



**COUNTY OF MIDDLESEX
NEW JERSEY**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION**

**FOR THE YEARS ENDED
DECEMBER 31, 2018 AND 2017**

**WITH
REPORT OF INDEPENDENT AUDITORS**

HODULIK & MORRISON, P.A.

A division of



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COUNTY OF MIDDLESEX, NEW JERSEY

PART I

INDEPENDENT AUDITOR'S REPORTS
AND
FINANCIAL STATEMENTS – REGULATORY BASIS

INDEPENDENT AUDITOR'S REPORT

Honorable Director and Members
of the Board of Chosen Freeholders
County of Middlesex
New Brunswick, New Jersey 08903

Report on the Financial Statements

We have audited the accompanying balance sheets – regulatory basis of the various funds and governmental fixed assets of the County of Middlesex, New Jersey, as of and for the years ended December 31, 2018 and 2017 and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the related statement of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2018 and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As described in Note 2, these financial statements were prepared in conformity with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, United States of America, that demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These prescribed principles are designed primarily for determining compliance with legal provisions and budgetary restrictions, and as a means of reporting on the stewardship of public officials with respect to public funds. Accordingly, the accompanying financial statements – regulatory basis are not intended to present financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. The effect on the financial statements between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial positions of the County of Middlesex, New Jersey, as of December 31, 2018 and 2017, the changes in its financial position, or, where applicable, its cash flows for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and governmental fixed assets of the County of Middlesex, New Jersey as of December 31, 2018 and 2017 and the results of operations and changes in fund balance – regulatory basis for the year then ended and the related statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year ended December 31, 2018, on the basis of accounting described in Note 2.

Emphasis of Matter

As discussed in the notes to the financial statements, during the fiscal year ending December 31, 2018, the county of Middlesex implemented the provisions of Statements Number 75 of the Governmental Accounting Standards Board (GASB 75). GASB 75 changed the measurement criteria and reporting provisions relating to the County’s proportionate share (if any), of the annual expense and net liability of the post-retirement employee benefits other than pensions (OPEB) of plans in which its employees are enrolled. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was made for the purpose of forming an opinion on the financial statements of the County of Middlesex, New Jersey. The information included in Part II – Supplementary Schedules and Part III – Supplementary Data, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements of the County of Middlesex, New Jersey. The Part II – Supplementary Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion, the information is fairly stated, in all material respects, in relation to the financial statements – regulatory basis taken as a whole. The schedules and information contained in Part III - Supplementary Data have not been subjected to auditing procedures applied in the audit of the financial statements and, accordingly we do not express an opinion, or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated August 28, 2019 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Accounting Standards* and should be considered in assessing the results of our audit.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
A division of PKF O'Connor Davies
Certified Public Accountants
Registered Municipal Accountants



Andrew G. Hodulik
Registered Municipal Accountant
No. 406

Highland Park, New Jersey
August 28, 2019

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 AUDITOR'S REPORT

Honorable Director and Members
of the Board of Chosen Freeholders
County of Middlesex
New Brunswick, New Jersey 08903

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis, of the County of Middlesex as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County of Middlesex's financial statements and have issued our report thereon dated August 28, 2019. Our report was modified because of the departure from accounting principles generally accepted in the United States of America as disclosed in Note 2 and was unqualified based upon the Other Comprehensive Basis of Accounting financial statements presentation.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



HODULIK & MORRISON, P.A.
A division of PKF O'Connor Davies
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
August 28, 2019

COUNTY OF MIDDLESEX, NEW JERSEY
FINANCIAL STATEMENTS – REGULATORY BASIS

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2018 AND DECEMBER 31, 2017

	REF.	<i>As of December 31,</i>	
		2018	2017
<u>ASSETS</u>			
Regular Fund:			
Cash and Investments	A - 4	\$ 82,146,832	\$ 71,709,384
Cash - Change Fund	Reserve	600	600
Local Grants Receivable	A - 5	276,738	648,360
State and Federal Grants Receivable	A - 6	31,607,480	49,937,120
<i>Total Regular Fund Assets</i>		<u>114,031,650</u>	<u>122,295,464</u>
Receivables and Other Assets with Full Reserves:			
Inventory	A - 7	1,635,637	1,918,800
Added & Omitted Taxes Receivable	A - 8	429,870	194,352
Revenue Accounts Receivable	A - 9	965,912	1,454,596
<i>Total Receivables and Other Assets with Full Reserves</i>		<u>3,031,419</u>	<u>3,567,748</u>
Total Assets		<u>\$ 117,063,069</u>	<u>\$ 125,863,212</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$ 5,410,739	\$ 6,354,429
Reserve for Encumbrances	A - 11	4,110,326	10,639,108
Accounts Payable	A - 12	588,673	1,912,964
Payroll Deductions	A - 13	1,452,156	1,713,412
Unappropriated Reserves	A - 15	2,672	1,211
Reserve for Local Grants:			
Appropriated	A - 14	1,739,899	1,951,041
Unappropriated	A - 18	1,376,725	1,760,134
Reserve for Federal & State Grants:			
Appropriated	A - 16	25,027,906	33,599,612
Unappropriated	A - 17	336,814	317,268
<i>Total Liabilities and Reserve for Grants</i>		<u>40,045,910</u>	<u>58,249,179</u>
Reserve for Receivables	Reserve	3,031,419	3,567,748
Fund Balance	A - 1	74,023,910	64,046,285
Total Liabilities, Reserves and Fund Balance		<u>\$ 117,101,239</u>	<u>\$ 125,863,212</u>

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

	REF.	<i>For the year ended December 31,</i>	
		2018	2017
Revenues:			
Miscellaneous Revenue Anticipated	A - 2	\$ 113,009,750	\$ 110,593,790
Receipts from Current Taxes	A - 2	389,875,249	380,430,059
Receipts from Added and Omitted Taxes	A - 2	2,886,069	2,769,203
Miscellaneous Revenues Not Anticipated	A - 2	4,651,279	2,080,844
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A - 10	1,459,254	1,049,729
Accounts Payable Cancelled	A - 12	611,425	223,513
Federal & State Grants Appropriated - Cancellations (Net)	A - 16	495,244	6,014
<i>Total Income</i>		<u>512,988,270</u>	<u>497,153,152</u>
Expenditures:			
Budget Appropriations:			
Salaries and Wages	A - 3	122,012,373	121,069,454
Other Expenses	A - 3	218,679,981	222,442,217
Public and Private Programs	A - 3	45,270,342	41,410,511
Debt Service	A - 3	58,337,673	61,386,693
Capital Improvements	A - 3	29,763,493	13,806,109
Deferred Charges and Statutory Expenditures	A - 3	28,568,288	27,093,072
Other Debits to Income:			
Return of Prior Year Revenue	A - 4	378,495	
<i>Total Expenditures</i>		<u>503,010,645</u>	<u>487,208,056</u>
<i>Excess in Revenue</i>		9,977,625	9,945,096
Fund Balance, January 1	A	<u>64,046,285</u>	<u>54,101,189</u>
Fund Balance, December 31	A	<u>\$ 74,023,910</u>	<u>\$ 64,046,285</u>

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES-REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-2
PAGE 1 OF 5

	<u>REF.</u>	<u>ADOPTED BUDGET</u>	<u>SPECIAL N.J.S.40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Miscellaneous Revenues:					
Local Revenues:					
County Clerk	A-9	\$ 10,413,015		\$ 11,141,196	\$ 728,181
Surrogate	A-9	1,106,098		558,855	(547,243)
Sheriff	A-9	3,119,906		3,404,381	284,475
Fines	A-9	525,648		401,502	(124,146)
Interest on Invests. and Deposits	A-9	1,052,340		1,636,942	584,602
Mental Health Clinics:					
Other Revenue	A-9	2,902,540		2,201,832	(700,708)
Adult Correction Facility - Work Release Fees	A-9	90			(90)
Adult Correction Facility Inmate Medical Co-Pay	A-9	8,583		9,122	539
Adult Correction Facility Inmate Processing Fees	A-9	213,876		200,437	(13,439)
Adult Correction Facility SSA Inmate Finders Fee	A-9	26,607		35,000	8,393
Archives and Records Management Service Fees	A-9	50,043		51,448	1,405
Bail Bond Forfeitures	A-9	559,116		173,979	(385,137)
County Auction	A-9	216,033		152,247	(63,786)
Custody Charges - State Inmates in County Institutions	A-9	80,921		47,347	(33,574)
Discovery Fees and Reproduction Costs	A-9	21,011		21,946	935
Fire Academy Fees	A-9	322,800		379,557	56,757
MCIA Skating Rink	A-9	100,107		68,102	(32,005)
Microfilm and Printing Fees	A-9	34,526		44,490	9,964
Municipal School District Share of Election Expense	A-9	375,000		422,422	47,422
N. J. Department of Education-Child Nutrition Program	A-9	131,798		122,119	(9,679)
Parks Department - Fees and Permits	A-9	408,447		419,799	11,352
Plays in the Park Admissions	A-9	220,950		200,927	(20,023)
Property Rentals	A-9	415,145		405,824	(9,321)
Road Opening Fees	A-9	160,866		190,948	30,082
Sale of Plans and Specifications	A-9	14,520		15,215	695
Subdivision and Site Plan Review Fees	A-9	419,886		330,222	(89,664)
State Aid:					
County College Bonds (N.J.S.A. 18:64A-22.6)	A-9	1,697,821		1,492,537	(205,284)
State Assumption of Costs:					
Social and Welfare Services (C. 66, P.L. 1990):					
Supplemental Social Security Income	A-9	1,204,211		1,285,743	81,532
Psychiatric Facilities (C. 73, P.L. 1990):					
Board of County Patients in State and Other Institutions	A-9	266			(266)
Federal and State Revenues Offset with Appropriations:					
Workforce - DHS	A-6	211,890	\$ 6,426,927	6,638,817	
U.S. Department of Health and Human Services:					
Area Plan Grant - Program on Aging - Title III Federal	A-6	1,976,218	1,083,389	3,059,607	
MC Area Wide S.H.I.P. Grant	A-6		32,000	32,000	
Senior Meals MC	A-6	1,125,599	742,825	1,868,424	
U.S. Department of Health and Human Services Direct Program:					
HIV Emergency Relief Program	A-6		2,810,586	2,810,586	
U.S. Department of Transportation:					
2018 Annual Transportation Program (ATP)	A-6		11,115,819	11,115,819	
Job Access Reverse Commute	A-6	230,000		230,000	
Subregional Transportation Planning	A-6		182,571	182,571	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES-REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-2
PAGE 2 OF 5

	REF.	ADOPTED BUDGET	SPECIAL N.J.S.40A:4-87	REALIZED	EXCESS (DEFICIT)
U.S. Department of Justice:					
Pass-through State Department of Law and Public Safety					
Division of Criminal Justice:					
Arts & Wellness – Survivors	A-6		130,000	130,000	
Insurance Fraud Reimb.	A-6	250,000		250,000	
Midd. Victim Assist. Program	A-6		100,870	100,870	
Midd. Victim Assist. Suppl.	A-6		367,203	367,203	
Multi-Jurisdictional Task Force (RJAG-1-12-TF-09C)	A-6		373,003	373,003	
Multi-Jurisdictional Task Force (RJAG-1-12-TF-09C)	A-6		93,459	93,459	
Rape Prevention & Education	A-6		60,883	60,883	
SART/SANE Project	A-6		141,384	141,384	
Sexual Assault Advocacy & Rape Care (SAARC)	A-6		192,428	192,428	
Sexual Assault Advocacy	A-6		45,000	45,000	
Division of Highway and Traffic Safety:					
DWI Enforcement Grant	A-6		59,790	59,790	
Comprehensive Traffic Safety	A-6		117,800	117,800	
Juvenile Justice Commission:					
Family Court Services	A-6	249,823		249,823	
Juvenile Detention Alt. (JDAI)	A-6	124,000		124,000	
State/Community Partnership Grant Program	A-6	453,049		453,049	
U.S. Department of Justice (continued):					
Pass-through State Department of Law and Public Safety (continued):					
Division of State Police:					
Advanced HazMat Training	A-6		73,994	73,994	
EMMA Grant - OEM -Interoperable Emergency Comm.	A-6		55,000	55,000	
Office of Homeland Security:					
Homeland Security Grant	A-6		420,905	420,905	
Urban Areas Security Initiative	A-6		373,000	373,000	
N.J. Department of Environmental Protection:					
Clean Communities Grant	A-6		94,366	94,366	
Solid Waste Service Tax	A-6		594,778	594,778	
Environmental Health Act	A-6		331,817	331,817	
REA Fund Entitlement Act - Interest	A-6	4,865		4,865	
REA Fund Entitlement Act	A-6		609,110	609,110	
N.J. Department of Children and Family Services					
Childhood Lead Poisoning Prevention	A-6		1,354,000	1,354,000	
Human Services Council	A-6	317,261		317,261	
NJDH & S CEED Program	A-6		737,882	737,882	
Public Priority Health Funding	A-6	233,252		233,252	
Special Child Health Case Management	A-6		202,581	202,581	
Tuberculosis f	A-6		219,121	219,121	
Youth Incentive Program	A-6	47,550		47,550	
N.J. Department of Education:					
DYFS - Community-Based Program - JINS	A-6	469,937		469,937	
Juvenile Education	A-6	247,500	20,626	268,126	
North Brunswick - Title I Funds Compensatory Education	A-6	280,327		280,327	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES-REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-2
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	<u>REF.</u>	<u>ADOPTED BUDGET</u>	<u>SPECIAL N.J.S.40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
N.J. Department of Human Services:					
Area Wide Transportation Grant	A-6	264,157		264,157	
Comprehensive Cancer Control	A-6	89,450	129,415	218,865	
DYFS - Services to the Homeless	A-6	814,104		814,104	
GO Program - Global Options	A-6	70,000		70,000	
JACC Program	A-6	63,550		63,550	
Personal Attendant Demonstration Project	A-6	78,000		78,000	
Preparedness & Response for Bioterrorism	A-6		317,092	317,092	
Residential Treatment Services	A-6	179,789		179,789	
Respite Program - Home Care Services	A-6	362,164		362,164	
Tuberculosis Program - Federal	A-6	31,830	189,846	221,676	
Worker and Community Right-to-Know Act	A-6		18,119	18,119	
N.J. Department of Military & Veterans Affairs:					
Transport Disabled Veterans	A-6		22,000	22,000	
N.J. Department of Transportation:					
Bridge 1-B-7	A-6		250,000	250,000	
Bridge 2-B-517	A-6		699,410	699,410	
N.J. Transit Corporation:					
Senior Citizens & Disabled Res. Transportation Ass.	A-6	1,296,920		1,296,920	
FTA - Section 5310	A-6		280,000	280,000	
N.J. Council on the Arts:					
Folk Art Program	A-6		17,353	17,353	
Local Arts Program - Service to Field	A-6	173,696		173,696	
N.J. Historic Trust					
N.J. Historical Commission Service	A-6	148,820		148,820	
Governor's Council on Alcoholism & Drug Abuse:					
Alliance to Prevent Alcohol & Drug Abuse	A-6		750,101	750,101	
Local Revenues Offset with Appropriations: Miscellaneous:					
Empowerment Donations	A-5		5,000	5,000	
D.A.R.E. Program Grant	A-5		6,240	6,240	
Fares, Donation & Adv. Transportation	A-5	60,000	60,000	120,000	
Interlocal Service Trans. Sayreville	A-5	236,739		236,739	
Johnson & Johnson, New Brunswick	A-5	35,000		35,000	
MC Nutrition Client Fee	A-5	50,000	182,100	232,100	
MCUA - Solid Waste Contract	A-5		601,757	601,757	
MCUA - Solid Waste Mgmt Svcs.	A-5	304,065		304,065	
Medicare County Multi Assist Cost Share Program	A-5	20,000		20,000	
NJ Trans. Planning Auth. Internship Program	A-5		15,000	15,000	
RESPITE Cost Share Program	A-5	4,000	11,000	15,000	
Miscellaneous Revenues:					
Open Space Trust Fund	A-9	13,684,029		13,684,029	
Lease Purchase BSS Building	A-9	1,695,500		1,695,500	

COUNTY OF MIDDLESEX, NEW JERSEY
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	REF.	ADOPTED BUDGET	SPECIAL N.J.S.40A:4-87	REALIZED	EXCESS (DEFICIT)
Other Special Items:					
Child Support Enforcement Program IV-D - Federal Aid:					
Courts and County Clerk	A-9	489,521		539,440	49,919
Health Aid - Municipalities	A-9	2,487,933		2,503,244	15,311
Intoxicated Driver Resource Center Fees	A-9	169,089		169,089	
Sheriff	A-9	116,049		245,592	129,543
Added and Omitted Taxes	A-8	194,351		194,352	1
Additional Revenue - County Clerk	A-9	2,442,559		2,613,158	170,599
Additional Revenue - Sheriff	A-9	2,168,070		2,365,756	197,686
Additional Revenue - Surrogate	A-9	869,077		434,174	(434,903)
Capital Surplus	A-9	1,111,447		1,111,447	
Central Inventory Control	A-9	1,394,443		1,572,205	177,762
Civic Square II Lease / Purchase - New Brunswick Share	A-9	1,059,627		1,059,628	1
Debt Service - ER 1&2 MCC, Vo Tech and Mosquito Commission	A-9	203,962		198,415	(5,547)
Division of Development Disabilities	A-9	121,000		96,701	(24,299)
Extension Service - General Revenue	A-9	12,550		12,350	(200)
Fire Marshall - Fire Prevention	A-9	390,086		395,522	5,436
Fringe Benefits & Indirect Costs - State and Federal Grants	A-9	2,240,696		2,401,711	161,015
Office on Aging - State of N.J. Grant	A-9	20,000		20,000	
Heldrich Conference Center Debt Service Reimbursement	A-9	186,243		146,455	(39,788)
MCIA Reimbursement - IT Services	A-9	70,000		70,000	
MCUA Franchise Fee	A-9	3,605,443		3,605,444	1
Medicare - Part D	A-9	18,566		881,948	863,382
Mercer County - Youth Services	A-9	1,712,692		1,443,212	(269,480)
Monmouth County Youth Detention	A-9	2,108,337		1,916,667	(191,670)
Premium on MCIA Loan Ordinances	A-9	185,281		185,281	
Premium on Bonds & BAN	A-9	506,629		506,629	
Prosecutor Salary (State Mandated)	A-9	64,999			(64,999)
Other Special Items (continued):					
GOMHC "Magic Fork"	A-9	42,500		40,067	(2,433)
RCC Share of 2006 MCIA Lease/Purchase	A-9	218,997		217,516	(1,481)
RCC Share of 2008 MCIA Lease/Purchase	A-9	207,846		209,291	1,445
Mercer County Medical Examiner - Shared Services	A-9	1,600,000		1,600,000	
Monmouth County Medical Examiner - Shared Services	A-9	1,400,000		1,400,000	
Somerset Cty Share of Operations - Juvenile Detention Center	A-9	333,548		260,878	(72,670)
State of N.J. Poll Worker Reimbursement	A-9	607,956		578,805	(29,151)
Total Miscellaneous Revenues	A-1	80,044,751	32,717,550	113,009,750	247,449
Amount to be Raised by Taxation:					
County Purpose Tax	A-1,A-8	389,875,249		389,875,249	
Budget Totals		469,920,000	32,717,550	502,884,999	247,449
Non-Budget Revenue:					
Added and Omitted Taxes	A-1,A-8			2,886,069	2,886,069
Miscellaneous Revenue Not Anticipated	A-1,A-4			4,651,279	4,651,279
Total Revenue		469,920,000	32,717,550	510,422,347	7,784,797
	REF.	A-3	A-3	A-1	

COUNTY OF MIDDLESEX, NEW JERSEY
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	<u>REF.</u>	<u>ADOPTED BUDGET</u>	<u>SPECIAL N.J.S.40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Non-Budget Revenue:					
Miscellaneous Revenue Not Anticipated:					
Other Fees:					
Appeal Fees				\$ 1,300	
Autopsy Reports				4,978	
Community Labor Fees - Adult Correction				4,465	
Farmland Pres. Application Fees				50	
Fire District for Election Board				3,644	
Gamishees				2,328	
Health & Inspection Fees				34,010	
MCIA Rollerblade Rink				4,896	
Office on Aging				38,000	
Pilot				1,248,405	
Plan Performance Guarantee Retirement Fees				17,751	
Ranger User Fees				3,543	
Sheriff's Car Storage				525	
Vending Machines				8,404	
Reimbursements:					
Copies				126	
FEMA - Hurricane Sandy				693,151	
M. Health Administrator				60,000	
NJ Reimb ARRA Payments				1,940,145	
Prosecutor's Account Reimbursement				600	
Prosecutor's & State Prison Reimbursements				6,704	
Prudential Dividend				1,587	
Return Check Charges				180	
Road Opening Fees				205,226	
Salary Returns				7,696	
Wastewater Mgmt Fees				2,400	
Shared Services:					
NBHA New Brunswick Bus Transportation				32,239	
Other Misc. Revenue not Anticipated:					
Lost Cards/Pagers				820	
Res. Prem. BANS/Bonds Anticipated				16	
Prior Year Anticipated Revenue				136,996	
Prior Year Voids				14,863	
Scrap Brass Shell Casings				15,665	
TD Wealth - Close Out Account				4,693	
Various Year End Write-Offs				100,854	
Other Misc. Receipts				<u>55,019</u>	
Miscellaneous Revenues Not Anticipated				<u>\$ 4,651,279.00</u>	

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See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
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	APPROPRIATIONS		EXPENDED 2018			CANCELLED
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
GENERAL GOVERNMENT						
ADMINISTRATION AND EXECUTIVE:						
Board of Chosen Freeholders:						
Salaries and Wages	\$ 149,000	\$ 145,740	\$ 145,736	\$ -	\$ 4	\$ -
Other Expenses	18,960	18,960	18,914		46	
County Administrator:						
Salaries and Wages	300,000	315,770	315,762		8	
Other Expenses	1,705	805	139		666	
Office of the Communication:						
Salaries and Wages	295,000	294,250	291,784		2,466	
Other Expenses	448,300	380,128	366,343		13,785	
Secretarial Help:						
Salaries and Wages	118,000	143,270	143,262		8	
Advertising	2,000	1,019	804		215	
Audit	110,000	110,000			110,000	
Public & Government Affairs:						
Salaries and Wages	60,000	81,560	81,560		-	
Other Expenses	250,000	15,082	12,554		2,528	
Professional Development:						
Salaries and Wages	258,000	253,430	252,309		1,121	
Other Expenses	50,000	100	57		43	
Geographic Information System						
Salaries and Wages	91,000	62,300	62,295		5	
Other Expenses	5,000				-	
Office of Marketing:						
Salaries and Wages	80,000	80,000	79,997		3	
Other Expenses	1,505,000	1,124,600	1,117,317		7,283	
Information Technology:						
Salaries and Wages	1,598,000	1,809,000	1,800,964		8,036	
Other Expenses	3,689,504	2,672,504	2,246,972		425,532	
Department of Real Estate:						
Salaries and Wages	228,000	225,000	224,992		8	
Other Expenses	5,741,055	6,026,497	6,026,483		14	
Department of Finance:						
Salaries and Wages	427,000	430,700	430,691		9	
County Comptroller's Office:						
Salaries and Wages	1,027,000	1,059,830	1,058,686		1,144	
Other Expenses	88,647	61,747	61,584		163	
County Treasurer's Office:						
Salaries and Wages	265,000	264,750	264,056		694	
Other Expenses	4,910	1,720	828		892	
Legal Department:						
County Counsel:						
Salaries and Wages	1,135,000	1,068,740	1,068,731		9	
Other Expenses	332,200	532,251	530,891		1,360	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
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	APPROPRIATIONS		EXPENDED 2018			CANCELLED
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
GENERAL GOVERNMENT						
ADMINISTRATION AND EXECUTIVE (continued):						
County Adjuster's Office:						
Salaries and Wages	\$ 448,000	\$ 430,720	\$ 430,712	\$ -	\$ 8	\$ -
Other Expenses	41,995	37,995	35,104		2,891	
Clerk of the Board:						
Salaries and Wages	181,000	201,602	200,559		1,043	
Other Expenses	5,800	2,682	1,054		1,628	
Personnel Department:						
Salaries and Wages	686,000	668,780	665,043		3,737	
Other Expenses	128,642	98,847	98,799		48	
County Clerk:						
Salaries and Wages	1,549,000	1,472,320	1,470,127		2,193	
Other Expenses	38,190	38,190	31,558		6,632	
Prosecutor's Office:						
Salaries and Wages	17,877,000	18,106,650	18,106,584		66	
Other Expenses	745,148	547,293	454,106		93,187	
Purchasing Department:						
Salaries and Wages	840,000	820,490	819,385		1,105	
Other Expenses	12,095	12,095	10,340		1,755	
Building & Grounds:						
Salaries and Wages	2,125,000	2,417,900	2,417,452		448	
Other Expenses	3,430,855	3,492,405	3,460,377		32,028	
Central Vehicle Maintenance and Repair:						
Salaries and Wages	1,482,000	1,482,000	1,481,999		1	
Other Expenses	835,350	835,350	805,964		29,386	
Office of Economic Development:						
Salaries and Wages	461,000	409,940	409,932		8	
Other Expenses	5,036,675	3,615,550	3,374,841	223,086	17,623	
Economic Commissioner:						
Other Expenses	9,800	9,800	9,800		-	
Central Mail, and Reproduction:						
Salaries and Wages	722,000	698,410	697,010		1,400	
Other Expenses	433,771	525,771	516,474		9,297	
Div. Of Archives & Record Mgt.:						
Salaries and Wages	343,000	334,970	334,966		4	
Other Expenses	27,901	13,290	10,352		2,938	
Insurance:						
Group Insurance Plan for Employees	62,587,381	57,682,449	57,682,445		4	
Worker's Compensation	2,000,000	2,107,366	2,107,366			
Surety Bond Premiums	9,000	15,400	15,350		50	
Other Insurance Premiums	1,400,000	3,592,938	3,592,938			
Temporary Disability Insurance	160,000	153,500	153,489		11	
TOTAL GENERAL GOVERNMENT	121,894,884	117,004,456	115,997,837	223,086	783,533	

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CURRENT FUND
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FOR THE YEAR ENDED DECEMBER 31, 2018

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	APPROPRIATIONS		EXPENDED 2018			
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
<u>JUDICIARY</u>						
County Surrogate:						
Salaries and Wages	\$ 750,000	\$ 628,990	\$ 628,379	\$ -	\$ 611	\$ -
Other Expenses	9,203	9,203	8,147		1,056	
Psychiatric and Legal Counsel Fees for Involuntary Civil Commitments (Admin. Office of the Court Rules 4:74-7):						
Salaries and Wages		94,000	94,000			
Other Expenses	81,000	81,000	40,250		40,750	
TOTAL JUDICIARY	840,203	813,193	770,776	-	42,417	-
<u>UTILITIES & BULK PURCHASES</u>						
Utilities	6,620,000	6,220,000	6,192,991		27,009	
Central Inventory Control	1,700,000	2,338,222	2,337,846		376	
TOTAL UTILITIES & BULK PURCHASES	8,320,000	8,558,222	8,530,837	-	27,385	-
<u>REGULATION</u>						
Sheriff's Office:						
Salaries and Wages	20,074,000	19,007,540	18,995,570		11,970	
Other Expenses	465,323	404,873	319,309		85,564	
Weights and Measures Department:						
Salaries and Wages	218,000	206,810	206,803		7	
Other Expenses	7,405	5,405	5,344		61	
Board of Taxation:						
Salaries and Wages	265,000	258,890	258,888		2	
Other Expenses	10,860	10,860	9,319		1,541	
County Medical Examiner:						
Salaries and Wages	2,824,000	2,677,540	2,677,532		8	
Other Expenses	900,000	965,000	814,379		150,621	
Board of Elections:						
Salaries and Wages	1,582,000	1,727,750	1,727,043		707	
Other Expenses	1,596,850	1,483,050	1,403,664		59,386	
Elections (County Clerk)						
Salaries and Wages	254,000	224,400	224,397		3	
Other Expenses	824,150	732,450	732,409		41	
Office of Emergency Management:						
Salaries and Wages	174,000	194,670	194,669		1	
Other Expenses	54,832	41,678	28,520		13,158	
County Planning Board (R.S. 40:27-3)						
Salaries and Wages	1,588,000	1,696,200	1,694,925		1,275	
Other Expenses	19,525	12,525	11,012		1,513	
Construction Board of Appeals						
Other Expenses	3,500	500	30		470	
TOTAL REGULATION	30,861,445	29,630,141	29,303,813	-	326,328	-

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
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	APPROPRIATIONS		EXPENDED 2018			CANCELLED
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
ROADS AND BRIDGES						
Highways and Bridges:						
Salaries and Wages	\$ 4,953,000	\$ 4,953,000	\$ 4,952,889	\$ -	\$ 111	\$ -
Other Expenses	1,721,075	1,533,375	1,486,804		46,571	
Engineering Department:						
Salaries and Wages	1,809,000	1,866,220	1,866,210		10	
Other Expenses	130,600	24,600	23,187		1,413	
TOTAL ROADS AND BRIDGES	8,613,675	8,377,195	8,329,090		48,105	-
CORRECTIONAL AND PENAL						
Adult Correction and Facility:						
Salaries and Wages	26,590,000	25,496,540	25,490,329		6,211	
Other Expenses	10,400,000	8,167,000	7,223,765		943,235	
Juvenile Detention Center:						
Salaries and Wages	6,652,000	6,526,210	6,523,011		3,199	
Other Expenses	755,816	601,816	479,534		122,282	
Office of Consumer Affairs:						
Salaries and Wages	357,000	356,370	356,364		6	
Other Expenses	1,515	1,515	931		584	
TOTAL CORRECTIONAL AND PENAL	44,756,331	41,149,451	40,073,934		1,075,517	-
HEALTH AND WELFARE						
Dept. of Public Safety & Health:						
Salaries and Wages	396,000	373,170	372,222		948	
Other Expenses	19,250	4,250	328		3,922	
Public Health Service - Interlocal Agreement:						
Salaries and Wages	2,780,000	3,062,540	3,059,877		2,663	
Other Expenses	170,157	118,657	83,097		35,560	
Environmental Health Act (CH. 443, P.L. 1977):						
Salaries and Wages	287,000	162,710	162,446		264	
Other Expenses	25,000	25,000	24,999		1	
Specially Challenged Children:						
Salaries and Wages	960,000	875,290	875,242		48	
Environmental Health:						
Salaries and Wages	812,000	804,350	804,285		65	
Other Expenses	47,050	32,050	25,291		6,759	
Dept. of Community Services:						
Salaries and Wages	226,000	228,960	228,186		774	
Other Expenses	11,550	11,550	1,341		10,209	
Haz Mat Division:						
Salaries and Wages	948,000	898,670	898,663		7	
Other Expenses	98,700	94,300	67,847		26,453	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

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	APPROPRIATIONS		EXPENDED 2018			
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
HEALTH AND WELFARE (continued):						
Raritan Bay Mental Health Clinic (N.J.S.A. 40:5-2.9):						
Salaries and Wages	\$ 4,871,000	\$ 4,898,720	\$ 4,895,131	\$ -	\$ 3,589	\$ -
Other Expenses	565,755	369,885	275,130	81,013	13,742	
Raritan Bay Mental Health Center - Partial Care Program	280,350	245,350	230,875		14,475	
Alcohol Services						
Other Expenses	191,728	193,598	193,093		505	
Roosevelt Care Center:						
Other Expenses	10,500,000	12,000,000	10,500,165		1,499,835	
Mental Health Administrator:						
Other Expenses	620,200	620,200	408,554		211,646	
Social Hygiene Clinic:						
Other Expenses	12,800	12,800	8,114		4,686	
Board of Social Services:						
Administration	14,194,076	14,194,076	14,194,076			
Services	782,286	782,286	782,286			
Assistance to Supplemental Security Income Recipients	1,204,211	1,204,211	1,204,211			
Temporary Assistance for Needy Families	222,616	222,616	222,616			
War Veterans Burial and Grave Decorations:						
Other Expenses	44,000	44,200	35,453		8,747	
MC Mid School After School	50,000	50,000	18,970	31,030	-	
Department of Human Services:				25,500		
Salaries and Wages	1,255,000	931,540	929,427		2,113	
Other Expenses	191,130	191,130	179,228		11,902	
Home Care for the Elderly (N.J.S.A. 30:4D-3)						
Salaries and Wages	161,000	116,730	116,723		7	
Other Expenses	1,308,760	1,308,760	966,422		342,338	
Mosquito Extermination Commission (N.J.S.A. 26:9-13 et seq.)	2,500,000	2,550,752	2,550,571		181	
Maintenance of Patients in State Institutions for Mental Diseases						
Local Share	6,884,026	6,884,026	6,884,026			
MC Indigent Res. - Other County	600,000	275,000		275,000	-	
Bus Service - Board of Social Services Clients - Contractual						
Salaries and Wages	191,000	180,530	180,525		5	
Other Expenses	23,852	23,852	10,000		13,852	
Aid to Various Agencies	939,879	939,879	652,645	254,295	32,939	
TOTAL HEALTH AND WELFARE	54,354,376	54,931,638	52,042,065	666,838	2,248,235	-

COUNTY OF MIDDLESEX, NEW JERSEY
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	APPROPRIATIONS		EXPENDED 2018			CANCELLED
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
EDUCATION						
Office of County Superintendent of Schools:						
Salaries and Wages	\$ 353,000	\$ 353,000	\$ 352,974	\$ -	\$ 26	\$ -
Other Expenses	6,480	6,480	2,650		3,830	
Vocational School	26,401,131	26,401,131	26,401,130		1	
County Extension Services - Farm and Home Demonstrations:						
Salaries and Wages	523,000	529,000	524,674		4,326	
Other Expenses	25,800	20,916	19,911		1,005	
Middlesex County College	16,014,662	16,014,663	16,014,662		1	
Reimbursement for Residents Attending Out-Of-County, Two-Year Colleges (N.J.S.A. 18A:64A-23)	190,000	189,300	189,288		12	
Middlesex County Heritage Commission (N.J.S.A. 40:33A-6):						
Salaries and Wages	428,000	410,320	410,310		10	
Other Expenses	115,600	114,300	92,083		22,217	
Fire Inspection Bureau:						
Salaries and Wages	149,000	154,160	154,149		11	
Other Expenses	3,100	600	595		5	
Fire Training Academy:						
Salaries and Wages	1,193,000	1,172,690	1,172,609		81	
Other Expenses	706,010	630,510	581,516		48,994	
East Jersey Olde Towns:						
Salaries and Wages	499,000	514,220	514,210		10	
Other Expenses	95,740	68,940	65,179		3,761	
TOTAL EDUCATION	46,703,523	46,580,230	46,495,940	-	84,290	-
RECREATION						
Infrastructure Management						
Salaries and Wages	466,000	490,701	490,701			
Other Expenses	50,150	37,850	31,448		6,402	
County Parks Department:						
Salaries and Wages	6,262,000	6,730,870	6,712,669		18,201	
Other Expenses	1,172,692	884,592	719,186		165,406	
TOTAL RECREATION	7,950,842	8,144,013	7,954,004		190,009	-

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-3
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	APPROPRIATIONS		EXPENDED 2018			
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
<u>UNCLASSIFIED</u>						
Solid Waste Management						
Other Expenses	\$ 5,220	\$ 4,220	\$ 2,690	\$ -	\$ 1,530	\$ -
Garbage and Trash Removal (Contractual)	130,000	115,000	110,410		4,590	
Matching Fund for Grants	302,797	302,797	302,697			100
Supplemental Compensation at Retirement	280,000	280,000	280,000			
Life Support Program - New Brunswick - Contractual	53,000	53,000	53,000			
Intoxicated Driver Resource Center Fees	382,283	356,133	312,819		43,314	
Employee Child Care	120,000	117,170	117,166		4	
Civic Square III Lease / Purchase	1,506,838	1,506,838	1,506,838			
Civic Square II Lease / Purchase	3,332,425	3,332,425	3,327,625			4,800
M.C. Improvement Authority - Capital Lease Purchase	596,588	596,588	596,588			
Open Space Trust Bonds	13,684,029	13,684,029	13,684,029			
Dept. of Transportation:						
Salaries and Wages	208,000	188,950	188,943		7	
Cty-Wide Equip. Veh. Hard and Software	2,150,000	1,192,377	1,192,377			
Salary & Wage Adjustment	1,547,000					
Civic Square IV Lease / Purchase	3,043,250	3,043,250	3,042,750			500
TOTAL UNCLASSIFIED	27,341,430	24,772,777	24,717,932		49,445	5,400
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>						
U.S. Dept. of Labor:						
Work Force Investment Act	211,890	6,638,817	6,638,817			
U.S. Dept. of Justice:						
Pass-through N.J. Dept. of Public Safety						
Division of Criminal Justice:						
Arts & Wellness ~ Survivors		130,000	130,000			
Stop Violence against Women Advocacy		45,000	45,000			
Multi-Jurisdictional Task Force (RJAG-1-12-TF-09C)		93,459	93,459			
SART/SANE Project		141,384	141,384			
Stop Violence Grant		60,883	60,883			
Victim Assistance Project		373,003	373,003			
U.S. Dept. of Homeland Security & Preparedness:						
Homeland Security Grant		420,905	420,905			
Urban Areas Security Initiative		373,000	373,000			
EMMA Grant		55,000	55,000			
Midd. Victim Assist. Suppl.		100,870	100,870			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-3
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	APPROPRIATIONS		EXPENDED 2018			
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (continued):</u>						
U.S. Dept. of Health and Human Services:						
Senior Meals of Middlesex County	\$ 1,735,875	\$ 2,478,700	\$ 2,478,700	\$ -	\$ -	\$ -
Area Plan Grant for Program on Aging - Title III	2,332,879	3,416,268	3,416,268			
Rape Crisis Intervention		192,428	192,428			
Tuberculosis Program	31,830	221,676	221,676			
MC Area Wide S.H.I.P. Grant		32,000	32,000			
PH-Preparation & Response - Bioterror		317,092	317,092			
U.S. Dept. of Health and Human Services Direct Program:						
HIV Emergency Relief Program		2,810,586	2,810,586			
U.S. Dept. of Transportation:						
Pass-through N.J. Dept. of Law and Public Safety:						
MC Comprehensive Traffic Safety		117,800	117,800			
VOCA ~ Supplemental		367,203	367,203			
Insurance Fraud Reimbursement Program	250,000	250,000	250,000			
County D.W.I. Enforcement Grant		59,790	59,790			
Job Access Reverse Commute	230,000	230,000	230,000			
Subregional Transportation Planning		182,571	182,571			
2017 Capital Transportation Program		11,115,819	11,115,819			
FTA - Section 5310		280,000	280,000			
Advanced HazMat Training		73,994	73,994			
U.S. Dept. of Education:						
MC Youth Services Title I	280,327	280,327	280,327			
N.J. Dept. of Law and Public Safety:						
Juvenile Justice Commission:						
Juv. Justice Detention Education	612,000	632,626	632,626			
State/Community Partnership Grant Program	453,049	453,049	453,049			
Family Court Service	249,823	249,823	249,823			
Juvenile Detention Alternative (JDAI)	124,000	124,000	124,000			
N.J. Department of Environmental Protection:						
Clean Communities Program		94,366	94,366			
Solid Waste Service Fund		609,110	609,110			
Recycling Enhancement Act - Interest	4,865	4,865	4,865			
Recycling Enhancement Act Fund Grant		594,778	594,778			
Environmental Health Act		331,817	331,817			
N.J. Department of Health & Senior Services:						
Comprehensive Cancer Control	89,450	218,865	218,865			
Childhood Lead Poisoning Prevention		1,354,000	1,354,000			
Area Wide Transportation Grant	957,493	957,493	957,493			
DYFS - Services to the Homeless	814,104	814,104	814,104			
Public Health Priority Funding	233,252	233,252	233,252			
DYFS - Home Care Services - Respite Program	362,164	362,164	362,164			
Global Options - GO Program	70,000	70,000	70,000			
Worker and Community Right to Know Act		18,119	18,119			
Breast & Cervical Cancer Education & Early Detection		737,882	737,882			
DYFS - Maintenance of Children in Institutions - JINS	470,000	470,000	470,000			
Youth Incentive Program	47,550	47,550	47,550			
Human Services Council	333,161	333,161	333,161			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-3
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	APPROPRIATIONS		EXPENDED 2018			
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (continued):</u>						
N.J. Department of Health & Senior Services (continued):						
Medication Asst. Treatment	\$ 179,789	\$ 179,789	\$ 179,789	\$ -	\$ -	\$ -
Special Child Health Services - Early Intervention		202,581	202,581			
Tuberculosis Control Program		219,121	219,121			
N.J. Department of Human Services:						
Personal Attendant Demonstration Project	78,000	78,000	78,000			
JACC - Program	63,550	63,550	63,550			
Governor's Council on Alcoholism and Drug Abuse:						
Drug Enforcement Demand Reduction Fund		750,101	750,101			
N.J. Department of Transportation						
Bridge ~ 1-B-7		250,000	250,000			
Bridge ~ 2-B-517		699,410	699,410			
N.J. Transit:						
Senior Citizens & Disabled Res.	1,296,921	1,296,921	1,296,921			
N.J. Council on the Arts:						
Local Arts Program	173,696	173,696	173,696			
Folk Art Program		17,353	17,353			
NJ Historical Commission	157,320	157,320	157,320			
N.J. Department of Defense:						
Transport Disabled Veterans		22,000	22,000			
Local Revenue Miscellaneous:						
Johnson & Johnson, New Brunswick	35,000	35,000	35,000			
SSP Internship Program		15,000	15,000			
Fares, Donation & Adv. Transportation	60,000	120,000	120,000			
MCIA - Paint Recycling Program	304,065	304,065	304,065			
Middlesex Cty Multi-Assist Cost Share Program	20,000	20,000	20,000			
Empowerment Donations		5,000	5,000			
Respite Cost Share Program	4,000	15,000	15,000			
Sheriff ~ D.A.R.E. Program Grant		6,240	6,240			
MCUA - Environmental Health		601,757	601,757			
MC Nutrition Client Fee	50,000	232,100	232,100			
Interlocal Service Trans. Sayreville	236,739	236,739	236,739			
TOTAL PUBLIC AND PRIVATE PROG. OFFSET BY REVENUES	12,552,792	45,270,342	45,270,342	-	-	5,400
Total Operations	364,189,501	385,231,658	379,486,570	889,924	4,875,264	5,400
Contingent	736,438	736,438	206,101		530,337	
Total Operations Including Contingent	364,925,939	385,968,096	379,667,171	889,924	5,405,601	5,400
Detail:						
Salaries & Wages	125,092,000	122,012,373	121,932,698	-	79,675	-
Other Expenses (Including Contingent)	239,833,939	263,955,723	257,734,473	889,924	5,325,926	5,400
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	18,000,000	29,763,493	29,763,493			
TOTAL CAPITAL IMPROVEMENTS	18,000,000	29,763,493	29,763,493			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

EXHIBIT A-3
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	APPROPRIATIONS		EXPENDED 2018			
	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
COUNTY DEBT SERVICE						
Payment of Bond Principal:						
County College Bonds	\$ 2,957,500	\$ 2,957,500	\$ 2,957,500	\$ -	\$ -	\$ -
State Aid-County College Bonds (N.J.S. 18A:64A-22.6)	1,172,500	1,172,500	1,172,500			
Vocational School Bonds	3,445,000	3,445,000	3,445,000			
Other Bonds	32,705,000	32,705,000	32,705,000			
MCIA Bond Principal	8,101,113	8,101,113	8,101,113			
Payment of Refunding Notes Principal:						
Interest on Bonds:						
County College Bonds	849,477	849,477	849,477			
State Aid-County College Bonds (N.J.S. 18A:64A-22.6)	450,612	450,612	450,612			
Vocational School Bonds	664,413	664,413	664,413			
Other Bonds	6,478,222	6,478,222	6,478,222			
MCIA Bond Interest	770,787	770,787	770,787			
Interest on Notes	678,112	678,112	678,112			
Green Trust Loan Program:						
Loan Repayment for Principal and Interest	64,937	64,937	64,937			
TOTAL COUNTY DEBT SERVICE	58,337,673	58,337,673	58,337,673			
STATUTORY EXPENDITURES						
Contributions To:						
Defined Contribution Retirement Plan	40,000	60,000	60,000			
Public Employees' Retirement System	9,740,825	9,740,825	9,740,825			
Social Security System (O.A.S.I.)	9,828,000	9,719,900	9,714,762		5,138	
Police and Firemen's Retirement System	9,047,563	9,047,563	9,047,563			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES	28,656,388	28,568,288	28,563,150		5,138	
TOTAL GENERAL APPROPRIATIONS	\$ 469,920,000	\$ 502,637,550	\$ 496,331,487	\$ 889,924	\$ 5,410,739	\$ 5,400
	REF.	A-2	A-1	A-1,A-11	A,A-1	
	REF.					
Budget	A-2	\$ 469,920,000				
Added By 40A:4-87	A-2	32,717,550				
		\$ 502,637,550				
Cash	A-4		\$ 451,428,080			
Transferred to:						
Reserve for Federal and State Grants Appropriated	A-16		44,022,310			
Reserve for Local Grants Appropriated	A-14		881,097			
			\$ 496,331,487			

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
DECEMBER 31, 2018 AND DECEMBER 31, 2017

	REF.	<i>As of December 31,</i>	
		2018	2017
ASSETS			
Cash and Investments	B - 1	\$ 69,045,588	\$ 62,690,115
Motor Vehicle Fines	B - 2	295,980	346,856
Federal Aid Receivable:			
Housing and Community Development Act 1974	B - 3	7,575,806	6,097,101
State Aid Receivable: Alcoholism Rehabilitation Program	B - 5	965,202	2,070,780
Section 8 Housing Assistance Prepayments	B - 6	668,890	654,931
Open Space Program Receivable	B - 11	51,615	16,068
Community Development Block Grant: Urban Housing Preservation Program Loans - Mortgages Receivable	B - 27	1,169,570	1,213,570
Total Assets		\$ 79,772,651	\$ 73,089,421
LIABILITIES, RESERVES AND FUND BALANCE			
Reserve for Motor Vehicle Fines Receivable	B - 2	\$ 295,980	\$ 346,856
Environmental Quality	B - 7	693,340	553,066
Motor Vehicle Fines - Road Fund	B - 8	416,705	125,500
Reserve for Encumbrances	B - 9	4,492,090	5,678,498
Performance and Escrow Deposits	B - 10	110,600	-
Reserve for Open Space Program Receivable	B - 11	51,615	16,068
Worker's Compensation Self-Insurance Fund	B - 12	426,400	1,836,082
Supplemental Compensation at Retirement	B - 13	19,557	83,006
Unemployment Compensation Fund	B - 14	239,769	230,338
Reserve for Alcoholism Rehabilitation Program	B - 15	308,577	161,627
Reserve for Housing and Community Development Expenditures	B - 16	7,001,603	4,963,697
Reserve for CDBG Funds on Hand	B - 17	773,732	692,735
Reserve for Refundable Consumer Affairs Deposits	B - 18	32,917	74,243
Reserve for Section 8 Housing Assistance Payments Program	B - 19	733,115	765,032
Road Opening Bonds	B - 20	2,028,479	947,307
Self-Insurance Liability Trust Fund	B - 21	1,946,134	3,080,433
Miscellaneous Trust Accounts	B - 22	6,122,759	5,957,155
Dedicated Revenue by Statute	B - 23	1,713,819	1,501,654
Prosecutor's Office - Dedicated Funds	B - 24	3,559,046	2,523,921
State Seized Assets	B - 25	6,420,587	3,537,210
Reserve for Debt Service - Open Space and Farmland Preservation	B - 26	10,644,247	13,684,029
Reserve for Urban Housing & Preservation Program Loans	B - 27	1,169,570	1,213,570
Reserve for BSS Building Lease Purchase Payments	B - 28	1,645,282	1,400,282
Escheated Seized Funds	B - 29	4,622	4,622
Reserve for Open Space and Farmland Preservation	B - 30	28,922,106	23,712,490
Total Liabilities, Reserves and Fund Balance		\$ 79,772,651	\$ 73,089,421

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET- REGULATORY BASIS
DECEMBER 31, 2018 AND DECEMBER 31, 2017

	REF.	<i>As of December 31,</i>	
		2018	2017
<u>ASSETS</u>			
Cash and Investments	C- 2	\$ 4,849,007	\$ 566,235
Leases Receivable	C- 5	8,253,069	8,938,069
Loans/Other Accounts Receivable	C-14	10,381,841	10,804,453
Deferred Charges to Future Taxation:			
Funded	C- 6	268,224,000	287,599,000
Funded Loans	C- 6	24,935,291	28,126,648
Funded - Capital Leases	C- 6	126,338,148	141,520,994
Unfunded	C- 7	191,542,059	179,802,059
Total Assets		<u>\$ 634,523,415</u>	<u>\$ 657,357,458</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C- 8	\$ 192,224,000	\$ 217,359,000
Capital Transportation Grant Reserves	C- 9	13,228,551	11,913,361
County College Bonds	C-10	33,562,500	30,935,000
County College Bonds (Ch. 12, P.L. 1971)	C-11	15,387,500	14,775,000
Vocational School Bonds	C-12	27,050,000	24,215,000
Bond Anticipation Notes	C-13	39,000,000	34,000,000
MCIA Loans Payable	C-18	20,600,065	23,102,445
Green Acres Loan Payable	C-19	4,335,226	5,024,203
Capital Leases Payable	C-20	126,338,148	141,520,994
Improvement Authorizations:			
Funded	C-15	50,083,404	27,431,103
Unfunded	C-15	71,183,488	39,755,713
Capital Improvement Fund	C-16	11,636,520	878,027
Reserve For:			
Encumbrances	C-4	9,806,727	64,471,016
Leases Receivable	C-5	8,253,069	8,938,069
Loans/Other Accounts Receivable	C-14	10,381,841	10,804,453
Bond Issue Costs	C-17	45,776	115,704
Fund Balance	C- 1	1,406,600	1,803,370
Total Liabilities, Reserves and Fund Balance		<u>\$ 634,523,415</u>	<u>\$ 657,042,458</u>
Bonds and Notes Authorized but not Issued	C-21	<u>\$ 152,542,059</u>	<u>\$ 145,802,059</u>

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
 GENERAL CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>REF.</u>		
Balance - December 31, 2017	C		\$ 1,803,370
Increased by:			
Premium on Sale of Bonds And BANs	C - 2	1,406,600	
MCIA Loan Ordinance Premium	C - 2	<u>159,155</u>	
			<u>1,565,755</u>
Total Available			3,369,125
Decreased by:			
Anticipated Revenue Realized in Current Fund	C - 2	1,803,370	
Transfer to Fund Unfunded Ordinances	C - 7	<u>159,155</u>	
			<u>1,962,525</u>
Balance - December 31, 2018	C		<u><u>\$ 1,406,600</u></u>

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
 GOVERNMENTAL FIXED ASSETS
 STATEMENT OF GOVERNMENTAL FIXED ASSETS
DECEMBER 31, 2018

	As of December 31, 2018
<u>GOVERNMENTAL FIXED ASSETS:</u>	
Land	\$ 384,901,933
Buildings and Improvements	296,963,433
Machinery and Equipment	32,257,488
Moving Vehicles	38,323,237
MCIA Lease Purchase Agreements Moving Vehicles	8,460,797
MCIA Lease Purchase Agreements	18,002,049
MCIA Capital Improveemnts/Construction Fund	14,787,545
Total Governemntal Fixed Assets	\$ 793,696,482
Investments in Governmental Fixed Assets	\$ 793,696,482

See accompanying notes.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

1) FORM OF GOVERNMENT

The County of Middlesex is governed by a seven member Board of Chosen Freeholders who are elected for terms of three years. The Board operates under the commission form of government. Professional department heads in County government are appointed by the Board and are responsible to the chairperson and the committee charged with the specific operation. The County follows the Civil Service merit system of employment and the Freeholder Board abides by the regulations of the New Jersey Civil Service Commission.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

GASB Statement No. 14 established the GAAP criteria to be used to determine which component units should be included in the financial statements of the oversight entity. As set forth by the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, and State of New Jersey, as noted below, the financial statements of the County of Middlesex are reported separately.

The financial statements of the County of Middlesex include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the County, as required by the provisions of N.J.S.A. 40A: 5-5. The financial statements, however, do not include the operations of Middlesex County Joint Health Insurance Fund, the County College, the Vocational Schools, the Board of Social Services, the Utilities Authority, the Mosquito Commission and the Improvement Authority which are subject to separate examination. Moreover, the assets, liabilities and reserves of the County's constitutional offices and other various departments, including the Office of the County Clerk, Surrogate's Office, Sheriff's Office, Mental Health Clinics, Adult Correction Center and Office of the County Adjuster which result from the specific activity of the individual office or department and are subject to separate audit, are not combined with the financial statements of the County of Middlesex.

Description of Funds

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

Current Fund

Represents resources and expenditures for governmental operations of a general nature, including Federal, State and Local grant funds, except as otherwise noted.

Trust Fund

Represents receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, pursuant to the provisions of N.J.S.A. 40A: 4-39.

General Capital Fund

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

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

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

Description of Funds (Cont'd)

Governmental Fixed Assets

Accounts for fixed assets are used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on governmental fixed assets.

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

Basis of Accounting

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

Revenues

Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. Federal and State grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the County budget. Receivables for property taxes are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the County which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable.

Expenditures

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

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

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

Basis of Accounting (Cont'd)

Expenditures

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

Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. For the purpose of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the County requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of over expenditures and emergency appropriations. Over expenditures occur when expenditures recorded as “paid or charged” exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute.

Compensated Absences

The County records expenditures for earned, but unused vacation and sick leave in the accounting period that the payments are made to the employee pursuant to established personnel policy procedures. GAAP requires that expenditures be recorded in the governmental (Current) fund in the amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise fund on a full accrual basis.

Inventories of Supplies

The cost of inventories of supplies for all funds is recorded as expenditures at the time individual items are purchased. The cost of inventories is included on the Current Fund balance sheet, for inventory that has been established and reported at year-end with an offsetting reserve. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting reserve for conformity with GAAP.

Lease Purchase Agreements

The County’s participation in lease purchase agreements are reflected by the annual appropriation of minimum lease payments within the County’s operating budgets. The terms of the lease, including total future minimum lease payments are disclosed in the Notes to Financial Statements. Capital lease amounts payable are recorded within the General Capital Fund. GAAP requires the value of the lease purchase agreement to be recorded in the Capital Projects Fund and the recording of the non-current lease payments in the Debt Service Fund.

Self Insurance Reserves

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

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

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

Basis of Accounting (Cont'd)

Interfunds

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

Fixed Assets

Property and equipment acquired by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds. Such assets are recorded at cost in the Governmental Fixed Assets. The values of County owned assets acquired prior to the implementation of the fixed asset accounting system were recorded at cost, estimated cost, estimated replacement value and assessed valuation for real property. Depreciation is not recorded as an operating expense of the general government (Current Fund).

Governmental Fixed Assets

New Jersey Administrative Code 5:30-5.6, previously identified as Technical Accounting Directive No. 85-2, issued by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, established a mandate for fixed asset accounting by municipalities and counties, effective December 31, 1985. Assets acquired through December 31, 1985 were valued based on actual costs, where available and other methods, including current replacement value and estimated historical costs. Assets acquired subsequent to December 31, 1985 were valued based on actual costs. The initial inventory for assets acquired through December 31, 1985 utilized a \$1,000 threshold. For all assets acquired subsequent to December 31, 1985, the threshold is \$300. Improvements other than buildings, which consist of “infrastructure” fixed assets such as roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, etc., are excluded from the governmental fixed assets. Depreciation is not recorded in the governmental fixed assets. Lease Purchase Agreements have been recorded for amounts authorized and reported and classified in Governmental Fixed Assets under Lease Purchase Agreements (completed and in progress). The Governmental Fixed Assets at December 31, 2018 and 2017 does not include Roosevelt Hospital, as the facility was transferred to the M.C.I.A., Note 18.

Disclosures About Pension Liabilities

The County has included information relating to its allocated shares of the net pension liabilities of the state sponsored, cost-sharing, multiple employer defined benefit pension plans in which it participates in Note 7 and the accompanying required supplementary information. As the County does not present entity-wide financial statements, it does not present on the face of its financial statements its proportionate share of the net pension liability of the defined benefit plans in which its employees are enrolled. GAAP requires the recognition of the net pension liability and associated deferred inflows and deferred outflows of financial resources in the entity-wide financial statements.

Disclosures About OPEB Liabilities

With the implementation of GASB 75 for disclosure purposes, the County has included information for OPEB (Postemployment Benefits Other Than Pensions) liabilities relating to healthcare benefits provided to its retirees within the Notes to the Financial Statements and the accompanying required supplementary information, if applicable. As the County does not present entity-wide financial statements, it does not present on the face of its financial statements its proportionate share of the OPEB liability of the defined benefit healthcare plans in which its retirees are enrolled. GAAP requires the recognition of the OPEB liability and associated deferred inflows and deferred outflows of financial resources in the entity-wide financial statements.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

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

Basis of Accounting (Cont'd)

Disclosures about Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents and short-term investments: The carrying amount approximates fair value because of the short maturity of those instruments and include interest bearing accounts and short-term investments with a maturity of three months or less.

Long-term investments: The fair value of long-term investments are estimated based on quoted market prices for those or similar investments. Additional information pertinent to the value of these investments is provided in Note 7.

Long-term debt: The County's long-term debt is stated at face value. The debt is not traded, and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the County's long-term debt is provided in Notes 4, 14 and 15.

Recent Accounting Standards

GASB issued Statement No. 84 "Fiduciary Activities" in January 2017. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

GASB issued Statement No. 85 "Omnibus 2017" in March 2017. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of state and local government financial statements.

GASB issued Statement No. 86 "Certain Debt Extinguishment Issues" in May 2017. This Statement establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources—that is, resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the purpose of extinguishing debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

GASB issued Statement No. 87 "Leases" in June 2017. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

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

Basis of Accounting (Cont'd)

Recent Accounting Standards (Cont'd.)

GASB issued Statement No. 88 “Certain Disclosures Related to Debt, including Direct Borrowing and Direct Payments” in April 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

GASB issued Statement No. 89 “Accounting for Interest Cost Incurred before the End of a Construction Period” in June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

GASB issued Statement No. 90 “Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61” in August 2018. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

The County does not prepare its financial statements in accordance with generally accepted accounting principles. The adoption of these new standards will not adversely affect the reporting on the County’s financial condition.

Comparative Data

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

Prior Period Adjustments and Reclassifications

Certain reclassifications have been made to the 2017 financial statements to conform to classifications in 2018.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

3) DEFERRED COMPENSATION TRUST FUND

The County of Middlesex has established a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code and under the provisions of N.J.S.A. 43:15B-1. The plan includes the employees of Middlesex County, Middlesex County Board of Social Services, and the Middlesex County Mosquito Extermination Commission.

The plan is an arrangement whereby a public employer may establish a plan to permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The County has engaged three private contractors to administer the plan. Contributions are recognized when received by the administrators, withdrawals and administrative fees when paid by the administrators and earnings when the company with which the funds are invested notifies the administrators.

Statutory and regulatory requirements governing the establishment and operation of deferred compensation plans have been codified in the New Jersey Administrative Code as N.J.A.C. 5:37. The more significant of these provisions include no personal liability to the employer for negative return on investments, retention of assets by the employer, eligible investment types, and the requirement for an independent review of all program funds by a private contractor retained to administer the program.

Pursuant to revisions to the Federal Internal Revenue Code, the State has amended the deferred compensation plan enabling statute. During 1998, the County implemented the required amendments to the Deferred Compensation Plan for compliance with federal and state regulations.

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS

Summary of County Debt

	<u>Year 2018</u>	<u>Year 2017</u>
Issued:		
General Bonds and Notes	\$307,224,000	\$321,599,000
Loans	<u>24,935,291</u>	<u>28,126,648</u>
Net Debt Issued	332,159,291	349,725,648
Authorized but not issued:		
General Bonds and Notes	<u>152,542,059</u>	<u>145,802,059</u>
Bonds and Notes Issued and Authorized but not Issued	484,701,350	495,527,707
Less: Bonds issued and authorized but not Issued – County College CH. 12	15,387,500	14,775,000
MCIA Loans	1,715,687	1,639,127
Accounts Receivable/Redevelopment Bonds	<u>2,055,000</u>	<u>2,175,000</u>
Net Bonds and Notes Issued and Authorized but not issued	<u>\$465,543,163</u>	<u>\$476,938,580</u>

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement - Current Year 2018

The summarized statement of debt condition which follows is prepared in accordance with the required method of reporting for the Annual Debt Statement and indicated a statutory net debt of 0.437%.

	Gross Debt	Deductions	Net Debt
General Debt	\$ 662,191,350	\$ 196,648,187	\$ 465,543,163

Net Debt of \$465,543,163 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of 106,433,015,233 equals 0.437%.

Equalized Valuation Basis

2016 Equalized Valuation Basis of Real Property	\$ 102,248,645,049
2017 Equalized Valuation Basis of Real Property	105,288,246,541
2018 Equalized Valuation Basis of Real Property	111,762,154,109
Average Equalized Valuation Basis	\$ 106,433,015,233

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

2% of Average Equalized Valuation Basis	\$ 2,128,660,305
Net Debt	465,543,163
Remaining Borrowing Power	\$ 1,663,117,142

Schedule of Annual Net Debt Service Principal and Interest or Bonded Debt Issued and Outstanding

Schedule of Debt Service as of December 31, 2018

<u>Year</u>	<u>Total Principal *</u>	<u>Total Interest *</u>	<u>Total Debt Service</u>
2019	\$ 39,237,500	\$ 7,614,713	\$ 46,852,213
2020	38,732,500	6,216,229	44,948,729
2021	34,920,000	5,066,229	39,986,229
2022	24,245,000	4,100,995	28,345,995
2023	19,875,000	3,418,065	23,293,065
2024-2028	74,304,000	9,129,850	83,433,850
2029-2033	21,007,500	1,355,557	22,363,057
2034-2037	515,000	27,233	542,233
	\$ 252,836,500	\$ 36,928,871	\$ 289,765,371

* Excludes \$15,387,500 of County College Bonds payable by the State of New Jersey.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (cont'd)

Summary of County Debt for Capital Projects

Summarized below are the County's individual bond and loan issues which were outstanding at December 31, 2018.

Bonds Issued	Amount Issued	Amount Outstanding	Interest Rates
<u>General Improvement Debt</u>			
ERI-Refunding Bonds of 2004	\$ 10,315,000	\$ 3,660,000	5.16% to 5.44%
General Improvement Bonds of 2009	22,000,000	1,800,000	3.00%
Redev. General Improvement Bonds 2009	9,027,000	700,000	3.50%
General Improvement Bonds of 2010	41,000,000	6,500,000	3.00%
Genl. Oblig. Redev Bonds Series 2011	47,440,000	7,730,000	4.00% to 4.625%
General Improvement Bonds of 2013	40,839,000	29,999,000	2.00% to 3.00%
Genl. Improve. Refunding Nontaxable Bonds of 2013	8,260,000	3,340,000	4.00%
Genl. Oblig. Refunding Nontaxable Bonds of 2013	2,445,000	980,000	3.00%
Genl. Oblig. Redev Bonds Series 2014 a	19,405,000	11,635,000	4.00%
Genl. Oblig. Redev Bonds Series 2014 b	16,545,000	11,240,000	2.00% to 4.00%
General Improvement Bonds of 2014	6,960,000	440,000	2.00%
Genl. Oblig. Ref. Redev Bonds Series 2015 a	6,455,000	4,840,000	2.00% to 5.00%
Genl. Oblig. Ref. Redev Bonds Series 2015 b	14,985,000	11,285,000	2.00% to 5.00%
Heldrich Center Hotel Project 2015	2,175,000	2,055,000	2.00% to 5.00%
Genl. Improve. Refunding Bonds of 2016	16,980,000	16,980,000	3.00% to 4.00%
General Improvement Ref. Bonds of 2016 501c	585,000	585,000	4.00%
Genl. Redev. Ref. Bonds Series 2016	4,050,000	4,050,000	4.00% to 5.00%
General Improvement Bonds of 2016	33,900,000	29,500,000	2.00% to 2.125%
General Improvement Ref. Bonds of 2017	12,720,000	12,720,000	3.00% to 4.00%
Genl. Redev. Ref. Bonds Series 2017	24,615,000	24,615,000	4.00% to 5.00%
General Improvement Bonds of 2018a	7,570,000	7,570,000	3.125% to 5.00%
Total General Improvement Debt		<u>192,224,000</u>	
<u>County College Bonds</u>			
County College Bonds Ch. 12 of 2009	6,500,000	337,500	3.00% to 3.50%
County College Bonds of 2010	4,000,000	800,000	3.00%
County College Bonds Ch. 12 of 2010	1,176,500	632,500	3.00% to 3.50%
County College Bonds Ch. 12 of 2012	4,250,000	2,700,000	2.00% to 3.00%
County College Bonds of 2013	2,000,000	1,300,000	2.00% to 3.00%
County College Bonds Ch. 12 of 2013	750,000	535,000	2.00% to 3.00%
County College Bonds Ch. 12 of 2013	305,000	120,000	2.00% to 3.00%
County College Bonds of 2014	2,000,000	1,550,000	2.00% to 3.00%
County College Bonds of 2014	3,400,000	2,700,000	2.00% to 3.00%
County College Bonds Ch. 12 of 2014	2,125,000	1,725,000	2.00% to 3.00%
County College Bonds of 2015	2,000,000	1,550,000	2.00% to 3.00%
County College Bonds Ch. 12 of 2015	1,600,000	1,395,000	2.00% to 3.50%
County College Ref. Bonds of 2015	445,000	225,000	4.00%
County College Bonds of 2016	5,000,000	4,350,000	2.00%
County College Bonds Ch. 12 of 2016	1,500,000	1,290,000	2.00%
County College Ref. Bonds Series 2016	3,227,500	3,227,500	4.00% to 5.00%
County College Bonds of 2017	2,000,000	1,900,000	2.00% to 3.00%
County College Bonds Ch. 12 of 2017	1,700,000	1,640,000	2.00% to 3.00%
County College Bonds of 2018	1,925,000	1,925,000	3.00% to 5.00%
County College Bonds Ch. 12 of 2018	1,785,000	1,785,000	3.00% to 5.00%
County College Bonds Ch. 12 of 2018	1,875,000	1,875,000	5.00%
Total County College Bonds		<u>33,562,500</u>	

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (cont'd)

County College Bonds (Ch. 12, P.L. 71)

County College Bonds of 2009	6,500,000	337,500	3.00% to 3.50%
County College Bonds of 2010	1,176,500	632,500	3.00% to 3.50%
County College Bonds of 2012	4,250,000	2,700,000	2.00% to 3.00%
County College Bonds of 2013	750,000	535,000	2.00% to 3.00%
County College Bonds of 2013	305,000	120,000	2.00% to 3.00%
County College Bonds of 2014	2,125,000	1,725,000	2.00% to 3.00%
County College Bonds of 2015	1,600,000	1,395,000	2.00% to 3.50%
County College Bonds of 2016	1,500,000	1,290,000	2.00%
County College Bonds of 2016	3,227,500	3,227,500	4.00% to 5.00%
County College Bonds of 2017	1,700,000	1,640,000	2.00% to 3.00%
County College Bonds of 2018	1,785,000	1,785,000	3.00% to 5.00%
Total County College Bonds (Ch. 12, P.L. 71)		15,387,500	

Vocational School Bonds

Vocational School Bonds of 2010	6,100,000	2,200,000	2.50% to 3.10%
Vocational School Refunding Bonds of 2012	1,140,000	570,000	3.00% to 4.00%
Vocational School Bonds of 2013	3,100,000	2,395,000	2.00%
Vocational School Refunding Bonds of 2013	6,650,000	2,735,000	4.00%
Vocational School Bonds of 2014	3,100,000	2,350,000	1.00% to 2.375%
Vocational School Bonds of 2015	3,100,000	2,615,000	2.00% to 3.00%
Vocational School Bonds of 2016	6,100,000	5,350,000	2.00%
Vocational School Bonds of 2017	3,000,000	2,870,000	2.00% to 3.00%
Vocational School Bonds of 2018	2,995,000	2,995,000	3.00% to 5.00%
Vocational School Bonds of 2018a	2,970,000	2,970,000	3.00% to 5.00%
Total Vocational School Bonds		27,050,000	

Bond Anticipation Notes Issued

Bond Anticipation Notes due 06/11/19	39,000,000	39,000,000	1.70%
Total Bond Anticipation Notes		39,000,000	

(A) MCIA Loan Payable

County Loan from MCIA 2008	9,185,892	280,000	4.30% to 4.80%
County Loan from MCIA 2009	9,000,036	689,110	3.00% to 3.25%
County Loan from MCIA 2014	13,071,920	2,745,691	3.00%
County Loan from MCIA 2015	4,870,650	2,032,585	4.00%
County Loan from MCIA 2016	5,266,105	3,252,054	4.00%
County Loan from MCIA 2017	7,394,719	6,001,891	3.00%
County Loan from MCIA 2018	5,598,734	5,598,734	4.00%
		20,600,065	

Green Acres Loans Issued

Sewaren Marine Park Development 1997	1,000,000	157,582	2.00%
Bank of China Property Acquisition 2003	2,250,000	405,429	2.00%
Old Bridge Park Acquisition 2005	3,244,264	418,567	2.00%
Old Bridge Park Acquisition 2009	750,000	439,719	2.00%
New Brunswick Landing Lane Project 2010	1,600,000	943,588	0.00%
New Brunswick Landing Lane Project 2015	800,000	713,930	2.00%
New Brunswick Landing Lane Project 2016	1,400,000	1,256,411	0.00%
Total Green Trust Program Loan		4,335,226	

Total Debt Issued and Outstanding

\$ 332,159,291

(A) - As a result of legislation that impacted and provided for limitations on increases in tax levy amounts (P.L. 2007, c.62), the characterization of certain lease payment obligations have been modified as of July 1, 2007. As of and subsequent to that date, any lease payment obligations that involve asset acquisitions with estimated useful lives of five (5) years or greater, those obligations are to be classified as debt, in accordance with debt authorized under N.J.S.A. 40A:2-3 et seq. Lease obligations with respect to assets with estimated useful lives of less than five years and all lease obligations issued prior to July 1, 2007, are not considered statutory debt of the local unit.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement - Prior Year 2017

The summarized statement of debt condition which follows is prepared in accordance with the required method of reporting for the Annual Debt Statement and indicated a statutory net debt of 0.463%.

	Gross Debt	Deductions	Net Debt
General Debt	\$ 690,097,707	\$ 213,159,127	\$ 476,938,580

Net Debt of \$476,938,580 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of 103,041,069,382 equals 0.463%.

Equalized Valuation Basis

2015 Equalized Valuation Basis of Real Property	\$ 101,405,813,888
2016 Equalized Valuation Basis of Real Property	102,340,805,085
2017 Equalized Valuation Basis of Real Property	105,376,589,174
Average Equalized Valuation Basis	\$ 103,041,069,382

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

2% of Average Equalized Valuation Basis	\$ 2,060,821,388
Net Debt	476,938,580
Remaining Borrowing Power	\$ 1,583,882,808

Schedule of Annual Net Debt Service Principal and Interest or Bonded Debt Issued and Outstanding

Schedule of Debt Service as of December 31, 2017

<u>Year</u>	<u>Total Principal *</u>	<u>Total Interest *</u>	<u>Total Debt Service</u>
2018	\$ 39,107,500	\$ 7,992,111	\$ 47,099,611
2019	38,262,500	6,760,286	45,022,786
2020	37,632,500	5,509,766	43,142,266
2021	33,775,000	4,413,141	38,188,141
2022	23,045,000	3,503,532	26,548,532
2023-2027	74,100,000	9,553,343	83,653,343
2028-2032	25,941,500	1,538,945	27,480,445
2033-2037	960,000	55,646	1,015,646
	\$ 272,824,000	\$ 39,326,770	\$ 312,150,770

* Excludes \$14,775,000 of County College Bonds payable by the State of New Jersey.

COUNTY OF MIDDLESEX, NEW JERSEY
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4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (cont'd)

Summary of County Debt for Capital Projects

Summarized below are the County's individual bond and loan issues which were outstanding at December 31, 2017.

Bonds Issued	Amount Issued	Amount Outstanding	Interest Rates	Final Maturity
<u>General Improvement Debt</u>				
ERI-Refunding Bonds of 2004	\$ 10,315,000	\$ 4,465,000	5.16% to 5.44%	2033
General Improvement Bonds of 2008	18,000,000	1,550,000	3.75%	2018
General Improvement Bonds of 2008 501c	2,500,000	200,000	3.625%	2018
General Improvement Bonds of 2008	16,000,000	1,220,000	3.50%	2018
General Improvement Bonds of 2009	22,000,000	3,600,000	3.00%	2019
Redev. General Improvement Bonds 2009	9,027,000	1,375,000	3.00% to 3.50%	2019
General Improvement Bonds of 2010	41,000,000	9,750,000	3.00%	2024
Genl. Oblig. Redev Bonds Series 2011	47,440,000	10,160,000	3.00% to 4.625%	2031
General Improvement Bonds of 2013	40,839,000	32,839,000	2.00% to 3.00%	2028
Genl. Improve. Refunding Nontaxable Bonds of 2013	8,260,000	5,000,000	4.00%	2020
Genl. Oblig. Refunding Nontaxable Bonds of 2013	2,445,000	1,470,000	3.00%	2020
Genl. Oblig. Redev Bonds Series 2014 a	19,405,000	15,530,000	4.00%	2021
Genl. Oblig. Redev Bonds Series 2014 b	16,545,000	13,825,000	1.50% to 4.00%	2022
General Improvement Bonds of 2014	6,960,000	2,110,000	2.00%	2019
Genl. Oblig. Ref. Redev Bonds Series 2015 a	6,455,000	6,455,000	2.00% to 5.00%	2021
Genl. Oblig. Ref. Redev Bonds Series 2015 b	14,985,000	14,985,000	2.00% to 5.00%	2021
Heldrich Center Hotel Project 2015	2,175,000	2,175,000	2.00% to 5.00%	2037
Genl. Improve. Refunding Bonds of 2016	16,980,000	16,980,000	3.00% to 4.00%	2023
General Improvement Ref. Bonds of 2016 501c	585,000	585,000	4.00%	2021
Genl. Redev. Ref. Bonds Series 2016	4,050,000	4,050,000	4.00% to 5.00%	2025
General Improvement Bonds of 2016	33,900,000	31,700,000	2.00% to 2.125%	2029
General Improvement Ref. Bonds of 2017	12,720,000	12,720,000	3.00% to 4.00%	2024
Genl. Redev. Ref. Bonds Series 2017	24,615,000	24,615,000	4.00% to 5.00%	2031
Total General Improvement Debt		217,359,000		
<u>County College Bonds</u>				
County College Bonds Ch. 12 of 2009	6,500,000	675,000	3.00% to 3.50%	2019
County College Bonds of 2010	4,000,000	1,200,000	3.00%	2020
County College Bonds Ch. 12 of 2010	1,176,500	707,500	3.00% to 3.50%	2025
County College Bonds Ch. 12 of 2012	4,250,000	2,995,000	2.00% to 3.00%	2027
County College Bonds of 2013	2,000,000	1,465,000	2.00% to 3.00%	2025
County College Bonds Ch. 12 of 2013	750,000	590,000	2.00% to 3.00%	2027
County College Bonds Ch. 12 of 2013	305,000	180,000	2.00% to 3.00%	2020
County College Bonds of 2014	2,000,000	1,675,000	2.00% to 3.00%	2026
County College Bonds of 2014	3,400,000	2,950,000	2.00% to 3.00%	2028
County College Bonds Ch. 12 of 2014	2,125,000	1,825,000	2.00% to 3.00%	2028
County College Bonds of 2015	2,000,000	1,725,000	2.00% to 3.00%	2026
County College Bonds Ch. 12 of 2015	1,600,000	1,475,000	2.00% to 3.50%	2033
County College Ref. Bonds of 2015	445,000	445,000	4.00%	2019
County College Bonds of 2016	5,000,000	4,700,000	2.00%	2028
County College Bonds Ch. 12 of 2016	1,500,000	1,400,000	2.00%	2028
County College Ref. Bonds Series 2016	3,227,500	3,227,500	4.00% to 5.00%	2029
County College Bonds of 2017	2,000,000	2,000,000	2.00% to 3.00%	2031
County College Bonds Ch. 12 of 2017	1,700,000	1,700,000	2.00% to 3.00%	2034
Total County College Bonds		30,935,000		

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4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (cont'd)

County College Bonds (Ch. 12, P.L. 71)

County College Bonds of 2009	6,500,000	675,000	3.00% to 3.50%	2019
County College Bonds of 2010	1,176,500	707,500	3.00% to 3.50%	2025
County College Bonds of 2012	4,250,000	2,995,000	2.00% to 3.00%	2027
County College Bonds of 2013	750,000	590,000	2.00% to 3.00%	2027
County College Bonds of 2013	305,000	180,000	2.00% to 3.00%	2020
County College Bonds of 2014	2,125,000	1,825,000	2.00% to 3.00%	2028
County College Bonds of 2015	1,600,000	1,475,000	2.00% to 3.50%	2033
County College Bonds of 2016	1,500,000	1,400,000	2.00%	2028
County College Bonds of 2016	3,227,500	3,227,500	4.00% to 5.00%	2029
County College Bonds of 2017	1,700,000	<u>1,700,000</u>	2.00% to 3.50%	2034
Total County College Bonds (Ch. 12, P.L. 71)		<u>14,775,000</u>		

Vocational School Bonds

Vocational School Bonds of 2008	2,690,000	315,000	3.50%	2018
Vocational School Bonds of 2010	6,100,000	2,750,000	2.50% to 3.10%	2022
Vocational School Refunding Bonds of 2012	1,140,000	665,000	3.00% to 4.00%	2023
Vocational School Bonds of 2013	3,100,000	2,585,000	2.00%	2027
Vocational School Refunding Bonds of 2013	6,650,000	4,090,000	4.00%	2020
Vocational School Bonds of 2014	3,100,000	2,575,000	1.00% to 2.375%	2026
Vocational School Bonds of 2015	3,100,000	2,800,000	2.00% to 3.00%	2030
Vocational School Bonds of 2016	6,100,000	5,750,000	2.00%	2028
Vocational School Bonds of 2017	3,000,000	<u>3,000,000</u>	2.00% to 3.00%	2032
Total Vocational School Bonds		<u>24,530,000</u>		

Bond Anticipation Notes Issued

Bond Anticipation Notes due 06/13/18	34,000,000	<u>34,000,000</u>	2.00%	2018
Total Bond Anticipation Notes		<u>34,000,000</u>		

(A) MCIA Loan Payable

County Loan from MCIA 2008	9,185,892	389,704	4.20% to 4.80%	2023
County Loan from MCIA 2009	9,000,036	791,425	3.00% to 3.25%	2024
County Loan from MCIA 2013	8,670,604	1,845,176	4.00%	2018
County Loan from MCIA 2014	13,071,920	5,417,138	3.00%	2019
County Loan from MCIA 2015	4,870,650	2,999,930	3.00% to 4.00%	2020
County Loan from MCIA 2016	5,266,105	4,264,353	3.00% to 4.00%	2021
County Loan from MCIA 2017	7,394,719	<u>7,394,719</u>	3.00%	2022
		<u>23,102,445</u>		

Green Acres Loans Issued

Sewaren Marine Park Development 1997	1,000,000	218,451	2.00%	2021
Bank of China Property Acquisition 2003	2,250,000	535,281	2.00%	2021
Old Bridge Park Acquisition 2005	3,244,264	690,751	2.00%	2020
Old Bridge Park Acquisition 2009	750,000	477,002	2.00%	2029
New Brunswick Landing Lane Project 2010	1,600,000	1,025,640	0.00%	2030
New Brunswick Landing Lane Project 2015	800,000	748,873	2.00%	2035
New Brunswick Landing Lane Project 2016	1,400,000	<u>1,328,205</u>	0.00%	2036
Total Green Trust Program Loan		<u>5,024,203</u>		

Total Debt Issued and Outstanding

\$ 349,725,648

(A) - As a result of legislation that impacted and provided for limitations on increases in tax levy amounts (P.L. 2007, c.62), the characterization of certain lease payment obligations have been modified as of July 1, 2007. As of and subsequent to that date, any lease payment obligations that involve asset acquisitions with estimated useful lives of five (5) years or greater, those obligations are to be classified as debt, in accordance with debt authorized under N.J.S.A. 40A:2-3 et seq. Lease obligations with respect to assets with estimated useful lives of less than five years and all lease obligations issued prior to July 1, 2007, are not considered statutory debt of the local unit.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
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5) FUND BALANCE APPROPRIATED

Fund balance for the Current Fund at December 31, 2018 was reported in the amount of \$74,023,910, of which \$0 was appropriated and included as anticipated revenue for the year ending December 31, 2019.

Fund balance for the Current Fund at December 31, 2017 was reported in the amount of \$64,046,285, of which \$0 was appropriated and included as anticipated revenue for the year ending December 31, 2018.

6) INVENTORY – MATERIALS AND SUPPLIES

For the years ended 2018 and 2017, the County has reported Inventory on the balance sheet of the Current Fund. The Inventory is reported with an offsetting reserve. The amount reported is as follows:

	<u>2018</u>	<u>2017</u>
Inventory (Current Fund)		
Materials & Supplies	<u>\$1,635,637</u>	<u>\$1,918,800</u>

7) CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depositor, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. The State of New Jersey Cash Management Fund is authorized by statute and regulation of the State Investment Council to invest in fixed income and debt securities, which mature within one year.

Collateralization of Fund investments is generally not required. "Other Than State" participants contribute one tenth of one percent per year of the value of the aggregate units owned by them to establish a Reserve Fund, which is supplemented by the proportional interest of "Other Than State" participants in gains on investment transaction realized. The Reserve Fund is available to cover losses of "Other Than State" participants occasioned by the bankruptcy of an issuer of an investment held by the Fund and losses on sales of securities.

The cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

7) CASH, CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Deposits (Cont'd)

At December 31, 2018, the County's recorded cash, cash equivalents and investments amounted to \$156,080,197 and an amount of \$164,072,902 was on deposit with the respective institutions, excluding Deferred Compensation Fund, of which cash, cash equivalent and investments are held by the respective Trustees. Of the bank balance, \$2,025,360 was FDIC insured and \$162,047,542 was GUDPA insured.

At December 31, 2017, the County's recorded cash, cash equivalents and investments amounted to \$134,966,334 and an amount of \$145,685,417 was on deposit with the respective institutions, excluding Deferred Compensation Fund, of which cash, cash equivalent and investments are held by the respective Trustees. Of the bank balance, \$2,406,152 was FDIC insured and \$143,279,265 was GUDPA insured.

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2018, based upon the insured balances as provided by FDIC and NJGUDPA coverage, no amount of the County's bank balance of \$162,047,542 was considered exposed to custodial risk.

An Analysis of the County's cash, cash equivalents and investments at December 31, 2018 and 2017, by Fund/Category (Type) is as follows:

By Fund:

<u>Fund</u>	<u>2018 Amount</u>	<u>2017 Amount</u>
Current	\$82,185,602	\$71,709,984
Trust	69,045,588	62,690,115
General Capital	<u>4,849,007</u>	<u>566,235</u>
Total Cash, Cash Equivalents & Investments	<u>\$156,080,197</u>	<u>\$134,966,334</u>

By Category (Type)

<u>Cash & Cash Equivalents:</u>	<u>2018 Amount</u>	<u>2017 Amount</u>
Change Fund	\$ 600	\$ 600
Demand Accounts	87,886,855	87,011,276
Savings, Money Market / N.O.W.	<u>48,064,154</u>	<u>27,243,488</u>
Total Cash & Cash Equivalents	<u>\$135,951,609</u>	<u>\$114,255,364</u>
<u>Investments:</u>		
Certificates of Deposit	<u>20,128,588</u>	<u>20,710,970</u>
Total Cash, Cash Equivalents & Investments	<u>\$156,080,197</u>	<u>\$134,966,334</u>

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
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7) CASH, CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Investments

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

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual fund;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligations bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
5. Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of the Treasury for investment by local units;
6. Local Government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c. 281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c. 235 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of collateral is executed.

Governmental Accounting Standards Board Statement No. 9, the year end balances in a New Jersey Cash Management Fund are considered to be cash equivalents under GAAP. During the period ended December 31, 2018 and 2017, respectively the County did not hold investments in the State of New Jersey Cash Management Funds.

The investment recorded in the general-purpose financial statements has been recorded at the carrying amount. The difference between the carrying amount and market value is not material to the general- purpose financial statements.

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

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7) CASH, CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Investments (Cont'd)

Custodial Credit Risk – Investments - Custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The government does not have a deposit policy for custodial credit risk.

Concentration of Credit Risk – This is the risk associated with the amount of investments that the County has with any one issuer that exceeds 5 percent or more of its total investments. Investment issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

Credit Risk – GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the County does not have an investment policy regarding Credit Risk except to the extent outlined under the County's investment policy. The New Jersey Cash Management Fund is not rated.

As of December 31, 2018, the County did not have any investments on deposit with the New Jersey Cash Management Fund.

As of December 31, 2017, the County did not have any investments on deposit with the New Jersey Cash Management Fund.

8) ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10th of the following year. Upon the filing of certified adopted budgets by the Local Units, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the local unit tax collector on or before May 13th. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit that is due to the County.

9) PENSION AND RETIREMENT PLANS

Description of Plans – The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions.

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 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
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9) PENSION PLANS (CONT'D)

However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

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

Plan Membership and Contributing Employers - Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2018 and 2017:

	2018	2017
Inactive plan members or beneficiaries currently receiving benefits	174,904	170,124
Inactive plan members entitled to but not yet receiving benefits	589	650
Active plan members	<u>254,780</u>	<u>254,685</u>
 Total	 <u>430,273</u>	 <u>425,459</u>
 Contributing Employers	 1,708	 1,705

Significant Legislation – Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

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

Payrolls and Covered Wages - For the year ended December 31, 2018 and 2017 the County's total payroll for all employees was \$136,421,346 and \$132,740,606, respectively. Total PERS covered payroll was \$75,705,269 and \$70,217,695, respectively. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the County to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012.

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9) PENSION PLANS (CONT'D)

A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)

The member contribution rate was 7.34% for State fiscal year 2018. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The County's cash basis contributions to the Plan for the years ended December 31, 2017 and 2018 were \$9,090,227 and \$9,740,825, respectively. County contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated. County payments to PERS for the years ending December 31, 2017 and 2018 consisted of the following:

	<u>2017</u>	<u>2018</u>
Normal Cost	\$ 1,414,976	\$ 1,265,713
Amortization of Accrued Liability	<u>7,200,965</u>	<u>7,881,943</u>
Total Pension	8,615,941	9,147,656
NCGI Premiums	<u>430,008</u>	<u>468,732</u>
Total Pension & NCGI	9,045,949	9,616,388
LTD Expense	<u>44,278</u>	<u>124,437</u>
Total PERS Payment	<u>\$ 9,090,227</u>	<u>\$ 9,740,825</u>

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

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

The following represents the membership tiers for PERS:

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

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

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D)

A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)

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

At June 30, 2018, the PERS reported a net pension liability of \$19,689,501,539 for its Local (Non-State) Employer Member Group. The County’s proportionate share of the net pension liability for the Local Employer Member Group that is attributable to the County was \$198,126,074 or 1.00625236%, which was a decrease of 0.0317936867%. At June 30, 2017, the PERS reported a net pension liability of \$23,278,401,588 for its Local Employer Member Group. The County’s proportionate share of the net pension liability for the Local Employer Member Group that was attributable to the County was \$241,640,527 or 1.0380460467%.

Actuarial Assumptions - The collective total pension liability in the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017 that was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases: Through 2026	1.65-4.15% Based on age
Thereafter	2.65-5.15 Based on age
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013, using Projection Scale AA and using a generational approach based on the Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D)

A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk mitigation strategies	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
High yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

Discount Rate – The discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through June 30, 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D)

A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)

Sensitivity of Net Pension Liability – the following presents the net pension liability of PERS participating employers as of June 30, 2018, calculated using the discount rates as disclosed above as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	At 1% decrease (4.66%)	At current discount rate (5.66%)	At 1% increase (6.66%)
State	\$27,413,044,035	\$23,704,298,093	\$20,597,322,253
Local	<u>24,757,279,564</u>	<u>19,689,501,539</u>	<u>15,437,959,879</u>
PERS Plan Total	<u>\$52,170,323,599</u>	<u>\$43,393,799,632</u>	<u>\$36,035,282,132</u>
County's proportionate share of the net pension liability	<u>\$249,120,710</u>	<u>\$198,126,074</u>	<u>\$155,344,836</u>

Components of Net Pension Liability – The components of the net pension liability for PERS, including the State of New Jersey, at June 30, 2018 is as follows:

	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$30,434,600,657	\$42,431,573,511	\$72,866,174,168
Plan Fiduciary Net Position	<u>6,730,302,564</u>	<u>22,742,071,972</u>	<u>29,472,374,536</u>
Net Pension Liability	<u>\$23,704,298,093</u>	<u>\$19,689,501,539</u>	<u>\$43,393,799,632</u>

At December 31, 2018, the County deferred outflow of resources and deferred inflow of resources related to PERS were from the following sources, if GASB 68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expensed and actual experience	\$3,778,294	\$1,021,602
Change in assumptions	32,647,895	63,350,183
Net difference between projected and actual earnings		1,858,431
On pension plan investments		1,858,431
Changes in proportion and differences between County		
Contributions and proportionate share of contributions	3,254,425	7,237,075
County contributions subsequent to the		
measurement date	<u>9,740,825</u>	<u>-</u>
Total	<u>\$49,421,439</u>	<u>\$73,467,291</u>

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D)

A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)

Collective Deferred Outflows of Resources and Deferred Inflows of Resources – \$9,740,825 is reflected above as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

<u>Year ending</u>	<u>Amount</u>
2019	\$413,750
2020	(2,531,469)
2021	(14,262,595)
2022	(12,803,246)
2023	(4,603,117)
Total	<u>\$(33,786,677)</u>

Additional Information

Collective balances at June 30, 2018

Collective deferred outflows of resources	\$4,684,852,302
Collective deferred inflows of resources	7,646,736,226
Collective net pension liability – Local group	19,689,501,539
County' Proportion	1.00625236%

B. POLICE AND FIREMEN'S RETIREMENT SYSTEM

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

Plan Membership and Contributing Employers- Substantially all full-time county and municipal police and firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2018 and 2017:

	2018	2017
Inactive plan members or beneficiaries currently receiving benefits	43,755	43,011
Inactive plan members entitled to but not yet receiving benefits	39	47
Active plan members	<u>41,517</u>	<u>40,789</u>
Total	<u>85,311</u>	<u>83,847</u>
Contributing Employers	586	586

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

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D):

B. POLICE AND FIREMEN'S RETIREMENT SYSTEM (CONT'D)

For the year ended December 31, 2018 and 2017 the County's total payroll for all employees was \$136,421,346 and \$132,740,606, respectively. Total PFRS covered payroll was \$36,642,527 and \$35,252,942, respectively. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the County to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contributions rate was 10.0% in State fiscal year 2018. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The County's cash basis contributions to the Plan for the years ended December 31, 2017 and 2018 were \$8,503,623 and \$9,047,563, respectively. County Contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contribution requirements were calculated.

County payments to PFRS made in the years ending December 31, 2017 and 2018 consisted of the following:

	<u>2017</u>	<u>2018</u>
Normal Cost	\$ 2,901,723	\$ 2,817,228
Amortization of Accrued Liability	<u>5,231,728</u>	<u>5,864,752</u>
 Total Pension	 8,133,451	 8,681,980
NCGI Premiums	<u>370,172</u>	<u>365,583</u>
 Total PFRS Payment	 <u>\$ 8,503,623</u>	 <u>\$ 9,047,563</u>

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

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years, but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D):

B. POLICE AND FIREMEN'S RETIREMENT SYSTEM (CONT'D)

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

At June 30, 2018, the PFRS reported a net pension liability of \$13,531,648,591 for its Non-State, Non-Special Funding Situation Employer Member Group. The County's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$145,178,715, or 1.072883%, which was an increase of 0.050581%. At June 30, 2017, the PFRS reported a net pension liability of \$15,438,066,691 for its Non-State, Non-Special Funding Situation Employer Member Group. The County's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$157,823,692, or 1.022302%.

Actuarial Assumptions - The collective total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions:

Inflation	2.25%
Salary Increases: Through 2026	2.10-8.98% Based on age
Thereafter	3.10-9.98% Based on age
Investment rate of return	7.00%

Preretirement mortality rates were based on the RP-2000 Combined Healthy Mortality tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For preretirement accidental mortality, a custom table with representative rates was used and there is no mortality improvement assumed. Post-retirement mortality rates for male service retirements are based the RP-2000 Combined Healthy Mortality Tables projected on a generational basis using Projection Scale AA from the base year of 2012 to 2013 and the Conduent modified 2014 projection scale thereafter. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scales thereafter. Disability mortality rates were based on a custom table with representative rates and no mortality improvement assumed.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

The long-term expected rate of return on plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D):

B. POLICE AND FIREMEN'S RETIREMENT SYSTEM (CONT'D)

Best estimates of arithmetic real rates of return for each major asset class included in the PFRS's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk mitigation strategies	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
High yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

Discount Rate – The discount rate used to measure the total pension liability was 6.51% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 based on 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. 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 made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through June 30, 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of Net Pension Liability – The following presents the collective net pension liability of the participating employers as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	<u>At 1% Decrease</u> <u>(5.51%)</u>	<u>At current discount rate</u> <u>(6.51%)*</u>	<u>At 1% increase</u> <u>(7.51%)</u>
State	\$ 5,090,302,750	\$ 4,329,304,276	\$ 3,702,605,881
Local	<u>20,570,435,198</u>	<u>15,369,699,278</u>	<u>11,080,039,474</u>
PFRS Plan Total	<u>\$25,660,737,948</u>	<u>\$19,699,003,554</u>	<u>\$14,782,645,355</u>

*- Local Share includes \$1,838,050,687 of Special Funding Situation allocated to the State of NJ as a non-employer.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D):

B. POLICE AND FIREMEN'S RETIREMENT SYSTEM (CONT'D)

Components of Net Pension Liability – The components of the net pension liability for PFRS, including the State of New Jersey, at June 30, 2018 is as follows:

	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 5,837,506,505	\$40,960,053,149	\$46,797,559,654
Plan Fiduciary Net Position	<u>1,508,202,229</u>	<u>25,590,353,871</u>	<u>27,098,556,100</u>
Net PFRS Pension Liability	<u>\$ 4,329,304,276</u>	<u>\$15,369,699,278</u>	<u>\$19,699,003,554</u>

At December 31, 2018, the County deferred outflow of resources and deferred inflow of resources related to PFRS were from the following sources, if GASB 68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expensed and actual experience	\$1,477,004	\$600,784
Change in assumptions	12,461,639	37,206,799
Net difference between projected and actual earnings		
On pension plan investments		794,259
Changes in proportion and differences between County		
Contributions and proportionate share of contributions	8,191,873	3,754,610
County contributions subsequent to the measurement date	<u>9,047,563</u>	<u>-</u>
Total	<u>\$31,178,079</u>	<u>\$42,356,452</u>

Collective Deferred Outflows of Resources and Deferred Inflows of Resources – \$9,047,563 is reflected above as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

<u>Year ending</u>	<u>Amount</u>
2019	\$1,714,957
2020	(3,478,799)
2021	(10,616,017)
2022	(6,437,595)
2023	<u>(1,408,482)</u>
Total	<u>\$(20,225,936)</u>

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D):

B. POLICE AND FIREMEN'S RETIREMENT SYSTEM (CONT'D)

Additional Information

Collective balances at June 30, 2018

Collective deferred outflows of resources	\$1,988,215,695
Collective deferred inflows of resources	4,286,994,294
Collective net pension liability – Local group	15,369,699,278
County' Proportion	1.0728826895%

Special Funding Situation

The County is responsible for the actuarially determined annual contributions to the PFRS, except where legislation was passed that legally obligates the State if certain circumstances occur. A special funding situation exists for the Local employers of the PFRS. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers based upon the provisions of several legislative actions. The provisions of GASB Statement No. 68 define this these relationship as a “special funding situation”, and the State of New Jersey is defined as a “non-employer contributing entity”.

Unaudited data provided by the PFRS indicates that the total Non-employer contributions made to the PFRS by the State for the year ended June 30, 2018 was \$108,857,000. The portion of that contribution allocated to the County was \$1,167,907, or 1.0728826895%. The June 30, 2018 State special funding situation pension expense of \$217,714,180 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at \$1,838,050,687 at June 30, 2018 and represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date. The County's allocated shares of the special funding situation pension expense for the year ended June 30, 2018 and its share of the special funding situation NPL at that date were \$2,335,818 and \$19,720,128, respectively.

C: DEFINED CONTRIBUTION RETIREMENT PLAN

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

Plan Membership and Contributing Employers - Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established “maximum compensation” limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually. At June 30, 2016, the membership in the DCRP, based on the information within the Division's database, was 46,557.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3% of the employees base salary. Active members contribute 5.5% of base salary.

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non forfeitable.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

9) PENSION PLANS (CONT'D):

C: DEFINED CONTRIBUTION RETIREMENT PLAN (CONT'D)

A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

For the year ended December 31, 2018 and 2017, the County's total payroll for all employees was \$136,421,346 and \$132,740,606. Total DCRP covered payroll was \$1,413,789 and \$1,121,661. Covered payroll refers to all compensation paid by the County to active employees covered by the Plan. County and employee contributions to the DCRP for the year ended December 31, 2018, were \$42,449 and \$77,822, respectively and for the year ending December 31, 2017, were \$34,140 and \$62,407, respectively.

D. Cumulative PERS and PFRS Deferred Outflows of Resources and Deferred Inflows of Resources

	<u>Net Pension Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Total Pension Expense</u>
PERS	\$198,126,074	\$39,680,614	\$73,467,291	\$9,937,311
PFRS	<u>145,178,715</u>	<u>22,130,516</u>	<u>42,356,452</u>	<u>11,894,168</u>
Total	<u>\$ 343,304,789</u>	<u>\$61,811,130</u>	<u>\$115,823,743</u>	<u>\$21,831,479</u>

10) ACCRUED SICK AND VACATION BENEFITS

The County of Middlesex has established uniform personnel policy procedures which set forth the terms under which an employee may accumulate unused benefits, as follows:

Sick Leave

Sick leave for permanent employees accumulates in accordance with the terms of approved contracts. Any amount of sick leave allowance not used in a calendar year accumulates to the employee's credit to be used if and when needed. Upon normal retirement, employees are entitled to receive a lump sum payment as supplemental compensation for one-half of earned and unused accumulated sick leave to their credit on the effective date of retirement, up to a maximum of \$15,000. In addition, the County offers a sick leave buyout option, on an annual basis, in the amount of one day's pay for every three days credited and not used, to a maximum of five days paid, so long as the employee did not use more than five sick days in the current year. An exception to the above is for employees who are under union PBA 214 (prosecutors, investigators & detectives) hired prior to October 1, 1993 who can receive up to a maximum of \$30,000 accumulative sick time pay off upon retirement.

Vacations

Vacation pay for permanent employees also accumulates in accordance with the terms of approved contracts. Vacation days are to be taken in the year earned and do not accumulate, except that vacation time earned in the current year may be carried over to the next succeeding year only. The County maintains current records of each employee's status relating to earned and unused sick and vacation pay. At December 31, 2018 and 2017, the estimated cost of unused sick pay is calculated to be \$10,022,090 and \$10,288,268 respectively. At December 31, 2018 and 2017, the estimated cost of unused accrued vacation pay is calculated to be \$12,648,685 and \$12,853,749, respectively. Management indicates that this amount approximates the calculation as required by GASB No. 16, however, the methodology utilized does not fully meet the recognition and measurement criteria as set forth by the GASB.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

10) ACCRUED SICK AND VACATION BENEFITS

Vacations (Cont'd)

No estimate is provided for the approximate current cost of unused vacation pay based upon the policy restrictions on accumulations. As disclosed in Note 2, the County makes provision for the lump sum payment of benefits in each year's operating budget, based on cost projections for employees nearing normal retirement eligibility. In order to partially fund these benefits, the County has established a trust fund entitled "Supplemental Compensation at Retirement," and each year an annual appropriation is raised in the operating budget and transferred to the fund. In 2018 and 2017, \$280,000 and \$243,904, respectively was appropriated and added to the fund and \$343,449 was disbursed to employees during 2018 while \$228,364 was disbursed to employees during 2017.

11) LEASES

The County has purchased various offices and other equipment which is being capitalized as installment purchases of fixed assets in accordance with New Jersey Administration Code 5:30-5.6.

The County has entered into lease commitments for the rental of various office space, storage space and parking facilities throughout the County of Middlesex.

The future annual operating lease payment due over the remaining terms of the leases for the next five succeeding years is as follows:

<u>Year</u>	<u>2018</u> <u>Amount</u>	<u>2017</u> <u>Amount</u>
2019	3,086,523	2,404,033
2020	2,678,767	2,031,910
2021	2,438,165	1,796,580
2022	2,085,809	1,470,242
2023	1,661,274	

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

12) RISK MANAGEMENT

In response to rising premiums for traditional commercial insurance coverage, the County maintains a self-insurance risk management program for all liability claims including, but not limited to, general, police professional, hospital professional, public officials, and automobile liability. A commercial excess liability policy is in place to cover catastrophic type claims, which would include any claim exceeding the policy's \$1,000,000 self - insurance retention. A self-insurance Liability Fund has been established to fund those claims below \$1,000,000. The County of Middlesex together with the autonomous agencies; County College, Board of Social Services, Improvement Authority, Mosquito Extermination Commission comprising the Middlesex County Insurance Commission. The Middlesex County Insurance Commission provides liability coverage to above named autonomous agencies through Self-Insurance Liability Fund and Excess Liability policy. The Middlesex County Insurance Commissioners retain the services of an actuary to establish the amount of cash reserves deemed necessary to pay claims.

The County also maintains a self-insured Worker's Compensation Fund for all workers compensation claims with the exception of these claims which occurred during the period April 3, 1998 to June 2, 2000. Claims which occurred between April 3, 1998 and June 2, 2000 are covered in total by a commercial primary Workers Compensation Insurance policy. Claims occurring after June 2, 2000 are self-insured, however, a commercial excess Worker's Compensation policy is in place, subject to a \$750,000 Self-Insurance Retention.

The financial statements do not reflect any charges for claims incurred but not reported and any reported incurred claims that remain unpaid at December 31, 2018 for the respective funds.

The Commissioners assessed the following participants for 2018 and 2017, as follows:

<u>AGENCY</u>	<u>2018</u> <u>TOTAL</u>	<u>2017</u> <u>TOTAL</u>
County College	\$371,334	\$400,088
Board of Social Services	60,259	45,903
County Improvement Authority	<u>121,826</u>	<u>69,338</u>
	<u>\$553,419</u>	<u>\$515,329</u>

The respective agency assessments have been computed by an actuarial analysis.

The estimated liability, as established by the third party administrator, for claims incurred and reported for the Self-Insurance Fund at December 31, 2018 and 2017 totaled \$4,010,264 and \$3,401,368, respectively. The County has appropriated funds in the 2018 and 2017 Budgets, in accordance with this funding plan.

The County has purchased commercial public entity excess liability insurance for general liability and automobile liability coverage in effect at December 31, 2018 and 2017, was as follows:

Limits of Insurance:	<u>2018</u>	<u>2017</u>
Each Accident or Occurrence Limit	\$ 10,000,000	\$10,000,000
Policy Aggregate Limit	20,000,000	20,000,000
Self-Insured Limit Retention	1,000,000	750,000

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

12) RISK MANAGEMENT (CONT'D)

During 2018 and 2017, the County maintained two individual excess healthcare/professional liability coverages, combined as follows:

Limit of Liability:

- A. 100% of the loss in excess of all underlying Insurance not to exceed, subject to retention:
- B. \$5,000,000 per occurrence or:
- C. \$7,000,000 Annual Aggregate (as defined)

Retention Limits	
per medical incident	\$ 350,000
annual aggregate	750,000

YEAR ENDED DECEMBER 31, 2018

The estimated liability, as established by the third party administrator, for claims incurred and reported for the Worker's Compensation Fund at December 31, 2018 is \$5,746,363. This includes the run-off claims on file prior to the County purchase of commercial coverage policy for worker's compensation claims prior to April, 1998 and after June 2, 2000. The County has purchased commercial coverage for worker's compensation for the subsequent period: April 3, 1998 – June 2, 2000.

The County has opted to self insure worker's compensation effective for the period commencing June 2, 2000. The above number includes claims incurred after June 2, 2000.

The County maintains a self-insurance fund for employment compensation insurance costs. The County remits to the State of New Jersey for costs incurred, on a quarterly basis, as determined and billed by the State.

The activity within each of the Self-Insurance Fund reserves, the Worker's Compensation Fund reserves and Unemployment Compensation Fund reserves for the year ended December 31, 2018 were as follows:

	Balance <u>12/31/17</u>	Increases to <u>Reserves</u>	Decrease to <u>Reserves</u>	Balance <u>12/31/18</u>
Self-Insurance Fund	\$3,080,433	\$4,619,969	\$5,754,268	\$1,946,134
Workers' Compensation Fund	1,836,082	4,333,129	5,742,811	426,400
Unemployment Compensation Fund	230,338	163,877	154,446	239,769

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

12) RISK MANAGEMENT (CONT'D)

YEAR ENDED DECEMBER 31, 2017

The estimated liability, as established by the third party administrator, for claims incurred and reported for the Worker’s Compensation Fund at December 31, 2017 is \$6,343,261. This includes the run-off claims on file prior to the County purchase of commercial coverage policy for worker’s compensation claims prior to April, 1998 and after June 2, 2000. The County has purchased commercial coverage for worker’s compensation for the subsequent period: April 3, 1998 – June 2, 2000.

The County has opted to self insure worker’s compensation effective for the period commencing June 2, 2000. The above number includes claims incurred after June 2, 2000.

The County maintains a self-insurance fund for employment compensation insurance costs. The County remits to the State of New Jersey for costs incurred, on a quarterly basis, as determined and billed by the State.

The activity within each of the Self-Insurance Fund reserves, the Worker’s Compensation Fund reserves and Unemployment Compensation Fund reserves for the year ended December 31, 2017 were as follows:

	<u>Balance</u> <u>12/31/16</u>	<u>Increases to</u> <u>Reserves</u>	<u>Decrease to</u> <u>Reserves</u>	<u>Balance</u> <u>12/31/17</u>
Self-Insurance Fund	\$1,121,572	\$4,848,327	\$2,889,466	\$3,080,433
Workers’ Compensation Fund	981,796	4,703,660	3,849,374	1,836,082
Unemployment Compensation Fund	234,514	184,737	188,913	230,338

Increases to Reserves represent amounts received from participant assessments, charges to the County Operating Budget, interest on investments and deposits, subrogation’s and third-party reimbursements and refunds. Decreases to Reserves represent the payment on adjudicated or settled claims, asserted costs and administrative fees and charges.

The County of Middlesex participates in the Middlesex County Joint Health Insurance Fund (MCJHIF). The MCJHIF consists of seven (7) County agencies within Middlesex County, representing a total of 4,517 and 4,599 retirees, cobra participants and active employees as of December 31, 2018 and 2017 respectively. The MCJHIF’s purpose is to provide health care benefits to all eligible participants for medically necessary services covered under the health plan choices offered. The Fund is regulated by the State of New Jersey Department of Insurance as provided by statute and regulations and is subject to reporting requirements mandated by the State.

The assessments of the participating members are determined and certified by the actuary and approved by a majority vote of the Fund Commissioners.

The Commissioners of the MCJHIF have the authority, by majority vote, to levy on the participating local units an additional assessment to assure the payment of the Funds’ obligations.

Group Insurance Plan for Employees

During 2018, the Commissioners of the MCJHIF approved closing the financial statements of certain prior fund years and Group Insurance Plan for Employees the excess funds from the 2016 Fund Year and 2017 Fund Year in the amount of \$5,934,748 were distributed to the County of Middlesex. These funds were recorded as a refund against the 2018 budget appropriations line item for Group Insurance Plan for Employees. As a result, the Year 2018 health expenditures reflect the net amount of \$57,682,445. Had the refund not have been recorded, the Group Insurance Plan for Employees expenditures would have amounted to \$63,617,193. The Group Insurance expense for the year 2017 was \$62,530,422.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

12) RISK MANAGEMENT (CONT'D)

Changes in the MCJHIF's fund balance for each fund year at December 31, are as follows:

Fund Year	<i>At December 31,</i>	
	2018 Fund Balance <u>Balance</u>	2017 Fund Balance <u>Balance</u>
2018	\$16,959,195	
2017	3,750,701	\$7,542,080
2016		414,457

The Fund uses reinsurance agreements to reduce its exposure to large losses on certain types of insured events. Reinsurance may allow recovery of a portion of losses from re-insurers.

Accordingly, the financial statements of the County do not report or reflect its participatory share of fund claims, expenditures or fund (deficit) balance at December 31, 2018 and 2017.

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS

The County provides health benefits through the Middlesex County Joint Health Insurance Fund to certain retirees and their dependents, as follows:

Retired employees pay the full cost of coverage under the Plan, in most cases. However, the former employer may assume that cost if the retired employee meets certain requirements. If the retired employee is paying the full cost of coverage, the monthly premiums will be billed to such retired employee on a monthly basis or as otherwise established by the Middlesex County Joint Health Insurance Fund. The Plan Sponsor has agreed to pay retiree coverage if:

1. the retiree receives retirement benefits from a State of New Jersey administered retirement system; and,
2. he or she has 25 or more years of service credited in that retirement system or was a participant in a State of New Jersey Early Retirement Incentive Program; or
3. he or she retired on an approved disability retirement (regardless of years of service) in that retirement system;
4. the employer has agreed to pay for coverage of a surviving spouse of a retiree who qualified under the provision listed above until the retiree's death.

At December 31, 2018, approximately 1,104 retirees, representing the County and Roosevelt Care Center, were receiving non-contributory health coverage benefits at an estimated annual cost to the County of approximately \$31,617,380.

At December 31, 2017, approximately 1,070 retirees, representing the County and Roosevelt Care Center, were receiving non-contributory health coverage benefits at an estimated annual cost to the County of approximately \$29,812,108.

The County participates in the Middlesex County Joint Health Insurance Fund (MCJHIF), an agent multiple-employer current and postemployment healthcare plan administered by MCJHIF. The MCJHIF consists of seven (7) County agencies within Middlesex County and covers both current and retired employees of the County and its participating agencies. The MCJHIF receives an annual report that includes its financial statements and required supplementary information for its benefits plan. Benefit provisions for the County are established and amended through negotiations between the County and the respective unions along with prior contracts negotiated between the respective unions and the County of Middlesex.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

The contribution requirements of plan members and the participating agencies are established and may be amended by the MCJHIF Commissioners. The County's annual postemployment benefit (OPEB) cost (expense) is calculated based on amounts actuarially determined in accordance with the parameters of GASB Statement 75.

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

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

On June 2, 2015, the Governmental Accounting Standards Board (GASB) approved a new accounting and financial reporting Statement related to other postemployment benefits (OPEB) for state and local governments. Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, applies to state and local government employers that sponsor OPEB plans. It replaces Statement No. 45 and requires governments to report a liability on the face of their financial statements for the OPEB provided. For defined benefit OPEB, the Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

Employees covered by benefit terms:

At December 31, 2018, the following employees were covered by the benefit terms:

Active employees	1,790
Retirees	<u>1,077</u>
	<u>2,867</u>

Summary of Postretirement Welfare (Health) Benefits:

A. Eligibility

Premium Free -

Post-retirement medical benefits are provided to employees who:

Retire with 25 years of service in the New Jersey State Retirement System;

Retire under a disability retirement;

Were members in the retirement system as of August 29, 1985 and were forced to retire by mandatory retirement at age 55 with less than 25 years of service.

Direct Bill --

Employees who do not meet the above requirements and retire after age 60 may purchase coverage for themselves and their dependents through direct billing.

Dependents --

Dependents of Premium Free and Direct Bill retirees are covered until the death of the retiree.

Dependent spouses may continue coverage through direct billing upon the death of the retiree.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

B. Medical Benefits

Medical benefits are provide through plans offered by the Middlesex County Joint Health Insurance Fund. Summaries of these plans are included in Appendix 4. Retirees can change plans at Open Enrollment. Members who become Medicare eligible must enroll in Medicare Part A and Part B in order to maintain eligibility for coverage. The County reimburses Part B premiums for retirees with 25 years of service.

Prescription drug coverage for retirees is provided through a self insured plan. Copays are \$3.00 for brand name drugs and no co pay for generics for employees who retired prior to 01/01/2009. Non-Bargaining employees who retire after 01/01/2009 have co pays of \$3.00 for generic and \$5.00 for brand. Co pays increased to the \$5.00/\$10.00 effective 10/01/2013 for active employees. As of January 1, 2019, a three-tiered copay structure, formulary, and Step Therapy is in effect for all active employees.

C. Death

No death benefits are provided for retirees.

D. Dental

Dental benefits are available until age 65 or for 18 months, whichever comes first, for retirees to purchase. Retirees pay 100% of the premium.

E. Contributions

Current retirees and dependents are not required to contribute toward the cost of the postretirement medical and prescription drug coverage. All costs are paid 100% by the County. Any employee who retirees after satisfying the eligibility requirements who had less than 15 years of service in PERS or PFRS as of June 28, 2011, shall be required to contribute toward the cost of postretirement healthcare benefits. The retiree contributions are based on a percentage of the postretirement healthcare cost. The contribution percentages vary based on healthcare coverage tier and amount of PERS or PFRS pension amounts.

F. Medicare

The County reimburses retirees with 25 years of service for Medicare Part B premium charges. The County receives a subsidy from Medicare for providing prescription drug coverage to retirees.

Changes in the Total OPEB Liability

Balance 12/31/17	\$ 1,541,601,114
Changes for the year:	
Service cost	43,457,907
Interest cost	54,948,496
Benefits payments	(30,204,000)
Actuarial assumption changes	(184,484,861)
Actuarial demograghic (gain) of loss	<u>(107,889,493)</u>
Net Changes	<u>(224,171,951)</u>
Balance 12/31/18	<u>\$ 1,317,429,163</u>

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

Total employer contributions for the retiree plan were for benefit payments and there were no fiduciary plan assets at the beginning or end of the year.

Benefit assumptions are based upon blended plan rates to produce annual composite rates. The per capita cost for Medicare Part B premium is \$1,626.00. Salary increases are scheduled at 3% per year. Retiree contributions assumes the cost for current Premium Free retirees and their dependents is 100% paid by the Middlesex County Administration prior to the application of Chapter 78. Direct Bill retirees and their dependents pay 100% of the costs to continue medical coverage.

In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, the County demographic and health care assumptions utilized are consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan as reported in their July 1, 2016 Actuarial Valuation to value the GASB obligations. The valuations results as of January 1, 2017 and December 31, 2017 are based on a valuation date of January 1, 2017 using the same valuation assumptions as set forth in the January 1, 2017 report.

Changes since prior valuation – The mortality table projection scale was updated to MP-2018, the discount rate was revised to reflected current market rates, and the prescription drug trend rates were revised to incorporate current expected trend rates.

The assumption for the plan used the “20-Bond GO Index” to establish a discount rate of 3.75% at January 1, 2017, 3.50% at December 31, 2017 and 4.10% at December 31, 2018. Inflation is assumed at 2.5% per year.

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

The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower or 1-percent-point higher than the current discount rate:

	<u>1% Decrease</u> (3.10%)	<u>Current Rate</u> (4.10%)	<u>1% increase</u> (5.10%)
Total OPEB liability	\$ 1,584,053,266	\$ 1,317,429,163	\$ 1,110,338,597

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

The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percent-point lower or 1-percent-point higher than the current healthcare cost trend rates

	<u>1% Decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Total OPEB liability	\$ 1,098,813,029	\$ 1,317,429,163	\$ 1,603,759,281

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

Changes in plan fiduciary net position during year

Balance 12/31/17	\$	0
Changes for the year:		
Employer contributions		30,204,000
Benefit payments		<u>(30,204,000)</u>
Net Changes		<u>0</u>
Balance 12/31/18	<u>\$</u>	<u>0</u>
Net OPEB Liability at end of year		<u>\$ 1,317,429,163</u>
Plan fiduciary net position as a percentage of the total OPEB liability		0%
Covered-employee payroll		\$125,635,762
Total OPEB liability as a percentage of covered-employee payroll		1048.61%

Total employer contributions for the retiree plan were for benefit payments and there were no fiduciary plan assets at the beginning or end of the year.

Benefit assumptions are based upon blended plan rates to produce annual composite rates. The per capita cost for Medicare Part B premium is \$1,626.00. Salary increases are scheduled at 3% per year. Retiree contributions assumes the cost for current Premium Free retirees and their dependents is 100% paid by the Middlesex County Administration prior to the application of Chapter 78. Direct Bill retirees and their dependents pay 100% of the costs to continue medical coverage.

In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, the County demographic and health care assumptions utilized are consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan as reported in their July 1, 2016 Actuarial Valuation to value the GASB obligations. The valuations results as of January 1, 2017 and December 31, 2017 are based on a valuation date of January 1, 2017 using the same valuation assumptions as set forth in the January 1, 2017 report.

Changes since prior valuation – The mortality table projection scale was updated to MP-2018, the discount rate was revised to reflected current market rates, and the prescription drug trend rates were revised to incorporate current expected trend rates.

The assumption for the plan used the “20-Bond GO Index” to establish a discount rate of 3.75% at January 1, 2017, 3.50% at December 31, 2017 and 4.10% at December 31, 2018. Inflation is assumed at 2.5% per year.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

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

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower or 1-percent-point higher than the current discount rate:

	<u>1% Decrease</u> (3.10%)	<u>Current Rate</u> (4.10%)	<u>1% increase</u> (5.10%)
Total OPEB liability	\$ 1,584,053,266	\$ 1,317,429,163	\$ 1,110,338,597

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

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percent-point lower or 1-percent-point higher than the current healthcare cost trend rates

	<u>1% Decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Total OPEB liability	\$ 1,098,813,029	\$ 1,317,429,163	\$ 1,603,759,281

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

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Difference between expected and actual demographic experience		\$92,476,708
Change in assumptions	\$44,796,043	158,129,881
Net difference between projected and actual investment performance	-	-
Total	<u>\$44,796,043</u>	<u>\$250,606,589</u>

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

Total OPEB Liability (cont'd)

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

Year ended December 31

2019	\$	(32,808,556)
2020		(32,808,556)
2021		(32,808,556)
2022		(32,808,556)
2023		(32,808,558)
Thereafter		<u>(41,767,764)</u>
	\$	<u>(205,810,546)</u>

The actuarial cost method used to determine the plan's cost is the Entry Age Normal Cost Method. Under the entry age normal cost method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The Service Cost is the portion of this actuarial present value allocated to a valuation year. The Total Pension Liability is the portion of this actuarial present value not provided for at the valuation date by the actuarial present value of future service costs. The plan is currently unfunded.

Total OPEB Liability

Special Funding Situation

The State of New Jersey's Total OPEB Liability for special funding situation was \$6,213,844,492 and \$8,695,413,315 at June 30, 2018 and 2017, respectively.

Special Funding Situation (cont'd)

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

The amount of the State's proportionate share of the net OPEB liability for special funding situation attributable to employees and retirees of the County of Middlesex was \$92,280,562 and \$129,642,349 at June 30, 2018 and 2017, respectively.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

13) POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D)

Actuarial Assumptions and Other Inputs:

The total OPEB liability as of June 30, 2018 and 2017 was determined by an actuarial valuation as of June 30, 2017 and 2016, which was rolled forward to June 30, 2018 and 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation	2.50%
Salary Increases*:	
Through 2026	1.65%-8.98%
Thereafter	2.65%-9.98%

* Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Certain actuarial assumptions used in the June 30, 2017 valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under this Plan – the Police and Firemen Retirement System (PFRS) and the Public Employees' Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2010 to June 30, 2013 and July 1, 2011 to June 30, 2014, respectively.

100% of active members are considered to participate in the Plan upon retirement.

Healthcare Trend Assumptions:

For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate:

The discount rate for June 30, 2018 and 2017 was 3.87% and 3.58%, respectively. This represents the municipal bond return rate as chosen by the State. 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.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

14) COUNTY-GUARANTEED CAPITAL EQUIPMENT LEASE REVENUE BONDS AND OTHER ISSUES

2018

The Middlesex County Improvement Authority has outstanding various issues of County Guaranteed Equipment Lease Revenue Bonds and various other County-Guaranteed Bonds. These Bonds are serviced through rental payments of the governmental entities that participate in the equipment lease program. In addition to these bonds being secured by a lien on the pledged property, they are further secured by a full and unconditional guarantee of the County of Middlesex to pay, when due, the principal of, redemption premium, if any, and interest on the Bonds. Total outstanding Improvement Authority Equipment Lease Revenue Bonds and other County-Guaranteed Bonds, guaranteed by the County of Middlesex at December 31, 2018 amounted to \$177,490,000, and are listed below:

	Original Issue Amount	Bonds Payable Dec. 31, 2018
Capital Equipment Lease Revenue Bonds,		
Series 2008	\$13,100,000	\$280,000
Series 2009	13,115,000	1,170,000
Series 2012	11,815,000	1,165,000
Series 2013	13,840,000	1,030,000
Series 2014	17,275,000	3,630,000
Series 2015	8,080,000	3,560,000
Series 2016	7,075,000	4,370,000
Series 2017	10,915,000	9,075,000
Series 2018	8,650,000	8,650,000
Heldrich Bond Issue, Series 2007	3,000,000	1,900,000
Open Space Refunded Bonds, Series 2008	29,545,000	1,340,000
Open Space Trust Revenue Bonds, Series 2009	20,265,000	5,995,000
The Meadows at Middlesex Golf Course, Series 2009 (Ref Bonds)	4,755,000	2,420,000
Middlesex County Educational Services Comm., Series 2010	5,300,000	635,000
Open Space Refunded Bonds, Series 2011 (Ref Bonds)	46,830,000	26,190,000
The Meadows at Middlesex Golf Course, Series 2013 (Ref Bonds)	11,875,000	9,175,000
Middlesex County Educational Services Comm., Series 2014	9,385,000	6,465,000
Middlesex County Educational Services Comm., Series 2014 A	30,170,000	29,770,000
Open Space Refunded Bonds, Series 2016 (Ref Bonds)	19,160,000	19,160,000
Middlesex County Educational Svcs. Comm., Series 2017	13,170,000	13,080,000
New Brunswick Cultural Center	28,430,000	<u>28,430,000</u>
		 <u>\$177,490,000</u>

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

14) COUNTY-GUARANTEED CAPITAL EQUIPMENT LEASE REVENUE BONDS AND OTHER ISSUES
(CONT'D)

2017

The Middlesex County Improvement Authority has outstanding various issues of County Guaranteed Equipment Lease Revenue Bonds and various other County-Guaranteed Bonds. These Bonds are serviced through rental payments of the governmental entities that participate in the equipment lease program. In addition to these bonds being secured by a lien on the pledged property, they are further secured by a full and unconditional guarantee of the County of Middlesex to pay, when due, the principal of, redemption premium, if any, and interest on the Bonds. Total outstanding Improvement Authority Equipment Lease Revenue Bonds and other County-Guaranteed Bonds, guaranteed by the County of Middlesex at December 31, 2017 amounted to \$194,570,000, and are listed below:

	Original Issue <u>Amount</u>	Bonds Payable <u>Dec. 31, 2017</u>
Capital Equipment Lease Revenue Bonds,		
Series 2008	\$13,100,000	\$545,000
Series 2009	13,115,000	1,435,000
Series 2012	11,815,000	1,470,000
Series 2013	13,840,000	3,755,000
Series 2014	17,275,000	7,160,000
Series 2015	8,080,000	5,100,000
Series 2016	7,075,000	5,730,000
Series 2017	10,915,000	10,915,000
Heldrich Bond Issue, Series 2007	3,000,000	2,000,000
Middlesex County Educational Svcs. Comm., Series 2008	40,000,000	1,290,000
Open Space Refunded Bonds, Series 2008	29,545,000	4,840,000
Open Space Trust Revenue Bonds, Series 2009	20,265,000	7,840,000
The Meadows at Middlesex Golf Course, Series 2009 (Ref Bonds)	4,755,000	2,770,000
Middlesex County Educational Services Comm., Series 2010	5,300,000	1,255,000
Open Space Refunded Bonds, Series 2011 (Ref Bonds)	46,830,000	30,735,000
The Meadows at Middlesex Golf Course, Series 2013 (Ref Bonds)	11,875,000	9,850,000
Middlesex County Educational Services Comm., Series 2014	9,385,000	7,250,000
Middlesex County Educational Services Comm., Series 2014 A	30,170,000	29,870,000
Open Space Refunded Bonds, Series 2016 (Ref Bonds)	19,160,000	19,160,000
Middlesex County Educational Svcs. Comm., Series 2017	13,170,000	13,170,000
New Brunswick Cultural Center	28,430,000	<u>28,430,000</u>
		 <u>\$194,570,000</u>

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

15) LEASE PAYMENTS - 2018

The County participated in the following lease purchase agreements:

	Future Minimum Lease Payments						Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
	2019	2020	2021	2022	2023	2024 - End					
MCIA 2014 Capital Equipment Lease Program	286,492						286,492	8,344	278,148	Jul. 15, 19	3.00%
Sub Total of MCIA Capital Lease Programs	\$ 286,492	\$ -	\$ -	\$ -	\$ -	\$ -	286,492	\$ 8,344	\$ 278,148		
	Future Minimum Lease Payments						Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
	2019	2020	2021	2022	2023	2024 - End					
MCIA 2008 Open Space Trust Fund Program	1,407,000						1,407,000	67,000	1,340,000	Sep. 15, 19	3.00%-5.00%
MCIA 2009 Open Space Trust Fund Program	2,159,800	2,158,000	2,163,200				6,481,000	486,000	5,995,000	Nov. 1, 21	4.00%
MCIA 2011 Open Space Trust Ref Bonds (2003 Series)	5,872,825	5,880,825	5,890,950	5,891,800	5,886,450		29,422,850	3,232,850	26,190,000	Sep. 15, 23	3.00%-5.153%
MCIA 2016 Open Space Trust Ref Bonds (2009 Series)	711,506	711,506	711,506	2,776,506	2,778,906	16,621,519	24,311,449	5,151,449	19,160,000	Dec. 15, 29	2.125%-5.00%
Sub Total of MCIA Open Space Trust Fund Programs	\$ 10,151,131	\$ 8,750,331	\$ 8,765,656	\$ 8,668,306	\$ 8,665,356	\$ 16,621,519	61,622,299	\$ 8,937,299	\$ 52,685,000		
Sub Total of MCIA Programs	\$ 10,437,623	\$ 8,750,331	\$ 8,765,656	\$ 8,668,306	\$ 8,665,356	\$ 16,621,519	61,908,791	\$ 8,945,643	\$ 52,963,148		

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

15) LEASE PAYMENTS - 2018

The County participated in the following lease purchase agreements:

	Future Minimum Lease Payments						Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
	2019	2020	2021	2022	2023	2024 - End					
<u>Civic Square Project Certificates of Participation:</u>											
Civic Square II Project, Series 1998	\$ 720,000	\$ 930,000	\$ 930,000	\$ 545,000	\$ 0	\$ 2,250,000	\$ 5,375,000	\$ 0	\$ 5,375,000	Jun. 1, 25	N/A
2011 Civic Square II - Refunded COP	2,614,400	2,613,750	2,608,050	2,982,100	3,509,600	20,005,700	34,333,600	6,993,600	27,340,000	Jun. 1, 29	Var.
Civic Square III, Series 1998 (Refunded in 2009)	1,049,313						1,049,313	19,313	1,030,000	Jun. 15, 28	Var.
Civic Square III, Series 2009 (Refunded in 2017)	444,800	1,468,900	1,471,200	1,476,600	1,470,200	7,353,100	13,684,800	2,564,800	11,120,000	Jun. 1, 28	4.00%
Civic Square IV, Series 2001	3,035,500	3,035,000	3,035,500	3,036,750	3,033,500	24,279,000	39,455,250	10,945,250	28,510,000	Oct. 1, 31	Var.
Sub Total of Civic Square Projects	<u>\$ 7,864,013</u>	<u>\$ 8,047,650</u>	<u>\$ 8,044,750</u>	<u>\$ 8,040,450</u>	<u>\$ 8,013,300</u>	<u>\$ 53,887,800</u>	93,897,963	<u>\$ 20,522,963</u>	<u>\$ 73,375,000</u>		

The County of Middlesex issued \$23,415,000 insured Certificates of Participation dated May 15, 1994, evidencing interest of the owners thereof in certain obligations of the County due under its lease purchase agreement with PBCF New Jersey, Inc. The certificates, a combination of serial and term, were issued to provide funds to acquire certain real property, office building and other improvements. The basic rent payments due by the County of Middlesex for the certificates is provided for in part or whole by a sublease between the County and the Middlesex County Board of Social Services. The interest rate on the \$8,105,000 serial certificates range from 4.00% to 5.90% with a final maturity of August 15, 2009. The \$6,060,000 term certificate due August 15, 2014 and the \$9,250,000 term certificate due February 15, 2019, have interest rates of 6.00% and 6.125% respectively. The final basic rent payment is February 1, 2019. The County executed a Debt Service Reserve Forward delivery Agreement dated March 15, 1996, related to the Certificates of Participation.

On August 15, 1998 the County refinanced the outstanding \$23,060,000 Certificates of Participation with \$25,070,000 refunding Certificates of Participation.

(A) - As a result of legislation that impacted and provided for limitations on increases in tax levy amounts (P.L. 2007, c.62), the characterization of certain lease payment obligations have been modified as of July 1, 2007. As of and subsequent to that date, any lease payment obligations that involve asset acquisitions with estimated useful lives of five (5) years or greater, those obligations are to be classified as debt, in accordance with debt authorized under N.J.S.A. 40A:2-3 et seq. Lease obligations with respect to assets with estimated useful lives of less than five years and all lease obligations issued prior to July 1, 2007, are not considered debt of the local unit.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

15) LEASE PAYMENTS - 2017

The County participated in the following lease purchase agreements:

	Future Minimum Lease Payments						Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
	2018	2019	2020	2021	2022	2023 - End					
MCIA 2013 Capital Equipment Lease Program	\$ 309,712						309,712	11,912	297,800	Aug. 15, 18	4.00%
MCIA 2014 Capital Equipment Lease Program	286,492	286,492					572,984	24,790	548,194	Jul. 15, 19	3.00%
Sub Total of MCIA Capital Lease Programs	\$ 596,204	\$ 286,492	\$ -	\$ -	\$ -	\$ -	\$ 882,696	\$ 36,702	\$ 845,994		
	Future Minimum Lease Payments						Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
	2018	2019	2020	2021	2022	2023 - End					
MCIA 2008 Open Space Trust Fund Program	3,737,150	1,407,000					5,144,150	304,150	4,840,000	Sep. 15, 19	3.00%-5.00%
MCIA 2009 Open Space Trust Fund Program	2,158,600	2,159,800	2,158,000	2,163,200		-	8,639,600	799,600	7,840,000	Nov. 1, 21	4.00%
MCIA 2011 Open Space Trust Ref Bonds (2003 Series)	5,870,888	5,872,825	5,880,825	5,890,950	5,891,800	5,886,450	35,293,738	4,558,738	30,735,000	Sep. 15, 23	3.00%-5.153%
MCIA 2016 Open Space Trust Ref Bonds (2009 Series)	711,506	711,506	711,506	711,507	2,776,506	19,400,425	25,022,956	5,862,956	19,160,000	Dec. 15, 29	2.125%-5.00%
Sub Total of MCIA Open Space Trust Fund Programs	\$ 12,478,144	\$ 10,151,131	\$ 8,750,331	\$ 8,765,657	\$ 8,668,306	\$ 25,286,875	\$ 74,100,444	\$ 11,525,444	\$ 62,575,000		
Sub Total of MCIA Programs	\$ 13,074,348	\$ 10,437,623	\$ 8,750,331	\$ 8,765,657	\$ 8,668,306	\$ 25,286,875	\$ 74,983,140	\$ 11,562,146	\$ 63,420,994		

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

15) LEASE PAYMENTS - 2017

The County participated in the following lease purchase agreements:

	Future Minimum Lease Payments						Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
	2018	2019	2020	2021	2022	2023 - End					
<u>Civic Square Project Certificates of Participation:</u>											
Civic Square II Project, Series 1998		\$ 720,000	\$ 930,000	\$ 930,000	\$ 545,000	\$ 2,250,000	\$ 5,375,000	\$ 0	\$ 5,375,000	Jun. 1, 25	N/A
Civic Square III, Series 1998 (Refunded in 2009)	\$ 1,542,756	1,541,031	1,540,319	1,541,619	1,546,019	9,256,696	16,968,440	3,478,440	13,490,000	Jun. 15, 28	Var.
Civic Square IV, Series 2001	3,037,250	3,035,500	3,035,000	3,035,500	3,036,750	27,312,500	42,492,500	12,447,500	30,045,000	Oct. 1, 31	Var.
2011 Civic Square II - Refunded COP	3,410,000	2,702,950	2,702,600	2,697,200	3,070,775	24,148,525	38,732,050	8,907,050	29,825,000	Jun. 1, 29	Var.
Sub Total of Civic Square Projects	\$ 7,990,006	\$ 7,999,481	\$ 8,207,919	\$ 8,204,319	\$ 8,198,544	\$ 62,967,721	103,567,990	\$ 24,832,990	\$ 78,735,000		

The County of Middlesex issued \$23,415,000 insured Certificates of Participation dated May 15, 1994, evidencing interest of the owners thereof in certain obligations of the County due under its lease purchase agreement with PBCF New Jersey, Inc. The certificates, a combination of serial and term, were issued to provide funds to acquire certain real property, office building and other improvements. The basic rent payments due by the County of Middlesex for the certificates is provided for in part or whole by a sublease between the County and the Middlesex County Board of Social Services. The interest rate on the \$8,105,000 serial certificates range from 4.00% to 5.90% with a final maturity of August 15, 2009. The \$6,060,000 term certificate due August 15, 2014 and the \$9,250,000 term certificate due February 15, 2019, have interest rates of 6.00% and 6.125% respectively. The final basic rent payment is February 1, 2019. The County executed a Debt Service Reserve Forward delivery Agreement dated March 15, 1996, related to the Certificates of Participation.

On August 15, 1998 the County refinanced the outstanding \$23,060,000 Certificates of Participation with \$25,070,000 refunding Certificates of Participation.

(A) - As a result of legislation that impacted and provided for limitations on increases in tax levy amounts (P.L. 2007, c.62), the characterization of certain lease payment obligations have been modified as of July 1, 2007. As of and subsequent to that date, any lease payment obligations that involve asset acquisitions with estimated useful lives of five (5) years or greater, those obligations are to be classified as debt, in accordance with debt authorized under N.J.S.A. 40A:2-3 et seq. Lease obligations with respect to assets with estimated useful lives of less than five years and all lease obligations issued prior to July 1, 2007, are not considered debt of the local unit.

COUNTY OF MIDDLESEX, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

16) LEASE AGREEMENTS RECEIVABLE

The County reports the following lease agreements within the General Capital Fund balance sheet as at December 31, 2018 and 2017:

<u>Lessee</u>	<u>2018 Amount Recorded</u>	<u>2017 Amount Recorded</u>	<u>Final Payment Date</u>
City of New Brunswick, NJ	<u>\$ 8,253,069</u>	<u>\$ 8,938,069</u>	May 1, 2029
	<u>\$ 8,253,069</u>	<u>\$ 8,938,069</u>	

The County has authorized and entered into a lease agreement receivable with the County of Somerset, New Jersey in conjunction with the construction of the youth detention center as part of a cost-share agreement.

The County has authorized and executed a lease agreement with the City of New Brunswick, New Jersey in connection with the Civic Square II Project.

17) PROJECT ADVANCES/RECEIVABLES

Through the course of its operations and as a facilitator for various projects, the County of Middlesex participates with various other governmental units and agencies, some which are related parties and under GAAP, considered component units, by either advancing funds on specific projects or as the lead agency in the financing for these projects. To the extent the County has advanced funds or issued debt obligations to finance projects, which participation by the other units or agencies are owed to the County, those advances/receivables are recorded within the County's financial statements as receivables, offset by reserves. None of the receivables are recorded as a component of fund balance. Generally, these receivables/advances are utilized to offset County debt services payments when the receivables come due, based upon agreed-upon payback schedules. Project receivables/advances currently recorded included Civic Square projects, Heldrich Center Hotel/Conference Project, the Middlesex County Improvement Authority (MCIA), Shari Borden Annuity, Built America Bond Subsidy (BAB) and Sayreville Economic Redevelopment Agency (SERA).

The lease agreement between the City of New Brunswick Civic Square II and the County of Middlesex was for an original amount of \$13,068,069 with payments beginning in 2005 and final payment in 2029. At December 31, 2018 the receivable balance to the County of Middlesex from the City of New Brunswick Civic Square II was \$8,253,069.

The 2008 loan agreement between the MCIA and the County of Middlesex for acquisitions through the lease purchase financing program was for an original amount of \$1,790,881 with payments beginning in 2009 and final payment in 2023. At December 31, 2018 the receivable balance to the County of Middlesex from the MCIA was \$227,500.

The loan agreement between the Heldrich Center Hotel Project and the County of Middlesex was for an original amount of \$3,000,000 with payments beginning in 2008 and final payment in 2037. At December 31, 2018, the receivable balance to the County of Middlesex from the Heldrich Center Hotel Project, in the form of Senior Revenue Bonds, Series A, was \$2,055,000, and all payments have been received as scheduled. With respect to the Heldrich Center Project, the debt service requirements for Series A bonds have been satisfied through January 2012, however based upon the lack of timely deposits to certain debt service reserves required of the trustee agreement, the trustee has issued the Heldrich Center Project a notice of event of default. The Heldrich Center Project is in the process of reviewing its requirements for compliance with the trustee agreement based upon the notification. No amount of the County's fund balance is impaired based upon this current status.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

17) PROJECT ADVANCES/RECEIVABLES (CONT'D)

The loan agreement between the SERA and the County of Middlesex was for an original amount of \$11,703,384 with payments beginning in 2009. At December 31, 2018 the receivable balance to the County of Middlesex from the SERA was \$3,275,944.

The 2009 loan agreement between the MCIA and the County of Middlesex for acquisitions through the lease purchase financing program was for an original amount of \$1,535,517 with payments beginning in 2010 and final payment in 2024. At December 31, 2018 the receivable balance to the County of Middlesex from the MCIA was \$689,109.

The 2009 subsidy agreement between Built America Bond and the County of Middlesex is to offset the costs for the 2009 Open Space Trust Fund Revenue Bonds, Series 2009 in the amount of \$40,000,000. The original amount of the subsidy was \$6,800,940 with payments beginning in 2010 and final payment in 2029. At December 31, 2018 the receivable balance to the County of Middlesex from the Built America Bond was \$3,335,210.

The 2014 loan agreement between the MCIA and the County of Middlesex for acquisitions through the lease purchase financing program was for an original amount of \$262,203 with payments beginning in 2015 and final payment in 2019. At December 31, 2018 the receivable balance to the County of Middlesex from the MCIA was \$50,913.

The 2016 loan agreement between the MCIA and the County of Middlesex for acquisitions through the lease purchase financing program was for an original amount of \$434,691 with payments beginning in 2017 and final payment in 2021. At December 31, 2018 the receivable balance to the County of Middlesex from the MCIA was \$268,651.

The 2017 loan agreement between the MCIA and the County of Middlesex for acquisitions through the lease purchase financing program was for an original amount of \$78,045 with payments beginning in 2018 and final payment in 2022. At December 31, 2018 the receivable balance to the County of Middlesex from the MCIA was \$63,344.

The 2018 loan agreement between the MCIA and the County of Middlesex for acquisitions through the lease purchase financing program was for an original amount of \$416,170 with payments beginning in 2018 and final payment in 2023. At December 31, 2018 the receivable balance to the County of Middlesex from the MCIA was \$416,170.

18) HEALTH AND HOSPITALS

The County provides certain medical and health services to residents through the George J. Otlowski Medical Health Center, several health clinics and the Roosevelt Care Center (the "Center"). Effective June 14, 1997, the Board of Chosen Freeholders transferred operation of, including the license to operate the Center, to the Middlesex County Improvement Authority ("MCIA"). On May 6, 1999, the Board of Chosen Freeholders adopted a resolution authorizing the transfer of ownership of the Center from the County to the MCIA. On November 15, 1999, the Board of Chosen Freeholders adopted a resolution affirming the sale of the Center to the MCIA. Agreements and contracts authorizing the transfer of the lands and buildings were executed on January 19, 2000 and title of the property was transferred to the MCIA.

The Middlesex County Board of Chosen Freeholders, by way of Resolution 01-340, unanimously voted to proceed with the construction of a new 180-bed state-of-the-art long-term care County Facility ("County Facility") to replace the outdated 100-bed Roosevelt Care Center Annex. In furtherance of Resolution 01-340, the Middlesex County Board of Chosen Freeholders unanimously adopted a \$19 million bond ordinance number 331 providing for the construction of the new long-term care County Facility.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

18) HEALTH AND HOSPITALS (CONT'D)

The new County Facility was substantially completed on January 21, 2005 and a Certificate of Occupancy was issued. By Resolution 05-527, the MCIA acknowledged substantial completion and acceptance of the new County facility. The MCIA owns and operates the new County Facility.

The Board of Chosen Freeholder has determined that its 180-bed capacity would not be sufficient to meet the future long-term care needs of the County. To this end, the Middlesex County Improvement Authority is proceeding with the design and construction of a second, new 120-bed extended-care facility roughly on the site presently occupied by the "A" Wing of the existing Roosevelt Care Center. It is believed that such a new facility will offer substantial efficiencies of operation and allow for an optimal staff-to-patient ratio, while, at the same time, maximizing the level of care and quality of life which can be provide for residents.

The historic, original portions of the existing Roosevelt Care Center will now be renovated for use as a senior residential facility with medical services located on site. It is hoped that this mix of assisted living and extended-care services create a campus environment, which will allow senior residents to transition from one level of care to the next, smoothly, and without dislocation or relocation.

19) LONG TERM TAX EXEMPTIONS

The County's constituent municipalities (other governments) participate in long-term tax exemption programs for redevelopment, as authorized and permitted by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. Taxes abated by these other governments include local, school, county, and, in some cases, fire district taxes. The tax-exempt project makes payments to the municipalities in lieu of taxes (PILOT payments). The County is to receive five percent (5.00%) of the PILOT amounts paid to the participating municipality. During 2018, the County collected \$1,248,405 in PILOT payments. County taxes that otherwise would have been due on these long-term exemptions amounted \$3,134,767 based upon the assessed valuation of the long-term tax exempt properties.

20) COMMITMENTS AND CONTINGENCIES

At the date of this report, the County had litigation pending. This litigation can be generally categorized as negligence claims, workmen's compensation, condemnation cases and other miscellaneous cases. Management's review of the litigation pending indicates that any judgments rendered against the County will not have a material adverse impact on the County's financial position.

As more fully described in Note 12, the County of Middlesex is self-insured for general liability, police liability, medical malpractice liability, public officials' liability and property damage to County vehicles and for Worker's Compensation with the exception of claims which occurred between April 1, 1998 and June 2, 2000. The estimated reserve requirement for these claims is set forth in Note 12.

The County participates in a number of federal and state assisted programs that are subject to audit and adjustment by the respective grantors. The audits of these programs for or including the years ended December 31, 2018 and 2017 may have not been conducted or completed as of the date of this report. Grantor agencies reserve the right to conduct additional audits of the County's grant program for economy, efficiencies and program results which may result in disallowed costs to the County. However, County management does not believe such audits would result in any material amounts of disallowed costs.

COUNTY OF MIDDLESEX, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

21) SUBSEQUENT EVENTS

– March 7, 2019 –

The Board of Chosen Freeholders finally adopted a Bond Ordinance providing for 2019 general capital improvements by, in and for the County of Middlesex, appropriating \$50,000,000 therefore and authorizing the issuance of \$23,809,523 bond or notes, and \$26,190,477 will be funded from the Capital Improvement Fund to pay for the part of the cost therefore.

– March 21, 2019 –

The County's 2019 operating budget was adopted.

– April 18, 2019 –

The Board of Chosen Freeholders Finally adopted a Bond Ordinance providing for the undertaking of 2019 capital improvements for County Vocational and Technical Schools, appropriating \$3,100,000 therefore and authorizing the issuance of \$3,100,000 bond or notes of the County for financing such appropriation.

The Board of Chosen Freeholders finally adopted a Bond Ordinance providing for the acquisition of capital equipment and the undertaking of various 2019 capital improvements at and for facilities of Middlesex County College, appropriating \$2,000,000 therefore and authorizing the issuance of \$2,000,000 bonds or notes of the County for financing such appropriation.

The Board of Chosen Freeholders Finally adopted a Bond Ordinance providing for the undertaking of 2019 capital improvements at and for certain facilities of Middlesex County College, appropriating \$7,400,000 therefore and authorizing the issuance of \$7,400,000 bond or notes of the County of Middlesex, State of New Jersey, for financing such appropriation, the principal of and interest on the aggregate principal amount of which will be entitled to state aid, pursuant to Chapter 12 of the laws of New Jersey of 1971.

– June 06, 2019 –

The County closed on \$11,915,000 aggregate principal amount of General Obligation Bonds, consisting of, \$2,955,000 Vocational-Technical School Bonds, Series 2019, and \$1,900,000 County College Bonds, Series 2019, \$7,060,000 County College Bonds, Series 2019 (County College Bond Act, 1971 N.J. Laws C 12, as Amended).

The County closed on \$37,739,000 Bonds Anticipation Notes.

COUNTY OF MIDDLESEX, NEW JERSEY

PART II

SUPPLEMENTAL SCHEDULES

CURRENT FUND

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH AND INVESTMENTS

EXHIBIT A-4

	<u>REF.</u>		
Balance - December 31, 2017	A		\$ 71,709,384
Increased by:			
Local Grants Receivable	A - 5	\$ 38,161	
State & Federal Grants Receiv.	A - 6	56,638,164	
Property Taxes Receivable	A - 8	392,955,670	
Revenue Accts. Receivable	A - 9	69,594,292	
Payroll Deductions Payable	A - 13	48,911,303	
Res. for State & Federal Grants - Unappropriated	A - 17	153,096	
Res. for Local Grants - Unappropriated	A - 18	1,518,167	
Res. for Non Grants Unappropriated	A - 15	1,461	
Misc. Revenue Not Anticipated	A - 2	<u>4,651,279</u>	
			<u>574,461,593</u>
			646,170,977
Decreased by:			
Return of Prior Year Revenue	A - 1	378,495	
2018 Budget Appropriations	A - 3	451,428,080	
2017 Appropriation Reserves	A - 10	10,124,661	
Accounts Payable	A - 12	1,022,398	
Payroll Deductions Payable	A - 13	49,172,559	
Reserve for State & Federal Grants Appropriated	A - 16	50,747,786	
Reserve for Local Grants - Approp.	A - 14	<u>1,111,996</u>	
			<u>563,985,975</u>
Balance - December 31, 2018	A		<u><u>\$ 82,185,002</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL GRANTS RECEIVABLE

EXHIBIT A-5

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE DECEMBER 31, 2018
<u>2016 Grants</u>				
SSP Internship Program	\$ 10,947		\$ 10,947	
Middlesex County Medical Reserve Corp.	24,999		-	\$ 24,999
	35,946	-	10,947	24,999
 <u>2017 Grants</u>				
Oak Tree Rd ~ Woodland Ave.	547,414		547,414	
SSP Internship Program	30,000		30,000	
Johnson & Johnson - New Brunswick	35,000		35,000	
	612,414	-	612,414	-
 <u>2018 Grants</u>				
Middlesex County Area Plan Client Contribution	-	\$ 232,100	232,100	
Interlocal Service Trans. Sayreville	-	236,739	-	236,739
MCUA - Environmental Health	-	601,757	601,757	
D.A.R.E Program	-	6,240	6,240	
Medicare County Multi Assist Cost Share Program	-	20,000	20,000	
Respite Cost Share Program	-	15,000	15,000	
Fare & Donation Revenue Transportation Program	-	120,000	120,000	
Empowerment Donations	-	5,000	5,000	
Johnson & Johnson - New Brunswick	-	35,000	35,000	
SSP Internship Program	-	15,000	-	15,000
MCIA - Paint Recycle Program	-	304,065	304,065	
	-	1,590,901	1,339,162	251,739
	\$ 648,360	\$ 1,590,901	\$ 1,962,523	\$ 276,738
	<u>REF.</u>	A	A-2	A
Cash Receipts	A-4		\$ 38,161	
Cancelled	A-14		22,786	
Transferred from Local Grants - Unappropriated	A-18		1,901,576	
			\$ 1,962,523	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 1 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2010 Grants</u>				
N.J. Department of Transportation: Bridge I-B-133 Edison	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Total 2010 Grants	1,000,000		1,000,000	
<u>2012 Grants</u>				
Governor's Council on Alcoholism & Drug Abuse: Alliance to Prevent Alcohol & Drug Abuse	235,372		235,372	
Total 2012 Grants	235,372		235,372	
<u>2013 Grants</u>				
U.S. Department of Transportation: 2013 Capital Transportation Project/NB Bikeway	1,940,999		1,109,886	831,113
Total 2013 Grants	1,940,999		1,109,886	831,113
<u>2014 Grants</u>				
U.S. Department of Health and Human Services Direct Program: HIV Emergency Project	259,233		259,233	
U.S. Department of Housing and Urban Development Leasing Program I & II	516,401		236,515	279,886
U.S. Department of Justice: Pass-through State Department of Law and Public Safety Division of Criminal Justice: VAWA Disability Grant	156,944		-	156,944
Juvenile Justice Commission: State/Community Partnership Grant Program	16,367		16,367	
N.J. Department of Education: Community-Based Program - JINS	401,403		-	401,403
Total 2014 Grants	1,350,348		512,115	838,233

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 2 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2015 Grants</u>				
Workforce - DHS	115,127		115,127	
U.S. Department of Health and Human Services Direct Program: HIV Emergency Project	247,449		247,449	
U.S. Department of Housing and Urban Development Leasing Program I & II	647,754		2,955	644,799
U.S. Department of Justice: Pass-through State Department of Law and Public Safety Division of State Police:				
Hazard Mitigation Generator Project	814,000		-	814,000
MCC - Shelter Project - Generator	250,000		-	250,000
Juvenile Justice Commission:				
Juvenile Detention Alternative	12		12	
State/Community Partnership Grant Program	71,607		71,607	
Office of Homeland Security:				
Homeland Security Grant Program SHSP	8,160		7,866	294
Homeland Security Grant Program UASI	36,302		35,719	583
N.J. Department of Education:				
Community-Based Program - JINS	421,867		-	421,867
N.J. Department of Health:				
Division of Senior Services: Area Wide Transportation Grant	484		484	
Total 2015 Grants	<u>2,612,762</u>		<u>481,219</u>	<u>2,131,543</u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 3 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2016 Grants</u>				
Workforce - DHS	1,616,079		1,527,909	88,170
U.S. Department of Health and Human Services Direct Program:				
HIV Emergency Project	427,709		-	427,709
U.S. Department of Housing and Urban Development				
Continuum of Care - Leasing	669,848		327,772	342,076
HMIS Housing & Urban Development	94,681		94,681	
HUD Continuum of Care (CoC) - Planning	15,000		15,000	
Rapid Re-Housing Program	43,948		15,565	28,383
U.S. Department of Transportation:				
2015 Annual Transportation Program (ATP)	5,894,000		5,894,000	
2016 Annual Transportation Program (ATP)	5,894,000		5,894,000	
Job Access Reverse Commute	60,000		60,000	
Sub-Regional Transportation Planning	71,810		71,810	
U.S. Department of Justice:				
Pass-through State Department of Law and Public Safety				
Division of Criminal Justice:				
Sexual Violence Svcs. Proj.	20,332		20,332	
Juvenile Justice Commission:				
Family Court Services	126,965		126,965	
Juvenile Detention Alternative	17,352		17,352	
State/Community Partnership Grant Program	51,707		51,707	
U.S. Department of Justice (continued):				
Pass-through State Department of Law and Public Safety (contin				
Office of Homeland Security:				
Homeland Security ~ UASI Grant	296,933		251,217	45,716
Homeland Security Grant Program SHSP	377,374		282,916	94,458
N.J. Department of Education:				
Community-Based Program - JINS	79,152		-	79,152
N.J. Department of Health:				
Division of Family Services:				
Comprehensive Cancer Control	48,621		-	48,621
Total 2016 Grants	1,805,510		14,651,225	1,154,285

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 4 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2017 Grants</u>				
Workforce - DHS	6,159,588		5,195,356	964,232
U.S. Department of Health and Human Services:				
Division of Senior Services:				
Area Plan Grant for Program on Aging Title III	153,792		153,792	
MC Area Wide S.H.I.P. Grant	17,000		17,000	
Senior Meals MC	14,327		14,327	
U.S. Department of Health and Human Services Direct Program:				
HIV Emergency Project	2,841,355		-	2,841,355
U.S. Department of Housing and Urban Development				
HMIS Housing & Urban Development	94,681		94,681	
HUD Continuum of Care (CoC) - Planning	59,090		-	59,090
Rapid Re-Housing Program	45,940		-	45,940
Leasing Program I & II	702,317		37,748	664,569
U.S. Department of Justice:				
Pass-through State Department of Law and Public Safety				
Division of Criminal Justice:				
Insurance Fraud Reimbursement Program	91,656		54,201	37,455
SANE/SART	34,033		30,303	3,730
Sexual Assault Advocacy & Rape Care (SAARC)	72,727		72,727	
Stop Violence Against Women Act	1,025		1,025	
U.S. Department of Justice:				
Pass-through State Department of Law and Public Safety				
Juvenile Justice Commission:				
Family Court Services	249,823		249,823	
Juvenile Detention Alternative	124,000		123,999	1
State/Community Partnership Grant Program	428,375		414,840	13,535
Division of Highway and Traffic Safety:				
Move Over Law Program	87,653		87,206	447
Division of State Police:				
Advanced HazMat Training	79,977		68,445	11,532
Office of Homeland Security:				
Homeland Security Grant Program FY 10 SHSP	441,254		192,268	248,986
Homeland Security ~ UASI Grant	530,000		151,381	378,619

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 5 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2017 Grants (continued):</u>				
U.S. Department of Transportation:				
2017 Annual Transportation Program (ATP)	5,351,100		5,351,100	
Job Access Reverse Commute	56,600		-	56,600
Sub-Regional Transportation Planning	182,571		182,571	
N.J. Department of Children and Family Services				
Division of Youth and Family Service				
Human Services Council	79,308		79,308	
N.J. Department of Education:				
Community-Based Program - JINS	266,864		40,442	226,422
Juvenile Detention Education	90,000		-	90,000
N.J. Department of Environmental Protection:				
Environmental Health Act	8,000		-	8,000
Section 604B Water Quality Management	100,000		-	100,000
N.J. Department of Health:				
NJDH & S CEED Program	749,527		738,589	10,938
Division of Family Services:				
Childhood Lead Poisoning Prevention	102,361		71,200	31,161
Special Child Health Case Management	149,232		149,232	
Tuberculosis Control Program	184,429		173,061	11,368
Division of Epidemiology:				
Comprehensive Cancer Control	29,950		29,950	
Preparedness & Response for Bioterrorism	252,139		252,139	
Tuberculosis Control	56,078		-	56,078
Worker and Community Right-to-Know Act	18,119		18,119	
N.J. Department of Human Services:				
Division of Family Development:				
Services to the Homeless	345,538		345,538	
Division of Senior Services:				
Area Wide Transportation Grant	111,690		111,690	
Respite Care Services	145,724		145,724	
N.J. Department of Military & Veterans Affairs:				
Transport Disabled Veterans	12,833		12,833	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 6 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2017 Grants (continued):</u>				
N.J. Department of State				
N.J. Council on the Arts:				
Folk Art Program	17,353		17,353	
Local Arts Development	26,062		26,062	
N.J. Historic Trust				
N.J. Historical Commission Service	19,835		19,835	
East Jersey Cottage Restoration	1,050		-	1,050
N.J. Department of Transportation:				
Bridge ~ 2-B-157	1,000,000		750,000	250,000
Bridge ~ 2-B-160	1,000,000		750,000	250,000
Bridge ~ 2-B-81	1,000,000		1,000,000	
Bridge ~ 5-B-131	1,000,000		750,000	250,000
Culvert ~ 2-C-504	1,000,000		476,415	523,585
N.J. Transit Corporation:				
FTA Section 5310	184,169		166,507	17,662
Governor's Council on Alcoholism & Drug Abuse:				
Alliance to Prevent Alcohol & Drug Abuse	731,875		731,875	
Intergovernmental Reveue				
Senior Citizens & Disabled Res. Transportation Ass.	491,109		331,293	159,816
Total 2017 Grants	26,992,129		19,679,957	7,312,172
<u>2018 Grants</u>				
Workforce - DHS		6,638,817	1,285,000	5,353,817
U.S. Department of Health and Human Services:				
Division of Senior Services:				
Area Plan Grant for Program on Aging Title III		3,059,607	2,795,313	264,294
MC Area Wide S.H.I.P. Grant		32,000	15,000	17,000
Senior Meals MC		1,868,424	1,868,424	
U.S. Department of Health and Human Services Direct Program:				
HIV Emergency Project		2,810,586	2,549,166	261,420

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 7 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2018 Grants (continued):</u>				
U.S. Department of Justice:				
Pass-through State Department of Law and Public Safety				
Division of Criminal Justice:				
Insurance Fraud Reimbursement Program		250,000	129,403	120,597
Midd. Victim Assist. Suppl.		367,203	360,119	7,084
Multi-Jurisdictional Task Force		93,459	93,459	
SANE/SART		141,384	138,863	2,521
Middlesex Cty Victim Assistance Program		373,003	359,553	13,450
Sexual Assault Advocacy & Rape Care (SAARC)		192,428	192,428	
Arts & Wellness ~ Survivors		130,000	-	130,000
Sexual Assault Advocacy		45,000	-	45,000
Stop Violence Against Women Act		60,883	-	60,883
Juvenile Justice Commission:				
Family Court Services		249,823	73,724	176,099
Juvenile Detention Alternative		124,000	50,401	73,599
State/Community Partnership Grant Program		453,049	202,380	250,669
Division of Highway and Traffic Safety:				
County D.W.I. Enforcement Grant		59,790	49,290	10,500
Comprehensive Traffic Safety		117,800	14,165	103,635
Division of State Police:				
Advanced HazMat Training		73,994	60,553	13,441
EMMA Grant		55,000	55,000	
Midd. Victim Assist. Suppl.		100,870	100,870	
Office of Homeland Security:				
Homeland Security Grant Program FY 10 SHSP		420,905	-	420,905
Top-Off Exercise - UASI		373,000	-	373,000
U.S. Department of Transportation:				
2018 Annual Transportation Program (ATP)		11,115,819	5,300,000	5,815,819
Job Access Reverse Commute		230,000	230,000	
Sub-Regional Transportation Planning		182,571	-	182,571
N.J. Department of Children and Family Services				
Division of Youth and Family Service				
Human Services Council		317,261	317,261	
Youth Incentive Program		47,550	47,550	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 8 OF 9

	BALANCE DECEMBER 31, 2017	REALIZED AS REVENUE	2018 DECREASE	BALANCE December 31, 2018
<u>2018 Grants (continued):</u>				
N.J. Department of Education:				
Community-Based Program - JINS		469,937	180,060	289,877
Juvenile Detention Education		268,126	268,126	
NB BOE- North Brunswick Title Funds Comp. Education		280,327	280,097	230
N.J. Department of Environmental Protection:				
Clean Communities Grant		94,366	94,366	
Environmental Health Act		331,817	-	331,817
REA Fund Entitlement Act - Interest		4,865	4,865	
REA Fund Entitlement Act		609,110	609,110	
Solid Waste Service Tax		594,778	594,778	
N.J. Department of Health:				
NJDH & S CEED Program		737,882	103,738	634,144
Special Child Health Case Management		202,581	50,014	152,567
Division of Family Services:				
Childhood Lead Poisoning Prevention		1,354,000	674,086	679,914
Public Health Priority Fund		233,252	233,252	
Tuberculosis Control Program		219,121	-	219,121
Division of Epidemiology:				
Comprehensive Cancer Control		218,865	119,878	98,987
Preparedness & Response for Bioterrorism		317,092	50,090	267,002
Tuberculosis Control		221,676	179,043	42,633
Worker and Community Right-to-Know Act		18,119	4,530	13,589
N.J. Department of Human Services:				
Division of Family Development:				
Services to the Homeless		814,104	407,053	407,051
Division of Senior Services:				
Area Wide Transportation Grant		264,157	120,268	143,889
Go Program - Global Options		70,000	70,000	
JACC Medical Waiver		63,550	63,550	
Person Attendant Demonstration		78,000	78,000	
Medication Asst Treatment		179,789	179,789	
Respite Care Services		362,164	331,982	30,182

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

EXHIBIT A-6
PAGE 9 OF 9

	<u>BALANCE DECEMBER 31, 2017</u>	<u>REALIZED AS REVENUE</u>	<u>2018 DECREASE</u>	<u>BALANCE December 31, 2018</u>
<u>2018 Grants (continued):</u>				
N.J. Department of Military & Veterans Affairs: Transport Disabled Veterans		22,000	7,333	14,667
N.J. Department of State N.J. Council on the Arts: Folk Art Program		17,353	8,677	8,676
Local Arts Development		173,696	156,327	17,369
N.J. Historic Trust N.J. Historical Commission Service		148,820	126,497	22,323
N.J. Department of Transportation: First Ave Bridge ~ 2-B-517		699,410	699,410	
Bridge ~ 1-B-7		250,000	250,000	
N.J. Transit Corporation: Senior Citizens & Disabled Res. Transportation Ass.		1,296,920	-	1,296,920
Governor's Council on Alcoholism & Drug Abuse: Alliance to Prevent Alcohol & Drug Abuse		750,101	24,214	725,887
Intergovernmental Revenue FTA ~ Section 5310		280,000	33,015	246,985
Total 2018 Grants		<u>41,630,204</u>	<u>22,290,070</u>	<u>19,340,134</u>
TOTAL GRANTS & COST ASSUMPTION BY STATE	\$ <u>49,937,120</u>	\$ <u>41,630,204</u>	\$ <u>59,959,845</u>	\$ <u>31,607,480</u>
	REF.	A	A-2	A
Cash Receipts	A- 4		\$ 56,638,164	
Cancelled	A-16		3,188,131	
Transferred from Federal and State Grants - Unappropriated	A-17		133,550	
			<u>\$ 59,959,845</u>	

COUNTY OF MIDDLESEX, NEW JERSEY
 CURRENT FUND
 SCHEDULE OF MATERIALS INVENTORY
 AND
SCHEDULE OF RESERVE FOR MATERIALS INVENTORY

	<u>REF.</u>	
Balance - December 31, 2017	A	\$ 1,918,800
Materials Requisitioned 2018 Inventory Adjustment	Reserve	<u>(283,163)</u>
Balance - December 31, 2018	A	<u><u>\$ 1,635,637</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

EXHIBIT A-8

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

	BALANCE DECEMBER 31, 2017	2018 LEVY	ADDED AND OMITTED TAX LEVIED IN 2018	COLLECTIONS	BALANCE DECEMBER 31, 2018
Carteret		\$ 8,292,319	\$ 135,993	\$ 8,428,312	
Cranbury		6,004,541	514,079	6,518,620	
Dunellen	\$ 3,918	2,191,351	3,208	2,195,269	\$ 3,208
East Brunswick	49,849	27,482,276	82,733	27,532,125	82,733
Edison		60,760,057	480,361	61,240,418	
Helmetta	207	762,956	980	764,143	
Highland Park	53,413	4,994,487	67,395	5,047,900	67,395
Jamesburg		1,639,178	1,572	1,640,750	
Metuchen		8,734,108	126,369	8,860,477	
Middlesex		5,458,558	13,910	5,458,558	13,910
Milltown		3,268,290	567	3,268,857	
Monroe		32,639,341	377,710	33,017,051	
New Brunswick		12,566,140	42,091	12,608,231	
North Brunswick		16,939,089	102,554	16,939,089	102,554
Old Bridge		30,255,233	79,828	30,335,061	
Perth Amboy		11,637,068	43,664	11,680,732	
Piscataway		25,197,966	188,016	25,385,982	
Plainsboro	86,965	16,459,769	143,264	16,546,734	143,264
Sayreville		17,243,591	16,806	17,243,591	16,806
South Amboy		3,216,881	32,933	3,249,814	
South Brunswick		32,292,393	619,626	32,912,019	
South Plainfield		13,999,098	60,795	14,059,893	
South River		5,088,081	4,650	5,092,731	
Spotswood		2,908,051	7,246	2,915,297	
Woodbridge		39,844,427	169,589	40,014,016	
	<u>\$ 194,352</u>	<u>\$ 389,875,249</u>	<u>\$ 3,315,939</u>	<u>\$ 392,955,670</u>	<u>\$ 429,870</u>

REF.

A

A - 2

Reserve

A - 4

A

Added and Omitted Taxes:

Current Year	A - 2		\$ 2,886,069
Prior Year	A - 2		194,352
County Taxes	A - 2		<u>389,875,249</u>
			<u>\$ 392,955,670</u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

EXHIBIT A - 9
PAGE 1 OF 2

	REF.	BALANCE DECEMBER 31, 2017	ACCRUED IN 2018	REALIZED	BALANCE DECEMBER 31, 2018
Miscellaneous Revenues:					
Local Revenue:					
County Clerk	A-2	\$ 363,373	\$ 10,946,509	\$ 11,141,195	\$ 168,687
Surrogate	A-2	61,587	544,756	558,855	47,488
Sheriff	A-2		3,429,625	3,404,382	25,243
Fines	A-2		401,502	401,502	
Interest on Invests. and Deposits & Reinvest. of Escrow Dep.	A-2	4,429	1,632,514	1,636,943	
Mental Health Clinics:					
Other	A-2	59,536	2,147,086	2,201,832	4,790
MCIA Skating Rink	A-2		68,102	68,102	
Property Rentals	A-2		405,824	405,824	
Subdivision and Site Plan Review Fees	A-2		330,222	330,222	
Road Opening Fees	A-2		190,948	190,948	
Parks Department - Fees and Permits	A-2	700	419,099	419,799	
Microfilm and Printing Fees	A-2		44,490	44,490	
Sale of Plans and Specifications	A-2		15,215	15,215	
Discovery Fees and Reproduction Costs	A-2		22,808	21,946	862
Fire Academy Fees	A-2		379,557	379,557	
Plays in the Park	A-2		200,927	200,927	
Adult Correction Facility Inmate Medical Co - Pay	A-2	775	8,347	9,122	
Archives and Records Management Service Fees	A-2		58,775	51,448	7,327
Municipal School District Share of Election Expense	A-2		717,164	422,422	294,742
Adult Correction Center - Inmate Processing Fee	A-2	19,758	180,679	200,437	
Adult Correction Center - SSA Inmate Finders Fee	A-2		35,000	35,000	
County Auction Revenues	A-2		152,247	152,247	
Custody Charges - State Inmates in County Institutions	A-2		47,347	47,347	
New Jersey Department of Education:					
Child Nutrition Program	A-2	9,239	120,683	122,119	7,803
Bail Bond Forfeitures	A-2		173,979	173,979	
State Aid:					
County College Bonds (N.J.S.A. 18:64A-22.6)	A-2		1,492,537	1,492,537	
State Assumption of Costs:					
Supplemental Social Security Income	A-2		1,285,743	1,285,743	
Intoxicated Driver Resource Center Fees	A-2		169,089	169,089	
Debt Service -ER 1&2 MCC, Vo Tech and Mosquito Commiss.	A-2		198,415	198,415	
Additional Revenue - County Clerk	A-2		2,613,158	2,613,158	
Additional Revenue - County Sheriff	A-2		2,365,756	2,365,756	
Additional Revenue - County Surrogate	A-2		434,174	434,174	
Additional Revenue - Div. of Development Disability	A-2		111,095	96,701	14,394

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

EXHIBIT A - 9
PAGE 2 OF 2

		<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2017</u>	<u>ACCRUED</u> <u>IN 2018</u>	<u>REALIZED</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2018</u>
	<u>REF.</u>				
Miscellaneous Revenues (cont'd.):					
Other Special Items:					
Mercer County - Youth Services	A-2	168,195	1,664,591	1,443,212	389,574
Additional Revenue - GOMHC "Magic Fork"	A-2	336	39,731	40,067	
Monmouth County Youth Detention	A-2	766,668	1,149,999	1,916,667	
Extension Services - General Revenue	A-2		12,350	12,350	
Child Support Enforcement Program IV-D - Federal Aid:					
Courts and County Clerk	A-2		539,440	539,440	
Sheriff	A-2		250,594	245,592	5,002
Health Aid - Municipalities	A-2		2,503,244	2,503,244	
Fire Marshall - Fire Prevention	A-2		395,522	395,522	
Office on Aging - State of NJ Grant	A-2		20,000	20,000	
Lease Purchase BSS Building	A-2		1,695,500	1,695,500	
Somerset Cty Share of Operations - Juvenile Detention Center	A-2		260,878	260,878	
Civic Square II Lease/Purchase-New Brunswick Share	A-2		1,059,627	1,059,627	
Capital Surplus	A-2		1,111,447	1,111,447	
MCIA Reimbursement - IT Services	A-2		70,000	70,000	
RCC & MCIA Share of 2006 MCIA Lease/Purchase	A-2		217,516	217,516	
Medicare - Part D	A-2		881,947	881,947	
Mercer County Medical Examiner ~ Shared Services	A-2		1,600,000	1,600,000	
Monmouth County Medical Examiner ~ Shared Services	A-2		1,400,000	1,400,000	
Heldrich Debt Service Reimbursement	A-2		146,455	146,455	
State of N.J. Poll Workers Reimbursement	A-2		578,805	578,805	
MCUA Franchise Fee	A-2		3,605,444	3,605,444	
2008 MCIA Lease/Purchase	A-2		209,291	209,291	
Fringe Benefits & Indirect Costs-State and Federal Grants	A-2		2,401,711	2,401,711	
Premium - MCIA Loan Ordinance	A-2		185,281	185,281	
Premium on Sale of Bonds and BAN	A-2		506,629	506,629	
Central Inventory Control	A-2		1,572,205	1,572,205	
Open Space Trust Fund	A-2		13,684,029	13,684,029	
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Miscellaneous Revenues		<u>\$ 1,454,596</u>	<u>\$ 69,105,608</u>	<u>\$ 69,594,292</u>	<u>\$ 965,912</u>
	<u>REF.</u>	A	Reserve	A-4	A

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES

	<u>2017 BEGINNING BALANCE</u>	<u>RESERVE FOR ENCUMB. DEC. 31, 2017</u>	<u>2017 BUDGET MODIFICATION</u>	<u>EXPENDED</u>	<u>BALANCE LAPSED</u>
<u>GENERAL GOVERNMENT</u>					
Administrative and Executive:					
Board of Chosen Freeholders:					
Other Expenses	\$ 179	\$ 87	\$ 266	\$ 53	\$ 213
County Administrator:					
Salaries and Wages	1		1	1	
Other Expenses	17,357	99,689	104,746	95,466	9,280
Office of the Communication:					
Salaries and Wages	1		1	1	
Other Expenses	2,456	68,284	67,840	67,182	658
Advertising	64	50	114	34	80
Audit	110,000		110,000	103,644	6,356
Geographic Information System					
Other Expenses	21,084	508,606	502,590	471,636	30,954
Information Technology:					
Salaries and Wages	1		1	1	
Other Expenses	36,035	643,860	638,895	457,890	181,005
Department of Real Estate:					
Other Expenses	798		95,798	95,798	
County Treasurer's Office:					
Salaries and Wages	1		1	1	
Other Expenses	1,333	752	1,085	823	262
County Comptroller's Office:					
Other Expenses	889	26,205	29,094	-	29,094
County Counsel:					
Salaries and Wages	1		1	1	
Other Expenses	310	7,685	9,995	9,748	247
County Adjuster's Office:					
Salaries and Wages	106		106	106	
Other Expenses	1,146	3,781	4,927	4,271	656
Clerk of the Board:					
Other Expenses	400	2,124	2,524	778	1,746
Personnel Department:					
Salaries and Wages	1		1	1	
Other Expenses	3,261	12,117	13,978	13,978	
County Clerk:					
Salaries and Wages	47,764		47,764	47,764	
Other Expenses	2,611	3,852	4,263	3,898	365
Prosecutor's Office:					
Salaries and Wages	234,703		234,703	234,703	
Other Expenses	209,279	128,307	123,486	121,790	1,696

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES

	<u>2017 BEGINNING BALANCE</u>	<u>RESERVE FOR ENCUMB. DEC. 31, 2017</u>	<u>2017 BUDGET MODIFICATION</u>	<u>EXPENDED</u>	<u>BALANCE LAPSED</u>
<u>GENERAL GOVERNMENT (continued):</u>					
Purchasing Department:					
Salaries and Wages	1		1	1	
Other Expenses	1,608	1,583	1,891	175	1,716
Public Property:					
Salaries and Wages	834		834	834	
Other Expenses	10,944	50,894	48,238	46,311	1,927
Central Vehicle Maintenance:					
Salaries and Wages	1		1	1	
Other Expenses	532	72,767	52,299	21,891	30,408
Office of Economic Development:					
Other Expenses		1,127,980	1,197,980	725,154	472,826
Central Mail, Microfilm and Reproduction:					
Salaries and Wages	18,867		18,867	18,867	
Other Expenses	1,322	20,510	13,332	12,643	689
Div of Archives & Record Mgt:					
Salaries and Wages	1		1	1	
Other Expenses	6,328	12,324	12,752	12,327	425
Insurance:					
Group Insurance Plan for Employees	5,523		5,523	1,403	4,120
Worker's Compensation			896,050	896,050	
Surety Bond Premiums	5,325		5,325	-	5,325
Other Insurance Premiums			896,050	896,050	
Temporary Disability Insurance	457		457	-	457
<u>TOTAL GENERAL GOVERNMENT</u>	<u>741,524</u>	<u>2,791,457</u>	<u>5,141,781</u>	<u>4,361,276</u>	<u>780,505</u>
<u>UTILITIES & BULK PURCHASES</u>					
Utilities	3,930	2,786	147,716	142,069	5,647
Central Inventory Control	120,535		120,535	120,535	
<u>TOTAL UTILITIES & BULK PURCHASES</u>	<u>124,465</u>	<u>2,786</u>	<u>268,251</u>	<u>262,604</u>	<u>5,647</u>
<u>JUDICIARY</u>					
County Surrogate:					
Salaries and Wages	123,010		123,010	123,010	-
Other Expenses	2,373	1,070	1,443	1,041	402
Psychiatric and Legal Counsel Fees for Involuntary:					
Civil Commitments (Admin. Office of the Court Rule 4:74-7):					
Other Expenses	21,000	730	19,930	19,930	
<u>TOTAL JUDICIARY</u>	<u>146,383</u>	<u>1,800</u>	<u>144,383</u>	<u>143,981</u>	<u>402</u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES

	<u>2017 BEGINNING BALANCE</u>	<u>RESERVE FOR ENCUMB. DEC. 31, 2017</u>	<u>2017 BUDGET MODIFICATION</u>	<u>EXPENDED</u>	<u>BALANCE LAPSED</u>
<u>REGULATION</u>					
Sheriff's Office:					
Salaries and Wages	776,641		776,641	776,641	-
Other Expenses	70,573	134,970	142,343	127,943	14,400
Weights and Measures Department:					
Salaries and Wages	9,314		9,314	9,314	
Other Expenses	30	522	552	242	310
Board of Taxation:					
Salaries and Wages	42,561		42,561	42,561	
Other Expenses	142	795	937	709	228
County Medical Examiner:					
Salaries and Wages	73		73	73	
Other Expenses	37,926	125,060	71,986	71,088	898
Board of Elections:					
Salaries and Wages	1		1	1	
Other Expenses	4,621	55,859	100,480	87,692	12,788
Elections (County Clerk):					
Salaries and Wages	47,070		47,070	47,070	
Other Expenses	6,993	2,138	3,931	3,554	377
Office of Emergency Management:					
Salaries and Wages	2,166		2,166	2,166	
Other Expenses	2,153	11,774	12,527	12,226	301
County Planning Board (R.S. 40:27-3):					
Salaries and Wages	-		-	-	
Other Expenses	3,371	3,274	1,845	1,534	311
Construction Board of Appeals:					
Other Expenses	3,405		305	-	305
<u>TOTAL REGULATION</u>	<u>1,007,040</u>	<u>334,392</u>	<u>1,212,732</u>	<u>1,182,814</u>	<u>29,918</u>
<u>ROADS AND BRIDGES</u>					
Highways and Bridges:					
Salaries and Wages	60,928		60,928	60,928	
Other Expenses	33,695	76,216	70,311	69,921	390
Engineering Department:					
Salaries and Wages	544		544	544	
Other Expenses	3,131	1,681	1,312	964	348
<u>TOTAL ROADS AND BRIDGES</u>	<u>98,298</u>	<u>77,897</u>	<u>133,095</u>	<u>132,357</u>	<u>738</u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES

	<u>2017 BEGINNING BALANCE</u>	<u>RESERVE FOR ENCUMB. DEC. 31, 2017</u>	<u>2017 BUDGET MODIFICATION</u>	<u>EXPENDED</u>	<u>BALANCE LAPSED</u>
<u>CORRECTIONAL AND PENAL</u>					
Adult Correction and Facility:					
Salaries and Wages	10,330	133,820	144,150	144,150	-
Other Expenses	2,917,465	628,909	2,446,974	2,131,719	315,255
Juvenile Detention Center:					
Salaries and Wages	1,281		1,281	1,281	
Other Expenses	56,243	93,413	114,056	78,823	35,233
Office of Consumer Affairs:					
Salaries and Wages	631	-	631	631	
Other Expenses	21	208	229	208	21
<u>TOTAL CORRECTIONAL AND PENAL</u>	<u>2,985,971</u>	<u>856,350</u>	<u>2,707,321</u>	<u>2,356,812</u>	<u>350,509</u>
<u>HEALTH AND WELFARE</u>					
Dept. of Public Safety & Health:					
Salaries and Wages	51		51	51	
Other Expenses	908		908	-	908
Public Health Service - Interlocal Agreement:					
Salaries and Wages	68,490		68,490	68,490	
Other Expenses	11,150	55,820	56,670	54,663	2,007
Environmental Health Act (CH. 443, P.L. 1977):					
Salaries and Wages	159		159	159	
Other Expenses	3,644		344	-	344
Environmental Health:					
Salaries and Wages	5,364		5,364	5,364	
Other Expenses	2,361	21,236	11,997	4,807	7,190
Dept. of Community Services:					
Salaries and Wages	1		1	1	
Other Expenses	1,145	10,037	11,182	9,903	1,279
HS - County Wide Referral System			-	-	
Haz Mat Division:					
Salaries and Wages	37,835		37,835	37,835	
Other Expenses	930	30,474	31,404	18,161	13,243
Roosevelt Care Center:					
Other Expenses			(99,700)	(99,700)	
Raritan Bay Mental Health Clinic (N.J.S.A. 40:5-2.9):					
Salaries and Wages	107,722		107,722	107,722	
Other Expenses	30,048	32,008	24,056	12,782	11,274
Raritan Bay Mental Health Center-Partial Care Program:					
Other Expenses	3,608	97,541	98,149	63,435	34,714

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES

	<u>2017 BEGINNING BALANCE</u>	<u>RESERVE FOR ENCUMB. DEC. 31, 2017</u>	<u>2017 BUDGET MODIFICATION</u>	<u>EXPENDED</u>	<u>BALANCE LAPSED</u>
<u>HEALTH AND WELFARE (continued):</u>					
Alcohol Services	333	147	480	147	333
Roosevelt Care Center:					
Other Expenses	165,195	-	165,195	164,195	1,000
Mental Health Administrator:					
Other Expenses	603	209,121	209,724	169,041	40,683
Social Hygiene Clinic:					
Other Expenses	1,458	5,356	5,514	5,190	324
War Veterans Burial and Grave Decorations:					
Other Expenses	330		330	-	330
MC Mid School After School		12,500	12,500	11,555	945
Department of Human Services:					
Other Expenses	2,178	27,278	27,756	26,926	830
Home Care for the Elderly (N.J.S.A. 30:4D-3)					
Salaries and Wages	1		1	1	
Other Expenses	42,946	193,652	184,898	178,062	6,836
MC Indigent Res. - Other County	488,306		288,606	266,665	21,941
Bus Service - Board of Social Services Clients					
Salaries and Wages	1		1	1	
Aid to Various Agencies		195,858	195,858	194,869	989
<u>TOTAL HEALTH AND WELFARE</u>	<u>974,767</u>	<u>891,028</u>	<u>1,445,495</u>	<u>1,300,325</u>	<u>145,170</u>
<u>EDUCATIONAL</u>					
Office of County Superintendent of Schools:					
Salaries and Wages	1		1	1	
Other Expenses	1,431	3,375	4,006	1,203	2,803
County Extension Services - Farm and Home Demonstrations:					
Salaries and Wages	7,807		7,807	7,807	
Other Expenses	902	2,717	2,519	2,216	303
Reimbursement for Residents Attending Out-Of-County, Two-Year Colleges (N.J.S.A. 18A:64A-23)	6,223		8,323	8,298	25
Middlesex County Heritage Commission (N.J.S.A. 40:33A-6):					
Salaries and Wages	1		1	1	
Other Expenses	615	51,740	52,355	45,198	7,157
Fire Inspection Bureau:					
Other Expenses	75		75	-	75
Fire Training Academy:					
Salaries and Wages	42,500		42,500	42,500	
Other Expenses	18	69,513	66,531	63,387	3,144
East Jersey Olde Towns:					
Salaries and Wages	553		553	553	
Other Expenses	232	19,977	19,309	17,634	1,675
<u>TOTAL EDUCATIONAL</u>	<u>60,358</u>	<u>147,322</u>	<u>203,980</u>	<u>188,798</u>	<u>15,182</u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES

	2017 BEGINNING BALANCE	RESERVE FOR ENCUMB. DEC. 31, 2017	2017 BUDGET MODIFICATION	EXPENDED	BALANCE LAPSED
<u>RECREATIONAL</u>					
Infrastructure Management:					
Other Expenses	2,335	61	496	496	
County Parks Department:					
Salaries and Wages	47,258		47,258	47,258	
Other Expenses	533	177,116	204,649	157,277	47,372
<u>TOTAL RECREATIONAL</u>	50,126	177,177	252,403	205,031	47,372
<u>UNCLASSIFIED</u>					
Solid Waste Management:					
Other Expenses	1,416		316	-	316
Garbage and Trash Removal (Contractual)	9,000	1,145	1,245	-	1,245
Employee Child Care	798		798	-	798
Intoxicated Driver Resource Center Fees	6,268	39,986	15,954	15,300	654
City-Wide Equip. Veh. Hard and Software		76,850	76,850	-	76,850
Salaries and Wages	1		1	1	
<u>TOTAL UNCLASSIFIED</u>	17,483	117,981	95,164	15,301	79,863
Total Operations	6,206,415	5,398,190	11,604,605	10,149,299	1,455,306
Contingent	144,066	140,828	284,894	284,894	
Total Operations Including Contingent	6,350,481	5,539,018	11,889,499	10,434,193	1,455,306
<u>Deferred Charges and Statutory Expenditures - County:</u>					
Statutory Expenditures:					
Contributions To:					
Defined Contribution Retirement Plan	822	-	822	-	822
Social Security System (O.A.S.I.)	3,126	-	3,126	-	3,126
Total Deferred Charges and Statutory Expenditures	3,948	-	3,948	-	3,948
<u>TOTAL GENERAL APPROPRIATIONS</u>	\$ 6,354,429	\$ 5,539,018	11,893,447	\$ 10,434,193	\$ 1,459,254
	<u>REF.</u>				
	A	A - 11			A-1
Disbursed	A-4			\$ 10,124,661	
Transferred to Accounts Payable	A-12			309,532	
				\$ 10,434,193	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>		
Balance - December 31, 2017	A		\$ 10,639,108
Increased by:			
2018 Budget Appropriations	A - 3	889,924	
Federal and State Grants - Approp.	A - 16	3,211,102	
Local Grants - Appropriations	A - 14	<u>9,300</u>	
			<u>4,110,326</u>
			14,749,434
Decreased by:			
2017 Appropriation Reserves	A - 10	5,539,018	
Federal and State Grants - Approp.	A - 16	5,048,247	
Local Grants Appropriated	A - 14	<u>51,843</u>	
			<u>10,639,108</u>
Balance - December 31, 2018	A		<u><u>\$ 4,110,326</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance - December 31, 2017	A		\$ 1,912,964
Increased by:			
2017 Appropriation Reserves	A - 10		<u>309,532</u>
			2,222,496
Decreased by:			
Cash Disbursements	A - 4	1,022,398	
Cancelled to Operations	A - 1	<u>611,425</u>	
			<u>1,633,823</u>
Balance - December 31, 2018	A		<u><u>\$ 588,673</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

EXHIBIT A-13

<u>CATEGORY</u>	BALANCE DECEMBER 31, 2017	DEDUCTIONS/ RECEIPTS	DECREASE/ DISBURSEMENTS	BALANCE DECEMBER 31, 2018
Federal Income Tax Withholding	\$ 17,250	\$ 12,965,697	\$ 12,982,546	\$ 401
Social Security Withholding	4,668	7,948,220	7,952,649	240
Medicare Withholding	1,104	1,913,437	1,914,485	56
NJ State Income Tax	7,945	4,508,907	4,516,716	136
State Unemployment Insurance - County	1,386	270,213	271,599	(0)
State Disability Insurance	157	119,757	119,914	(0)
State Family Leave Insurance	51	56,659	56,711	(0)
PERS	749,686	7,641,519	7,628,936	762,269
Police & Firemen's Pension	471,090	4,818,201	4,960,623	328,668
Police & Firemen's Pension - Dept 130	130,996	593,403	594,118	130,281
Defined Contribution Retirement Prog	1,741	79,372	80,848	265
Workers' Compensation	8,482	144,620	148,278	4,824
Deferred Compensation Plan	88,539	2,725,421	2,813,138	822
Copeland Annuity	3,031	129,186	131,547	670
Deferred Compensation Plan Valic	17,383	565,602	582,985	0
Deferred Compensation Roth IRA Plan	100	57,523	57,597	26
PAC-DED	1,185	1,289	1,333	1,142
Delta Dental of NJ	52,195	71,400	2	123,593
Dental Service Org., Inc	76,018	14,922	-	90,940
Credit Union	-	2,263,835	2,263,835	0
Long Term Disability - New York Life Insurance	967	12,455	12,455	967
Life Insurance - AIG Life Insurance	507	-	-	507
Life Insurance - Boston Life	3,514	39,910	43,425	(0)
Life Insurance - AFLAC	376	505,073	505,073	376
Life Insurance - New York Life	-	34,013	33,984	29
Garnishee	-	558,244	558,244	-
Middlesex County Asst. Prosec. Assoc.	2,573	17,334	17,137	2,770
Raritan Bay Mental Health	1,813	19,304	21,002	115
NJ PBA Local #165	180	93,368	93,428	120
Fire Fighters Local #3451	842	5,886	6,620	108
Planning Board AMCPBSE	-	700	700	-
AFSCME Local #3440	41,185	330,858	371,739	304
CSA Council #7 Union Dues	-	27,712	27,593	120
CWA Local #1082 - Juvenile	444	7,260	7,260	444
PBA #152 Union Dues	23,085	195,997	218,727	355
AFSCME Local #3841	3,528	21,932	24,624	836
Sheriff's Officer's Association	96	12,540	12,636	(0)
Middlesex County Professional Planners	-	1,495	1,495	-
Health Inspector Association Dues	58	19,437	19,437	58
PBA #214	5	66,172	65,972	205
MCC Bd of Elections Local #2226	-	9,698	9,698	-
IAFF Local #3527	45	20,100	20,100	45
Central NJ Musicians Local #204-373 A.F.M.	466	14,733	14,733	466
United Paperworkers Local #1426	481	5,019	5,500	(0)
MC Superior Officer FF	240	2,880	3,120	-
	<u>\$ 1,713,412</u>	<u>\$ 48,911,303</u>	<u>\$ 49,172,559</u>	<u>\$ 1,452,156</u>

REF. A A-4 A-4 A

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR LOCAL GRANTS - APPROPRIATED

EXHIBIT A - 14
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	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMB. DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMB. DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2004 Grants</u>						
Improvement to RT 440 Perth Amboy	\$ 40,952	\$ -	\$ -	\$ -	\$ 40,952	\$ -
<u>Total 2004 Grants</u>	40,952	-	-	-	40,952	-
<u>2009 Grants</u>						
Environmental Supplemental Fund	9,953				-	9,953
Medicare Reimbursement Flu Vaccine	281				-	281
<u>Total 2009 Grants</u>	10,234	-	-	-	-	10,234
<u>2011 Grants</u>						
Solid Waste Management Svcs		465			465	
<u>Total 2011 Grants</u>	-	465	-	-	465	-
<u>2012 Grants</u>						
Solid Waste Management Svcs	79,398	975			69,109	11,264
<u>Total 2012 Grants</u>	79,398	975	-	-	69,109	11,264
<u>2013 Grants</u>						
Solid Waste Management Svcs	50,569				-	50,569
Middlesex County Utility Authority Contract	1,325				-	1,325
<u>Total 2013 Grants</u>	51,894	-	-	-	-	51,894
<u>2014 Grants</u>						
Solid Waste Management Svcs	44,619				-	44,619
Medicare Reimbursement Flu Vaccine	505				-	505
<u>Total 2014 Grants</u>	45,124	-	-	-	-	45,124
<u>2015 Grants</u>						
Solid Waste Management Svcs	152,262				-	152,262
SIMS Electronics Recycling	6,722				2,994	3,728
No. Bruns. Upgrades to Cozzens Lane & Hartland Commons	14,250				-	14,250
<u>Total 2015 Grants</u>	173,234	-	-	-	2,994	170,240
<u>2016 Grants</u>						
SSP Internship Program	7,053				7,053	
Solid Waste Management Svcs	133,202	6,740			2,535	137,407
Care Transitions	7,500				1,146	6,354
Multi Assist Cost Share Program	9,760				9,760	-
Respite Cost Share Program	900				900	-
Middlesex County Utility Authority Contract	39,767				4,228	35,539
Interlocal Service Trans. Woodbridge		733			732	1
Empowerment Donations	1,794	61			314	1,540
Medical Reserve Corp.	21	19,344			(0)	19,365
Improvements to River Rd., Piscataway	35,054				35,054	-
<u>Total 2016 Grants</u>	235,051	26,877	-	-	61,722	200,206

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR LOCAL GRANTS - APPROPRIATED

EXHIBIT A - 14
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	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMB. DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMB. DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2017 Grants</u>						
Johnson & Johnson - New Brunswick	3,000	8,797		2,200	9,597	-
SSP Internship Program	24,169				24,169	-
Fare & Donation Revenue Transportation Program	149,906	3,272			134,694	18,484
Solid Waste Management Svcs	264,667				969	263,698
Multi Assist Cost Share Program	7,352	3,634			(2,262)	13,248
Respite Cost Share Program	30,300				30,300	-
Middlesex County Utility Authority Contract	250,912	5,877			239,045	17,744
Middlesex County Area Plan Client Contribution	25,000	1,946			26,946	
Interlocal Service Trans. Sayreville	3,223				-	3,223
Interlocal Service Trans. Woodbridge	9,210				-	9,210
Medicare Reimbursement Flu Vaccine	1				-	1
Oak Tree Rd & Woodland Ave.	547,414				547,414	
<u>Total 2017 Grants</u>	<u>1,315,154</u>	<u>23,526</u>	<u>-</u>	<u>2,200</u>	<u>1,010,872</u>	<u>325,608</u>
<u>2018 Grants</u>						
Johnson & Johnson - New Brunswick				7,100	(7,900)	800
SSP Internship Program			15,000		14,999	1
Fare & Donation Revenue Transportation Program			60,000		9,869	50,131
Multi Assist Cost Share Program					(13,364)	13,364
Solid Waste Management Svcs					(291,623)	291,623
Empowerment Donations			5,000		745	4,255
Respite Cost Share Program			11,000		7,035	3,965
Middlesex County Utility Authority Contract			601,757		164,192	437,565
Middlesex County Area Plan Client Contribution			182,100		72,103	109,997
Interlocal Service Trans. Sayreville					(9,450)	9,450
Sheriff ~ D.A.R.E. Program Grant			6,240		2,062	4,178
<u>Total 2018 Grants</u>	<u>-</u>	<u>-</u>	<u>881,097</u>	<u>7,100</u>	<u>(51,332)</u>	<u>925,329</u>
TOTAL LOCAL GRANTS	<u>\$ 1,951,041</u>	<u>\$ 51,843</u>	<u>\$ 881,097</u>	<u>\$ 9,300</u>	<u>\$ 1,134,782</u>	<u>\$ 1,739,899</u>
	<u>REF.</u>					
Disbursed	A - 4	A-11	A-3	A-11	A-4	A
Cancelled	A - 5				\$ 1,111,996	
					22,786	
					<u>\$ 1,134,782</u>	

COUNTY OF MIDDLESEX, NEW JERSEY
 CURRENT FUND
SCHEDULE OF NON-GRANTS UNAPPROPRIATED RESERVES

	<u>REF.</u>	
Balance - December 31, 2017	A	\$ 1,211
Increased by:		
Interest on WIA Accounts	A-4	<u>1,461</u>
Total Available		2,672
Balance - December 31, 2018	A	<u><u>\$ 2,672</u></u>
 <u>Analysis of Balance - December 31, 2018</u>		
Interest on WIA Accounts		<u>2,672</u>
		<u><u>\$ 2,672</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

EXHIBIT A-16
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SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2009 Grants:</u>						
N.J. Department of Children & Family Services: Human Services Council	\$ 11,251	\$ -	\$ -	\$ -	\$ 11,251	\$ -
Total 2009 Grants	11,251	-	-	-	11,251	-
<u>2010 Grants:</u>						
N.J. Department of Education: North Brunswick Title I Compensatory Education ARRA Title I Education	23,276	13,741			13,741	23,276
N.J. Department of Transportation: Capital Transportation Project	828					828
Total 2010 Grants	24,104	13,741	-	-	13,741	24,104
<u>2011 Grants:</u>						
N.J. Department of Education: North Brunswick Title I Compensatory Education		17,704			17,704	
Total 2011 Grants	-	17,704	-	-	17,704	-
<u>2012 Grants:</u>						
U.S. Department of Justice: Pass-through State Department of Law & Public Safety Division of Criminal Justice Body Armor Replacement Program - Prosecutors		1,085			1,085	
Juvenile Justice Commission Juv. Justice Detention Education		52,634			50,662	1,972
N.J. Department of Health: Division of Family Services: NJDH&S CEED Program Tuberculosis Control Program	52	463			138	52 325
N.J. Department of Education: North Brunswick Title I Compensatory Education		82,709			82,709	-
Total 2012 Grants	52	136,891	-	-	134,594	2,349

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

EXHIBIT A-16
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SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2013 Grants:</u>						
N.J. Department of Education:						
North Brunswick Title I Compensatory Education	3,020	53,166			53,166	3,020
Juv. Justice Detention Education	8,255	1,027			7,842	1,440
N.J. Department of Health:						
Division of Family Services:						
Tuberculosis Control Program	5	97			97	5
Middlesex County Medical Reserve Corp.	689					689
N.J. Department of Human Services:						
Division of Youth and Family Services						
Human Services Council	138,281				138,280	1
N.J. Department of State:						
N.J. Council on the Arts:						
Local Arts Development	315					315
N.J. Department of Transportation:						
FY'13 Federal Aide Highway - New Brunswick Bikeway	665,759				267,199	398,560
Total 2013 Grants	<u>816,324</u>	<u>54,290</u>	<u>-</u>	<u>-</u>	<u>466,584</u>	<u>404,030</u>
<u>2014 Grants:</u>						
U.S. Department of Justice:						
Pass-through State Department of Law and Public Safety						
Division of Criminal Justice:						
Stop Violence (VAWA)	151,863			11,505	63,479	76,879
Office of Homeland Security and Preparedness:						
Homeland Security Grant Program - SHSP	16					16
Division of Disability Services						
Personal Attendant Demonstration Project	22					22
ADRA -FFP Program	15,471					15,471
U.S. Department of Housing and Urban Development:						
Leasing Program I & II	236,515				236,515	-
U.S. Department of Health and Human Services Direct Program:						
HIV Emergency Project	440,195				440,195	-

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

EXHIBIT A-16
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	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2014 Grants (continued):</u>						
N.J. Department of Law and Public Safety:						
Division of Criminal Justice						
Body Armor Replacement Program - Sheriff	326	22,040			22,040	326
Juvenile Justice Commission						
Family Court Service	4,943				4,943	
Juv. Justice Detention Education	18,018				12,185	5,833
N.J. Dept. of Community Affairs:						
Division on Community Resources:						
Recreation - Individuals with Disabilities	100					100
N.J. Department of Health:						
Division of Family Services:						
NJDH&S CEED Program	19,700	134			7,845	11,989
Tuberculosis Control Program	23	236			21	238
Division of Epidemiology:						
SandySSBG Lead Screening	2,121	821			1	2,941
N.J. Department of Children and Families:						
Maintenance of Children in Institutions - JINS	194,776					194,776
N.J. Department of Education:						
North Brunswick Title I Compensatory Education	53,818					53,818
N.J. Historic Trust:						
NJ Historical Commission					(270)	270
Total 2014 Grants	1,137,907	23,231	-	11,505	786,954	362,679
<u>2015 Grants:</u>						
U.S. Department of Labor:						
Division of Employment Services						
Workforce Development - WIA	18,307				18,193	114
U.S. Department of Justice:						
Division of Criminal Justice:						
Edward Byrne Memorial Justice - Multi-Juris Task Force	540					540
Office of Homeland Security and Preparedness:						
Homeland Security Grant Program - SHSP	374	4,299			4,335	338
Homeland Security - UASI Grant	20,486	7,218			23,674	4,030
Homeland Security - UASI Grant	23,237					23,237

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

EXHIBIT A-16
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	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2015 Grants (continued):</u>						
U.S. Department of Housing and Urban Development: Leasing Program I & II	2,955				2,955	
U.S. Department of Health and Human Services: Division of Senior Services:						
Senior Meals of Middlesex County	26,847	21,000			47,847	
Area Plan Grant for Program on Aging - Title III	166,592	58,624			192,331	32,885
Division of Disability Services						
Caregivers Assistance Program	139,085				121,908	17,177
JACC Program	871					871
County Wide Transportation Grant	4				4	
ADRA -FFP Program	20,000					20,000
Division of Epidemiology Comm:						
PH-Preparation & Response - Bioterror	136					136
Tuberculosis Program	78					78
Comprehensive Cancer Control	4,609	536			367	4,778
U.S. Department of Health and Human Services Direct Program: HIV Emergency Project	515,494				515,494	
N.J. Department of Environmental Protection: Solid Waste Administration Solid Waste Service Fund	105,054	6,622			111,676	
N.J. Department of Health: Division of Family Services:						
Public Health Priority Funding	7,567				565	7,002
NJDH&S CEED Program	5,435					5,435
Middlesex County Medical Reserve Corp. Tuberculosis Control Program	2,219			935	935	2,219
N.J. Department of Children and Families: Maintenance of Children in Institutions - JINS	110,917	700			64,511	47,106
N.J. Department of Human Services: Division of Youth and Family Services						
Services to the Homeless	1				1	
Human Services Council	652				652	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

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	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2015 Grants (continued):</u>						
N.J. Department of Law and Public Safety:						
Division of Criminal Justice						
Body Armor Replacement Program - Prosecutors	13,718	5,828			5,827	13,719
Juvenile Justice Commission						
Juvenile Justice Commission	35,750				35,750	
Family Court Service	37,671				37,671	
Community Partnership Grant Program	19,125				19,125	
N.J. Department of Education:						
Juv. Justice Detention Education	188,947				76,208	112,739
N.J. Department of State:						
N.J. Council on the Arts:						
Local Arts Development	12					12
Folk Arts Program	2					2
N.J. Historic Trust:						
NJ Historical Commission	3					3
Interdepartmental Grant	5,329					5,329
Local Bridge 5-B-30	1,000,000				1,000,000	
Total 2015 Grants	<u>2,472,017</u>	<u>105,762</u>	<u>-</u>	<u>-</u>	<u>2,280,029</u>	<u>297,750</u>
<u>2016 Grants:</u>						
U.S. Department of Labor:						
Division of Employment Services						
Workforce Development - WIA	1,537,999	133,133			1,548,444	122,688
U.S. Department of Health and Human Services:						
Division of Senior Services:						
Senior Meals of Middlesex County	87,679	1,299			40,358	48,620
Area Plan Grant for Program on Aging - Title III	207,154	50		9,730	(7,854)	205,328
U.S. Department of Health and Human Services Direct Program:						
HIV Emergency Project	426,421	603,025				1,029,446
U.S. Department of Housing and Urban Development:						
HUD Continuum of Care (CoC)	15,000				15,000	
Leasing Program I & II	319,820				319,820	
Rapid Re-Housing Program		15,565			15,565	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

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SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2016 Grants (continued):</u>						
U.S. Department of Justice:						
Division of Criminal Justice:						
SANE/SART Victims of Crime Program		72			72	
Stop Violence Against Women Act	353					353
Body Armor Replacement Program - Prosecutors	19,379	5,464			5,464	19,379
Juvenile Justice Commission						
Juvenile Justice Commission	5,209				5,209	
Family Court Service	126,966				126,966	
Community Partnership Grant Program	47,973				47,973	
Division of Highway and Traffic Safety:						
Comprehensive Traffic Safety Program	88				1	87
Office of Homeland Security and Preparedness:						
Homeland Security Grant Program - SHSP	154,401	324			74,377	80,348
Homeland Security - UASI Grant	141,164	66,481			195,835	11,810
U.S. Department of Transportation:						
Pass-through State Department of Transportation						
Division of Highway Planning and Construction:						
Annual Transportation Project ~ 2016	606,568				606,568	
Annual Transportation Project ~ 2015	3,584,285				3,584,285	
N.J. Department of Environmental Protection:						
Solid Waste Administration						
Recycling Enhancement Act	56,062	40,366			96,428	
N.J. Department of Children and Families:						
NJDCA - Rape Prev. Edu. & Crisis Intervention Center	49	610				659
N.J. Department of Education:						
Maintenance of Children in Institutions - JINS						
Juv. Justice Detention Education	37,510				964	36,546
	171,230				94,846	76,384
N.J. Department of Human Services:						
Division of Youth and Family Services						
Human Services Council	24,428				24,428	
N.J. Department of State:						
N.J. Council on the Arts:						
Local Arts - Services to the Field	1				1	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

EXHIBIT A-16
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SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2016 Grants (continued):</u>						
N.J. Department of Health:						
Division of Disability Services						
Respite Care Services	14,360				14,360	
Caregivers Assistance Program	90,790					90,790
Personal Attendant Demonstration Project	1				1	
JACC Program	2,000				200	1,800
Division of Epidemiology Comm:						
PH-Preparation & Response - Bioterror	39,607	3,958			16,479	27,086
Worker and Community Right to Know Act	62					62
Comprehensive Cancer Control	48,620					48,620
Division of Family Services:						
Public Health Priority Fund	13,097					13,097
Breast & Cervical Cancer Education & Early Detection		1,416				1,416
Special Child Health Services - Early Intervention		23				23
Tuberculosis Control Program		37,673			8,107	29,566
N.J. Transit:						
Job Access Reverse Commute	60,000				60,000	
Total 2016 Grants	7,838,276	909,459	-	9,730	6,893,897	1,844,108
<u>2017 Grants:</u>						
U.S. Department of Labor:						
Division of Employment Services						
Workforce Development - WIA	4,979,792	100,014			4,062,505	1,017,301
U.S. Department of Health and Human Services:						
Division of Senior Services:						
Senior Meals of Middlesex County	380,205	479,379			785,463	74,121
Area Plan Grant for Program on Aging - Title III	349,235	615,445			607,381	357,299
MC Area Wide S.H.I.P. Grant	50	16,275			16,325	
U.S. Department of Health and Human Services Direct Program:						
HIV Emergency Project	317,504	1,449,955		766,014	735,611	265,834
U.S. Department of Housing and Urban Development:						
HUD Continuum of Care (CoC)	59,090				759	58,331
Leasing Program I & II	702,317				372,414	329,903
Rapid Re-Housing Program	45,940					45,940
HMIS Housing & Urban		94,681			94,681	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

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	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2017 Grants (continued):</u>						
U.S. Department of Justice:						
Division of Criminal Justice:						
SANE/SART Victims of Crime Program	28,277	39			28,079	237
Insurance Fraud Reimbursement Program	62,736					62,736
National children's Alliance	1,800				1,725	75
Body Armor Replacement Program - Prosecutors	40,146				5,089	35,057
Juvenile Justice Commission						
Juvenile Justice Commission		11,135			11,135	
Family Court Service	20,521	68,023			88,544	
Community Partnership Grant Program	20,524	39,752			32,459	27,817
Division of Highway and Traffic Safety:						
Comprehensive Traffic Safety Program	31,165	42,300			73,465	
Division of State Police:						
Advance HazMat Emergency Response	11,532					11,532
Office of Homeland Security and Preparedness:						
Homeland Security Grant Program - SHSP	386,551	17,661			230,929	173,283
Homeland Security - UASI Grant	530,000				196,463	333,537
U.S. Department of Transportation:						
Pass-through State Department of Transportation						
Division of Highway Planning and Construction:						
Annual Transportation Project ~ 2017	5,351,100				5,351,100	
North Jersey Planning Authority:						
Sub Regional Transportation Planning	150,797				150,797	
Water Quality Management-604B	100,000				96,646	3,354
N.J. Department of Military and Veterans Affairs:						
Transport Disabled Veterans	4,235				4,235	
N.J. Department of Environmental Protection:						
Solid Waste Administration						
Recycling Enhancement Act-Interest	274				274	
Clean Communities Program	61,696	7,975			69,671	
Environmental Health Act - CEHA	8,636	1,019				9,655
N.J. Department of Children and Families:						
Child Advocacy Center	19,778	1,992			20,279	1,491
NJDCA - Rape Prev. Edu. & Crisis Intervention Center	79,778	2,620			4,050	78,348

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

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SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2017 Grants (continued):</u>						
N.J. Department of Health:						
Division of Family Services:						
Public Priority Health Fund		8,621			(1,902)	10,523
Breast & Cervical Cancer Education & Early Detection	569,720	15,858			566,519	19,059
Special Child Health Services - Early Intervention	89,924				89,814	110
Tuberculosis Control Program	135,386	780		33,688	102,478	
Childhood Lead Poisoning Prevention	60,482	119			60,601	
N.J. Department of Human Services:						
Division of Youth and Family Services:						
DYFS - Services to the Homeless	5,085	51,428			56,513	
Human Services Council		51,820			51,820	
Division of Disability Services:						
County Wide Transportation Grant	383,746				383,746	
Respite Care Services	3,218	88,630			91,840	8
Caregivers Assistance Program	95,000					95,000
JACC Program	3,254				1,254	2,000
Division of Epidemiology Comm:						
PH-Preparation & Response - Bioterror	180,080	448			155,049	25,479
Worker and Community Right to Know Act	8,646				1,676	6,970
Governor's Council on Alcoholism and Drug Abuse:						
Drug Enforcement Demand Reduction Fund	54,102	585,359			639,461	
N.J. Department of Education:						
North Brunswick Title I Compensatory Education	158,247					158,247
Maintenance of Children in Institutions - JINS	173,231	2,296			4,794	170,733
Juv. Justice Detention Education	350,954				1,058	349,896
N.J. Department of State:						
N.J. Council on the Arts:						
Local Arts - Services to the Field	39	12,935		400	12,566	8
Folk Arts Program	20,753				20,734	19
N.J. Historic Trust:						
NJ Historical Commission	4,402	20,610		625	17,328	7,059
East Jersey Cottage Research	13,800					13,800
N. J. Department of Transportation						
Bridge 5-B-131	1,000,000				1,000,000	
Bridge 2-B-157	1,000,000				1,000,000	
Culvert 2-C-504	1,000,000				1,000,000	
Bridge 2-B-160	1,000,000				1,000,000	
Bridge 2-B-81	1,000,000				1,000,000	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

EXHIBIT A-16
PAGE 10 OF 12

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2017 Grants (continued):</u>						
N.J. Transit:						
Senior Citizens & Disabled Res. Transportation Ass.	159,817					159,817
FTA Section 5310	84,829				84,829	
Job Access Reverse Commute	1,287				1,287	
Total 2017 Grants	<u>21,299,681</u>	<u>3,787,169</u>	-	<u>800,727</u>	<u>20,381,544</u>	<u>3,904,579</u>
<u>2018 Grants:</u>						
U.S. Department of Labor:						
Division of Employment Services						
Workforce Development - WIA			6,638,817		2,386,387	4,252,430
U.S. Department of Health and Human Services:						
Division of Senior Services:						
Senior Meals of Middlesex County			2,478,700		1,543,876	934,824
Area Plan Grant for Program on Aging - Title III			3,416,268	122,949	2,471,540	821,779
MC Area Wide S.H.I.P. Grant			32,000		15,000	17,000
U.S. Department of Health and Human Services Direct Program:						
HIV Emergency Project			2,810,586	1,524,994	1,203,145	82,447
Arts & Wellness for Survivors of Sexual Violence			130,000		8,602	121,398
U.S. Department of Justice:						
Division of Criminal Justice:						
Edward Byrne Memorial Megan's Law			93,459		93,201	258
EMMA Grant - OEM			55,000		48,289	6,711
SANE/SART Victims of Crime Program			141,384		136,787	4,597
Insurance Fraud Reimbursement Program			256,146		256,144	2
Victim Assistance Project			100,870		100,870	
Stop Violence Against Women Act			45,000			45,000
Stop Violence Against Women Act			60,883		45,156	15,727
VOCA ~ Supplemental			367,203		360,117	7,086
Sexual Violence Services Project			1,029		1,029	
Body Armor Replacement Program - Prosecutors			398,601		398,595	6
Juvenile Justice Commission						
Juvenile Justice Commission			124,000		109,005	14,995
Family Court Service			249,826	4,177	216,012	29,637
Community Partnership Grant Program			454,247		382,261	71,986
Division of Highway and Traffic Safety:						
County D.W.I. Enforcement Grant			59,790		37,710	22,080
Comprehensive Traffic Safety Program			117,800		33,822	83,978

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

EXHIBIT A-16
PAGE 11 OF 12

SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2017	RESERVE FOR ENCUMBRANCES DEC. 31, 2017	TRANSFERRED FROM 2018 BUDGET	RESERVE FOR ENCUMBRANCES DEC. 31, 2018	EXPENDED	BALANCE DECEMBER 31, 2018
<u>2018 Grants (continued):</u>						
U.S. Department of Justice(Continued):						
Division of State Police:						
Advance HazMat Emergency Response			73,994			73,994
Office of Homeland Security and Preparedness:						
Homeland Security Grant Program - SHSP			420,905		1,268	419,637
Homeland Security - UASI Grant			373,000			373,000
U.S. Department of Transportation:						
Pass-through State Department of Transportation						
Division of Highway Planning and Construction:						
Annual Transportation Project ~ 2018			11,115,819		5,300,000	5,815,819
North Jersey Planning Authority:						
Sub Regional Transportation Planning			182,571		64,119	118,452
N.J. Department of Military and Veterans Affairs:						
Transport Disabled Veterans			22,000		22,000	
N.J. Department of Education:						
North Brunswick Title I Compensatory Education			280,327		1,867	278,460
Maintenance of Children in Institutions - JINS			470,000		383,519	86,481
Juv. Justice Detention Education			632,626		220,471	412,155
Medication Assistance Treatment			179,789		29,222	150,567
N.J. Department of Environmental Protection:						
Solid Waste Administration						
Recycling Enhancement Act-Interest			4,865		4,865	
Recycling Enhancement Act Fund Grant			594,778		59,002	535,776
Recycling Enhancement Act			609,110		542,418	66,692
Clean Communities Program			94,366		10,500	83,866
Environmental Health Act - CEHA			629,514		594,986	34,528
N.J. Department of Children and Families:						
NJDCA - Rape Prev. Edu. & Crisis Intervention Center						
Youth Incentive Program			192,428		179,715	12,713
			47,550		47,540	10
N.J. Department of Health:						
Division of Family Services:						
Public Health Priority Fund			233,252		218,874	14,378
Breast & Cervical Cancer Education & Early Detection			737,882	14,400	238,915	484,567
Special Child Health Services - Early Intervention			202,581		103,886	98,695
Tuberculosis Control Program			219,121		87,849	131,272
Childhood Lead Poisoning Prevention			1,354,000	17,000	368,570	968,430
Comprehensive Cancer Control			218,865	62,962	128,942	26,961

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

EXHIBIT A-16
PAGE 12 OF 12

	<u>BALANCE DECEMBER 31, 2017</u>	<u>RESERVE FOR ENCUMBRANCES DEC. 31, 2017</u>	<u>TRANSFERRED FROM 2018 BUDGET</u>	<u>RESERVE FOR ENCUMBRANCES DEC. 31, 2018</u>	<u>EXPENDED</u>	<u>BALANCE DECEMBER 31, 2018</u>
<u>2018 Grants (continued):</u>						
N.J. Department of Human Services:						
Division of Youth and Family Services						
DYFS - Services to the Homeless			814,104	54,046	724,937	35,121
Human Services Council			333,161	31,386	286,129	15,646
Division of Disability Services						
County Wide Transportation Grant			957,493		886,666	70,827
Respite Care Services			362,164		295,087	67,077
Caregivers Assistance Program			70,000			70,000
Personal Attendant Demonstration Project			78,000		77,998	2
JACC Program			63,550		60,317	3,233
Division of Epidemiology Comm:						
PH-Preparation & Response - Bioterror			317,092		127,326	189,766
Tuberculosis Program			221,676		208,305	13,371
Worker and Community Right to Know Act			18,119		9,909	8,210
Comprehensive Cancer Control						
Governor's Council on Alcoholism and Drug Abuse:						
Drug Enforcement Demand Reduction Fund			750,101	522,080	135,489	92,532
N.J. Department of State:						
N.J. Council on the Arts:						
Local Arts - Services to the Field			173,696	22,838	150,643	215
Folk Arts Program			22,353		2,750	19,603
N.J. Historic Trust:						
NJ Historical Commission			159,466	12,308	141,676	5,482
N. J. Department of Transportation						
Bridge ~ 1-B-7			250,000		250,000	
Bridge ~ 2-B-517			699,410			699,410
N.J. Transit:						
Senior Citizens & Disabled Res. Transportation Ass.			1,296,921		1,285,548	11,373
FTA Section 5310			280,000		111,956	168,044
Job Access Reverse Commute			234,052		234,051	1
Total 2018 Grants	-	-	44,022,310	2,389,140	23,444,863	18,188,307
TOTAL GRANTS	<u>\$ 33,599,612</u>	<u>\$ 5,048,247</u>	<u>\$ 44,022,310</u>	<u>\$ 3,211,102</u>	<u>\$ 54,431,161</u>	<u>\$ 25,027,906</u>
	A	A-11	A-3	A-11		A
Disbursed	A - 4				\$ 50,747,786	
Cancelled	A - 6				3,188,131	
Cancelled to Surplus	A - 1				495,244	
					<u>\$ 54,431,161</u>	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

EXHIBIT A-17

SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS UNAPPROPRIATED

<u>GRANT</u>	<u>BALANCE DECEMBER 31, 2017</u>	<u>CASH RECEIPTS</u>	<u>TRANSFERRED TO FEDERAL & STATE GRANTS RECEIVABLE</u>	<u>BALANCE DECEMBER 31, 2018</u>
N.J. Department of Health and Senior Svcs:				
GO Program Global Option	\$ 91,885		\$ 70,000	\$ 21,885
ACRC - FFP	30,050			30,050
N.J. Department of Human Services:				
Aging - JACC	194,131	\$ 81,155	63,550	211,736
Senior Meal Program - SIPA	1,202	2,191		3,393
N.J. Dept. of Education				
Juvenile Detention Education		69,750		69,750
Total Unappropriated Reserves for St. & Fed. Grants	\$ <u>317,268</u>	\$ <u>153,096</u>	\$ <u>133,550</u>	\$ <u>336,814</u>
<u>REF.</u>	A	A-4	A-6	A

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR LOCAL GRANTS UNAPPROPRIATED

EXHIBIT A-18

<u>GRANT</u>	<u>BALANCE DECEMBER 31, 2017</u>	<u>CASH RECEIPTS</u>	<u>TRANSFERRED TO LOCAL GRANTS RECEIVABLE</u>	<u>BALANCE DECEMBER 31, 2018</u>
U.S. Department of Health & Human Svcs: Office of Aging - Nutrition Program Elderly	\$ 81,917	\$ 219,962	\$ 232,100	\$ 69,779
U.S. Environmental Protection Agency: M.C.U.A. Fees	902,548	688,347	601,757	989,138
M.C.L.A. Paint Recycling Program		304,065	304,065	
SIMS Recycling Program	1,459	-	-	1,459
N.J. Department of Human Svcs: Aging - M.C. MAP	104,615	57,350	20,000	141,965
Aging - Respite Program	11,531	12,847	15,000	9,378
Care Transitions Grant	1,196			1,196
Ensure Program				
Johnson & Johnson	35,000		35,000	
N.J. Department of Health: Medicare Reimbursement - Flu Vaccine	27,691	37,425		65,116
D.A.R.E. Program		6,470	6,240	230
N.J. Transit: Senior Citizens Ride Share - M.C.A.T.	31,702	175,481	120,000	87,183
N.J. Department of Transportation: Empowerment Donations	15,061	1,220	5,000	11,281
Oak Tree/Woodland Ave Eng. Contract	547,414		547,414	
NJ Transp. Planning Auth. Internship Program		15,000	15,000	
Total Unappropriated Reserves for Local Grants	<u>\$ 1,760,134</u>	<u>\$ 1,518,167</u>	<u>\$ 1,901,576</u>	<u>\$ 1,376,725</u>
<u>REF.</u>	A	A-4	A-5	A

TRUST FUND

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF CASH AND INVESTMENTS

EXHIBIT B-1
PAGE 1 OF 2

	<u>REF.</u>	
Balance -December 31, 2017	B	\$ 62,690,115
Increased by Receipts:		
Motor Vehicle Fines	B - 2	\$ 4,883,662
Federal Aid Receivable - CDBG	B - 3	2,074,437
Federal Aid Receivable - Section 8	B - 4	4,839,571
State Aid Receivable:		
Alcoholism Rehab. Program	B - 5	2,401,244
Section 8 Housing Assist. Prepayments	B - 6	654,931
Environmental Quality	B - 7	295,357
Performance and Escrow Deposits	B - 10	567,678
Worker's Comp. Self Insurance Fund	B - 12	4,320,149
Supplemental Compensation at Retirement	B - 13	280,000
Unemployment Compensation Fund	B - 14	163,877
Reserve for CDBG Funds on Hand	B - 17	80,997
Res. for Refundable Consumer Affair Deposits	B - 18	1,819
Road Opening Bonds	B - 20	519,370
Self-Insurance Liability Trust Fund	B - 21	4,600,071
Miscellaneous Accounts	B - 22	12,795,866
Dedicated Revenue by Statute	B - 23	470,524
Prosecutor's Office - Dedicated Funds	B - 24	315,876
Cash Seized in Gambling Raids, Narc. Raids and Prosecutor's Evidence	B - 25	5,121,849
Res. for BSS Lease Purchase Payments	B - 28	1,940,500
County Open Spaces and Farmland Preserv.	B - 30	<u>34,583,118</u>
 <i>Total Cash Received</i>		 <u>80,910,896</u>
 Balance Carried Forward		 143,601,011

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF CASH AND INVESTMENTS

EXHIBIT B-1
PAGE 2 OF 2

	<u>REF.</u>	
Balance Brought Forward		143,601,011
Decreased by Disbursements:		
Section 8 Housing Assist. Prepayments	B - 6	668,890
Environmental Quality	B - 7	155,083
Motor Vehicle Fines - Road Fund	B - 8	4,592,457
Performance and Escrow Deposits	B - 10	247,291
Worker's Comp. Self-Insurance Fund	B - 12	5,052,811
Supplemental Compensation at Retirement	B - 13	343,449
Unemployment Compensation Fund	B - 14	154,446
Reserve for Alcoholism Rehabilitation Program	B - 15	1,323,390
Reserve for Housing and Community Development Expenditures	B - 16	2,100,501
Res. for Refundable Consumer Affair Deposits	B - 18	43,145
Reserve for Section 8 Housing: Assistance Payment Program	B - 19	4,871,488
Road Opening Bonds	B - 20	522,418
Self-Insurance Liability Trust Fund	B - 21	5,754,268
Miscellaneous Trust Accounts	B - 22	12,673,611
Dedicated Revenue by Statute	B - 23	259,611
Prosecutor's Office - Dedicated Funds	B - 24	333,236
Prosecutor's Office - State Seized Assets	B - 25	1,350,544
Open Space and Farmland Preservation	B - 26	13,684,029
Res. for BSS Lease Purchase Payments	B - 28	1,695,500
County Open Space & Farmland Preservation	B - 30	<u>18,729,255</u>
<i>Total Cash Disbursed</i>		<u>74,555,423</u>
Balance - December 31, 2018	B	<u><u>\$ 69,045,588</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY

EXHIBIT B-2

TRUST FUND

SCHEDULE OF MOTOR VEHICLE FINES RECEIVABLE

AND

SCHEDULE OF RESERVE FOR MOTOR VEHICLE FINES RECEIVABLE

	BALANCE DECEMBER 31, 2017	ACCRUED IN 2018	RECEIVED IN 2018	BALANCE DECEMBER 31, 2018
Carteret	\$ 7,470	\$ 96,297	\$ 98,816	\$ 4,951
Cranbury	5,969	53,138	55,859	3,248
Dunellen	3,648	81,960	78,893	6,715
East Brunswick	29,594	398,960	399,850	28,704
Edison	18,700	231,738	238,490	11,948
Helmetta	206	8,475	8,045	635
Highland Park	5,770	61,324	58,138	8,955
Jamesburg	3,862	55,589	54,790	4,661
Metuchen	9,789	109,394	109,891	9,291
Middlesex	-	161,939	151,484	10,455
Milltown	7,854	116,030	118,025	5,859
Monroe	16,044	201,663	201,669	16,038
New Brunswick	20,471	345,832	345,246	21,057
North Brunswick	48,220	586,484	601,819	32,885
Old Bridge	12,840	254,953	250,255	17,537
Perth Amboy	29,556	286,423	305,587	10,392
Piscataway	14,641	251,338	250,386	15,593
Plainsboro	8,689	151,442	152,703	7,428
Sayreville	15,455	134,264	145,208	4,511
South Amboy	2,731	39,614	39,111	3,234
South Brunswick	26,181	364,694	362,283	28,592
South Plainfield	20,421	259,267	266,012	13,675
South River	3,889	91,517	89,727	5,679
Spotswood	4,301	62,061	62,610	3,752
Woodbridge	30,562	428,392	438,766	20,189
	\$ 346,856	\$ 4,832,786	\$ 4,883,662	\$ 295,980

REF.

B

Reserve

B - 1, B - 8

B

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF FEDERAL AID RECEIVABLE
HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

	<u>REF.</u>	<u>TOTAL</u>	<u>DUE FROM H.U.D.</u>	<u>HOME INVESTMENT PARTNERSHIP FUNDS</u>	<u>EMERGENCY SHELTER GRANT</u>
Balance - December 31, 2017	B	\$ 6,097,101	\$ 3,548,843	\$ 2,162,914	\$ 385,344
Increased By:					
Anticipated Revenue for Program Year 2017- 2018	B-16	<u>3,553,142</u>	<u>1,857,906</u>	<u>1,548,837</u>	<u>146,399</u>
Sub Total		<u>9,650,243</u>	<u>5,406,749</u>	<u>3,711,751</u>	<u>531,743</u>
Decreased By:					
Receipts	B-1	<u>2,074,437</u>	<u>1,690,778</u>	<u>346,202</u>	<u>37,457</u>
Balance - December 31, 2018	B	<u><u>\$ 7,575,806</u></u>	<u><u>\$ 3,715,971</u></u>	<u><u>\$ 3,365,549</u></u>	<u><u>\$ 494,286</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
 TRUST FUND
 SCHEDULE OF FEDERAL AID RECEIVABLE
SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM

	<u>REF.</u>	<u>VOUCHER PROGRAM</u>
Balance - December 31, 2017	B	\$ -
Increased By:		
Anticipated Revenue for Program Year 2018		4,659,905
Program Income/Rental Income		<u>179,666</u>
	B-19	<u>4,839,571</u>
Total Available		4,839,571
Decreased By:		
Receipts	B-1	<u>4,839,571</u>
Balance - December 31, 2018	B	<u><u>\$ -</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF STATE AID RECEIVABLE
ALCOHOLISM REHABILITATION PROGRAM

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 2,070,780
Increased By:		
2018 Grant	B-15	<u>1,295,666</u>
Total Available		3,366,446
Decreased By:		
Receipts	B-1	<u>2,401,244</u>
Balance - December 31, 2018	B	<u><u>\$ 965,202</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF SECTION 8 HOUSING ASSISTANCE
GRANT PREPAYMENTS

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 654,931
Increased By:		
2018 Grant Prepayments	B-1	<u>668,890</u>
		1,323,821
Decreased By:		
2017 Grant Prepayments Reversed	B-1	<u>654,931</u>
Balance - December 31, 2018	B	<u><u>\$ 668,890</u></u>

EXHIBIT B-7

COUNTY OF MIDDLESEX, NEW JERSEY
 TRUST FUND
SCHEDULE OF ENVIRONMENTAL QUALITY

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 553,066
Increased By:		
Receipts	B-1	<u>295,357</u>
Total Available		848,423
Decreased By:		
Disbursements	B-1	<u>155,083</u>
Balance - December 31, 2018	B	<u><u>\$ 693,340</u></u>

EXHIBIT B-8

COUNTY OF MIDDLESEX, NEW JERSEY
 TRUST FUND
SCHEDULE OF MOTOR VEHICLE FINES - ROAD FUND 39:5-41

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 125,500
Increased By:		
Motor Vehicle Fines Received	B-2	<u>4,883,662</u>
Total Available		5,009,162
Decreased By:		
Costs Paid	B-1	<u>4,592,457</u>
Balance - December 31, 2018	B	<u><u>\$ 416,705</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	REF.	BALANCE DECEMBER 31, 2017	INCREASED BY CHARGES	ENCUMBRANCES PAID OR CANCELLED	BALANCE DECEMBER 31, 2018
Reserve for Performance & Escrow Dep.	B - 10	\$ 3,529,803	\$ 3,739,590	\$ 3,529,803	\$ 3,739,590
Reserve For Worker's Comp Self Insurance Fund	B - 12	12,980	690,000	12,980	690,000
Reserve For Alcoholism Rehabilitation Program	B - 15	174,674		174,674	-
Reserve For Housing & Community Development Act Expenditures	B - 16	622,765	37,500	622,765	37,500
Res. For Road Opening Bonds	B - 20	1,084,220		1,084,220	-
Self-Insurance Liability Trust Fund	B - 21	19,898		19,898	-
Miscellaneous Trust Accounts	B - 22	68,349	25,000	68,349	25,000
Dedicated Revenues By Statute	B - 23	1,252		1,252	-
Prosecutor's Office - Dedicated Funds	B - 24	164,557		164,557	-
TOTALS	B	\$ 5,678,498	\$ 4,492,090	\$ 5,678,498	\$ 4,492,090
	<u>Ref.</u>	B	Various	Various	B

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF PERFORMANCE AND ESCROW DEPOSITS

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ -
Increased By:			
Receipts	B-1	567,678	
Transfer From Reserve For Encumbrances	B-9	<u>3,529,803</u>	
			<u>4,097,481</u>
Total Available			4,097,481
Decreased By:			
Refunds	B-1	247,291	
Transfer to Reserve For Encumbrances	B-9	<u>3,739,590</u>	
			<u>3,986,881</u>
Balance - December 31, 2018	B		<u><u>\$ 110,600</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE - OPEN SPACE TAXES RECEIVABLE
AND
SCHEDULE OF RESERVE FOR OPEN SPACE TAXES RECEIVABLE

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 16,068
Increased by:			
2018 Open Space Tax Adjustment	Reserve		<u>51,615</u>
			67,683
Decreased by:			
Receipts on Receivable	Reserve		<u>16,068</u>
Balance - December 31, 2018	B		<u><u>\$ 51,615</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF WORKER'S COMPENSATION SELF INSURANCE

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 1,836,082
Increased By:		
Transfer From 2017 Budget Appropriations	B-1	3,001,101
Transferred From Reserve For Encumbrances	B-9	12,980
Excess Recovery Receipts	B-1	29,659
Third Party Reimbursements	B-1	<u>1,289,389</u>
		<u>4,333,129</u>
Total Available		6,169,211
Decreased By:		
Cash Disbursements	B-1	5,052,811
Transferred To Reserve For Encumbrances	B-9	<u>690,000</u>
Balance - December 31, 2018	B	<u><u>\$ 426,400</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF SUPPLEMENTAL COMPENSATION AT RETIREMENT FUND

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 83,006
Increased By:		
Transfer From 2018 Budget Appropriations	B-1	<u>280,000</u>
Total Available		363,006
Decreased By:		
Cost Paid	B-1	<u>343,449</u>
Balance - December 31, 2018	B	<u><u>\$ 19,557</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF UNEMPLOYMENT COMPENSATION INSURANCE

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 230,338
Increased By:		
Reserve For Employer's SUI Fund	B-1	<u>163,877</u>
Total Available		394,215
Decreased By:		
Claims Paid To State of New Jersey	B-1	<u>154,446</u>
Balance - December 31, 2018	B	<u><u>\$ 239,769</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR ALCOHOLISM REHABILITATION PROGRAM

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 161,627
Increased By:			
Transfer From Reserve For Encumbrances	B-9	174,674	
2018 Program Amount	B-5	<u>1,295,666</u>	
			<u>1,470,340</u>
Total Available			1,631,967
Decreased By:			
Costs Paid	B-1		<u>1,323,390</u>
Balance - December 31, 2018	B		<u><u>\$ 308,577</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR HOUSING AND
COMMUNITY DEVELOPMENT ACT EXPENDITURES

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 4,963,697
Increased By:			
Appropriation For Program Year 2018	B-3	3,553,142	
Transfer From Reserve For Encumbrances	B-9	<u>622,765</u>	
			<u>4,175,907</u>
Total Available			9,139,604
Decreased By:			
Transfer To Reserve For Encumbrances	B-9	37,500	
Costs Paid	B-1	<u>2,100,501</u>	
			<u>2,138,001</u>
Balance - December 31, 2018	B		<u><u>\$ 7,001,603</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR C.D.B.G. FUNDS ON HAND

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 692,735
Increased By:			
Interest Income	B-1	634	
Receipts on Loans Returned	B-1	<u>80,363</u>	
			<u>80,997</u>
Balance - December 31, 2018	B		<u><u>\$ 773,732</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR REFUNDABLE CONSUMER AFFAIR DEPOSITS

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 74,243
Increased By:		
Cash Receipts	B-1	<u>1,819</u>
Total Available		76,062
Decreased By:		
Disbursements	B-1	<u>43,145</u>
Balance - December 31, 2018	B	<u><u>\$ 32,917</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR SECTION 8
HOUSING ASSISTANCE PAYMENTS PROGRAM

	<u>REF.</u>	<u>VOUCHER PROGRAM</u>
Balance - December 31, 2017	B	\$ 765,032
Increased By:		
Anticipated Revenue For Program Year 2018	B-4	<u>4,839,571</u>
Total Available		5,604,603
Decreased By:		
Costs Paid	B-1	<u>4,871,488</u>
Balance - December 31, 2018	B	<u><u>\$ 733,115</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF ROAD OPENING BONDS

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 947,307
Increased By:			
Receipts	B-1	\$ 519,370	
Transfer From Reserve for Encumbrances	B-9	<u>1,084,220</u>	
			<u>1,603,590</u>
Total Available			<u>2,550,897</u>
Decreased By:			
Refunds	B-1		<u>522,418</u>
Balance - December 31, 2018	B		<u><u>\$ 2,028,479</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF SELF INSURANCE LIABILITY TRUST FUND

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 3,080,433
Increased By:			
Transfer From 2018 Budget Appropriation	B-1	\$ 4,488,987	
Other Income	B-1	111,084	
Transfer From Reserve for Encumbrances	B-9	<u>19,898</u>	
			<u>4,619,969</u>
			7,700,402
Decreased By:			
Costs Paid	B-1		<u>5,754,268</u>
Balance - December 31, 2018	B		<u><u>\$ 1,946,134</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUNDS
SCHEDULE OF MISCELLANEOUS TRUST ACCOUNTS

EXHIBIT B-22

	BALANCE DECEMBER 31, 2017	RECEIPTS	DISBURSE- MENTS	TRANSFER TO/(FROM) ENCUMB. PAYABLE	BALANCE DECEMBER 31, 2018
Clean Water Enforcement Fund	\$ 3,332	\$ 6	\$ -	\$ (129)	\$ 3,467
E-Filing Fees	57,891	85,724	31,820		111,795
Reserve For Insurance Recoveries	67,852	-			67,852
Cultural & Heritage Commission	59,639	377,688	10,006	(10,816)	438,137
County Homeless Trust	394,519	225,138	218,971		400,686
County Homeless-Coming Home	-	145,000	145,000		-
County Homeless-VHAP	26,029	98,971	109,665		15,335
Contract Security Deposit	18,589	8,075	5,789		20,875
W.I.A. Administration Pension	3,799,113	156,980	610,123		3,345,970
Group Insurance - Prudential	26				26
Intoxicated Driver Fines	455,999	280,361	169,089		567,271
Res. Int. Workforce Development	90,877	14,800	220	(700)	106,157
MCUA Solid W. MGT Ser Fee	460,625	328,830	346,725		442,730
Employees Med. Payroll Deductions	-	8,204,262	8,204,262		-
NJ Public Priority Health Fund	-	2,604,373	2,604,373		-
Fire Deduction Penalty Account	65,019	26,756	45,417	(8,247)	54,605
Adult Correction Center - Inmate Welfare Funds	148,898	235,000	169,173	(22,154)	236,879
Pancreatic Cancer Fund	87				87
Interest on WIA Health Account	299,052				299,052
Sheriff Officers-Non-Federal Forfeitures	9,608	3,902	2,978	(1,303)	11,835
	<u>\$ 5,957,155</u>	<u>\$ 12,795,866</u>	<u>\$ 12,673,611</u>	<u>\$ (43,349)</u>	<u>\$ 6,122,759</u>
<u>Ref.</u>	B	B-1	B-1	B-9	B

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF DEDICATED REVENUES BY STATUTE

	REF.	TOTAL	P.L. 1979, CH. 499 TAX APPEALS	P.L. 1985, CH. 422 COUNTY CLERK FEES	N.J. WEIGHTS & MEASURES FINES	P.L. 1988, CH. 109 SURROGATE FEES	AUTO PENALTIES	SHERIFF'S RESERVES
Balance - December 31, 2017	B	\$ 1,501,654	\$ 885,046	\$ 306,123	\$ 75,511	\$ 91,022	\$ 3,835	\$ 140,117
Increased By:								
Statutory Collections	B-1	458,571	55,914	211,952	116,893	23,853	27	49,932
Interest Income	B-1	11,953	8,619	2,242		1,051	41	
Transferred From Reserve For Encumbrances	B-9	1,252	-	425	403	24	-	400
Total Available		<u>1,973,430</u>	<u>949,579</u>	<u>520,742</u>	<u>192,807</u>	<u>115,950</u>	<u>3,903</u>	<u>190,449</u>
Decreased By:								
Costs Paid	B-1	259,611	-	31,536	178,313	26,198	122	23,442
		<u>259,611</u>	<u>-</u>	<u>31,536</u>	<u>178,313</u>	<u>26,198</u>	<u>122</u>	<u>23,442</u>
Balance - December 31, 2018	B	<u>\$ 1,713,819</u>	<u>\$ 949,579</u>	<u>\$ 489,206</u>	<u>\$ 14,494</u>	<u>\$ 89,752</u>	<u>\$ 3,781</u>	<u>\$ 167,007</u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF PROSECUTOR'S OFFICE - DEDICATED FUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>FEDERAL FUNDS RECEIVED</u>	<u>NON-FEDERAL FUNDS</u>
Balance - December 31, 2017	B	\$ 2,523,921	\$ 604,228	\$ 1,919,693
Increased By:				
Interest Income	B-1	111,129	8,695	102,434
Forfeited Funds	B-1	204,747	40,747	164,000
Forfeited Funds Clearing Account	B-25	887,928		887,928
Transfer From Reserve For Encumbrances	B-9	<u>164,557</u>	<u>159,986</u>	<u>4,571</u>
		<u>1,368,361</u>	<u>209,428</u>	<u>1,158,933</u>
Total Available		3,892,282	813,656	3,078,626
Decreased By:				
Costs Paid	B-1	<u>333,236</u>	<u>187,429</u>	<u>145,807</u>
Balance - December 31, 2018	B	<u>\$ 3,559,046</u>	<u>\$ 626,227</u>	<u>\$ 2,932,819</u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
STATE SEIZED ASSETS

	<u>REF.</u>		<u>STATE SEIZED ASSETS</u>
Balance - December 31, 2017	B		\$ 3,537,210
Increased By:			
Receipts	B-1		<u>5,121,849</u>
Total Available			8,659,059
Decreased By:			
Transferred to State Seized Asset Account	B-1	1,350,544	
Transferred To Forfeited Funds Clearing A/C	B-24	<u>887,928</u>	<u>2,238,472</u>
Balance - December 31, 2018	B		<u><u>\$ 6,420,587</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
ON OPEN SPACE AND FARMLAND PRESERVATION

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 13,684,029
Increased By:		
Transfer from County Open Space Account	B - 30	<u>10,644,247</u>
		24,328,276
Decreased By:		
Transfer to Current Fund	B - 1	<u>13,684,029</u>
Balance - December 31, 2018	B	<u><u>\$ 10,644,247</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF C.D.B.G. - URBAN HOUSING PRESERVATION
PROGRAM LOANS - MORTGAGE RECEIVABLE & RESERVE

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 1,213,570
Loans Returned - Program Year 2018 (net)	Reserve	<u>44,000</u>
Balance - December 31, 2018	B	<u><u>\$ 1,169,570</u></u>

EXHIBIT B-28

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF RESERVE FOR BOARD OF SOCIAL
SERVICES BUILDING LEASE PURCHASE PAYMENTS

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 1,400,282
Increased By:		
Receipts	B-1	<u>1,940,500</u>
Total Available		3,340,782
Decreased By:		
Transfer To Current Fund	B-1	<u>1,695,500</u>
Balance - December 31, 2018	B	<u><u>\$ 1,645,282</u></u>

EXHIBIT B-29

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
ESCHEATED SEIZED FUNDS

	<u>REF.</u>	
Balance - December 31, 2017	B	\$ 4,622
Balance - December 31, 2018	B	<u><u>\$ 4,622</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
SCHEDULE OF COUNTY OPEN SPACES AND FARMLAND PRESERVATION

	<u>REF.</u>		
Balance - December 31, 2017	B		\$ 23,712,490
Increased by:			
Receipts:			
Open Space Tax	B - 1	31,864,315	
Open Space Tax Added and Omitted	B - 1	250,369	
Excess Open Space Tax Receipts	B - 1	747,512	
Interest	B - 1	375,965	
BAB Subsidy Refunds	B - 1	379,172	
Miscellaneous Receipts	B - 1	11,180	
Excess Debt Service Refund From Current Fund	B - 1	711,507	
Easements	B - 1	<u>243,098</u>	
			<u>34,583,118</u>
Total Available			58,295,608
Decreased by:			
Transfer to Reserve For Debt Service	B - 26	10,644,247	
Cash Disbursements	B - 1	<u>18,729,255</u>	
			<u>29,373,502</u>
Balance - December 31, 2018	B		<u><u>\$ 28,922,106</u></u>

GENERAL CAPITAL FUND

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>REF.</u>	
Balance - December 31, 2017	C, C - 3	\$ 566,235
Increased by:		
Receipts:		
Premium on Sale of Bonds And Bans	C - 1	1,406,600
M.C.I.A. Loan Ordinance Premium	C - 1	159,155
Proceeds from Sale of Bond Anticipation Notes	C - 13	39,000,000
Proceeds from Sale of Bonds	C-8, C-10, C-11, C-12	20,905,000
Proceeds from MCIA Loan Issued	C - 18	5,598,734
Capital Transportation Grant Reserves	C - 9	1,315,190
2018 Budget Appropriations:		
Capital Improvement Fund	C - 16	<u>29,513,493</u>
<i>Total Cash Received</i>		<u>97,898,172</u>
		98,464,407
Decreased by:		
Disbursements:		
Anticipated Current Fund Revenue Realized	C - 1	1,803,370
Bond Anticipation Notes Redeemed	C - 13	34,000,000
Improvement Authorizations	C - 15	57,492,102
Bond Issuance Expenses	C - 17	<u>319,928</u>
<i>Total Cash Disbursed</i>		<u>93,615,400</u>
Balance - December 31, 2018	C, C - 3	<u><u>\$ 4,849,007</u></u>

COUNTY OF MIDDLESEX
GENERAL CAPITAL FUND
ANALYSIS OF CASH INVESTMENT

EXHIBIT C-3
Page 1 of 2

ORDINANCE NUMBER	Improvement Authorization	Balance December 31, 2017	Receipts			Disbursements			Transfers		Balance December 31, 2018
			General Obligation Bonds Issued	Bond Anticipation Notes Issued	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes Redeemed	Miscellaneous	From	To	
Capital Improvement Fund		\$ 878,027			\$ 29,513,493					\$ 18,755,000	\$ 11,636,520
Reserve for Bond Issue Costs		115,704			250,000						45,776
Reserve for Encumbrances		64,471,016						\$ 319,928			9,806,727
Capital Transportation Grant Reserves		11,913,361			1,315,190					64,471,016	\$ 9,806,727
Fund Balance		1,803,370			1,565,755					159,155	1,406,600
	Resolution of:										
302	May 16, 1996					\$ (13,111)					13,111
307	June 26, 1997					(11,017)					11,017
324	April 17, 2000					(51,497)					51,497
332	April 19, 2001	1,354,892				(252,143)					1,607,035
338	April 18, 2002					(282,469)					282,469
339	May 02, 2002								25,000	25,000	-
343	April 03, 2003					(753,232)					753,232
353	June 06, 2013					(214,230)					8,452
357	March 17, 2005	1,045		1,218,056		1,297	1,217,456				348
361	December 01, 2005			1,253				1,253			-
362	March 02, 2006	100,000		588,704			588,704				8,043
366	March 01, 2007			3,842,432		34,349	3,842,432				178,819
367	March 01, 2007					(907,310)			350	350	907,310
372	May 01, 2008	6,024,561		4,749,313		5,199,069	4,749,313		104,824	568,939	1,289,607
375	August 21, 2008	6,590,688		3,311,926		5,066,937	3,311,926				1,523,751
378	October 02, 2008					(65,417)					65,417
383	June 06, 2013	5,218,893		4,824,539		3,894,064	4,824,539		2,788	2,517,147	3,839,188
390	May 20, 2010	(4,436,675)		20,463,777		5,834,881	15,464,377		600,000	3,735,870	(2,136,286)
391	September 02, 2010	121				5,013					7,951
393	May 19, 2011	(30,324,673)				8,179,273					5,842,419
396	August 18, 2011			221,831		119,727					12,247
400	April 19, 2012	(17,515,786)				4,162,568			225,000	6,078,034	(15,825,320)
402	August 16, 2012	32,396				(88,676)					50,151
404	October 16, 2013	(17,298,003)	7,570,000			2,943,479				3,641,007	(9,030,475)
405	October 16, 2013	(3,100,000)	2,970,000								(130,000)
406	October 16, 2013	(2,000,000)	1,875,000								(125,000)
407	May 16, 2013										40,991
409	September 26, 2013	24,488				36,971					6,023
410	May 05, 2014	(21,777,181)				953,469					202,911
412	May 08, 2014	3,014,831				2,227,574					3,062,631
416	May 22, 2014	1,713,683				374,907					787,257
418	August 31, 2014	165,958				431,951					1,338,776
422	May 05, 2015	3,000,000									487,911
424	July 23, 2015	7,984				139,028					1,092,228
426	April 21, 2016	(27,529,215)				8,376,830			3,000,000	22,948,694	(15,957,351)
428	April 21, 2016	472,159				(3,884,788)				2,634,087	6,991,034
430	July 21, 2016	2,199,048				3,016,019				2,162,507	1,345,536
432	April 20, 2017	3,000,000									-
433	April 20, 2017	1,000,000									1,000,000
434	April 20, 2017	3,400,000									3,400,000

COUNTY OF MIDDLESEX
GENERAL CAPITAL FUND
ANALYSIS OF CASH INVESTMENT

EXHIBIT C-3
Page 2 of 2

ORDINANCE NUMBER	Improvement Authorization	Balance	Receipts			Disbursements			Transfers		Balance
		December 31, 2017	General Obligation Bonds Issued	Bond Anticipation Notes Issued	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes Redeemed	Miscellaneous	From	To	December 31, 2018
435	April 20, 2017	318,788				(9,104,033)				8,631,207	18,054,028
436	May 18, 2017	1,396,468				(952,297)		2,348,765			-
437	September 7, 2017	6,108,456				3,122,986				533,420	3,518,890
438	May 17, 2018		1,925,000			1,000,000					925,000
439	May 17, 2018		2,995,000								2,995,000
440	May 17, 2018		3,570,000								3,570,000
441	May 17, 2018					14,645,907		3,500,000		18,375,000	229,093
442	June 21, 2018		5,598,734			950,000				159,155	4,807,889
443	November 19, 2018					600,000				380,000	(220,000)
		<u>\$ 566,235</u>	<u>\$ 26,503,734</u>	<u>\$ 39,000,000</u>	<u>\$ 32,644,438</u>	<u>\$ 57,742,102</u>	<u>\$ 34,000,000</u>	<u>\$ 2,123,298</u>	<u>\$ 93,191,898</u>	<u>\$ 93,191,898</u>	<u>\$ 4,849,007</u>
	<u>REF.</u>	C, C - 2	C-8, C-10 C-11, C-12, C-18	C-13	Various	C - 15	C-13	Various		0	C, C - 2

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>	
Balance - December 31, 2017	C	\$ 64,471,016
Increased by:		
Transferred from Improvement Authorizations	C - 15	<u>9,806,727</u>
		74,277,743
Decreased by:		
Transferred to Improvement Authorizations	C - 15	<u>64,471,016</u>
Balance - December 31, 2018	C	<u><u>\$ 9,806,727</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF LEASES RECEIVABLE
AND
SCHEDULE OF RESERVE FOR LEASES RECEIVABLE

	<u>REF.</u>	
Balance - December 31, 2017	C	\$ 8,938,069
Decreased by:		
Lease Payments	Reserve	<u>685,000</u>
Balance - December 31, 2018	C, C - 5	<u><u>\$ 8,253,069</u></u>
<u>Analysis of Balance - December 31, 2018</u>		
City of New Brunswick - Civic Square II	C, C - 5	<u><u>\$ 8,253,069</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance - December 31, 2017			
Deferred Charges Future Taxation Funded	C	\$ 287,599,000	
Deferred Charges Future Taxation Funded-Loans	C	28,126,648	
Deferred Charges Future Taxation Funded-Capital Leases	C	<u>141,520,994</u>	
			\$ 457,246,642
Increased by:			
Serial Bonds Issued	C - 7	20,905,000	
MCIA Loan Issued	C - 7	<u>5,598,734</u>	
			<u>26,503,734</u>
			483,750,376
Decreased by:			
2018 Budget Appropriations to Pay Bonds:			
General Serial Bonds	C - 8	32,705,000	
County College Bonds	C - 10	2,957,500	
County College Bonds (N.J.S. 18A:64A-22.1)	C - 11	1,172,500	
Vocational School Bonds	C - 12	3,445,000	
MCIA Loan principal payment	C - 18	8,101,114	
Green Acres Trust Principal Loan Payment	C - 19	688,977	
2018 Budget Appropriation to Pay Leases	C - 20	<u>15,182,846</u>	
			<u>64,252,937</u>
Balance - December 31, 2018			
Deferred Charges Future Taxation Funded	C	\$ 268,224,000	
Deferred Charges Future Taxation Funded-Loans	C	24,935,291	
Deferred Charges Future Taxation Funded-Capital Leases	C	<u>126,338,148</u>	
			<u><u>\$ 419,497,439</u></u>

MIDDLESEX COUNTY, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

CAP. DEPT. NO.	DATE	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2017	2018 AUTH.	BONDS ISSUED	FUNDED FR FUND BALANCE	FUNDED FR CAP IMPROV FUND	UNFUNDED AUTHOR. CANCELLED	BALANCE DEC. 31, 2018	ANALYSIS OF DEC. 31, 2018 BAL.		
										UNEXP. IMPROV. AUTHOR.	EXPEND.	BOND ANTIC. NOTES
357	03/17/05	General Improvements	\$ 1,218,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,218,056	\$ -	\$ -	\$ 1,218,056
361	12/01/05	Impr&Upgrades 800mhz System	1,253						1,253			1,253
362	03/02/06	General Improvements	588,704						588,704			588,704
366	03/01/07	General Improvements	3,842,432						3,842,432			3,842,432
372	05/01/08	General Improvements	4,749,313						4,749,313			4,749,313
375	08/21/08	Medwick Pk Reconstr. Remed	3,311,926						3,311,926			3,311,926
383	06/25/09	General Improvements	4,824,539						4,824,539			4,824,539
390	05/20/10	General Improvements	25,799,196						25,799,196	3,199,133	2,136,286	20,463,777
393	05/19/11	General Improvements	37,703,082						37,703,082	5,041,555	32,661,527	
400	04/19/12	General Improvements	20,778,278						20,778,278	4,952,958	15,825,320	
404	10/16/13	General Improvements	20,000,000		7,570,000				12,430,000	3,399,525	9,030,475	
405	10/16/13	Votech School Improv	3,100,000		2,970,000				130,000		130,000	
406	10/16/13	MCC Acquisition Cap Equip	2,000,000		1,875,000				125,000		125,000	
410	05/08/14	General Improvements	23,581,904						23,581,904	3,913,885	19,668,019	
426	04/21/16	General Improvements	28,118,095						28,118,095	12,160,744	15,957,351	
437	09/07/17	MCIA Loan for Equipment & Improv.	185,281						185,281	185,281	-	
438	05/17/18	MCC General Capital Improvements		2,000,000	1,925,000				75,000	75,000	-	
439	05/17/18	Vo-Tech School Improv.		3,100,000	2,995,000				105,000	105,000	-	
440	05/17/18	MCC CH12 Capital Improvements		3,700,000	3,570,000				130,000	130,000	-	
441	05/17/18	General Capital Improvements		35,000,000			18,375,000		16,625,000	16,625,000	-	
442	06/21/18	MCIA Loan for Equipment & Improv.		6,250,000	5,598,734	159,155			-		-	
443	11/19/18	Helicopter and Voting Machines		7,600,000			380,000		7,220,000	7,000,000	220,000	
			<u>\$ 179,802,059</u>	<u>\$ 57,650,000</u>	<u>\$ 26,503,734</u>	<u>\$ 159,155</u>	<u>\$ 18,755,000</u>	<u>\$ 492,111</u>	<u>\$ 191,542,059</u>	<u>\$ 56,788,081</u>	<u>\$ 95,753,978</u>	<u>\$ 39,000,000</u>
		<u>REF.</u>	C	C - 15		C-1	C-16	C - 15	C			C-13
		Serial Bonds Issued	C-6		\$ 20,905,000							
		MCIA Loan Issue	C-6		5,598,734							
					<u>\$ 26,503,734</u>							
		RECONCILIATION UNEXPENDED IMPROVEMENT AUTHORIZATION										
		BANS AND BONDS CASH							357	\$ 348		
									362	108,043		
									366	144,470		
									372	1,289,607		
									375	1,523,751		
									383	3,839,188		
									438	925,000		
									439	2,995,000		
									440	3,570,000		
										<u>\$ 71,183,488</u>		
		<u>REF.</u>								C-15		

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

EXHIBIT C-8
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PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018							
			DATE	AMOUNT												
ERI-Refunding Bonds	03/05/04	\$ 10,315,000	Oct. 1, 19	\$ 915,000	5.16%	\$ 4,465,000		\$ 805,000	\$ 3,660,000							
			Oct. 1, 20	1,035,000	5.16%											
			Oct. 1, 21	1,165,000	5.16%											
			Oct. 1, 25	10,000	5.44%											
			Oct. 1, 26	20,000	5.44%											
			Oct. 1, 27	30,000	5.44%											
			Oct. 1, 28	45,000	5.44%											
			Oct. 1, 29	55,000	5.44%											
			Oct. 1, 30	70,000	5.44%											
			Oct. 1, 31	85,000	5.44%											
			Oct. 1, 32	105,000	5.44%											
			Oct. 1, 33	125,000	5.44%											
			General Improvement Bonds	01/03/08	18,000,000							3.750%	1,550,000		1,550,000	-
			General Improvement Bonds 501C	01/03/08	2,500,000							3.625%	200,000		200,000	-
General Improvement Bonds	06/11/08	16,000,000			3.500%	1,220,000		1,220,000	-							
General Improvement Bonds	01/30/09	22,000,000	Jan 15, 19	1,800,000	3.00%	3,600,000		1,800,000	1,800,000							
Redev. General Improv. Bonds	01/30/09	9,027,000	Jan 15, 19	700,000	3.500%	1,375,000		675,000	700,000							
General Improvement Bonds	06/09/10	41,000,000	June 01, 19-20	3,250,000	3.00%	9,750,000		3,250,000	6,500,000							
Gen.Oblig Redev. Bds Series 2011	01/18/11	47,440,000	Jan 15, 19	2,530,000	4.00%	10,160,000		2,430,000	7,730,000							
			Jan 15, 20-21	2,600,000	4.00-4.625%											
Gen. Improv. Bonds Series 2013	03/21/13	40,839,000	Jan 15, 19-27	3,000,000	2.00-3.00%	32,839,000		2,840,000	29,999,000							
			Jan 15, 28	2,999,000	3.00%											
Gen. Improv. Ref. Nontaxable Bonds 2013	11/07/13	8,260,000	June 15, 19	1,710,000	4.00%	5,000,000		1,660,000	3,340,000							
			June 15, 20	1,630,000	4.00%											
Gen.Oblig. Ref. Nontaxable Bonds 2013	11/07/13	2,445,000	June 15, 19-20	490,000	3.00%	1,470,000		490,000	980,000							
Gen. Oblig Ref. Bonds Series 2014 A	02/27/14	19,405,000	June 15, 19	3,885,000	4.00%	15,530,000		3,895,000	11,635,000							
			June 15, 20	3,880,000	4.00%											
			June 15, 21	3,870,000	4.00%											
Gen. Oblig Ref. Bonds Series 2014 B	02/27/14	16,545,000	June 15, 19	2,750,000	4.00%	13,825,000		2,585,000	11,240,000							
			June 15, 20	1,150,000	2.00%											
			June 15, 20	1,680,000	4.00%											
			June 15, 21	2,810,000	4.00%											
			June 15, 22	2,850,000	4.00%											

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

EXHIBIT C-8
Page 2 of 3

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT					
Gen. Improv. Bonds Series 2014	06/17/14	6,960,000	Feb 15, 19	440,000	2.00%	2,110,000		1,670,000	440,000
Gen. Oblig. Ref. Bonds Series 2015A	04/29/15	6,455,000	June 01, 19	1,630,000	5.00%	6,455,000		1,615,000	4,840,000
			June 01, 20	1,620,000	2.00%				
			June 01, 21	1,590,000	2.00%				
Gen. Oblig. Ref. Bonds Series 2015B	04/29/15	14,985,000	June 01, 19	3,775,000	5.00%	14,985,000		3,700,000	11,285,000
			June 01, 20	3,795,000	2.00%				
			June 01, 21	3,715,000	2.00%				
Gen. Impr. Ref. Heldrich Ctr. Proj 2015	04/29/15	2,175,000	June 01, 19	125,000	5.00%	2,175,000		120,000	2,055,000
			June 01, 20-21	125,000	2.00%				
			June 01, 22	115,000	5.00%				
			June 01, 23	115,000	2.00%				
			June 01, 24-25	110,000	2.250%				
			June 01, 26	110,000	2.375%				
			June 01, 27	105,000	2.500%				
			June 01, 28	105,000	2.625%				
			June 01, 29	105,000	3.000%				
			June 01, 30	105,000	5.00%				
			June 01, 31	105,000	3.250%				
			June 01, 32-36	100,000	3.250%				
			June 01, 37	95,000	3.250%				
Gen. Improv. Ref. Bonds Series 2016	04/14/16	16,980,000	Jan 15, 19	2,765,000	4.00%	16,980,000			16,980,000
			Jan 15, 20	4,675,000	3.00%				
			Jan 15, 21	4,675,000	4.00%				
			Jan 15, 22	3,045,000	4.00%				
			Jan 15, 23	1,820,000	4.00%				

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

EXHIBIT C-8
Page 3 of 3

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018							
			DATE	AMOUNT												
Gen. Improv. Ref. Bonds 501C Series 2016	04/14/16	585,000	Jan 15, 19-21	195,000	4.00%	585,000			585,000							
Gen. Redev. Ref. Bonds Series 2016	04/14/16	4,050,000	Jan 15, 20	670,000	4.00%	4,050,000			4,050,000							
			Jan 15, 21	680,000	4.00%											
			Jan 15, 22-24	675,000	4.00%											
			Jan 15, 25	675,000	5.00%											
Gen. Improv. Bonds Series 2016	06/16/16	33,900,000	June 15, 19	2,000,000	2.00%	31,700,000		2,200,000	29,500,000							
			June 15, 20-21	1,600,000	2.00%											
			June 15, 22-26	3,000,000	2.00%											
			June 15, 27-28	3,100,000	2.00%											
			June 15, 29	3,100,000	2.125%											
Gen. Improv. Bonds Series 2017	08/24/17	12,720,000	Jan 15, 21	3,190,000	3.00%	12,720,000			12,720,000							
			Jan 15, 22	3,185,000	3.00%											
			Jan 15, 23	3,175,000	3.00%											
			Jan 15, 24	3,170,000	4.00%											
Gen. Redev. Ref. Bonds Series 2017	08/24/17	24,615,000	Jan 15, 22	2,440,000	4.00%	24,615,000			24,615,000							
			Jan 15, 23	2,435,000	4.00%											
			Jan 15, 24	2,440,000	5.00%											
			Jan 15, 25	2,460,000	5.00%											
			Jan 15, 26	2,480,000	5.00%											
			Jan 15, 27	2,495,000	5.00%											
			Jan 15, 28	2,495,000	4.00%											
			Jan 15, 29	2,480,000	4.00%											
			Jan 15, 30	2,455,000	4.00%											
			Jan 15, 31	2,435,000	4.00%											
			Gen. Improv. Bonds Series 2018A	11/20/18	7,570,000					Nov 15, 19	405,000	5.00%		\$ 7,570,000		7,570,000
										Nov 15, 20	425,000	5.00%				
Nov 15, 21	440,000	5.00%														
Nov 15, 22	465,000	5.00%														
Nov 15, 23	485,000	5.00%														
Nov 15, 24	510,000	5.00%														
Nov 15, 25	535,000	5.00%														
Nov 15, 26	560,000	4.00%														
Nov 15, 27	580,000	4.00%														
Nov 15, 28	600,000	3.125%														
Nov 15, 29	615,000	3.250%														
Nov 15, 30	630,000	3.250%														
Nov 15, 31	650,000	3.250%														
Nov 15, 32	670,000	3.375%														
						<u>\$ 217,359,000</u>	<u>\$ 7,570,000</u>	<u>\$ 32,705,000</u>	<u>\$ 192,224,000</u>							
REF.						C	C - 2	C - 6	C							

COUNTY OF MIDDLESEX, NEW JERSEY
 GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL TRANSPORTATION GRANT RESERVES

	<u>REF.</u>	
Balance - December 31, 2017	C	\$ 11,913,361
Increased by:		
Cash Receipts	C-2	<u>1,315,190</u>
Balance - December 31, 2018	C	<u><u>\$ 13,228,551</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF COUNTY COLLEGE BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT					
County College Bonds C.12	01/30/09	\$ 6,500,000	Jan. 15, 19	\$ 337,500	3.50%	\$ 675,000	\$	\$ 337,500	\$ 337,500
County College Bonds	06/09/10	4,000,000	Jun.1, 19 -20	400,000	3.00%	1,200,000		400,000	800,000
County College Bonds C.12	06/09/10	1,176,500	Jun.01, 19 Jun.01, 20 Jun.01, 21 Jun.01, 22 Jun.01, 23 Jun. 01, 24-25	77,500 82,500 87,500 92,500 97,500 97,500	3.00% 3.00% 3.10% 3.125% 3.375% 3.50%	707,500		75,000	632,500
County College Bonds C.12	06/07/12	4,250,000	Mar 15, 19-27	300,000	2.00-3.00%	2,995,000		295,000	2,700,000
County College Bonds	03/21/13	2,000,000	Jan. 15, 19 Jan. 15, 20-21 Jan. 15, 22 Jan. 15, 23-25	170,000 175,000 180,000 200,000	2.00% 2.00% 2.00% 3.00%	1,465,000		165,000	1,300,000
County College Bonds C.12	03/21/13	750,000	Jan. 15, 19 Jan. 15, 20-22 Jan. 15, 23-27	55,000 60,000 60,000	2.00% 2.00% 3.00%	590,000		55,000	535,000
County College Bonds C.12	11/07/13	305,000	Jun. 15, 19 Jun 15, 20	60,000 60,000	3.00% 2.00%	180,000		60,000	120,000
County College Bonds	06/17/14	2,000,000	Feb.15, 19 Feb.15, 20-22 Feb.15, 23 Feb.15, 24 Feb.15, 25 Feb.15, 26	150,000 200,000 200,000 200,000 200,000 200,000	2.00% 2.00% 2.125% 2.250% 2.375% 3.00%	1,675,000		125,000	1,550,000
County College Bonds	06/17/14	3,400,000	Feb.15,19-22 Feb.15, 23 Feb.15, 24 Feb.15, 25 Feb.15, 26-28	250,000 250,000 250,000 300,000 300,000	2.00% 2.125% 2.250% 2.375% 3.00%	2,950,000		250,000	2,700,000
County College Bonds C.12	06/17/14	2,125,000	Feb.15,19 Feb.15, 20 Feb.15, 21-22 Feb.15, 23 Feb.15, 24 Feb.15, 25 Feb.15, 26-28	112,500 150,000 162,500 162,500 175,000 200,000 200,000	2.00% 2.00% 2.00% 2.125% 2.250% 2.375% 3.00%	1,825,000		100,000	1,725,000

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF COUNTY COLLEGE BONDS

EXHIBIT C-10
PAGE 2 OF 3

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018
			DECEMBER 31, 2018		INTEREST RATE				
			DATE	AMOUNT					
County College Bonds	06/04/15	2,000,000	Feb.15, 19	180,000	3.00%	1,725,000		175,000	1,550,000
			Feb.15, 20	185,000	3.00%				
			Feb.15, 21	190,000	3.00%				
			Feb.15, 22	195,000	2.00%				
			Feb.15, 23	200,000	2.250%				
			Feb.15, 24-26	200,000	3.00%				
County College Bonds C.12	06/04/15	1,600,000	Feb.15, 19-20	80,000	3.00%	1,475,000		80,000	1,395,000
			Feb.15, 21-22	85,000	2.00%				
			Feb.15, 23	90,000	2.00%				
			Feb.15, 24	90,000	2.250%				
			Feb.15, 25	90,000	3.00%				
			Feb.15, 26	95,000	3.00%				
			Feb.15, 27-29	100,000	3.00%				
			Feb.15, 30	100,000	3.125%				
			Feb.15, 31	100,000	3.250%				
			Feb.15, 32-33	100,000	3.50%				
			Cty College Ref. Bonds Series 2015	04/29/15	445,000				
County College Bonds	06/16/16	5,000,000	Jun.01, 19-20	350,000	2.00%	4,700,000		350,000	4,350,000
			Jun.01, 21	410,000	2.00%				
			Jun.01, 22-23	450,000	2.00%				
			Jun.01, 24	455,000	2.00%				
			Jun.01, 25	460,000	2.00%				
			Jun. 01, 26-28	475,000	2.00%				
County College Bonds C.12	06/16/16	1,500,000	Jun.01, 19	110,000	2.00%	1,400,000		110,000	1,290,000
			Jun.01, 20	125,000	2.00%				
			Jun.01, 21	120,000	2.00%				
			Jun.01, 22-23	125,000	2.00%				
			Jun.01, 24	130,000	2.00%				
			Jun.01, 25	135,000	2.00%				
			Jun. 01, 26-28	140,000	2.00%				
			Cty College Ref. Bonds Series 2016	04/14/16	3,227,500				
Jan. 15, 21	315,000	4.00%							
Jan. 15, 22-23	325,000	4.00%							
Jan. 15, 24	322,500	4.00%							
Jan. 15, 25	322,500	5.00%							
Jan. 15, 26-28	325,000	5.00%							
Jan. 15, 29	327,500	5.00%							
Cty College Bonds Series 2017	06/14/17	2,000,000	Jun.01,19	120,000	3.00%	2,000,000		100,000	1,900,000
			Jun.01,20-22	125,000	3.00%				
			Jun.01,23-25	150,000	3.00%				
			Jun. 01,26-27	150,000	2.00%				
			Jun. 01,28	150,000	3.00%				
			Jun. 01,29	155,000	3.00%				
			Jun. 01,30-31	175,000	3.00%				

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF COUNTY COLLEGE BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31,		BALANCE DECEMBER 31, 2018	
			DECEMBER 31, 2018 DATE	AMOUNT		2017	INCREASED		DECREASED
Cty College Bonds C.12 Series 2017	06/14/17	1,700,000	Jun.01,19	80,000	3.00%	1,700,000	60,000	1,640,000	
			Jun.01,20	85,000	3.00%				
			Jun.01,21-22	90,000	3.00%				
			Jun.01,23	95,000	3.00%				
			Jun.01,24-25	100,000	3.00%				
			Jun.01,26-27	100,000	2.00%				
			Jun.01,28	105,000	3.00%				
			Jun.01,29-30	110,000	3.00%				
			Jun.01,31	115,000	3.00%				
			Jun.01,32-34	120,000	3.00%				
Cty College Bonds Series 2018	06/14/18	1,925,000	Jun.01,19	85,000	5.00%	\$ 1,925,000		1,925,000	
			Jun.01,20	110,000	4.00%				
			Jun.01,21	115,000	5.00%				
			Jun.01,22	120,000	4.00%				
			Jun.01,23	125,000	5.00%				
			Jun.01,24	135,000	5.00%				
			Jun.01,25	140,000	5.00%				
			Jun.01,26	145,000	3.00%				
			Jun.01,27	150,000	3.00%				
			Jun.01,28	155,000	3.00%				
			Jun.01,29-31	160,000	3.00%				
			Jun.01,32	165,000	3.00%				
Cty College Bonds C.12 Series 2018	06/14/18	1,785,000	Jun.01,19	140,000	5.00%	1,785,000		1,785,000	
			Jun.01,20	200,000	4.00%				
			Jun.01,21	200,000	5.00%				
			Jun.01,22	210,000	4.00%				
			Jun.01,23	220,000	5.00%				
			Jun.01,24	230,000	5.00%				
			Jun.01,25	240,000	5.00%				
			Jun.01,26-28	260,000	3.00%				
			Jun.01,29-32	270,000	3.00%				
			Jun.01,33	270,000	3.125%				
Cty College Bonds C.12 Series 2018	11/20/18	1,875,000	Nov.15,19	135,000	5.00%	1,875,000		1,875,000	
			Nov.15,20	140,000	5.00%				
			Nov.15,21	150,000	5.00%				
			Nov.15,22	155,000	5.00%				
			Nov.15,23	165,000	5.00%				
			Nov.15,24	170,000	5.00%				
						<u>\$ 30,935,000</u>	<u>\$ 5,585,000</u>	<u>\$ 2,957,500</u>	<u>\$ 33,562,500</u>
REF.						C	C - 2	C - 6	C

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF COUNTY COLLEGE BONDS (CH. 12, P.L. 1971)

EXHIBIT C-11
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PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31,		
			DATE	AMOUNT		2017	INCREASED	DECREASED
County College Bonds	01/30/09	\$ 6,500,000	Jan. 15, 19	\$ 337,500	3.50%	\$ 675,000	\$ 337,500	\$ 337,500
County College Bonds	06/09/10	1,176,500	Jun.01, 19	77,500	3.00%	707,500	75,000	632,500
			Jun.01, 20	82,500	3.00%			
			Jun.01, 21	87,500	3.10%			
			Jun.01, 22	92,500	3.125%			
			Jun.01, 23	97,500	3.375%			
			Jun. 01, 24-25	97,500	3.50%			
County College Bonds	06/07/12	4,250,000	Mar 15, 19-27	300,000	2.00-3.00%	2,995,000	295,000	2,700,000
County College Bonds	03/21/13	750,000	Jan. 15, 19	55,000	2.00%	590,000	55,000	535,000
			Jan. 15, 20-22	60,000	2.00%			
			Jan. 15, 23-27	60,000	3.00%			
County College Bonds	11/07/13	305,000	Jun. 15, 19	60,000	3.00%	180,000	60,000	120,000
			Jun 15, 20	60,000	2.00%			
County College Bonds	06/17/14	2,125,000	Feb.15,19	112,500	2.00%	1,825,000	100,000	1,725,000
			Feb.15, 20	150,000	2.00%			
			Feb.15, 21-22	162,500	2.00%			
			Feb.15, 23	162,500	2.125%			
			Feb.15, 24	175,000	2.250%			
			Feb.15, 25	200,000	2.375%			
			Feb.15, 26-28	200,000	3.00%			
County College Bonds	06/04/15	1,600,000	Feb.15, 19-20	80,000	3.00%	1,475,000	80,000	1,395,000
			Feb.15, 21-22	85,000	2.00%			
			Feb.15, 23	90,000	2.00%			
			Feb.15, 24	90,000	2.250%			
			Feb.15, 25	90,000	3.00%			
			Feb.15, 26	95,000	3.00%			
			Feb.15, 27-29	100,000	3.00%			
			Feb.15, 30	100,000	3.125%			
			Feb.15, 31	100,000	3.250%			
			Feb.15, 32-33	100,000	3.50%			

COUNTY OF MIDDLESEX, NEW JERSEY
 GENERAL CAPITAL FUND
SCHEDULE OF COUNTY COLLEGE BONDS (CH. 12, P.L. 1971)

EXHIBIT C-11
 PAGE 2 OF 2

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018							
			DATE	AMOUNT												
County College Bonds C.12	06/16/16	1,500,000	Jun.01, 19	110,000	2.00%	1,400,000		110,000	1,290,000							
			Jun.01, 20	125,000	2.00%											
			Jun.01, 21	120,000	2.00%											
			Jun.01, 22-23	125,000	2.00%											
			Jun.01, 24	130,000	2.00%											
			Jun.01, 25	135,000	2.00%											
			Jun. 01, 26-28	140,000	2.00%											
Cty College Ref. Bonds Series 2016	04/14/16	3,227,500	Jan. 15, 20	315,000	4.00%	3,227,500			3,227,500							
			Jan. 15, 21	315,000	4.00%											
			Jan. 15, 22-23	325,000	4.00%											
			Jan. 15, 24	322,500	4.00%											
			Jan. 15, 25	322,500	5.00%											
			Jan. 15, 26-28	325,000	5.00%											
Cty College Bonds C.12	06/14/17	1,700,000	Jun.01,19	80,000	3.00%	1,700,000		60,000	1,640,000							
			Jun.01,20	85,000	3.00%											
			Jun.01,21-22	90,000	3.00%											
			Jun.01,23	95,000	3.00%											
			Jun.01,24-25	100,000	3.00%											
			Jun.01,26-27	100,000	2.00%											
			Jun.01,28	105,000	3.00%											
			Jun.01,29-30	110,000	3.00%											
			Jun.01,31	115,000	3.00%											
			Jun.01,32-34	120,000	3.00%											
			Cty College Bonds C.12 Series 2018	06/28/18	1,785,000					Jun.01,19	140,000	5.00%		\$ 1,785,000		1,785,000
										Jun.01,20	200,000	4.00%				
										Jun.01,21	200,000	5.00%				
Jun.01,22	210,000	4.00%														
Jun.01,23	220,000	5.00%														
Jun.01,24	230,000	5.00%														
Jun.01,25	240,000	5.00%														
Jun.01,26-28	260,000	3.00%														
Jun.01,29-32	270,000	3.00%														
Jun.01,33	270,000	3.125%														
						\$ 14,775,000	\$ 1,785,000	\$ 1,172,500	\$ 15,387,500							
REF.						C	C - 2	C - 6	C							

GENERAL CAPITAL FUND
SCHEDULE OF VOCATIONAL SCHOOL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT					
Vo Tech School	06/11/08	\$ 2,690,000				\$ 315,000	\$	\$ 315,000	\$
Vo Tech School	06/09/10	6,100,000	June 01, 19-20 June 01, 21 June 01, 22	\$ 550,000 550,000 550,000	2.50% 3.00% 3.100%	2,750,000		550,000	2,200,000
Vo Tech School Ref Bonds	03/20/12	1,140,000	June 15, 19 June 15, 20 June 15, 21 June 15, 22 June 15, 23	115,000 115,000 115,000 115,000 110,000	3.00% 3.00% 3.00% 3.00% 3.00%	665,000		95,000	570,000
Vo Tech Schools Bonds Series 2013	03/21/13	3,100,000	Jan 15, 19 Jan 15, 20-21 Jan 15, 22 Jan 15, 23-27	195,000 200,000 300,000 300,000	2.00% 2.00% 2.00% 2.00%	2,585,000		190,000	2,395,000
Vo Tech Schools Ref. Bonds 2013	11/07/13	6,650,000	June 15, 19 June 15, 20	1,375,000 1,360,000	4.00% 4.00%	4,090,000		1,355,000	2,735,000
Vo Tech Schools Bonds Series 2014	06/17/14	3,100,000	Feb 15, 19 Feb 15, 20-22 Feb 15, 23 Feb 15, 24 Feb 15, 25 Feb 15, 26	250,000 300,000 300,000 300,000 300,000 300,000	2.00% 2.00% 2.00% 2.125% 2.250% 2.375%	2,575,000		225,000	2,350,000
Vo Tech Schools Bonds Series 2015	06/04/15	3,100,000	Feb 15, 19 Feb 15, 20 Feb 15, 21 Feb 15, 22 Feb 15, 23 Feb 15, 24 Feb 15, 25 Feb 15, 26 Feb 15, 27 Feb 15, 28-29 Feb 15, 30	190,000 195,000 200,000 205,000 210,000 215,000 220,000 225,000 235,000 240,000 240,000	3.00% 3.00% 3.00% 3.00% 2.00% 2.00% 2.250% 3.00% 3.00% 3.00% 3.00%	2,800,000		185,000	2,615,000

GENERAL CAPITAL FUND
SCHEDULE OF VOCATIONAL SCHOOL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT					
Vo Tech Schools Bonds Series 2016	06/16/16	6,100,000	June 01, 19-20	400,000	2.00%	5,750,000		400,000	5,350,000
			June 01, 21-22	450,000	2.00%				
			June 01, 23	575,000	2.00%				
			June 01, 24	585,000	2.00%				
			June 01, 25	600,000	2.00%				
			June 01, 26	615,000	2.00%				
			June 01, 27	630,000	2.00%				
			June 01, 28	645,000	2.00%				
Vo Tech Schools Bonds Series 2017	06/14/17	3,000,000	June 01, 19	170,000	3.00%	3,000,000		130,000	2,870,000
			June 01, 20-22	175,000	3.00%				
			June 01, 23-25	200,000	3.00%				
			June 01, 26	200,000	2.00%				
			June 01, 27	225,000	2.00%				
			June 01, 28-31	225,000	3.00%				
			June 01, 32	250,000	3.00%				
Vo Tech Schools Bonds Series 2018	06/14/18	2,995,000	Jun.01,19	120,000	5.00%		2,995,000		2,995,000
			Jun.01,20	165,000	4.00%				
			Jun.01,21	170,000	5.00%				
			Jun.01,22	175,000	4.00%				
			Jun.01,23	180,000	5.00%				
			Jun.01,24	190,000	5.00%				
			Jun.01,25	195,000	5.00%				
			Jun.01,26	200,000	3.00%				
			Jun.01,27	210,000	3.00%				
			Jun.01,28	220,000	3.00%				
			Jun.01,29	225,000	3.00%				
			Jun.01,30	230,000	3.00%				
			Jun.01,31	235,000	3.00%				
			Jun.01,32	240,000	3.00%				
			Jun.01,33	240,000	3.125%				
Vo Tech Schools Bonds Series 2018A	11/20/18	2,970,000	Nov.15,19-20	160,000	5.00%		2,970,000		2,970,000
			Nov.15,21	170,000	5.00%				
			Nov.15,22	180,000	5.00%				
			Nov.15,23	190,000	5.00%				
			Nov.15,24	200,000	5.00%				
			Nov.15,25	210,000	5.00%				
			Nov.15,26	220,000	4.00%				
			Nov.15,27	230,000	4.00%				
			Nov.15,28	240,000	3.00%				
			Nov.15,29	240,000	3.125%				
			Nov.15,30	250,000	3.250%				
			Nov.15,31	255,000	3.250%				
			Nov.15,32	265,000	3.375%				
						<u>\$ 24,530,000</u>	<u>\$ 5,965,000</u>	<u>\$ 3,445,000</u>	<u>\$ 27,050,000</u>
REF.						C	C - 2	C - 6	C

COUNTY OF MIDDLESEX, NEW JERSEY
 GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

CAP. DEPT. NO.	ORDINANCE DATE	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2017	MATURITY DATE	BANS REDEEMED	ISSUE DATE	MATURITY DATE	INTEREST RATE	BANS ISSUED	BALANCE DECEMBER 31, 2018
357	Mar. 17, 05	Various General Improvements	\$ 1,217,456	Jun. 13, 18	\$ 1,217,456	Jun. 12, 18	Jun. 11, 19	3.00%	\$ 1,218,056	\$ 1,218,056
361	Dec. 01, 05	Improv.&Upgrades 800mhz System	1,253	Jun. 13, 18	1,253	Jun. 12, 18	Jun. 11, 19	3.00%	1,253	1,253
362	Mar. 02, 06	General Capital Improvements	588,704	Jun. 13, 18	588,704	Jun. 12, 18	Jun. 11, 19	3.00%	588,704	588,704
366	Mar. 01, 07	General Capital Improvements	3,842,432	Jun. 13, 18	3,842,432	Jun. 12, 18	Jun. 11, 19	3.00%	3,842,432	3,842,432
372	May. 01, 08	General Capital Improvements	4,749,313	Jun. 13, 18	4,749,313	Jun. 12, 18	Jun. 11, 19	3.00%	4,749,313	4,749,313
375	Aug. 21, 08	Medwick Pk Reconstruction Remed.	3,311,926	Jun. 13, 18	3,311,926	Jun. 12, 18	Jun. 11, 19	3.00%	3,311,926	3,311,926
383	Jun. 25, 09	Various General Improvements	4,824,539	Jun. 13, 18	4,824,539	Jun. 12, 18	Jun. 11, 19	3.00%	4,824,539	4,824,539
390	May. 20, 10	General Capital Improvements	15,464,377	Jun. 13, 18	15,464,377	Jun. 12, 18	Jun. 11, 19	3.00%	20,463,777	20,463,777
			<u>\$ 34,000,000</u>		<u>\$ 34,000,000</u>				<u>\$ 39,000,000</u>	<u>\$ 39,000,000</u>
<u>REF.</u>			C		C - 2				C - 2	C

GENERAL CAPITAL FUND
 SCHEDULE OF LOANS/OTHER RECEIVABLES
 AND
SCHEDULE OF RESERVE FOR LOANS/ OTHER RECEIVABLES

	<u>REF.</u>	
Balance - December 31, 2017	C	\$ 10,804,453
Increased by:		
Loans/Other Receivables	Reserve	<u>416,170</u>
		11,220,623
Decreased by:		
Payments on Receivables	Reserve	<u>838,782</u>
Balance - December 31, 2018	C, C-22	<u><u>\$ 10,381,841</u></u>

Analysis of Balance - December 31, 2018

Heldrich Center Hotel Project 2007		2,055,000
MCIA Loan Receivable 2008		227,500
MCIA Loan Receivable 2009		689,109
MCIA Loan Receivable 2014		50,913
MCIA Loan Receivable 2016		268,651
MCIA Loan Receivable 2017		63,344
MCIA Loan Receivable 2018		416,170
Sayreville Economic Redevelopment Agency (SERA)		3,275,944
Built American Bond Subsidy Receivable (BAB)		<u>3,335,210</u>
	C, C-22	<u><u>\$ 10,381,841</u></u>

MIDDLESEX COUNTY, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

EXHIBIT C-15

ORD. NO.	DATE	IMPROVEMENT DESCRIPTION	BALANCE		2018 AUTH.	ENCUMBRANCE 12/31/2017	CASH EXPENDED	ENCUMBRANCE 12/31/2018	IMPROVEMENT AUTH. CANCEL	BALANCE	
			DECEMBER 31, 2017							DECEMBER 31, 2018	
			FUNDED	UNFUNDED						FUNDED	UNFUNDED
302	05/16/96	Various General Improvements					\$ (13,111)			\$ 13,111	
307	06/26/97	Various General Improvements					(11,017)			11,017	
324	04/17/00	Various General Improvements					(51,497)			51,497	
332	04/19/01	Various Gen. Improvements	\$ 1,354,892				(252,143)			1,607,035	
338	04/18/02	Open Space Capital Improvement					(282,469)			282,469	
339	05/02/02	General Improvements				\$ 25,000		\$ 25,000		-	
343	04/03/03	Various General Improvements					(753,232)			753,232	
353C	06/06/13	General Capital Improvements				8,452	(214,230)			222,682	
357	03/17/05	General Capital Improvements		\$ 1,645			1,297			\$ 348	
362	03/02/06	General Capital Improvements		100,000		8,043				108,043	
366	03/01/07	General Capital Improvements				178,819	34,349			144,470	
367	03/01/07	General Capital Improvements				350	(907,310)	350		907,310	
372	05/01/08	General Capital Improvements		6,024,561		568,939	5,199,069	104,824		1,289,607	
375	08/21/08	Medwick Pk Reconstruction Remed.		6,590,688			5,066,937			1,523,751	
378	10/02/08	Heavenly Farms, E. Brusw, Improvements					(65,417)			65,417	
383A	06/06/13	General Capital Improvements		5,218,893		2,517,147	3,894,064	2,787		3,839,189	
390	05/20/10	General Capital Improvements		5,898,144		3,735,870	5,834,881	600,000		3,199,133	
391	09/02/10	MCIA Loan for Equipment& Improv	121			7,951	5,013			3,059	
393	05/19/11	General Capital Improvements		7,378,409		5,842,419	8,179,273			5,041,555	
396	08/18/11	MCIA Loan for Equipment& Improv	221,831			12,247	119,727			114,351	
400	04/19/12	General Capital Improvements		3,262,492		6,078,034	4,162,568	225,000		4,952,958	
402	08/16/12	MCIA Loan for Equipment& Improv	32,396			50,151	(88,676)			171,223	
404	06/06/13	General Capital Improvements		2,701,997		3,641,007	2,943,479			3,399,525	
407	06/06/13	13-Parks Capital Improvements				40,991	36,971			4,020	
409	09/26/13	MCIA Loan for Equipment& Improv	24,488			202,911	6,023			221,376	
410	05/08/14	General Capital Improvements		1,804,723		3,062,631	953,469			3,913,885	
412	05/08/14	MCC CH12 Capital Improvements	3,014,831				2,227,574			787,257	
416	05/22/14	MCC CH12 Capital Improvements	1,713,683				374,907			1,338,776	
418	08/31/14	MCIA Loan for Equipment& Improv	165,958			487,911	431,951			221,918	
422	05/07/15	MCC CH12 Capital Improvements	3,000,000							3,000,000	
424	07/23/15	MCIA Loan for Equipment& Improv	7,984			1,092,228	139,028			961,184	
426	04/21/16	General Capital Improvements		588,880		22,948,694	8,376,830	3,000,000		12,160,744	
428	04/21/16	Various Roads Capital Improvements	472,159			2,634,087	(3,884,788)			6,991,034	
430	07/21/16	MCIA Loan for Equipment& Improv	2,199,048			2,162,507	3,016,019			1,345,536	
432	04/20/17	Vo Tech School Improvements	3,000,000				3,000,000			-	
433	04/20/17	MCC General Capital Improvements	1,000,000							1,000,000	
434	04/20/17	MCC CH12 Cap. Improv.	3,400,000							3,400,000	
435	04/20/17	General Capital Improvements	318,788			8,631,207	(9,104,033)			18,054,028	
436	05/18/17	County Office Space NBCCP	1,396,468				(952,297)	2,348,765		-	
437	09/07/17	MCIA Loan for Equipment & Improv.	6,108,456	185,281		533,420	3,122,986			3,518,890	185,281
438	05/17/18	MCC General Capital Improvements			\$ 2,000,000		1,000,000			1,000,000	
439	05/17/18	Vo-Tech School Improv.			3,100,000					3,100,000	
440	05/17/18	MCC CH12 Capital Improvements			3,700,000					3,700,000	
441	05/17/18	General Capital Improvements			35,000,000		14,645,907	3,500,000		229,093	16,625,000
442	06/21/18	MCIA Loan for Equipment & Improv.			6,250,000		950,000		\$ 492,111	4,807,889	
443	11/19/18	Helicopter and Voting Machines			7,600,000		600,000			7,000,000	
			<u>\$ 27,431,103</u>	<u>\$ 39,755,713</u>	<u>\$ 57,650,000</u>	<u>\$ 64,471,016</u>	<u>\$ 57,742,102</u>	<u>\$ 9,806,727</u>	<u>\$ 492,111</u>	<u>\$ 50,083,404</u>	<u>\$ 71,183,488</u>
REF.			C	C	C-7	C-4		C-4	C-7	C	C
		Cash Disbursed	C-2				\$ 57,492,102				
		Reserve for Bond Issue Costs	C-17				250,000				
							<u>\$ 57,742,102</u>				

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance - December 31, 2017	C	\$ 878,027
Increased by:		
2018 Budget Appropriation	C - 2	<u>29,513,493</u>
		30,391,520
Decreased by:		
Appropriation to Finance Improvement Authorizations	C - 7	<u>18,755,000</u>
Balance - December 31, 2018	C	<u><u>\$ 11,636,520</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR BOND ISSUE COSTS

	<u>REF.</u>	
Balance - December 31, 2017	C	\$ 115,704
Increased by:		
Charged to Improvement Authorization	C - 15	<u>250,000</u>
		365,704
Decreased by:		
Cash Disbursements	C - 2	<u>319,928</u>
Balance - December 31, 2018	C	<u><u>\$ 45,776</u></u>

COUNTY OF MIDDLESEX, NEW JERSEY
 GENERAL CAPITAL FUND
SCHEDULE OF MCIA LOANS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	INCREASED	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT					
MCIA LOAN	12/19/08	\$ 9,185,892	Sept. 15, 19	\$ 50,000	4.300%	\$ 389,704	\$	\$ 109,704	\$ 280,000
			Sept. 15, 20	55,000	4.500%				
			Sept. 15, 21	55,000	4.625%				
			Sept. 15, 22	60,000	4.750%				
			Sept. 15, 23	60,000	4.800%				
MCIA LOAN	09/30/09	9,000,036	Jul. 15, 19	107,434	3.000%	791,425		102,315	689,110
			Jul. 15, 20	111,029	3.000%				
			Jul. 15, 21	114,260	3.000%				
			Jul. 15, 22	112,438	3.125%				
			Jul. 15, 23	120,483	3.125%				
Jul. 15, 24	123,466	3.250%							
MCIA LOAN	10/24/13	8,670,604				1,845,176	1,845,176	-	
MCIA LOAN	08/31/14	13,071,920	Jul. 15, 19	2,745,691	3.000%	5,417,138		2,671,447	2,745,691
MCIA LOAN	09/30/15	4,870,650	Jul. 15, 19	996,365	4.000%	2,999,930		967,345	2,032,585
			Jul. 15, 20	1,036,220	4.000%				
MCIA LOAN	09/30/16	5,266,105	Jul. 15, 19	1,041,868	4.000%	4,264,353		\$ 1,012,299	3,252,054
			Jul. 15, 20	1,087,542	4.000%				
			Jul. 15, 21	1,122,644	4.000%				
MCIA LOAN	09/01/17	7,394,719	Sept. 1, 19	1,434,614	3.000%	7,394,719		\$ 1,392,828	6,001,891
			Sept. 1, 20	1,477,652	3.000%				
			Sept. 1, 21	1,521,982	3.000%				
			Sept. 1, 22	1,567,643	3.000%				
MCIA LOAN	09/20/18	5,598,734	Jul. 15, 19	1,036,117	4.000%			5,598,734	5,598,734
			Jul. 15, 20	1,074,451	4.000%				
			Jul. 15, 21	1,117,429	4.000%				
			Jul. 15, 22	1,162,126	4.000%				
			Jul. 15, 23	1,208,611	4.000%				
						<u>\$ 23,102,445</u>	<u>\$ 5,598,734</u>	<u>\$ 8,101,114</u>	<u>\$ 20,600,065</u>

REF. C C - 2 C - 6 C

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRE LOANS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2017	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT				
Swaren Marine Park Development	06/01/97	\$ 1,000,000	Feb. 10, 19	\$ 30,892	2.00%	\$ 218,451	\$ 60,869	\$ 157,582
			Aug. 10, 19	31,201	2.00%			
			Feb. 10, 20	31,513	2.00%			
			Aug. 10, 20	31,828	2.00%			
			Feb. 10, 21	32,148	2.00%			
Bank of China Property Acquisition	06/15/03	2,250,000	Mar. 7, 19	65,902	2.00%	535,281	129,852	405,429
			Sep. 7, 19	66,561	2.00%			
			Mar. 7, 20	67,226	2.00%			
			Sep. 7, 20	67,899	2.00%			
			Mar. 7, 21	68,578	2.00%			
			Sep. 7, 21	69,263	2.00%			
Old Bridge Park Acquisition	06/17/05	3,244,264	Apr 26, 19	138,137	2.00%	690,751	272,184	418,567
			Oct 26, 19	139,518	2.00%			
			Apr 26, 20	140,913	2.00%			
Old Bridge Park Phase 2	04/03/09	750,000	Jan 03, 19	18,921	2.00%	477,002	37,283	439,719
			Jul 03, 19	19,111	2.00%			
			Jan 03, 20	19,302	2.00%			
			Jul 03, 20	19,495	2.00%			
			Jan 03, 21	19,690	2.00%			
			Jul 03, 21	19,887	2.00%			
			Jan 03, 22	20,086	2.00%			
			Jul 03, 22	20,286	2.00%			
			Jan 03, 23	20,489	2.00%			
			Jul 03, 23	20,694	2.00%			
			Jan 03, 24	20,901	2.00%			
			Jul 03, 24	21,110	2.00%			
			Jan 03, 25	21,321	2.00%			
			Jul 03, 25	21,534	2.00%			
			Jan 03, 26	21,750	2.00%			
			Jul 03, 26	21,967	2.00%			
			Jan 03, 27	22,187	2.00%			
			Jul 03, 27	22,409	2.00%			
			Jan 03, 28	22,633	2.00%			
			Jul 03, 28	22,859	2.00%			
Jan 03, 29	23,088	2.00%						

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRE LOANS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	DECREASED	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT				
New Brunswick Landing Lane Proj	05/26/10	1,100,000	Mar 01, 19	28,205	0.00%	705,130	56,410	648,720
			Sept 01, 19	28,205	0.00%			
			Mar 01, 20	28,205	0.00%			
			Sept 01, 20	28,205	0.00%			
			Mar 01, 21	28,205	0.00%			
			Sept 01, 21	28,205	0.00%			
			Mar 01, 22	28,205	0.00%			
			Sept 01, 22	28,205	0.00%			
			Mar 01, 23	28,205	0.00%			
			Sept 01, 23	28,205	0.00%			
			Mar 01, 24	28,205	0.00%			
			Sept 01, 24	28,205	0.00%			
			Mar 01, 25	28,205	0.00%			
			Sept 01, 25	28,205	0.00%			
			Mar 01, 26	28,205	0.00%			
			Sept 01, 26	28,205	0.00%			
			Mar 01, 27	28,205	0.00%			
			Sept 01, 27	28,205	0.00%			
			Mar 01, 28	28,205	0.00%			
			Sept 01, 28	28,205	0.00%			
Mar 01, 29	28,205	0.00%						
Sept 01, 29	28,205	0.00%						
Mar 01, 30	28,210	0.00%						
New Brunswick Landing Lane Proj	05/26/10	500,000	Jun 03, 19	12,821	0.00%	320,510	25,642	294,868
			Dec 03,19	12,821	0.00%			
			Jun 03, 20	12,821	0.00%			
			Dec 03,20	12,821	0.00%			
			Jun 03, 21	12,821	0.00%			
			Dec 03,21	12,821	0.00%			
			Jun 03, 22	12,821	0.00%			
			Dec 03,22	12,821	0.00%			
			Jun 03, 23	12,821	0.00%			
			Dec 03,23	12,821	0.00%			
			Jun 03, 24	12,821	0.00%			
			Dec 03,24	12,821	0.00%			
			Jun 03, 25	12,821	0.00%			
			Dec 03,25	12,821	0.00%			
			Jun 03, 26	12,821	0.00%			
			Dec 03,26	12,821	0.00%			
			Jun 03, 27	12,821	0.00%			
			Dec 03,27	12,821	0.00%			
			Jun 03, 28	12,821	0.00%			
			Dec 03,28	12,821	0.00%			
Jun 03, 29	12,821	0.00%						
Dec 03,29	12,821	0.00%						
Jun 03, 30	12,804	0.00%						

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRE LOANS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2018		INTEREST RATE	BALANCE DECEMBER 31, 2017	BALANCE DECEMBER 31, 2018
			DATE	AMOUNT			
New Brunswick Landing Lane Proj	11/10/15	800,000	Feb 10,19	17,734	2.00%	748,873	34,943
			Aug 10,19	17,911	2.00%		
			Feb 10,20	18,090	2.00%		
			Aug 10,20	18,271	2.00%		
			Feb 10,21	18,454	2.00%		
			Aug 10,21	18,639	2.00%		
			Feb 10,22	18,825	2.00%		
			Aug 10,22	19,013	2.00%		
			Feb 10,23	19,203	2.00%		
			Aug 10,23	19,395	2.00%		
			Feb 10,24	19,589	2.00%		
			Aug 10,24	19,785	2.00%		
			Feb 10,25	19,983	2.00%		
			Aug 10,25	20,183	2.00%		
			Feb 10,26	20,385	2.00%		
			Aug 10,26	20,589	2.00%		
			Feb 10,27	20,794	2.00%		
			Aug 10,27	21,002	2.00%		
			Feb 10,28	21,212	2.00%		
			Aug 10,28	21,425	2.00%		
			Feb 10,29	21,639	2.00%		
			Aug 10,29	21,855	2.00%		
			Feb 10,30	22,074	2.00%		
			Aug 10,30	22,295	2.00%		
			Feb 10,31	22,517	2.00%		
			Aug 10,31	22,743	2.00%		
			Feb 10,32	22,970	2.00%		
			Aug 10,32	23,200	2.00%		
			Feb 10,33	23,432	2.00%		
			Aug 10,33	23,666	2.00%		
			Feb 10,34	23,903	2.00%		
			Aug 10,34	24,142	2.00%		
			Feb 10,35	24,383	2.00%		
			Aug 10,35	24,627	2.00%		

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRE LOANS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE	
			DECEMBER 31, 2018 DATE	DECEMBER 31, 2018 AMOUNT	DECEMBER 31, 2017		DECEMBER 31, 2018 DECREASED	
New Brunswick Landing Lane Proj	09/14/16	1,400,000	May 22,19	35,897	0.00%	1,328,205	71,794	1,256,411
			Nov 22,19	35,897	0.00%			
			May 22,20	35,897	0.00%			
			Nov 22,20	35,897	0.00%			
			May 22,21	35,897	0.00%			
			Nov 22,21	35,897	0.00%			
			May 22,22	35,897	0.00%			
			Nov 22,22	35,897	0.00%			
			May 22,23	35,897	0.00%			
			Nov 22,23	35,897	0.00%			
			May 22,24	35,897	0.00%			
			Nov 22,24	35,897	0.00%			
			May 22,25	35,897	0.00%			
			Nov 22,25	35,897	0.00%			
			May 22,26	35,897	0.00%			
			Nov 22,26	35,897	0.00%			
			May 22,27	35,897	0.00%			
			Nov 22,27	35,897	0.00%			
			May 22,28	35,897	0.00%			
			Nov 22,28	35,897	0.00%			
			May 22,29	35,897	0.00%			
			Nov 22,29	35,897	0.00%			
			May 22,30	35,897	0.00%			
			Nov 22,30	35,897	0.00%			
			May 22,31	35,897	0.00%			
			Nov 22,31	35,897	0.00%			
			May 22,32	35,897	0.00%			
			Nov 22,32	35,897	0.00%			
			May 22,33	35,897	0.00%			
			Nov 22,33	35,897	0.00%			
			May 22,34	35,897	0.00%			
			Nov 22,34	35,897	0.00%			
			May 22,35	35,897	0.00%			
			Nov 22,35	35,897	0.00%			
			May 22,36	35,897	0.00%			

\$	5,024,203	\$	688,977	\$	4,335,226
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MIDDLESEX COUNTY, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL LEASES PAYABLE

EXHIBIT C-20

<u>CAPITAL LEASE PROGRAM</u>	BALANCE DEC.31,2017	PRINCIPAL PAYMENTS	BALANCE DEC.31,2018
M.C.I.A. 2013 Capital Equipment Lease Program	\$ 297,800	\$ 297,800	\$ -
M.C.I.A. 2014 Capital Equipment Lease Program	548,194	270,046	278,148
Sub Total of M.C.I.A. Capital Equipment Lease Programs	<u>845,994</u>	<u>567,846</u>	<u>278,148</u>
M.C.I.A. 2008 Open Space Trust Fund Program	4,840,000	3,500,000	1,340,000
M.C.I.A. 2009 Open Space Trust Fund Program(Series A Non-Taxable)	7,840,000	1,845,000	5,995,000
M.C.I.A. 2011 Open Space Trust Ref Bonds(2003 Series)	30,735,000	4,545,000	26,190,000
M.C.I.A. 2016 Open Space Trust Ref Bonds(2009 Series B Taxable)	19,160,000		19,160,000
Sub Total of M.C.I.A. Open Space Trust Fund Programs	<u>62,575,000</u>	<u>9,890,000</u>	<u>52,685,000</u>
Sub Total of M.C.I.A. Programs	<u>63,420,994</u>	<u>10,457,846</u>	<u>52,963,148</u>
Civic Square II - Cert. of Participation(1998 COPS)	5,375,000		5,375,000
Civic Square III - Cert. of Participation(1998 COPS)	2,025,000	995,000	1,030,000
2009 Civic Square III- Refunded COP(2017 Series)	11,120,000		11,120,000
2011 Civic Square II- Refunded COP(1998 Series)	7,010,000	2,190,000	4,820,000
2012 Civic Square IV- Refunded COP(2001Series)	30,045,000	1,535,000	28,510,000
2011 Civic Square II- Refunded COP(2017 Series)	22,525,000	5,000	22,520,000
Sub Total of Civic Square Programs	<u>78,100,000</u>	<u>4,725,000</u>	<u>73,375,000</u>
Grand Total	<u>\$ 141,520,994</u>	<u>\$ 15,182,846</u>	<u>\$ 126,338,148</u>

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MIDDLESEX COUNTY, NEW JERSEY
 GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

CAP. DEPT. NO.	DATE	IMPROVEMENT DESCRIPTION	BALANCE DEC.31.2017	2018 AUTH.	2018 BONDS ISSUED	BOND ANTIC. NOTES REDEEMED	BOND ANTIC. NOTES ISSUED	IMPROV. AUTHOR. CANCELLED	FUNDED FR FUND BALANCE	FUNDED FR CAP IMPROV FUND	BALANCE DEC.31.2018
357	03/17/05	General Improvements	\$ 600			\$ 1,217,456	\$ 1,218,056				-
361	12/01/05	Impr & Upgrades 800mhz System				1,253	1,253				-
362	03/02/06	General Improvements				588,704	588,704				-
366	03/01/07	General Improvements				3,842,432	3,842,432				-
372	05/01/08	General Improvements				4,749,313	4,749,313				-
375	08/21/08	Medwick Pk Reconstr. Remediation				3,311,926	3,311,926				-
383	06/25/09	General Capital Improvements				4,824,539	4,824,539				-
390	05/20/10	General Capital Improvements	10,334,819			15,464,377	20,463,777				5,335,419
393	05/19/11	General Capital Improvements	37,703,082								37,703,082
400	04/19/12	General Capital Improvements	20,778,278								20,778,278
404	10/16/13	General Capital Improvements	20,000,000		\$ 7,570,000.00						12,430,000
405	10/16/13	Vo Tech School Improvements	3,100,000		2,970,000						130,000
406	10/16/13	MCC General Capital Improvements	2,000,000		1,875,000						125,000
410	05/08/14	General Capital Improvements	23,581,904								23,581,904
426	04/21/16	General Capital Improvements	28,118,095								28,118,095
437	09/07/17	MCIA Loan for Equipment & Improv.	185,281								185,281
438	05/17/18	MCC General Capital Improvements		\$ 2,000,000	1,925,000						75,000
439	05/17/18	Vo Tech School Improvements		3,100,000	2,995,000						105,000
440	05/17/18	MCC CH12 Capital Improvements		3,700,000	3,570,000						130,000
441	05/17/18	General Capital Improvements		35,000,000						\$ 18,375,000	16,625,000
442	06/21/18	MCIA Loan for Equipment & Improv.		6,250,000	5,598,734			\$ 492,111	\$ 159,155		-
443	11/19/18	Helicopter & Voting Machines		7,600,000						380,000	7,220,000
			<u>\$ 145,802,059</u>	<u>\$ 57,650,000</u>	<u>\$ 26,503,734</u>	<u>\$ 34,000,000</u>	<u>\$ 39,000,000</u>	<u>\$ 492,111</u>	<u>\$ 159,155</u>	<u>\$ 18,755,000</u>	<u>\$ 152,542,059</u>

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COUNTY OF MIDDLESEX, NEW JERSEY

PART III

SUPPLEMENTARY DATA

COUNTY OF MIDDLESEX, NEW JERSEY
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - CURRENT FUND

Revenue and Other <u>Income Realized</u>	Year 2018		Year 2017	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Miscellaneous Revenue Anticipated	\$ 113,009,750	22.0	\$ 110,593,790	22.2
Receipts from Current Taxes	389,875,249	76.0	380,430,059	76.5
Receipt from Added and Omitted Taxes	2,886,069	0.6	2,769,203	0.6
Miscellaneous Revenue Not Anticipated	4,651,279	0.9	2,080,344	0.4
Other Credits to Income:				
Unexpended Balance of Appropriation Reserve	1,459,254	0.3	1,049,729	0.2
Accounts Payable Canceled	611,425	0.1	223,513	0.0
State, Federal & Local Grants				
Appropriated - Canceled	495,244	0.1	6,514	0.0
Total Income	<u>512,988,270</u>	<u>100.0</u>	<u>497,153,152</u>	<u>100.0</u>
 <u>Expenditures</u>				
Budget and Emergency Appropriations:				
Salaries and Wages	122,016,943	24.3	121,069,454	24.8
Other Expenses	218,675,411	43.5	222,442,217	45.7
Public and Private Programs	45,270,342	9.0	41,410,511	8.5
Debt Service	58,337,673	11.6	61,386,693	12.6
Capital Improvements	29,763,493	5.9	13,806,109	2.8
Deferred Charges and Statutory Expenditures	28,568,288	5.7	27,093,072	5.6
Other Debits to Income:				
Return of Prior Year Revenue	378,495	0.1		
Total Expenditures	<u>503,010,645</u>	<u>100.0</u>	<u>487,208,056</u>	<u>100.0</u>
Excess in Revenue	9,977,625		9,945,096	
Fund Balance - January 1	<u>64,046,285</u>		<u>54,101,189</u>	
Fund Balance - December 31	<u>\$ 74,023,910</u>		<u>\$ 64,046,285</u>	

COUNTY OF MIDDLESEX, NEW JERSEY
COMPARATIVE SCHEDULE OF TAX INFORMATION

	<u>2018</u>	<u>2017</u>	<u>2016</u>
County Tax Rate (Per \$1,000 of Equalized Valuations)	<u>\$3.66</u>	<u>\$3.67</u>	<u>\$3.59</u>
Equalized Valuations	<u>\$ 106,582,434,678</u>	<u>\$ 103,567,776,130</u>	<u>\$ 102,655,566,087</u>

COUNTY OF MIDDLESEX, NEW JERSEY
COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

Calendar Year	Tax Levy	CURRENTLY	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2018	\$ 389,875,249	\$ 389,875,249	100%
2017	380,430,059	380,430,059	100%
2016	368,963,000	368,963,000	100%

COUNTY OF MIDDLESEX, NEW JERSEY
COMPARATIVE SCHEDULE OF FUND BALANCES

	Year	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Current Fund</u>	2018	\$ 74,023,910	None
	2017	64,046,285	None
	2016	54,101,189	None
	2015	42,242,831	None
	2014	34,617,206	None

COUNTY OF MIDDLESEX, NEW JERSEY
 OFFICIALS IN OFFICE AND SURETY BONDS
AS AT DECEMBER 31, 2018

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Officials - Board of Chosen Freeholders		
Ronald G. Rios	Freeholder Director of the Board	
Charles E. Tomaro	Freeholder/Deputy Director of the Board	
Kenneth Armwood	Freeholder	
Charles Kenny	Freeholder	
Leslie Koppel	Freeholder	
Shanti Narra	Freeholder	
Blanquita B. Valenti	Freeholder	
Officials - Other:		
John Pulomena	County Administrator	
Giuseppi Pruiti	County Comptroller, CFO, Budget Director	(A) \$1,250,000
Giuseppi Pruiti	County Treasurer	(B) 1,250,000
Thomas F. Kelso	County Counsel	
Amy R. Petrocelli	Clerk of the Board	
Richard Wallner	County Engineer	
Ann Hartwick	Purchasing Agent	
Richard Lear	Director of Parks & Recreation	
Elaine Flynn	County Clerk	(B) 100,000
Kevin Hoagland	County Surrogate	(B) 30,000
Eileen Weber	Deputy Surrogate	(B) 70,000
Mildred S. Scott	County Sheriff	(B) 100,000
Sandra Coleman	County Adjuster	
Andrew Carey	County Prosecutor	
Gary Vesce	County Road Supervisor	

All other employees are covered under a blanket bond in the amount of \$200,000 by the Selective Insurance Company of America

COUNTY OF MIDDLESEX, NEW JERSEY
PART IV
GENERAL COMMENTS AND RECOMMENDATIONS

COUNTY OF MIDDLESEX, NEW JERSEY
YEAR ENDED DECEMBER 31, 2018
GENERAL COMMENTS AND RECOMMENDATIONS

SCOPE OF AUDIT

The audit covered the financial transactions of the offices of the County Comptroller and County Treasurer (Financial Department) of Middlesex County. The financial records of the Middlesex County Constitutional Offices, Institutions (County Clerk – Registry, Office of the County Sheriff, and Office of the County Surrogate) and the Office of the County Adjuster, Mental Health Clinics, Adult Correction Center, and the Office of the Prosecutor – State Law Enforcement Trust Fund and Federal Forfeiture Trust Funds are covered in separate reports of audit.

The audit did not and could not determine the character of services rendered for which payment had been made for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

GENERAL COMMENTS

INTERNAL CONTROL MATTERS

Control Deficiencies:

Segregation of Duties

Conditions exist whereby the same person may collect, record, deposit or remit to the County Treasurer funds collected at the various departmental locations of the County.

This condition is the result of the staffing levels and multi tasks performed by personnel within the respective offices.

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR
N.J.S.A. 40A:11-4

N.J.S.A. 40A: 11-4 states "every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidder therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

On September 28, 2015, the Local Public Contracts Law was amended, effective on July 1, 2015. The amendment addresses the bid threshold (Section 7, N.J.S.A. 40A:11-3), thereby increasing the amount from \$36,000.00 to \$40,000.00 under which a contract may be awarded without public advertising for those municipalities that have appointed a Qualified Purchasing Agent. The maximum bid threshold remains at \$17,500.00 for those municipalities that do not have a Qualified Purchasing Agent. Currently the County does have a Qualified Purchasing Agent.

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4 (CONT'D)

The governing body of the County has the responsibility of determining whether the expenditures in any category will exceed \$40,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of this statute, the County Counsel's opinion should be sought before a commitment is made.

The County's purchasing procedures indicates that bids were requested by public advertising for the following items tested as disclosed in the official minutes:

MATERIALS, SUPPLIES, AND EQUIPMENT

Microwave Radios; Unleaded Regular Grade 87 Octane Fuel; Propane Gas; Snow Plow Parts; Baseball Infield Mix, Red Warning Track Material, Black Dyed Mulch and Beach Sand; Playground Equipment; Fertilizer and Grass Seed; Computer Equipment; Melting Agent-Soil Stabilizer System; Micrographic Supplies; Air conditioning, Heating and Ventilation Repair Parts and Supplies; Electronics & Appliance Parts

SERVICES, CONTRACTS, AND RENTALS

Physical Activity Service; Towing Services; Motor Oil; Transmission Fluid and related items; Maintenance for Heating, Ventilation and Air Conditioning Equipment; Roof Repairs at Salt Dome; Underground Storage Tank Removals; Repair of Salt Dome Damage Area; Construction Administrative Services

CONSTRUCTION AND REPAIRS

Roof Repairs; Repairs of Peterbilt Trucks; Replacement of Gasoline & Diesel Pumps; Joe Medwick County Superstorm Sandy Repairs; Various Road Improvements; Upgrades to Various Traffic Signals; Affordable Rental Housing; Renovation of the Archives and Records Storage Building; Exterior Painting and Window Glazing; Mini Theater Improvements; Milling and Resurfacing

STATE CONTRACTS

Enterprise GIS System; Ammunition; Computers and Related Equipment; Automotive Parts and Repair Service; Automotive and Ground Maintenance; Replacement Vehicles; Wireless Broadband Air Cards; Annual Maintenance and Support; Wireless Installation and Support Service; Mobile Column Lifts; Microsoft Enterprise Agreement Licenses

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

In as much as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4 (CONT'D)

The examination of expenditures did not reveal, for items tested, any payments in excess of \$40,000.00 "for the performance of any work or the furnishing or hiring of any materials or supplies" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-4.

COLLECTION OF INTEREST ON DELINQUENT TAXES

Any interpretation as to possible violation of N.J.S.A. 40A:11-4 and N.J.A.C. 5:30-14 would be in the province of the County solicitor.

Pursuant to R.S. 54:4-74 County taxes are due and payable in quarterly installments on the 15th day of February, May, August and November. R.S. 54:4-76 provides that interest at the rate of 6% per annum shall be due and payable by any municipality for nonpayment of taxes on or before the due date.

A review of the Treasurer's records revealed that compliance with the aforementioned law and regulations was noted for items tested.

INVESTMENT OF AVAILABLE FUNDS

The County had its available funds invested in interest-bearing investments or accounts during 2018. Earnings from interest on investments and deposits are shown as revenue in the various accounts and funds of the County for the year 2018. Cash, cash equivalents and investments and of the County as at December 31, 2018 are disclosed in Note 7 to the financial statements for amounts recorded and amounts on deposit, respectively.

The County has adopted a formal cash management plan policy in compliance with N.J.S.A. 40A:5-14 of the Local Fiscal Affairs Law, which requires that every local unit shall adopt a "Cash Management Plan" and shall deposit in interest-bearing accounts all available public funds pursuant to the plan.

PURCHASE ORDER SYSTEM/ENCUMBRANCE ACCOUNTING SYSTEM AND PAYMENT OF CLAIMS

The County's budgetary operation is on a full encumbrance accounting system. A test of the budgetary operations indicated the system is operating as designed for items selected, with exceptions noted related to encumbrances against balance sheet accounts and encumbering of change order amounts of prior year contracts in the current year.

However, the Comptroller's office has developed and implemented the following procedures to enhance the system related to the above noted deficiency: Funds verification in the reserve accounts occur prior to requisition approval, encumbrances are then set up in temporary appropriation expense accounts. At the end of each month, by way of journal entries, the expended amounts are then transferred to the respective reserve accounts. In addition, the County has also implemented procedures to manually encumber change order amounts of prior year contracts in the current year. Claims were examined on a test basis for the year under review with no exceptions noted.

GENERAL COMMENTS

SURETY BOND COVERAGE

As disclosed in the Supplementary Data and Schedules section of this report, the County Treasurer is bonded in the amount of \$1,250,000.00. The other employees of the County are covered under blanket bond protection in the amount of \$200,000.00. Each person in the Treasurer's Office and all Outside Offices and Departments collecting and handling County funds should be bonded in accordance with their degree of responsibility and within their individual function(s) of the respective offices and departments of the County.

We suggest that each person in the Treasurer's Office and all Outside Offices and Departments collecting and handling County funds should be bonded in accordance with their degree of responsibility and within their individual function(s) of the respective offices and departments of the County.

ADMINISTRATION AND ACCOUNTING FOR STATE AND FEDERAL FUNDS

During 2018, the County operated numerous programs, which were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the County is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program.

The County Comptroller's Office has developed a centralized Federal and State Grant Administration within its department. The centralized grant administrator accounts for and reconciles all grant activity to the financial accounting records. The County maintains grant activity within the Current Fund, Trust Fund and General Capital Fund, respectively.

The Single Audit Policy For Recipients of Federal Grants, State Grants and State Aid, Circular 15-08 issued by the Office of Management and Budget, Department of the Treasurer, State of New Jersey, the Single Audit Act (as Revised) and OMB Circular Uniform Guidance have mandated audit and reporting requirements for all local governmental units. The mandate establishes mandatory compliance for all applicable local governmental units.

The County grant administration is responsible for maintaining and preparing the Schedules of Federal Awards and State Financial Assistance and providing a centralized control over the procedures and communications required to be performed by the various County Officials and Departments responsible for the management, accounting and program administration of State and Federal grants programs and awards, in compliance with the terms and conditions of the grant agreements.

The Grant Administrator has prepared the required Schedules of Expenditures of Federal Awards and State Financial Assistance for the year ended December 31, 2018. The report covering Federal and State Single Audit requirements, respectively, will be filed under separate cover within the statutory filing timeframe.

We suggest that the Grant Administrator continue to enforce formal policies and procedures related to timely reconciliation of the County's financial accounting records maintained by the Comptroller's Office to the subsidiary records and ledgers utilized by the program administrators.

GENERAL COMMENTS

ADMINISTRATION AND ACCOUNTING FOR STATE AND FEDERAL FUNDS (CONT'D)

We suggest that the County continue to monitor its programs for sub-recipient grant/program compliance matters and sub-recipient financial reporting in accordance with federal and state regulations.

We suggest that the County perform periodic reconciliations during the year to ensure that funds received for grants are being properly posted to the correct federal and state grants and the correct federal and state grant year.

A review of the Schedules of State and Federal Grants Receivable and Appropriated disclose program balances for prior year grant periods, dating back to 2013 and 2010, respectively. On an annual basis, the County Comptroller issues a memo to all department heads requesting that the departments provide the status of all State and Federal Grant Receivables and Appropriated that are greater than twelve months. A report of grants Receivable and Appropriated is provide to the departments heads for their review.

OTHER OFFICES/DEPARTMENTS COLLECTING FEES

The County collects cash receipts for fees and permits issued at locations outside the County Treasurer's Office. The reviews of the condition of records maintained by the other offices/departments, which were designed to determine that minimum levels of internal controls and accountability were met, that cash receipts were deposited or turned over to the Treasurer's accounts within a 48 hour period as required by N.J.S.A. 40:A5-15, and that amounts charged were in accordance with the provisions of the County Code were found to be in good condition.

OTHER - OUTSIDE OFFICES/DEPARTMENTS

As disclosed in the Notes to Financial Statements, the County engaged separate audit reports for its constitutional offices and other various departments, as follows:

Constitutional Offices

Office of the County Clerk - Registry, Office of the County Surrogate, and Office of the Sheriff.

Other Offices/Departments

Mental Health Clinics, Adult Correction Center, County Adjuster and Prosecutor's Office - State Law Enforcement Trust Fund and Federal Forfeiture Trust Funds.

As of the filing date of this report, the above reports of audit have not been filed for 2018: The 2018 audit fieldwork has commenced on the above reports and it is anticipated that the reports will be filed during September 2019.

GENERAL COMMENTS

CYBERSECURITY

As part of its overall risk management, the County reviews security measures in place relating to its Information Technology (IT), including the use of specialized assessments. With the ever increasing challenges relating to cybersecurity, each organization determines what particular assessment or combination of assessments best fits its information security strategy. We suggest management continue to assess risks related to cybersecurity along with the utilization of specialized assessments, which would also include a periodic reporting mechanism to those charged with governance.

COMPLIANCE WITH NEW JERSEY ADMINISTRATION CODES

The Local Finance Board, State of New Jersey, adopted the following requirements, previously identified as “technical accounting directives”, as codified in the New Jersey Administration Code, as follows:

N.J.A.C. 5:30 - 5.2 - Encumbrance Accounting: This directive requires the development and implementation of accounting systems, which can reflect the commitment of funds at the point of commitment. The County of Middlesex is in full compliance with this directive.

N.J.A.C. 5:30 - 5.6 - Fixed Asset Accounting: This directive requires the development and implementation of accounting systems which assigns values to covered assets and can track additional requirements and transfers of inventoried assets. Our review of the system indicated that the County of Middlesex has established a Fixed Asset Accounting System Ledger. The County is in compliance with this directive.

N.J.A.C. 5:30 - 5.7- The General Ledger Accounting System: This directive requires the establishment and maintenance of a General Ledger for the Current Fund. The County is in full compliance with this directive.

COMPLIANCE WITH LOCAL FINANCE NOTICES

Local Finance Notice (LFN) No. 92-15 requires that the County prepare and file a corrective action plan in accordance with the approved schedule. No corrective action plan was required to be filed during 2016 for the December 31, 2015 audit.

ANNUAL LIST OF CHANGE ORDERS

The County has complied with the filing requirement related to the Annual List of Change Orders with the Division of Local Government Services, State of New Jersey pursuant to N.J.A.C. 5:30-11.9(d).

RECOMMENDATIONS

None

ACKNOWLEDGMENT

During the course of our audit we received the complete cooperation of the various officials of the County, and the courtesies extended to us were greatly appreciated.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to contact us.

Very truly yours,

HODULIK & MORRISON, P.A.



Andrew G. Hodulik, CPA, RMA
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