ 70,305,000.00
Bond Anticipation Notes	28,423,750.00	19,423,750.00
Improvement Authorizations:		
Funded	8,129,821.17	11,867,575.02
Unfunded	19,783,371.08	14,072,958.43
Reserve for Encumbrances	34,655,222.59	10,197,201.08
Reserve for Stelton Streetscape	20,250.00	20,250.00
Reserve for Debt Service	973,323.20	815,969.88
Capital Improvement Fund	1,313,743.32	951,743.32
Interfunds Payable	6,702,718.87	3,650,000.00
Contributions - Off-Site Improvements	715,474.02	602,527.94
Fund Balance	222,521.96	876,808.72
Total Liabilities, Reserves and Fund Balance	<u>\$ 163,665,196.21</u>	<u>\$ 132,783,784.39</u>
Bonds and Notes Authorized but Not Issued	<u>\$ 66,094,310.70</u>	<u>\$ 35,012,760.70</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

Balance - December 31, 2023		\$ 876,808.72
Increased by:		
Improvement Authorizations Canceled	\$ 1,690,771.71	
BAN Premium	<u>243,591.53</u>	
		<u>1,934,363.24</u>
		2,811,171.96
Decreased by:		
Improvement Authorization Funded	1,712,000.00	
Current Fund Anticipated Revenue	<u>876,650.00</u>	
		<u>2,588,650.00</u>
Balance - December 31, 2024		<u><u>\$ 222,521.96</u></u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

D

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

<u>Assets and Deferred Charges</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Operating Fund:			Operating Fund:		
Cash and Cash Equivalents - Treasurer	\$ 642,493.04	\$ 3,739,958.33	Appropriation Reserves	\$ 1,249,044.68	\$ 1,545,824.07
Change Fund - Collector	100.00	100.00	Reserve for Encumbrances	193,926.55	1,208,374.89
Due from Current Fund	2,522,935.72		Accrued Interest on Bonds	5,737.50	7,346.88
	<u>3,165,528.76</u>	<u>3,740,058.33</u>	Prepaid Sewer Charges	71,060.78	49,624.43
Deferred Charge:			Accounts Payable	361,228.98	432,979.70
Overexpenditure of Appropriations	736,230.95			<u>1,880,998.49</u>	<u>3,244,149.97</u>
Receivables With Offsetting Reserves:					
Sewer Charges Receivable	541,294.88	430,443.65	Reserve for Receivables	541,294.88	430,443.65
	<u>541,294.88</u>	<u>430,443.65</u>	Fund Balance	2,020,761.22	495,908.36
Total Operating Fund	<u>4,443,054.59</u>	<u>4,170,501.98</u>	Total Operating Fund	<u>4,443,054.59</u>	<u>4,170,501.98</u>
Capital Fund:			Capital Fund:		
Cash and Cash Equivalents - Treasurer	7,700,792.94	5,406,553.97	Serial Bonds Payable	920,000.00	1,120,000.00
Due from General Capital Fund		3,650,000.00	Reserve for Encumbrances	3,105,036.62	3,000,634.14
Fixed Capital	23,688,525.74	23,388,117.99	Improvement Authorizations:		
Fixed Capital Authorized and Uncompleted	17,560,000.00	17,560,000.00	Funded	4,130,066.35	5,620,229.86
			Reserve for Amortization	23,376,025.74	22,875,617.99
			Deferred Reserve for Amortization	16,952,500.00	16,952,500.00
			Other Reserves	30,000.00	
			Fund Balance	435,689.97	435,689.97
Total Capital Fund	<u>48,949,318.68</u>	<u>50,004,671.96</u>	Total Capital Fund	<u>48,949,318.68</u>	<u>50,004,671.96</u>
Grand Total	<u>\$ 53,392,373.27</u>	<u>\$ 54,175,173.94</u>	Grand Total	<u>\$ 53,392,373.27</u>	<u>\$ 54,175,173.94</u>

There were no Bonds and Notes Authorized but Not Issued at December 31, 2024 or 2023.

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

D-1

SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

<u>Revenues and Other Income</u>	<u>2024</u>	<u>2023</u>
Fund Balance Utilized	\$ 700,000.00	\$ 5,000,000.00
Sewer Charges	11,069,544.70	11,002,524.38
Connection Fees	161,670.00	284,410.00
Interest on Deposits	100,232.19	80,418.11
Interest on Delinquent Accounts	64,266.38	53,992.66
Other Credits to Income:		
Miscellaneous Revenue	655.40	35,865.33
Unexpended Balance of Appropriation Reserves	1,877,869.69	2,241,236.54
Total Revenues and Other Incomes	13,974,238.36	18,698,447.02
<u>Expenditures and Other Charges</u>		
Budget Appropriations:		
Operating	11,604,837.95	12,598,583.50
Capital Improvements		3,000,000.00
Debt Service	235,237.50	224,805.21
Deferred Charges and Statutory Expenditures	645,541.00	675,179.00
Sewer Overpayments		63,032.52
Total Expenditures and Other Charges	12,485,616.45	16,561,600.23
Excess in Revenues and Other Incomes over Expenditures and Other Charges	1,488,621.91	2,136,846.79
Add: Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years Overexpenditure of Appropriations	736,230.95	
Statutory Excess to Fund Balance	2,224,852.86	2,136,846.79
<u>Fund Balance</u>		
Balance - January 1	495,908.36	3,359,061.57
	2,720,761.22	5,495,908.36
Decreased by:		
Utilized as Anticipated Revenue	700,000.00	5,000,000.00
Balance - December 31	\$ 2,020,761.22	\$ 495,908.36

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

D-2

SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Balance - December 31, 2024 and 2023	<u>\$ 435,689.97</u>
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See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
 SEWER UTILITY OPERATING FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 <u>Budget</u>	<u>Realized</u>	Excess or Deficit
Fund Balance	\$ 700,000.00	\$ 700,000.00	
Sewer Service Charges	10,789,385.50	11,069,544.70	\$ 280,159.20
Sewer Connection Fees & Permits	200,000.00	161,670.00	(38,330.00)
Interest on Deposits	35,000.00	100,232.19	65,232.19
Interest on Delinquencies	25,000.00	64,266.38	39,266.38
Miscellaneous Revenue	<u> </u>	<u>655.40</u>	<u>655.40</u>
Total	<u>\$ 11,749,385.50</u>	<u>\$ 12,096,368.67</u>	<u>\$ 346,983.17</u>

Analysis of Realized Revenues:

Sewer Service Charges:

Prepays Applied	\$ 49,624.43
Collections	11,050,829.43
Refunds Issued	<u>(30,909.16)</u>
	<u>\$ 11,069,544.70</u>

Connection Fees:

Received by Collector	<u>\$ 161,670.00</u>
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Interest on Delinquent Accounts:

Collected	<u>\$ 64,266.38</u>
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Interest on Investments:

Collected	<u>\$ 100,232.19</u>
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Miscellaneous Revenue:

Other Miscellaneous	<u>\$ 655.40</u>
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See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024	Budget After	Expended		Reserved	Over
	<u>Budget</u>	<u>Modification</u>	<u>Paid or</u>	<u>Encumbered</u>		<u>Expenditure</u>
			<u>Charged</u>			
Operating:						
Salaries and Wages	\$ 1,968,107.00	\$ 1,968,107.00	\$ 2,704,337.95			\$ 736,230.95
Other Expenses	2,550,500.00	2,550,500.00	1,145,657.45	\$ 193,926.55	\$ 1,210,916.00	
Middlesex County Utilities Authority						
Service Charges - Contractual	6,350,000.00	6,350,000.00	6,311,871.32		38,128.68	
Debt Service:						
Payment on Bond Principal	200,000.00	200,000.00	200,000.00			
Interest on Bonds	35,237.50	35,237.50	35,237.50			
Deferred Charges and Statutory Expenditures:						
Public Employees' Retirement System	480,541.00	480,541.00	480,541.00			
Social Security System (O.A.S.I.)	165,000.00	165,000.00	165,000.00			
Total Sewer Utility Appropriations	<u>\$ 11,749,385.50</u>	<u>\$ 11,749,385.50</u>	<u>\$ 11,042,645.22</u>	<u>\$ 193,926.55</u>	<u>\$ 1,249,044.68</u>	<u>\$ 736,230.95</u>
Cash Disbursements			\$ 11,007,407.72			
Accrued Interest on Bonds			35,237.50			
			<u>\$ 11,042,645.22</u>			

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY FUND
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

<u>Assets and Deferred Charges</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Operating Fund:			Operating Fund:		
Cash and Cash Equivalents - Treasurer	\$ 1,838,597.62	\$ 1,553,597.18	Appropriation Reserves	\$ 193,869.07	\$ 110,668.04
			Reserve for Encumbrances	269,934.34	149,049.75
Deferred Charge:			Accounts Payable	52,753.00	14,202.80
Overexpenditure of Appropriation	<u>182,528.00</u>	<u></u>	Accrued Interest on Bonds		9,906.25
			Prepaid Rent	8,387.00	8,387.00
			Security Deposits	<u>184,543.05</u>	<u>176,771.79</u>
				709,486.46	468,985.63
			Fund Balance	<u>1,311,639.16</u>	<u>1,084,611.55</u>
Total Operating Fund	<u>2,021,125.62</u>	<u>1,553,597.18</u>	Total Operating Fund	<u>2,021,125.62</u>	<u>1,553,597.18</u>
Capital Fund:			Capital Fund:		
Cash and Cash Equivalents- Treasurer	731,589.93	910,293.57	Serial Bonds Payable		175,000.00
Fixed Capital	10,790,796.76	10,783,936.76	Improvement Authorizations:		
Fixed Capital Authorized and Uncompleted	<u>5,664,764.03</u>	<u>5,664,764.03</u>	Funded	3,427.63	19,450.66
			Reserve for:		
			Encumbrances	151,597.34	319,277.95
			Capital Improvement Fund	504,387.22	499,387.22
			Amortization	11,757,912.26	11,576,052.26
			Deferred Amortization	4,697,648.53	4,697,648.53
			Fund Balance	<u>72,177.74</u>	<u>72,177.74</u>
Total Capital Fund	<u>17,187,150.72</u>	<u>17,358,994.36</u>	Total Capital Fund	<u>17,187,150.72</u>	<u>17,358,994.36</u>
	<u>\$ 19,208,276.34</u>	<u>\$ 18,912,591.54</u>		<u>\$ 19,208,276.34</u>	<u>\$ 18,912,591.54</u>

There were no Bonds and Notes Authorized but Not Issued at December 31, 2024 or 2023.

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

<u>Revenues and Other Incomes</u>	<u>2024</u>	<u>2023</u>
Fund Balance Utilized	\$ 94,625.00	\$ 260,000.00
Rental Income	1,852,416.13	1,690,256.91
Interest on Investments	29,192.52	16,810.06
Other Credits to Income:		
Non-Budget Revenue	12,519.69	12,745.08
Accrued Interest Canceled	9,906.25	
Unexpended Balance of Appropriation Reserves	117,618.02	17,557.51
Total Revenues and Other Income	2,116,277.61	1,997,369.56
<u>Expenditures and Other Charges</u>		
Budget Appropriations:		
Operating	\$ 1,652,528.00	\$ 1,439,545.00
Capital Improvements	135,000.00	130,000.00
Debt Service	177,625.00	180,468.75
Deferred Charges and Statutory Expenditures	12,000.00	11,580.00
Refund of Prior Year Revenue		115.57
Total Expenditures and Other Charges	1,977,153.00	1,761,709.32
Excess in Revenues and Other Incomes over Expenditures and Other Charges	139,124.61	235,660.24
Adjustment to Income Before Fund Balance:		
Expenditures Included Above		
Which are by Statute Deferred		
Charges to Budget of Succeeding Year	182,528.00	
Statutory Excess to Fund Balance	321,652.61	235,660.24
<u>Fund Balance</u>		
Balance - January 1	1,084,611.55	1,108,951.31
	1,406,264.16	1,344,611.55
Decreased by:		
Utilized as Anticipated Revenue	94,625.00	260,000.00
Balance - December 31	<u>\$ 1,311,639.16</u>	<u>\$ 1,084,611.55</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Balance - December 31, 2024 and 2023

\$ 72,177.74

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance	\$ 94,625.00	\$ 94,625.00	
Rental Income	1,690,000.00	1,852,416.13	\$ 162,416.13
Interest on Deposits	10,000.00	29,192.52	19,192.52
	<u>1,794,625.00</u>	<u>1,976,233.65</u>	<u>181,608.65</u>
Non-Budget Revenues		<u>12,519.69</u>	<u>12,519.69</u>
	<u>\$ 1,794,625.00</u>	<u>\$ 1,988,753.34</u>	<u>\$ 194,128.34</u>

Analysis of Non-Budget Revenues:

Application Fee	\$ 2,870.00
Laundromat Income	9,153.05
Miscellaneous	226.64
Other Fees	200.00
Replacement Key	70.00
	<u>\$ 12,519.69</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 Budget	Budget After Modification	Expended			Over Expenditures
			Paid Or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 170,000.00	\$ 170,000.00	\$ 352,528.00			\$ 182,528.00
Other Expenses	1,300,000.00	1,300,000.00	960,116.59	\$ 262,219.95	\$ 77,663.46	
Debt Service:						
Payment on Bond Principal	175,000.00	175,000.00	175,000.00			
Interest on Bonds	2,625.00	2,625.00	2,625.00			
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	12,000.00	12,000.00	12,000.00			
Capital Improvements:						
Capital Improvement Fund	5,000.00	5,000.00	5,000.00			
Capital Outlay	130,000.00	130,000.00	6,080.00	7,714.39	116,205.61	
Total Senior Citizen Housing Appropriations	<u>\$ 1,794,625.00</u>	<u>\$ 1,794,625.00</u>	<u>\$ 1,513,349.59</u>	<u>\$ 269,934.34</u>	<u>\$ 193,869.07</u>	<u>\$ 182,528.00</u>
Cash Disbursements			\$ 1,510,724.59			
Accrued Interest on Bonds			2,625.00			
			<u>\$ 1,513,349.59</u>			

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

F

RECREATION UTILITY FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

<u>Assets and Deferred Charges</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Operating Fund:			Operating Fund:		
Cash and Cash Equivalents - Treasurer	\$ 171,790.13	\$ 252,024.88	Appropriation Reserves		\$ 5,183.91
Due from Current Fund		24,442.02	Reserve for Encumbrances	\$ 187,824.22	56,097.55
			Accounts Payable	12,202.73	
Deferred Charges					
Overexpenditure of Current Year Appropriations	1,254,978.60				
Overexpenditure of Appropriation Reserves	40,183.38		Fund Balance	1,266,925.16	215,185.44
Total Deferred Charges	1,295,161.98	-			
Total Operating Fund	1,466,952.11	276,466.90	Total Operating Fund	1,466,952.11	276,466.90
Capital Fund:			Capital Fund:		
Cash and Cash Equivalents - Treasurer	362,252.00	362,252.00	Capital Improvement Fund	362,252.00	362,252.00
Total Capital Fund	362,252.00	362,252.00	Total Capital Fund	362,252.00	362,252.00
Grand Total	\$ 1,829,204.11	\$ 638,718.90	Grand Total	\$ 1,829,204.11	\$ 638,718.90

There were no Bonds and Notes Authorized but Not Issued at December 31, 2024 or 2023.

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

F-1

RECREATION UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

<u>Revenues and Other Incomes</u>	<u>2024</u>	<u>2023</u>
Membership and Program Fees	\$ 4,358,326.40	\$ 3,541,770.08
Miscellaneous Revenue Not Anticipated		1,559.00
Appropriation Reserve Cancelled		1,758.87
Interest on Deposits	315,786.57	22,087.49
Total Revenues and Other Incomes	4,674,112.97	3,567,175.44
<u>Expenditures and Other Charges</u>		
Budget Appropriations:		
Operating	4,864,978.60	3,201,990.00
Capital Improvements		150,000.00
Prior Year Expenditures	12,373.25	
Total Expenditures and Other Charges	4,877,351.85	3,351,990.00
(Deficit) / Excess of Revenues and Other Incomes (Under) / Over Expenditures and Other Charges	(203,238.88)	215,185.44
Add: Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years Overexpenditure of Appropriations	1,254,978.60	
Statutory Excess to Fund Balance	1,051,739.72	215,185.44
<u>Fund Balance</u>		
Balance - January 1	215,185.44	-
Balance - December 31	\$ 1,266,925.16	\$ 215,185.44

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

F-2

RECREATION UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	2024 <u>Budget</u>	<u>Realized</u>	Excess <u>(Deficit)</u>
Membership and Program Fees	\$ 3,600,000.00	\$ 4,358,326.40	\$ 758,326.40
Operating Deficit	400,000.00		(400,000.00)
Interest on Deposits	<u>10,000.00</u>	<u>315,786.57</u>	<u>305,786.57</u>
Total	<u><u>\$ 4,010,000.00</u></u>	<u><u>\$ 4,674,112.97</u></u>	<u><u>\$ 664,112.97</u></u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

F-3

RECREATION UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	<u>2024 Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>		<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>	<u>Over-Expended</u>
			<u>Paid of Charged</u>	<u>Encumbered</u>			
Operating:							
Salaries and Wages	\$ 300,000.00	\$ 300,000.00	\$ 625,860.30				\$ 325,860.30
Other Expenses	3,310,000.00	3,310,000.00	4,051,294.08	\$ 187,824.22			929,118.30
Capital Improvements:							
Capital Improvement Fund	<u>400,000.00</u>	<u>400,000.00</u>				\$ 400,000.00	
Total Recreation Utility Appropriations	<u>\$ 4,010,000.00</u>	<u>\$ 4,010,000.00</u>	<u>\$ 4,677,154.38</u>	<u>\$ 187,824.22</u>	<u>\$ -</u>	<u>\$ 400,000.00</u>	<u>\$ 1,254,978.60</u>

See accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Governmental Fixed Assets:		
Land	\$ 32,306,600.00	\$ 32,306,600.00
Buildings and Improvements	51,725,300.00	51,725,300.00
Machinery and Equipment	<u>38,074,805.00</u>	<u>35,536,802.00</u>
Total Governmental Fixed Assets	<u>\$ 122,106,705.00</u>	<u>\$ 119,568,702.00</u>
 Investments in Governmental Fixed Assets	 <u>\$ 122,106,705.00</u>	 <u>\$ 119,568,702.00</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 1: FORM OF GOVERNMENT

The Township is managed under a Mayor-Council form of government authorized under Plan F of the "Faulkner Act of 1950". This form of government adopted in 1967 by Township voters provides for the direct election of the Mayor and seven Council members for four-year terms. This form of government provides for the administrative function of government under the Mayor, supported by a Business Administrator and various department heads and for the legislative function under the Township Council.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S.A. 40A: 5-5. Accordingly, the financial statements of the Township do not include the operations of the municipal library, first aid organizations, fire districts or local school district.

B. Description of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Piscataway accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including fiscal activity of Federal and State Grant Programs, except as otherwise noted.

Trust Fund - The records of receipts, custodianship and disbursement of monies in accordance with the purpose for which each reserve was created. Pursuant to the provisions of N.J.S.A. 40A: 4-39, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

- Animal Control Trust Fund
- Assessment Trust Fund
- Unemployment Compensation Insurance Trust Fund
- Dedicated Law Enforcement Trust Fund
- Workmen's Compensation Self-Insurance Fund
- Developer's Escrow Fund
- Disposal of Forfeited Property (P.L. 1985, Ch. 135)

General Capital Fund - Resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

Sewer Utility Fund, Senior Citizens Housing Utility Fund and Recreation Utility Fund - Resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Sewer Utility, Senior Citizens Housing Facility and Recreation Utility.

Governmental Fixed Assets - The Governmental Fixed Asset system is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. Equipment is valued at historical cost or estimated historical cost if actual historical cost is not available. Land, buildings and improvements are valued at assessed value when historical costs are not known. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on governmental fixed assets.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

B. Description of Funds (Cont'd.)

The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles (GAAP) for state and local governments. GAAP provides for the issuance of entity-wide financial statements along with the presentation of separate fund financial statements that differ from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of financial statements is not intended to present the basic financial statement presentation.

C. Basis of Accounting and Measurement Focus

The basis of accounting as prescribed by the Division of Local Government Services for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The more significant differences are as follows:

Revenues - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund and Sewer Utility Fund, respectively. Except for the General Capital Fund, which uses the grant receivable balance as a funding source for capital ordinances, all other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash.

GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of Sewer Utility consumer charges and Senior Citizen Housing Utility rent, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves". Paid or charged refers to the Township "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts, which may be cancelled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP.

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting and Measurement Focus (Cont'd.)

Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the balance sheet of the affected fund. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, townships may establish and budget reserve funds subject to N.J.S.A. 40A:4-39 for the future payment of compensated absences. GAAP requires that liabilities for compensated absences be recorded for leave that has not been used when the leave is attributable to services already rendered and the leave is more likely than not to be used for time off or otherwise paid in cash. Compensated absences liabilities are not recorded on the balance sheet.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation established by the last revaluation program in 1975 and is fully reserved. Additions since 1975 are recorded on the basis of the latest assessed value. GAAP requires such property to be recorded in the statement of governmental fixed assets at the lower of cost or fair market value.

Self-Insurance Reserves - Charges to self-insurance reserves are recorded when payments of claims and related expenses are made. Increases to self-insurance reserves are recorded from budgetary appropriations in the accounting period in which budgetary expenditures are recorded. Earnings on investments and miscellaneous reimbursements are credited to reserves when received in cash. GAAP requires that liabilities for incurred claims be recorded as determined actuarially, and that operating transfers to self-insurance funds not exceed the amount determined.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year receivables are liquidated. GAAP does not require the establishment of an offsetting reserve. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting reserve for conformity with GAAP.

Governmental Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment purchased by the Sewer Utility Fund and the Senior Housing Utility are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonment. Contributions in aid of construction are not capitalized.

The balances in the Reserve for Amortization and Deferred Reserve for amortization accounts in the Utility Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements, and costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets.

GAAP does not require the establishment of a reserve for amortization for utility fixed assets but does require the recognition of depreciation of these assets as an operating expense of the utility.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting and Measurement Focus (Cont'd.)

Fixed Capital - Sewer Utility and Senior Citizens Housing Utility - Capital acquisitions, including utility infrastructure costs of the Utilities are recorded at cost upon purchase or project completion in the Fixed Capital account of the utilities. Fixed Capital accounts are adjusted for dispositions or abandonment. The accounts include Moveable Fixed Assets of the Utilities but are not specifically identified and are considered as duplicated in the Fixed Asset Group of Accounts. The condition is considered insignificant on its effect on the financial statements taken as a whole. Utility improvements that may have been constructed by developers and transferred to the Township are not recorded as additions to Fixed Capital. Fixed Capital of the Utilities is offset by accumulations in Amortization Reserve Accounts. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utilities represent charges to operations for the costs of acquisitions of property, equipment and improvement and costs funded from sources other than bonded debt of the utilities.

The utilities do not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets but does require the recognition of depreciation of these assets as an operating expense of the utility.

Cash and Cash Equivalents and Short-Term Investments - The carrying amount approximates fair value because of the short maturity of those investments.

Long-term Debt - The Township's long-term debt is stated at face value. The debt is not traded, and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is disclosed in Note 3 to the financial statements.

Disclosures on Pension Liabilities - The Township has included information relating to its allocated shares of the net pension liabilities of the state sponsored, cost-sharing, multiple employer defined benefit pension plans in which it participates in Note 10 and the accompanying required supplementary information. As the Township does not present entity-wide financial statements, it does not present on the face of its financial statements its proportionate share of the net pension liability of the defined benefit plans in which its employees are enrolled. GAAP requires the recognition of the net pension liability and associated deferred inflows and deferred outflows of financial resources in the entity-wide financial statements. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Pursuant to N.J.A.C. 5:30-6.1(c)2, counties and municipalities may use the most recent available audited GASB Statement No.68 information published by the New Jersey Department of the Treasury, Division of Pensions and Benefits. As of the date of audit, the 2024 Public Employees' Retirement System Report and the 2024 Police and Firemen's Retirement System Report were the most recent reports available and therefore information for that year was disclosed accordingly. Refer to Note 10 for these disclosures.

Disclosures on OPEB Liabilities - The Township has included information for OPEB liabilities relating to healthcare benefits provided to its retirees within the Notes to the Financial Statements and the accompanying required supplementary information, if applicable. As the Township does not present entity-wide financial statements, it does not present on the face of its financial statements its proportionate share of the OPEB liability of the defined benefit healthcare plans in which its retirees are enrolled. GAAP requires the recognition of the OPEB liability and associated deferred inflows and deferred outflows of financial resources in the entity-wide financial statements. The audited financial information related to OPEB liabilities is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Pursuant to N.J.A.C. 5:30-6.1(c)2, counties and municipalities may use the most recent available audited GASB Statement No. 75 financial information published by the New Jersey Department of the Treasury, Division of Pensions and Benefits. Refer to Note 11 for these disclosures.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

B. Basis of Accounting and Measurement Focus (Cont'd.)

Leases –

Township as a Lessor

The Township is a lessor for the rental of real property with various lessees for the purpose of wireless tower services. The Township acknowledges a lease obligation with an initial, collective value of \$75,000.00 or more. The Township initially measures the lease obligation at the present value of payments expected to be received during the lease term. Key estimates and judgments to the lessor include (1) the discount rate using the lessee's estimated borrowing rate expected less receipts to present value, (2) the lease term including any noncancellable period of the lease, and (3) the lease payments determined by the lease receipts included in the measurement of the lease that are composed of fixed payments from the lessee and any payment renewal option that the Township is reasonably certain to exercise. The Township monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease if certain changes occur that are expected to significantly affect the amount of the lease. See further detail as identified in the notes below.

Recently Issued and Adopted Accounting Principle -

The GASB issued Statement No. 101, "*Compensated Absences*" in June 2022. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The requirements of this Statement have been evaluated by the Township and have been determined not to be applicable for the year ended December 31, 2024. The Township will continue to follow policies and procedures promulgated by New Jersey Administrative Code 5:30-15.

The GASB issued Statement No. 102 "*Certain Risk Disclosures*" December 2023. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet determined the impact of this Statement on the financial statements.

The GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing the government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025. Management has not yet determined the impact of this Statement on the financial statements.

The GASB issued Statement No. 104, "*Disclosure of Certain Capital Assets*" in September 2024. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets including lease assets, intangible right-to-use assets, subscription assets, other intangible assets and assets held for sale. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not determined the impact of this Statement on the financial statements.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Township believes will most impact its financial statements. The Township will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONT'D.)

C. Basis of Accounting and Measurement Focus (Cont'd.)

Use of Estimates – The preparation of financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in order to provide an understanding of changes on the Township's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Governmental Fixed Assets – N.J.A.C. 5:30-5.6 established a mandate for fixed asset accounting by municipalities, effective December 31, 1985. Fixed assets used in governmental operations are accounted for in the reporting of Governmental Fixed Assets. Public domain (infrastructure) governmental fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Equipment is valued at historical cost or estimated historical cost if actual historical cost is not available. Land, buildings and improvements are valued at assessed value when historical costs are not known. No depreciation is provided for in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as construction is completed and put into operation. Fixed assets acquired through grants in aid or contributed capital is not accounted for separately.

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law, Chapter 40A:2 et. seq., governs the issuance of bonds to finance municipal capital expenditures. The Township's debt at December 31, 2024 and 2023, respectively, is summarized as follows:

A. SUMMARY OF MUNICIPAL DEBT – YEARS ENDED DECEMBER 31, 2024 AND 2023:

	<u>2024</u>	<u>2023</u>
<u>Issued:</u>		
General:		
Bonds	\$ 62,725,000.00	\$ 70,305,000.00
Bond Anticipation Notes	28,423,750.00	19,423,750.00
Sewer Utility:		
Bonds	920,000.00	1,120,000.00
Senior Citizens Housing Utility:		
Bonds	<u> </u>	<u>175,000.00</u>
Total Debt Issued	<u>92,068,750.00</u>	<u>91,023,750.00</u>
<u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	<u>66,094,310.70</u>	<u>35,012,760.70</u>
Total Authorized but Not Issued	<u>66,094,310.70</u>	<u>35,012,760.70</u>
 Total Bonds and Notes Issued		
and Authorized but Not Issued	<u>\$ 158,163,060.70</u>	<u>\$ 126,036,510.70</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

	<u>2024</u>	<u>2023</u>
<u>General Debt:</u>		
\$9,800,000.00 General Improvement Bonds of 2015, final installment due in the amount of \$1,400,000.00 on December 2025, interest at 4.000%.	\$ 1,400,000.00	\$ 2,600,000.00
\$5,200,000.00 General Improvement Bonds of 2016, due in annual installments of \$555,000.00 to \$625,000.00 through November 2027, interest at 3.000%.	1,775,000.00	2,300,000.00
\$13,615,000.00 General Obligations Bonds of 2018, due in annual installments of \$1,500,000.00 through December 2028 interest at 4.000% to 5.000%.	6,000,000.00	7,500,000.00
\$2,500,000.00 Special Assessment Bonds of 2018, due in annual installments of \$125,000.00 through December 2038, interest at 3.000% to 5.000%.	1,750,000.00	1,875,000.00
\$20,000,000.00 General Improvement Bonds of 2019 due in annual installments of \$900,000.00 to \$1,400,000.00 through February 2039, interest at 2.000% to 5.000%.	16,200,000.00	17,000,000.00
\$30,000,000.00 General Improvement Bonds of 2020 due in annual installments of \$1,200,000.00 to \$1,800,000.00 through October 2040, interest at 2.000% to 3.000%.	25,800,000.00	26,900,000.00
\$15,000,000.00 General Improvement Bonds of 2021 due in annual installments of \$1,330,000.00 to \$1,430,000.00 through October 2031, interest at 1.500% to 3.000%.	9,800,000.00	11,130,000.00
\$28,423,750.00 Bond Anticipation Notes maturing October 31, 2025 with interest rate at 4.000%	<u>28,423,750.00</u>	<u>19,423,750.00</u>
Total General Capital Debt	<u>\$ 91,148,750.00</u>	<u>\$ 89,728,750.00</u>
<u>Senior Citizen Housing Utility Debt:</u>		
\$1,400,000.00 General Improvement Bonds of 2014, final payment made on January 15, 2024	<u></u>	<u>\$ 175,000.00</u>
Total Senior Housing Utility Debt	<u>\$ -</u>	<u>\$ 175,000.00</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

\$1,200,000.00 Sewer Utility Bonds of 2005, final installment due in the amount of \$100,000.00 on March 2025, interest at 4.500%.	\$ 100,000.00	\$ 200,000.00
\$1,460,000.00 Sewer Improvement Refunding Bonds of 2017, due in annual installments of \$95,000.00 to \$110,000.00 through November 2032, interest at 2.250% to 4.000%.	<u>820,000.00</u>	<u>920,000.00</u>
Total Sewer Utility Debt	<u>\$ 920,000.00</u>	<u>\$ 1,120,000.00</u>
Total Debt	<u><u>\$ 92,068,750.00</u></u>	<u><u>\$ 91,023,750.00</u></u>

B. SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory debt as of December 31, 2024 of:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Sewer Utility Debt	\$ 920,000.00		\$ 920,000.00
General Debt	<u>157,243,060.70</u>	<u>\$ 973,323.20</u>	<u>156,269,737.50</u>
	<u><u>\$ 158,163,060.70</u></u>	<u><u>\$ 973,323.20</u></u>	<u><u>\$ 157,189,737.50</u></u>

Net Debt \$157,189,737.50 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $\$ \underline{11,265,865,209.33} = 1.395\%$

Average Equalized Valuation Basis

2022 Equalized Value of Real Property	\$ 10,611,760,999.00
2023 Equalized Value of Real Property	11,298,706,681.00
2024 Equalized Value of Real Property	<u>11,887,127,948.00</u>
Average Equalized Valuation	<u><u>\$ 11,265,865,209.33</u></u>

Borrowing Power Under N.J.S.A. 40A:2-6 As Amended

3 1/2% of Equalized Valuation Basis Municipal	\$ 394,305,282.33
Net Debt	<u>157,189,737.50</u>
Remaining Borrowing Power	<u><u>\$ 237,115,544.83</u></u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

Deduction of Self- Liquidating Utility Debt for Statutory Net Debt – Sewer Utility per N.J.S.A 40A:2-48

Sewer Utility

Calculation of "Self-Liquidating Purpose" Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 12,096,368.67
Deductions:	
Operating and Maintenance Cost	11,604,837.95
Debt Service	235,237.50
Deferred Charges and Statutory Expenditures	645,541.00
Total Deductions	12,485,616.45
(Deficit) in Revenues	\$ (389,247.78)

The difference between the excess in revenues for debt statement purposes and the excess in revenues on a cash basis is as follows:

Excess in Revenues - Cash Basis (D-1)	\$ 1,488,621.91
Less: Reserves Lapsed	
Other Credits and Charges (Net)	1,877,869.69
(Deficit) in Revenue per Debt Statement	\$ (389,247.78)

Since the Sewer Utility Fund is not self-liquidating, \$920,000.00 is not deductible from gross debt.

The foregoing debt information is in material agreement with the annual debt statement filed by the chief financial officer.

C. SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2024:

Year	General		Sewer Utility		Total
	Principal	Interest	Principal	Interest	
2025	\$ 7,005,000.00	\$ 1,762,225.00	\$ 200,000.00	\$ 28,800.00	\$ 8,996,025.00
2026	5,855,000.00	1,507,525.00	100,000.00	24,300.00	7,486,825.00
2027	5,980,000.00	1,305,825.00	95,000.00	22,050.00	7,402,875.00
2028	5,455,000.00	1,101,175.00	105,000.00	19,556.26	6,680,731.26
2029	4,355,000.00	910,275.00	100,000.00	16,800.00	5,382,075.00
2030-2034	17,375,000.00	2,913,781.26	320,000.00	26,000.00	20,634,781.26
2035-2039	14,900,000.00	1,126,718.76			16,026,718.76
2040	1,800,000.00	38,250.00			1,838,250.00
	<u>\$ 62,725,000.00</u>	<u>\$ 10,665,775.02</u>	<u>\$ 920,000.00</u>	<u>\$ 137,506.26</u>	<u>\$ 74,448,281.28</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 4: GOVERNMENTAL FIXED ASSETS

The Township's governmental fixed assets are reported as of December 31, 2024 and 2023 are as follows:

<u>Governmental Fixed Assets</u>	<u>Balance December 31, 2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance December 31, 2024</u>
Land	\$ 32,306,600.00			\$ 32,306,600.00
Building and Improvements	51,725,300.00			51,725,300.00
Machinery and Equipment	<u>35,536,802.00</u>	<u>\$ 3,674,946.00</u>	<u>\$ 1,136,943.00</u>	<u>38,074,805.00</u>
Total Governmental Fixed Assets	<u>\$ 119,568,702.00</u>	<u>\$ 3,674,946.00</u>	<u>\$ 1,136,943.00</u>	<u>\$ 122,106,705.00</u>

Note 5: DEFERRED COMPENSATION TRUST FUND

The Township of Piscataway, County of Middlesex Deferred Compensation Plan was established pursuant to section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; P.L. 1980, C. 78; and P.L. 1997, C. 116 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The Township has engaged a private contractor to administer the plan.

Note 6: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1, in each year and filed with the County Board of Taxation by January 10th of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, County and Fire Districts, the tax rate is struck by the board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector on or before May 13th.

Tax bills are prepared and mailed by the Collector of Taxes of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The NJ Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers.

Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8.00% to 18.00% of the amounts delinquent, and if a delinquency (including interest) is in excess of \$10,000.00 and remains in arrears after December 31, an additional flat penalty of 6.00% shall be charged against the delinquency. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 7: FUND BALANCE APPROPRIATED

Fund balances at December 31, 2024 were appropriated and included as anticipated revenue in their own respective funds for the succeeding years' budgets as follows:

	Fund Balance December 31, 2024	Utilized in Succeeding Budget
Current Fund	\$ 34,538,595.23	\$ 12,064,749.22
Sewer Utility Fund	2,020,761.22	890,000.00
Senior Citizens Housing Utility Fund	1,311,639.16	100,000.00
Recreation Utility Fund	1,266,925.16	

Note 8: INTERFUNDS

As of December 31, 2024 and 2023 the Township had the following interfunds receivable and payable:

	2024		2023	
	Interfunds Receivable	Interfunds Payable	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 6,710,508.15	\$ 10,969,033.11	\$ 692,266.22	\$ 49,298.28
Federal and State Grant Fund	8,868.87			\$ 8,097,061.15
Animal Control Trust Fund		7,789.28		7,735.28
Other Trust Fund	8,437,228.52			21,548.79
General Capital Fund		6,702,718.87	7,458,935.26	3,650,000.00
Sewer Utility Operating Fund	2,522,935.72			
Sewer Utility Capital Fund			3,650,000.00	
Recreation Utility Operating Fund			24,442.02	
	<u>\$17,679,541.26</u>	<u>\$17,679,541.26</u>	<u>\$11,825,643.50</u>	<u>\$11,825,643.50</u>

Note 9: DEPOSITS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the Township deposits and invests its funds pursuant to its policies and an adopted cash management plan.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits to protect deposits 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 (5) percent of the average daily balance of collected public funds; or if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent, to secure the deposits of governmental units.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 9: DEPOSITS AND INVESTMENTS (CONT'D.)

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00. 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.

The cash and cash equivalents of the Township's cash on-hand consisted of the following at December 31, 2024 and 2023:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash (Demand Accounts)	\$ 110,827,576.44	\$ 108,405,632.68
NJ Cash Management Fund	895,556.90	850,740.46
Change Funds (On-Hand)	<u>635.00</u>	<u>635.00</u>
Total	<u>\$ 111,723,768.34</u>	<u>\$ 109,257,008.14</u>

The Township considers change funds, cash in banks, investments in certificates of deposit and State of New Jersey Cash Management Fund as cash and cash equivalents. As of December 31, 2024 and 2023, the book balances of the Township's deposits were \$111,723,768.34 and \$109,257,008.14 and the bank balances were \$119,711,452.43 and \$116,553,277.44, respectively. Of the bank balances for the years ended December 31, 2024 and 2023, \$117,352,898.37 and \$114,179,042.79, respectively was covered under the provisions of NJ GUDPA and \$1,250,855.64 and \$1,318,858.84, respectively, was covered by Federal depository insurance.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute.

As of December 31, 2024 and 2023, based upon the insured balances provided by the FDIC and NJ GUDPA coverage, \$212,141.52 and \$204,635.35, respectively, of the Township's bank balance of agency funds was considered exposed to custodial risk.

Investments

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located;
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 9: DEPOSITS AND INVESTMENTS (CONT'D.)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c. 281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other Than State" participants.

In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

Although GASB considers cash management an investment as identified above, for statutory financial statement purposes prescribed by the Division of Local Government Services (DLGS), the Township considers amounts on deposit in the Cash Management Fund as cash and cash equivalents, as such funds are available for immediate use.

As of December 31, 2024 and 2023, the Township had \$895,556.90 and \$850,740.46, respectively on deposit with the New Jersey Cash Management Fund.

Note 10: PENSION PLANS

Description of Plans

The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the Public Employees' Retirement System (PERS), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

A. Public Employees' Retirement System (Cont'd.)

A. Public Employees' Retirement System

The Public Employees' Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction's pension fund.

Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2024:

	<u>2024</u>
Inactive plan members or beneficiaries currently receiving benefits	193,915
Inactive plan members entitled to but not yet receiving benefits	646
Active plan members	<u>244,324</u>
Total	<u><u>438,885</u></u>
Contributing Employers - 1,668	
Contributing Nonemployers - 1	

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PERS.

For the years ended December 31, 2024 and 2023, the Township's total payroll for all employees was \$25,017,197.94 and \$23,194,106.23, respectively. Total PERS covered payroll for 2024 and 2023 was \$13,526,633.00 and \$12,897,133.00, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

Specific Contribution Requirements and Benefit Provisions – The contribution policy is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.50% of annual compensation to 6.50% plus an additional 1.00% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.50% in State fiscal years 2024 and 2023, commencing July 1, 2018. The most recent increase completed the phase-in referred to above. Employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

A. Public Employees' Retirement System (Cont'd.)

The Township's contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated. The Township's payments to PERS for the year ended December 31, 2024 was as follows:

	<u>2024</u>
Normal Cost	\$387,665.00
Amortization of Accrued Liability	<u>1,704,396.00</u>
Total Pension	2,092,061.00
NCGI Premiums	<u>92,214.00</u>
Total PERS Payment	<u><u>\$2,184,275.00</u></u>

The Township recognizes liabilities to PERS and records expenditures for same in the fiscal period that bills become due. 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:

Tier	Definition
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 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

A service retirement benefit of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, to tier 3 and 4 members before age 62 and tier 5 members 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 retirement age of his/her 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.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – The regulatory basis of accounting which is basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until the fiscal period in which such payments will become due and payable.

At June 30, 2024, the PERS reported a net pension liability of \$13,702,423,985.00 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$22,109,556.00 or 0.162713287%, which was a decrease of 0.000715703% from its proportion measured as of June 30, 2023.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

A. Public Employees' Retirement System (Cont'd.)

The following presents a summary of the proportionate share of the State of New Jersey's collective deferred outflows of resources and deferred inflows of resources attributable to the Township for the year ended June 30, 2024, if GASB Statement No. 68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 442,895.00	\$ 58,862.00
Changes of assumptions	27,467.00	251,556.00
Net difference between projected and actual investment earnings on pension plan investments		1,025,160.00
Changes in proportion	599,483.00	87,282.00
Subtotal	1,069,845.00	1,422,860.00
Township contributions subsequent to the measurement date	2,214,073.00	
	<u>\$3,283,918.00</u>	<u>\$1,422,860.00</u>

\$2,214,073.00 is reflected above as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, if GASB Statement No. 68 was recognized:

Year ended December 31,	Amount
2025	\$ (597,696.00)
2026	868,034.00
2027	(371,268.00)
2028	(256,709.00)
2029	4,624.00
Total	<u>\$ (353,015.00)</u>

Actuarial Assumptions- The total pension liabilities in the June 30, 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, including June 30, 2024:

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%

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

A. Public Employees' Retirement System (Cont'd.)

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.20% adjustment for males and 101.40% 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 91.40% adjustment for males and 99.70% 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 127.70% adjustment for males and 117.20% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions, 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 rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2024 was 7.00%. 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 100.00% of the actuarially determined contributions for the State employer and 100.00% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

A. Public Employees' Retirement System (Cont'd.)

Sensitivity of Net Pension Liability and Components of Net Pension Liability – The following presents the net pension liability of PERS and calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State	\$25,435,378,381.00	\$22,170,235,622.00	\$19,397,657,682.00
Local	18,207,152,620.00	13,702,423,985.00	9,868,924,715.00
PERS Plan Total	43,642,531,001.00	35,872,659,607.00	29,266,582,397.00
Township Share	\$29,378,164.10	\$22,109,556.00	\$15,924,010.52

Components of Net Pension Liability - The components of the collective net pension liability for PERS, including the State of New Jersey, at June 30, 2024, is as follows:

	State	Local	Total
Total Pension Liability	\$30,497,816,419.00	\$43,115,494,090.00	\$73,613,310,509.00
Plan Fiduciary Net Position	8,327,580,797.00	29,413,070,105.00	37,740,650,902.00
Net Pension Liability	\$22,170,235,622.00	\$13,702,423,985.00	\$35,872,659,607.00

Local Share includes \$114,378,189.00 of Special Funding Situation allocated to the State of NJ as a non-employer.

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.

Additional Information

Collective balances at June 30, 2024 are as follows:

Additional Information

Collective balances at June 30, 2023:

Collective deferred outflows of resources	\$1,079,580,780.00
Collective deferred inflows of resources	1,611,322,898.00
Collective net pension liability - Local Group	13,702,423,985.00

Township's Proportion	0.162713287%
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Collective Local Group pension (benefit) expense for the Local Group for the measurement period ended June 30, 2024 was \$372,160,096.00. The average of the expected remaining service lives of all plan members is 5.08, 5.08, 5.04, 5.13 and 5.16 years for 2024, 2023, 2022, 2021 and 2020 respectively.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

A. Public Employees' Retirement System (Cont'd.)

State Contribution Payable Dates

Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25.00% by September 30, at least 50.00% by December 31, at least 75.00% by March 31, and at least 100.00% by June 30. As such, contributions are assumed to be made on a quarterly basis with the first contribution 15 months after the associated valuation date.

Local employer's contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Special Funding Situation – PERS

Under N.J.S.A. 43:15A-15, the Township is responsible for their own PERS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 365, P.L. 2001, and Chapter 133, P.L. 2001. The amounts contributed on behalf of the Township by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Township's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100.00% for PERS under this legislation.

Unaudited data provided by the PERS indicates that the total non-employer contributions made to the PERS by the State for the years ended June 30, 2024 was \$61,435,556.00. The portion of that contribution allocated to the Township in 2024 (Ch. 133. PL 2001) was \$71,281.00, or 0.1634650332%. The June 30, 2024 State special funding situation pension expense of \$53,698,726.00 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at \$114,378,189.00 at June 30, 2024 and represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date.

The Township's allocated shares of the special funding situation pension expense for the year ended June 30, 2024 was \$71,281.00 and no share of the special funding situation NPL was allocated to the Township.

B. Police and Firemen's Retirement System

The Police and Firemen's Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PFRS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time county and municipal police and firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2024:

	<u>2024</u>
Inactive plan members or beneficiaries currently receiving benefits	50,109
Inactive plan members entitled to but not yet receiving benefits	66
Active plan members	<u>41,451</u>
 Total	 <u>91,626</u>
 Contributing Employers - 574	
Contributing Nonemployers - 1	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

B. Police and Firemen's Retirement System (Cont'd.)

Significant Legislation – Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PFRS.

The State Legislature adopted P.L. 2018, c. 55 in July 2018, which transferred management of PFRS from the New Jersey Department of Treasury, Division of Pensions and Benefits to a newly constituted twelve-member PFRS Board of Trustees. The new PFRS Board, which was established in February 2019 per the legislation, has more power and authority as compared to the former PFRS Board of Trustees. In addition to overseeing the management of PFRS, the new PFRS Board will also have the authority to direct investment decisions, to adjust current benefit levels and to change member and employer contribution rates. With regard to changes in current benefit provisions, such changes can only be made with the approval of a supermajority of eight (8) of the twelve (12) members of the new PFRS Board. Also, benefit enhancement can only be made if an independent actuary certifies that the benefit enhancements will not jeopardize the long-term viability of PFRS. Under prior law, benefit enhancements, including the reinstatement of COLA for retirees, could only be considered when the funded level of the pension fund reaches 80.00%. An actuarial certification was also required that the funded levels would remain at or above 80.00% over a 30-year period following the benefit enhancement. In accordance with L. 2018, c. 55, the new PFRS Board will also have the authority to formulate investment policies and direct the investment activities of the PFRS. The PFRS Board has proposed regulations for adoption governing the methods, practices, and procedures for investment or reinvestments of money of PFRS.

For the years ended December 31, 2024 and 2023, the Township's total payroll for all employees was \$25,017,197.94 and \$23,194,106.23, respectively. Total PFRS covered payroll for 2024 and 2023 was \$10,354,132.00 and \$9,945,425.00, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contributions rate increased from 8.50% of annual compensation to 10.00% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

The Township's contribution to PFRS for the year ended December 31, 2024 consisted of the following:

	<u>2024</u>
Normal Cost	\$1,155,899.00
Amortization of Accrued Liability	<u>2,390,912.00</u>
Total Pension	3,546,811.00
NCGI Premiums	<u>114,724.00</u>
Total PFRS Regular Billing	<u><u>\$3,661,535.00</u></u>

The Township recognizes liabilities to PFRS and records expenditures for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

B. Police and Firemen's Retirement System (Cont'd.)

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2.00% of final compensation for each year of creditable service, as defined, up to 30 years plus 1.00% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65.00% (tiers 1 and 2 members) and 60.00% (tier 3 members) of final compensation plus 1.00% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2.00% of final compensation for each year of service.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – The regulatory basis of accounting which is the basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities, deferred inflows of resources, or deferred outflows of resources for any current or prior period until the fiscal period in which such payments will become due and payable.

At June 30, 2024, the PFRS reported a net pension liability of \$12,362,466,447.00 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$27,077,779.00, or 0.26221390%, which was a decrease of 0.01284109% from its proportion measured as of June 30, 2023.

At December 31, 2024, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources, if GASB Statement No. 68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$1,705,879.00	\$ 926,992.00
Changes of assumptions	42,805.00	795,230.00
Net difference between projected and actual investment earnings on pension plan investments		211,933.00
Changes in proportion	<u>1,048,097.00</u>	<u>1,839,431.00</u>
Subtotal	2,796,781.00	3,773,586.00
Township contributions subsequent to the measurement date	<u>3,627,046.00</u>	
Total	<u><u>\$6,423,827.00</u></u>	<u><u>\$3,773,586.00</u></u>

\$3,627,046.00 is reflected above as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date. Other Amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows, if GASB Statement No. 68 was recognized:

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

B. Police and Firemen's Retirement System (Cont'd.)

Year Ending June 30:	Amount
2025	\$ (1,824,552.00)
2026	1,512,265.00
2027	(386,651.00)
2028	(237,454.00)
2029	(34,585.00)
2030	(5,828.00)
	<u>\$ (976,805.00)</u>

Actuarial Assumptions- The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 - 16.25%
	based on years of service
Investment rate of return	7.00%

Employee mortality rates were based on the Pub-2010 mortality table with a 105.60% adjustment for males and a 102.50% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.70% adjustment for males and 96.00% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.00% adjustment for males and 109.30% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions, 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 rate of return (expected returns, net of pension plans 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 the pension plans' target asset allocation as of June 30, 2024 are summarized in the following table:

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

B. Police and Firemen's Retirement System (Cont'd.)

	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large-Cap Equity	24.00%	6.90%
U.S. Small/Mid-Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S Treasury Bond	7.00%	4.10%
U.S Corporate Bond	5.00%	5.90%
U.S Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%
	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liabilities of PFRS was 7.00% as of June 30, 2024. 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 100.00% of the actuarially determined contributions for the State employer and 100.00% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability and Components of Net Pension Liability – The following presents the net pension liability of PERS and calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

B. Police and Firemen's Retirement System (Cont'd.)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State	\$5,149,731,999.00	\$4,395,279,764.00	\$3,766,388,682.00
Local	17,663,214,080.00	12,362,466,447.00	7,948,105,229.00
PFRS Plan Total	22,812,946,079.00	16,757,746,211.00	11,714,493,911.00
Township Share	\$38,688,121.77	\$27,077,779.00	\$17,408,907.66
	State	Local	Total
Total Pension Liability	\$6,404,078,773.00	\$45,210,001,314.00	\$51,614,080,087.00
Plan Fiduciary Net Position	2,008,799,009.00	32,847,534,867.00	34,856,333,876.00
Net Pension Liability	\$4,395,279,764.00	\$12,362,466,447.00	\$16,757,746,211.00

Local Share includes \$2,035,866,994.00 of Special Funding Situation allocated to the State of NJ as a non-employer.

Additional Information

Collective Local Group balances at June 30, 2024 are as follows:

Additional Information

Collective balances at June 30, 2024:

Collective deferred outflows of resources	\$1,350,388,724.00
Collective deferred inflows of resources	1,421,121,200.00
Collective net pension liability - Local Group	12,362,466,447.00

Township's Proportion 0.26221390%

Collective Local Group pension (benefit) expense for the Local Group for the measurement period ended June 30, 2024 was \$775,608,387.00. The average of the expected remaining service lives of all plan members is 6.09, 6.16, 6.22, 6.17 and 5.90 years for 2024, 2023, 2022, 2021 and 2020, respectively.

State Contribution Payable Dates

Effective with the July 1, 2017 valuation Chapter 83 P.L. 2016 requires the State to make pension contributions on a quarterly basis at least 25.00% by September 30, at least 50.00% by December 31, at least 75.00% by March 31, and at least 100.00% by June 30. As such, contributions are assumed to be made on a quarterly basis.

Local employers' contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Special Funding Situation - PFRS

The Township is responsible for the actuarially determined annual contributions to the PFRS, except where legislation was passed that legally obligates the State if certain circumstances occur. A special funding situation

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 10: PENSION PLANS

B. Police and Firemen's Retirement System (Cont'd.)

exists for the Local employers of the PFRS. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers based upon the provisions of several legislative actions. The provisions of GASB Statement No. 68 define this relationship as a "special funding situation", and the State of New Jersey is defined as a non-employer contributing entity.

Unaudited data provided by the PFRS indicates that the total Non-employer contributions made to the PFRS by the State for the year ended June 30, 2024 was \$234,210,000.00. The portion of that contribution allocated to the Township at June 30, 2024 was \$614,131.00, or 0.26221383%. The June 30, 2024 State special funding situation pension expense of \$234,210,235.00 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at June 30, 2024 \$2,035,866,994.00, which represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date.

The Township's allocated shares of the special funding situation pension expense for the year ended June 30, 2024 and its share of the special funding situation NPL at that date were \$614,132.00 and \$5,338,326.00, respectively.

C. Defined Contribution Retirement Plan

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by the New Jersey Division of Pensions and Benefits (Division). The Division has selected Prudential Financial to manage the DCRP on its behalf. The more significant aspects of the DCRP are as follows:

Plan Membership and Contributing Employers - Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3.00% of the employees' base salary. Active members contribute 5.50% of base salary. Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 7.50% for PERS, 10.00% for PFRS and 5.50% for DCRP of employees' base wages.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – HEALTH CARE BENEFITS – TOWNSHIP PLAN

The Township provides post-employment health care benefits, in accordance with State statute N.J.S.A. 40A:10-23 to employees who retire through a single employer defined benefit healthcare plan. The Township does not issue a publicly available financial report for the plan. Benefit provisions for the plan are established and amended with the approval of the Township's governing body and there is no statutory requirement for the Township to continue this plan for future Township employees. The plan is a contributory plan as employees pay a certain percentage of the premiums.

GASB Statement No. 75 requires the Township disclose its annual OPEB liability and cost and related changes to the liability for the plan, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actual contributions paid for the OPEB medical benefits by the Township are accounted for on the pay-as-you-go basis.

The Township hired an actuary to perform the calculation as of December 31, 2024, for the Township OPEB plan with a measurement date of December 31, 2023, and to provide the requisite reporting information.

Employees Covered by Benefit Terms

At January 1, 2024, there were 216 retirees and surviving spouses; 126 covered spouses; and 222 active employees covered by the plan, for a total of 564 participants, as utilized by the actuarial valuation. Covered payroll for the year ended December 31, 2024 was \$22,761,195 with the Net OPEB Liability as a percentage of payroll being 624.56%

Total OPEB Liability

The total OPEB liability from the Township's plan as of December 31, 2024 is as follows:

Balance - December 31, 2023	\$ 113,486,632.00
Changes for the year:	
Sevice cost	2,534,922.00
Interest cost	4,231,112.00
Benefit payments	(4,606,015.00)
OPEB Liability Gain	2,160,237.00
Actuarial assumption changes	24,350,176.00
Net changes	<u>28,670,432.00</u>
Balance - December 31, 2024	<u>\$ 142,157,064.00</u>

Changes of assumptions and other inputs reflect a discount rate of 3.26% in 2022 based on the 20-year municipal bond rate at December 31, 2024.

Actuarial assumptions and other inputs

The December 31, 2024 actuarial valuation prepared by the Township's actuary, which was determined using a discount rate of 3.26% and healthcare cost trend composite rate of 8.11% for pre 65 retirees and 10.78% for post-65 retirees, decreasing to a 4.45% long-term trend rate after ten years for pre-65 retirees and post-65 retirees. For dental benefits, the trend is 4.50% for all years.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – HEALTH CARE BENEFITS – TOWNSHIP PLAN (CONT'D.)

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

The following presents the total and net OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current discount rate:

	At 1% Decrease 2.26%	At Current Rate 3.26%	At 1% Increase 4.26%
Net OPEB Liability	\$165,225,948.00	\$142,157,064.00	\$123,606,942.00

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

The following presents the total and net OPEB liability of the Township for Township, as well as what the Township's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rate:

	At 1% Decrease	Healthcare Trend Rate	At 1% Increase
Net OPEB Liability	\$122,655,484.00	\$142,157,064.00	\$166,738,803.00

Funding Status and Funding Progress

The Plan's projected fiduciary net position at year-end 2024 is \$0.00, based on the valuation completed for the fiscal year ending December 31, 2024.

The projection of future benefit payments for an ongoing plan involves estimates of the value or reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

Spouse Age Difference and Marriage Percentage - Spouses are assumed to continue coverage upon the death of the former employee. Upon retirement, 90% of eligible future retirees are assumed to be married and enroll an eligible spouse. Males are assumed to be 3 years older than females. Married actives are assumed to choose two-person coverage at retirement.

Mortality rates were based upon PUBGH2010 with Fully Generational Projection Scale MP 2021, "General" Classification, Headcount-Weighted, Ees & HA Mort.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 11: POST-EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS - HEALTHCARE BENEFITS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources – At December 31, 2024, the Township's deferred outflows of resources and deferred inflows of resources related to its OPEB Liability were as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$8,708,125.00	
Changes in assumptions	<u>29,895,589.00</u>	<u>\$23,256,509.00</u>
Subtotal	38,603,714.00	23,256,509.00
Township contribution subsequent to measurement date	<u>4,850,933.00</u>	
Totals	<u>\$43,454,647.00</u>	<u>\$23,256,509.00</u>

Deferred outflows of resources resulting from the Township's contributions subsequent to the measurement date would be recognized as a reduction to the OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB liability would be recognized in OPEB expense as follows, if GASB Statement No. 75 was recognized:

Year Ending December 31:	Amount
2025	\$ 3,132,353.00
2026	4,687,511.00
2027	3,124,273.00
2028	746,460.00
2029	<u>3,656,608.00</u>
	<u>\$ 15,347,205.00</u>

Note 12: RISK MANAGEMENT

The Township, together with other governmental units, is a member of the Central Jersey Joint Insurance Fund (the Fund). The Fund, which is organized and operated pursuant to the regulatory authority of the Departments of Insurance and Community Affairs, State of New Jersey, provides for a pooling of risks, subject to established limits and deductibles.

The Fund's governing board based upon actuarial and budgetary requirements calculates payments to the Fund. Each participant in the Fund is jointly and severally obligated for any deficiency in the amount available to pay all claims. The Joint Insurance fund insures against property damage, general liability, auto liability, equipment liability, public official liability, and law enforcement liability and workers compensation. While additional assessments or premiums can be levied by the Fund to assure payment of the Fund's obligations, no such additional premiums have been necessary as of December 31, 2024.

The Fund will be self-sustaining through member premiums, reported as an expenditure in the Township's financial statements. The Fund contracts for excess liability insurance for property damage, general liability, auto liability, equipment liability, public official liability, law enforcement liability and workers' compensation. The Township continues to carry commercial insurance for other risks of loss, principally employee health insurance.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 12: RISK MANAGEMENT (CONTINUED)

At December 31, 2024, the Fund reported for all year's combined, total assets of \$28,233,784.02, liabilities and reserves of \$22,523,068.93 which includes case reserves of \$12,648,716.00 and IBNR reserves of \$6,038,648.15 along with net position unrestricted fund balance of \$5,710,715.09.

At December 31, 2023, the Fund reported for all year's combined, total assets of \$21,450,308.98, liabilities and reserves of \$20,105,086.57 which includes case reserves of \$10,552,129.19, IBNR of \$5,374,324.00 and fund balance of \$1,345,222.41.

The Township maintains a self-insurance risk management program for claims relating to Worker's Compensation for program periods beginning in 1985 and terminating with the state fiscal year ended June 30, 1998. The Township continued to engage an outside claims service bureau to serve as Fund Administrator. The Administrator for estimated benefits and expenses for reported claims establish reserves. The status of the Township's self-insurance cash reserves, as compared to the reserve requirements established by the Fund Administrator for claims reported at the close of the year, is zero.

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

Note 13: CONTINGENT LIABILITIES

At December 31, 2024, the Township had litigation pending. The majority of this litigation involves claims against the Township relating to matters that traditionally would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 12, the Township has participated in a joint insurance fund since June 1998.

In regard to State Court Tax Appeals, those matters, as with all matters, are being vigorously defended and settled when prudent. The Township has addressed, in its Budget, and has implemented procedures in accordance with the applicable State finance and budget statutes and regulations to satisfy refunds and/or credits required by settlements and/or judgments for State Court Tax Appeals. It is expected that the settlements and/or judgments for these matters in the aggregate will result in significant reductions to assessed values and require refunds and/or credits that would be material to the Township's financial position.

Note 14: ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue unused sick pay, which may be taken as time off when sick or paid at retirement. Accumulated unused sick days may be used at the time of retirement as salary extension for a time equal to the number of days of retirement, or the employee involved may request a cash payment from the Township for the accumulated days, at the employee's sole discretion. There is a limit of 240 days with some minor adjustments. Current Township policy and provisions of collective bargaining agreements generally limit accumulations to 5 days per calendar year. As of December 31, 2024 and 2023, it is estimated that the current cost of such unpaid sick pay would approximate \$5,605,746.00 and \$3,769,456.00, respectively. These amounts represent the current value of all accumulations and are not intended to portray amounts that would be recorded under GAAP.

The Township has set aside reserves within the Trust Fund to pay for these costs for the years ended December 31, 2024 and 2023 in the amounts of \$3,315,519.54 and \$3,907,250.08, respectively.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 14: ACCRUED SICK AND VACATION BENEFITS (CONT'D.)

The Township has not discounted the total based upon a study of utilization by employees separating from service. Neither has it excluded the accumulations of any employees based upon the likelihood that the right to receive termination payments for such accumulations will vest with the employees. The amount that the valuation reported above would be reduced under either of the methodologies permitted under GAAP has not been determined.

The estimated value of accumulated unused vacation pay has not been calculated. Township policies generally require employees to utilize accrued vacation pay during the calendar year it accrues. With the written approval of the Business Administrator and Department Head, unused vacation benefits may be carried only until March 31st of the succeeding year.

Note 15: COMMITMENTS AND CONTINGENCIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2024, the Township does not believe that any material liabilities will result from such audits.

Note 16: LONG TERM TAX EXEMPTIONS

The Township provides for long-term tax exemptions, as authorized and permitted by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. Taxes abated include municipal, local school and county taxes. The Township is required to remit five percent (5.00%) to the County for any payments received in lieu of taxes (PILOT payments).

The Township PILOT billings for the years ended December 31, 2024 and 2023, respectively, were \$7,173,879.29 and \$5,679,930.41. Taxes that otherwise would have been due on these long-term tax exemptions amounted to \$12,303,082.42 and \$10,202,310.64, respectively, based upon the assessed valuations of the long-term tax exemptions properties.

Note 17: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGET

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are recorded on the balance sheets of the various funds:

	December 31, 2024	
	Amount	To be Raised in Succeeding Years Budgets
Current Fund - Overexpenditure of Appropriation Reserves	\$ 58,521.56	\$ 58,521.56
Animal Control Fund - Overexpenditure	\$ 7,394.29	\$ 7,394.29
Sewer Utility Operating Fund - Overexpenditure of Current Year Appropriations	\$ 736,230.95	\$ 736,230.95
Senior Housing Utility Operating Fund - Overexpenditure of Current Year Appropriations	\$ 182,528.00	\$ 182,528.00
Recreation Utility		
Overexpenditure of Current Year Appropriations	\$ 1,254,978.60	\$ 1,254,978.60
Overexpenditure of Appropriation Reserves	40,183.38	40,183.38
Total Recreation Utility Fund	\$ 1,295,161.98	\$ 1,295,161.98

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

Note 17: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGET (CONT'D)

The over-expenditures noted above reflect the differences between the amounts originally budgeted and the actual expenditures paid or charged. Budget transfers, which are permitted during the last two months of the year by formal resolution, were not utilized in this instance. As a result, the balances were carried forward and recorded as deferred charges in accordance with applicable requirements.

Note 18: LESSOR REVENUE

The Township entered into various lease agreements for the rental of real property with T-Mobile, Verizon, SBA (formerly Nextel) and AT&T for the purpose of wireless tower services. The lease agreements have various terms and renewal options with stated or implicit interest rates ranging from 2%-3%. The lease payments are due to the Township in monthly installments. The Township recognizes revenue on an annual basis from the lease of which \$209,544.85 was realized as revenue for the year ended December 31, 2024.

The following table represents the estimated revenue anticipated throughout the remaining lease terms:

<u>Year Ended</u>	<u>Projected Rental Income</u>
2025	\$ 206,870.24
2026	213,076.34
2027	219,468.63
2028	226,052.69
2029	<u>232,834.27</u>
	<u>\$ 1,098,302.17</u>

Note 19: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after December 31, 2024 through the date the financial statements were available to be issued. Bond ordinances were authorized subsequent to December 31, 2024, as follows:

Ord. 2025-09: Various Capital Improvements, appropriating \$7,005,000.00 and authorizing the issuance of bonds or notes in the amount of \$6,333,750.00, adopted May 6, 2025.

APPENDIX C

FORMS OF APPROVING LEGAL OPINIONS OF BOND COUNSEL

_____, 2025

Township Council of the
Township of Piscataway, in the
County of Middlesex, New Jersey

Dear Council Members:

We have acted as bond counsel to the Township of Piscataway, in the County of Middlesex, New Jersey (the "*Township*"), in connection with the issuance by the Township of its \$48,695,000 General Improvement Bonds, Series 2025 (the "*Bonds*"), dated the date hereof. In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to us as we have deemed necessary.

The Bonds are issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township duly adopted September 9, 2025 pursuant to N.J.S.A. 40A:2-26(f), in all respects duly approved, and the various bond ordinances referred to therein, each in all respects duly approved and published as required by law.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Bonds are valid and legally binding obligations of the Township, and the Township has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

On the date hereof, the Township has covenanted in its Arbitrage and Tax Certificate (the "*Certificate*") to comply with certain continuing requirements that must be satisfied subsequent to the issuance of the Bonds in order to preserve the tax-exempt status of the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"). Pursuant to Section 103 of the Code, failure to comply with these requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. In the event that the Township continuously complies with its covenants and in reliance on representations, certifications of fact and statements of reasonable expectations made by the Township in the Certificate, it is our opinion that, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Bonds. Further, in our opinion, based upon existing law, interest on the Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. These opinions are based on existing statutes, regulations, administrative pronouncements and judicial decisions.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours,

_____, 2025

Township Council of the
Township of Piscataway, in the
County of Middlesex, New Jersey

Dear Council Members:

We have acted as bond counsel to the Township of Piscataway, in the County of Middlesex, New Jersey (the "*Township*"), in connection with the issuance by the Township of its \$31,721,675 Bond Anticipation Notes, Series 2025, consisting of the \$12,951,675 General Improvement Bond Anticipation Note (the "*General Improvement Note*") and the \$18,770,000 Energy Savings Obligation Refunding Bond Anticipation Note (the "*Energy Savings Obligation Note*"; and together with the General Improvement Note, the "*Notes*"), each dated the date hereof. In order to render the opinions herein, we have examined such laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to our satisfaction and have undertaken such research and analyses as we have deemed necessary.

The General Improvement Note is issued pursuant to the Local Bond Law of the State of New Jersey and the bond ordinances of the Township listed in the Certificate of Determination and Award prepared in connection with this issue, each in all respects duly approved and published as required by law. The General Improvement Note is a temporary obligation issued in anticipation of the issuance of bonds.

The Energy Savings Obligation Note is issued pursuant to the Energy Savings Improvement Program Law (N.J.S.A. 18A:65A-1) and N.J.S.A. 40A:2-52 *et seq.*, a resolution duly adopted by the Township on September 9, 2025, and the bond ordinance of the Township listed in the Certificate of Determination and Award prepared in connection with this issue, in all respects duly approved and published as required by law. The Energy Savings Obligation Note is a temporary obligation issued in anticipation of the issuance of refunding bonds.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Notes are valid and legally binding obligations of the Township, payable in the first instance from the proceeds of the sale of the bonds in anticipation of which the Notes are issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable property within the Township without limitation as to rate or amount.

On the date hereof, the Township has covenanted in its Arbitrage and Tax Certificate (the "*Certificate*") to comply with certain continuing requirements that must be satisfied subsequent to the issuance of the Notes in order to preserve the tax-exempt status of the Notes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"). Pursuant to Section 103 of the Code, failure to comply with these requirements could cause interest on the Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. In the event that the Township continuously complies with its covenants and in reliance on representations, certifications of fact and statements of reasonable expectations made by the Township in the Certificate, it is our opinion that, under existing law, interest on the Notes is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Notes is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax; however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Notes. Further, in our opinion, based upon existing law, interest on the Notes and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. These opinions are based on existing statutes, regulations, administrative pronouncements and judicial decisions.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours,