



PISCATAWAY TOWNSHIP SCHOOLS

*Piscataway Township Board of Education
Middlesex County, New Jersey
Annual Comprehensive Financial Report*



Year Ended June 30, 2025

Piscataway Township School District

Piscataway, New Jersey

Annual Comprehensive Financial Report
For the Year Ended June 30, 2025

Prepared by

Business Office

Piscataway Township School District

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Introductory Section



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Erskine R. Glover
Superintendent of Schools

David Oliveira
Business Administrator/Board Secretary

December 5, 2025

Honorable President and
Members of the Board of Education
Piscataway Township School District
County of Middlesex, New Jersey

Dear Board Members and Constituents:

The Annual Comprehensive Financial Report (ACFR) of the Piscataway Township School District (District) for the year ended June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major and non major fund and the aggregate remaining fund information at June 30, 2025 and the respective changes in financial position and cash flows, where applicable, for the year ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The introductory section includes this transmittal letter (designed to complement Management's Discussion and Analysis and should be read in conjunction with it), the District's organization chart, a roster of officials, and the list of independent auditors and advisors. The financial section includes the management's discussion and analysis (presented immediately after the report of independent auditors), basic financial statements, required supplementary information, and supplementary information, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, the Federal Uniform Guidance and the New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on internal control over compliance and compliance with major programs and findings and recommendations are included in the Single Audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES

The Piscataway Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14. All funds and the government-wide financial statements of the District are included in this report. The Piscataway Township Board of Education and all its schools constitute the District's reporting entity. The District does not have any component units.

Piscataway Township is the fifth oldest municipality in New Jersey with an approximate population of 61,000 people. The Township is home to Rutgers, the State University of New Jersey, as well as many Fortune 500 corporations. Piscataway Township and the Piscataway Board of Education are coterminous. The School District is an independent legal entity operating under Title 18A Education of the New Jersey Statutes and is subject to the rules and supervision of the State Board of Education and the Commissioner of the State Department of Education.

The Piscataway Township Board of Education provides a full range of educational services appropriate to grade levels PK through 12 for approximately 7,300 students. These include regular education programs, special education programs for students with disabilities, extracurricular activities, interscholastic athletic programs, and adult/community education programs. Our educational programs offer a broad-based, challenging curriculum to ensure that every child has the opportunity to pursue a post-secondary education without the need for remedial course work.

The Piscataway Township Schools has been expanding its preschool program in order to provide our students the earliest opportunities for academic success as well as a full-day kindergarten program. Elementary school students are welcomed into a nurturing environment that offers a wide curriculum including a flourishing program in visual and performing arts. The intermediate and middle schools encourage students to become active learners and appreciate diverse learning opportunities.

Piscataway High School provides a comprehensive range of academic opportunities to meet all of our students' needs including a Freshman Seminar program, Advanced Placement and honors courses, and a curricula-based Academy Program focused on specific career paths. Academy students follow a four year recommended sequence of courses in one of five academies: Business, Engineering, Health Sciences, Performing Arts, or Visual Arts. Successful students will graduate with honors upon completing all of the requirements. Piscataway High School also offers a concurrent credit program that allows students to earn college credit for courses taken at the high school.

The District has an extensive special education program for students with disabilities. In-district self-contained programs provide learning environments that allow the students to attend school in their home community with their peers. Specialized programs are available for instruction in life skills and job training with internships at local businesses. Classes and programs are tailored to the needs of the students based on the recommendations of the IEP team, which includes the parent/guardian.

Piscataway High School provides opportunities for students beyond the classroom with an extensive list of extracurricular activities and athletic programs. The District has many middle school sports programs and offers after-school activities at all of its K-12 schools. The District's *You, I, We Inspire* program was named Grand Prize winner by the National School Boards Association for its combined focus on academic achievement and character education. Piscataway is one of the few districts that provide on-site counseling services at no charge to families through a partnership with Rutgers University.

The District’s schools are organized on a PreK, K-3, 4-5, 6-8 and 9-12 system and include one high school, three middle schools, two intermediate schools, and four elementary schools, along with an integrated preschool program located in three rented buildings. All of the schools operate on a full-day schedule, including PreK and kindergarten. The District’s K-12 schools are listed below. Additional information about all of the District’s school buildings can be found in Schedule J-18.

School	Grades	Address	Age of Building
Eisenhower Elementary School	K-3	360 Stelton Road	1968
Grandview Elementary School	K-3	130 North Randolphville Road	1953/1968/2002/2019
Knollwood Elementary School	K-3	333 Willow Avenue	1960/1992
Randolphville Elementary School	K-3	1 Suttie Avenue	1961/1992
Arbor Intermediate School	4-5	1717 Lester Place	1961/2001
Martin Luther King Intermediate School	4-5	5205 Ludlow Street	1969/2002
Conackamack Middle School	6-8	5205 Witherspoon Street	1964/2008
Quibbletown Middle School	6-8	99 Academy Street	1961/1994
T. Schor Middle School	6-8	243 North Randolphville Road	1970/2006
Piscataway High School	9-12	100 Behmer Road	1956/1972/2007

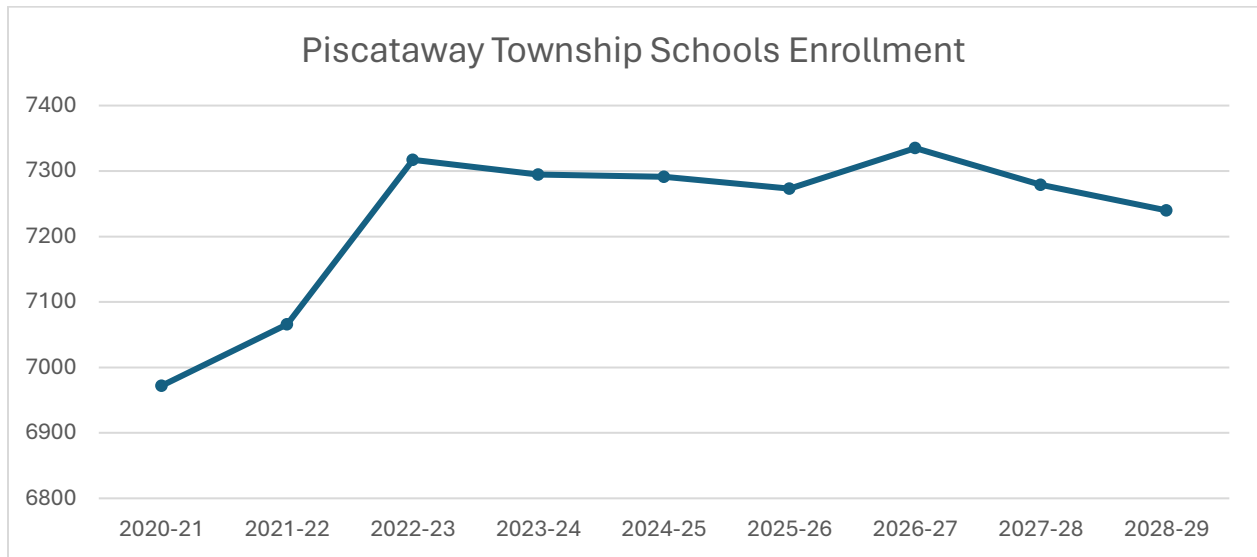
Located within Piscataway Township are several private/parochial schools, the Educational Services Commission of New Jersey schools, and a County vocational and technical high school.

There are no charter schools located within the borders of Piscataway Township; however, during the 2024-2025 school year, the District had 69 students attend thirteen charter schools in surrounding communities. The past couple of years, the District has experienced an increase in charter school enrollment. The charter schools offer education in grades K through 12. Students enrolled in charter schools reduce the enrollment in the Piscataway Township Schools, but due to the spread of students across all grade levels, the District is not able to recognize any accompanying reductions in staffing or budget expenditures. The District is required to fund the charter school students by allocating a portion of its state aid to the charter schools. In 2024-2025, the District paid \$1,018,741 to charter schools. The table below details charter school enrollment for the previous five years with projected enrollment for 2025-2026.

Fiscal Year	Enrollment
2020-2021	46
2021-2022	49
2022-2023	50
2023-2024	64
2024-2025	69
2025-2026	63

Enrollment

The exhibit below illustrates the District’s actual enrollment inclusive of preschool based on the annual October 15th count required by the New Jersey Department of Education, as well as projected enrollments through 2028-2029.



Enrollment was steady in 2020-2021 and 2021-2022. Enrollment spiked in 2022-2023 due to an aggressive expansion of the District’s preschool program. The New Jersey Department of Education has prioritized preschool education and has increased state funding for several years. Fully-funded regular education preschool enrollment has increased from 69 students in 2017-2018 to 329 students in 2021-2022 and 616 students in 2024-2025. The District is adding 10 additional preschool classrooms in 2026-2027 that will further increase our preschool enrollment. Total resident enrollment (inclusive of the preschool program) increased from 6,972 students in 2020-2021 to 7,291 students in 2024-2025. Our K-12 cohort sizes continue to decrease, but the additional preschool students has levelled off total resident enrollment around 7,300. The District projects declining enrollment moving forward due to smaller grade-level sizes and limited opportunities for further preschool expansion.

There have been a number of residential apartment developments completed during the past five years, but these developments have had a low impact on the schools. There are several additional housing developments under construction that may yield additional students, but the enrollment projections detailed above do not include any potential students from these developments. The District continues to monitor possible future developments in the Town’s affordable housing plan including the Ericsson Redevelopment, Rivendell Redevelopment, the Timothy Christian School site, and a “Town Centre” proposal, which may include apartments and single-family homes near Piscataway High School.

2) ECONOMIC CONDITION AND OUTLOOK

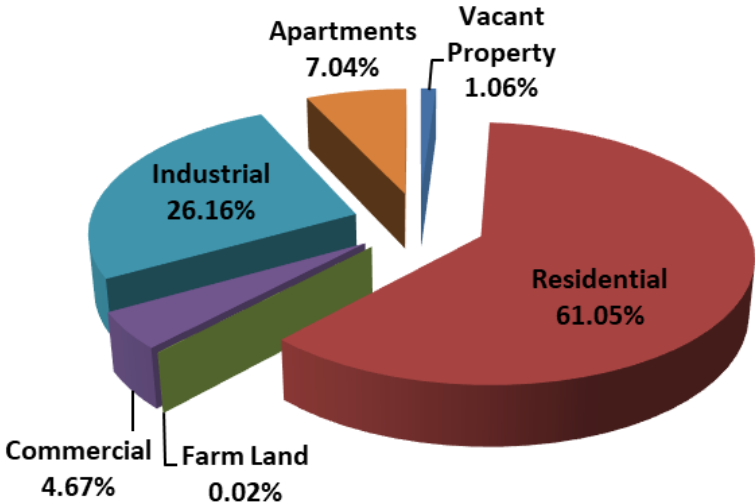
Piscataway is a community with a large residential area and pockets of industrial and warehouse facilities whose economy benefits from its proximity to New York City and an expansive road infrastructure near major roadways. Piscataway is the home of many well-known industrial concerns, research centers and computer/data warehouses comfortably spaced in attractively designed modern buildings on broad beautifully landscaped sites including the major employers listed in Schedule J-15.

Piscataway is also the home of numerous facilities for Rutgers, the State University of New Jersey, including Livingston College, the College of Engineering, the School of Pharmacy, Jersey Mike’s Arena, and SHI Stadium. Rutgers University properties cover approximately one-eighth of the Township, but produce zero tax revenue for the District.

In September 2017, Standard & Poor’s upgraded the District’s general obligation debt long-term rating from AA- to AA. In addition to the strength of the District’s financial operations, S&P cited Piscataway’s “good to very strong economic indicators with a growing tax base and no concentration among leading taxpayers.” The District made its final outstanding bond payment in 2022-2023 and has no bonds outstanding. The District has Financed Purchases Payable of \$12,324,142 from an energy savings improvement program and Leases Payable of \$3,161,811 primarily for rented school facilities and equipment.

The assessed value of ratables in the Township increased \$1,285,972,700 from \$10,331,102,900 in 2024 to \$11,617,075,600 in 2025. The increase was primarily attributable to the two largest ratable categories with a 15.9% increase in the value of residential ratables and a 10.2% increase in industrial ratables, which is indicative of strong residential sales and warehouse developments in Piscataway. Residential ratables have carried a disproportionate share of the tax increase burden for several years because the Township of Piscataway continues to execute PILOT agreements. The PILOT agreements keep certain commercial/industrial properties out of the ratable tax base and provides the Township and County exclusive access to the PILOT payments. Piscataway’s ratables are classified in the 2025 Middlesex County Board of Taxation Abstract of Ratables as follows:

Vacant Property	\$ 123,156,500
Residential	7,091,925,600
Farmland	2,028,800
Commercial	542,799,600
Industrial	3,038,780,200
Apartment Complexes	818,384,900
Total Ratables	\$ 11,617,075,600



3) LONG TERM FINANCIAL PLANNING/MAJOR INITIATIVES

As a public school district, we are constantly faced with challenges resulting from a changing educational landscape. The State imposed 2% cap on the local tax levy, an erratic state aid formula

that is unpredictable and provides dramatic swings in state aid, limited federal funding for the Individuals with Disabilities Education Act and Every Student Succeeds Act mandates, large increases in health benefit expenses, and per pupil allocation payments to charter schools have strained the allocation of resources in the local budget.

Full funding of the School Funding Reform Act was achieved in the 2024-2025 school year with the completion of the six-year phase-in period for the redistribution of state aid from overfunded school districts to underfunded school districts. Following a decrease of \$530,419 in state aid for the 2023-2024 fiscal year, the Piscataway Township Schools received a \$4,818,592 increase for the 2024-2025 fiscal year. This state aid increase helped the District maintain a modest tax levy increase of 1% and withstand some significant increases in expenses during 2024-2025.

The unpredictable swings in state aid generated by the funding formula continued for 2025-2026 and makes long-term financial planning a challenge. The Piscataway Township Schools was considered overfunded in the 2023-2024 school year, underfunded in the 2024-2025 school year, and then overfunded again in the 2025-2026 school year. The District's state aid allocation for 2025-2026 was calculated to have a \$13,500,000 decrease. State of NJ budget language capped the state aid reduction for districts losing funds to 3% of their prior year state aid. This resulted in the Piscataway Township Schools only losing \$799,639; however, this reduction cap was limited to the 2025-2026 school year.

The school funding formula implemented several changes for 2025-2026 whose longer-term impact is uncertain, making future state aid amounts difficult to predict. The District will project multiple scenarios that include flat state aid or state aid reductions until more stable funding patterns become evident. Although there have been temporary adjustments to state statutes allowing school districts to raise the tax levy up to 10% to offset state aid reductions, these adjustments are not guaranteed each year, so the District is prepared to cut expenses should the need arise.

The additional federal funding provided through the CARES, ESSER, and ARP programs expired during the 2024-2025 school year with full expenditure of the grant funds required by September 30, 2024.

The New Jersey Department of Education and New Jersey Legislature continue to mandate programs and initiatives without providing financial support at the local level. Examples of these initiatives are the New Jersey Student Learning Standards, changes to NJSLA and other required tests, the teacher and principal evaluation system, and most recently, changes to health plans offered by local districts. These mandates have impacted the District's need to redesign curriculum, make major investments in upgrading technology, invest in comprehensive professional development, and allocate additional funds toward health insurance, all financed with local tax dollars.

The Piscataway Township Schools remain committed to assisting all students achieve college and career readiness. Along with a rigorous instructional program being implemented at all grade levels, the District continues to offer supplemental programs to students in need by providing support specialists, Saturday and Summer Academies, a partnership with Rutgers University, and tutoring and mental health counseling. Funding for these supplemental programs has come from a combination of reallocating budget resources, implementing efficiencies in non-instructional areas of the operation, participating in shared service agreements, and instituting cost containment measures. Replacing aging iPads, computers, and interactive projectors continues to require significant financial resources.

The District has completed numerous additions, renovations and upgrades to its buildings over the past decade through efficient budgeting and strong financial management. Budget efficiencies have allowed the District to continue reserving funds in its capital reserve account and subsequently use those funds to address building improvements and infrastructure needs. The District's annual building

and facilities improvements focus on providing learning environments that will greatly enhance student achievement. All of the improvements are designed to support the instructional program and help Piscataway keep pace with educational requirements and facilities in surrounding communities.

Two capital projects were completed during the 2024-2025 school year: the installation of a new dust collection system in Piscataway High School's Wood Shop classroom and paving projects at Arbor Intermediate School, Grandview Elementary School and Piscataway High School. Several new projects were initiated during the 2024-2025 school year that will continue the District's commitment to upgrading our buildings for the 21st century: an Interior Alterations project at Piscataway High School that will modernize the media center, create an e-sports gaming room, add supplemental cafeteria seating spaces, modernize two engineering/computer classrooms, and relocate a new nurse's suite; acoustical improvements to a Piscataway High School gym and Administration Building multi-purpose room; a new integrated public address, telephone, and clock system at Piscataway High School; solar panel replacement projects at two schools; and Promethean Board technology upgrades at four schools.

The Piscataway Township Schools began work on its energy savings improvement program (ESIP) during the 2021-2022 school year. Construction began on energy conservation measures (ECM) that will be paid for with energy and maintenance savings over the next 18 years. Projects in the ESIP include the installation of solar panels, LED lighting, HVAC units, transformers, boilers, water conservation measures, window replacements, and building envelope upgrades. The ESIP projects were completed during the 2024-2025 school year.

Personnel costs are a significant component of the annual budget. The Piscataway Board of Education maintains positive working relationships with the two local bargaining units and has a history of negotiating successor agreements before the expiration of the prior agreement. The District completed negotiations on a five-year agreement with the Piscataway Township Education Association in June 2023 that covers all affiliated employees other than administrators and provides cost certainty through the 2027-2028 fiscal year. The current agreement with the Piscataway Township Principals and Supervisors Association is a five-year contract that provides cost certainty through the 2026-2027 fiscal year.

Going forward, the District's administration will continue to implement a budget process that presents to the Board of Education and the community a balanced approach to providing financial support to instructional programs while seeking efficiencies on the operations side. State operating revenues have exceeded all expectations post-pandemic, but are showing signs of levelling off. Any decrease in state revenue collections due to a recession or federal funding fiscal cliff could impact state aid to schools and present a challenge for all New Jersey school districts. Another challenge is cost containment and the impact of inflation on salaries and contracted services. Bargaining units are negotiating 3-4% annual increases throughout the state even though the tax levy cap remains at 2% per annum.

As we project the future, we are working with the following guiding principles:

- Tax Levies for school districts cannot exceed 2% except for a few exceptions. In essence, our costs, many of which are beyond our control, need to be kept below the tax levy cap. Without specific budget language offering relief from the tax levy cap, the only other alternative to increase tax revenue is to return the budget vote to the community if increases larger than 2% are necessary.
- Personnel – School districts are human resource dependent organizations; therefore, the largest impact on the budget going forward is in salaries and related benefits. Shortages of staff and

inflationary pressures have caused significant increases in labor costs, as evidenced by average salary increases of 3.4%-4% in the newly negotiated bargaining agreements. Health benefit costs have also increased well above the 2% tax levy cap.

- Energy – The District has moderated the impact of energy costs through efficiencies and the installation of solar panels on many of the District’s buildings. The District is implementing an energy savings improvement program (ESIP) that includes additional solar panels, LED lighting, and other upgrades that will help reduce the amount of electricity purchased from the utility company. District-owned solar panels that have helped to reduce utility costs are reaching the end of their useful lives. The District is exploring alternatives for the replacement and upgrading of these systems. The District earned Energy Star certification for all 10 of its buildings during the 2023-2024 school year.
- Technology – Hardware and software purchases will continue to increase and will replace traditional school supplies and textbook purchases. Computers, interactive boards, and iPads are disposable items that must be considered for replacement every five years. Cybersecurity protective measures require annual increases in technology expenditures.
- Despite the 2% tax levy cap, the District will work to maintain a capital reserve account in order to address any building improvement needs.

4) RELEVANT FINANCIAL POLICIES

The District recognizes the importance of sound financial policies and their importance in supporting the whole school program. District administration works closely with the Fiscal Planning and Operations Committee and the Policy and Legislative Committee, two subcommittees of the Board of Education, to review and update financial policies.

The District utilizes zero-based budgeting practices as well as historical trend analysis to prepare its budget. The District monitors revenue and expenditure vs. budget on a monthly basis and provides reports to the Board. All variances are researched and analyzed to determine if any irregularities or significant deviations exist. All variances are shared with the appropriate administrator and, if necessary, adjustments are made to ensure compliance with the approved budget.

Cash flow is monitored on a daily basis and unused funds are invested in local, interest-bearing checking accounts. The District adopted an investment policy that allows the investment of limited cash funds in secure investments as outlined in N.J.S.A. 18A:20-37. Interest rate increases by the Federal Reserve combined with investments in higher yielding accounts dramatically improved interest earned on deposits and investments during 2024-2025.

The District has continued its risk management policies by purchasing insurance for all identified risks from New Jersey Schools Insurance Group, an insurance pool of New Jersey school districts, including property damage, commercial liability, business auto, legal liability, and workers’ compensation. The District is self-insured for medical, prescription, and dental claim exposure with supplemental stop-loss insurance limiting the District’s total exposure.

5) INTERNAL CONTROLS

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that

adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as they pertain to governmental entities. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's Single Audit described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards and state financial assistance programs, as well as to evaluate whether the District has complied with applicable laws and regulations relating to its major programs. All major federal and state programs received an unmodified opinion.

6) BUDGETARY PROCESS AND LEVEL OF CONTROL

In addition to internal controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget submitted to the Department of Education. In accordance with the New Jersey Quality Single Accountability Continuum, the District develops a budget calendar and reviews it with the Fiscal Planning and Operations Committee of the Board of Education to set the schedule of benchmarks for the budget.

Budget development begins with a review of personnel and new staffing requests, health benefit projections, district-wide instructional initiatives and capital projects. Departmental and school budget requests are reviewed to ensure compliance with educational objectives and budget thresholds. State aid allocations are announced late in the budget development process and budget adjustments are made accordingly. Budget requests are populated in the Department of Education budget software and are reviewed for compliance with regulations. The Fiscal Planning and Operations Committee receives monthly reports on the budget development process.

A preliminary budget is finalized and presented to the Board of Education for approval. The preliminary budget is then submitted to the New Jersey Department of Education Executive County Superintendent of Schools for comments and approval. The preliminary budget is modified as necessary and the annual budget is adopted by the Board of Education for the general fund, the special revenue fund, and the debt service fund. The Board of Education of the District maintains and controls the legal level of control over the budget, which is made at the line-item level. A copy of the approved user-friendly budget is posted to the District's website for easy access by the community. The final adopted appropriated budget as amended for the fiscal year is reflected in the financial section.

7) ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

8) DEBT ADMINISTRATION

Standard & Poor's upgraded the District's general obligation debt long-term rating from AA- to AA in 2017. All of the District's net bonded debt was retired in the 2022-2023 school year.

9) OTHER INFORMATION

A. *Independent Audit:*

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of PKF O'Connor Davies, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Federal Uniform Guidance and New Jersey OMB Circular 15-08, as amended. The auditors' report on the basic financial statements, required supplementary information, and supplementary information are included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

B. *Awards:*

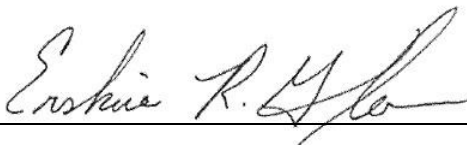
The International Association of School Business Officials (ASBO) awarded a "Certificate of Excellence in Financial Reporting" to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2024. This is the eighth consecutive year that the District has received this prestigious award. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Programs' requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2024-2025 certificate.


10) ACKNOWLEDGMENTS

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

Respectfully Submitted,

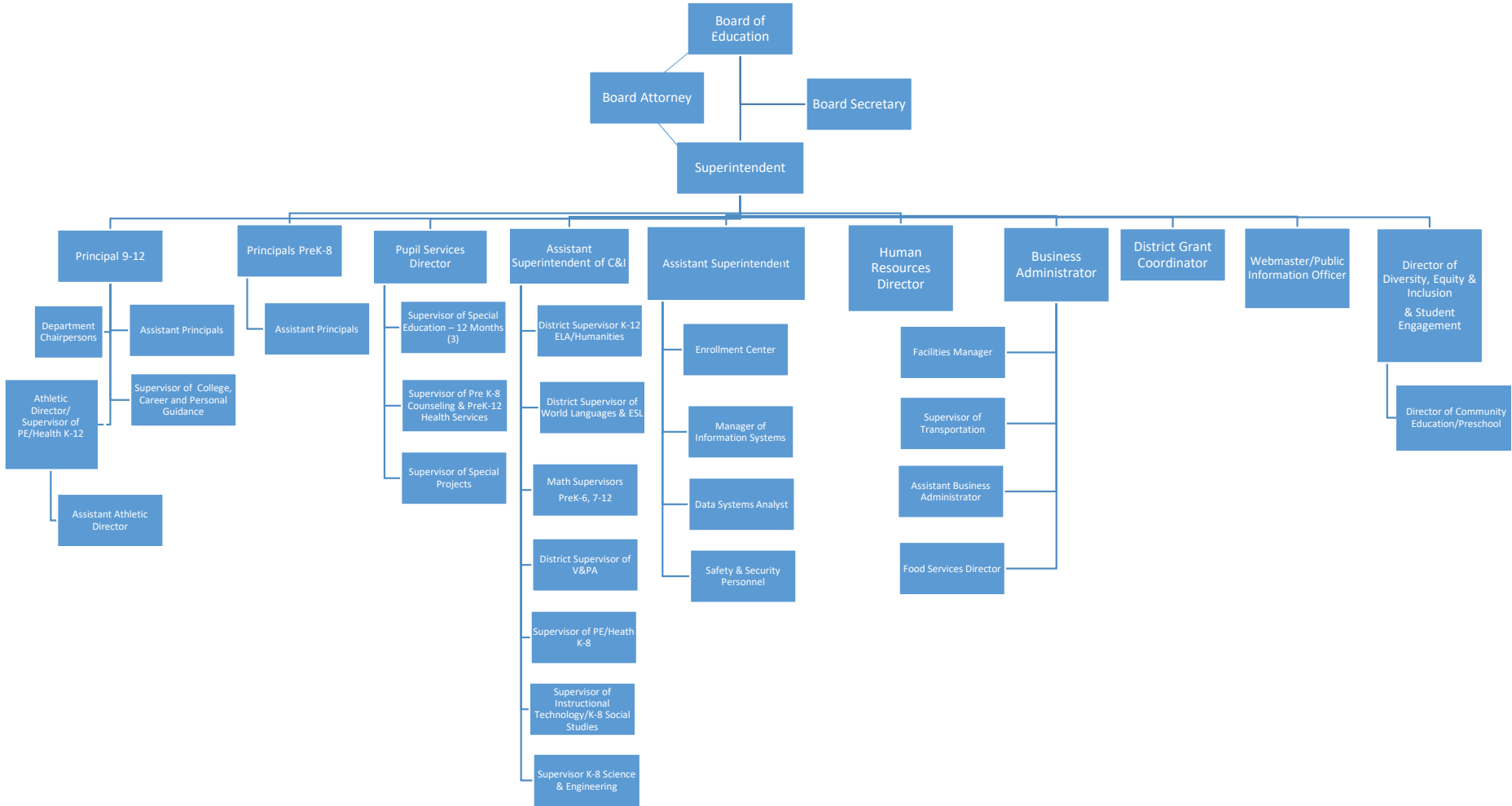


Erskine R. Glover, Superintendent



David Oliveira, Business Administrator

Piscataway Township Schools Organizational Chart 2025



Piscataway Township School District
Piscataway, New Jersey

Roster of Officials

June 30, 2025

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Shantell Cherry, President	2026
Nancy Salgado-Cowan, Vice President	2025
Dr. Tom Connors	2027
Courtney King	2025
Dr. Gayle Nelson	2027
Prashant Patel	2027
Loretta Rivers	2026
Brenda Smith	2025
Inieka Stafford	2026

Other Officials

Dr. Johanna Ruberto, Interim Superintendent of Schools

David Oliveira, School Business Administrator/ Board Secretary

David Rubin, Esq., Solicitor

Piscataway Township School District
Piscataway, New Jersey

Independent Auditor and Advisors

Architect

Spiezele Architectural Group, Inc.
1395 Yardville Hamilton Square Road
Suite 2A
Hamilton, NJ 08691

Independent Auditor

PKF O'Connor Davies, LLP
20 Commerce Drive
Suite 301
Cranford, NJ 07016

Attorney

David B. Rubin
(Staff Counsel)

Official Depository

Citizens Bank
565 Stelton Road
Piscataway, NJ 08854

Provident Bank
100 Stelton Road
Piscataway, NJ 08854



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Piscataway Township Board of Education

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director

Financial Section



Independent Auditors' Report

**The Honorable President and Members
of the Board of Education
Piscataway Township School District
County of Middlesex
Piscataway, New Jersey**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Piscataway Township School District, Middlesex County, New Jersey (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Policy

We draw attention to Note 21 in the notes to financial statements which disclose the effects of the District's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

**The Honorable President and Members
of the Board of Education
Piscataway Township School District**

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and *Government Auditing Standards* 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, the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and *Government Auditing Standards*, 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

**The Honorable President and Members
of the Board of Education
Piscataway Township School District**

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Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements, and the schedules of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, and the schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report for the year ended June 30, 2025. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

**The Honorable President and Members
of the Board of Education
Piscataway Township School District**

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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
December 5, 2025

David J. Gannon

David J. Gannon, CPA
Licensed Public School Accountant, No. 2305

Required Supplementary Information – Part I

Management's Discussion and Analysis

Piscataway Township School District
Management's Discussion and Analysis
Year Ended June 30, 2025

As management of the Piscataway Township School District, we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented, in conjunction with additional information that we have furnished in our letter of transmittal.

Management's Discussion and Analysis (MD&A) is Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain comparative information between the current fiscal year (2024 - 2025) and the prior fiscal year (2023 - 2024) is presented in the MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the assets, deferred outflows of resources, deferred inflows of resources and liabilities of the District, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements can be found on pages 31 - 32 of this report.

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

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

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

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

The District adopts an annual appropriated budget for its general fund and special revenue fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 33 - 35 of this report.

Proprietary funds. The District maintains two proprietary fund types. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the operations of its food service and adult and child care programs, both of which are considered major funds of the District. The Internal service funds are funds used to accumulate and allocate costs internally among the District's various functions or for providing a service to other entities on a break-even basis. The District uses one internal service fund to account for services provided to all the other funds. The District operates an internal service fund for its self-insurance activities. The internal service fund has been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 36 - 38 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 39 - 82 of this report.

Other information. The combining statements referred to earlier in connection with governmental funds, enterprise funds and internal service funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 87 - 106 of this report.

Financial Highlights

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of net position relating to the District's governmental and business-type activities at June 30, 2025 and 2024:

	2025			2024		
	Governmental Activities	Business Type- Activities	Total	Governmental Activities	Business Type- Activities	Total
Current and other assets	\$ 80,274,159	\$ 5,221,208	\$ 85,495,367	\$ 82,869,185	\$ 5,032,213	\$ 87,901,398
Capital assets, net	94,443,709	1,368,888	95,812,597	94,518,352	1,300,195	95,818,547
Total assets	174,717,868	6,590,096	181,307,964	177,387,537	6,332,408	183,719,945
Deferred outflows	2,527,707		2,527,707	2,718,606		2,718,606
Liabilities						
Current liabilities	17,538,011	1,715,387	19,253,398	15,379,951	1,566,010	16,945,961
Net pension liability	20,379,266		20,379,266	22,784,805		22,784,805
Long term liabilities	29,497,301	278,147	29,775,448	20,287,758	305,010	20,592,768
Total liabilities	67,414,578	1,993,534	69,408,112	58,452,514	1,871,020	60,323,534
Deferred inflows	4,350,076		4,350,076	4,484,141		4,484,141
Net position						
Net investment in capital assets	79,262,766	1,063,878	80,326,644	77,854,498	837,254	78,691,752
Restricted	51,550,098		51,550,098	60,971,573		60,971,573
Unrestricted (deficit)	(25,331,943)	3,532,684	(21,799,259)	(21,656,583)	3,624,134	(18,032,449)
Total net position	\$ 105,480,921	\$ 4,596,562	\$ 110,077,483	\$ 117,169,488	\$ 4,461,388	\$ 121,630,876

Key financial highlights for the 2024 - 2025 fiscal year include the following:

- As noted, GASB Statement No. 101 was implemented during the 2025 fiscal year, which resulted in a one-time retroactive adjustment of beginning net position in the amount of (\$12,552,622) for governmental activities and (\$153,154) for business type activities. This amount is not reflected in the June 30, 2024 net position table, above.
- Governmental activities net position had a modest increase during the year of \$864,055.
- The District generated a loss of \$2,392,042 of general fund budgetary fund balance that was the direct result between utilizing fund balance to supplement other revenues in balancing the annual budget and funding program costs.
- Consistent with the prior year, the State withheld the school district's fiscal 2024-2025 last two state aid payments until July 2025.
- Decreases to governmental current and other assets in the amount of \$2,595,026 resulted primarily from a decrease in cash and investments and the utilization of fund balance in the annual budget.
- Significant changes to deferred outflows and deferred inflows of resources pertain primarily to the impact of the changes in the GASB 68 net pension liability calculation performed by the State of New Jersey. The changes for the year ended June 30, 2025 from the prior year resulted from adjustments in assumptions calculated by the actuary in conjunction with the net pension liability calculation for the measurement date of June 30, 2024 and rolled forward to June 30, 2025. The net pension liability associated with the District's governmental activities at June 30, 2025 amounted to \$20,379,266, which decreased by \$2,405,539 from the prior year.
- Long-term liabilities decreased due to principal payments made in the amount of \$3,114,759 for the installment payments for the District's leases and financed purchases payable.
- The largest portion of the District's net position reflects its investment in capital assets (e.g., land, construction in progress, building and equipment) net of related debt. The balance of investment in capital assets, net of related debt is the carrying value of capital assets less the amount of the outstanding debt used to finance those assets.
- An additional portion of the District's net position (restricted) represents resources that are subject to external restrictions on how they may be used, including funds reserved for future maintenance service, capital reserve, excess surplus, student activities, scholarships, unemployment claims and capital projects. Restricted net position decreased by \$9,421,475 during the year ended June 30, 2025 primarily from the appropriations of funds from the capital reserve fund.

- The deficit (negative) balance of governmental activities unrestricted net position in the amount of (\$25,331,943) is mainly the result of liabilities for compensated absences and the net pension liability without an offsetting asset.

The following table provides a comparative summary of the changes in net position relating to the District's governmental and business-type activities for the years ended June 30, 2025 and 2024:

	2025			2024		
	Governmental Activities	Business Type-Activities	Total	Governmental Activities	Business Type-Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 1,417,314	\$ 5,857,825	\$ 7,275,139	\$ 1,597,541	\$ 5,874,695	\$ 7,472,236
Operating grants and contributions	13,438,742	2,739,606	16,178,348	15,432,965	2,139,821	17,572,786
General revenues:						
Property taxes	104,093,507		104,093,507	103,062,878		103,062,878
State and federal aid not restricted to a specific purpose	39,822,379		39,822,379	40,227,792		40,227,792
Interest and investment income	2,998,361		2,998,361	3,356,376		3,356,376
Miscellaneous	1,915,264		1,915,264	1,386,976		1,386,976
Total revenue	163,685,567	8,597,431	172,282,998	165,064,528	8,014,516	173,079,044
Expenses:						
Instructional services	91,480,819		91,480,819	88,095,825		88,095,825
Support services	70,087,090		70,087,090	64,881,805		64,881,805
Charter school	1,018,741		1,018,741	914,548		914,548
Interest on long term debt	212,246		212,246	-		-
Business type activities		8,331,719	8,331,719		7,875,317	7,875,317
Total expenses	162,798,896	8,331,719	171,130,615	153,892,178	7,875,317	161,767,495
Change in net position	886,671	265,712	1,152,383	11,172,350	139,199	11,311,549
Transfers	(22,616)	22,616	-	(99,116)	99,116	-
Change in net position	864,055	288,328	1,152,383	11,073,234	238,315	11,311,549
Net position, beginning of year, as reported	117,169,488	4,461,388	121,630,876	106,096,254	4,223,073	110,319,327
Cumulative effect of change in accounting policy	(12,552,622)	(153,154)	(12,705,776)	-	-	-
Net position, beginning of year, as restated	104,616,866	4,308,234	108,925,100	106,096,254	4,223,073	110,319,327
Net position, end of year	\$ 105,480,921	\$ 4,596,562	\$ 110,077,483	\$ 117,169,488	\$ 4,461,388	\$ 121,630,876

District activities. The key elements of the District's changes in net position for the years ended June 30, 2025 and 2024 are as follows:

Property tax revenue in the general fund increased \$1,030,629 to balance the budget for increases to salaries and health benefits. The overall total decrease from 2023/24 to 2024/25 in state and federal aid was (\$405,413). This significant decrease was primarily driven by a decrease in the total full accrual TPAF on-behalf pension amounts recognized in state source revenue and based on changes in assumptions and other variables including mortality rates and discount rates in the actuarial GASB 68 and 75 calculations. There was also an increase of approximately \$623,000 in Preschool Aid resulting from an expansion of the preschool program.

Changes in Net Position from the Implementation of GASB Statement No. 101

During the fiscal year ended June 30, 2025, the District implemented GASB Statement No. 101, “*Compensated Absences*.” As a result of this implementation, the District reviewed and adjusted its methodology for estimating compensated absences payable. The cumulative effect of applying this new standard required a restatement of beginning net position as of July 1, 2024.

The beginning net position has been decreased by \$12,552,622 to reflect the impact of the change in accounting principle on the governmental activities.

Net position:

Beginning balance, as reported	\$ 117,169,488.00
Cumulative Effect of Change in Accounting Principle	<u>(12,552,622)</u>
Beginning balance, as restated	<u>\$ 104,616,866</u>

The beginning net position has been decreased by \$153,154 to reflect the impact of the change in accounting principle on the business-type activities.

Net position:

Beginning balance, as reported	\$ 4,461,388.00
Cumulative Effect of Change in Accounting Principle	<u>(153,154)</u>
Beginning balance, as restated	<u>\$ 4,308,234</u>

Financial Analysis of the District’s Funds

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

Governmental funds. The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. The District’s fund balance amounts are classified as either restricted, committed, assigned or unassigned.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund and Special Revenue Fund revenues for the fiscal year ended June 30, 2025, and the increases (decreases) in relation to the prior year:

Revenue	2025 Amount	Percent of Total	Increase (Decrease) from 2024	Percent of Increase (Decrease)
Local sources	\$ 110,448,311	60.80%	\$ 1,036,740	0.95%
State sources	67,030,044	36.90%	4,425,495	7.07%
Federal sources	<u>4,174,561</u>	<u>2.30%</u>	<u>(2,471,494)</u>	<u>-37.19%</u>
Total	<u>\$ 181,652,916</u>	<u>100.00%</u>	<u>\$ 2,990,741</u>	<u>1.67%</u>

The increase in local sources is primarily due to an increase in the tax levy of \$1,030,629. The District's overall increase in the tax levy is within the 2% levy cap as promulgated by the State Legislature. The increase in state sources is largely a result of additional Preschool Aid in the amount of \$623,000, TPAF Pension, Post-Retirement, Long-term Disability and Reimbursed TPAF social security of approximately \$385,000 and increase in general state aid of approximately \$4,500,000. The decrease in federal sources is due to less monies from COVID-19 funds utilized in current year compared to prior years.

The following schedule presents a summary of General Fund and Special Revenue Fund expenditures for the fiscal year ended June 30, 2025 and the increases in relation to the prior year:

Expenditures	2025 Amount	Percent of Total	Increase From 2024	Percent of Increase
Current expenditures:				
Instruction	\$ 63,170,767	34.15%	\$ 4,532,560	7.73%
Support services	113,104,012	61.14%	2,565,843	2.32%
Charter Schools	1,018,741	0.54%	104,193	11.39%
Capital Outlay	6,202,381	3.35%	2,683,132	76.24%
Debt service:				
Principal	1,270,787	0.69%	1,270,787	100.00%
Interest and Other Charges	234,132	0.13%	234,132	100.00%
Total	<u>\$ 185,000,820</u>	<u>100.00%</u>	<u>\$ 11,390,647</u>	<u>6.56%</u>

There was an overall increase in total expenditures in 2025 from 2024 of just over 5%, as adjusted for capital outlay expenditures, as the District continued to invest in its students education while managing collectively bargained staff increases as well as increases to health insurance costs.

General Fund

Fund balance in the General Fund decreased by approximately \$3,100,000. Of the \$63,276,899 fund balance in the General Fund, \$6,585,357 is restricted for current year excess surplus, \$8,716,327 is restricted for the prior year excess surplus, \$26,323,835 is restricted in the capital reserve account, \$1,945,651 is restricted for an unemployment reserve, \$6,552,722 is restricted in the maintenance reserve, \$1,000,000 is restricted in the emergency reserve account, \$10,786,172 of encumbrances is assigned to other purposes, and \$1,366,835 is unassigned.

Special Revenue Fund

Expenditures in the Special Revenue Fund increased primarily due to increased funding mentioned above to expand the District's preschool programs. As preschool enrollment has continued to grow, staffing costs have also increased during the year ended June 30, 2025. The District has an unassigned deficit fund balance of \$838,131 in the Special Revenue Fund as of June 30, 2025 as a result of the State deferring the payment of the final two state aid payments until July 2025 and restricted fund balance for student activities and scholarships of \$414,238 and \$11,968, respectively.

Capital Projects Fund

The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The fund balance in the Capital Projects Fund was \$0 at year end.

Internal Service Funds

The District operates a self-insurance program for workers compensation, health, prescription and dental benefits. The Internal Service Fund net position was unchanged at year end at \$2,298,433.

Business-Type Activities. The focus of the District's business type activities is to provide information on near-term inflows, outflows, and balances of spendable resources related to the operations of its food service and adult and childcare programs.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the Enterprise funds revenues for the fiscal year ended June 30, 2025, and the (decreases) and increases in relation to the prior year:

<u>Revenue</u>	<u>2025 Amount</u>	<u>Percent of Total</u>	<u>(Decrease) Increase from 2024</u>	<u>Percent of (Decrease) Increase</u>
Local sources	\$ 5,857,825	68.13%	\$ (16,870)	-0.29%
State sources	202,327	2.35%	95,781	89.90%
Federal sources	2,537,279	29.52%	504,004	24.79%
Total	<u>\$ 8,597,431</u>	<u>100.00%</u>	<u>\$ 582,915</u>	<u>7.27%</u>

The overall increase in enterprise fund revenues was the result of an increase in participation in the national school lunch and breakfast programs.

The following schedule presents a summary of the Enterprise fund operating expenses for the fiscal year ended June 30, 2025, and the increases and (decreases) in relation to the prior year:

<u>Expenditures</u>	<u>2025 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2024</u>	<u>Percent of Increase (Decrease)</u>
Salaries	\$ 3,758,155	45.11%	\$ 132,364	3.65%
Employee benefits	369,548	4.44%	(120,314)	-24.56%
Other purchased services	1,320,517	15.85%	(172,658)	-11.56%
Supplies and materials	70,102	0.84%	10,745	18.10%
Cost of sales program	2,393,996	28.73%	596,942	33.22%
Other	419,401	5.03%	9,323	2.27%
	<u>\$ 8,331,719</u>	<u>100.00%</u>	<u>\$ 456,402</u>	<u>5.80%</u>

The overall increase in the expenditures relates to increased costs of food in the food service fund and an increase in expenditures for the Adult and Community Education program based on increased participation in programs.

Food Service Fund

The food service enterprise fund operated at a \$116,638 net loss this year. Revenues from daily food sales decreased from the prior year by \$217,603 or 13.70% as a result of the District continuing to provide students with meals irrespective of their ability to pay. Federal and state revenues increased from the prior year by \$599,785 as a result of an increase in participation in those programs. Total operating expenses increased from the prior year by \$305,077 or 7.28% due to purchased services for the installation and maintenance of equipment and depreciation expense. The net position of the food service fund, \$1,265,276 is comprised of net position - investment in capital assets of \$1,005,008 and unrestricted net position of \$260,268.

Adult and Community Education Fund

The adult and community education fund realized operating revenue of \$4,240,536 for the year ended June 30, 2025. Current year revenues increased from the prior year by \$86,074 or 2.07% as a result of increased enrollment in Before-and-Aftercare and summer programs year over year. The fund maintains adequate levels of cash on hand to ensure the operational requirements of running the program are met at any time. Furthermore, since the fund has a substantial net position, the District has moderated any increases to tuition rates.

The net position of the adult and community education fund, \$3,331,286 is comprised of net position investment in capital assets of \$58,870 and unrestricted net position of \$3,272,416. The unrestricted net position is the result of the District running a successful adult and community education program.

Capital Assets and Debt Administration

Capital Assets. At June 30, 2025, the District's governmental activities had capital assets of \$94,443,709 (net of accumulated depreciation), including land, construction in progress, school buildings, machinery, equipment and vehicles.

The District's governmental funds' capital assets, net of depreciation consisted of the following at June 30, 2025 and 2024:

	June 30,	
	<u>2025</u>	<u>2024</u>
Land	\$ 1,542,967	\$ 1,542,967
Construction in progress	4,404,750	17,314,049
Buildings and building improvements, net	80,038,755	67,592,108
Machinery, equipment, and vehicles, net	5,129,738	3,528,533
Right to Use Assets - Building, net	3,314,351	4,465,603
Right to Use Assets - Equipment, net	13,148	75,092
Total capital assets, net	<u>\$ 94,443,709</u>	<u>\$ 94,518,352</u>

The increase in total capital assets is a result of capital asset additions exceeding depreciation/amortization expense during the fiscal year. See Note 4 for further details on capital assets.

Debt Administration. During the 2024 fiscal year, the District had outstanding long-term liabilities of \$38,784,124 of which \$9,286,823 was classified as the current portion.

At June 30, 2025 and 2024, the District's long-term liabilities consisted of:

	June 30,	
	<u>2025</u>	<u>2024</u>
		(Restated)
Financed purchases payable	\$ 12,324,142	\$ 13,594,929
Leases payable	2,856,801	4,700,773
Compensated absences payable	14,470,776	14,755,476
Accrued liability for insurance claims	9,132,405	8,314,246
Total long-term liabilities	<u>\$ 38,784,124</u>	<u>\$ 41,365,424</u>

Long-term liabilities decreased mainly due to payments made on the District's ESIP financed purchases and facility leases during 2024. More detailed information about the District's long-term liabilities and outstanding debt can be found in Notes 5 and 12 to the basic financial statements.

General Fund Budgetary Highlights

The District budget is prepared according to New Jersey Statutes. The most significant budgeted fund is the general fund. During the fiscal year, there were several differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts.

Described below are explanations for variations in realized revenues and expenditures for those lines where the final budgeted amounts differ from the actual amounts by more than \$500,000 and 5%. All other fluctuations less than \$500,000 and 5% are considered immaterial.

Realized Revenues:

- Local sources – Interest income – actual interest income in total was \$2,325,984 higher than anticipated due to interest rates remaining high and the District having large cash balances available to invest.
- State sources – On-behalf TPAF pension and reimbursed social security contributions are unbudgeted revenue sources. Consequently, actual revenues as well as the related expenditures exceeded the final budgeted amount by 100.0%.
- Other finance sources – Transfer from Capital Projects Fund - due to completion of the ESIP project, these funds were the remaining funds related to interest income transferred back at year end.

Realized Expenditures:

- Instruction – regular programs – general supplies – actual expenditures in total were \$1,043,594 lower than anticipated due to an encumbrance of \$650,000 for comprehensive knowledge-based literacy curriculum that was paid in July 2025.
- Undistributed Instruction – required maintenance for school facilities – cleaning, repair and maintenance services - actual expenditures in total were \$685,274 lower than anticipated due to approximately \$550,000 in encumbrances for maintenance projects not completed at year end.
- Undistributed Instruction – student transportation services – contracted services – vendors – other between home & school & CTSA's special education - actual expenditures in total were \$261,913 lower than anticipated costs due to more bus routes being driven by District drivers.

- Unallocated benefits – Health Insurance – actual expenditures in total were \$2,147,391 lower than anticipated in the budget due to a higher percentage of costs allocated to employees charged to other funds, higher employee contributions, and higher than anticipated prescription drug rebates.
- On-behalf TPAF pension and reimbursed social security contributions are unbudgeted revenue sources. Consequently, actual revenues as well as the related expenditures exceeded the final budgeted amount by 100.0%.
- Capital outlay equipment – Grade 1 - 12 Equipment – actual expenditures in total were \$1,688,321 lower than anticipated primarily due to equipment needs being encompassed in capital project costs.
- Construction and construction services expenditures in total were \$9,480,065 lower than anticipated. Paving projects came in under budget. Encumbrances of \$9,000,000 are open for several projects whose work continued into the next fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Piscataway School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the School Business Administrator, 1515 Stelton Road, Piscataway, New Jersey 08854.

Basic Financial Statements

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2025.

Piscataway Township School District

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 56,363,260	\$ 4,522,788	\$ 60,886,048
Accounts receivable	3,031,603	451,895	3,483,498
Internal balances	(190,404)	190,404	
Inventories		56,121	56,121
Investments	21,069,700		21,069,700
Capital assets, non-depreciable	5,947,717		5,947,717
Capital assets, depreciable/amortized, net	88,495,992	1,368,888	89,864,880
Total assets	174,717,868	6,590,096	181,307,964
Deferred Outflows Of Resources			
Pension deferrals	2,527,707		2,527,707
Liabilities			
Accounts payable	5,894,465	277,894	6,172,359
Accrued interest payable	212,246		212,246
Intergovernmental payables - State	169,178		169,178
Unearned revenue	1,135,291	1,254,545	2,389,836
Other liabilities	840,008		840,008
Net pension liability	20,379,266		20,379,266
Current portion of long-term obligations	9,286,823	182,948	9,469,771
Noncurrent portion of long-term obligations	29,497,301	278,147	29,775,448
Total liabilities	67,414,578	1,993,534	69,408,112
Deferred Inflow Of Resources			
Pension deferrals	4,350,076		4,350,076
Net Position			
Net investment in capital assets	79,262,766	1,063,878	80,326,644
Restricted for:			
Excess surplus	17,643,441		17,643,441
Capital reserve	24,323,835		24,323,835
Emergency reserve	1,000,000		1,000,000
Maintenance reserve	6,210,965		6,210,965
Unemployment liability reserve	1,945,651		1,945,651
Reserve for student activities	414,238		414,238
Reserve for scholarships	11,968		11,968
Unrestricted (deficit)	(25,331,943)	3,532,684	(21,799,259)
Total net position	\$ 105,480,921	\$ 4,596,562	\$ 110,077,483

See accompanying notes to the basic financial statements.

Piscataway Township School District

Statement of Activities

Year ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities						
Instruction	\$ 91,480,819	\$ 300,894	\$ 7,268,610	\$ (83,911,315)		\$ (83,911,315)
Support services:						
Attendance/social work	419,553			(419,553)		(419,553)
Health services	1,879,309			(1,879,309)		(1,879,309)
Other support services	22,400,933	710,793	6,152,342	(15,537,798)		(15,537,798)
Improvement of instruction	4,062,986			(4,062,986)		(4,062,986)
Other support: instructional staff	28,581			(28,581)		(28,581)
School library	930,802			(930,802)		(930,802)
General administration	2,721,275			(2,721,275)		(2,721,275)
School administration	6,479,073			(6,479,073)		(6,479,073)
Central services	2,099,967			(2,099,967)		(2,099,967)
Administrative information technology	2,538,607			(2,538,607)		(2,538,607)
Plant operation and maintenance	14,260,561		17,790	(14,242,771)		(14,242,771)
Student transportation	12,265,443	405,627		(11,859,816)		(11,859,816)
Charter schools	1,018,741			(1,018,741)		(1,018,741)
Interest on long-term debt	212,246			(212,246)		(212,246)
Total governmental activities	162,798,896	1,417,314	13,438,742	(147,942,840)		(147,942,840)
Business-type activities						
Food Service	4,496,149	1,617,289	2,739,606		\$ (139,254)	(139,254)
Adult and Community Education	3,835,570	4,240,536			404,966	404,966
Total business-type activities	8,331,719	5,857,825	2,739,606		265,712	265,712
Total primary government	\$ 171,130,615	\$ 7,275,139	\$ 16,178,348	(147,942,840)	265,712	(147,677,128)
General revenues:						
Taxes:						
Property taxes, levied for general purposes				104,093,507		104,093,507
State and federal sources—unrestricted				39,822,379		39,822,379
Investment income				143,206		143,206
Interest Income				2,855,155		2,855,155
Other Restricted Miscellaneous Revenues				67,316		67,316
Transfers				(22,616)	22,616	
Miscellaneous				1,847,948		1,847,948
Total general revenues				148,806,895	22,616	148,829,511
Change in net position				864,055	288,328	1,152,383
Net position, beginning of year, as reported				117,169,488	4,461,388	121,630,876
Cumulative effect of change in accounting principle				(12,552,622)	(153,154)	(12,705,776)
Net position, beginning of year, as restated				104,616,866	4,308,234	108,925,100
Net position, end of year				\$ 105,480,921	\$ 4,596,562	\$ 110,077,483

See accompanying notes to the basic financial statements.

Fund Financial Statements

Governmental Funds

Piscataway Township School District
Governmental Funds

Balance Sheet

June 30, 2025

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	
Assets				
Cash and cash equivalents	\$ 44,979,537	\$ 426,206		\$ 45,405,743
Investments	21,069,700			21,069,700
Accounts receivable:				
State	1,550,436	42		1,550,478
Federal		614,662		614,662
Other	280,090	103,558		383,648
Interfund	152,617			152,617
Total assets	<u>\$ 68,032,380</u>	<u>\$ 1,144,468</u>	<u>\$ -</u>	<u>\$ 69,176,848</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 3,544,987	\$ 276,952		\$ 3,821,939
Intergovernmental payables:				
State		169,178		169,178
Interfunds payable	192,841	152,617		345,458
Unemployment compensation claims payable	840,008			840,008
Unearned revenue	177,645	957,646		1,135,291
Total liabilities	<u>4,755,481</u>	<u>1,556,393</u>	<u>-</u>	<u>6,311,874</u>
Fund balances:				
Restricted for:				
Excess surplus-current year	6,585,357			6,585,357
Excess surplus-prior year	8,716,327			8,716,327
Capital reserve account	26,323,835			26,323,835
Emergency reserve	1,000,000			1,000,000
Unemployment liability reserve	1,945,651			1,945,651
Maintenance reserve	6,552,722			6,552,722
Student activities		414,238		414,238
Scholarships		11,968		11,968
Assigned to:				
Other purposes	10,786,172			10,786,172
Unassigned (deficit):	1,366,835	(838,131)		528,704
Total fund balances	<u>63,276,899</u>	<u>(411,925)</u>	<u>-</u>	<u>62,864,974</u>
Total liabilities and fund balances	<u>\$ 68,032,380</u>	<u>\$ 1,144,468</u>	<u>\$ -</u>	<u>\$ 69,176,848</u>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$194,090,356 and the accumulated depreciation/amortization is \$99,646,647.	94,443,709
Internal service funds are used by the District to charge the costs of the District's self-insurance fund to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities.	2,298,433
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(212,246)
Long-term liabilities, including leases payable, financed purchases and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(29,651,719)
Deferred pension costs in governmental activities are not financial resources and are therefore not reported in the funds.	(1,822,369)
Accrued pension contributions for the June 30, 2025 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in the accounts payable in the government-wide statement of net position.	(2,060,595)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.	<u>(20,379,266)</u>
Net position of governmental activities	<u>\$ 105,480,921</u>

See accompanying notes to the basic financial statements.

Piscataway Township School District
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2025

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	
Revenues				
Local sources:				
Local tax levy	\$ 104,093,507			\$ 104,093,507
Tuition	300,894			300,894
Transportation	405,627			405,627
Rents	720,870			720,870
Investment Income	143,206			143,206
Interest Income	2,725,984		\$ 129,171	2,855,155
Other Restricted Miscellaneous Revenues	67,316			67,316
Miscellaneous	1,127,078	\$ 863,829		1,990,907
Total local sources	<u>109,584,482</u>	<u>863,829</u>	<u>129,171</u>	<u>110,577,482</u>
State sources	57,831,435	9,198,609		67,030,044
Federal sources	87,464	4,087,097		4,174,561
Total revenues	<u>167,503,381</u>	<u>14,149,535</u>	<u>129,171</u>	<u>181,782,087</u>
Expenditures				
Current:				
Instruction	55,902,157	7,268,610		63,170,767
Undistributed-current:				
Instruction	2,455,438			2,455,438
Attendance/social work	279,762			279,762
Health services	1,279,917			1,279,917
Other support services	10,407,538	7,245,308		17,652,846
Improvement of instruction	2,784,194			2,784,194
Education media library	626,178			626,178
Other support: instructional staff	27,045			27,045
General administration	2,068,571			2,068,571
School administration	4,306,305			4,306,305
Central services	1,466,695			1,466,695
Administrative information technology	1,983,260			1,983,260
Required maintenance of plant services	2,410,350			2,410,350
Operation of plant	9,299,465			9,299,465
Student transportation	10,722,113			10,722,113
Unallocated benefits	25,414,418			25,414,418
On-behalf TPAF social security and pension contributions	30,327,455			30,327,455
Charter schools - current	1,018,741			1,018,741
Capital outlay	6,184,591	17,790	1,631,848	7,834,229
Debt Service:				
Principal	1,270,787			1,270,787
Interest	234,132			234,132
Total expenditures	<u>170,469,112</u>	<u>14,531,708</u>	<u>1,631,848</u>	<u>186,632,668</u>
(Deficiency) of revenues (under) expenditures	(2,965,731)	(382,173)	(1,502,677)	(4,850,581)
Other financing sources (uses)				
Transfers in	129,171	273,225		402,396
Transfers out	(295,841)		(129,171)	(425,012)
Total other financing sources (uses)	<u>(166,670)</u>	<u>273,225</u>	<u>(129,171)</u>	<u>(22,616)</u>
Net change in fund balances	(3,132,401)	(108,948)	(1,631,848)	(4,873,197)
Fund balances, July 1	66,409,300	(302,977)	1,631,848	67,738,171
Fund balances, June 30	<u>\$ 63,276,899</u>	<u>\$ (411,925)</u>	<u>\$ -</u>	<u>\$ 62,864,974</u>

The reconciliation of the fund balances of governmental funds to the net position of governmental activities in the statement of net position is presented in an accompanying schedule (B-3).

See accompanying notes to the basic financial statements.

Piscataway Township School District
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances to the Statement of Activities

Year ended June 30, 2025

Total net change in fund balances - governmental funds (from B-2) **\$ (4,873,197)**

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

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

This is the amount by which capital outlays exceeded depreciation in the period.

Capital outlays	\$ 7,015,436	
Loss on disposal of capital	(243,155)	
Depreciation/Amortization expense	<u>(6,846,924)</u>	(74,643)

The repayment of the principal of long-term debt, including lease obligations, consumes the current financial resources of governmental funds. This transaction, however, has no effect on net position.

Lease and financed purchase payment 3,114,759

In the statement of activities, interest on long-term debt/financed purchases/leases is accrued, regardless of when due. In the governmental funds, interest is reported when due. 21,886

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). 284,700

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

Pension benefit 2,390,550

Change in net position of governmental activities (A-2) **\$ 864,055**

See accompanying notes to the basic financial statements.

Proprietary Funds

Piscataway Township School District
Proprietary Funds

Statement of Net Position

June 30, 2025

	Major Funds			Non-Major Funds
	Business Type Activities - Enterprise Funds			Internal Service Fund
	Food Service	Adult and Community Education	Totals	Self Insurance Fund
Assets				
Current assets:				
Cash and cash equivalents		\$ 4,522,788	\$ 4,522,788	\$ 10,957,517
Accounts receivable:				
State	\$ 11,628		11,628	
Federal	130,078		130,078	
Other	249,073	61,116	310,189	482,815
Interfund	183,571	6,833	190,404	2,437
Inventories	56,121		56,121	
Total current assets	630,471	4,590,737	5,221,208	11,442,769
Capital assets:				
Equipment	2,446,485	745,950	3,192,435	
Right to use assets - buildings		1,151,880	1,151,880	
Accumulated depreciation/amortization	(1,441,477)	(1,533,950)	(2,975,427)	
Total capital assets, net	1,005,008	363,880	1,368,888	
Total assets	1,635,479	4,954,617	6,590,096	11,442,769
Liabilities				
Current liabilities:				
Accounts payable	250,254	27,640	277,894	11,931
Accrued liability for insurance claims				9,132,405
Compensated absences - current		15,609	15,609	
Lease liability - current		167,339	167,339	
Unearned revenue	119,949	1,134,596	1,254,545	
Total current liabilities	370,203	1,345,184	1,715,387	9,144,336
Long-term liabilities				
Compensated absences - non-current		140,476	140,476	
Lease liability - non-current		137,671	137,671	
Total long-term liabilities	-	278,147	278,147	-
Total liabilities	370,203	1,623,331	1,993,534	9,144,336
Net Position				
Net investment in capital assets	1,005,008	58,870	1,063,878	
Unrestricted	260,268	3,272,416	3,532,684	2,298,433
Total net position	\$ 1,265,276	\$ 3,331,286	\$ 4,596,562	\$ 2,298,433

See accompanying notes to the basic financial statements.

Piscataway Township School District
Proprietary Funds

Statement of Revenues, Expenses and
Changes in Fund Net Position

Year ended June 30, 2025

	Major Funds			Non-Major Funds
	Business Type Activities - Enterprise Funds			Internal Service Fund
	Food Service	Adult and Community Education	Totals	Self Insurance Fund
	<u>Food Service</u>	<u>Adult and Community Education</u>	<u>Totals</u>	<u>Self Insurance Fund</u>
Operating revenues:				
Local sources:				
Daily food sales-reimbursable programs	\$ 859,988		\$ 859,988	
Daily food sales non-reimbursable programs	511,011		511,011	
Tuition		\$ 4,012,682	4,012,682	
Charges for services				\$ 30,065,513
Special function	111,404		111,404	
Miscellaneous	134,886	227,854	362,740	
Total operating revenues	<u>1,617,289</u>	<u>4,240,536</u>	<u>5,857,825</u>	<u>30,065,513</u>
Operating expenses:				
Salaries of the employees and FSMC	1,364,134	2,394,021	3,758,155	
Purchased professional services	61,781		61,781	
Employee benefits of the District and FSMC	217,861	151,687	369,548	30,065,513
Purchased property services		142,904	142,904	
Other purchased services	197,566	918,266	1,115,832	
Supplies and materials	23,590	46,512	70,102	
Cost of sales - program	2,053,206		2,053,206	
Cost of sales - non-program	340,790		340,790	
Depreciation and amortization expense	237,221	111,325	348,546	
Miscellaneous		70,855	70,855	
Total operating expenses	<u>4,496,149</u>	<u>3,835,570</u>	<u>8,331,719</u>	<u>30,065,513</u>
Operating (loss) income	(2,878,860)	404,966	(2,473,894)	-
Nonoperating revenues:				
State sources:				
State school lunch program	161,808		161,808	
State school breakfast program	40,519		40,519	
Federal sources:				
School breakfast program	548,286		548,286	
National school lunch program	1,645,998		1,645,998	
P-EBT Administrative Costs	3,112		3,112	
Local Food for Schools (LFS) cooperative program	13,057		13,057	
Healthy Hunger Free Kids Act (HHFKA)	55,666		55,666	
Food donation program	271,160		271,160	
Total nonoperating revenues	<u>2,739,606</u>	<u>-</u>	<u>2,739,606</u>	<u>-</u>
(Loss) income before transfers	(139,254)	404,966	265,712	-
Transfers in	22,616		22,616	
Change in net position	(116,638)	404,966	288,328	-
Net position-beginning of year, as reported	1,381,914	3,079,474	4,461,388	2,298,433
Cumulative effect of change in accounting principle	-	(153,154)	(153,154)	-
Net position-beginning of year, as restated	<u>1,381,914</u>	<u>2,926,320</u>	<u>4,308,234</u>	<u>2,298,433</u>
Total net position-ending	<u>\$ 1,265,276</u>	<u>\$ 3,331,286</u>	<u>\$ 4,596,562</u>	<u>\$ 2,298,433</u>

See accompanying notes to the basic financial statements.

Piscataway Township School District
Proprietary Funds

Statement of Cash Flows
Year ended June 30, 2025

	Major Funds			Non-Major Funds
	Business Type Activities -			Internal
	Enterprise Funds			Service Fund
	Food Service	Adult and Community Education	Totals	Self Insurance Fund
Cash flows from operating activities				
Receipts from customers	\$ 1,617,382	\$ 4,245,762	\$ 5,863,144	
Payments to employees and FSMC	(1,364,134)	(2,394,021)	(3,758,155)	
Payments for employee benefits	(217,861)	(151,687)	(369,548)	
Payments to suppliers	(2,756,440)	(1,172,750)	(3,929,190)	
Receipts from services provided				\$ 30,065,513
Payments for insurance				(30,122,075)
Net cash (used in) provided by operating activities	<u>(2,721,053)</u>	<u>527,304</u>	<u>(2,193,749)</u>	<u>(56,562)</u>
Cash flows from noncapital financing activities				
Transfers from other funds	22,616		22,616	
Cash received from state and federal reimbursements	<u>2,708,260</u>		<u>2,708,260</u>	
Net cash provided by noncapital financing activities	<u>2,730,876</u>	<u>-</u>	<u>2,730,876</u>	<u>-</u>
Cash flows from capital and related financing activities				
Principal paid on leases		(157,931)	(157,931)	
Acquisition of capital assets	<u>(417,239)</u>		<u>(417,239)</u>	
Net cash (used in) capital activities	<u>(417,239)</u>	<u>(157,931)</u>	<u>(575,170)</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(407,416)	369,373	(38,043)	(56,562)
Cash and cash equivalents, beginning of year	407,416	4,153,415	4,560,831	11,014,079
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ 4,522,788</u>	<u>\$ 4,522,788</u>	<u>\$ 10,957,517</u>
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:				
Operating (loss) income	\$ (2,878,860)	\$ 404,966	\$ (2,473,894)	
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:				
Depreciation / amortization	237,221	111,325	348,546	
Change in assets and liabilities:				
Decrease (Increase) in accounts receivable	2,937	(61,116)	(58,179)	\$ (482,815)
(Increase) Decrease in Interfund receivable				(2,437)
Increase (Decrease) in accounts payable	51,173	12,620	63,793	(354,349)
(Decrease) in interfund payable	(84,455)	(6,833)	(91,288)	(35,120)
(Increase) in inventory	(46,225)		(46,225)	
(Decrease) Increase in unearned revenue	(2,844)	63,411	60,567	
Increase in noncurrent liabilities		2,931	2,931	
Increase in accrued liability for insurance claims				818,159
Net cash (used in) provided by operating activities	<u>\$ (2,721,053)</u>	<u>\$ 527,304</u>	<u>\$ (2,193,749)</u>	<u>\$ (56,562)</u>

Noncash noncapital financing activities:

The District received \$271,160 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2025.

See accompanying notes to the basic financial statements.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies

The financial statements of the Piscataway Township School District (the “District”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District’s accounting policies are described below.

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The District, as the primary government for financial reporting entity purposes, has oversight responsibility and control over all activities related to the Piscataway Township School District in Piscataway Township, New Jersey. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District has no component units that are required to be included within the reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The New Jersey Department of Education (NJDOE) has elected to require New Jersey school districts to treat each governmental and enterprise fund as a major fund with the exception of the internal service fund, which is presented in the financial statements as a non-major fund. Each major and non-major individual funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility,

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

revenues from Federal and State grants are recognized as revenues when the expenditure is made. A one year availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences, net pension liabilities and other post-employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under financed purchases or leases are reported as other financing sources.

The District has reported the following major governmental funds:

General Fund: The general fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment, which are classified in the capital outlay subfund. Since the District's unemployment and payroll agency funds do not meet the criteria defined by the Governmental Accounting Standards Board Statement No. 84, the unemployment compensation fund which is used to account for contributions from the District and employees and interest earned on the balance as well as payments to the State for reimbursement of unemployment claims and the payroll agency fund which is used to account for the assets that the District holds on behalf of others as their agent are reported in the general fund as governmental activities.

Special Revenue Fund: The District maintains one special revenue fund, which includes the proceeds of specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specified purposes. The revenue sources reported in the Special Revenue Fund include resources from the United States government, the State of New Jersey and some local organizations. Since the District's scholarship and student activity funds do not meet the criteria defined by the of Governmental Accounting Standards Board Statement No. 84, the private purpose scholarship fund which is utilized to provide scholarships to students and to account for the related transactions and student activities which is used to account for funds derived from athletic events or other activities of pupil organizations and to account for the accumulation of money to pay for student group activities are reported in the special revenue fund as governmental activities.

Capital Projects Fund: The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to an expenditure to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

The District reports the following major proprietary funds:

Enterprise Funds (Food Service, Adult and Community Education): The enterprise funds account for all revenues and expenses pertaining to the cafeteria and the adult school and child care program operations. The enterprise funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises.

The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services on a continuing basis are financed or recovered primarily through user charges.

The District reports the following non-major proprietary fund:

Internal Service Fund (Self Insurance): The self-insurance internal service fund is used to account for the District's various insurance expenses and the funds reserved by the District to cover the self-insured limits of the various insurance policies of the District.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements, however, interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District enterprise funds are charges for sales of food, charges to other funds and tuition. Operating expenses for proprietary funds include the cost of sales, administrative expenses, expenses for the payment of insurance claims and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an “accounts receivable.”

The County Board of Taxation is responsible for the assessment of properties and the Township Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the Middlesex County office of the DOE for approval. Budgets are prepared using the modified accrual basis of accounting and the special revenue fund uses a non-GAAP budget (budgetary basis). The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referred to in N.J.A.C. 6A:23A. All budget amendments must be approved by School Board resolution. Budgetary transfers were made during the current year in accordance with statutory guidelines. The amendments made by the District were part of the normal course of operations. The over-expenditure in the General Fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

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

Except for the student activity and scholarship funds, the accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

D. Budgets/Budgetary Control (continued)

encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of the GAAP basis financial reports.

E. Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

F. Inventories

Enterprise fund inventories are recorded at acquisition value at the time of donation, which approximates current acquisition value, using the first-in, first-out (FIFO) method.

G. Tuition

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. Tuition charges for the 2024-25 fiscal year were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Capital Assets

Capital assets, which include land, construction in progress, property, plant and equipment, and intangible right to use assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost through estimation procedures performed by an independent appraisal company. Land was valued at assessed value based upon information received from the Township of Piscataway. Donated capital assets are valued at their estimated acquisition value on the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

H. Capital Assets (continued)

Property, plant and equipment of the District is depreciated/amortized using the straight line method. The following estimated useful lives are used to compute depreciation/amortization:

	<u>Years</u>
Machinery and equipment	2 - 20
Buildings	40
Building improvements	20
Vehicles	5 - 10
Right to use assets – equipment	3 - 5
Right to use assets - buildings	20

I. Compensated Absences

The liability for compensated absences represents the vacation and sick time (“leave”/“leave days”) and salary related payments which have been earned for services previously rendered by employees in accordance with the District’s various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employee’s rate of pay and the number of unused leave days accumulated as of year-end, management’s assumption that likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments that are directly and incrementally associated with payments for the leave. The District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the government-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101, “*Compensated Absences.*”

J. Unearned Revenue

Unearned revenue in the general and special revenue fund represents cash which has been received but not yet earned, and outstanding encumbrances in the special revenue fund. Unearned revenue in the other enterprise funds represents cash received in advance of the related services being provided.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as either capital projects fund or debt service fund expenditures.

M. Leases

The District is a lessee for noncancellable leases of buildings and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset ("lease asset") in the government-wide financial statements.

At commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

M. Leases (continued)

measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease is amortized on a straight-line basis over its useful life. Key estimates and judgements related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the District is reasonably certain to exercise. The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the Statement of Net Position.

N. Reclassifications

Certain reclassifications have been made to prior year balances to conform to current year presentation.

O. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

O. Fund Balances (continued)

- 1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- 4) Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

O. Fund Balances (continued)

Of the \$63,276,899 of fund balance in the General Fund, \$26,323,835 has been restricted in the capital reserve account, \$1,000,000 has been restricted in the emergency reserve account, \$1,945,651 has been restricted for the unemployment reserve account, \$6,552,722 has been restricted in the maintenance reserve account, \$6,585,357 is restricted for current year excess surplus, \$8,716,327 is restricted for prior year excess surplus, \$10,786,172 of encumbrances are assigned to other purposes, and \$1,366,835 is unassigned. The fund balance in the Special Revenue Fund of \$426,206 is restricted for student activities and scholarships and unassigned (deficit) of (\$838,131).

P. Net Position and Fund Balance / Restricted Assets

Net Position represents the difference between assets, deferred outflows, deferred inflows, and liabilities in the government-wide financial statements. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets.

Net position is reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Q. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

R. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey for social security contributions and pension contributions for certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

S. Calculation of Excess Surplus

The designation for restricted fund balance-excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve fund balance in the general fund at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District's excess fund balance at June 30, 2025 was \$15,301,684. Of this amount, \$8,716,327 has been appropriated in the 2025-2026 budget and the remaining \$6,585,357 is required to be appropriated in the 2026-2027 budget.

T. Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, amounts on deposit and short-term investments with original maturities of three months or less.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, "*Fair Value Measurement and Application.*" The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments and are stated at cost. All other investments are stated at fair value.

U. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated are authorized to enter into tax abatement agreements. Furthermore if the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district. For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth. There have been no tax abatement agreements entered into by the Township that will affect the District.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

1. Summary of Significant Accounting Policies (continued)

V. Recently Issued Accounting Pronouncements

The District adopted GASB Statement No. 100, "*Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. See Note 21.

The District adopted GASB Statement No. 101, "*Compensated Absences*". The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. See Note 21.

The GASB issued Statement No. 102, *Certain Risk Disclosures* in January 2024. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024, and all reporting periods thereafter. Management has reviewed the Statement and determined it did not have an impact on the financial statements.

The GASB issued Statement No. 103, *Financial Reporting Model Improvements* in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. 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 the 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 the Statement on the financial statements.

W. Subsequent Events

Management has reviewed and evaluated all events and transactions from June 30, 2025 through December 5, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the accompanying financial statements.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

2. Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported in the funds. The details of this \$29,651,719 difference are as follows:

Compensated absences	\$ 14,470,776
Financed purchases payables	12,324,142
Leases payable	<u>2,856,801</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position – governmental activities	<u>\$ 29,651,719</u>

3. Deposits and Investments

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Government 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 last equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

3. Deposits and Investments (continued)

Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund (NJCMF) and New Jersey Asset and Rebate Management Fund (NJARM).

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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

The District's cash and cash equivalents are classified below to inform financial statement users about the extent to which the District's deposits and investments are exposed to custodial credit risk.

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2025, the District's carrying amount of deposits was \$60,745,043 and the bank balance was \$63,032,917. Of the bank balance, \$500,000 was secured by federal depository insurance and \$60,761,016 was covered by the New Jersey Governmental Unit Deposit Protection Act (GUDPA). \$1,771,901 held in the District's agency accounts are not covered by GUDPA. Pursuant to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (GASB 40), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

3. Deposits and Investments (continued)

investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by the financial institution, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

Investments

New Jersey statutes permit the Board to purchase the following types of investments:

- a. Bonds and other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank which have a maturity date not greater than twelve months from the date of purchase.
- c. State of New Jersey Cash Management Fund (NJCMF) and New Jersey Asset and Rebate Management Fund (NJARM).
- d. Bonds or other obligations of the School District.

Custodial Credit Risk: The District minimizes custodial credit risk through investing its funds that are insured by either FDIC or GUDPA, or other investments permitted by N.J.S.A. 18A:20-37.

Credit Risk: The District minimizes credit risk, the risk of loss due to the financial failure of the security issuer or backer by:

- a. Limiting investments to the types of securities permitted by N.J.S.A. 18A:20-37.
- b. Diversifying the portfolio so that potential losses on individual securities will be minimized.
- c. Monitoring the investment portfolio holdings for rating changes and changing economic/market conditions.

Concentration of Credit Risk: The District follows certain diversification parameters to mitigate concentration of credit risk which is detailed in the District's Board policies as "6700 – Investments".

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

3. Deposits and Investments (continued)

Interest Rate Risk: The District minimizes interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates by:

- a. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- b. Investing primarily in shorter-term securities as permitted by N.J.S.A. 18A:20-37.

In order to maximize liquidity, the District utilizes the New Jersey Asset and Rebate Management Fund ("NJARM") as its sole investment. The District invests funds in the New Jersey Asset and Rebate Management Fund, which is an investment pool managed by Public Financial Management Company. NJARM allows governments within the state to pool their funds for investment purposes and the Securities and Exchange Commission (SEC) does not restrict the pool. Earnings are allocated to all participants based upon shares held in the pool and distributed on the last day of each month. In addition, the fair value of the District's portion of the pool is the same as the value of its shares. Agencies that participate in the NJARM typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJARM on a daily basis without penalty. Authorized investments under the NJARM program include obligations of the U.S. Government or its Agencies and Instrumentalities, government money market mutual funds, and municipal securities. Investments under NJARM are not insured or guaranteed by the FDIC or any other governmental agency. At June 30, 2025, the District's bank and book balance in NJARM was \$20,000,000 and is classified as an investment. NJARM is rated AAAM by Standard & Poors.

As of June 30, 2025, the District's investment balances of \$1,069,700 were in Solar Renewable Energy Certificates. The District categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurement as of June 30, 2025:

- Solar Renewable Energy Credits in the amount of \$1,069,700 are valued using quoted market prices (Level 1 inputs).

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2025:

	Beginning Balance	Increases	Transfers/ Disposals	Ending Balance
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 1,542,967			\$ 1,542,967
Construction in progress	17,314,049	\$ 5,723,925	\$ (18,633,224)	4,404,750
Total capital assets, not being depreciated/amortized	18,857,016	5,723,925	(18,633,224)	5,947,717
Capital assets, being depreciated/amortized:				
Buildings and building improvements	144,750,917		17,127,292	161,878,209
Machinery, equipment and vehicles	14,488,513	1,291,511	1,262,777	17,042,801
Right to use assets, building	8,710,685			8,710,685
Right to use assets, equipment	510,944			510,944
Total capital assets being depreciated/amortized	168,461,059	1,291,511	18,390,069	188,142,639
Less accumulated depreciation/amortization for:				
Buildings and building improvements	77,158,809	4,680,645		81,839,454
Machinery, equipment and vehicles	10,959,980	953,083		11,913,063
Right to use assets, building	4,245,082	1,151,252		5,396,334
Right to use assets, equipment	435,852	61,944		497,796
Total accumulated depreciation/amortization	92,799,723	6,846,924	-	99,646,647
Total capital assets, being depreciated/amortized, net	75,661,336	(5,555,413)	18,390,069	88,495,992
Governmental activities capital assets, net	<u>\$ 94,518,352</u>	<u>\$ 168,512</u>	<u>\$ (243,155)</u>	<u>\$ 94,443,709</u>

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

4. Capital Assets (continued)

Depreciation/amortization expense was charged to functions/programs of the District for the year ended June 30, 2025 as follows:

Instruction	\$ 3,727,926
Attendance/social work	15,892
Health services	72,706
Other support services	1,002,778
Improvement of instruction	158,157
Education media library	35,570
Other support: Instruction staff	1,536
General administration	117,506
School administration	244,622
Central services	83,316
Administrative information technology	112,660
Plant operation and maintenance	665,181
Student transportation	609,074
Total depreciation/amortization expense - governmental activities	<u>\$ 6,846,924</u>

The following schedule is a summarization of business-type activities changes in capital assets for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Business-type activities			
Capital assets, being depreciated/amortized:			
Equipment	\$ 2,775,196	\$ 417,239	\$ 3,192,435
Less accumulated depreciation/amortization for:			
Equipment	1,930,636	241,610	2,172,246
Equipment, depreciable/amortizable, net	844,560	175,629	1,020,189
Building	1,151,880		1,151,880
Less accumulated depreciation/amortization for:			
Building	696,245	106,936	803,181
Building, depreciable/amortizable, net	455,635	(106,936)	348,699
Total business-type activities capital assets, net	<u>\$ 1,300,195</u>	<u>\$ 68,693</u>	<u>\$ 1,368,888</u>

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

5. Long-Term Liabilities

During the year ended June 30, 2025, the following changes occurred in governmental activities long-term liabilities:

	Beginning Balance	Cumulative Effect Change in Accounting Principle*	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:						
Compensated absences payable	\$ 2,202,854	\$ 12,552,622		\$ 284,700	\$ 14,470,776	\$ 1,447,078
Financed purchases payable	13,594,929			1,270,787	12,324,142	783,466
Lease payable	4,700,773			1,843,972	2,856,801	1,878,279
Accrued liability for insurance claims	8,314,246		\$ 30,065,513	29,247,354	9,132,405	5,178,000
Subtotal	28,812,802	12,552,622	30,065,513	32,646,813	38,784,124	9,286,823
Net pension liability	22,784,805			2,405,539	20,379,266	
Governmental activities long-term liabilities	\$ 51,597,607	\$ 12,552,622	\$ 30,065,513	\$ 35,052,352	\$ 59,163,390	\$ 9,286,823

	Beginning Balance	Cumulative Effect Change in Accounting Principle*	Additions	Reductions	Ending Balance	Due within One Year
Business-type activities:						
Compensated absences payable		\$ 153,154	\$ 2,931		\$ 156,085	\$ 15,609
Lease payable	\$ 462,941		-	\$ 157,931	305,010	167,339
Business-type activities long-term liabilities	\$ 462,941	\$ 153,154	\$ 2,931	\$ 157,931	\$ 461,095	\$ 182,948

The change in compensated absences is presented as a net change.

*See Note 21.

Refer to Note 12 - Risk Management for further discussion of the District's accrued liability for insurance claims.

The District expects to liquidate the financed purchases payable and net pension liabilities with payments made from the District's general fund. The accrued liability for insurance claims is paid with charges to other funds' budgets from the internal service fund. The leases payable will be liquidated from the District's general fund, special revenue fund and adult and community education fund. The compensated absences payable will be liquidated from the District's general fund and adult and community education fund.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

5. Long-Term Liabilities (continued)

Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. As of June 30, 2025, the District has no bonds outstanding.

Financed Purchases Payable

The District has financed purchases payable totaling \$15,503,119 with a interest rate of 1.72%. The terms of the financed purchase are eighteen years. The following is a schedule of the future minimum lease payments under these financed purchases payable at June 30, 2025:

Government - Wide - Financed Purchases Payable (ESIP Lease)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending			
June 30:			
2026	\$ 783,466	\$ 212,246	\$ 995,712
2027	816,062	198,754	1,014,816
2028	686,628	184,699	871,327
2029	718,420	172,874	891,294
2030	751,208	160,502	911,710
2031-2035	4,284,465	596,532	4,880,997
2036-2040	4,283,893	211,229	4,495,122
	<u>\$ 12,324,142</u>	<u>\$ 1,736,836</u>	<u>\$ 14,060,978</u>

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

5. Long-Term Liabilities (continued)

Leases Payable

The District has remaining leases payable totaling \$8,893,661 with interest rates ranging from 1.72% to 3.00%. The terms of the leases are from one to five years, including all extensions. The following is a schedule of the future minimum lease payments at June 30, 2025:

Governmental activities - leases payable

	Principal		Interest		Total
Year ending June 30:					
2026	\$ 1,878,279	\$	67,166	\$	1,945,445
2027	877,986		26,692		904,678
2028	100,536		3,016		103,552
	<u>\$ 2,856,801</u>	<u>\$</u>	<u>96,874</u>	<u>\$</u>	<u>2,953,675</u>

Business-type activities - leases payable

	Principal		Interest		Total
Year ending June 30:					
2026	\$ 167,339	\$	8,170	\$	175,509
2027	120,284		3,989		124,273
2028	17,387		522		17,909
	<u>\$ 305,010</u>	<u>\$</u>	<u>12,681</u>	<u>\$</u>	<u>317,691</u>

6. Pension Plans

Description of Systems

Substantially all of the District's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer defined benefit plan.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively, with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school Board or public agency provided the employee is not a member of another State-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

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

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS are 7.5% of employees' annual pensionable compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the Board is a non-contributing employer of the TPAF.

During the year ended June 30, 2025, the State of New Jersey contributed \$25,865,951 to the TPAF for normal costs of pension, post-retirement medical and long-term disability insurance benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$4,461,504 during the year ended June 30, 2025, for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included as both revenues and expenditures in the government-wide and fund financial statements.

The Board's actuarially determined contributions to PERS for each of the years ended June 30, 2025, 2024 and 2023 were \$2,040,800, \$2,127,685, and \$2,243,563 respectively, equal to the required contributions for each year.

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

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees' Retirement System (PERS)

At June 30, 2025, the District reported a liability of \$20,379,266 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District's proportion was 0.1499793707 percent, which was a decrease of 0.0073267363 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized full accrual pension benefit of (\$288,110) in the government-wide financial statements. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 408,234	\$ 54,255
Changes of assumptions	25,317	231,869
Net difference between projected and actual earnings on pension plan investments		944,931
Changes in proportion	33,561	3,119,021
District contributions subsequent to the measurement date	2,060,595	
	<u>\$ 2,527,707</u>	<u>\$ 4,350,076</u>

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

The \$2,060,595 of deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ (1,790,866)
2027	(132,463)
2028	(1,383,952)
2029	(561,732)
2030	(13,951)
	<u>\$ (3,882,964)</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, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

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

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.

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2022. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

Mortality Rates (continued)

117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

Long-Term Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets 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>	

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

Discount rate

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

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 27,079,034	\$ 20,379,266	\$ 14,677,800

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

Additional Information

Collective balances at June 30, 2024 are as follows:

Deferred outflows of resources	\$	1,079,580,780
Deferred inflows of resources	\$	1,611,322,898
Net pension liability	\$	13,702,423,985
District's Proportion		0.1499793707%

Collective pension expense (benefit) for the Local Group for the measurement period ended June 30, 2024 is \$372,160,096.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at June 30, 2024, 2023, 2022, 2021, 2020, and 2019 is 5.08, 5.08, 5.04, 5.13, 5.16, and 5.21 years, respectively.

Special Funding Situation

A special funding situation exists for certain local participating employers in the PERS. The State of New Jersey, a non-employer contributing entity, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The June 30, 2024 State special funding situation net pension liability amount of \$114.3 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133.

Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, there was no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$53.7 million, for the fiscal year ending June 30, 2024, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2024. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The District's expense and related revenue pertaining to the special funding situation is \$65,703.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2024 was \$231,745,159. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State's proportionate share of the TPAF net pension liability associated with the District was 0.4688814550 percent, which was an increase of 0.0018930768% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized on-behalf pension expense (benefit) and revenue in the government wide financial statements of (\$845,371) for contributions incurred by the State.

Actuarial assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	2.75 - 5.65%
	Based on years of service
Investment Rate of Return	7.00%

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

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.

Mortality Rates

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets 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 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 will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

6. Pension Plans (continued)

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the State's net pension liability would be if it 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's proportionate share of the net pension liability associated with the District	\$ 275,461,929	\$ 231,745,159	\$ 194,927,375

Pension plan fiduciary net position

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

Additional Information

Collective balances at June 30, 2024 are as follows:

Deferred outflows of resources	\$ 1,176,934,477
Deferred inflows of resources	\$ 10,530,833,639
Net pension liability	\$ 49,425,106,602

State's proportionate share associated with the District	0.4688814550%
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Collective pension benefit for the plan for the measurement period ended June 30, 2024 is \$148,167,647.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at June 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018, and 2017 is 7.84, 7.93, 7.83, 7.93, 8.04, 8.29, 8.29, and 8.23, respectively.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

7. Post-Retirement Benefits

General Information about the OPEB Plan

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

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

In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. The State is required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits was \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financialreports.shtml>.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

Employees covered by benefit terms

The following employees were covered by the benefit terms:

Local Education Group	June 30, 2024
Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	153,556
Total Plan Members	<u>372,741</u>

Total OPEB Liability

Actuarial assumptions and other inputs

The total non-employer OPEB liability of \$59,650,630,530 as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024 and included in the June 30, 2024 audited financial statements of the State Health Benefit Local education Retired Employees Plan. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Salary Increases:	2.75 - 5.65%	2.75 - 6.55%
	based on years of service	based on years of service

Mortality Rates

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

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

Mortality Rates (continued)

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the actual experience studies for July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the Plan upon retirement.

Discount Rate

The discount rate used to measure the total OPEB liability for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Changes in Total Non-employer OPEB Liability

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2024:

Balance at June 30, 2023		\$	243,780,411
Increased by:			
Service cost	\$	9,820,725	
Interest cost		9,048,238	
Changes of assumptions		20,564,314	
Member contributions		<u>236,615</u>	
			<u>39,669,892</u>
			283,450,303
Decreased by:			
Diff. between expected and actual exp.		1,664,903	
Gross benefit payments		<u>6,910,286</u>	
			<u>(8,575,189)</u>
Balance at June 30, 2024		\$	<u>274,875,114</u>

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

The following represents sensitivity of total non-employer OPEB liability to changes in the discount rate and health care cost rate

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2024 calculated using a discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount and healthcare cost trend rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	At Current Discount Rate (3.93%)	1% Increase (4.93%)
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 321,937,628	\$ 274,875,114	\$ 237,027,085

The following presents the State's proportionate share of the net OPEB liability associated with the District calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 228,972,971	\$ 274,875,114	\$ 334,665,684

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

For the year ended June 30, 2024, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$8,605,679 for OPEB expenses incurred by the State.

Collective balances of the Education Group at June 30, 2024 are as follows:

Deferred outflows of resources	\$ 18,640,445,786
Deferred inflows of resources	\$ 25,058,850,175
Collective OPEB expense	\$ 1,999,742,665
District's Proportion	0.46%

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

7. Post-Retirement Benefits (continued)

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State, therefore, the District records an expense and corresponding revenue for its respective share of total OPEB expense and revenue attributable to the State of New Jersey.

8. Deferred Compensation

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

1. Equitable
2. MG Trust-Pen Select
3. Lincoln Investment Planning Inc.
4. Met Life/Brighthouse Life Insurance Company
5. Vanguard Investments
6. Corebridge Financial (AIG Retirement Services)

9. Interfund Receivables and Payables

The total interfund receivables and payables for the District at June 30, 2025 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 152,617	\$ 192,841
Special Revenue Fund		152,617
Self Insurance Internal Service Fund	2,437	
Food Service Enterprise Fund	183,571	
Community Education Fund	6,833	
	<u>\$ 345,458</u>	<u>\$ 345,458</u>

The interfund between the General Fund and the Internal Service Fund represent amounts due back after funding the IBNR and related reserves. The interfund receivable in the General Fund and the related interfund payable in the Special Revenue Fund is related to timing of State and Federal receivables received by year. The interfund receivable in the Food Service Fund and Community Education Fund and the related interfund payable in the General Fund is related to current year operations being funded by the General Fund.

All interfunds are expected to be repaid within one year.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

10. Economic Dependency

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

11. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. The District is also involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

12. Risk Management

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

Property and Liability Insurance

The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds and does not retain risk of loss. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

Self-Insurance

The District is self-insured for workers' compensation, medical, prescription and dental benefits and has established an internal service fund to account for its self-insurance activities.

The accrued liability for unpaid workers' compensation, medical, prescription and dental claims of \$9,132,405 has been recorded in the internal service fund financial statements for

Incurred But Not Reported Claims (IBNR), which is subject to modification and/or assessment of existing or additional claims. The workers' compensation IBNR liability has been calculated by an actuary contracted by the District's claims administrator. The actuary utilized a 3% discount rate in determining the workers' compensation present value of the liability.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

12. Risk Management (continued)

The IBNR liability for medical, prescription and dental benefits has been calculated by the District based on actual enrollment, the statute of limitations in reporting a claim, and actual claims reported.

In addition, the District has an unrestricted net position of \$2,298,433 for future medical, dental, and prescription claims.

Changes in the Incurred But Not Reported claims liability amount in fiscal years 2025, 2024, and 2023 were:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2024-25	\$ 8,314,246	\$ 30,065,513	\$ 29,247,354	\$ 9,132,405
2023-24	6,609,369	26,506,799	24,801,922	8,314,246
2022-23	6,099,975	25,162,901	24,653,507	6,609,369

The District has estimated the short-term liability to be \$5,178,000, which approximates the District's recent claims history for workers' compensation plus a three months' average of premium costs for medical, prescription and dental claims.

13. New Jersey Unemployment Compensation Insurance

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

14. Capital Reserve Account

A capital reserve account was established by the District by transferring \$1 to a capital reserve account in 2002 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line – item appropriation amounts, or both. A district may also appropriate additional amounts when

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

14. Capital Reserve Account (continued)

the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024	\$ 34,670,608
Increase:	
Interest earned	1,201,660
Deposit approved at the June 2025 Board meeting	<u>2,000,000</u>
	37,872,268
Withdrawals:	
Board resolution	<u>(11,548,433)</u>
Ending balance, June 30, 2025	<u>\$ 26,323,835</u>

The June 30, 2025 LRFP balance of local support costs of uncompleted capital projects exceeded the amount in the capital reserve.

15. Maintenance Reserve Account

A maintenance reserve account was established by the District by way of a Board approved resolution in the amount of \$2,000,000 in June 2017 for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the maintenance reserve account are restricted to maintenance projects in the District's approved Comprehensive Maintenance Plan (CMP).

The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024	\$ 6,555,332
Increase:	
Interest Earned	284,633
Deposit Approved at the June 2025 Board meeting	<u>341,757</u>
	7,181,722
Withdrawals:	
Board resolution	<u>(629,000)</u>
Ending balance, June 30, 2025	<u>\$ 6,552,722</u>

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

15. Maintenance Reserve Account (continued)

Upon submission of the CMP to the New Jersey Department of Education, the District may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

The District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to NJ.AC. 6A:23A-14.2(g), the balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year. The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2025.

16. Emergency Reserve Account

An emergency reserve account was established by the District for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The emergency reserve is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent. As of June 30, 2025 the District's Emergency Reserve Account was \$1,000,000, unchanged from the prior year.

17. Deficit Fund Balance

The District has an unassigned deficit fund balance of \$838,131 in the Special Revenue Fund as of June 30, 2025 as reported in the fund statements (modified accrual basis). For budget purposes only, P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, in the current budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year.

For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditures, asset, and liability) should be in symmetry, i.e. if one government recognizes an asset, the other government recognizes a liability.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

17. Deficit Fund Balance (continued)

Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last two state aid payments, the Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

18. Commitments

There were contractual commitments in the general fund in the amount of \$10,786,172 at June 30, 2025 which are reported as assigned to other purposes.

19. Transfers – Reconciliation

The following presents a reconciliation of transfers during the 2025 fiscal year:

	<u>In</u>	<u>Out</u>
General Fund	\$ 129,171	\$ 295,841
Special Revenue Fund	273,225	
Capital Projects Fund		129,171
Food Service	22,616	
	<u>\$ 425,012</u>	<u>\$ 425,012</u>

The transfer from general fund to the special revenue fund represents the preschool inclusion children charged to the special revenue fund. The transfer from the capital projects fund to the general fund represents a transfer of interest income earned during the year. The Transfer from the General Fund to the Food Service Fund represents the deficit portion of unpaid school lunches accumulated during the year.

Piscataway Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2025

20. Net Position – Net Investment in Capital Assets

Net investment in capital assets, Governmental Activities, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. The net investment in capital assets of \$79,262,766 indicated as part of the Governmental Activities net position is calculated as follows:

Capital Assets, Net		\$ 94,443,709
Less:		
Financed Purchases Payable	\$ 12,324,142	
Leases Payable	<u>2,856,801</u>	
		<u>15,180,943</u>
Net Investment in Capital Assets		<u>\$ 79,262,766</u>

21. Change in Accounting Principle and Restatement of Net Position

Effective for the year ended June 30, 2025, the District implemented the provisions of GASB Statement No. 101, (“*Compensated Absences*”). This statement establishes new recognition and measurement criteria for compensated absences, requiring governments to recognize a liability for certain types of compensated absences when the leave is earned, rather than when it is paid. In accordance with GASB Statement No. 100, the provisions of GASB Statement No. 101 were adopted effective July 1, 2024.

As a result, the compensated absences liability related to the governmental activities was restated as of June 30, 2024, and the cumulative effect of the change of (\$12,552,622) was recognized in the 2024 change in net position in government wide activities.

Additionally, the compensated absences liability related to the Adult and Community Education Fund was restated as of June 30, 2024, and the cumulative effect of the change of (\$153,154) was recognized in the 2024 change in net position in both the business type activities and the Adult and Community Education Fund.

Required Supplementary Information – Part II

Pension and OPEB Schedules

Piscataway Township School District
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System
Required Supplementary Information
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset) - Local Group	0.1499793707%	0.1573061070%	0.1779125744%	0.1791206505%	0.1801651618%	0.1753574039%	0.1773917708%	0.1785450280%	0.1820402973%	0.1707830271%
District's proportionate share of the net pension liability (asset)	\$ 20,379,266	\$ 22,784,805	\$ 26,849,457	\$ 21,219,526	\$ 29,380,226	\$ 31,596,744	\$ 34,927,555	\$ 41,562,429	\$ 53,915,115	\$ 38,337,367
District's covered-employee payroll	\$ 12,646,395	\$ 12,374,396	\$ 11,901,837	\$ 11,842,413	\$ 12,770,871	\$ 12,731,947	\$ 12,713,224	\$ 12,425,585	\$ 12,358,725	\$ 12,065,765
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	161.15%	184.13%	225.59%	179.18%	230.06%	248.17%	274.73%	334.49%	436.25%	317.74%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

n/a - information not available

Note to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

The discount rate was 7.00% as of June 30, 2023 and June 30, 2024.

Piscataway Township School District
Schedule of District Contributions
Public Employees' Retirement System
Required Supplementary Information
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 2,040,800	\$ 2,102,440	\$ 2,243,563	\$ 2,097,711	\$ 1,970,918	\$ 1,705,719	\$ 1,775,857	\$ 1,686,752	\$ 1,617,220	\$ 1,468,276
Contributions in relation to the contractually required contribution	(2,040,800)	(2,102,440)	(2,243,563)	(2,097,711)	(1,970,918)	(1,705,719)	(1,775,857)	(1,686,752)	(1,617,220)	(1,468,276)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 12,646,395	\$ 12,374,396	\$ 11,901,837	\$ 11,842,413	\$ 12,770,871	\$ 12,731,947	\$ 12,713,224	\$ 12,425,585	\$ 12,358,725	\$ 12,065,765
Contributions as a percentage of covered-employee payroll	16.14%	16.99%	18.85%	17.71%	15.43%	13.40%	13.97%	13.57%	13.09%	12.17%

Piscataway Township School District
Schedule of the State's Proportionate Share of the Net Pension Liability Associated With the District
Teachers' Pension and Annuity Fund
Required Supplementary Information
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.468881455%	0.466988378%	0.471690861%	0.469082189%	0.474197960%	0.468804959%	0.478475830%	0.465268828%	0.463142878%	0.4435537652%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 231,745,159	\$ 238,316,636	\$ 243,366,144	\$ 225,512,147	\$ 312,253,650	\$ 287,710,028	\$ 304,396,046	\$ 313,701,021	\$ 364,337,637	\$ 280,344,921
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 231,745,159</u>	<u>\$ 238,316,636</u>	<u>\$ 243,366,144</u>	<u>\$ 225,512,147</u>	<u>\$ 312,253,650</u>	<u>\$ 287,710,028</u>	<u>\$ 304,396,046</u>	<u>\$ 313,701,021</u>	<u>\$ 364,337,637</u>	<u>\$ 280,344,921</u>
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

Covered payroll information is not presented since the Teachers' Pension and Annuity Fund is a special funding situation in which the District does not make contributions to this plan.

Notes to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

The discount rate was 7.00% as of June 30, 2023 and June 30, 2024.

Piscataway Township School District
Schedule of the State's Proportionate Share of the OPEB Liability Associated With the District
State Health Benefit Local Education Retired Employees Plan
Required Supplementary Information
Last Ten Fiscal Years*

	Year Ended June 30, 2018	Year Ended June 30, 2019	Year Ended June 30, 2020	Year Ended June 30, 2021	Year Ended June 30, 2022	Year Ended June 30, 2023	Year Ended June 30, 2024	Year Ended June 30, 2025
State's proportion of the OPEB Liability associated with the District -	0.47%	0.46%	0.47%	0.47%	0.46%	0.47%	0.47%	0.46%
District's proportionate share of the OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the OPEB liability associated with the District	\$ 250,957,214	\$ 214,148,862	\$ 194,322,489	\$ 316,029,068	\$ 278,872,501	\$ 235,635,374	\$ 243,780,411	\$ 274,875,114
Total proportionate share of the OPEB liability associated with the District	<u>\$ 250,957,214</u>	<u>\$ 214,148,862</u>	<u>\$ 194,322,489</u>	<u>\$ 316,029,068</u>	<u>\$ 278,872,501</u>	<u>\$ 235,635,374</u>	<u>\$ 243,780,411</u>	<u>\$ 274,875,114</u>
Beginning Balance	\$ 270,987,900	\$ 250,957,214	\$ 214,148,862	\$ 194,322,489	\$ 316,029,068	\$ 278,872,501	\$ 235,635,374	\$ 243,780,411
Increased by:								
Service cost	\$ 11,094,997	\$ 9,174,245	\$ 8,039,866	\$ 8,478,549	\$ 15,083,723	\$ 13,030,637	\$ 9,892,086	\$ 9,820,725
Interest cost	7,960,142	9,214,619	8,487,763	7,005,476	7,234,246	6,244,597	8,585,648	9,048,238
Changes of assumptions			2,897,364	57,727,651	275,129		491,360	20,564,314
Member contributions	214,038	197,909	176,823	166,760	184,944	198,433	220,020	236,615
Diff. between expected and actual exp.				53,829,949		6,685,967		
	19,269,177	18,586,773	19,601,816	127,208,385	22,778,042	26,159,634	19,189,114	39,669,892
Decreased by:								
Diff. between expected and actual exp.		(25,094,207)	(33,463,068)		(53,939,223)		(4,351,424)	(1,664,903)
Changes of assumptions	(33,487,161)	(24,574,654)			(296,826)	(63,211,303)		
Changes of benefit terms					(5,698,560)			
Gross benefit payments	(5,812,702)	(5,726,264)	(5,965,121)	(5,501,806)		(6,185,458)	(6,692,653)	(6,910,286)
	<u>\$ (39,299,863)</u>	<u>\$ (55,395,125)</u>	<u>\$ (39,428,189)</u>	<u>\$ (5,501,806)</u>	<u>\$ (59,934,609)</u>	<u>\$ (69,396,761)</u>	<u>\$ (11,044,077)</u>	<u>\$ (8,575,189)</u>
Ending Balance	<u>\$ 250,957,214</u>	<u>\$ 214,148,862</u>	<u>\$ 194,322,489</u>	<u>\$ 316,029,068</u>	<u>\$ 278,872,501</u>	<u>\$ 235,635,374</u>	<u>\$ 243,780,411</u>	<u>\$ 274,875,114</u>
Covered by employee payroll	\$ 63,103,173	\$ 63,917,207	\$ 64,683,358	\$ 66,385,742	\$ 67,079,866	\$ 68,385,946	\$ 71,298,002	\$ 74,611,323
Total OPEB liability as a percentage of covered employee payroll.	397.69%	335.04%	300.42%	476.05%	415.73%	344.57%	341.92%	368.41%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

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

Notes to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 3.65% as of June 30, 2023 to 3.93% as of June 30, 2024.

Required Supplementary Information – Part III

Budgetary Comparison Schedules

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Local sources:					
Local tax levy	\$ 104,093,507		\$ 104,093,507	\$ 104,093,507	
Tuition from Individuals	25,000		25,000	18,172	\$ (6,828)
Tuition from LEAs within state	300,000		300,000	282,722	(17,278)
Transportation Fees from Individuals	300,000		300,000	329,682	29,682
Transportation Fees from Other LEAs	50,000		50,000	75,945	25,945
Rents	600,000		600,000	720,870	120,870
Investment Income				401,706	401,706
Interest Income				1,239,690	1,239,690
Interest Earned on Capital Reserve Funds	400,000		400,000	1,201,661	801,661
Interest Earned on Maintenance Reserve Funds				284,633	284,633
Other Restricted Miscellaneous Revenues				67,316	67,316
Miscellaneous	1,900,000		1,900,000	1,127,078	(772,922)
Total revenues - local sources	107,668,507		107,668,507	109,842,982	2,174,475
State sources:					
Categorical Special Education Aid	7,923,339		7,923,339	7,923,339	
Categorical Transportation Aid	3,834,125		3,834,125	3,834,125	
Equalization Aid	12,888,163		12,888,163	12,888,163	
Extraordinary Aid	1,400,000		1,400,000	1,153,478	(246,522)
Categorical Security Aid	2,009,007		2,009,007	2,009,007	
Additional Non Public Transportation Aid				123,755	123,755
Homeless Tuition Reimbursement				34,458	34,458
Menstrual Product Reimbursement				19,514	19,514
On-behalf TPAF pension contributions (non-budgeted)				20,009,915	20,009,915
On-behalf TPAF Post-Retirement Medical contributions (non-budgeted)				5,846,913	5,846,913
On-behalf TPAF Long- Term Disability Insurance contributions (non-budgeted)				9,123	9,123
Reimbursed TPAF social security contributions (non-budgeted)				4,461,504	4,461,504
Total - state sources	28,054,634	-	28,054,634	58,313,294	30,258,660
Federal sources:					
Medicaid reimbursement	148,489		148,489	87,464	(61,025)
Total Federal sources	148,489	-	148,489	87,464	(61,025)
Total revenues	135,871,630	-	135,871,630	168,243,740	32,372,110
Expenditures					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Preschool/kindergarten	\$ 1,648,059	\$ (137,108)	\$ 1,510,951	\$ 1,510,951	
Grades 1-5	13,016,683	(1,035,731)	11,980,952	11,980,952	
Grades 6-8	8,662,301	(522,250)	8,140,051	8,131,896	\$ 8,155
Grades 9-12	12,164,546	(433,013)	11,731,533	11,723,840	7,693
High School Summer Orientation Salaries of teachers	10,560	(10,560)			
Home instruction - regular programs:					
Salaries of teachers	50,000	33,607	83,607	83,607	
Purchased professional-educational service	80,000	6,277	86,277	75,671	10,606
Undistributed instruction - regular programs:					
Other salaries for instruction	190,324	11,752	202,076	202,076	
Purchased professional-educational service	1,650,050	541,043	2,191,093	2,031,631	159,462
Other purchased services	53,100	(2,849)	50,251	26,792	23,459
General supplies	2,323,619	1,324,744	3,648,363	2,604,769	1,043,594
Textbooks	35,945	(5,395)	30,550	22,666	7,884
Other objects	689,098	18,440	707,538	541,063	166,475
Total instruction - regular programs	40,574,285	(211,043)	40,363,242	38,935,914	1,427,328

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Cognitive-mild:					
Salaries of teachers	\$ 390,730	\$ 47,188	\$ 437,918	\$ 437,918	
Other salaries for instruction	79,152	123,104	202,256	199,618	\$ 2,638
Summer salaries	1,050	(610)	440	440	
Purchased professional ed services	99,107	48,226	147,333	145,210	2,123
Other purchased services	350	-	350	22	328
General supplies	11,525	(450)	11,075	10,232	843
Total cognitive-mild	581,914	217,458	799,372	793,440	5,932
Learning and/or language disabilities:					
Salaries of teachers	527,902	21,983	549,885	549,885	
Other salaries for instruction	117,305	(40,937)	76,368	76,368	
Purchased professional ed services	159,564	68,854	228,418	226,307	2,111
General supplies	2,706	(249)	2,457	2,457	
Total learning and/or language disabilities	807,477	49,651	857,128	855,017	2,111
Perceptually Impaired					
Salaries of Teachers	98,252		98,252	98,252	
Purchased Professional-Educational	31,913	343	32,256	31,520	736
General Supplies	3,273	(1,733)	1,540	1,540	
Total Perceptually Impaired	133,438	(1,390)	132,048	131,312	736
Behavioral disabilities:					
Salaries of teachers	491,010	(9,667)	481,343	481,343	
Other salaries for instruction	49,954	(31,730)	18,224	18,224	
Purchased professional ed services	223,390	27,409	250,799	229,780	21,019
Other purchased services		9,418	9,418	9,418	
General supplies	8,500	7,795	16,295	16,218	77
Total behavioral disabilities	772,854	3,225	776,079	754,983	21,096
Multiple disabilities:					
Salaries of teachers	99,252	63,827	163,079	163,079	
Purchased professional ed services	63,826	1,490	65,316	64,735	581
General supplies	1,650	(972)	678	627	51
Total multiple disabilities	164,728	64,345	229,073	228,441	632
Resource room/center:					
Salaries of teachers	4,532,916	(60,587)	4,472,329	4,472,329	
Other salaries for instruction	116,805	(71,407)	45,398	45,398	
Purchased professional ed services	510,606	(24,610)	485,996	470,891	15,105
General supplies	8,569	849	9,418	9,418	
Total resource room/center	5,168,896	(155,755)	5,013,141	4,998,036	15,105
Autism:					
Salaries of teachers	1,686,861	(181,476)	1,505,385	1,505,384	1
Other salaries for instruction	116,304	30,793	147,097	147,096	1
Purchased professional-educational services	801,278	87,627	888,905	819,360	69,545
General supplies	47,100	(5,289)	41,811	41,468	343
Total autism	2,651,543	(68,345)	2,583,198	2,513,308	69,890
Preschool disabilities - full time:					
Salaries of teachers	956,140	5,593	961,733	961,732	1
Other salaries for instruction	37,653	80,937	118,590	118,590	
Purchased professional-educational services	878,138	(107,679)	770,459	732,157	38,302
General supplies	9,675	(3,769)	5,906	5,906	
Total preschool disabilities - full time	1,881,606	(24,918)	1,856,688	1,818,385	38,303
Total special education	12,162,456	84,271	12,246,727	12,092,922	153,805

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Basic skills/remedial - instruction:					
Salaries of teachers	\$ 1,522,869	\$ (54,987)	\$ 1,467,882	\$ 1,467,405	\$ 477
General supplies	10,100	(1,048)	9,052	5,441	3,611
Total basic skills/remedial - instruction	1,532,969	(56,035)	1,476,934	1,472,846	4,088
Bilingual education - instruction:					
Salaries of teachers	1,246,936	(50,174)	1,196,762	1,196,560	202
General supplies	35,050	(2,106)	32,944	22,692	10,252
Textbooks		3,000	3,000		3,000
Total bilingual education - instruction	1,281,986	(49,280)	1,232,706	1,219,252	13,454
School - sponsored cocurricular activities:					
Salaries	554,813	13,333	568,146	494,421	73,725
Purchased services	38,200	48	38,248	36,260	1,988
Supplies and materials	89,420	(17,899)	71,521	54,981	16,540
Other objects	7,150	2,670	9,820	9,370	450
Total school spn. cocurricular activities	689,583	(1,848)	687,735	595,032	92,703
School - sponsored athletics - instruction:					
Salaries	1,080,569	44,171	1,124,740	1,119,926	4,814
Purchased services	161,900	22,112	184,012	165,324	18,688
Supplies and materials	165,000	(1,278)	163,722	156,850	6,872
Other objects	45,500	(2,495)	43,005	40,410	2,595
Total school - sponsored athletics - instructio	1,452,969	62,510	1,515,479	1,482,510	32,969
Other supplemental / At Risk programs:					
Salaries of tutors	67,000	(3,602)	63,398	15,510	47,888
Purchased professional ed services	325,000	(30,000)	295,000	87,161	207,839
General supplies	3,000	(235)	2,765	1,010	1,755
Total Other supplemental / At Risk programs	395,000	(33,837)	361,163	103,681	257,482
Total instruction	58,089,248	(205,262)	57,883,986	55,902,157	1,981,829
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs w/in the state - reg.	30,000	(14,987)	15,013	15,013	
Tuition to other LEAs w/in the state - sp.	1,570,000	(632,771)	937,229	880,239	56,990
Tuition to private schools for the handicapped - within state	840,000	663,215	1,503,215	1,498,242	4,973
Tuition - state facilities	61,944		61,944	61,944	
Total instruction	2,501,944	15,457	2,517,401	2,455,438	61,963

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Attendance and social work services:					
Salaries	\$ 255,467	\$ 10,537	\$ 266,004	\$ 264,312	\$ 1,692
Other purchased services	3,500	12,565	16,065	14,811	1,254
Supplies and materials	1,000	(281)	719	639	80
Total attendance and social work services	259,967	22,821	282,788	279,762	3,026
Health services:					
Salaries	1,203,296	(61,884)	1,141,412	1,123,567	17,845
Purchased professional and technical services	72,835	40,930	113,765	93,916	19,849
Supplies and materials	53,400	19,173	72,573	62,434	10,139
Total health services	1,329,531	(1,781)	1,327,750	1,279,917	47,833
Speech, OT, PT, and related services					
related services:					
Salaries	1,864,167	(119,612)	1,744,555	1,739,879	4,676
Purchased professional educational services	65,000	286,709	351,709	311,766	39,943
Supplies and materials	14,000	(1,981)	12,019	12,018	1
Total Speech, OT, PT, and related services	1,943,167	165,116	2,108,283	2,063,663	44,620
Other support services - students -					
extra services:					
Salaries	774,579	(210,411)	564,168	564,168	
Purchased professional educational services	859,361	622,150	1,481,511	1,449,179	32,332
Supplies and materials	20,000	(6,093)	13,907	13,888	19
Other objects	9,000	150	9,150	8,850	300
Total other support services - students - extra service	1,662,940	405,796	2,068,736	2,036,085	32,651
Guidance:					
Salaries of other professional staff	2,297,647	(35,810)	2,261,837	2,251,875	9,962
Salaries of secretarial and clerical assistants	364,878	(16,177)	348,701	345,012	3,689
Other Salaries	60,761	4,824	65,585	65,585	
Purchased professional - educational services	522,000	4,086	526,086	371,188	154,898
Other purchased professional - technical services	100		100	25	75
Other purchased services	4,950		4,950	300	4,650
Supplies and materials	10,125	(2,150)	7,975	5,754	2,221
Other objects	5,975	(1,337)	4,638	4,498	140
Total guidance	3,266,436	(46,564)	3,219,872	3,044,237	175,635
Child Study Team:					
Salaries of other professional staff	2,669,162	3,003	2,672,165	2,671,277	888
Salaries of secretarial and clerical assistants	231,210	(5,335)	225,875	225,875	
Other Salaries	102,500	24,477	126,977	126,110	867
Purchased professional - educational services	55,000	206,541	261,541	211,276	50,265
Other purchased services (400-500 series)	12,000	(4,129)	7,871	5,514	2,357
Supplies and materials	22,500	550	23,050	22,957	93
Other objects	1,000	(456)	544	544	
Total child study team	3,093,372	224,651	3,318,023	3,263,553	54,470

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Improvement of instructional services:					
Salaries of supervisors of instruction	\$ 1,758,203	\$ 20,876	\$ 1,779,079	\$ 1,778,846	\$ 233
Salaries of secretarial and clerical assistants	140,319	1,319	141,638	141,637	1
Other Salaries	126,441	(6,131)	120,310	78,533	41,777
Salaries of facilitators, math & literacy coaches	391,008	600	391,608	391,608	
Purchased professional - educational services	24,280	11,090	35,370	6,590	28,780
Other purchased services	6,500	103	6,603	2,522	4,081
Supplies and materials	419,067	17,244	436,311	381,477	54,834
Other objects	8,670	133	8,803	2,981	5,822
Total improvement of instructional services	2,874,488	45,234	2,919,722	2,784,194	135,528
Educational media services/school library:					
Salaries	547,783	(37,047)	510,736	507,691	3,045
Salaries of Technology Coordinators	66,276		66,276	66,276	
Purchased professional and technical services	15,102	436	15,538	15,538	
Supplies and materials	48,916	(3,206)	45,710	36,673	9,037
Total educational media services/school library	678,077	(39,817)	638,260	626,178	12,082
Instructional staff training services:					
Other purchased services	29,675	9,470	39,145	27,045	12,100
Total instructional staff training services	29,675	9,470	39,145	27,045	12,100
Support services-general administration:					
Salaries	981,433		981,433	978,382	3,051
Salaries of attorneys	163,364		163,364	163,343	21
Legal services	60,000	(1,250)	58,750	21,931	36,819
Audit fees	80,000	(1,408)	78,592	77,900	692
Architectural / engineering services	100,000	20,323	120,323	79,183	41,140
Other purchased professional services	48,000		48,000	42,982	5,018
Purchased technical services	30,000	1,408	31,408	30,821	587
Communications/telephone	468,000	(72,500)	395,500	356,940	38,560
BOE Other purchased services	5,000	568	5,568	3,596	1,972
Misc Purch Services	283,000	(82,489)	200,511	125,383	75,128
General supplies	107,000	2,695	109,695	101,614	8,081
Judgments against the school district	50,000		50,000	33,000	17,000
Miscellaneous expenditures	27,500	(1,100)	26,400	16,176	10,224
BOE membership dues and fees	40,000	521	40,521	37,320	3,201
Total support services - general administration	2,443,297	(133,232)	2,310,065	2,068,571	241,494

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Support services-school administration:					
Salaries of principals/assistant principals	\$ 3,109,903	\$ (94,977)	\$ 3,014,926	\$ 3,001,096	\$ 13,830
Salaries of other prof staff	122,478	(33,560)	88,918	88,918	
Salaries of secretarial and clerical assistants	1,011,979	(6,758)	1,005,221	987,458	17,763
Other salaries	35,000	15,841	50,841	35,798	15,043
Purchased professional and technical services	10,000	(400)	9,600	40	9,560
Other purchased services	6,150	(2,726)	3,424	624	2,800
Supplies and materials	133,195	30,736	163,931	137,221	26,710
Other objects	63,864	(536)	63,328	55,150	8,178
Total support services-school administration	4,492,569	(92,380)	4,400,189	4,306,305	93,884
Central services:					
Salaries	1,158,853	19,975	1,178,828	1,173,208	5,620
Purchased technical services	65,000		65,000	64,879	121
Misc. purchased services	146,000	54,028	200,028	193,355	6,673
Supplies and materials	27,500	(2,392)	25,108	20,335	4,773
Other objects	15,000	1,836	16,836	14,918	1,918
Total central services	1,412,353	73,447	1,485,800	1,466,695	19,105
Administrative information technology:					
Salaries	975,485	(25,381)	950,104	944,375	5,729
Purchased technical services	15,000	23,100	38,100	24,685	13,415
Other purchased services	17,700		17,700	3,192	14,508
Supplies and Materials	71,500	221,702	293,202	287,163	6,039
Other objects	719,040	71,835	790,875	723,845	67,030
Total administrative information technology	1,798,725	291,256	2,089,981	1,983,260	106,721
Required maintenance for school facilities:					
Salaries	1,228,695	(281,061)	947,634	932,270	15,364
Cleaning, repair and maintenance services	939,582	893,389	1,832,971	1,147,697	685,274
Travel	8,000		8,000	473	7,527
General supplies	550,000	(102,808)	447,192	323,453	123,739
Other objects	100,000	(74,806)	25,194	6,457	18,737
Total required maintenance for school facilities	2,826,277	434,714	3,260,991	2,410,350	850,641
Custodial Services:					
Salaries	3,504,858	(191,670)	3,313,188	3,285,165	28,023
Salaries of Non-Instructional Aids	-	3,250	3,250	2,878	372
Purchased professional and technical services	44,650	47,320	91,970	63,970	28,000
Cleaning, repair and maintenance services	243,669	877	244,546	204,409	40,137
Rental of land & building	400,000	45,347	445,347	430,315	15,032
Lease Purchase Pymts- Energy Savings Impr Prog	1,504,919		1,504,919	1,504,919	
Other purchased property services	250,000	83,451	333,451	251,210	82,241
Insurance	1,293,723	(69,185)	1,224,538	1,221,248	3,290
General supplies	400,000	121,574	521,574	466,668	54,906
Energy - Natural gas	462,000	115,411	577,411	544,306	33,105
Energy - Electricity	903,000	235,384	1,138,384	998,482	139,902
Energy - Gasoline	50,000	(23,800)	26,200	(13,885)	40,085
Other objects	16,000	177	16,177	1,334	14,843
Total custodial services	9,072,819	368,136	9,440,955	8,961,019	479,936
Care & upkeep of grounds:					
Salaries	373,671		373,671	370,353	3,318
Cleaning, repair and maintenance services	163,527	(43,014)	120,513	94,073	26,440
General supplies	134,800	65,365	200,165	166,040	34,125
Other objects	1,000	1,985	2,985	1,351	1,634
Total care & upkeep of grounds	672,998	24,336	697,334	631,817	65,517

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Security					
Salaries	\$ 1,150,860		\$ 1,150,860	\$ 1,100,039	\$ 50,821
Purchased professional and technical services	50,000	\$ 42,666	92,666	73,482	19,184
Cleaning, repair and maintenance services	20,000		20,000		20,000
General supplies	50,000	26,177	76,177	35,627	40,550
Other objects	10,000		10,000	2,400	7,600
Total Security	1,280,860	68,843	1,349,703	1,211,548	138,155
Student transportation services:					
Salaries for pupil transportation:					
Non instructional aides	10,000	(4,305)	5,695	5,695	
Between home and school - regular	332,876	(146)	332,730	332,730	
Between home and school - special	1,334,190	111,789	1,445,979	1,445,979	
Other than between home & school	75,000	52,592	127,592	127,592	
Between home and school - non public	36,270	44,760	81,030	81,030	
Other purchased professional services	600,000	210,000	810,000	651,764	158,236
Cleaning, repair and maintenance	150,000	(44,623)	105,377	95,787	9,590
Rental payment - school buses	30,000	(1,740)	28,260	28,260	
Contracted services:					
Between home & school - regular	210,000	100,580	310,580	270,357	40,223
Other between home & school - regular	30,000	35,632	65,632	65,632	
Between home & school - jointures		181	181	181	
Vendors - between home & school	4,251,310	(55,425)	4,195,885	4,195,885	
Vendors - other between home & school	559,479	(81,753)	477,726	281,778	195,948
ESCs & CTSA's - regular ed	650,000	(82,996)	567,004	567,004	
ESCs & CTSA's - special ed	2,000,000	208,913	2,208,913	2,142,948	65,965
Travel	2,000		2,000	1,440	560
Miscellaneous purchased services -	60,000	(3,272)	56,728	56,057	671
General Supplies	100,000	20,033	120,033	118,533	1,500
Transportation Supplies and materials	350,000	(28,546)	321,454	249,803	71,651
Miscellaneous expenditures	5,000	(181)	4,819	3,658	1,161
Total student transportation services	10,786,125	481,493	11,267,618	10,722,113	545,505
Unallocated benefits:					
Group Insurance	5,000	(1,374)	3,626	3,626	
Social security contributions	1,500,000	(19,749)	1,480,251	1,469,135	11,116
Other retirement contributions - regular	15,000	(4,639)	10,361	10,361	
Other retirement contributions - PERS	2,300,000	(259,178)	2,040,822	2,040,822	
Worker's compensation	504,039	24,404	528,443	528,443	
Health insurance	22,597,548	606,021	23,203,569	21,056,178	2,147,391
Tuition reimbursement	140,000	(93,645)	46,355	41,605	4,750
Other employee benefits	745,000	(480,752)	264,248	264,248	
Total unallocated benefits	27,806,587	(228,912)	27,577,675	25,414,418	2,163,257
On-behalf TPAF pension contributions (non-budgeted)					
				20,009,915	(20,009,915)
On-behalf TPAF Post-Retirement Medical contributions (non-budgeted)					
				5,846,913	(5,846,913)
On-behalf TPAF Long- Term Disability Insurance contributions (non-budgeted)					
				9,123	(9,123)
Reimbursed TPAF social security contributions (non-budgeted)					
				4,461,504	(4,461,504)
Total personal services: benefits	27,806,587	(228,912)	27,577,675	55,741,873	(28,164,198)
Total undistributed expenditures	80,232,207	2,088,084	82,320,291	107,363,623	(25,043,332)
Total current expenditures	138,321,455	1,882,822	140,204,277	163,265,780	(23,061,503)

Piscataway Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Capital outlay:					
Equipment:					
Undistributed expenditures:					
Grades 1-5	\$ 1,000,000	\$ 390,301	\$ 1,390,301	\$ 672,654	\$ 717,647
Grades 6-8	700,000	14,623	714,623	20,706	693,917
Grades 9-12	906,623	(540,390)	366,233	89,476	276,757
School Administration		6,559	6,559	6,559	
School-spons & other instruction program		39,607	39,607	11,343	28,264
Support Services - Students - Regular		4,700	4,700	4,700	
Central Services		2,970	2,970	2,970	
Admin Info Tech		281,391	281,391	266,391	15,000
Required maintenance for school facilities	665,952	34,212	700,164	394,868	305,296
Undist. Expend. - Custodial Services	102,677	(1,065)	101,612		101,612
Undistributed expenditure Security		28,029	28,029	28,029	
Total equipment	3,375,252	260,937	3,636,189	1,497,696	2,138,493
Facilities acquisition and construction services:					
Architectual / engineering		1,646,811	1,646,811	718,758	928,053
Construction services		12,276,644	12,276,644	3,724,632	8,552,012
Assessment for Debt Service on SDA Funding	243,505		243,505	243,505	
Total facilities acquisition and construction services	243,505	13,923,455	14,166,960	4,686,895	9,480,065
Interest deposit to capital reserve	400,000	(400,000)			
Total expenditures - capital outlay	4,018,757	13,784,392	17,803,149	6,184,591	11,618,558
Transfer of funds to charter schools	896,212	122,529	1,018,741	1,018,741	-
Total expenditures	143,236,424	15,789,743	159,026,167	170,469,112	(11,442,945)
(Deficiency) excess of revenues (under) over expenditures	(7,364,794)	(15,789,743)	(23,154,537)	(2,225,372)	20,929,165
Other financing sources (uses):					
Transfers in (Capital Projects Fund)				129,171	129,171
Transfers Out (Food Service Fund)				(22,616)	(22,616)
Transfers Out (Special Revenue Fund)	(313,320)		(313,320)	(273,225)	40,095
Total other financing sources (uses)	(313,320)	-	(313,320)	(166,670)	146,650
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(7,678,114)	(15,789,743)	(23,467,857)	(2,392,042)	21,075,815
Fund balances, July 1	67,234,159		67,234,159	67,234,159	
Fund balances, June 30	\$ 59,556,045	\$ (15,789,743)	\$ 43,766,302	\$ 64,842,117	\$ 21,075,815
Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)					
Budgeted general fund balance	\$ (7,678,114)		\$ (7,678,114)	\$ 13,397,701	\$ 21,075,815
Withdrawal from capital reserve		\$ (11,548,433)	(11,548,433)	(11,548,433)	
Withdrawal from maintenance reserve		(629,000)	(629,000)	(629,000)	
Adjustment for prior year encumbrances, net		(3,612,310)	(3,612,310)	(3,612,310)	
Total	\$ (7,678,114)	\$ (15,789,743)	\$ (23,467,857)	\$ (2,392,042)	\$ 21,075,815
Recapitulation of fund balance:					
Restricted for:					
Emergency reserve				\$ 1,000,000	
Capital reserve				26,323,835	
Maintenance reserve				6,552,722	
Unemployment liability reserve				1,945,651	
Excess surplus - prior year				8,716,327	
Excess surplus - current year				6,585,357	
Assigned to:					
Year end encumbrances				10,786,172	
Unassigned fund balance				2,932,053	
				64,842,117	
Reconciliation to Governmental Funds Statements GAAP:					
Last two state aid payments not recognized on GAAP basis				(2,634,918)	
Solar Renewable Energy Credits (SREC) Income				1,069,700	
Fund balance per Governmental Funds (GAAP) (B-1)				\$ 63,276,899	

Piscataway Township School District
Special Revenue Fund
Required Supplementary Information

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State sources	\$ 9,945,104	\$ 370,339	\$ 10,315,443	\$ 9,261,700	\$ (1,053,743)
Federal sources	2,981,585	1,994,294	4,975,879	4,117,299	(858,580)
Other sources	313,320	916,749	1,230,069	846,524	(383,545)
Total revenues	\$ 13,240,009	\$ 3,281,382	\$ 16,521,391	\$ 14,225,523	\$ (2,295,868)
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 3,108,952	\$ 344,563	\$ 3,453,515	\$ 3,337,478	\$ 116,037
Other salaries from instruction	100,000	32,403	132,403	126,757	5,646
Purchased professional educational services	1,399,925	391,175	1,791,100	1,531,025	260,075
Other purchased services	10,000	680	10,680	1,200	9,480
Tuition	1,664,239	77,888	1,742,127	1,742,127	
Travel		15,485	15,485		15,485
Supplies and materials	206,732	569,844	776,576	477,024	299,552
Other objects	3,000	34,062	37,062	12,758	24,304
Total instruction	6,492,848	1,466,100	7,958,948	7,228,369	730,579
Support services:					
Salaries of other professional staff	978,784	188,301	1,167,085	1,068,285	98,800
Other salaries	821,046	3,390	824,436	776,202	48,234
Personal services—employee benefits	1,513,640	280,830	1,794,470	1,584,042	210,428
Purchased professional technical services	986,711	285,011	1,271,722	975,011	296,711
Rental - Preschool Education	1,727,752	4,280	1,732,032	1,481,457	250,575
Other purchased services	654,228	64,875	719,103	523,387	195,716
Travel	5,000	800	5,800	1,422	4,378
Supplies and materials	25,000	157,561	182,561	128,458	54,103
Scholarships awarded		7,000	7,000	7,000	
Student activities		750,444	750,444	750,444	
Other Objects	5,000		5,000	3,532	1,468
Total support services	6,717,161	1,742,492	8,459,653	7,299,240	1,160,413
Capital outlay:					
Facilities acquisition and construction services:					
Instructional equipment	30,000	72,790	102,790	17,790	85,000
Total facilities acquisition and construction services	30,000	72,790	102,790	17,790	85,000
Total expenditures	\$ 13,240,009	\$ 3,281,382	\$ 16,521,391	\$ 14,545,399	\$ 1,975,992
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(319,876)	(319,876)
Other financing sources (uses)					
Transfers in - General Fund				273,225	273,225
Total other financing sources (uses)				273,225	273,225
Net change in fund balances				(46,651)	(46,651)
Fund Balance, July 1				472,857	
Fund Balance, June 30				<u>\$ 426,206</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 11,968	
Student Activities				414,238	
Total Fund Balance				<u>426,206</u>	
Reconciliation to Governmental Funds Statements GAAP:					
Last two state aid payments not recognized on GAAP basis				(838,131)	
Fund balance per Governmental Funds (GAAP) (B-1)				<u>\$ (411,925)</u>	

Piscataway Township School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2025

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 168,243,740	\$ 14,225,523
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current year		(178,746)
Prior year, net of cancellations		165,055
General and preschool state aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	2,153,059	775,834
Current year	(2,634,918)	(838,131)
Adjustment to record the value of Solar Renewable Energy Credits (SREC) income on the modified accrual basis	(258,500)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	\$ 167,503,381	\$ 14,149,535
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 170,469,112	\$ 14,545,399
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior year		165,055
Current year		(178,746)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 170,469,112	\$ 14,531,708

Supplementary Information

Special Revenue Fund

Piscataway Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2025

	Title I		I.D.E.A.		Title II		Title III		Title III		Title IV	
	Regular Part A	Part B Regular	Part B Preschool	Part B Preschool	Part A Regular	Regular	Regular	Immigrant	Drug Free Regular	Regular	Regular	Regular
Revenues:												
State sources												
Federal sources	\$ 841,398	\$ 2,112,477	\$ 63,243	\$ 63,243	\$ 93,889	\$ 104,501	\$ 37,416	\$ 37,416	\$ 89,134			
Other sources												
Total revenues	\$ 841,398	\$ 2,112,477	\$ 63,243	\$ 63,243	\$ 93,889	\$ 104,501	\$ 37,416	\$ 37,416	\$ 89,134			
Expenditures:												
Current expenditures:												
Instruction:												
Salaries of teachers	\$ 201,680	\$ 127,404				\$ 75,094			\$ 13,043			
Other salaries from instruction	126,757											
Purchased professional educational services	90,602	41,254										
Other purchased services												
Tuition		1,678,884	\$ 63,243									
Supplies and materials	199,679							\$ 37,416		66,481		
Other objects	12,758											
Total instruction	631,476	1,847,542	63,243			75,094		37,416		79,524		
Support services:												
Salaries of other professional staff	51,419										8,000	
Other salaries												
Personal services—employee benefits	117,658	126,951					28,961			1,610		
Purchased professional technical services	1,200	137,984										
Purchased property services												
Other purchased services	23,287				\$ 73,566							
Travel												
Supplies and materials	16,358				20,323	446						
Scholarships awarded												
Student activities												
Other objects												
Total support services	209,922	264,935			93,889	29,407				9,610		
Capital outlay:												
Equipment:												
Instructional equipment												
Total Equipment												
Total expenditures	\$ 841,398	\$ 2,112,477	\$ 63,243	\$ 63,243	\$ 93,889	\$ 104,501	\$ 37,416	\$ 37,416	\$ 89,134			
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Piscataway Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2025

	New Jersey Non-Public Aid									
	Comp Ed	ESL	Exam & Class	Corrective Speech	Supple - mentary Instruction	Nursing	Technology Initiative	Home Instruction	Text - books	Security
	Regular Program	Regular Program	Regular Program	Regular Program	Regular Program	Regular Program	Regular Program	Regular Program	Regular Program	Regular Program
Revenues:										
State sources	\$ 145,651	\$ 22,073	\$ 43,220	\$ 27,900	\$ 29,736	\$ 160,110	\$ 65,745	\$ 42	\$ 67,761	\$ 199,976
Federal sources										
Other sources										
Total revenues	\$ 145,651	\$ 22,073	\$ 43,220	\$ 27,900	\$ 29,736	\$ 160,110	\$ 65,745	\$ 42	\$ 67,761	\$ 199,976
Expenditures:										
Current expenditures:										
Instruction:										
Salaries of teachers										
Other salaries from instruction										
Purchased professional educational services										
Other purchased services										
Tuition										
Supplies and materials										
Other objects										
Total instruction										
Support services:										
Salaries of other professional staff										
Other salaries										
Personal services—employee benefits										
Purchased professional technical services	\$ 145,651	\$ 22,073	\$ 43,220	\$ 27,900	\$ 29,736	\$ 160,110	\$ 65,745	\$ 42	\$ 67,761	\$ 199,976
Purchased property services										
Other purchased services										
Travel										
Supplies and materials										
Scholarships awarded										
Student activities										
Other objects										
Total support services	145,651	22,073	43,220	27,900	29,736	160,110	65,745	42	67,761	199,976
Capital outlay:										
Equipment:										
Instructional equipment										
Total Equipment										
Total expenditures	\$ 145,651	\$ 22,073	\$ 43,220	\$ 27,900	\$ 29,736	\$ 160,110	\$ 65,745	\$ 42	\$ 67,761	\$ 199,976
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)										
Transfers in	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Piscataway Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2025

	Elementary and Secondary School Emergency Relief ARP Program	Carl Perkins	Evidence-Based Comprehensive Beyond The School Day Activities Grant	Accelerated Learning Coaching and Educator Support Grant	Evidence-Based Summer Learning and Enrichment Activities Grant	Preschool Education Aid	Student Activity Fund	Scholarships Fund	Local Programs	Totals
Revenues:										
State sources						\$ 8,499,486				\$ 9,261,700
Federal sources	\$ 495,804	\$ 49,505	\$ 34,843	\$ 184,493	\$ 10,596					4,117,299
Other sources							\$ 705,288	\$ 5,505	\$ 135,731	846,524
Total revenues	\$ 495,804	\$ 49,505	\$ 34,843	\$ 184,493	\$ 10,596	\$ 8,499,486	\$ 705,288	\$ 5,505	\$ 135,731	\$ 14,225,523
Expenditures:										
Current expenditures:										
Instruction:										
Salaries of teachers	\$ 346,483	\$ 13,557	\$ 16,538			\$ 2,543,679				\$ 3,337,478
Other salaries from instruction										126,757
Purchased professional educational services			13,040			1,280,185			\$ 105,944	1,531,025
Other purchased services						1,200				1,200
Tuition										1,742,127
Supplies and materials	39,874	11,948	4,000			111,392			6,234	477,024
Other objects										12,758
Total instruction	386,357	25,505	33,578			3,936,456			112,178	7,228,369
Support services:										
Salaries of other professional staff	57,376			\$ 83,741		867,749				1,068,285
Other salaries						776,202				776,202
Personal services—employee benefits	20,956	1,037	1,265	6,406		1,279,198				1,584,042
Purchased professional technical services				30,224		42,200			1,189	975,011
Purchased property services		4,280				1,477,177				1,481,457
Other purchased services	31,115	893		1,909	\$ 10,596	376,186			5,835	523,387
Travel						1,422				1,422
Supplies and materials				62,213		12,589			16,529	128,458
Scholarships awarded								\$ 7,000		7,000
Student activities							\$ 750,444			750,444
Other objects						3,532				3,532
Total support services	109,447	6,210	1,265	184,493	10,596	4,836,255	750,444	7,000	23,553	7,299,240
Capital outlay:										
Equipment:										
Instructional equipment		17,790								17,790
Total Equipment		17,790								17,790
Total expenditures	\$ 495,804	\$ 49,505	\$ 34,843	\$ 184,493	\$ 10,596	\$ 8,772,711	\$ 750,444	\$ 7,000	\$ 135,731	\$ 14,545,399
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	(273,225)	(45,156)	(1,495)	-	(319,876)
Other financing sources (uses)										
Transfers in	-	-	-	-	-	273,225	-	-	-	273,225
Total other financing sources (uses)	-	-	-	-	-	273,225	-	-	-	273,225
Net change in fund balance	-	-	-	-	-	-	(45,156)	(1,495)	-	(46,651)
Fund Balance, July 1	-	-	-	-	-	-	459,394	13,463	-	472,857
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 414,238	\$ 11,968	\$ -	\$ 426,206

Piscataway Township School District
Special Revenue Fund

Schedule of Preschool Education Aid Expenditures
Preschool - All Programs
Budgetary Basis

Year ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 2,695,287	\$ (55,622)	\$ 2,639,665	\$ 2,543,679	\$ 95,986
Purchased Professional Educational Services	1,379,925	80,622	1,460,547	1,280,185	180,362
Other purchased services	10,000	-	10,000	1,200	8,800
Supplies and materials	70,000	50,000	120,000	111,392	8,608
Other Objects	3,000	-	3,000	-	3,000
Total instruction services	4,158,212	75,000	4,233,212	3,936,456	296,756
Support services:					
Contracted Pre-Kindergarten					
Salaries of other professional staff	906,099	(3,099)	903,000	867,749	35,251
Other salaries from instruction	821,046	3,180	824,226	776,202	48,024
Personal services—employee benefits	1,368,640	-	1,368,640	1,279,198	89,442
Rentals	1,727,752	-	1,727,752	1,477,177	250,575
Other purchased services	411,675	67,972	479,647	418,386	61,261
Travel	5,000	800	5,800	1,422	4,378
Supplies and materials	25,000	-	25,000	12,589	12,411
Other objects	5,000	-	5,000	3,532	1,468
Total support services	5,270,212	68,853	5,339,065	4,836,255	502,810
Facilities acquisition and cont. serv:					
Instructional equipment	10,000	-	10,000	-	10,000
Noninstructional equipment	20,000	55,000	75,000	-	75,000
Total Facilities acquisition and cont. serv:	30,000	55,000	85,000	-	85,000
Total Expenditures	\$ 9,458,424	\$ 198,853	\$ 9,657,277	\$ 8,772,711	\$ 884,566

Calculation of Budget and Carryover

Total revised 2024-25 Preschool Education Aid Allocation	\$ 8,381,310
Add: Actual Preschool Education Aid Carryover June 30, 2024	1,002,742
Add: Transfer from General Fund	273,225
Total Preschool Education Aid Funds Available for 2024-25 Budget	9,657,277
Less: 2024-25 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(9,657,277)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	-
Add: June 30, 2025 Unexpended Preschool Education Aid	884,566
2024-25 Carryover - Preschool Education Aid/Preschool	<u>884,566</u>
2024-25 Preschool Education Aid Carryover	\$ 884,566
Budgeted for Preschool Programs 2025-26	<u>500,000</u>

Capital Projects Fund

Piscataway Township School District
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and
 Changes in Fund Balance
 (Budgetary Basis)
 Year ended June 30, 2025

Revenues and other financing sources	
Investment Income	\$ 129,171
Total revenues	<u>129,171</u>
Expenditures and Other Financing Uses	
Construction Services	<u>1,631,848</u>
Total Expenditures	1,631,848
 (Deficiency) of revenues (under) expenditures	 (1,502,677)
Other Financing (uses)	
Transfers to General Fund	<u>(129,171)</u>
Total other financing (uses)	(129,171)
 (Deficiency) of revenues (under) expenditures and other financing (uses)	 (1,631,848)
 Fund Balance, July 1	 <u>1,631,848</u>
Fund Balance, June 30	<u><u>\$ -</u></u>
Fund balance, budgetary-basis	\$ -
Less difference in grant revenue recognized	<u>-</u>
Fund balance, GAAP-basis	<u><u>\$ -</u></u>

Piscataway Township School District
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Changes in Fund Balance and Project Status
 (Budgetary Basis)

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 616,800	\$ (605,586)	\$ 11,214	\$ 11,214
Financed purchase proceeds and transfers	15,503,119		15,503,119	15,503,119
Contribution from Private sources				
Transfer from capital reserve	16,821	-	16,821	16,821
Total revenues	<u>16,136,740</u>	<u>(605,586)</u>	<u>15,531,154</u>	<u>\$ 15,531,154</u>
Expenditures and Other Financing Uses				
Purchased professional/tech services				
Land and improvements				
Construction services	13,899,306	1,631,848	15,531,154	
Equipment				
Transfers to General Fund				
Total expenditures	<u>13,899,306</u>	<u>1,631,848</u>	<u>15,531,154</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,237,434</u>	<u>\$ (2,237,434)</u>	<u>\$ -</u>	

Piscataway Township School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Changes in Fund Balance and Project Status
(Budgetary Basis)

Replacement of Exterior Metal Panels: Piscataway High School

From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 616,800	\$ (605,586)	\$ 11,214	\$ 11,214
Note proceeds and transfers				
Contribution from Private sources				
Transfer from capital reserve	16,821	-	16,821	16,821
Total revenues	<u>633,621</u>	<u>(605,586)</u>	<u>28,035</u>	<u>\$ 28,035</u>
Expenditures and Other Financing Uses				
Purchased professional/tech services				
Land and improvements				
Construction services	28,035		28,035	
Equipment				
Transfers to General Fund			-	
Total expenditures	<u>28,035</u>	<u>-</u>	<u>28,035</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 605,586</u>	<u>\$ (605,586)</u>	<u>\$ -</u>	
Additional project information				
Project number	4130-050-13-2026			
Grant date	4/14/2016			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,542,000			
Additional Authorized Cost	(1,513,965)			
Revised Authorized Cost	\$ 28,035			
Percentage Increase over Original Authorized Cost	-98.18%			
Percentage completion	100.00%			
Original target completion date	N/A			
Revised target completion date	June 2025			

Piscataway Township School District
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Changes in Fund Balance and Project Status
 (Budgetary Basis)
 Energy Savings Investment Plan
 From Inception and for the year ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Financed purchases	\$ 15,503,119		\$ 15,503,119	\$ 15,503,119
Contribution from Private sources				
Transfer from capital reserve				
Total revenues	15,503,119	-	15,503,119	\$ 15,503,119
Expenditures and Other Financing Uses				
Purchased professional/tech services				
Land and improvements				
Construction services	13,871,271	\$ 1,631,848	15,503,119	
Equipment				
Transfers to General Fund			-	
Total expenditures	13,871,271	1,631,848	15,503,119	
Excess (deficiency) of revenues over (under) expenditures	\$ 1,631,848	\$ (1,631,848)	\$ -	
Additional project information				
Project number	N/A			
Financed purchase date	7/1/2021			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 15,503,119			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 15,503,119			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	N/A			
Revised target completion date	December 2024			

Piscataway Township School District
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 (Budgetary Basis)
 June 30, 2025

<u>Issue/Project Title</u>	<u>Revised</u> <u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended</u> <u>Balance</u>
		<u>Prior</u> <u>Years</u>	<u>Current</u> <u>Year</u>	
Replacement of Exterior Metal Panels: Piscataway High School	\$ 28,035	\$ 28,035		
Energy Savings Investment Plan	15,503,119	13,871,271	\$ 1,631,848	\$ -
	<u>\$ 15,531,154</u>	<u>\$ 13,899,306</u>	<u>\$ 1,631,848</u>	<u>\$ -</u>

Long-Term Debt

Piscataway Township School District
Long-Term Debt

Schedule of Obligations Under Financed Purchases and Leases

Year ended June 30, 2025

Financed Purchases Payable

Purpose	Interest Rate	Amount of Original Issue	Balance July 1, 2024	Retired	Balance June 30, 2025
ESIP Lease	1.722%	\$ 15,503,119	\$ 13,594,929	\$ 1,270,787	\$ 12,324,142
			<u>\$ 13,594,929</u>	<u>\$ 1,270,787</u>	<u>\$ 12,324,142</u>

Leases Payable

Purpose	Interest Rate	Amount of Original Issue	Balance July 1, 2024	Retired	Balance June 30, 2025
NB Road Building	1.720%	\$ 5,762,789	\$ 2,653,415	\$ 1,196,123	\$ 1,457,292
Cabrini Building	1.720%	1,731,787	1,148,205	336,341	811,864
Fatima Building	1.720%	1,252,109	819,286	243,180	576,106
Copier Lease #1	3.000%	464,980	58,803	58,803	
Copier Lease #2	3.750%	45,964	21,064	9,525	11,539
			<u>\$ 4,700,773</u>	<u>\$ 1,843,972</u>	<u>\$ 2,856,801</u>

Statistical Section (Unaudited)

Other Information

**Statistical Section
Unaudited**

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

Sources

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.

Piscataway Township School District
 Net Position by Component
 Last Ten Fiscal Years

(accrual basis of accounting)
 Unaudited

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 47,368,890	\$ 50,418,186	\$ 54,954,567	\$ 59,710,198	\$ 65,296,610	\$ 73,291,274	\$ 74,473,820	\$ 74,856,392	\$ 77,854,498	\$ 79,262,766
Restricted	18,054,248	24,710,558	27,445,978	29,490,749	35,826,876	38,776,314	46,958,691	53,013,255	60,971,573	51,550,098
Unrestricted (deficit)	(29,523,581)	(34,632,570)	(36,196,509)	(36,281,117)	(32,096,426)	(29,010,604)	(27,291,886)	(21,773,393)	(21,656,583)	(25,331,943)
Total governmental activities net position	\$ 35,899,557	\$ 40,496,174	\$ 46,204,036	\$ 52,919,830	\$ 69,027,060	\$ 83,056,984	\$ 94,140,625	\$ 106,096,254	\$ 117,169,488	\$ 105,480,921
Business-type activities										
Net investment in capital assets	\$ 277,806	\$ 216,642	\$ 176,295	\$ 145,735	\$ 94,859	\$ 71,048	\$ 147,073	\$ 290,389	\$ 837,254	\$ 1,063,878
Unrestricted	3,816,947	3,900,313	4,019,418	4,218,313	4,339,393	3,656,320	3,541,354	3,932,684	3,624,134	3,532,684
Total business-type activities net position	\$ 4,094,753	\$ 4,116,955	\$ 4,195,713	\$ 4,364,048	\$ 4,434,252	\$ 3,727,368	\$ 3,688,427	\$ 4,223,073	\$ 4,461,388	\$ 4,596,562
District-wide										
Net investment in capital assets	\$ 47,646,696	\$ 50,634,828	\$ 55,130,862	\$ 59,855,933	\$ 65,391,469	\$ 73,362,322	\$ 74,620,893	\$ 75,146,781	\$ 78,691,752	\$ 80,326,644
Restricted	18,054,248	24,710,558	27,445,978	29,490,749	35,826,876	38,776,314	46,958,691	53,013,255	60,971,573	51,550,098
Unrestricted (deficit)	(25,706,634)	(30,732,257)	(32,177,091)	(32,062,804)	(27,757,033)	(25,354,284)	(23,750,532)	(17,840,709)	(18,032,449)	(21,799,259)
Total district net position	\$ 39,994,310	\$ 44,613,129	\$ 50,399,749	\$ 57,283,878	\$ 73,461,312	\$ 86,784,352	\$ 97,829,052	\$ 110,319,327	\$ 121,630,876	\$ 110,077,483

Source: ACFR Schedule A-1 and District records.

Notes: The significant increases in governmental activities net position, net investment in capital assets is the result of the increase in construction in progress for ongoing capital projects.

GASB 84 was implemented during the 2021 fiscal year, which required the restatement of beginning net position in the amount of \$2,272,556. This amount is not reflected in the June 30, 2020 Net Position above.

Piscataway Township School District
Changes in Net Position
Last Ten Fiscal Years

(accrual basis of accounting)
Unaudited

	Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction	\$ 79,833,314	\$ 89,968,357	\$ 93,192,588	\$ 84,713,396	\$ 78,654,198	\$ 90,203,669	\$ 85,301,182	\$ 83,335,521	\$ 88,095,825	\$ 91,480,819
Support services:										
Attendance/social work	349,747	395,547	446,750	380,297	366,032	398,625	399,417	395,209	422,561	419,553
Health services	1,305,701	1,711,586	1,732,288	1,675,405	1,577,821	2,020,695	1,714,926	1,689,972	1,827,633	1,879,309
Other support services	13,014,264	14,532,158	15,288,999	16,475,337	16,007,486	19,253,434	21,393,365	19,589,666	22,355,261	22,400,933
Improvement of instruction	3,242,545	3,374,190	4,527,558	4,197,277	3,976,513	4,709,866	4,212,444	4,359,871	4,175,939	4,062,986
Instructional staff training	24,087	15,643	15,308	19,771	10,605	3,461	6,479	8,477	11,788	28,581
School library	894,189	957,837	1,039,347	942,322	946,166	1,103,668	1,003,107	953,556	966,543	930,802
General administration	2,162,703	2,395,134	2,680,268	2,357,608	2,314,084	2,657,087	2,705,535	2,703,149	2,902,935	2,721,275
School administration	5,377,268	6,470,688	6,790,088	7,016,584	6,581,124	7,691,606	6,992,269	6,589,100	6,639,592	6,479,073
Central Services	1,652,159	1,839,812	1,881,095	1,876,902	1,859,485	2,077,909	1,991,701	1,927,288	1,963,732	2,099,967
Administrative Information Technology	1,578,090	1,700,568	1,544,286	1,469,273	1,466,362	1,589,993	2,170,134	1,837,073	2,130,850	2,538,607
Required maintenance	2,359,775	1,821,362	1,951,446	3,357,714	2,409,507	2,516,072	2,314,908	2,281,858	2,245,083	2,410,350
Operation of plant	10,255,675	12,190,650	12,612,858	11,681,923	12,386,972	13,690,787	12,115,749	14,249,540	7,867,574	11,850,211
Student transportation	6,895,374	7,506,675	8,037,774	8,191,732	7,078,189	6,380,126	9,009,705	11,001,055	11,372,314	12,265,443
Charter schools	243,654	295,494	328,975	551,071	625,995	619,468	686,336	750,866	914,548	1,018,741
Interest on debt	874,589	768,766	657,863	542,686	394,633	245,382	386,649	14,634	-	212,246
Total governmental activities	<u>130,063,134</u>	<u>145,944,767</u>	<u>152,727,491</u>	<u>145,451,298</u>	<u>136,655,172</u>	<u>155,161,848</u>	<u>152,403,906</u>	<u>151,686,835</u>	<u>153,892,178</u>	<u>162,798,896</u>
Business-type activities:										
Food service	3,286,061	3,721,154	3,583,663	3,804,198	2,966,154	4,302,356	4,569,453	3,567,928	4,191,072	4,496,149
Adult and Community Education	5,540,610	6,055,972	6,061,783	6,408,749	6,810,304	4,937,469	2,794,948	3,322,876	3,684,245	3,835,570
Total business-type activities expense	<u>8,826,671</u>	<u>9,777,126</u>	<u>9,645,446</u>	<u>10,212,947</u>	<u>9,776,458</u>	<u>9,239,825</u>	<u>7,364,401</u>	<u>6,890,804</u>	<u>7,875,317</u>	<u>8,331,719</u>
Total district expenses	<u>\$ 138,889,805</u>	<u>\$ 155,721,893</u>	<u>\$ 162,372,937</u>	<u>\$ 155,664,245</u>	<u>\$ 146,431,630</u>	<u>\$ 164,401,673</u>	<u>\$ 159,768,307</u>	<u>\$ 158,577,639</u>	<u>\$ 161,767,495</u>	<u>\$ 171,130,615</u>
Program Revenues										
Governmental activities:										
Charges for services - tuition, transportation and student activities	\$ 839,569	\$ 856,606	\$ 817,142	\$ 875,661	\$ 810,662	\$ 689,444	\$ 1,320,727	\$ 1,286,208	\$ 1,597,541	\$ 1,417,314
Operating grants and contributions	4,132,846	4,053,975	4,211,505	4,939,727	6,203,462	8,195,891	13,168,872	14,198,747	15,432,965	13,438,742
Capital grants and contributions	827,637	462,836	526,133	74,474	3,772					
Total governmental activities program revenues	<u>5,800,052</u>	<u>5,373,417</u>	<u>5,554,780</u>	<u>5,889,862</u>	<u>7,017,896</u>	<u>8,885,335</u>	<u>14,489,599</u>	<u>15,484,955</u>	<u>17,030,506</u>	<u>14,856,056</u>
Business-type activities:										
Charges for services:										
Food service	1,346,214	2,389,851	2,259,793	2,310,963	1,617,400	250,079	432,339	1,571,548	1,720,233	1,617,289
Adult and Community Education	5,491,128	6,007,406	6,017,375	6,541,741	6,619,608	3,876,621	2,143,622	3,525,817	4,154,462	4,240,536
Operating grants and contributions	1,302,126	1,389,213	1,430,710	1,436,276	1,484,481	4,406,241	4,749,499	2,328,085	2,139,821	2,739,606
Total business-type activities program revenues	<u>8,139,468</u>	<u>9,786,470</u>	<u>9,707,878</u>	<u>10,288,980</u>	<u>9,721,489</u>	<u>8,532,941</u>	<u>7,325,460</u>	<u>7,425,450</u>	<u>8,014,516</u>	<u>8,597,431</u>
Total district program revenues	<u>\$ 13,939,520</u>	<u>\$ 15,159,887</u>	<u>\$ 15,262,658</u>	<u>\$ 16,178,842</u>	<u>\$ 16,739,385</u>	<u>\$ 17,418,276</u>	<u>\$ 21,815,059</u>	<u>\$ 22,910,405</u>	<u>\$ 25,045,022</u>	<u>\$ 23,453,487</u>
Net (Expense)/Revenue										
Governmental activities	\$ (124,263,082)	\$ (140,571,350)	\$ (147,172,711)	\$ (139,561,436)	\$ (129,637,276)	\$ (146,276,513)	\$ (137,914,307)	\$ (136,201,880)	\$ (136,861,672)	\$ (147,942,840)
Business-type activities	(687,203)	9,344	62,432	76,033	(54,969)	(706,884)	(38,941)	534,646	139,199	265,712
Total district-wide net expense	<u>\$ (124,950,285)</u>	<u>\$ (140,562,006)</u>	<u>\$ (147,110,279)</u>	<u>\$ (139,485,403)</u>	<u>\$ (129,692,245)</u>	<u>\$ (146,983,397)</u>	<u>\$ (137,953,248)</u>	<u>\$ (135,667,234)</u>	<u>\$ (136,722,473)</u>	<u>\$ (147,677,128)</u>

Piscataway Township School District
Changes in Net Position
Last Ten Fiscal Years

(accrual basis of accounting)
Unaudited

	Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	\$ 86,150,602	\$ 88,623,454	\$ 89,400,687	\$ 90,395,923	\$ 92,203,841	\$ 94,047,918	\$ 94,988,397	\$ 98,637,278	\$ 103,062,878	\$ 104,093,507
Taxes levied for debt service	3,525,880	3,569,675	3,592,375	3,607,275	3,613,300	3,632,551	3,638,312	3,641,724	-	-
Unrestricted grants and contributions	42,310,229	52,271,257	58,879,012	51,017,261	46,391,614	61,177,745	48,186,976	42,556,549	40,227,792	39,822,379
Investment earnings	296,015	300,695	639,884	1,034,654	943,729	418,989	483,820	346,737	104,539	143,206
Other restricted miscellaneous income						5,916	4,996	36,241	77,664	67,316
Miscellaneous income	416,278	402,888	368,615	222,117	319,466	1,023,318	1,695,447	2,938,980	4,561,149	4,703,103
Transfers									(99,116)	(22,616)
Total governmental activities	<u>132,699,004</u>	<u>145,167,969</u>	<u>152,880,573</u>	<u>146,277,230</u>	<u>143,471,950</u>	<u>160,306,437</u>	<u>148,997,948</u>	<u>148,157,509</u>	<u>147,934,906</u>	<u>148,806,895</u>
Business-type activities:										
Miscellaneous income	594,291	12,858	16,326	92,302	125,174					
Transfers									99,116	22,616
Total business-type activities	<u>594,291</u>	<u>12,858</u>	<u>16,326</u>	<u>92,302</u>	<u>125,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,116</u>	<u>22,616</u>
Total district-wide	<u>\$ 133,293,295</u>	<u>\$ 145,180,827</u>	<u>\$ 152,896,899</u>	<u>\$ 146,369,532</u>	<u>\$ 143,597,124</u>	<u>\$ 160,306,437</u>	<u>\$ 148,997,948</u>	<u>\$ 148,157,509</u>	<u>\$ 148,034,022</u>	<u>\$ 148,829,511</u>
Change in Net Position										
Governmental activities	\$ 8,435,922	\$ 4,596,619	\$ 5,707,862	\$ 6,715,794	\$ 13,834,674	\$ 14,029,924	\$ 11,083,641	\$ 11,955,629	\$ 11,073,234	\$ 864,055
Business-type activities	(92,912)	22,202	78,758	168,335	70,205	(706,884)	(38,941)	534,646	238,315	288,328
Total district	<u>\$ 8,343,010</u>	<u>\$ 4,618,821</u>	<u>\$ 5,786,620</u>	<u>\$ 6,884,129</u>	<u>\$ 13,904,879</u>	<u>\$ 13,323,040</u>	<u>\$ 11,044,700</u>	<u>\$ 12,490,275</u>	<u>\$ 11,311,549</u>	<u>\$ 1,152,383</u>

Source: ACFR Schedule A-2 and District records.

Note: GASB 84 was implemented during the 2021 fiscal year, which required the recognition of student activity revenue reported as charges for services. This amount is not reflected in the June 30th prior revenue balances above.

Piscataway Township School District
Fund Balances - Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)
Unaudited

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	(Restated)									
General Fund										
Restricted	\$ 15,148,489	\$ 22,398,112	\$ 25,778,748	\$ 28,572,940	\$ 34,397,057	\$ 37,478,107	\$ 45,622,684	\$ 51,698,398	\$ 60,498,716	\$ 51,123,892
Assigned	1,235,982	546,031	676,712	1,707,029	5,749,038	5,017,039	2,396,842	5,814,634	4,008,510	10,786,172
Unassigned	1,904,116	1,724,788	1,819,029	1,386,289	1,623,704	4,529,929	4,843,120	2,899,122	1,902,074	1,366,835
Total general fund	<u>\$ 18,288,587</u>	<u>\$ 24,668,931</u>	<u>\$ 28,274,489</u>	<u>\$ 31,666,258</u>	<u>\$ 41,769,799</u>	<u>\$ 47,025,075</u>	<u>\$ 52,862,646</u>	<u>\$ 60,412,154</u>	<u>\$ 66,409,300</u>	<u>\$ 63,276,899</u>
All Other Governmental Funds										
Restricted reported in:										
Capital projects fund	\$ 3,252,915	\$ 2,312,446	\$ 1,667,230	\$ 917,809	\$ 910,781	\$ 910,781	\$ 12,500,162	\$ 4,808,280	\$ 1,631,848	
Debt service fund				1	1	2	1			
Special revenue fund					519,038	387,426	427,628	443,192	472,857	\$ 426,206
Unassigned (deficit), reported in:										
Special revenue fund	(44,220)	(44,220)	(44,220)	(230,146)	(305,778)	(356,472)	(451,520)	(724,475)	(775,834)	(838,131)
Total all other governmental funds	<u>\$ 3,208,695</u>	<u>\$ 2,268,226</u>	<u>\$ 1,623,010</u>	<u>\$ 687,664</u>	<u>\$ 1,124,042</u>	<u>\$ 941,737</u>	<u>\$ 12,476,271</u>	<u>\$ 4,526,997</u>	<u>\$ 1,328,871</u>	<u>\$ (411,925)</u>

Source: ACFR Schedule B-1 and District records.

Note 1: The deficits in the special revenue fund are the result of the last state aid payments being deferred until the subsequent fiscal year. See notes to the basic financial statements for additional information.

Note 2: GASB 84 was implemented during the 2021 fiscal year, which required the establishment of new restricted fund balances for scholarship and student activity accounts.

Piscataway Township School District
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years

(modified accrual basis of accounting)
 Unaudited

	Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Local sources:										
Local tax levy	\$ 89,676,482	\$ 92,193,129	\$ 92,993,062	\$ 94,003,198	\$ 95,817,141	\$ 97,680,469	\$ 98,626,709	\$ 102,279,002	\$ 103,062,878	\$ 104,093,507
Transportation	496,367	447,735	437,238	508,090	314,498	19,656	486,383	352,761	501,492	405,627
Tuition charges	343,202	408,871	379,904	367,571	496,164	476,108	441,555	392,399	419,705	300,894
Investment income	296,015	300,695	639,884	1,034,654	943,729	604,352	642,748	346,737	104,539	143,206
Miscellaneous	580,045	605,226	619,154	444,084	524,704	1,231,428	2,057,571	3,717,786	5,425,930	5,634,248
Total local sources	91,392,111	93,955,656	95,069,242	96,357,597	98,096,236	100,012,013	102,254,966	107,088,685	109,514,544	110,577,482
State sources	30,516,255	31,579,819	35,037,463	40,037,188	42,602,107	48,580,565	57,099,515	60,726,051	62,615,763	67,030,044
Federal sources	3,181,211	2,864,366	2,943,911	2,117,760	2,816,918	3,893,751	7,428,144	6,355,265	6,646,055	4,174,561
Total revenue	125,089,577	128,399,841	133,050,616	138,512,545	143,515,261	152,485,329	166,782,625	174,170,001	178,776,362	181,782,087
Expenditures										
Current										
Instruction	48,811,527	49,340,453	50,144,073	49,832,641	49,876,051	50,764,620	53,657,214	55,982,124	58,638,207	63,170,767
Undistributed - current										
Instruction	1,243,140	1,418,931	1,677,482	1,430,582	1,159,647	1,104,052	1,317,662	1,788,291	2,308,932	2,455,438
Attendance/social work	207,483	206,467	229,448	214,204	225,924	213,081	237,620	253,682	268,384	279,762
Health services	788,452	909,762	907,223	966,978	984,493	1,100,703	1,041,794	1,112,222	1,181,090	1,279,917
Other support services	8,509,262	8,593,868	8,931,894	10,920,842	11,519,378	12,793,479	15,772,092	15,087,247	17,247,933	17,652,846
Improvement of instruction	1,982,236	1,831,024	2,531,767	2,515,908	2,511,993	2,676,002	2,575,694	2,888,042	2,791,684	2,784,194
Education media library	546,424	515,058	585,155	570,922	601,387	614,878	615,078	629,154	629,699	626,178
Other support: instructional staff	23,173	15,051	14,729	19,047	10,314	3,338	6,167	8,005	11,126	27,045
General administration	1,723,752	1,799,452	1,894,352	1,708,726	1,782,837	1,924,093	1,989,633	2,078,493	2,218,715	2,068,571
School administration	3,224,026	3,401,075	3,525,883	4,034,030	4,090,256	4,162,646	4,192,087	4,262,492	4,275,456	4,306,305
Central services	1,062,601	1,053,185	1,043,699	1,140,853	1,209,639	1,175,176	1,251,486	1,290,280	1,325,361	1,466,695
Administrative information technology	1,057,088	1,044,932	917,410	960,729	1,028,965	1,010,647	1,653,554	1,387,328	1,610,503	1,983,260
Required maintenance of plant services	1,659,224	1,821,362	1,951,446	2,382,603	2,409,507	2,516,072	2,314,908	2,281,858	2,245,083	2,410,350
Operation of plant	9,935,967	10,024,329	11,411,809	13,308,247	13,784,204	17,092,087	10,714,446	9,152,757	10,526,584	9,299,465
Student transportation	5,943,880	6,211,257	6,674,178	7,060,032	6,237,181	5,234,934	7,788,846	9,662,140	9,843,283	10,722,113
Unallocated benefits	14,817,771	16,289,735	16,601,498	17,086,777	15,405,908	18,641,066	22,937,372	21,390,231	24,112,250	25,414,418
On-behalf TPAF social security and pension contributions	11,678,010	13,140,117	15,540,513	17,358,413	18,154,399	22,133,466	28,317,044	28,519,122	29,942,086	30,327,455
Charter schools	243,654	295,494	328,975	551,071	625,995	619,468	686,336	750,866	914,548	1,018,741
Capital outlay	2,256,726	1,478,739	1,586,365	386,243	16,520		4,206,293	15,387,604	5,787,302	7,834,229
Debt Service:										
Principal	2,635,000	2,740,000	2,875,000	3,005,000	3,145,000	3,315,000	3,450,000	3,575,000	-	1,270,787
Interest	924,000	829,675	717,375	602,274	468,300	317,550	188,313	66,725	-	234,132
Total expenditures	119,273,396	122,959,966	130,090,274	136,056,122	135,247,898	147,412,358	164,913,639	177,553,663	175,878,226	186,632,668
(Deficiency) excess of revenues (under) over expenditures	5,816,181	5,439,875	2,960,342	2,456,423	8,267,363	5,072,971	1,868,986	(3,383,662)	2,898,136	(4,850,581)
Other Financing sources (uses)										
Financed Purchase/Lease Payable							15,503,119	2,983,896		
Transfers in	4,012,210	30,000	389,500	533,317		205,297	91,538	301,326	1,209,903	402,396
Transfers out	(4,012,210)	(30,000)	(389,500)	(533,317)		(205,297)	(91,538)	(301,326)	(1,309,019)	(425,012)
Total other financing sources (uses)	-	-	-	-	-	-	15,503,119	2,983,896	(99,116)	(22,616)
Net change in fund balances	5,816,181	5,439,875	2,960,342	2,456,423	8,267,363	5,072,971	17,372,105	(399,766)	2,799,020	(4,873,197)
Fund balance, July 1	15,681,101	21,497,282	26,937,157	29,897,499	32,353,922	42,893,841	47,966,812	65,338,917	64,939,151	67,738,171
Fund balance, June 30	\$ 21,497,282	\$ 26,937,157	\$ 29,897,499	\$ 32,353,922	\$ 40,621,285	\$ 47,966,812	\$ 65,338,917	\$ 64,939,151	\$ 67,738,171	\$ 62,864,974
Debt service as a percentage of noncapital expenditures	3.04%	2.94%	2.80%	2.66%	2.67%	2.46%	2.26%	2.25%	0.00%	0.84%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

The beginning fiscal year 2016 fund balance was restated as a direct result of the implementation of Governmental Accounting Standards Board Statement No.72, Fair Measurement and Application. The 2015 investment balance on Solar Renewable Energy Certificates in the amount of \$596,595 was required by this new Standard to be recognized in fund balance.

Piscataway Township School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years

(modified accrual basis of accounting)
Unaudited

Year Ended June 30,	Insurance Proceeds	Tuition	Interest on Investments	Rentals	Prior Year Refunds	Investment Income	Miscellaneous	Transportation Fees	Annual Totals
2016		\$ 343,202				\$ 296,015	\$ 120,263	\$ 496,367	\$ 1,255,847
2017	\$ 46,590	408,870	\$ 78,760	\$ 67,335	\$ 60,142	221,935	228,822	447,735	1,560,189
2018		379,904	297,777	69,128		342,107	299,487	437,238	1,825,641
2019	30,865	367,571	643,162	36,767	129,106	391,492	25,379	508,090	2,132,432
2020	53,010	496,164	492,910	44,643	130,052	450,819	91,761	314,498	2,073,857
2021	32,981	476,108	185,363	6,370	184,987	418,989	619,533	19,656	1,943,987
2022	22,572	441,555	155,046	523,938	92,329	483,820	902,676	486,383	3,108,319
2023	57,030	392,399	1,550,975	709,878	63,507	346,737	557,117	352,761	4,030,404
2024	78,123	419,705	3,226,528	681,785	38,133	104,539	932,392	501,492	5,982,697
2025	66,098	300,894	2,793,300	720,870	59,618	143,206	1,001,362	405,627	5,490,975

Source: District records

Piscataway Township School District
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years

Unaudited

Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value*	Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable*	Total Direct School Tax Rate ^b
2016	\$ 75,018,800	\$ 3,734,441,600	\$ 2,286,500	\$ 99,900	\$ 417,898,500	\$ 1,692,225,600	\$ 346,285,500	\$ 6,268,256,400	\$ 1,342,291,700	\$ 23,599,886	\$ 6,291,856,286	\$ 1.446
2017	73,447,500	3,746,125,500	2,286,500	101,400	418,102,300	1,683,626,300	345,533,100	6,269,222,600	1,348,391,100	23,747,010	6,292,969,610	1.479
2018	133,530,800	4,381,483,800	1,986,200	90,000	455,062,100	1,865,243,300	479,362,300	7,316,758,500	1,678,280,800	21,532,368	7,338,290,868	1.283
2019	121,332,200	4,464,492,500	2,067,500	91,500	442,425,200	1,994,936,500	502,281,900	7,527,627,300	1,701,275,400	20,893,032	7,548,520,332	1.293
2020	155,018,000	4,632,624,500	1,521,600	91,500	477,089,800	1,987,062,400	589,005,400	7,842,413,200	1,841,670,100	20,212,832	7,862,626,032	1.282
2021	128,222,500	4,673,513,900	1,665,200	85,900	461,455,200	2,109,149,500	609,135,900	7,983,228,100	1,907,331,500	22,414,516	8,005,642,616	1.249
2022	79,740,800	5,058,999,100	1,802,800	90,000	483,594,400	2,310,364,300	652,445,600	8,587,037,000	2,063,442,500	23,080,672	8,610,117,672	1.255
2023	79,855,200	5,623,123,200	1,981,000	86,500	502,088,500	2,573,834,900	706,554,700	9,487,524,000	2,240,926,100	24,852,444	9,512,376,444	1.192
2024	133,659,400	6,119,074,000	1,868,800	82,800	526,278,300	2,757,911,500	792,228,100	10,331,102,900	2,265,360,800	23,830,284	10,354,933,184	1.090
2025	123,156,500	7,091,925,600	1,949,500	79,300	542,799,600	3,038,780,200	818,384,900	11,617,075,600	2,629,343,500	24,877,453	11,641,953,053	0.919

Source: District records, Tax list summary & Municipal Tax Assessor & Collector, abstract of ratables, County Board of Taxation.

Note:

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

b Tax rates are per \$100

Piscataway Township School District
 Property Tax Rates-Direct and Overlapping Governments
 Last Ten Fiscal Years
 (rate per \$100 of assessed value)

Unaudited

Year Ended June 30,	Piscataway Township School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	(From J-6) Total Direct School Tax Rate	Piscataway Township	Middlesex County	
2016	\$ 1.39	\$ 0.06	\$ 1.45	\$ 0.74	\$ 0.43	\$ 2.62
2017	1.42	0.06	1.479	0.75	0.44	2.67
2018	1.23	0.05	1.283	0.66	0.37	2.31
2019	1.24	0.05	1.293	0.66	0.40	2.34
2020	1.23	0.05	1.282	0.64	0.40	2.32
2021	1.20	0.05	1.249	0.63	0.41	2.30
2022	1.21	0.05	1.255	0.61	0.42	2.28
2023	1.17	0.02	1.192	0.56	0.39	2.14
2024	1.09	-	1.090	0.52	0.38	1.99
2025	0.92	-	0.919	0.48	0.35	1.75

Source: District Records and Municipal Tax Collector.

- a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- b Rates for debt service are based on each year's requirements.

Piscataway Township School District
Principal Property Tax Payers
Current Year and Nine Years Ago

Unaudited

	2025		2016	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Digital Piscataway, LLC	\$ 478,800,000	4.12%	\$ 365,835,000	5.84%
Long Island Holding LLC			133,000,000	2.12%
Whale Ventures, LLC	347,154,000	2.99%	130,000,000	2.07%
Pleasant View Gardens	194,140,000	1.67%		
Home Properties Pleasant View, LLC			86,144,000	1.37%
US Real Estate Holdings No 3 LTD	127,200,000	1.09%		
Colgate Palmolive Co.	120,000,000	1.03%	82,122,700	1.31%
Avalon Piscataway, LLC	108,000,000	0.93%		
RGA Empire LLC	99,250,000	0.85%		
South Washington Pk LLC	94,550,000	0.81%	44,429,100	0.71%
Brown, HH & Shea	76,600,000	0.66%		
Chanel Inc	67,760,000	0.58%		
AP Aspen LLC	66,150,000	0.57%	41,600,200	0.66%
Carlton Club Apartments LLC	64,110,000	0.55%		
Centennial Square LLC	52,176,500	0.45%	58,914,500	0.94%
H'Y2 Knightsbridge LLC	50,000,000	0.43%	48,220,000	0.77%
Royal Gardens c/o Home Prop-NY			47,612,300	0.76%
GWL 21 Constitution	47,300,000	0.41%		
MSN Pharmaceuticals INC	44,970,000	0.39%		
5 Access Road, LLC	44,760,000	0.39%		
Kingsbridge 2005 Diversified MGT	41,660,000	0.36%		
Rutger IND CTR	41,107,000	0.35%		
Fairway Commerical North LLC	40,760,000	0.35%		
Total	<u>\$ 2,206,447,500</u>	<u>18.99%</u>	<u>\$ 1,037,877,800</u>	<u>16.56%</u>

Source: District ACFR & Piscataway Municipal Tax Assessor.

Piscataway Township School District
Property Tax Levies and Collections
Last Ten Fiscal Years

Unaudited

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 89,676,482	\$ 89,676,482	100.00%		\$ 89,676,482	100.00%
2017	92,193,129	92,193,129	100.00%		92,193,129	100.00%
2018	92,993,062	92,993,062	100.00%		92,993,062	100.00%
2019	94,003,198	94,003,198	100.00%		94,003,198	100.00%
2020	95,817,141	95,817,141	100.00%		95,817,141	100.00%
2021	97,680,469	97,680,469	100.00%		97,680,469	100.00%
2022	98,626,709	98,626,709	100.00%		98,626,709	100.00%
2023	98,637,278	98,637,278	100.00%		98,637,278	100.00%
2024	103,062,878	103,062,878	100.00%		103,062,878	100.00%
2025	104,093,507	104,093,507	100.00%		104,093,507	100.00%

Source: District records including the Certificate and Report of School Taxes (A4F form).

a School Taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance prior to the end of the school year.

Piscataway Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Unaudited

Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Leases Payable	Financed Purchases Payable			
2016	\$ 22,105,000		\$ 1,676,145	\$ 23,781,145	0.79%	\$ 411
2017	19,365,000			19,365,000	0.62%	335
2018	16,490,000			16,490,000	0.51%	285
2019	13,485,000			13,485,000	0.41%	237
2020	10,340,000			10,340,000	0.30%	182
2021	7,025,000			7,025,000	0.19%	123
2022	3,575,000	\$ 5,313,241	15,503,119	24,391,360	0.67%	427
2023		6,558,061	14,826,231	21,384,292	0.50%	354
2024		4,700,773	13,594,929	18,295,702	0.42%	300
2025		2,856,801	12,324,142	15,180,943	0.32%	242

Source: District ACFR Schedules I-1, I-2 and District records.

Note: Details regarding the District's outstanding debt can be found in Note 5 to the basic financial statements.

a See J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Piscataway Township School District
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years

Unaudited

Year Ended June 30,	General Bonded Debt Outstanding					Percentage of Actual Taxable Value of Property ^a	Per Capita ^b
	General Obligation Bonds	Net Unamortized Premium and Deferred Interest Costs	Resources Restricted for Repayment of Debt	Net General Bonded Debt Outstanding			
2016	\$ 22,105,000	\$ 100,369		\$ 22,205,369	0.35%	\$ 384	
2017	19,365,000	83,982		19,448,982	0.31%	337	
2018	16,490,000	67,595		16,557,595	0.23%	286	
2019	13,485,000	51,208		13,536,208	0.18%	238	
2020	10,340,000	34,821		10,374,821	0.13%	183	
2021	7,025,000	18,434		7,043,434	0.09%	123	
2022	3,575,000	27,745		3,602,745	0.04%	63	
2023					0.00%		
2024					0.00%		
2025					0.00%		

Source:

- a See J-6 for property tax data.
- b Population data can be found in J-14.

Note: Details regarding the District's outstanding debt can be found in note 5 to the basic financial statements.

Piscataway Township School District
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2025

Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Piscataway	\$ 165,666,811	100.000%	\$ 165,666,811
Middlesex County General Obligation Debt - Township's share	598,454,466	6.384%	<u>38,205,333</u>
Subtotal, overlapping debt			203,872,144
Piscataway School District Direct Debt			<u>15,180,943</u>
Total direct and overlapping debt			<u><u>\$ 219,053,087</u></u>

Sources: Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Piscataway. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

a. For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boudaries and dividing it by each unit's total taxable value.

Piscataway Township School District
 Legal Debt Margin Information
 Last Ten Fiscal Years

Unaudited

Legal Debt Margin Calculation for Fiscal Year 2025

Equalized valuation basis

2022	\$	10,611,760,999
2023		11,298,706,681
2024		11,887,127,948
[A]	\$	<u>33,797,595,628</u>

Average equalized valuation of taxable property

[A/3]	\$	11,265,865,209
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Debt limit (4 % of average equalization value)

[B]		450,634,608
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Total Net Debt Applicable to Limit

[C]		-
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Legal debt margin

[B-C]	\$	<u>450,634,608</u>
--------------	-----------	---------------------------

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 247,832,352	\$ 249,859,642	\$ 265,641,557	\$ 282,397,077	\$ 303,297,003	\$ 322,483,303	\$ 361,752,230	\$ 424,634,874	\$ 436,665,892	\$ 450,634,608
Total net debt applicable to limit	22,205,369	19,365,000	16,490,000	13,536,208	10,340,000	7,025,000	3,575,000	-	-	-
Legal debt margin	<u>\$ 225,626,983</u>	<u>\$ 230,494,642</u>	<u>\$ 249,151,557</u>	<u>\$ 268,860,869</u>	<u>\$ 292,957,003</u>	<u>\$ 315,458,303</u>	<u>\$ 358,177,230</u>	<u>\$ 424,634,874</u>	<u>\$ 436,665,892</u>	<u>\$ 450,634,608</u>
Total net debt applicable to the limit as a percentage of debt limit	8.96%	7.75%	6.21%	4.79%	3.41%	2.18%	0.99%	0.00%	0.00%	0.00%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

a Bonded debt Limit is set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

Piscataway Township School District
 Demographic and Economic Statistics
 Last Ten Fiscal Years

Unaudited

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2016	57,836	\$ 3,011,578,356	\$ 52,071	5.20%
2017	57,777	3,125,562,369	54,097	4.60%
2018	57,887	3,240,514,260	55,980	4.30%
2019	56,923	3,278,650,954	57,598	3.80%
2020	56,837	3,470,751,405	61,065	2.80%
2021	57,164	3,627,455,948	63,457	8.30%
2022	61,042	4,067,838,880	66,640	5.60%
2023	60,366	4,238,960,886	70,221	3.50%
2024	60,944	4,324,037,744	70,951	4.30%
2025	62,733	4,727,057,016	75,352	4.50%

Source:

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

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

^c Per capita personal income by municipality estimated based upon the Census Bureau midyear population estimates

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

Piscataway Township School District
Principal Employers
Current Year and Nine Years Ago

Unaudited

Employer	2025			2016		
	# of Employees/ Employee Size Range	Rank [Optional]	Percentage of Total Municipal Employment	# of Employees/ Employee Size Range	Rank [Optional]	Percentage of Total Municipal Employment
Rutgers University	11,000		33.90%	11,000		38.49%
GE Healthcare	3,800		11.71%	3,855-4,000		13.49%
Telcordia	2,500		7.70%	2,500-2,520		8.75%
Chanel Inc.	1,270		3.91%	250-499		0.87%
Colgate-Palmolive Research Center	1,200		3.70%	1,200		4.20%
Piscataway Township Schools	1,000		3.08%	1,460-1,470		5.11%
Johnson & Johnson Health Care	1,000		3.08%	500-999		1.75%
Institute Electrical & Electronics	750		2.31%	1,118		3.91%
Ericsson	570		1.76%	N/A		
Qualcare Inc.	450		1.39%	250-499		0.87%
Township of Piscataway, Municipal	434		1.34%	350-400		1.22%
Altice/Cablevision	425		1.31%	N/A		
Siemens Hearing Instruments	400		1.23%	400-420		1.40%
Pepsi Cola Bottling Co.	400		1.23%	370-380		1.29%
L'Oreal USA Inc.	300		0.92%	500-999		1.75%
Walmart	272		0.84%	220-230		0.77%
American Standard Co. Inc.	270		0.83%	260-270		0.91%
Shop Rite Supermarket	195		0.60%	215-220		0.75%
Subex Technologies Inc.				250-499		0.87%
Easy Link Service Corp				110-260		0.38%
	<u>26,236</u>			<u>13,318</u>		

Source: Township of Piscataway

Piscataway Township School District
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years

Unaudited

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Instruction	611.5	608.1	601.9	601.6	601.9	600.8	606.2	605.7	608.5	604.9
Support Services:										
Attendance/social work	4.5	4.5	4.5	4.5	4.5	4.5	4.0	4.0	4.0	4.0
Health services	13.0	13.0	13.0	13.3	13.3	13.3	15.5	17.5	17.5	17.5
Other support services	42.5	41.0	43.6	42.6	42.4	44.0	43.6	43.6	43.6	47.6
Child study team	31.0	32.0	31.0	31.0	31.0	30.0	32.0	32.0	32.0	27.0
Improvement of instruction	17.0	19.0	22.2	22.2	22.2	21.2	22.2	21.2	18.2	18.2
School library	9.5	8.7	10.4	10.4	9.4	9.7	8.7	8.7	8.7	8.7
General administration	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
School administration	39.5	41.5	41.5	45.0	45.0	45.0	45.5	47.3	47.3	47.3
Operations and maintenance	75.0	78.5	77.5	89.5	89.1	91.1	97.8	108.0	112.0	114.0
Student transportation	36.0	32.4	31.8	31.3	31.5	31.3	32.4	33.4	36.0	36.9
Other support services - administrative and professional	35.0	38.8	41.8	41.8	42.8	43.4	42.4	43.8	42.9	41.9
Total	<u>919.5</u>	<u>922.5</u>	<u>924.2</u>	<u>938.2</u>	<u>938.1</u>	<u>939.3</u>	<u>956.2</u>	<u>971.2</u>	<u>976.7</u>	<u>974.0</u>

Source: District Personnel Records

Piscataway Township School District
 Operating Statistics
 Last Ten Fiscal Years

Unaudited

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Intermediate	Middle	High School				
2016	7,235	\$ 113,457,670	\$ 15,682	1.66%	612	1:15	1:13	1:13	1:14	7,232	6,981	-0.77%	96.53%
2017	7,259	117,911,552	16,243	3.58%	608	1:14	1:12	1:11	1:12	7,264	6,980	0.44%	96.09%
2018	7,110	124,911,534	17,568	8.16%	602	1:14	1:12	1:11	1:12	7,131	6,838	-1.83%	95.89%
2019	7,118	132,062,605	18,553	5.61%	602	1:14	1:12	1:11	1:12	7,125	6,827	-0.08%	95.82%
2020	7,122	131,618,078	18,480	-0.39%	602	1:14	1:12	1:11	1:12	7,108	6,904	-0.24%	97.13%
2021	6,979	143,779,808	20,602	11.48%	601	1:13	1:12	1:12	1:12	6,967	6,713	-1.98%	96.35%
2022	7,066	157,069,033	22,229	7.90%	606	1:13	1:12	1:12	1:12	7,064	6,700	1.39%	94.85%
2023	7,328	158,524,334	21,633	-2.68%	606	1:13	1:12	1:12	1:12	7,317	6,896	3.58%	94.25%
2024	7,286	170,090,924	23,345	7.91%	608	1:13	1:12	1:12	1:12	7,296	6,908	-0.29%	94.68%
2025	7,291	177,293,520	24,317	4.16%	605	1:13	1:12	1:12	1:12	7,274	6,869	-0.30%	94.43%

Sources: District records and ASSA

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Piscataway Township School District
 School Building Information
 Last Ten Fiscal Years

	Unaudited									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Building										
<u>Elementary</u>										
Arbor Elementary School (1961/2001)										
Square Feet	64,282	64,282	64,282	64,282	64,282	64,282	64,282	64,282	64,282	64,282
Capacity (students)	447	447	447	447	447	447	447	447	447	447
Enrollment	522	508	548	559	556	520	515	521	523	526
Eisenhower Elementary School (1968)										
Square Feet	67,190	67,190	67,190	67,190	67,190	67,190	67,190	67,190	67,190	67,190
Capacity (students)	480	480	480	480	480	480	480	480	480	480
Enrollment	563	547	530	508	507	478	509	520	505	510
Grandview Elementary School (1953/1968/2002/2019)										
Square Feet	59,282	59,282	59,282	59,282	63,282	63,282	63,282	63,282	63,282	63,282
Capacity (students)	451	451	451	451	481	481	481	481	481	481
Enrollment ^a	770	747	738	788	849	862	945	1,157	1,210	580
M.L. King Elementary School (1969/2002)										
Square Feet	72,541	72,541	72,541	72,541	72,541	72,541	72,541	72,541	72,541	72,541
Capacity (students)	504	504	504	504	504	504	504	504	504	504
Enrollment	532	528	510	472	465	474	474	485	491	486
Knollwood Elementary School (1960/1992)										
Square Feet	60,493	60,493	60,493	60,493	60,493	60,493	60,493	60,493	60,493	60,493
Capacity (students)	333	333	333	333	333	333	333	333	333	333
Enrollment	494	505	492	505	516	505	508	510	470	459
Randolphville Elementary School (1961/1992)										
Square Feet	60,493	60,493	60,493	60,493	60,493	60,493	60,493	60,493	60,493	60,493
Capacity (students)	387	387	387	387	387	387	387	387	387	387
Enrollment	551	532	466	470	464	423	423	442	479	464
<u>Middle Schools</u>										
Conackamack Middle School (1964/2008)										
Square Feet	77,258	77,258	77,258	77,258	77,258	77,258	77,258	77,258	77,258	77,258
Capacity (students)	526	526	526	526	526	526	526	526	526	526
Enrollment	490	527	472	484	476	495	481	478	456	465
Quibbletown Middle School (1961/1994)										
Square Feet	107,733	107,733	107,733	107,733	107,733	107,733	107,733	107,733	107,733	107,733
Capacity (students)	631	631	631	631	631	631	631	631	631	631
Enrollment	562	541	513	496	475	493	519	499	483	466
T. Schor Middle School (1970/2006)										
Square Feet	96,301	96,301	96,301	96,301	96,301	96,301	96,301	96,301	96,301	96,301
Capacity (students)	616	616	616	616	616	616	616	616	616	616
Enrollment	583	579	569	576	572	575	553	572	551	562
<u>High School</u>										
Piscataway High School (1956/1972/2007)										
Square Feet	440,024	440,024	440,024	440,024	440,024	440,024	440,024	440,024	440,024	440,024
Capacity (students)	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341
Enrollment	2,168	2,245	2,272	2,260	2,242	2,154	2,140	2,144	2,124	2,130
<u>Other</u>										
Maintenance Building (unknown)										
Square Feet	85,035	85,035	85,035	85,035	85,035	85,035	85,035	85,035	85,035	85,035
Central Administration (1949)										
Square Feet	36,440	36,440	36,440	36,440	36,440	36,440	36,440	36,440	36,440	36,440
Number of Schools at June 30, 2025										
Elementary = 6										
Middle School = 3										
Senior High School = 1										
Other = 2										

Source: District Facilities Office

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

a Includes - Preschool Students located in Leased Facilities.

Piscataway Township School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years

Unaudited

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities*	Year ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Arbor	\$ 180,193	\$ 153,638	\$ 116,559	\$ 91,228	\$ 40,784	\$ 81,820	\$ 349,007	\$ 91,698	\$ 158,300	\$ 147,629
Conackamack	194,266	181,156	108,267	161,113	135,665	113,784	198,006	135,146	161,019	112,556
Eisenhower	156,316	84,476	263,171	121,265	31,791	77,788	99,795	43,690	59,842	29,999
Grandview	147,410	214,756	196,051	303,264	95,108	179,786	134,886	94,065	147,803	124,274
High School	716,821	657,354	607,823	903,837	723,928	1,048,212	930,416	916,985	568,204	675,695
King	234,962	237,922	185,124	35,332	135,188	114,014	196,685	67,238	85,522	44,545
Knollwood	118,665	155,242	162,576	118,425	125,311	271,103	97,433	76,504	82,670	85,744
Quibbletown	286,716	197,340	293,584	200,599	381,865	146,153	193,304	183,851	218,992	166,470
Randolphville	172,200	99,037	117,277	97,870	187,125	115,266	60,560	133,208	106,345	91,275
Schor	159,661	148,712	106,802	157,741	341,583	161,091	87,611	97,586	182,486	94,989
Total School Facilities	2,367,210	2,129,633	2,157,234	2,190,674	2,198,348	2,309,017	2,347,703	1,839,971	1,771,183	1,573,176
Other Facilities - Fellowship Farms	43,140	115,450	124,624	124,234	317,724	100,490	34,900	111,475	50,179	76,354
Grand Total	<u>\$ 2,410,350</u>	<u>\$ 2,245,083</u>	<u>\$ 2,281,858</u>	<u>\$ 2,314,908</u>	<u>\$ 2,516,072</u>	<u>\$ 2,409,507</u>	<u>\$ 2,382,603</u>	<u>\$ 1,951,446</u>	<u>\$ 1,821,362</u>	<u>\$ 1,649,530</u>

* School facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records of required maintenance.

Piscataway Township School District
Insurance Schedule
Year ended June 30, 2025

Unaudited

	Coverage	Deductible
Property		
Real and Personal Property	\$ 290,120,695	\$ 5,000
Extra expense	50,000,000	5,000
Demolition/Increased cost of construction	10,000,000	
Flood (Special Flood)	20,000,000	500,000
Musical instruments	Included	
Miscellaneous equipment	Included	
EDP	Included	
School Board Legal		
Limit of liability	31,000,000	15,000
Primary Umbrella		
Limit of liability	31,000,000	
Self-insured retention	none	
Catastrophe Access		
Limit of liability	25,000,000	
Environmental Impairment Liability		
Limit of liability - Each Loss	1,000,000	
Limit of liability - Aggregate	1,000,000	

Source: District Records and Insurance Company.

Piscataway Township School District
Insurance Schedule
Year ended June 30, 2025

Unaudited

	Coverage	Deductible
Commercial Liability		
Bodily Injury & Property Damage - Each Occurrence	\$ 31,000,000	
Personal Injury/Advertising	31,000,000	
Medical Expense	10,000	
Employee Benefits Liability	31,000,000	
Business Auto		
Bodily Injury & Property Damage	31,000,000	
Personal Injury Protection	Statutory	
Medical Payments (PIP)	10,000	
Uninsured/Underinsured	1,000,000	
Comprehensive Deductible		\$ 1,000
Collision Deductible		1,000
Student Accident		
Limit of Liability	6,000,000	
Bonds		
Board Secretary/Business Administrator	455,000	
Workers Comp		
Part II - Limits of Liability	3,000,000	
Section "A"	Statutory	
Supplementary	1,750	per week
Crime		
Money & Securities-inside	50,000	
Money & Securities-outside	50,000	
Employee Dishonesty	1,000,000	
Depositors Forgery	1,000,000	

Source: District Records and Insurance Company.

Single Audit Section

**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Independent Auditors' Report

**The Honorable President and Members
of the Board of Education
Piscataway Township School District
County of Middlesex
Piscataway, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Piscataway Township School District, in the County of Middlesex, New Jersey (the "District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2025.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
December 5, 2025

David J. Gannon

David J. Gannon, CPA
Licensed Public School Accountant, No. 2305

**Report on Compliance For Each Major Federal and State Program and
on Internal Control Over Compliance Required by the
Uniform Guidance and New Jersey OMB Circular 15-08**

Independent Auditors' Report

**The Honorable President and Members
of the Board of Education
Piscataway Township School District
County of Middlesex
Piscataway, New Jersey**

Opinion on Each Major Federal and State Program

We have audited Piscataway Township School District's, in the County of Middlesex, New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2025. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB Circular 15-08, we:

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

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

Report on Internal Control Over Compliance

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

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

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

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
December 5, 2025

David J. Gannon

David J. Gannon, CPA
Licensed Public School Accountant, No. 2305

Piscataway Township School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program/Cluster Title	Federal A.L. Number	Federal FAIN Number	Grant or Project Number	Award Amount	Grant Period		Balance at June 30, 2024	Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2025			Amount Provided to Subrecipients
					From	To					(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Health and Human Services														
Passed Through State Department of Education														
General Fund:														
Medicaid Cluster:														
Medical Assistance Program (SEMI)	93.778	2505NJ5MAP	N/A	\$ 87,464	7/1/2024	6/30/2025		\$ 87,464	\$ (87,464)					
Medical Assistance Program Subtotal								87,464	(87,464)					
Total General Fund								87,464	(87,464)					
U.S. Department of Education--Passed-Through State Department of Education														
Special Revenue Fund:														
Title I, Part A, Grants to Local Educational Agencies	84.010A	S010A250030	N/A	895,018	7/1/2024	9/30/2025		592,516	(841,398)	\$ 1,399	\$ (247,483)			
Title I, Part A, Grants to Local Educational Agencies	84.010A	S010A240030	N/A	937,938	7/1/2023	9/30/2024	\$ (225,339)	225,339						
Title I Part A Subtotal:							(225,339)	817,855	(841,398)	1,399	(247,483)			
Title II A, Improving Teacher Quality State Grants	84.367A	S367A250029	N/A	152,683	7/1/2024	9/30/2025		74,952	(77,800)	(20)	(2,868)			
Title II A, Improving Teacher Quality State Grants	84.367A	S367A240029	N/A	175,701	7/1/2023	9/30/2024	16,089		(16,089)					
Title II A Subtotal:							16,089	74,952	(93,889)	(20)	(2,868)			
Title III English Language Acquisition Grants	84.365A	S365A250030	N/A	109,865	7/1/2024	9/30/2025		45,412	(104,501)		(59,089)			
Title III English Language Acquisition Grants	84.365A	S365A240030	N/A	125,937	7/1/2023	9/30/2024	(48,953)	48,953						
Title III, Supplemental Immigrant Student Aid	84.365A	S365A250030	N/A	37,416	7/1/2024	9/30/2025		37,084	(37,416)		(332)			
Title III, Supplemental Immigrant Student Aid	84.365A	S365A240030	N/A	50,486	7/1/2023	9/30/2024	(5,229)			5,229	(59,421)			
Title III Subtotal:							(54,182)	131,449	(141,917)	5,229	(59,421)			
Title IV	84.424A	S424A250031	N/A	89,134	7/1/2024	9/30/2025		60,018	(89,134)	512	(28,604)			
Title IV	84.424A	S424A240031	N/A	79,443	7/1/2023	9/30/2024	(9,471)	9,471						
Title IV Subtotal:							(9,471)	69,489	(89,134)	512	(28,604)			
Special Education Cluster:														
IDEA Special Education Grants to States	84.027	S027A250100	N/A	2,160,249	7/1/2024	9/30/2025		1,584,420	(2,112,477)	79,710	(448,347)			
IDEA Special Education Grants to States	84.027	S027A240100	N/A	2,397,901	7/1/2023	9/30/2024	(745,734)	745,734						
IDEA Preschool Grants for Children with Disabilities	84.173	S173A250114	N/A	63,243	7/1/2024	9/30/2025		63,242	(63,243)		(1)			
Subtotal of Special Education Cluster:							(745,734)	2,393,396	(2,175,720)	79,710	(448,348)			
Carl D. Perkins Vocational Education	84.048	S048A250030	N/A	49,505	7/1/2024	6/30/2025		42,821	(49,505)		(6,684)			
Carl D. Perkins Vocational Education	84.048	S048A240030	N/A	41,828	7/1/2023	6/30/2024	(10,191)	10,191						
Carl D. Perkins Vocational Education Subtotal:							(10,191)	53,012	(49,505)		(6,684)			
COVID-19 Additional or Compensatory Special Education and Related Services - State and Local Fiscal Recovery Funds														
CRF Subtotal	21.027	SLFRFDOE1SES	N/A	556,574	7/1/2021	6/30/2024	(38,858)	38,858						
COVID-19 - CARES Act - Stabilization Fund	84.425D	S425D200027	21-5120-513	777,152	3/13/2020	9/30/2024	(5,620)	5,620						
COVID-19 - CARES Act - CRRSA - ESSER III	84.425D	S425D200027	21-5120-513	5,103,410	3/13/2020	9/30/2024	(634,518)	1,169,712	(495,804)	(39,390)				
COVID-19 - NJTSS Mental Health Support Staffing Grant	84.425D	S425D200027	21-5120-513	45,000	3/13/2020	9/30/2024	(45,000)	45,000						
COVID-19 - Evidence-Based Summer Learning and Enrichment Activities Grant	84.425D	S425D200027	21-5120-513	43,185	3/13/2020	9/30/2024		10,596	(10,596)					
COVID-19 - Evidence-Based Comprehensive Beyond The School Day Activities Grant	84.425D	S425D200027	21-5120-513	43,185	3/13/2020	9/30/2024	(5,402)	40,245	(34,843)					
Grant	84.425D	S425D200027	21-5120-513	633,410	3/13/2020	9/30/2024	(340,994)	525,487	(184,493)					
CARES Act Subtotal							(1,031,534)	1,796,660	(725,736)	(39,390)	-			
Total Special Revenue Fund							(2,099,220)	5,375,671	(4,117,299)	47,440	(793,408)			
U.S. Department of Agriculture--Passed-Through State Department of Agriculture														
Enterprise Fund:														
Child Nutrition Cluster:														
Food Donation Program (NC)	10.555	251NJ304N1099	N/A	271,160	7/1/2024	6/30/2025		271,160	(271,160)					
School Breakfast Program	10.553	251NJ304N1099	N/A	548,286	7/1/2024	6/30/2025		513,882	(548,286)		(34,404)			
School Breakfast Program	10.553	241NJ304N1099	N/A	311,949	7/1/2023	6/30/2024	(22,634)	22,634						
National School Lunch Program	10.555	251NJ304N1099	N/A	1,645,998	7/1/2024	6/30/2025		1,553,442	(1,645,998)		(92,556)			
National School Lunch Program	10.555	241NJ304N1099	N/A	1,235,653	7/1/2023	6/30/2024	(78,248)	78,248						
Healthy Hunger-Free Kids Act	10.555	251NJ304N1099	N/A	55,666	7/1/2024	6/30/2025		52,548	(55,666)		(3,118)			
Healthy Hunger-Free Kids Act	10.555	241NJ304N1099	N/A	41,108	7/1/2023	6/30/2024	(2,611)	2,611						
Subtotal Child Nutrition Cluster:							(103,493)	2,494,525	(2,521,110)		(130,078)			
P-EBT Administrative Cost Reimbursement	10.649	202521S900941	N/A	3,112	7/1/2024	6/30/2025		3,112	(3,112)					
Local Food for Schools (LFS) Cooperative	10.185	N/A	N/A	13,057	7/1/2024	6/30/2025		13,057	(13,057)					
Total Enterprise Fund							(103,493)	2,510,694	(2,537,279)		(130,078)			
Total Federal Awards							\$ (2,202,713)	\$ 7,973,829	\$ (6,742,042)	\$ 47,440	\$ (923,486)	\$ -	\$ -	\$ -

NC - non-cash expenditures

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this statement.

Piscataway Township School District

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2024				Repayment of Prior Years' Balances	Balance June 30, 2025			Memo		
			From	To	Unearned Rev. Due to Grantor (Accts Rec)	Due to Grantor	Cash Received	Budgetary Expenditures		Unearned Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Expenditures	
State Department of Education															
General Fund:															
Special Education Categorical Aid	495-034-5120-099	\$ 7,923,339	7/1/2024	6/30/2025			\$ 7,140,085	\$ (7,923,339)					\$ (783,254)	\$ (7,923,339)	
Special Education Categorical Aid	495-034-5120-099	5,639,333	7/1/2023	6/30/2024	\$ (556,045)		556,045								
Categorical Transportation Aid	495-034-5120-014	3,834,125	7/1/2024	6/30/2025			3,455,106	(3,834,125)					(379,019)	(3,834,125)	
Categorical Transportation Aid	495-034-5120-014	3,188,747	7/1/2023	6/30/2024	(314,414)		314,414								
Equalization Aid	495-034-5120-078	12,888,163	7/1/2024	6/30/2025			11,614,116	(12,888,163)					(1,274,047)	(12,888,163)	
Equalization Aid	495-034-5120-078	11,712,342	7/1/2023	6/30/2024	(1,154,850)		1,154,850								
Security Aid	495-034-5120-084	2,009,007	7/1/2024	6/30/2025			1,810,409	(2,009,007)					(198,598)	(2,009,007)	
Security Aid	495-034-5120-084	1,295,620	7/1/2023	6/30/2024	(127,750)		127,750								
Homeless Tuition Reimbursement	N/A	34,458	7/1/2024	6/30/2025							\$ (34,458)			(34,458)	
Homeless Tuition Reimbursement	N/A	40,170	7/1/2023	6/30/2024	(40,170)		40,170								
Extraordinary Aid	495-034-5120-044	1,153,478	7/1/2024	6/30/2025				(1,153,478)					(1,153,478)		
Extraordinary Aid	495-034-5120-044	1,445,382	7/1/2023	6/30/2024	(1,445,382)		1,445,382								
Additional NP Transportation Aid	Not Available	123,755	7/1/2024	6/30/2025				(123,755)						(123,755)	
Additional NP Transportation Aid	Not Available	130,585	7/1/2023	6/30/2024	(130,585)		130,585								
Menstrual Product Reimbursement	Not Available	19,514	7/1/2024	6/30/2025				(19,514)						(19,514)	
Reimbursed TPAF - Social Security	495-034-5094-003	4,461,504	7/1/2024	6/30/2025			4,242,273	(4,461,504)					(219,231)	(4,461,504)	
Reimbursed TPAF - Social Security	495-034-5094-003	4,225,616	7/1/2023	6/30/2024	(208,001)		208,001								
On-behalf TPAF Contributions															
Pension Benefit Contribution	495-034-5094-002	20,009,915	7/1/2024	6/30/2025			20,009,915	(20,009,915)						(20,009,915)	
Post-Retirement Medical Contribution	495-034-5094-001	5,846,913	7/1/2024	6/30/2025			5,846,913	(5,846,913)						(5,846,913)	
Long-Term Disability Insurance Contributions	495-034-5094-004	9,123	7/1/2024	6/30/2025			9,123	(9,123)						(9,123)	
Total General Fund					(3,977,197)		58,105,137	(58,313,294)			(1,550,436)		(2,634,918)	(58,313,294)	
Special Revenue Fund:															
Preschool Education Aid	495-034-5120-086	8,381,310	7/1/2024	6/30/2025			7,816,404	(7,769,969)		\$ 884,566			(838,131)	(7,769,969)	
Preschool Education Aid	495-034-5120-086	7,758,344	7/1/2023	6/30/2025	226,908		775,834	(1,002,742)						(1,002,742)	
New Jersey Non-Public Aid:															
Nursing Aid	100-034-5120-070	178,880	7/1/2024	6/30/2025			178,880	(160,110)			\$ 18,770			(160,110)	
Nursing Aid	100-034-5120-070	182,880	7/1/2023	6/30/2024		\$ 1,369			\$ 1,369						
Textbook Aid	100-034-5120-064	69,549	7/1/2024	6/30/2025			69,549	(67,761)				1,788		(67,761)	
Textbook Aid	100-034-5120-064	87,004	7/1/2023	6/30/2024		908				908					
Technology Initiative	100-034-5120-373	66,640	7/1/2024	6/30/2025			66,640	(65,745)				895		(65,745)	
Technology Initiative	100-034-5120-373	73,745	7/1/2023	6/30/2024		1,224				1,224					
Security Aid	100-034-5120-509	282,080	7/1/2024	6/30/2025			282,080	(199,976)				82,104		(199,976)	
Security Aid	100-034-5120-509	312,420	7/1/2023	6/30/2024		1,847				1,847					
Non Public Auxiliary Services (Ch. 192):															
Home Instruction	100-034-5120-067	42	7/1/2024	6/30/2025				(42)				(42)		(42)	
Home Instruction	100-034-5120-067	1,311	7/1/2023	6/30/2024	(1,311)		1,311								
English as a Second Language	100-034-5120-067	22,073	7/1/2024	6/30/2025			22,073	(22,073)						(22,073)	
Compensatory Education	100-034-5120-067	160,389	7/1/2024	6/30/2025			160,389	(145,651)				14,738		(145,651)	
Compensatory Education	100-034-5120-068	186,963	7/1/2023	6/30/2024	(20,340)	20,340	20,340			20,340					
Transportation	100-034-5120-068	20,535	7/1/2023	6/30/2024		20,535				20,535					
Non Public Handicapped Services (Ch. 193):															
Supplemental Instruction	100-034-5120-066	48,734	7/1/2024	6/30/2025			48,734	(29,736)				18,998		(29,736)	
Examination and Classification	100-034-5120-066	66,735	7/1/2024	6/30/2025			66,735	(43,220)				23,515		(43,220)	
Examination and Classification	100-034-5120-066	72,985	7/1/2023	6/30/2024		16,016			16,016						
Corrective Speech	100-034-5120-066	36,270	7/1/2024	6/30/2025			36,270	(27,900)				8,370		(27,900)	
Total Special Revenue Fund					205,257	62,239	9,545,239	(9,534,925)		62,239	884,566	(42)	169,178	(838,131)	(9,534,925)
State Department of Agriculture															
Enterprise Fund:															
State School Lunch Program (State share)	100-010-3360-067	161,808	7/1/2024	6/30/2025			152,671	(161,808)				(9,137)		(161,808)	
State School Lunch Program (State share)	100-010-3360-067	90,717	7/1/2023	6/30/2024	(4,640)		4,640								
State School Breakfast Program (State share)	100-010-3360-067	40,519	7/1/2024	6/30/2025			38,028	(40,519)				(2,491)		(40,519)	
State School Breakfast Program (State share)	100-010-3360-067	15,829	7/1/2023	6/30/2024	(2,227)		2,227								
Total Enterprise Fund					(6,867)		197,566	(202,327)				(11,628)		(202,327)	
Total State Financial Assistance					\$ (3,778,807)	\$ 62,239	\$ 67,847,942	\$ (68,050,546)	\$ 62,239	\$ 884,566	\$ (1,562,106)	\$ 169,178	\$ (3,473,049)	\$ (68,050,546)	
State Financial Assistance Not Subject to Single Audit Determination:															
General Fund:															
On-behalf TPAF Contributions															
Pension Benefit Contribution	495-034-5094-002	20,009,915	7/1/2024	6/30/2025			(20,009,915)	20,009,915						20,009,915	
Post-Retirement Medical Contribution	495-034-5094-001	5,846,913	7/1/2024	6/30/2025			(5,846,913)	5,846,913						5,846,913	
Long-Term Disability Insurance Contributions	495-034-5094-004	9,123	7/1/2024	6/30/2025			(9,123)	9,123						9,123	
Total State Financial Assistance Subject to Single Audit Determination					\$ (3,778,807)	\$ 62,239	\$ 41,981,991	\$ (42,184,595)	\$ 62,239	\$ 884,566	\$ (1,562,106)	\$ 169,178	\$ (3,473,049)	\$ (42,184,595)	

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this statement.

Piscataway Township School District

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2025

1. General

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all of all federal awards and state financial assistance programs of the District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise funds, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These basis of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of 2 CFR 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

3. Relationship to Basic Financial Statements

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

Piscataway Township School District

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2025

3. Relationship to Basic Financial Statements (Continued)

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

As a result, the federal account receivable balance in the special revenue fund on the budgetary basis differs from the GAAP basis as follows:

Accounts Receivable	Budgetary Basis	Add: PY Encumbrances	Less: CY Encumbrances	GAAP Basis
Federal	\$ 793,408	\$ -	\$ 178,746	\$ 614,662

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$481,859) for the general fund and (\$75,988) for the special revenue fund. See note to required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds (C-3). Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	\$ 87,464	\$ 57,831,435	\$ 57,918,899
Special Revenue Fund	4,087,097	9,198,609	13,285,706
Food Service Enterprise Fund	2,537,279	202,327	2,739,606
Total financial award revenues	<u>\$ 6,711,840</u>	<u>\$ 67,232,371</u>	<u>\$ 73,944,211</u>

Piscataway Township School District

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2025

4. Relationship to Federal and State Financial Reports

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

5. Other

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security Contributions represent the amount reimbursed by the State for the employer's share of Social Security for TPAF members for the year ended June 30, 2025.

The post-retirement pension, medical and disability insurance benefits received on behalf of the District for the year ended June 30, 2025 amounted to \$25,865,951. Since on-behalf post retirement pension, medical and disability insurance benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however they are reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

6. Indirect Costs

The District did not use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

7. Adjustments

The trivial adjustments presented on schedules K-3 and K-4 represent changes to expenditures to correctly state federal and state accounts receivable balances at June 30, 2025.

Piscataway Township School District
 Schedule of Findings and Questioned Costs
 Year ended June 30, 2025

Part I – Summary of Auditor’s Results

Financial Statements Section

Type of auditors’ report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Are any material weaknesses identified?	_____ Yes <u> X </u> No
Are any significant deficiencies identified?	_____ Yes <u> X </u> None Reported
Is any noncompliance material to financial statements noted?	_____ Yes <u> X </u> No

Federal Awards

Internal control over major federal programs:	
Are any material weaknesses identified?	_____ Yes <u> X </u> No
Are any significant deficiencies identified?	_____ Yes <u> X </u> None Reported
Type of auditors’ report issued on compliance for major federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ Yes <u> X </u> No

Piscataway Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2025

Part I - Summary of Auditor's Results (continued)

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Numbers</u>	<u>Name of Federal Program or Cluster</u>
		Special Education Cluster:
84.027	S027A250100	IDEA Special Education Grants to States
84.173	S173A250114	IDEA Preschool Grants for Children with Disabilities
84.010	S010A250030	Title I, Part A – Grants to Local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B programs:

_____ \$750,000 _____

Auditee qualified as low-risk auditee?

 X Yes No

Piscataway Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2025

Part I - Summary of Auditor's Results (continued)

State Financial Assistance Section

Internal control over major state programs:

Are any material weaknesses identified? _____ Yes X No

Are any significant deficiencies identified? _____ Yes X None reported

Type of auditors' report issued on compliance for major state programs: _____ Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? _____ Yes X No

Identification of major state programs:

<u>GMIS/Program Number</u>	<u>Name of State Program or Cluster</u>
	State Aid Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-014	Transportation Aid
495-034-5120-086	Preschool Education Aid

Dollar threshold used to distinguish between Type A and Type B programs: _____ \$1,265,538

Auditee qualified as low-risk auditee? X Yes _____ No

Piscataway Township School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2025

Part II – Schedule of Financial Statement Findings

No financial statement findings noted that are required to be reported under *Government Auditing Standards*

Piscataway Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2025

Part III – Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by 2 CFR 200 Section 516(a) and New Jersey Treasury Circular OMB 15-08, respectively.

Federal Award Programs

No compliance or internal control findings noted that are required to be reported in accordance with 2 CFR 200 Section 516(a).

State Financial Assistance Programs

No compliance or internal control findings noted that are required to be reported in accordance with New Jersey State OMB Circular 15-08.