This is a Preliminary Official Statement "deemed final" by the County within the meaning of and with the exception of certain information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, and is otherwise subject to change in accordance with applicable law. The County will deliver a final Official Statement in compliance with Rule 15c2-12. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities law of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 10, 2026

NEW ISSUE (BOOK-ENTRY ONLY)

RATING: S&P Global: "AAA"
See "RATING" herein

In the opinions of McCarter & English, LLP, Co-Bond Counsel and McManimon, Scotland & Baumann, LLC, Co-Bond Counsel (together "Co-Bond Counsel") to the County, assuming compliance by the County with certain tax covenants described herein, under existing law, interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax imposed on individuals. However, interest on the Bonds may be taken into account in determining "adjusted financial statement income" for purposes of computing the alternative minimum tax imposed on certain "applicable corporations." Under existing law, interest on the Bonds and net gains from the sale thereof are exempt from the tax imposed by the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

COUNTY OF MIDDLESEX
STATE OF NEW JERSEY

$19,200,000*
GENERAL OBLIGATION BONDS, SERIES 2026
Consisting of:
$4,750,000* General Improvement Bonds,
$7,000,000* Magnet School Bonds,
$2,750,000* County College Bonds
and
$4,700,000* County College Bonds
(County College Bond Act, 1971 N.J. Laws c. 12, As Amended)

(CALLABLE)

Dated: Date of Delivery **Due: June 15, as shown on the inside front cover**

The $4,750,000* General Improvement Bonds (the "General Improvement Bonds"), $7,000,000* Magnet School Bonds (the "Magnet School Bonds"), $2,750,000* County College Bonds (the "County College Bonds") and $4,700,000* County College Bonds (County College Bond Act, 1971 N.J. Laws c. 12, as Amended) (the "Chapter 12 Bonds" and together with the General Improvement Bonds, Magnet School Bonds and County College Bonds, the "Bonds") are each general obligations of the County of Middlesex, State of New Jersey (the "County"), and pledge the full faith and credit of the County to levy *ad valorem* taxes on all taxable property within the jurisdiction of the County without limitation as to rate or amount for the payment of the principal thereof and the interest thereon.

The Bonds will be in fully registered book-entry only form and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). DTC, an automated depository for securities and clearing house for securities transactions, will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in the principal amount of $5,000 or any integral multiple thereof, except that those Bonds in excess of the largest principal amount thereof not equaling a multiple of $5,000 shall be in denominations of $1,000 or any integral multiple thereof, through book entries made on the books and records of DTC and its participants ("DTC Participants").

The Bonds shall bear interest from their date of delivery, payable semi-annually on the fifteenth day of June and December of each year, commencing June 15, 2027, at such rates of interest as shown on the inside front cover hereof. The Bonds will be payable as to principal upon presentation and surrender thereof at the offices of the County or a duly designated paying agent. Interest on the Bonds will be paid by check, draft or wire transfer, mailed, delivered or transmitted by the County or duly designated paying agent to the registered owner thereof as of the Record Dates (as defined herein). As long as DTC is acting as securities depository for the Bonds, principal and interest will be payable by wire transfer to DTC or its nominee, which is obligated to remit such principal and interest to DTC Participants. DTC Participants and Indirect Participants (as defined herein) will be responsible for remitting such payments to the Beneficial Owners (as defined herein) of the Bonds. *See* "THE DEPOSITORY TRUST COMPANY ("DTC") INFORMATION" herein.

The General Improvement Bonds are authorized by and are issued pursuant to the provisions of the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026 and published on the County's website as required by law, and by a resolution duly adopted by the Board of Commissioners of the County on June 4, 2026 (the "Resolution").

The Magnet School Bonds are authorized by and are issued pursuant to the provisions of N.J.S.A. 18A:54-1 et seq., as amended and supplemented, the Local Bond Law, a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026 and published on the County's website as required by law, and by the Resolution.

The County College Bonds are authorized by and are issued pursuant to the provisions of N.J.S.A. 18A:64A-1 et seq., as amended and supplemented, the Local Bond Law, a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026 and published on the County's website as required by law, and by the Resolution.

The Chapter 12 Bonds are authorized by and are issued pursuant to the provisions of N.J.S.A. 18A:64A-1 et seq., as amended and supplemented, the Local Bond Law, a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026, and published on the County's website as required by law, and by the Resolution.

The Bonds are subject to redemption prior to their stated maturities at the times and in the manner described herein. *See* "DESCRIPTION OF THE BONDS – Optional Redemption" herein.

The Bonds are not a debt or obligation, legal, moral or otherwise, of the State of New Jersey, or any county, municipality or political subdivision thereof other than the County.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds are offered when, as and if issued and delivered subject to the approval of the legality thereof by the firms McCarter & English, LLP, Newark and East Brunswick, New Jersey, Co-Bond Counsel, and McManimon, Scotland & Baumann, LLC, Roseland, New Jersey, Co-Bond Counsel, and certain other conditions. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has served as Municipal Advisor to the County in connection with the issuance of the Bonds. It is anticipated that the Bonds will be available for delivery through DTC on or about June 30, 2026.

ELECTRONIC SUBMISSIONS FOR THE BONDS MUST BE MADE VIA PARITY PRIOR TO 11:00 A.M. ON WEDNESDAY, JUNE 17, 2026, IN THE MANNER DESCRIBED IN AND IN ACCORDANCE WITH THE FULL NOTICE OF SALE FOR THE BONDS. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE FULL NOTICE OF SALE POSTED AT WWW.MUNIHUB.COM.

* Preliminary, subject to change.

COUNTY OF MIDDLESEX, STATE OF NEW JERSEY

**$19,200,000*
GENERAL OBLIGATION BONDS, SERIES 2026**

Consisting of:

**$4,750,000* GENERAL IMPROVEMENT BONDS,
$7,000,000* MAGNET SCHOOL BONDS,
$2,750,000* COUNTY COLLEGE BONDS
and
$4,700,000* COUNTY COLLEGE BONDS
(County College Bond Act, 1971 N.J. Laws c. 12, as Amended)**

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

Maturity June 15	General Improvement Bonds*	Magnet School Bonds*	County College Bonds*	County College Chapter 12 Bonds*	Combined Principal Amounts*	Interest Rate	Yield	CUSIP Number†
2027	$200,000	$250,000	$125,000	$185,000	$760,000			
2028	280,000	320,000	180,000	255,000	1,035,000			
2029	290,000	335,000	185,000	265,000	1,075,000			
2030	305,000	345,000	195,000	275,000	1,120,000			
2031	315,000	360,000	200,000	290,000	1,165,000			
2032	330,000	375,000	210,000	300,000	1,215,000			
2033	345,000	390,000	215,000	310,000	1,260,000			
2034	355,000	405,000	225,000	320,000	1,305,000			
2035	365,000	420,000	230,000	330,000	1,345,000			
2036	375,000	430,000	240,000	340,000	1,385,000			
2037	390,000	445,000	245,000	355,000	1,435,000			
2038	400,000	460,000	250,000	365,000	1,475,000			
2039	400,000	475,000	250,000	370,000	1,495,000			
2040	400,000	490,000		370,000	1,260,000			
2041		500,000		370,000	870,000			
2042		500,000			500,000			
2043		500,000			500,000			
Total	$4,750,000	$7,000,000	$2,750,000	$4,700,000	$19,200,000			

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright © 2026 CUSIP Global Services. All rights reserved. CUSIP data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP numbers listed above for the Bonds are being provided solely for the convenience of holders of the Bonds only at the time of issuance of the Bonds. The County does not make any representations with respect to such CUSIP numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP numbers are subject to being changed after the issuance of the Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Bonds.

COUNTY OF MIDDLESEX
STATE OF NEW JERSEY

THE BOARD OF COUNTY COMMISSIONERS

Ronald G. Rios, Director
Shanti Narra, Deputy Director
Claribel A. Azcona-Barber, Commissioner
Charles Kenny, Commissioner
Leslie Koppel, Commissioner
Chanelle Scott McCullum, Commissioner
Charles E. Tomaro, Commissioner

COUNTY OFFICIALS

John A. Pulomena
County Administrator

Nicholas Jeglinski
Chief Financial Officer

Erica Del Plato
Clerk of the Board of County Commissioners

COUNTY COUNSEL

Kelso & Burgess
New Brunswick, New Jersey

AUDITOR

PKF O'Connor Davies, LLP
Cranford, New Jersey

CO-BOND COUNSEL

McCarter & English, LLP
Newark and East Brunswick, New Jersey

CO-BOND COUNSEL

McManimon, Scotland & Baumann, LLC
Roseland, New Jersey

MUNICIPAL ADVISOR

Phoenix Advisors,
a division of First Security Municipal Advisors, Inc.
Hamilton, New Jersey

No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement and if given or made, such information or representation must not be relied upon as having been authorized by the County.

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

The information contained herein has been provided by the County, The Depository Trust Company ("DTC") and other sources deemed reliable by the County; however, no representation or warranty is made as to its accuracy or completeness, and as to the information from sources other than the County, such information is not to be construed as a representation or warranty by the County.

This Official Statement is not to be construed as a contract or an agreement between the County and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information, estimates and expressions of opinion herein are subject to change without notice. The delivery of this Official Statement or any sale of the Bonds made hereunder shall not, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier. The County has not confirmed the accuracy or completeness of information relating to DTC, which information has been provided by DTC.

All quotations from and summaries and explanations of provisions of laws herein do not purport to be complete, and reference is made to such laws for full and complete statements of their provisions. References in this Official Statement to laws, rules, regulations, resolutions, ordinances, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein and may not be reproduced or used in whole or part, for any other purpose. The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.

The presentation of information in this Official Statement is intended to show recent historical information and except as expressly stated otherwise, it is not intended to indicate future or continuing trends in the financial condition or other affairs of the County. No representation is made that past experience, as is shown by the financial and other information, will necessarily continue or be repeated in the future.

This Official Statement is not to be construed as a contract or an agreement between the County and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information, estimates and expressions of opinion herein are subject to change without notice. The delivery of this Official Statement or any sale of the Bonds made hereunder shall not, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

In order to facilitate the distribution of the Bonds, the Underwriter may engage in transactions intended to stabilize the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The prices at which the Bonds are offered to the public by the Underwriter and the yields resulting therefrom may vary from the initial public

offering prices or yields on the inside front cover page hereof. In addition, the Underwriter may allow concessions or discounts from such initial public offering prices to dealers and others.

McCarter & English, LLP has not participated in the preparation of financial statements or statistical information contained in this Official Statement, nor has it verified the accuracy, completeness, or fairness of the information contained in this Official Statement, except under the heading "Tax Matters" and accordingly, assumes no responsibility therefore and expresses no opinion with respect thereto.

McManimon, Scotland & Baumann, LLC has not participated in the preparation of financial statements or statistical information contained in this Official Statement, nor has it verified the accuracy, completeness, or fairness of the information contained in this Official Statement, except under the heading "Tax Matters" and accordingly, assumes no responsibility therefore and expresses no opinion with respect thereto.

The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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OFFICIAL STATEMENT

OF THE

COUNTY OF MIDDLESEX
STATE OF NEW JERSEY

RELATING TO

$19,200,000* GENERAL OBLIGATION BONDS, SERIES 2026

Consisting of:

$4,750,000* GENERAL IMPROVEMENT BONDS,
$7,000,000* MAGNET SCHOOL BONDS,
$2,750,000* COUNTY COLLEGE BONDS
and
$4,700,000* COUNTY COLLEGE BONDS
(County College Bond Act, 1971 N.J. Laws c. 12, as Amended)

INTRODUCTION

The purpose of this Official Statement is to provide certain information regarding the financial and economic condition of the County of Middlesex (the "County"), State of New Jersey (the "State"), in connection with the sale and issuance of the County's $19,200,000* aggregate principal amount of General Obligation Bonds, Series 2026, consisting of $4,750,000* General Improvement Bonds (the "General Improvement Bonds"), $7,000,000* Magnet School Bonds (the "Magnet School Bonds"), $2,750,000* County College Bonds (the "County College Bonds") and $4,700,000* County College Bonds (County College Bond Act, 1971 N.J. Laws c. 12, as Amended) (the "Chapter 12 Bonds" and together with the General Improvement Bonds, Magnet School Bonds and County College Bonds, the "Bonds"). This Official Statement, which includes the cover page, the inside cover page, and the appendices attached hereto, has been authorized by the County to be distributed in connection with the sale and issuance of the Bonds.

This Official Statement contains specific information relating to the Bonds, including their general description, certain matters affecting the financing, certain legal matters, historical financial information and other information pertinent to this issue. This Official Statement should be read in its entirety.

All financial and other information presented herein has been provided by the County from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts and disbursements, is intended to show recent historical information and, but only to the extent specifically provided herein, certain projections of the immediate future, and is not necessarily indicative of future or continuing trends in the financial position or other affairs of the County.

DESCRIPTION OF THE BONDS

The Bonds are dated the date of delivery and shall mature in the principal amounts on June 15 in each of the years set forth in the table appearing on the inside front cover page hereof. The Bonds shall bear interest at the rates shown on the inside front cover page hereof from their date of delivery, which interest shall be payable semiannually on the fifteenth day of June and December (each an "Interest Payment Date"), commencing June 15, 2027, in each year until maturity or earlier redemption, as applicable. Interest on the Bonds is calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year and will be paid by check, draft or wire transfer mailed, delivered or transmitted to the registered owners of the Bonds as of each respective June 1 and December 1 preceding an Interest Payment Date (the "Record Dates"), at the address shown on the registration books for the Bonds kept for that purpose by the Chief Financial Officer or Treasurer of the County, as Registrar and Paying Agent (the "Paying Agent").

*** Preliminary, subject to change.**

The Bonds, when issued, will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds (the "Securities Depository"). Purchases of beneficial interests in the Bonds will be made in book-entry only form, without certificates, in denominations of $5,000 or any integral multiple thereof, except that those Bonds in excess of the largest principal amount thereof not equaling a multiple of $5,000 shall be in denominations of $1,000 or any integral multiple thereof, through book entries made on the books and records of DTC and its participants. Under certain circumstances such beneficial interests in the Bonds are exchangeable for one or more fully registered Bond certificates of like series, maturity and tenor in authorized denominations.

The Bond certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interests in the Bonds, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Bonds purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payment of the principal of and interest on the Bonds will be made directly by the Paying Agent to Cede & Co. Disbursement of such payments to the Direct Participants (as hereinafter defined) is the responsibility of DTC and disbursement of such payments to the owners of beneficial interests in the Bonds is the responsibility of the DTC Participants and Indirect Participants (as hereinafter defined). *See* "THE DEPOSITORY TRUST COMPANY ("DTC") INFORMATION" herein.

Optional Redemption

The Bonds maturing prior to June 15, 2034 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after June 15, 2034 are subject to redemption at the option of the County, in whole or in part on any date on or after June 15, 2033, upon notice as required herein at one hundred percent (100%) of the principal amount being redeemed (the "Redemption Price"), plus in each case accrued interest to the date fixed for redemption.

Notice of Redemption ("Notice of Redemption") shall be given by mailing by first class mail, at least thirty (30) but not more than sixty (60) days prior to the date fixed for redemption, in a sealed envelope with postage prepaid to the owners of the Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the County or a duly appointed Bond Registrar. So long as DTC (or any successor thereto) acts as Securities Depository for the Bonds, Notices of Redemption shall be sent to such depository and shall not be sent to the beneficial owners of the Bonds. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the County determines to redeem a portion of any maturity of the Bonds of any series prior to maturity, such Bonds shall be redeemed by the County in inverse order of maturity of such series and within any maturity of such series shall be selected by the County by lot.

If Notice of Redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest thereon to the date fixed for redemption.

AUTHORIZATION FOR THE ISSUANCE OF THE BONDS

The General Improvement Bonds are authorized by and are issued pursuant to: (i) the provisions of N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), (ii) a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026 and published on the County's website as required by law, and (iii) a resolution duly adopted by the Board of Commissioners of the County on June 4, 2026 (the "Resolution").

The Magnet School Bonds are authorized by and are issued pursuant to: (i) the provisions of N.J.S.A. 18A:54-1 et seq., as amended and supplemented, (ii) the Local Bond Law, (iii) a bond ordinance duly adopted

by the Board of Commissioners of the County on May 21, 2026 and published on the County's website as required by law, and (iv) the Resolution.

The County College Bonds are authorized by and are issued pursuant to: (i) the provisions of N.J.S.A. 18A:64A-1 et seq., as amended and supplemented, (ii) the Local Bond Law, (iii) a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026, and published on the County's website as required by law, and (iv) the Resolution.

The Chapter 12 Bonds are authorized by and are issued pursuant to: (i) the provisions of N.J.S.A. 18A:64A-1 et seq., as amended and supplemented, (ii) the Local Bond Law, (iii) a bond ordinance duly adopted by the Board of Commissioners of the County on May 21, 2026, and published on the County's website as required by law, and (iv) the Resolution.

The four bond ordinances, 482, 483, 484 and 485, each included in the sale of the Bonds, were published in full or in summary form after final adoption on May 22, 2026 along with the statement required by the Local Bond Law that the twenty-day period of limitation within which a suit, action or proceeding questioning the validity of the proceedings authorizing such bond ordinances can be commenced, began to run from the date of first publication of such estoppel statement. Such estoppel period expires on June 12, 2026. In the event that a suit, action or proceeding questioning the validity of the proceedings for any of the bond ordinances is commenced on or prior to June 12, 2026, the Bonds authorized by such bond ordinances will not be included in the Bonds being offered pursuant to this Official Statement. The Local Bond Law provides that, after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery by the County.

PURPOSE OF BOND ISSUE AND USE OF BOND PROCEEDS

Proceeds of the General Improvement Bonds will be used to permanently finance various capital improvements in and by the County in the amount of $4,750,000. Proceeds of the Magnet School Bonds will be used to provide for the permanent financing of various improvements to the Middlesex County Magnet Schools in the amount of $7,000,000. Proceeds of the County College Bonds will be used to provide for the permanent financing of various capital improvements at and for the certain facilities of Middlesex County College in the amount of $2,750,000. Proceeds of the Chapter 12 Bonds will be used to provide for the permanent financing of capital improvements at and for certain facilities of Middlesex County College in the amount of $4,700,000. The Bonds and the improvements or purposes for which the Bonds are to be issued have been authorized by bond ordinances duly adopted by the Board of Commissioners of the County on the dates set forth in the following table and published on the County's website as required by law:

Ordinance Number	General Purpose and Date of Final Adoption	Amount of Bond Proceeds
	General Improvement Bonds	
482	Various capital improvements, finally adopted May 21, 2026.	$4,750,000
	Magnet School Bonds	
483	Various improvements to the Middlesex County Magnet Schools, Finally adopted May 21, 2026.	$7,000,000
	County College Bonds	
485	The undertaking of various capital improvements at and for Middlesex County College, finally adopted May 21, 2026.	$2,750,000

Ordinance Number	General Purpose and Date of Final Adoption	Amount of Bond Proceeds
	Chapter 12 Bonds	
484	Fiscal Year 2026 capital improvements at and for certain facilities of Middlesex County College, finally adopted May 21, 2026.	$4,700,000
	Total:	$19,200,000

Security and Payment for the Bonds

The Bonds are valid and legally binding general obligations of the County for which the full faith and credit of the County are irrevocably pledged for the punctual payment of the principal of and interest on the Bonds. Unless otherwise paid from other sources, the County has the power and is obligated by law to levy *ad valorem* taxes upon all the taxable property within the jurisdiction of the County for the payment of the principal of the Bonds and the interest thereon without limitation as to rate or amount.

The County is required by law to include the total amount of principal and interest on all of its general obligation indebtedness, such as the Bonds, for the current year in each annual budget unless provision has been made for payment from other sources. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights or remedies heretofore or hereafter enacted. *See* "MUNICIPAL BANKRUPTCY" herein.

The Bonds are not a debt or obligation, legal, moral or otherwise, of the State or any political subdivision thereof, other than the County.

County College Bond Act (1971 N.J. Laws c. 12)

The County has received notice from the State Treasurer that the State will provide support for the Chapter 12 Bonds in the amount of one-half of the debt service on the Chapter 12 Bonds, under the provisions of the County College Bond Act, 1971 N.J. Laws c. 12, as amended. Payments from the New Jersey Department of Treasury for its proportionate share of the principal and interest when due are made to the County, upon the County's certification of amounts due, on or before the dates when such amounts are payable by the County. The support the County receives from the State for the Chapter 12 Bonds is dependent upon appropriations by the State Legislature from time to time. The Chapter 12 Bonds which are issued under the provisions of the County College Bond Act, 1971 N.J. Laws c. 12, as amended, shall not be deemed to constitute a debt or liability of the State, or a pledge of the full faith and credit of the State.

MARKET PROTECTION FOR THE BONDS

The County does not anticipate issuing any additional bonds within the next ninety (90) days.

THE DEPOSITORY TRUST COMPANY ("DTC") INFORMATION

DTC will act as Securities Depository for the Bonds . The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each series of the Bonds, as set forth on the inside front cover page hereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the

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

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

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

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

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

Principal and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or other Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct Participant or Indirect Participant and not of DTC, any Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Bonds to Cede & Co. (or such other

nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or other Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County or other Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered by the County.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

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

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

PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT

Procedure for Authorization

A county has no constitutional limit on its power to incur indebtedness other than that it may issue obligations only for public purposes pursuant to State statutes. The authorization and issuance of county debt, including the purpose, amount and nature thereof, the method and manner of the incurrence of such debt, the maturity and terms of repayment thereof, and other related matters are statutory. A county is not required to submit the proposed incurrence of indebtedness to a public referendum.

A county, by bond ordinance, may authorize and issue negotiable obligations for the financing of any capital improvement or property which it may lawfully acquire, or any purpose for which it is authorized or required by law to make an appropriation, except current expenses and payment of obligations (other than those for temporary financings). Bond ordinances must be finally approved by the recorded affirmative vote of at least two-thirds of the full membership of the board of commissioners of the county. The Local Bond Law requires publication and posting of the ordinance or a summary thereof. If the ordinance requires approval or endorsement of the State, it cannot be finally adopted until such approval has been received. The Local Bond Law provides that a bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption. At the conclusion of the twenty-day period all challenges to the validity of the obligations authorized by such bond ordinance shall be precluded except for constitutional matters. Moreover, after issuance, all obligations are conclusively presumed to be fully authorized and issued by all laws of the State and any person shall be estopped from questioning their sale, execution or delivery by the county.

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

The Bonds are being issued pursuant to the provisions of the Local Bond Law. The Local Bond Law governs the issuance of bonds and notes to finance certain municipal capital expenditures. Among its provisions are requirements that bonds or notes must mature within the statutory period of usefulness of the projects being financed, that bonds be retired in either serial or sinking fund installments and that, unlike school debt, and with some exceptions, including self-liquidating obligations and those improvements involving certain State grants, a five percent (5%) cash down payment of the amount of bonds and notes authorized must be generally provided. Such down payment must have been raised by budgetary appropriations, from cash on hand previously contributed for the purpose or by emergency resolution adopted pursuant to the Local Budget Law, N.J.S.A. 40A:4-1 et seq., as amended and supplemented (the "Local Budget Law"). All bonds and notes issued by a county are general "full faith and credit" obligations.

Short-Term Financing

Local governmental units, including counties, may issue bond anticipation notes to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or subsequent resolution so provides. Such bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount of bonds authorized in the ordinance, as may be amended and supplemented, creating such capital expenditure. A local unit's bond anticipation notes may be issued and renewed for periods not exceeding one (1) year, with the final maturity occurring and being paid no later than the first day of the fifth month following the close of the tenth fiscal year after the original issuance of the notes, provided that no notes may be renewed beyond the third anniversary date of the original notes and each anniversary date thereafter unless an amount of such notes, at least equal to the first legally payable installment of the anticipated bonds (the first year's principal payment), is paid and retired from funds other than the proceeds of obligations on or before the third anniversary date and each anniversary date thereafter.

Tax anticipation notes are limited in amount by law and, in the case of a county, may be renewed from time to time, but all such notes and renewals thereof must mature not later than June 30 of the succeeding fiscal year.

Refunding Bonds (N.J.S.A. 40A:2-51 et seq.)

Refunding bonds may be issued by a local unit pursuant to the Local Bond Law for the purpose of paying, funding or refunding its outstanding bonds, including emergency appropriations, the actuarial liabilities of a non-State administered public employee pension system and amounts owing to others for taxes levied in the local unit, or any renewals or extensions thereof, and for paying the cost of issuance of refunding bonds. Refunding bonds may be issued in accordance with N.J.A.C. 5:30-2.5 and, therefore, no approval is required by the Local Finance Board, in the Division of Local Government Services, New Jersey Department of Community Affairs (the "Local Finance Board"); however, the details of the sale, issuance and delivery of the refunding bonds will be delivered to the Local Finance Board within ten (10) days of the delivery of the refunding bonds.

Statutory Debt Limitation

There are statutory requirements which limit the amount of debt which a county is permitted to authorize. The authorized bonded indebtedness of a county is limited by the Local Bond Law and other laws to an amount equal to two percent (2.00%) of its stated average equalized valuation basis, subject to certain exceptions noted below. N.J.S.A. 40A:2-6. The stated equalized valuation basis is set by statute as the average of the aggregate equalized valuations of all taxable real property, together with improvements to such property, and the assessed valuation of Class II railroad property within the boundaries of a county for each of the last three (3) preceding years as annually certified in the valuation of all taxable real property, in the Table of Equalized Valuations by the Director of the Division of Taxation, in the New Jersey Department of the Treasury (the "Division of Taxation"). N.J.S.A. 40A:2-2. Certain categories of debt are permitted by statute to be deducted for the purposes of computing the statutory debt limit. N.J.S.A. 40A:2-43 and -44. The Local Bond Law permits the issuance of certain obligations, including obligations issued for certain emergency or self-liquidating purposes, notwithstanding the statutory debt limitation described above but, with certain

exceptions, it is then necessary to obtain the approval of the Local Finance Board. *See* "Exceptions to Debt Limitation - Extensions of Credit" below.

Exceptions to Debt Limitation - Extensions of Credit (N.J.S.A. 40A:2-7)

The debt limit of a county may be exceeded with the approval of the Local Finance Board. If all or any part of a proposed debt authorization is to exceed its debt limit, the county must apply to the Local Finance Board for an extension of credit. The Local Finance Board considers the request, concentrating its review on the effect of the proposed authorization on outstanding obligations and operating expenses and the anticipated ability to meet the proposed obligations. If the Local Finance Board determines that a proposed debt authorization is not unreasonable or exorbitant, that the purposes or improvements for which the obligations are issued are in the public interest and for the health, welfare and convenience or betterment of the inhabitants of the county and that the proposed debt authorization would not materially impair the credit of the county or substantially reduce the ability of the county to meet its obligations or to provide essential services that are in the public interest and makes other statutory determinations, approval is granted. In addition to the aforesaid, debt in excess of the debt limit may be issued to fund certain obligations, for self-liquidating purposes and, in each fiscal year, in an amount not exceeding two-thirds of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of obligations issued for utility or assessment purposes) plus two-thirds of the amount raised in the tax levy of the current fiscal year by the local unit for the payment of bonds or notes of any school district. As shown in Appendix "A", the County has not exceeded its debt limit.

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

The Local Fiscal Affairs Law regulates the non-budgetary financial activities of local governments, including counties. An annual, independent audit of the local unit's accounts for the previous year must be performed by a Registered Municipal Accountant licensed in the State. The audit, conforming to the Division of Local Government Services, New Jersey Department of Community Affairs (the "Division") "Requirements of Audit", which must be completed within six (6) months (by June 30) after the close of the county's fiscal year, includes recommendations for improvement of the county's financial procedures. The audit report must also be filed with the clerk of the board of commissioners of the county and be available for review during regular business hours and shall, within five (5) days thereafter, be filed with the Director of the Division (the "Director"). A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within thirty (30) days of the county's receipt of the audit report. Accounting methods utilized in the conduct of the audit conform to practices prescribed by the Division, which practices differ in some respects from generally accepted accounting principles.

Annual Financial Statement (N.J.S.A. 40A:5-12 et seq.)

An annual financial statement ("Annual Financial Statement") which sets forth the financial condition of a local unit for the fiscal year must be filed with the Division not later than January 26 (in the case of a county) and not later than February 10 (in the case of a municipality) after the close of the calendar fiscal year, or not later than August 10 of the State fiscal year for those municipalities which operate on the State fiscal year. The Annual Financial Statement is prepared either by the Chief Financial Officer or the Registered Municipal Accountant for the local unit. Such Annual Financial Statement reflects the results of operations for the year of the current and utility funds. If the statement of operations results in a cash deficit, the deficit must be included in full in the succeeding year's budget.

FINANCIAL MANAGEMENT

Accounting and Reporting Practices

The accounting policies of the County conform to the accounting principles applicable to local governmental units which have been prescribed by the Division. A modified accrual basis of accounting is followed with minor exceptions. Revenues are recorded as received in cash except for certain amounts which may be due from other governmental units and which are accrued. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the County's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the County which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue only when received. Expenditures are generally recorded on the accrual basis, except that unexpended appropriations at December 31, unless canceled by the governing body, are reported as expenditures with offsetting appropriation reserves. Appropriation reserves are available, until lapsed at the close of the succeeding fiscal year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are credited to the results of operations. As is the prevailing practice among municipalities and counties in the State, the County does not record obligations for accumulated unused vacation and sick pay.

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

The foundation of the State local finance system is the annual cash basis budget. Every local unit, including counties, must adopt an annual operating budget in the form required by the Division. Certain items of revenue and appropriation are regulated by law and the proposed operating budget must be certified as approved by the Director prior to final adoption of the budget by a county board of commissioners. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service and, in the case of a county, the Director is required to review the adequacy of such appropriations. Among other restrictions, the Director must examine the budget with reference to all estimates of revenue and the following appropriations: (a) payment of interest and debt redemption charges, (b) deferred charges and statutory expenditures, (c) cash deficit of the preceding year, (d) reserve for uncollected taxes, and (e) other reserves and nondisbursement items. The Director is empowered to permit a higher level of anticipation, however, should there be sufficient statutory or other evidence to substantiate that such anticipation is reasonable.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the budgetary review functions, focusing on anticipated revenues, and serves to protect the solvency of all local units. Local budgets, by law and regulation, must be in balance on a "cash basis," i.e., the total of anticipated revenues must equal the total of appropriations. N.J.S.A. 40A:4-22. If in any year a local unit's expenditures exceed its realized revenues for that year, then such excess (deficit) must be raised in the succeeding year's budget.

In accordance with the Local Budget Law and related regulations, (i) each local unit, with a population of more than 10,000 persons, must adopt and annually revise a six (6) year capital program, and (ii) each local unit, with a population of less than 10,000 persons, must adopt (with some exceptions) and annually revise a three (3) year capital program. The capital program, when adopted, does not constitute the appropriation of funds, but sets forth a plan of capital expenditures which the local unit may contemplate over the next six (6) years or the next three (3) years, as applicable. Expenditures for capital purposes may be made either by ordinances adopted by the governing body which set forth the items and the methods of financing or from the annual operating budget. *See* "CAPITAL IMPROVEMENT PROGRAM" herein.

Limitation on Expenditures ("CAP Law")

N.J.S.A. 40A:4-45.4 is commonly known as the "Cap Law" (the "Cap Law") and places limits on county tax levies and expenditures. The Cap Law provides that a county shall limit any increase in its budget to 2.5% or the Cost-of-Living Adjustment, whichever is less, of the previous year's county tax levy, subject to certain exceptions. The Cost-of-Living Adjustment is defined as the annual percentage increase, rounded to the nearest half percent, in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services produced by the United States Department of Commerce for the year preceding the current year as announced by the Director. However, in each year in which the Cost-of-Living Adjustment is equal to or less

than 2.5%, a county may, by resolution approved by a majority vote of the full membership of the governing body, provide that the tax levy of the county for such year be increased by a percentage rate that is greater than the Cost-of-Living Adjustment, but not more than the 3.5% over the previous year's county tax levy. *See* N.J.S.A. 40A:4-45.14. In addition, pursuant to Chapter 100 of the Laws of New Jersey of 1994 (N.J.S.A. 40A:4-45.15a, -45.15b) and Chapter 74 of the Laws of New Jersey of 2004, counties may "CAP Bank" under the Local Budget Law. A county is permitted to appropriate available "CAP Bank" in either of the next two (2) succeeding years' final appropriations if its actual appropriations in a fiscal year are below the allowable Cost-of-Living-Adjustment. Along with the permitted increases for total general appropriations there are certain items that are allowed to increase outside the "CAP."

Additionally, P.L. 2010, c.44, effective July 13, 2010, imposes a two percent (2%) cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for capital expenditures, including debt service, increases in pension contributions in excess of two percent (2%), certain increases in health care costs in excess of two percent (2%), and extraordinary costs incurred by a local unit directly related to a declared emergency. The governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory, to increase the amount to be raised by taxation, and voters may approve increases above two percent (2%) not otherwise permitted by law by an affirmative vote of fifty percent (50%).

The Division of Local Government Services has advised that counties and municipalities must comply with both the budget "cap" and the tax levy limitation. Neither the tax levy limitation nor the "Cap Law", however, limits the obligation of the County to levy *ad valorem* taxes upon all taxable property within the jurisdiction of the County to pay debt service on bonds and notes, including the Bonds .

Deferral of Current Expenses

Supplemental appropriations made after the adoption of the budget and determination of the tax rate may be authorized by the governing body of a local unit, including the County, but only to meet unforeseen circumstances, to protect or promote public health, safety, morals or welfare, or to provide temporary housing or assistance prior to the next succeeding fiscal year. However, with certain exceptions described below, such appropriations must be included in full as a deferred charge in the following year's budget. Any emergency appropriation must be declared by resolution according to the definition provided in a provision of the Local Budget Law, N.J.S.A. 40A:4-48 and -49, and approved by at least two-thirds of full membership of the governing body. If such emergency appropriations exceed three percent (3%) of the adopted operating budget, consent of the Director is required. N.J.S.A. 40A:4-49.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as (i) the repair and reconstruction of streets, roads or bridges damaged by snow, ice, frost, or floods, which may be amortized over three (3) years, and (ii) the repair and reconstruction of streets, roads, bridges or other public property damaged by flood or hurricane, where such expense was unforeseen at the time of budget adoption, the repair and reconstruction of private property damaged by flood or hurricane, tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparations, drainage map preparation for flood control purposes, studies and planning associated with the construction and installation of sanitary sewers, authorized expenses of a consolidated commission, contractually required severance liabilities resulting from the layoff or retirement of employees and the preparation of sanitary and storm system maps, all of which projects set forth in this section (ii) may be amortized over five (5) years. N.J.S.A. 40A:4-53, -54, -55, -55.1, -55.2 and -55.3. Emergency appropriations for capital projects may also be financed through the adoption of a bond ordinance and amortized over the useful life of the project as described above.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism for local units, including counties. Transfers between major appropriation accounts are prohibited, except for: (i) during the first three (3) months of a current fiscal year, appropriation reserves may be transferred to the immediately preceding year's budget; and (ii) transfers between major appropriation accounts are permitted during the last two (2) months of a current fiscal year. Both types of transfers require a two-thirds vote of the full membership of the governing body. Although sub-accounts within an appropriation account are not subject to the same year-end

transfer restriction, they are subject to internal review and approval. Generally, transfers cannot be made from the down payment account, contingent expenses, capital improvement fund or from other sources as provided in the statute.

Anticipation of Real Estate Taxes

N.J.S.A. 40A:4-29 provides limits for the anticipation of delinquent tax collections: "[t]he maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year."

In regard to current taxes, N.J.S.A. 40A:4-41(b) provides that: "[r]eceipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of the preceding fiscal year."

This provision requires that an additional amount (the "reserve for uncollected taxes") be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the product will at least equal the tax levy required to balance the budget. The County receives 100% of its tax levy.

Collection of County Taxes

County taxes are collected by the municipalities located within a particular county, and paid to its county treasurer. The municipal levy includes all county, school and municipal taxes.

Each municipality is required to pay to its county treasurer its share of the purpose taxes by no later than the 15th day of February, May, August and November of each year. Every county is required by law to receive its share of the taxes collected from the first taxes collected by each municipality. Consequently, counties in the State experience a 100% tax collection rate.

Anticipation of Miscellaneous Revenues

N.J.S.A. 40A:4-26 provides that: "[n]o miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit."

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years of such grants rarely coincide with a municipality's calendar fiscal year. Grant revenues are fully realized in the year in which they are budgeted by the establishment of accounts receivable and offsetting reserves.

Debt Statements

A county must report all new authorizations of debt or changes in previously authorized debt to the Division through the filing of Supplemental and Annual Debt Statements. The Supplemental Debt Statement must be submitted to the Division before final passage of any debt authorization other than certain refunding debt authorizations. Before January 31 of each fiscal year, a county must file with the Division an Annual Debt Statement which is dated as of the last day of the preceding fiscal year. This report is made under oath and states the authorized, issued and unissued debt of the county as of the previous December 31. Through the Annual and Supplemental Debt Statements, the Division monitors all local borrowing. Even though the County's authorizations are within its debt limits, the Division is able to enforce State regulations as to the amounts and purposes of local borrowings.

CAPITAL IMPROVEMENT PROGRAM

N.J.A.C. 5:30-4 provides that the capital budget and capital improvement program of a local unit must be adopted as part of the annual budget. It does not by itself confer any authorization to raise or expend funds. Rather it is a document used for planning. Specific authorization to expend funds for such purposes must be granted, by a separate bond ordinance, by inclusion of a line item in the capital improvement section of the budget, by an ordinance taking money from the capital improvement fund, or other lawful means.

TAX MATTERS

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

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

Assuming the County observes its covenants with respect to compliance with the Code, Co-Bond Counsel to the County is of the opinion that, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax imposed on individuals. However, interest on the Bonds may be taken into account in determining "adjusted financial statement income" for purposes of computing the alternative minimum tax imposed on certain "applicable corporations".

The Internal Revenue Service (the "Service") has an ongoing program of auditing state and local government obligations, which may include randomly selecting bond issues for audit, to determine whether interest paid to the holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Bonds will be audited. If an audit is commenced, under current Service procedures the holders of the Bonds may not be permitted to participate in the audit process, and the value and liquidity of the Bonds may be adversely affected.

[Original Issue Discount

Certain maturities of the Bonds (the "Discount Bonds") were sold at an initial offering price less than the principal amount payable on the Discount Bonds at maturity. The difference between the principal amount of the Discount Bonds and the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such Discount Bonds of the same maturity was sold, is "original issue discount." Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent and subject to the same considerations discussed above as to stated interest on the Bonds . Such interest is taken into account for purposes of determining the alternative minimum tax liability, and other collateral tax consequences, although the owner of such Discount Bonds may not have received cash in such year. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded on interest payment dates. A purchaser who acquires a Discount Bond in the initial offering at a price equal to the initial offering price thereof will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bond and will

increase its adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Discount Bonds which are not purchased in the initial offering may be determined according to rules which differ from those described above. Prospective purchasers of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or the disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.]

[Original Issue Premium

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

Additional Federal Income Tax Consequences

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax exempt obligations, such as the Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective purchasers of the Bonds should also consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

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

See Appendix C for the complete text of the proposed forms of Co-Bond Counsel's legal opinions with respect to the Bonds.

UNDERWRITING

The Bonds have been purchased from the County at a public sale by [_____] ("Underwriter"). The Underwriter has purchased the Bonds in accordance with the Notice of Sale for the Bonds at a purchase price of [$_____].

The Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing bonds or notes into investment trusts) at yields lower than the public offering yields set forth on

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

LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutional, building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any obligations of the County, including the Bonds, and such Bonds are authorized security for any and all public deposits.

MUNICIPAL BANKRUPTCY

The undertakings of the County should be considered with reference to 11 U.S.C. § 101 et seq., as amended and supplemented (the "Bankruptcy Code"), and other bankruptcy laws affecting creditors' rights and municipalities in general. The Bankruptcy Code permits the State or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to commence a voluntary bankruptcy case by filing a petition with a bankruptcy court for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to certain debts owed; and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount and more than one half in number of the allowed claims of at least one (1) impaired class. Chapter 9 of the Bankruptcy Code does not permit such entity to liquidate its assets and distribute the proceeds of its assets to its creditors. Chapter 9 of the Bankruptcy Code permits a financially distressed public entity to seek protection from its creditors by staying the commencement or continuation of certain actions against such public entity while it formulates and negotiates a plan of adjustment of its debts which can be binding on a dissenting minority of creditors if it is acceptable to a majority of the creditors. Should the County file a petition in the bankruptcy court under Chapter 9 of the Bankruptcy Code prior to the payment in full of the principal of and interest on the Bonds , the holders of the Bonds would be considered creditors and would be bound by the County's plan of adjustment of its debt. The Bankruptcy Code specifically does not limit or impair the power of a state to control by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Code.

The Bankruptcy Code provides that special revenue acquired by the debtor after the commencement of the case shall remain subject to any lien resulting from any security agreement entered into by such debtor before the commencement of such bankruptcy case. However, special revenues acquired by the debtor after commencement of the case shall continue to be available to pay debt service secured by those revenues. Furthermore, the Bankruptcy Code provides that a transfer of property of a debtor to or for the benefit of any holder of a bond or note, on account of such bond or note, may not be avoided pursuant to certain preferential transfer provisions set forth in such code.

Reference should also be made to N.J.S.A. 52:27-40 et seq., which provides that a "political subdivision" of the State as defined therein, including the County, has the power to file a petition in bankruptcy with any United States court or court in bankruptcy under the provisions of the Bankruptcy Code, for the purpose of effecting a plan of readjustment of its debts or for the composition of its debts; provided, however, the approval of the Local Finance Board, as successor to the Municipal Finance Commission, must be obtained.

The County has not authorized the filing of a bankruptcy petition. This reference to the Bankruptcy Code or the State statute should not create any implication that the County expects to utilize the benefits of their provisions, or that if utilized, such action would be approved by the Local Finance Board, or that any proposed plan would include a dilution of the source of payment of and security for the Bonds, or that the Bankruptcy Code cannot be amended after the date hereof.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, the issuance, the sale and the delivery of the Bonds are subject to the approval of Co-Bond Counsel, whose approving legal opinions with respect to the Bonds will be delivered with the Bonds substantially in the forms set forth in Appendix C hereto. Certain legal matters with respect to the Bonds will be passed on for the County by its Counsel, Kelso & Burgess, New Brunswick, New Jersey ("County Counsel"). The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

CERTAIN RISK FACTORS

Climate

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, earthquakes and hurricanes, which could result in negative economic impacts on communities. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as "climate change"), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the County as well as resulting in economic impacts such as loss of *ad valorem* tax revenue, interruption of municipal services, and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially adversely affect the financial condition of the County.

Cyber Security

The County relies on a complex technological environment to conduct its various operations. As a result, the County faces certain cyber security threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. To mitigate the risks of business operations impact and/or damage from cyber security incidents or cyber-attacks, the County has invested in multiple forms of cyber security and operational safeguards. In addition, the County maintains certain insurance coverage for cyberattacks and related events. Despite this, there can be no assurance that any existing safety or security measures will provide adequate protection in safeguarding against cyber threats and attacks.

Enforceability of Bonds

It is to be understood that the rights of the holders of the Bonds, and the enforceability thereof, may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

CERTIFICATES OF THE COUNTY

Upon the delivery of the Bonds , the Underwriter shall receive certificates, in form satisfactory to Co-Bond Counsel and signed by officials of the County, stating to the best knowledge of said officials, that this Official Statement as of its date did not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and stating, to the best knowledge of said officials, that there has been no material adverse change in the condition, financial or otherwise, of the County from that set forth in or contemplated by this Official Statement. In addition, the Underwriter of the Bonds shall also receive certificates in form satisfactory to Co-Bond Counsel evidencing the proper execution and delivery of the Bonds and receipt of payment therefor, and certificates dated as of the date of the delivery of the Bonds , and signed by the officers

who signed the Bonds, stating that no litigation is then pending or, to the knowledge of such officers, threatened to restrain or enjoin the issuance or delivery of the Bonds or the levy or collection of taxes to pay the Bonds or the interest thereon or questioning the validity of the statutes or the proceedings under which the Bonds are issued and that neither the corporate existence or boundaries of the County, nor the title of any of the said officers to the respective offices, is being contested.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to the County of Middlesex, Middlesex County Administration Building, Third Floor, John F. Kennedy Square, 75 Bayard Street, New Brunswick, New Jersey 08901, Nicholas Jeglinski, Chief Financial Officer, (732) 395-8078, or to its Municipal Advisor, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 2000 Waterview Drive, Suite 101, Hamilton, New Jersey 08691, Anthony P. Inverso, (609) 291-0130.

NO DEFAULT

There is no report of any default in the payment of the principal of, redemption premium, if any, and interest on the bonds, notes or other obligations of the County as of the date hereof.

LITIGATION

To the knowledge of County Counsel, after due inquiry, there is no litigation of any nature now pending or threatened, restraining or enjoining the issuance or the delivery of the Bonds, or the levy or the collection of any taxes to pay the principal of or the interest on the Bonds, or in any manner questioning the authority or the proceedings for the issuance of the Bonds or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the County or the title of any of the present officers. Further, to the knowledge of the County Counsel, no litigation is presently pending or threatened that, in the opinion of the County Counsel, would have a material adverse impact on the financial condition of the County if adversely decided. Upon the delivery of the Bonds, the County shall furnish an opinion of County Counsel for the Bonds, dated the date of delivery of the Bonds attesting to the status of litigation of the County.

COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS FOR THE BONDS

The County has covenanted for the benefit of the holders and the beneficial owners of the Bonds to provide certain financial information and operating data of the County on or prior to September 30 of each year and to comply with the provisions of Rule 15c2-12 (the "Rule") promulgated by the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended and supplemented, and as detailed in a Continuing Disclosure Certificate (the "Bond Disclosure Certificate") to be executed on behalf of the County by its Chief Financial Officer or Treasurer, in the form appearing in Appendix D hereto. Such Bond Disclosure Certificate shall be delivered concurrently with the delivery of the Bonds. Annual financial information, including operating data, and notices of events specified in the Rule, if material, shall be filed with the Municipal Securities Rulemaking Board (the "MSRB").

The County has previously entered into secondary market disclosure undertakings in accordance with the Rule with respect to its own obligations and obligations of the Middlesex County Improvement Authority for which the County is an obligated person. The County appointed Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, to serve as continuing disclosure agent to assist in the filing of certain information on EMMA as required under its prior secondary market disclosure undertakings.

PREPARATION OF OFFICIAL STATEMENT

Co-Bond Counsel has participated in the preparation and review of this Official Statement, but has not participated in the preparation or collection of financial and statistical information contained in this Official Statement, including in Appendix A and Appendix B, nor has it verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto.

County Counsel has not participated in the preparation of the information contained in this Official Statement, nor has it verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but has reviewed the section under the caption entitled "LITIGATION" and expresses no opinion or assurance other than that which is specifically set forth therein with respect thereto.

The Municipal Advisor has participated in the preparation and review of the information contained in this Official Statement, including the collection of financial, statistical and demographic information; however, it has not verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto. Certain information set forth herein has been obtained from the County and other sources, which are deemed reliable, but no warranty, guaranty or other representation as to the accuracy or completeness is made as to such information contained herein. There is no assurance that any of the assumptions or estimates contained herein will be realized.

RATING

S&P Global Ratings, acting through Standard & Poor's Financial Services LLC (the "Rating Agency") has assigned a rating of "AAA" to the Bonds based upon the creditworthiness of the County.

The rating reflects only the view of the Rating Agency and an explanation of the significance of such rating may only be obtained from the Rating Agency. The County forwarded the Rating Agency certain information and materials concerning the Bonds and the County. There can be no assurance that the rating will be maintained for any given period of time or that the rating will not be raised, lowered or withdrawn entirely by the Rating Agency, if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in or withdrawal of such rating may have an adverse effect on the marketability or market price of the Bonds.

MUNICIPAL ADVISOR

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has served as Municipal Advisor to the County in connection with the issuance of the Bonds (the "Municipal Advisor") and has assisted in matters related to the planning, structuring and terms of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the Appendices hereto. The Municipal Advisor is an Independent Registered Municipal Advisor pursuant to the Dodd-Frank Act and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

FINANCIAL STATEMENTS

The financial statements of the County as of December 31, 2024 and 2023, and for the years then ended, included in Appendix B to this Official Statement, have been audited by PKF O'Connor Davies, LLP, independent auditors, as stated in their report appearing herein.

In addition, included in Appendix A are unaudited balance sheets – regulatory basis of the various funds of the County as of December 31, 2025 and the related unaudited statement of operations and changes in fund balance – regulatory basis for the year ended December 31, 2025, without accompanying note disclosures. The unaudited financial statements referred to above have been abstracted from the

County's annual financial statement (unaudited) for the year ended December 31, 2025, prepared by the County.

MISCELLANEOUS

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

COUNTY OF MIDDLESEX

/s/
Nicholas Jeglinski
Chief Financial Officer

DATED: June __, 2026

APPENDIX A

CERTAIN GENERAL AND DEMOGRAPHIC INFORMATION CONCERNING THE COUNTY OF MIDDLESEX INCLUDING UNAUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

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COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL AND FINANCIAL INFORMATION

Introduction

The County of Middlesex, State of New Jersey ("County") was one of the first four counties into which the Province of East Jersey was divided by an Act of the Assembly in 1682. Located in central northeastern New Jersey, astride a major transportation corridor, the County is accessible to New York City and Philadelphia.

Governmental Structure

A seven (7) member Board of County Commissioners ("Board of County Commissioners" or "Board"), elected for staggered terms of three (3) years, governs the County. The Board of County Commissioners operates under the commission form on a committee system. Professional department heads in County government are appointed by the Board of County Commissioners and are responsible to the chairman and the committee charged with the specific operation. The County follows the Civil Service merit system of employment, and the Board of County Commissioners abides by the regulations of the State Merit System Board.

The County also established an Office of Administration under the direction of a County Administrator. The County Administrator is a statutory position for a term, authorized by N.J.S.A. 40A:9-42. The County Administrator shall report directly to the Board of County Commissioners on policy matters (i.e., all matters affecting the citizens of the County), and act as its chief executive and administrative officer on all matters involving County Government and shall have administrative responsibility for all County matters. The County Administrator oversees the preparation of the County's annual operating and capital budgets and may perform other executive or administrative duties as are necessary to ensure the effective functioning of County operations and the efficient use of County resources. The County Administrator shall also perform such other duties as are assigned by the Board of County Commissioners pursuant to N.J.S.A. 40A:9-42. 2012.

Governmental Services

Health and Hospitals. The County provides certain medical, health and extended-care services to residents through the George J. Otlowski Sr. Center for Mental Health Care, numerous public health clinics and the skilled-care facilities at Roosevelt Care Center in Edison and Roosevelt Care Center in Old Bridge. Both 180-bed facilities, which in addition to providing quality long-term care, offer a full range of rehabilitative, dementia and sub-acute services. The County is currently in negotiations with RWJBarnabas Health.

Education. The Middlesex County Magnet Schools (formerly "Middlesex County Vocational and Technical School System") is acclaimed as one of the finest in the nation. The system provides pre-employment training in approximately 45 vocational and technical skilled areas to high school and adult students. Approximately 3,000 full- and part-time students are served annually. The system, serving industry and labor, contributes greatly to the industrial growth and stability of the County. The mission statement of the County Vocational and Technical Schools is: "To prepare students for employment in the competitive labor force and for life-long learning by providing a program that stresses the expectation that all students will achieve the New Jersey Student Learning Standards (NJSLS) at all grade levels; work ethic; technology; industry driven occupational skills competency; broadly transferable academic thinking, problem solving and communication skills; diversity and equity behavior; and the rights and responsibilities of citizenship."

Middlesex County College (the "College"), established by the Board of County Commissioners in 1964, has an enrollment of more than 15,000 students in more than 90 degree and certificate programs. The College prepares students for transfer to some of the nation's most prestigious universities. The College also offers career programs in which graduates directly enter the workplace. The institution has a $600 million positive impact on the local economy. Rutgers, the State University, including the Douglass, Cook, Livingston, Busch and Rutgers

campuses, is located within the County, as well as the Rutgers School of Biomedical and Health Sciences (which has been merged with the former University of Medicine and Dentistry of New Jersey), Princeton University – Forrestal Campus and DeVry University.

Parks and Recreation. The Middlesex County Office of Parks & Recreation manages 11,868 acres of parkland for the enjoyment of County residents. Nineteen (19) County Parks and Recreation Facilities totaling 3,024 acres provide recreational and cultural activities with extensive facilities for summer and winter sports, theater, and concert programs. Thirty-five (35) Conservation Areas and Preserves, totaling 8,400 acres, offer passive recreation opportunities including hiking along nearly 32 miles of marked trails, bird watching, photography and nature study, while providing important protection to pristine and ecologically sensitive habitat. In addition, three (3) golf facilities are owned by the County and operated through a management agreement with Indigo Golf Partners. They include Tamarack Golf Course (36 holes); The Meadows at Middlesex (18 holes); and Raritan Landing Golf Course (18-hole executive course). The County has been investing in parks and recreation to add to its long-term livability and its socioeconomic stability. The Open Space and Recreation and Farmland and Historic Preservation Trust Fund was established in 1996. Through this fund, the County has acquired over 8,250 acres of open space either directly by the County or in partnership with its municipalities. This Trust Fund has also been used to develop County and municipal recreational facilities through a grant program focusing on development and redevelopment of municipal parks.

The County continues to pursue an active program of facility improvements and renovations in existing parks. In 2020, the County completed the replacement of tennis courts and basketball courts at Spring Lake Park in the Borough of South Plainfield, resurfaced the pathways and added new energy-efficient pathway lighting. The athletic track at Thomas Edison Park in Edison Township was resurfaced, adding life to the facility, and improving safety, while two (2) ball fields in Johnson Park were renovated. Roosevelt Park in Edison Township saw the completion of a major project that included complete resurfacing of all pathways, new bulk heading around the island in Roosevelt Park Lake, four (4) new pedestrian footbridges, sidewalks, and landscaping. Pathways were resurfaced at Alvin P. Williams Memorial Park and a brand-new fitness circuit and exercise stations were added to William Warren Park, both in Woodbridge Township. Milling and paving upgrades continued with resurfaced roads and parking lots at William Warren Park and a fully renovated parking area at East Jersey Old Town in Johnson Park, Piscataway Township. The Park Administration Building also received a facelift in 2020 with new HVAC system, siding, furniture and carpeting.

The County has preserved 3,814 acres of farmland through the Open Space, Recreation and Farmland and Historic Preservation Trust Fund. Overall, more than 5,527 acres of farmland have been preserved throughout the County. This includes preservation easements purchased through the County Farmland Preservation Program, as well as acquisitions made directly by the State, the municipalities, a non-profit organization, and State-owned lands. The County continues to work on additional farmland preservation applications.

Transportation. The County is one of the most heavily traveled regions in New Jersey. Located at the crossroads of the Northeast Corridor, the County is traversed by the New Jersey Turnpike, the Garden State Parkway, Interstate 287 and U.S. Routes 1, 9, and 130. There are also other arterial roads, including State Routes 18, 27, 28, 32, 33, 34, and 35, in addition to the 500 and 600 series of County routes which traverse the County and provide access to numerous residential, shopping, educational, medical, and recreational facilities. The Northeast Corridor rail line provides both Amtrak and NJ Transit commuter rail service (five stops within the County), and there also is regular NJ Transit service on both the North Jersey Coast Line (four stops within the County) and the Raritan Valley line which has a stop in Dunellen. Intercity rail service is also provided by Amtrak. These routes run through the County and have regular stops at Metropark and limited stops at New Brunswick City. The Acela Express and Northeast Regional trains operate between Boston and Washington D.C., as the Keystone operates between Harrisburg, Pennsylvania and New York Penn Station. The County also has a number of existing freight railroad lines that facilitated much of the growth of nearby developments which are located along rail lines that constituted a major transportation infrastructure in the late 19th and 20th century. Presently, the freight lines are in transition, evolving to serve the developing opportunities provided by container ports, oil, car transport, and other commodities unique to the County's big box distribution supply centers and warehouses.

Commuter bus service is provided by NJ Transit, Suburban Transit – Coach USA, and Academy Bus Lines along parts of Routes 1, 9, 18, 27, 34, 130, the Garden State Parkway, and some secondary roads, and includes regular service to New York. Some of these commuter bus routes also serve regional destinations north and south of the County such as Princeton, Newark, Jersey City, Elizabeth, Lakewood, Jackson, Freehold, Toms River, and Seaside Heights during seasonal times. Local bus service to various parts of the county is available through the NJ Transit 800 routes and the Middlesex County Area Transit (MCAT) shuttle routes. Funding for improvements and maintenance of this extensive transportation system comes from Federal, State, County, local and private sources. Additionally, the New Brunswick-Piscataway corridor is served by the Rutgers University inter-campus bus system, which is among the largest in the nation carrying over 6.7 million student and faculty passengers per year.

Transportation funding sources include Federal Highway Administration funding for eligible roads and bridges, and State aid funds, through the New Jersey Department of Transportation, for State, County, and eligible municipal roads. Funding is also available through local capital improvement programs for County and municipal roads. The Federal Transit Administration and New Jersey Transit provide funding for public transit systems. Funding by private industry for transportation improvements is also possible when private development impacts on transportation facilities. The County's transportation management association, Keep Middlesex Moving, Inc., works to reduce traffic congestion on existing roads through various travel demand management strategies, such as car and van pooling, ride-matching, staggered hours, compressed work schedules, and telecommuting. Pedestrian and bicycle mobility service for transportation and recreation needs are available in certain areas and are being expanded through State, County, and municipal initiatives. Major bicycling facilities within the County include the Johnson Park Bikeway, the Middlesex Greenway, and D&R Canal Towpath which comprise parts of the East Coast Greenway, as well as the New Brunswick Bikeway. Bike lanes and bike routes have also been placed on many County and municipal roads throughout the County. In addition to enhancing transportation linkages and local mobility needs, these facilities also promote personal health, wellness, and quality of life.

The County's Department of Transportation operates an area-wide on demand special transit service for seniors and disabled persons, in addition to the County fixed route shuttle service that provides important linkages and support to the County's regional and local rail and bus system served by NJ Transit and private bus providers. MCAT also coordinates transit services between municipalities and major job and activity centers. The County invests in its road infrastructure has several major capital transportation projects underway.

Economy

The County has been a leader in new construction for many years. As of December 2024[1], data from the New Jersey Department of Community Affairs' Construction Reporter ranks the County among the leaders in the State for various constructions statistics, as shown below.

Statistic	Amount	Rank (Among 21 NJ Counties)
Cost of Construction Authorized by Building Permits	$2,254,419,154	2nd
Est. Cost of Residl Construction Authorized by Building Permits	$872,250,435	5th
Nonresidential Construction Authorized by Building Permits	$1,387,683,165	1st
Office Square Feet Authorized by Building Permits	1633638	2nd
Residential Construction Authorized by Building Permits (units)	3,338	2nd
Retail Square Feet Authorized by Building Permits	59,595	4th

[1] Most recent data available.

Pension Information

Those County employees who are eligible for pension coverage are enrolled in the State of New Jersey pension system. The two State-administered pension funds are the Police and Firemen's Retirement System (N.J.S.A. §43:16A-1 *et. seq.*) and the Public Employees' Retirement System (N.J.S.A.§43:15A-7 *et. seq.*). Benefits, contributions, means of funding and the manner of administration are determined by State Legislation. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds. This Division annually charges counties and other government units for their respective contributions. State law requires that these systems be subject to actuarial valuation every year and actuarial investigation every three (3) years.

Employees

The County provides services through approximately 1,965 full-time employees and approximately 850 part-time employees. County employees are represented by twenty-four (24) labor organizations recognized by the County under the Public Employees Relations Act of 1968 (P.E.R.C.).

All twenty-four labor unit agreements expired on December 31, 2024. A large portion of the labor agreements have already been negotiated through December 31, 2027. The remaining portions are anticipated to be completed within the next few months.

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TEN LARGEST TAXPAYERS

Taxpayers	Description	2025 Assessed Valuation	% of Total Assessed Valuation
Digital Piscataway, LLC	Various	$478,800,000	0.62%
Whale Ventures LLC	Piscataway	348,148,500	0.45%
Pleasant View Gardens	Plainsboro	194,140,000	0.25%
Princeton HD Owner, LLC	Perth Amboy	183,131,200	0.24%
Federal Business Centers Inc.	Various	177,501,800	0.23%
BSREP III Monroe	Various	166,661,500	0.21%
Johnson & Johnson	Perth Amboy	166,600,000	0.21%
Buckeye Perth Amboy Terminals, LLC.	Piscataway	158,108,700	0.20%
Shopping Center Assoc. (Menlo Park)	North Brunswick	145,181,700	0.19%
Forsgate Industrial Complex	Piscataway	142,249,700	0.18%
Total		$2,160,523,100	2.78%

Source: County of Middlesex.

WEALTH AND INCOME - 2024

	County	State	National
Median Household Income	$115,040	$104,294	$81,604
Median Family Income	133,732	127,593	101,265
Per Capita Income	50,572	53,818	45,256

Source: U.S. Bureau of the Census, American Community Survey 5-Year Estimates

MAJOR EMPLOYERS

Name	Number of Employees (est.)
Robert Wood Johnson University Hospital	5,000-5,249
Novo Nordisk	4,500-4,579
Wakefern Food Corp., Edison, NJ	3,500-3,749
J.F.K. Medical Center, Edison, NJ	3,000-3,369
Bristol-Myers Squibb	3,000-3,249
Penn Medicine	2,750-3,000
St. Peter's Healthcare System	2,750-2,999
Silverline Buildings Products	2,250-2,299
Johnson & Johnson	2,000-2,249
Raritan Bay Medical Center	2,000-2,249

Source: Municipal Officials

LABOR FORCE

	Total Labor Force	Employed Labor Force	Total Unemployed	Unemployment Rate
County				
2025	450,336	427,354	22,982	5.1%
2024	451,078	430,775	20,303	4.5%
2023	449,456	430,665	18,791	4.2%
2022	441,300	425,061	16,239	3.7%
2021	434,089	406,494	27,595	6.4%
State				
2025	4,897,829	4,649,130	248,698	5.1%
2024	4,898,008	4,676,064	221,944	4.5%
2023	4,867,113	4,659,779	207,334	4.3%
2022	4,756,002	4,572,879	183,123	3.9%
2021	4,654,243	4,342,075	312,168	6.7%

Source: New Jersey Department of Labor, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

POPULATION

	County		State	
Year	Population	% Change	Population	% Change
2024 est.	869,410	0.7%	9,500,851	2.3%
2020	863,162	6.6%	9,288,994	5.7%
2010	809,858	8.0%	8,791,894	4.5%
2000	750,162	11.7%	8,414,350	8.9%
1990	671,780	12.7%	7,730,188	5.0%

Source: United States Census Bureau

NEW BUILDING PERMITS AUTHORIZED

Year	One & Two Family	Multi-Family/ Mixed Use	Total Housing Units
2025	n/a	n/a	n/a
2024	661	2,675	3,336
2023	892	883	1,775
2022	563	1,071	1,634
2021	654	1,769	2,423

Source: NJ Department of Community Affairs

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STATUTORY DEBT [1, 2]
AS OF DECEMBER 31, 2025

GROSS DEBT:	
Issued and Outstanding:	
Bonds	$133,045,000
Notes	0
Total Bond & Notes Issues & Outstanding	133,045,000
Authorized but not Issued	450,202,116
County Loans from MCIA	11,808,558
Green Acres Trust Program Loans	1,728,825
Subtotal	$596,784,499
Less:	
County College Bonds payable by State of New Jersey	17,777,500
STATUTORY NET DEBT (includes Authorized but not Issued)	$579,006,999

Source: County of Middlesex accounting records.

[1] In accordance with the Local Bond Law, the County is required to include all authorized capital appropriations in its statutory debt statement.

[2] Does not include County-Guaranteed Revenue Bonds issued by the Middlesex County Improvement Authority (MCIA) as detailed on page A-9. In addition, does not include lease payments/loan payment obligations of the County pursuant to various lease-purchase/loan agreements as detailed on page A-10.

STATUTORY DEBT LIMIT
AS OF DECEMBER 31, 2025

Three Year Average Equalized Valuation Basis (2023, 2024, 2025)	$158,511,260,830
Statutory Borrowing Capacity (2% of Equalized Basis)	$3,170,225,217
Statutory Net Debt [1]	$579,006,999
Remaining Borrowing Capacity	$2,591,218,218
Percentage of Net Debt to Equalized Valuation Basis	0.365%

Sources: Division of Local Government Services, N.J. Department of Community Affairs and County of Middlesex accounting records.

[1] Does not include County-Guaranteed Lease Revenue Bonds issued by the Middlesex County Improvement Authority (MCIA) as detailed on page A-9. In addition, does not include lease payments/loan payment obligations of the County pursuant to various lease-purchase/loan agreements as detailed on page A-10.

COUNTY-GUARANTEED BONDS ISSUED BY MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS OF DECEMBER 31, 2025

SERIES	DESCRIPTION	ISSUE DATE	ORIGINAL AMOUNT	GUARANTEE BALANCE
2007	Heldrich Bond Issue	06/13/07	$3,000,000	$1,230,000
2013	Refunding Golf Course Centers	06/01/13	11,875,000	3,800,000
2016	Open Space (Refunding Bonds)	05/10/16	19,160,000	10,375,000
2017	Capital Equipment Lease Revenue	09/01/17	10,915,000	485,000
2017	Education Services Comm. Project	08/31/17	13,170,000	8,140,000
2017	New Brunswick Cultural Center	09/07/17	28,430,000	13,110,000
2019	Capital Equipment Lease Revenue	10/31/19	9,530,000	575,000
2020	Capital Equipment Lease Revenue	10/15/20	15,005,000	570,000
2021	New Brunswick Parking Deck Project	09/15/21	50,365,000	50,365,000
2021	Capital Equipment Lease Revenue	10/13/21	12,875,000	3,240,000
2022	Carteret Garage Project	04/26/22	5,505,000	5,455,000
2022	Capital Equipment Lease Revenue	10/04/22	16,065,000	8,870,000
2023	NJ Health + Life Sci Exch - H-1 Proj, Ser 2023A	07/19/23	26,720,000	26,720,000
2023	NJ Health + Life Sci Exch - H-1 Proj, Ser 2023B (Txble)	07/19/23	42,430,000	42,430,000
2023	NJ Health + Life Sci Exch - H-1 Proj, Ser 2023C	07/19/23	18,225,000	18,225,000
2023	NJ Health + Life Sci Exch - H-1 Proj, Ser 2023D (Txble)	07/19/23	25,700,000	25,700,000
2023	Capital Equipment Lease Revenue	10/25/23	9,985,000	6,245,000
2024	Capital Equipment Lease Revenue	10/17/24	6,315,000	5,180,000
2024	Education Services Comm. Project (Refunding)	11/14/24	18,380,000	16,710,000
	Total:		$343,650,000	$247,425,000

Source: Middlesex County Comptroller's Office from financial records of the County and Middlesex County Improvement Authority.

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OTHER COUNTY LEASE/LOAN OBLIGATIONS[1,2]
AS OF DECEMBER 31, 2025

DESCRIPTION	OUTSTANDING AMOUNT
2012 Civic Square IV (Refunding) COP	$15,405,000
2016 Open Space (Refunding)	10,375,000
2017 Civic Square III (Refunding) COP	4,160,000
2017 Civic Square II (Refunding) COP	13,815,000
2022 County Lease from MCIA (Net)	4,176,746
Total:	$47,931,746

Source: Middlesex County Comptroller's Office from financial records of the County.

[1] Lease purchase/loan payment obligations of the County as a participant in various financings. These lease payments/loan payments are not included in the gross debt calculation of the County.

[2] The debt service on the Open Space bonds is paid by monies deposited in the Open Space Trust Fund from the Open Space tax levy.

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SUBSEQUENT EVENTS

– March 19, 2026 –

The County's 2026 operating budget was adopted.

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HISTORY OF DEBT RATIOS

Calendar Year	Average Equalized Valuations	Gross Debt December 31	Percentage Gross Debt to Equalized Value	Net Debt December 31	Percentage Net Debt to Equalized Value
2025	$158,543,555,528	$844,209,499	0.532%	$579,006,999	0.365%
2024	145,155,881,660	885,879,466	0.610%	598,454,466	0.412%
2023	135,720,709,775	879,752,381	0.648%	579,006,999	0.427%
2022	125,736,633,473	610,710,958	0.486%	598,454,466	0.476%
2021	118,550,235,240	640,138,221	0.540%	423,106,469	0.357%

Source: County of Middlesex - Annual Debt Statements for the years presented.

SCHEDULE OF GROSS DEBT SERVICE ON OUTSTANDING BONDS AS OF DECEMBER 31, 2025

Year	Principal [1,2]	Interest [3]	Total [4]
2026	$20,830,000	$3,872,727	$24,702,727
2027	20,725,000	3,288,118	24,013,118
2028	20,095,000	2,684,582	22,779,582
2029	15,435,000	2,166,749	17,601,749
2030	11,780,000	1,721,944	13,501,944
2031	11,275,000	1,329,905	12,604,905
2032	8,910,000	995,237	9,905,237
2033	6,565,000	729,394	7,294,394
2034	5,235,000	530,950	5,765,950
2035	3,145,000	390,125	3,535,125
2036	2,910,000	290,256	3,200,256
2037	2,240,000	195,731	2,435,731
2038	1,905,000	116,525	2,021,525
2039	1,570,000	58,450	1,628,450
2040	425,000	17,000	442,000
Total:	$133,045,000	$18,387,692	$151,432,692

Source: County Comptroller's Office Debt Amortization Schedules.

[1] Does not include County-Guaranteed Revenue Bonds issued by the Middlesex County Improvement Authority (MCIA) as detailed herein. In addition, does not include lease payments/loan payments pursuant to various lease-purchase/loan agreements as detailed herein.

[2] Includes State share of principal of County College Bonds.

[3] Includes State share of interest on County College Bonds.

[4] 2026 principal and interest have been appropriated in the County's 2026 budget.

SCHEDULE OF NET DEBT SERVICE ON OUTSTANDING BONDS AS OF DECEMBER 31, 2025

Year	Principal [1,2]	Interest [3]	Total [4]
2026	$18,662,500	$3,314,245	$21,976,745
2027	18,507,500	2,798,199	21,305,699
2028	18,187,500	2,263,957	20,451,457
2029	13,822,500	1,807,236	15,629,736
2030	10,460,000	1,412,807	11,872,807
2031	9,905,000	1,065,230	10,970,230
2032	7,505,000	775,937	8,280,937
2033	5,130,000	556,778	5,686,778
2034	4,030,000	401,094	4,431,094
2035	2,335,000	292,444	2,627,444
2036	2,085,000	219,209	2,304,209
2037	1,635,000	149,663	1,784,663
2038	1,435,000	90,638	1,525,638
2039	1,275,000	45,950	1,320,950
2040	292,500	11,700	304,200
Total:	$115,267,500	$15,205,082	$130,472,582

Source: County Comptroller's Office Debt Amortization Schedules.

[1] Does not include County-Guaranteed Revenue Bonds issued by the Middlesex County Improvement Authority (MCIA) as detailed herein. In addition, does not include lease payments/loan payments pursuant to various lease-purchase/loan agreements as detailed herein.

[2] Includes State share of principal of County College Bonds.

[3] Includes State share of interest on County College Bonds.

[4] 2026 principal and interest have been appropriated in the County's 2026 budget.

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ASSESSED AND EQUALIZED VALUATIONS AND EQUALIZED TAX RATES

Year	Aggregate Assessed Valuation of Taxable Property (in dollars)	Ratio of Assessed to True Value of Taxable Property	Equalized Valuation (in dollars)	County Equalized Tax Rate Per $100
2025	$77,514,799,698	44.38%	$174,733,281,532	$0.3169
2024	72,467,311,485	46.22%	156,837,039,933	0.3303
2023	70,970,745,177	49.25%	144,172,262,435	0.3397
2022	66,197,144,158	49.24%	134,520,959,409	0.3552
2021	65,064,602,447	52.14%	124,870,965,026	0.3649

Source: Middlesex County Board of Taxation, Abstract of Ratables.

ASSESSED VALUATION COUNTY-WIDE BY PROPERTY CLASSIFICATION

Year	Vacant Land	Residential	Farm	Commercial	Industrial	Apartments	Total
2025	$1,292,093,854	$50,776,936,092	$132,783,400	$8,542,741,336	$11,731,535,260	$5,038,709,756	$77,514,799,698
2024	1,114,724,654	47,824,262,095	135,538,500	8,663,007,336	9,911,200,560	4,818,578,340	72,467,311,485
2023	1,167,980,854	46,941,679,836	135,594,900	8,509,947,036	9,545,328,401	4,670,214,150	70,970,745,177
2022	1,116,929,654	43,665,144,647	135,518,800	8,300,084,336	8,877,116,071	4,102,350,650	66,197,144,158
2021	1,206,936,454	42,882,799,546	135,814,200	8,307,117,076	8,509,735,571	4,022,199,600	65,064,602,447

Source: Abstract of Ratables, State of New Jersey-Property Taxes & Municipal Tax Assessor

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DEBT ANALYSIS
AS OF DECEMBER 31, 2025

Full Valuation Per Capita	$202,434
County Net Debt ($579,006,999)	0.331%
County Net Debt per Capita	$671
Municipal Net Debt ($1,528,244,801)	0.875%
Municipal Net Debt per Capita	$1,771
Combined Direct Net Debt	1.206%
Combined Direct Net Debt per Capita	$2,441

Source: County financial records for County Debt and Local Municipalities for Municipal Debt.
Note: Net debt figures include all school and general bonds and notes issued, reduced by funds on hand for debt service and exclude all self-liquidating debt (including debt of all local authorities and utilities). 2025 Aggregate True Value, 2020 Census Population and 2025 Municipal Debt were used in calculations, unless otherwise noted.

STATEMENT OF OVERLAPPING DEBT

The County's twenty-five (25) municipalities are, in general, serviced by local public authorities and utilities for water and sewerage service and, in some cases, parking. The debt of these public authorities and utilities is typically paid from user service charges and connection fees. The Middlesex County Utilities Authority ("MCUA"), located in the northern, most populated portion of the County, provides secondary treatment and disposal of effluent for eighteen (18) municipalities and one (1) authority. As of December 31, 2024[1], the MCUA had $80,969,620 aggregate principal amount of debt outstanding relating to the Wastewater Division Component and $0 aggregate principal amount of debt outstanding relating to the Solid Waste Division Component. No actual or contingent liability for the payment of any such indebtedness exists on the part of the County.

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[1] Most recent data available.

NET VALUATION FOR COUNTY TAX APPORTIONMENT BY CONSTITUENT MUNICIPALITIES

Municipality	2021	2022	2023	2024	2025	2025 General Tax Rate Per $100 Valuation*
Carteret Boro	$2,880,018,631	$3,122,966,078	$3,728,768,752	$3,850,780,696	$5,102,006,320	$1.568
Cranbury Twp	2,094,637,321	2,017,687,662	2,183,544,755	2,390,205,071	2,544,373,409	1.836
Dunellen Boro	691,881,296	775,872,344	854,549,920	926,734,369	1,003,639,250	2.448
East Brunswick Twp	7,716,245,991	8,247,908,473	8,677,997,097	9,487,445,885	10,296,862,796	12.177
Edison Twp	18,144,970,886	19,299,746,709	19,401,945,291	20,401,267,422	21,370,580,122	5.725
Helmetta Boro	228,411,104	245,959,650	269,789,384	290,148,017	326,130,218	3.558
Highland Park Boro	1,420,726,925	1,420,589,154	1,874,122,452	1,908,401,108	2,084,324,004	2.723
Jamesburg Boro	459,300,460	484,874,483	531,894,546	578,091,271	640,445,833	6.955
Metuchen Boro	2,527,231,090	2,758,858,999	3,002,579,474	3,098,179,456	3,354,524,819	7.255
Middlesex Boro	1,717,930,618	1,912,230,177	2,205,735,004	2,335,338,110	2,532,812,498	2.120
Milltown Boro	967,430,467	1,029,028,553	1,134,021,394	1,200,338,359	1,240,703,210	6.951
Monroe Twp	10,023,450,156	10,731,875,402	11,952,643,335	14,157,775,474	15,317,184,182	2.740
New Brunswick City	3,724,504,969	3,909,585,879	4,099,607,571	4,410,250,132	4,669,706,110	2.688
North Brunswick Twp	5,256,343,384	5,692,862,084	6,313,822,763	6,378,516,107	7,173,444,543	6.571
Old Bridge Twp	8,659,098,160	9,050,175,712	10,275,019,711	10,984,449,878	12,450,056,025	6.094
Perth Amboy City	3,676,720,819	3,840,871,851	4,281,683,600	4,537,312,649	4,851,035,586	3.178
Piscataway Twp	8,372,723,061	9,319,284,899	10,135,247,522	10,906,627,250	11,925,988,575	1.750
Plainsboro Twp	4,654,782,348	4,636,276,900	4,841,808,771	4,982,150,277	5,313,455,541	2.766
Sayreville Boro	5,340,618,813	5,610,864,615	6,016,091,859	6,686,045,308	7,063,532,944	6.259
South Amboy City	992,920,952	1,076,763,639	1,172,443,129	1,303,796,269	1,411,402,310	3.217
South Brunswick Twp	9,564,542,852	10,241,192,803	11,125,334,848	11,540,402,481	12,302,457,275	5.578
South Plainfield Boro	4,413,493,486	4,681,485,378	4,528,489,509	5,162,641,799	5,534,452,074	7.316
South River Boro	1,527,021,701	1,692,710,951	1,856,936,603	2,019,915,151	2,255,323,009	2.669
Spotswood Boro	873,490,193	932,156,877	1,033,844,784	1,118,275,801	1,254,551,201	3.792
Woodbridge Twp	12,621,739,557	13,004,804,201	14,222,787,701	14,871,588,803	17,030,986,733	12.034
Total:	$118,550,235,240	$125,736,633,473	$135,720,709,775	$145,526,677,143	$159,049,978,587	

* Includes County Taxes

Note: Each Municipality is required to pay to the County Treasurer 100% of its share of the County Purpose Tax from the first taxes collected.

Source: Middlesex County Board of Taxation for Equalization Values and Abstract of Ratables.

GROSS AND STATUTORY DEBT OF CONSTITUENT MUNICIPALITIES DECEMBER 31, 2025[1]

	Gross Debt			Statutory Deductions [1]				Average	% of
Municipality	School	Self-Liquidating	General	School	Self-Liquidating	General	Net Debt	Equalized Valuations	Net Debt
Carteret	$36,185,000	$24,991,164	$105,128,184	$36,185,000	$24,991,164	$1,515,872	$103,612,313	$4,423,800,847	2.342%
Cranbury	16,020,000	0	20,632,376	16,020,000	0	1,020,000	19,612,376	2,593,587,683	0.756%
Dunellen	20,885,000	3,060,551	27,624,041	20,885,000	3,060,551	684	27,623,357	974,026,958	2.836%
East Brunswick	44,955,000	45,185,000	117,354,750	44,955,000	44,571,650	32,106,672	85,861,428	10,247,677,361	0.838%
Edison	0	109,108,733	198,585,707	0	109,108,733	0	198,585,707	22,178,071,337	0.895%
Helmetta	3,509,947	942,564	1,024,554	3,509,947	942,564	0	1,024,554	315,737,350	0.324%
Highland Park	9,750,000	4,265,000	14,340,331	9,750,000	4,265,000	0	14,340,331	2,083,079,961	0.688%
Jamesburg	0	20,237	4,548,025	0	20,237	0	4,548,025	650,774,163	0.699%
Metuchen	82,125,000	115,000	45,011,695	82,125,000	115,000	0	45,011,695	3,381,450,394	1.331%
Middlesex	5,950,000	156,330	17,768,636	5,950,000	0	40,038	17,884,928	2,475,051,778	0.723%
Milltown	0	15,275,897	13,077,746	0	9,164,128	0	19,189,515	1,259,336,729	1.524%
Monroe	80,850,000	69,421,353	105,257,756	80,850,000	69,421,353	26,302,899	78,954,857	15,011,222,822	0.526%
New Brunswick	5,725,000	216,620,419	247,457,853	5,725,000	216,620,419	182,705,532	64,752,322	4,691,663,369	1.380%
North Brunswick	130,894,000	56,296,883	109,269,000	130,894,000	56,296,883	13,725,000	95,544,000	6,561,977,766	1.456%
Old Bridge	16,465,000	872,783	50,202,161	16,465,000	0	0	51,074,944	12,076,429,842	0.423%
Perth Amboy	0	323,500,051	85,353,642	0	323,500,051	0	85,353,642	4,961,403,880	1.720%
Piscataway	0	820,000	159,899,807	0	820,000	1,425,808	158,474,000	12,038,383,979	1.316%
Plainsboro	34,676,742	0	28,143,000	34,676,742	0	3,736,899	24,406,101	5,396,465,881	0.452%
Sayreville	116,655,000	33,315,056	79,817,234	116,655,000	33,315,056	940,241	78,876,993	7,077,738,964	1.114%
South Amboy	4,470,000	0	28,301,569	4,470,000	0	81,440	28,220,129	1,409,908,792	2.002%
South Brunswick	23,270,000	65,873,688	74,858,917	23,270,000	65,873,688	0	74,858,917	12,648,381,654	0.592%
South Plainfield	19,194,000	3,289,393	33,511,660	19,194,000	3,289,393	208,901	33,302,759	5,390,550,923	0.618%
South River	855,000	11,072,000	24,307,075	855,000	11,072,000	0	24,307,075	2,255,180,090	1.078%
Spotswood	17,568,000	5,993,298	15,231,303	17,568,000	5,993,298	0	15,231,303	1,242,553,655	1.226%
Woodbridge	160,835,000	59,651,944	174,507,411	160,835,000	56,565,824	0	177,593,531	15,361,298,350	1.156%
Total:	$830,837,689	$1,049,847,344	$1,781,214,434	$830,837,689	$1,039,006,992	$263,809,985	$1,528,244,801	$156,705,754,527	

Source: Constituent Municipalities.

[1] Statutory Deductions are utilized to reflect that portion which is not included in calculating the allowable statutory borrowing capacity of the local unit. It is not intended to reflect that such debt is payable from a source other than the local unit. However, certain statutory deductions consist of amounts such as proceeds of refunding bonds and other funds which can only be applied to debt service repayment.

SUMMARY OF 2025 AND 2026 BUDGETS

The Board of County Commissioners adopted its 2026 Budget on March 19, 2026. The 2026 Budget, as required by law, includes required payments of principal and interest on all outstanding bonds or notes of the County, including any lease payments/loan payments owed by the County.

	2025 Budget	2026 Budget
Revenues:		
Surplus Anticipated	$5,000,000	$5,000,000
State Aid, State Refunds, State Share of Costs & Federal Grants	21,893,531	57,966,509
Miscellaneous Fees, Rentals, Charges Earned by County	70,179,068	75,309,743
Interest on Investments and Deposits	11,992,043	11,271,765
Added and Omitted Taxes	3,571,127	2,903,676
Open Space Trust Fund	2,781,593	3,500,000
Amount to be Raised by Taxation-County Purpose Tax	503,437,638	527,257,307
Total:	$618,855,000	$683,209,000
Appropriations:		
General Government	$64,914,903	$50,947,221
Land Use Administration	2,152,170	1,734,470
Uniform Construction Code/Code Enforcement	387,601	382,500
Insurance	79,575,000	90,915,000
Public Safety	115,361,408	124,680,594
Public Works	29,712,853	28,276,020
Health and Human Services	53,596,317	55,029,971
Recreation	12,055,982	7,940,299
Education	47,801,129	57,800,658
Unclassified	17,869,132	20,315,605
Utilities and Bulk Purchases	11,020,000	13,500,000
Contingent	502,614	510,309
Statutory Expenditures	41,580,562	44,330,363
Federal Grants	9,256,043	10,305,735
State Grants	9,501,463	44,032,041
Local Grants	569,254	468,872
Grants Cash Match	12,000	12,000
Shared Services	0	0
Capital	87,600,000	88,600,000
Debt Service	35,386,569	43,352,342
Deferred Charges	0	75,000
Total:	$618,855,000	$683,209,000

Source: County of Middlesex Budgets

COMPARITIVE STATEMENT OF CURRENT FUND OPERATIONS AND CHANGE IN CURRENT FUND BALANCE

	2023	2024	2025*
Fund Balance January 1st:	$101,340,936	$107,085,675	$113,565,996
CURRENT REVENUE ON A CASH BASIS:			
Current taxes	460,898,501	480,549,197	503,437,638
Other Revenues and Additions to Income	219,358,284	159,563,354	156,017,846
Total Funds	$680,256,785	$640,112,551	$659,455,484
EXPENDITURES AND TAX REQUIREMENTS:			
Total Expenditures and Tax Requirements	(674,512,046)	(633,632,230)	(658,374,515)
FUND BALANCE AS OF DECEMBER 31st:	$107,085,675	$113,565,996	$114,646,965

Source: Middlesex County Financial Statements.

*Unaudited

2026 CAPITAL BUDGET (IMPROVEMENTS AND EQUIPMENT)

Project Title	Amount
Administration	$24,600,000
Roads - Engineering	22,000,000
Bridges - Engineering	5,500,000
Road - Improvements	4,000,000
Facilities	28,000,000
Parks	4,500,000
Education	15,000,000
Total:	$103,600,000

Source: County of Middlesex – Capital Budget.

COUNTY OF MIDDLESEX, NEW JERSEY
UNAUDITED FINANCIAL INFORMATION AS OF DECEMBER 31, 2025

SUMMARY OF COUNTY OPERATIONS

REVENUE AND OTHER INCOME REALIZED	YEAR 2022	YEAR 2023	YEAR 2024	(Unaudited) YEAR 2025
Fund Balance Utilized	$ -	$ 6,500,000	$ -	$ 5,000,000
Miscellaneous Revenues Anticipated	234,041,894	210,938,263	158,177,950	156,017,846
Receipts from Current Taxes	446,510,320	460,898,501	480,549,197	491,937,638
Receipts from Added and Omitted Taxes	2,103,329	-	-	-
Non-Budget Revenue	3,591,552	5,281,038	1,065,685	2,932,281
Other Credits to Income:				
Cancellation of Current Year Appropriations	-	2,366,542	304,147	6,500,000
Unexpended Balances of Appropriation. Reserves	3,763,295	647,376	-	157,497
Other	1,133,552	125,065	15,572	23,513
Total Revenues	691,143,942	686,756,785	640,112,551	662,568,775
EXPENDITURES AND OTHER CHARGES				
Budget Appropriations	678,535,218	674,512,046	633,365,585	655,166,577
Other	-	-	266,645	1,321,229
Total Expenditures	678,535,218	674,512,046	633,632,230	656,487,806
Excess in Revenue over Expenditures	12,608,724	12,244,739	6,480,321	6,080,969
Balance - January 1	88,732,212	101,340,936	107,085,675	113,565,996
Decreased by:				
Utilization as Anticipated Revenue		6,500,000		5,000,000
Balance - December 31	$ 101,340,936	$ 107,085,675	$ 113,565,996	$ 114,646,965

Source: County Reports of Audit, 2025 Unaudited Annual Financial Statement

BALANCE SHEET - CURRENT FUND

	YEAR 2022	YEAR 2023	YEAR 2024	(Unaudited) YEAR 2025
ASSETS				
Regular Fund:				
Cash and Investments	$ 229,533,979	$ 210,508,280	$ 178,919,163	$ 134,490,227
Cash - Change Fund	600	600	600	-
Local Grants Receivable	26,834	39,758	-	-
State and Federal Grants Receivable	59,252,529	108,122,788	94,993,239	101,645,724
Non-Grant Account Receivable	-	1,130,321	3,145,386	2,952,803
Total Regular Fund Assets	288,813,942	319,801,747	277,058,388	239,088,754
Receivables and Other Assets with Full Reserves:				
Inventory	4,417,295	2,235,768	2,406,824	2,542,673
Added & Omitted Taxes Receivable	638,968	3,493,683	3,571,127	2,903,676
Revenue Accounts Receivable	759,770	898,547	506,390	506,390
Total Receivables and Other Assets with Full Reserves	5,816,033	6,627,998	6,484,341	5,952,739
Total Assets	**$ 294,629,975**	**$ 326,429,745**	**$ 283,542,729**	**$ 245,041,493**
LIABILITIES, RESERVES AND FUND BALANCE				
Regular Fund:				
Liabilities:				
Appropriation Reserves	$ 2,379,643	$ 8,476,881	$ 4,576,054	$ 213,146
Reserve for Encumbrances	18,891,472	30,678,326	47,616,646	46,912,473
Accounts Payable	22,484	22,431	22,489	43,352
Payroll Deductions	2,788,254	4,549,950	3,646,359	4,476,566
Unappropriated Reserves	1,958,428	72,480	80,737	203,009
Reserve for Local Grants:				
Appropriated	2,190,265	1,856,380	1,991,069	2,026,218
Unappropriated	1,745,447	2,026,886	2,012,203	1,848,292
Reserve for Federal & State Grants:				
Appropriated	157,118,488	162,753,839	100,503,236	67,363,833
Unappropriated	378,525	2,278,899	3,043,599	1,354,900
Total Liabilities and Reserve for Grants	187,473,006	212,716,072	163,492,392	124,441,789
Reserve for Receivables	5,816,033	6,627,998	6,484,341	5,952,739
Fund Balance	101,340,936	107,085,675	113,565,996	114,646,965
Total Liabilities, Reserves and Fund Balance	**$ 294,629,975**	**$ 326,429,745**	**$ 283,542,729**	**$ 245,041,493**

Source: County Reports of Audit, 2025 Unaudited Annual Financial Statement

BALANCE SHEET-TRUST FUND

	YEAR 2022	YEAR 2023	YEAR 2024	(Unaudited) YEAR 2025
ASSETS				
Cash and Investments	$ 76,271,105	$ 109,311,645	$ 130,006,638	$ 154,109,889
Motor Vehicle Fines	215,615	243,415	284,049	-
Federal Aid Receivable:				
Housing and Community Development Act 1974	17,837,808	18,387,213	20,144,330	17,544,484
Community Development Block Grant: Urban Housing Preservation Program Loans - Mortgages Receivable	834,915	742,852	687,001	665,736
Section 8 Housing Assistance Program	5,706	-	214,369	133,351
State Aid Receivable: Alcoholism Rehabilitation and Other Programs	1,558,639	1,046,637	734,631	569,878
Section 8 Housing Assistance Prepayments	937,718	972,598	1,247,111	1,379,836
Other Receivables	25,000,000	-	-	-
Open Space Program Receivable	53,993	305,610	320,817	271,838
Total Assets	**$ 122,715,499**	**$ 131,009,970**	**$ 153,638,946**	**$ 174,675,012**
LIABILITIES, RESERVES AND FUND BALANCE				
Reserve for Motor Vehicle Fines Receivable	$ 215,615	$ 243,415	$ 284,049	$ -
Environmental Quality	507,756	610,862	604,083	822,471
Motor Vehicle Fines - Road Fund	19,365	29,926	480,361	144,540
Reserve for Encumbrances	30,964,950	72,419,444	65,501,816	69,827,428
Performance and Escrow Deposits	2,996,150	3,470,524	2,708,399	2,798,531
Reserve for Open Space Program Receivable	53,993	305,610	320,817	271,838
Worker's Compensation Self-Insurance Fund	1,195,666	542,583	2,190,288	340,114
Supplemental Compensation at Retirement	-	61,205	88,660	288,660
Unemployment Compensation Fund	433,298	371,874	34,722	83,883
Reserve for Alcoholism Rehabilitation and Other Programs	23	1,647	-	10,987
Reserve for Housing and Community Development Expenditures	14,042,653	15,296,475	17,221,287	15,059,078
Reserve for CDBG Funds on Hand	1,261,434	1,439,036	1,463,279	1,552,218
Reserve for Refundable Consumer Affairs Deposits	29,709	30,759	31,529	34,910
Reserve for Section 8 Housing Assistance Payments Program	1,675,560	2,135,473	1,938,331	2,165,968
Road Opening Bonds	1,098,781	1,503,830	1,663,974	1,966,777
Self-Insurance Liability Trust Fund	2,256,751	1,368,460	2,991,117	1,081,528
Miscellaneous Trust Accounts	4,282,953	4,473,279	4,034,016	4,185,473
Dedicated Revenue by Statute	3,052,915	3,135,565	3,352,041	2,483,926
Prosecutor's Office - Dedicated Funds	4,572,724	4,985,025	7,445,400	7,467,330
State Seized Assets	7,013,639	4,223,373	4,505,645	3,515,670
Reserve for Debt Service - Open Space and Farmland Preservation	8,665,357	2,772,907	2,781,595	2,778,366
Reserve for Urban Housing & Preservation Program Loans	834,915	742,852	687,001	665,736
Escheated Seized Funds	4,622	4,622	4,622	4,622
Reserve for Open Space and Farmland Preservation	37,536,670	10,841,224	33,305,914	57,124,958
Total Liabilities, Reserves and Fund Balance	**$ 122,715,499**	**$ 131,009,970**	**$ 153,638,946**	**$ 174,675,012**

Source: County Reports of Audit, 2025 Unaudited Annual Financial Statement

BALANCE SHEET- GENERAL CAPITAL FUND

	YEAR 2022	YEAR 2023	YEAR 2024	(Unaudited) YEAR 2025
ASSETS				
Cash and Investments	$ 7,642,596	$ 27,988,619	$ 100,540	$ 1,077,006
Leases Receivable	6,908,545	5,958,545	5,707,575	5,410,000
Loans/Other Accounts Receivable	5,362,559	-	-	-
Deferred Charges to Future Taxation:				
Funded	169,115,000	155,600,000	139,430,000	133,045,000
Funded Loans	22,507,762	24,520,776	21,234,015	13,537,383
Funded - Capital Leases	84,616,921	69,055,177	58,827,162	47,931,746
Unfunded	228,163,196	412,791,605	456,080,451	450,202,116
Total Assets	**$ 524,316,579**	**$ 695,914,722**	**$ 681,379,743**	**$ 651,203,251**
LIABILITIES, RESERVES AND FUND BALANCE				
General Serial Bonds	$ 169,115,000	$ 155,600,000	$ 139,430,000	$ 133,045,000
Capital Transportation Grant Reserves	13,221,297	13,221,297	13,221,297	13,221,297
Bond Anticipation Notes	16,478,000	10,478,000	-	-
MCIA Loans Payable	20,073,212	22,319,853	19,268,323	11,808,559
Green Acres Loan Payable	2,434,550	2,200,923	1,965,692	1,728,824
Interfunds Payable	25,000,000	-		
Capital Leases Payable	84,616,921	69,055,177	58,827,162	47,931,746
Improvement Authorizations:				
Funded	26,794,049	54,230,390	65,413,192	87,638,268
Unfunded	49,228,043	221,841,949	194,482,491	129,755,884
Capital Improvement Fund	6,000,000	6,190	3,549,775	3,954,675
Reserve For:				
Encumbrances	96,062,808	137,255,337	179,166,163	214,298,286
Leases Receivable	6,908,545	5,958,545	5,707,575	5,410,000
Loans/Other Accounts Receivable	5,362,559	-	-	-
Bond Issue Costs	267,734	31,679	-	215,920
Fund Balance	2,753,861	3,715,382	348,073	2,194,792
Total Liabilities, Reserves and Fund Balance	**$ 524,316,579**	**$ 695,914,722**	**$ 681,379,743**	**$ 651,203,251**
Bonds and Notes Authorized but not Issued	**$ 211,685,196**	**$ 402,313,605**	**$ 456,080,451**	**$ 450,202,116**

Source: County Reports of Audit, 2025 Unaudited Annual Financial Statement

APPENDIX B

AUDIT REPORT OF THE COUNTY FOR THE YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2023

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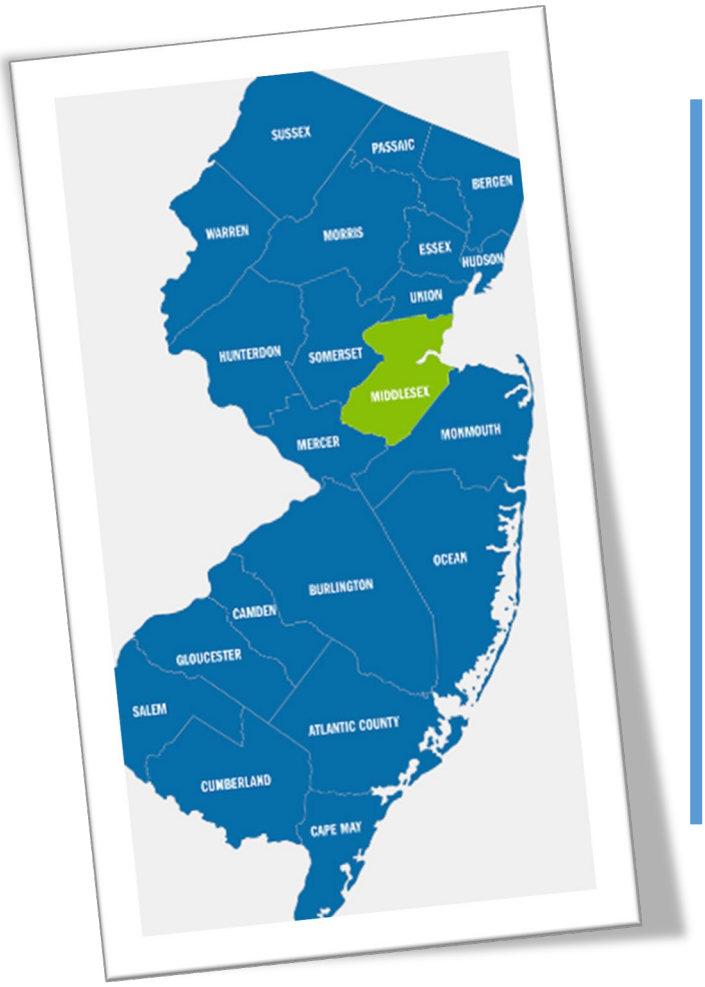

MIDDLESEX
COUNTY • NJ

COUNTY OF MIDDLESEX
NEW JERSEY

REPORT OF AUDIT

FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

The Honorable Director and Members
of the Board of County Commissioners
County of Middlesex
New Brunswick, New Jersey

Report on the Audit of the Regulatory Basis Financial Statements

Opinions on Regulatory Basis Financial Statements

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
June 30, 2025

Anthony Branco

Anthony Branco, CPA
Registered Municipal Accountant
No. 595

EXHIBIT A

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND

COMPARATIVE BALANCE SHEET
REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Regular Fund:		
Cash	$ 178,919,163	$ 210,508,280
Cash - Change Fund	600	600
Local Grants Receivable		39,758
State and Federal Grants Receivable	94,993,239	108,122,788
Non-Grant Account Receivable	3,145,386	1,130,321
Total Regular Fund Assets	277,058,388	319,801,747
Receivables and Other Assets with Full Reserves:		
Inventory	2,406,824	2,235,768
Added and Omitted Taxes Receivable	3,571,127	3,493,683
Revenue Accounts Receivable	506,390	898,547
Total Receivables and Other Assets with Full Reserves	6,484,341	6,627,998
Total Assets	$ 283,542,729	$ 326,429,745
LIABILITIES, RESERVES AND FUND BALANCE		
Regular Fund:		
Liabilities:		
Appropriation Reserves	$ 4,576,054	$ 8,476,881
Reserve for Encumbrances	47,616,646	30,678,326
Accounts Payable	22,489	22,431
Payroll Deductions Payable	3,646,359	4,549,950
Unappropriated Reserves	80,737	72,480
Reserve for Local Grants:		
Appropriated	1,991,069	1,856,380
Unappropriated	2,012,203	2,026,886
Reserve for Federal and State Grants:		
Appropriated	100,503,236	162,753,839
Unappropriated	3,043,599	2,278,899
Total Liabilities and Reserve for Grants	163,492,392	212,716,072
Reserve for Receivables	6,484,341	6,627,998
Fund Balance	113,565,996	107,085,675
Total Liabilities, Reserves and Fund Balance	$ 283,542,729	$ 326,429,745

See accompanying notes to the financial statements

EXHIBIT A-1

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Revenues and Other Income Realized:		
Fund Balance Utilized		$ 6,500,000
Miscellaneous Revenue Anticipated	$ 158,177,950	210,938,263
Receipts from Current Taxes	480,549,197	460,898,501
Miscellaneous Revenues Not Anticipated	1,065,685	5,281,038
Other Credits to Income:		
Cancellation of Current Year Appropriations	304,147	2,366,542
Unexpended Balance of Appropriation Reserves		647,376
Local Grants Appropriated - Cancellations	15,572	
Federal and State Grants Appropriated - Cancellations		125,065
Total Income	640,112,551	686,756,785
Expenditures:		
Budget Appropriations:		
Salaries and Wages	146,804,689	137,494,999
Other Expenses	256,632,280	250,603,581
Public and Private Programs	62,040,406	128,606,079
Debt Service	49,806,577	45,874,053
Capital Improvements	77,600,000	71,756,190
Deferred Charges and Statutory Expenditures	40,481,633	40,177,144
Other Debits to Income:		
Return of Prior Year Revenue	117,297	
Federal and State Grants Appropriated - Cancellations	149,348	
Total Expenditures	633,632,230	674,512,046
Excess in Revenue over Expenditures	6,480,321	12,244,739
Fund Balance, January 1	107,085,675	101,340,936
	113,565,996	113,585,675
Decreased By:		
Utilization as Anticipated Revenue		6,500,000
Fund Balance, December 31	$ 113,565,996	$ 107,085,675

See accompanying notes to the financial statements

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	ADDED BY N.J.S.A. 40A:4-87	REALIZED	EXCESS (DEFICIT)
Miscellaneous Revenues:				
Local Revenues:				
County Clerk	$ 9,690,009		$ 10,155,929	$ 465,920
Surrogate	402,862		2,229,433	1,826,571
Sheriff	1,227,458		906,379	(321,079)
Fines	200,432		187,878	(12,554)
Interest on Invests. and Deposits	8,194,210		8,456,530	262,320
Mental Health Clinics:				
Other Revenue	1,384,352		1,339,825	(44,527)
Adult Correction Facility Inmate Medical Co-Pay	10,427		11,481	1,054
Adult Correction Facility Inmate Processing Fees	133,682		140,157	6,475
Adult Correction Facility SSA Inmate Finders Fee	22,400		24,800	2,400
Archives and Records Management Service Fees	62,110		59,483	(2,627)
Bail Bond Forfeitures	52,675		5,375	(47,300)
County Auction	443,799		478,922	35,123
Custody Charges - State Inmates in County Institutions	778,753		1,249,061	470,308
Discovery Fees and Reproduction Costs	2,922		745	(2,177)
Fire Academy Fee	569,655		549,688	(19,967)
MCIA Skating Rink	205,618		182,552	(23,066)
Municipal School District Share of Election Expense	781,696		779,392	(2,304)
N. J. Department of Education-Child Nutrition Program	157,583		138,008	(19,575)
Parks Department - Fees and Permits	422,293		422,170	(123)
Plays in the Park Admissions	112,618		145,463	32,845
Property Rentals	463,831		702,822	238,991
Road Opening Fees	134,525		114,625	(19,900)
Subdivision and Site Plan Review Fees	255,789		551,499	295,710
State Aid:				
County College Bonds (N.J.S.A. 18:64A-22.6)	2,530,868		2,518,298	(12,570)
State Assumption of Costs:				
Social and Welfare Services (C. 66, P.L. 1990):				
Supplemental Social Security Income	1,845,257		1,604,845	(240,412)
Psychiatric Facilities (c.73. P.L. 1990)				
Division of Development Disabilities	28,000		58,906	30,906
Interest on Invests. and Deposits {ARPA}			3,535,513	3,535,513
Federal and State Revenues Offset with Appropriations:				
TANF Innovation Initiative		$ 890,000	890,000	
WIOA ~ Adult		1,122,596	1,122,596	
WIOA ~ Data Reporting and Analysis		12,971	12,971	
WIOA ~ Dislocated		1,738,708	1,738,708	
WIOA - GA/SNAP		797,959	797,959	
WIOA ~ smartSTEPS program		3,210	3,210	
WIOA ~ Youth		1,213,086	1,213,086	
Workforce New Jersey		1,276,370	1,276,370	
U.S. Department of Health and Human Services:				
Area Plan Grant - Program on Aging - Title III Federal	2,699,579	1,637,252	4,336,831	
MC Area Wide S.H.I.P. Grant		43,000	43,000	
Senior Meals MC	1,055,037	1,047,229	2,102,266	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	ADDED BY N.J.S.A. 40A:4-87	REALIZED	EXCESS (DEFICIT)
Federal and State Revenues Offset with Appropriations (continued):				
U.S. Department of Health and Human Services Direct Program:				
HIV Emergency Relief Program	$ 1,889,471	$ 955,942	$ 2,845,413	
U.S. Department of Housing and Urban Development:				
CDBG-CV		2,465,244	2,465,244	
Continuum of Care - Leasing		379,003	379,003	
Expanded Postmortem Toxicology Lab Testing Grant		155,220	155,220	
HUD Continuum of Care Leasing Program I & II	105,449	265,091	370,540	
U.S. Department of Justice:				
Pass-through State Department of Law and Public Safety				
Division of Criminal Justice:				
Body Armor Replacement Program {Adult Corr}	14,513		14,513	
Body Armor Replacement Program {Pro's}	5,619		5,619	
Body Armor Replacement Program {Sheriff's}	11,762		11,762	
Insurance Fraud Reimb.		300,000	300,000	
Multi-Jurisdictional Task Force (RJAG-1-12-TF-09C)	126,722		126,722	
Operation Helping Hand		100,000	100,000	
SART/SANE Project	194,342		194,342	
Stop Violence Against Women		145,000	145,000	
VOCA - County Sexual Assault Response Team/Forensic Nurse Examiner		198,190	198,190	
Division of Highway and Traffic Safety:				
DWI Enforcement Grant	162,750	162,750	325,500	
Juvenile Justice Commission:				
Family Court Services	249,823		249,823	
Juvenile Detention Alt. (JDAI)	120,000		120,000	
Juvenile Justice Detention Education	775,472		775,472	
NJ Comm. Partnership Grant	968,860		968,860	
Division of State Police:				
Addictions County Innovation		52,983	52,983	
Advanced HazMat Training		44,085	44,085	
Child Passenger Safety 2025		45,000	45,000	
DRE Callout		52,540	52,540	
EMMA Grant - OEM -Interoperable Emergency Comm.	55,000		55,000	
Homeland Security - UASI	289,000		289,000	
Office of Homeland Security:				
Homeland Security Grant	376,582		376,582	
Urban Areas Security Initiative		31,416	31,416	
U.S. Department of Transportation:				
Job Access Reverse Commute	150,000		150,000	
New Jersey Transit - FTA Section 5310	150,000		150,000	
North Jersey Transportation Planning Authority		243,214	243,214	
U.S. Dept of Treasury				
ARPA LATCF	50,000		50,000	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	ADDED BY N.J.S.A. 40A:4-87	REALIZED	EXCESS (DEFICIT)
Federal and State Revenues Offset with Appropriations (continued):				
N.J. Department of Children and Family Services				
Child Advocacy Center	$ 246,175	$ 265,820	$ 511,995	
Childhood Lead Poisoning Prevention		791,775	791,775	
Human Services Council		336,260	336,260	
NJDH & S CEED Program		649,371	649,371	
Public Priority Health Funding	233,252		233,252	
Special Child Health Case Management		218,243	218,243	
Tuberculosis Program - Federal	234,934	32,000	266,934	
Youth Incentive Program		50,878	50,878	
N.J. Department of Community Affairs:				
Economic Development Project 2024		8,500,000	8,500,000	
Parks & Rec Youth Sport Infrastructure 2023		8,500,000	8,500,000	
Rec. Opp. Individuals w/Disab.{ROID DCA}	35,000	35,000	70,000	
Southern Middlesex Flood Mitigation Plan	1,112,175		1,112,175	
N.J. Department of Education:				
North Brunswick - Title I Funds Compensatory Education	216,626		216,626	
Medicated Assisted Treatment	571,765	571,765	1,143,530	
N.J. Department of Environmental Protection:				
County Environmental Health Act (CEHA)	320,193		320,193	
Clean Communities Grant		141,094	141,094	
DMHAS Block Grant	31,366		31,366	
REA Fund Entitlement Act		688,500	688,500	
REA Fund Entitlement Act - Interest		13,759	13,759	
N.J. Department of Health & Senior Services:				
Strengthening Local Health Capacity	89,365	45,202	134,567	
N.J. Department of Human Services:				
2024 DMHAS Block Grant for Training		20,000	20,000	
Area Wide Transportation Grant	235,959		235,959	
COVID-19 Vaccination Supplemental Funding	90,000		90,000	
Comprehensive Cancer Control		339,727	339,727	
County Health Infrastructure Funding 2024		1,911,463	1,911,463	
Disaster Response Crisis Counselor {DRCC}		30,000	30,000	
DYFS - Services to the Homeless	1,082,080		1,082,080	
JACC Program	104,962		104,962	
Personal Attendant Demonstration Project	64,800	5,148	69,948	
Rape Prevention Education & Crisis		597,593	597,593	
Respite Program - Home Care Services	555,000		555,000	
Worker and Community Right-to-Know Act		18,119	18,119	
NJ Dept. of Information Technology				
Public Safety Answering Point (PSAP) Upgrades & Consolidation Grant		115,560	115,560	
NJ Dept. of Local Public Health:				
Local Public Health Overdose Fatality Review Teams 2023	75,000	75,000	150,000	
NACCHO MRC Unit Sponsor Fee		34,700	34,700	
N.J. Department of Military & Veterans Affairs:				
Transport Disabled Veterans		22,000	22,000	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	ADDED BY N.J.S.A. 40A:4-87	REALIZED	EXCESS (DEFICIT)
Federal and State Revenues Offset with Appropriations (continued):				
N.J. Department of Transportation:				
Comprehensive Traffic Safety		$ 117,700	$ 117,700	
N.J. Department of Travel & Tourism				
Cooperative Marketing Grant	$ 17,750		17,750	
N.J. Transit Corporation:				
Senior Citizens & Disabled Res. Transportation Ass.	2,745,099	215,388	2,960,487	
N.J. Council on the Arts:				
Folk Art Program		150,000	150,000	
Local Arts Program - Service to Field	573,200	10,000	583,200	
N.J. Historic Trust				
NJDS CHPP Grant	242,400		242,400	
NJHT Cornelius Low Management	75,000		75,000	
Governor's Council on Alcoholism & Drug Abuse:				
Alliance to Prevent Alcohol & Drug Abuse		322,020	322,020	
Local Revenues Offset with Appropriations: Miscellaneous:				
Fares, Donation & Adv. Transportation	40,000	80,000	120,000	
MC Area Plan Client Contribution		123,000	123,000	
MC Nutrition Client Fee	20,000		20,000	
MCMAP Client Cost Share	20,000		20,000	
MCUA - Solid Waste Mgmt Svcs.	338,000		338,000	
MCUA ~ Tipping Fees		729,731	729,731	
Muni Contribution to Blue Care Opioid Intervention		2,000	2,000	
RESPITE Cost Share Program	2,000		2,000	
Sheriff ~ D.A.R.E. Program Grant		16,710	16,710	
Miscellaneous Revenues:				
Open Space Trust Fund	2,772,906		2,772,906	
Open Space Trust Fund Cross Charges	3,500,000		3,500,000	
MVF Trust Fund Cross Charges	2,939,779		2,939,779	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	ADDED BY N.J.S.A. 40A:4-87	REALIZED	EXCESS (DEFICIT)
Other Special Items:				
Added and Omitted Taxes	$ 3,493,682		$ 3,493,683	$ 1
MCJHF Dividends	1,500,000		1,500,000	
Additional Revenue - County Clerk	2,272,965		2,272,965	
Additional Revenue - Sheriff	852,980		852,980	
Additional Revenue - Surrogate	316,535		316,535	
BSS Rent Revenue	1,280,000		1,280,000	
Burlington County - Youth Services	19,110			(19,110)
Burlington County - Youth Services	912,500		912,500	
Capital Surplus	3,715,382		3,147,000	(568,382)
Central Inventory Control	1,928,029		1,637,694	(290,335)
Civic Square II Lease / Purchase - New Brunswick Share	1,286,730		1,286,730	
County Clerk - Fire Election	105,631		114,964	9,333
County Option Hospital Fees	6,119,899		7,218,180	1,098,281
Courts and County Clerk	206,790		798,193	591,403
Cumberland - Youth Services	100,375		47,025	(53,350)
Fire Marshall - Fire Prevention	430,568		381,269	(49,299)
Fringe Benefits & Indirect Costs - State and Federal Grants	2,612,355		2,815,095	202,740
Golf Course Operations	5,044,776		4,138,977	(905,799)
Glucester - Youth Services	360,000		103,400	(256,600)
Health Aid - Municipalities	3,034,330		3,232,035	197,705
Intoxicated Driver Resource Center Fees	182,580		182,580	
MCUA Franchise Fee	3,583,873		3,500,000	(83,873)
Medical Examiner Autopsy Report	1,092		1,506	414
Mercer County Medical Examiner - Shared Services	2,000,000		1,661,100	(338,900)
Mercer County - Youth Services	1,856,521		1,509,832	(346,689)
Mercer County - Youth Services	484,500		484,500	
Monmouth County Medical Examiner - Shared Services	1,522,100		1,473,900	(48,200)
Monmouth County Youth Detention	728,100		747,860	19,760
Monmouth County Youth Detention	246,900		246,900	
Office on Aging - State of N.J. Grant	58,000		58,000	
PILOT	2,305,381		2,316,883	11,502
Peer Grouping	256,434			(256,434)
Premium on Bonds & BAN	568,382		568,382	
RBMHC - Partial Care Program	14,000		6,063	(7,937)
Sheriff	128,367		126,025	(2,342)
Somerset Cty Adult Corrections Shared Services	1,920,000		1,608,020	(311,980)
Somerset Cty Share of Operations - Juvenile Detention Center	364,562		394,647	30,085
State of N.J. Poll Worker Reimbursement	199,297		502,910	303,613
State of N.J. Poll Worker Reimbursement	1,501,486		1,501,486	
Total Miscellaneous Revenues	111,662,803	$ 41,153,585	158,177,950	5,361,562
Amount to be Raised by Taxation:				
County Purpose Tax	480,549,197		480,549,197	
Budget Totals	592,212,000	41,153,585	638,727,147	5,361,562
Non-Budget Revenue:				
Miscellaneous Revenue Not Anticipated			1,065,685	1,065,685
Total Revenue	$ 592,212,000	$ 41,153,585	$ 639,792,832	$ 6,427,247

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	ADDED BY N.J.S.A. 40A:4-87	REALIZED	EXCESS (DEFICIT)
Non-Budget Revenue:				
Miscellaneous Revenue Not Anticipated:				
Other Fees:				
Appeal Fees			$ 1,300	
Extension Services Fees			509	
21 Vote by Mail Grant			43,624	
Garnishees			2,441	
Green Acres Farm Lease			8,920	
Health & Inspection Fees			12,145	
Juvenile Detention Shelter Pgm			249,475	
Lost Cards/Pagers			505	
STNJ23 Gen Election Early Voting			13,775	
Vending Machines			7,512	
Misc. Other Fees			2	
Reimbursements:				
AC PR Debt Misc			18,047	
Emergency Mgmt. Aux. Police			12,000	
FEMA			184,569	
SSA Inmate Payments			28,750	
Via Transportation			81,539	
Misc. Other Reimbursements			8,525	
Shared Services:				
MCPO Facility Usage ~ Training			9,884	
Prior Year Voids			21,949	
Other Misc. Revenue not Anticipated:				
MCIA Lease Accounts Close Out			7,854	
Cumberland County Housing			28,125	
Scrap Brass Shell Casings			16,054	
Other Misc. Receipts			308,181	
Miscellaneous Revenues Not Anticipated			$ 1,065,685	

See accompanying notes to the financial statements

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
GENERAL GOVERNMENT						
ADMINISTRATION AND EXECUTIVE:						
Advertising	$ 1,000					
Arts & Community Development						
Salaries and Wages	245,000	$ 271,113	$ 271,112		$ 1	
Arts Institue of MC						
Salaries and Wages	180,000	181,488	181,488			
Other Expenses	875,445	1,074,365	1,058,235	$ 16,130		
Audit	250,000	215,612	215,611		1	
Board of County Commissioners:						
Salaries and Wages	166,000	165,068	165,067		1	
Other Expenses	26,110	23,882	23,579	302	1	
Business Innovations Education & Opportunity						
Salaries and Wages	189,000	337,064	337,063		1	
Other Expenses	5,000,000	2,341,959	2,021,329	320,630		
Business Engagement:						
Salaries and Wages	869,000	491,783	491,783			
Other Expenses	536,000	183,484	172,859	10,021	604	
Central Mail, and Reproduction:						
Salaries and Wages	105,000	102,266	102,265		1	
Other Expenses	345,200	366,615	338,513	28,100	2	
Central Vehicle Maintenance and Repair:						
Salaries and Wages	1,972,000	1,782,629	1,782,629			
Other Expenses	990,000	1,811,409	1,735,886	75,522	1	
Clerk of the Board:						
Salaries and Wages	261,000	261,634	261,634			
Other Expenses	6,150	3,762	3,762			
County Adjuster's Office:						
Salaries and Wages	671,000	650,373	650,372		1	
Other Expenses	80,199	59,922	58,353	1,568	1	
County Administrator:						
Salaries and Wages	364,000	395,787	395,786		1	
Other Expenses	805					
County Clerk:						
Salaries and Wages	1,262,000	1,184,330	1,184,330			
Other Expenses	15,550	6,118	5,708	410		
County Counsel:						
Salaries and Wages	1,141,000	1,099,475	1,099,474		**1**	
Other Expenses	871,000	955,363	889,368	65,995		
County Treasurer's Office:						
Salaries and Wages	214,000	214,854	214,854			
Department of Finance:						
Salaries and Wages	432,000	448,715	448,715			
Department of Real Estate:						
Salaries and Wages	293,000	296,052	296,051		1	
Other Expenses	8,128,873	7,752,603	7,691,415	61,188		
Div. Of Archives & Record Mgt.						
Salaries and Wages	421,000	421,908	421,908			
Other Expenses	12,150	8,179	5,886	2,293		
Facilities:						
Salaries and Wages	2,840,000	2,812,953	2,812,952		1	
Other Expenses	4,522,097	4,704,505	4,608,781	95,724		

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
GENERAL GOVERNMENT						
ADMINISTRATION AND EXECUTIVE (continued):						
Financial Administration:						
Salaries and Wages	$ 1,145,000	$ 1,204,466	$ 1,204,465		$ 1	
Other Expenses	75,000	71,928	71,879	$ 48	1	
Information Technology:						
Salaries and Wages	3,129,000	3,158,654	3,158,653		1	
Other Expenses	8,300,000	8,300,000	7,246,295	867,134	186,571	
Insurance:						
Group Insurance Plan for Employees	64,300,000	64,414,000	64,393,816		20,184	
Worker's Compensation	2,800,000	2,800,000	2,800,000			
Surety Bond Premiums	10,000	14,253	14,252		1	
Other Insurance Premiums	3,550,000	3,550,000	3,550,000			
Temporary Disability Insurance	160,000	115,162	115,161		1	
Office of Communication:						
Salaries and Wages	594,000	529,135	529,134		1	
Other Expenses	853,500	826,112	811,000	8,101	7,011	
Labor Relations & Compliance						
Salaries and Wages	147,000	141,021	141,020		1	
Office of Marketing:						
Salaries and Wages	1,337,000	1,326,815	1,326,815			
Other Expenses	12,500,000	14,766,985	14,666,885	100,100		
Office of Program Management:						
Salaries and Wages	407,000	265,850	265,849		1	
Other Expenses	12,000	3,068	1,695	1,372	1	
Personnel Department:						
Salaries and Wages	841,000	821,017	821,016		1	
Other Expenses	143,000	149,548	134,485	11,897	3,166	
Professional Development:						
Salaries and Wages	172,000	147,993	147,992		1	
Other Expenses	65,500	30,937	30,937			
Program Outreach & Admin						
Salaries and Wages	262,000	317,513	317,512		1	
Prosecutor's Office:						
Salaries and Wages	23,166,000	23,931,919	23,931,919			
Other Expenses	735,810	812,148	789,725	22,359	64	
Public & Government Affairs:						
Salaries and Wages	398,000	430,631	430,631			
Other Expenses	75,000	160,145	148,827	11,317	1	
Purchasing Department:						
Salaries and Wages	749,000	636,207	636,206		1	
Other Expenses	14,639	20,484	19,173	1,116	195	
Secretarial Help:						
Salaries and Wages	118,000	126,481	126,480		1	
TOTAL GENERAL GOVERNMENT	159,345,028	159,697,742	157,778,590	1,701,327	217,825	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
JUDICIARY						
Psychiatric and Legal Counsel Fees for Involuntary Civil Commitments (Admin. Office of the Court Rules 4:74-7):						
Other Expenses	$ 175,000	$ 481,136	$ 479,686	$ 1,450		
County Surrogate:						
Salaries and Wages	1,020,000	1,087,461	1,087,461			
Other Expenses	50,000	49,026	45,348	3,678		
TOTAL JUDICIARY	1,245,000	1,617,623	1,612,495	5,128		
UTILITIES & BULK PURCHASES						
Central Inventory Control	1,020,000	2,373,327	2,373,326		$ 1	
Utilities	9,500,000	10,496,156	10,417,912	78,242	2	
TOTAL UTILITIES & BULK PURCHASES	10,520,000	12,869,483	12,791,238	78,242	3	
REGULATION						
Board of Elections:						
Salaries and Wages	2,382,000	4,302,937	4,302,936		1	
Other Expenses	3,015,250	1,034,795	978,485	56,310		
Board of Taxation:						
Salaries and Wages	449,000	456,010	456,009		1	
Other Expenses	10,860	5,872	5,871		1	
Construction Board of Appeals						
Other Expenses	200	200	170		30	
County Medical Examiner:						
Salaries and Wages	3,493,000	599,116	599,115		1	
Other Expenses	1,807,380	1,043,530	912,795	130,734	1	
County Planning Board (R.S. 40:27-3)						
Salaries and Wages	1,773,000	1,667,376	1,667,376			
Other Expenses	27,700	19,364	18,772	591	1	
Elections (County Clerk)						
Salaries and Wages	515,000	636,032	636,032			
Other Expenses	1,565,900	2,068,910	2,067,635	1,275		
Network Operations Center:						
Salaries and Wages	248,000	151,946	151,945		1	
Other Expenses	1,000	2,790	1,486	1,303	1	
Office of Emergency Management:						
Salaries and Wages	490,000	564,252	564,252			
Other Expenses	57,300	54,557	35,032	19,525		
Passport (County Clerk)						
Salaries and Wages	170,000	160,159	160,159			
Other Expenses	12,300	6,890	6,889		1	
Sheriff's Office:						
Salaries and Wages	23,046,000	24,168,014	24,168,013		1	
Other Expenses	595,245	420,185	375,013	45,171	1	
Weights and Measures Department:						
Salaries and Wages	346,000	340,763	340,762		1	
Other Expenses	1	1			1	
TOTAL REGULATION	40,005,136	37,703,699	37,448,747	254,909	43	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
ROADS AND BRIDGES						
Dept. of Transportation:						
Salaries and Wages	$ 564,000	$ 488,459	$ 488,459			
Other Expenses	16,000	33,796	32,726	$ 1,070		
Engineering Department:						
Salaries and Wages	1,710,000	1,817,627	1,817,626		$ 1	
Other Expenses	35,500	29,751	29,468	283		
Highways and Bridges:						
Salaries and Wages	4,838,000	5,242,837	5,242,836		1	
Other Expenses	428,600	860,084	678,732	181,352		
TOTAL ROADS AND BRIDGES	7,592,100	8,472,554	8,289,847	182,705	2	
CORRECTIONAL AND PENAL						
Adult Correction and Facility:						
Salaries and Wages	28,897,000	29,527,810	29,527,810			
Other Expenses	12,908,852	14,854,431	14,179,361	672,060	3,010	
Juvenile Detention Center:						
Salaries and Wages	8,106,000	7,809,448	7,809,447		1	
Other Expenses	1,962,700	1,907,189	1,844,403	62,786		
Office of Consumer Affairs						
Salaries and Wages	342,000	329,418	329,417		1	
Other Expenses	12,825	4,019	3,768	251		
TOTAL CORRECTIONAL AND PENAL	52,229,377	54,432,315	53,694,206	735,097	3,012	
HEALTH AND WELFARE						
Aid to Various Agencies	1,089,879	1,173,879	876,097	297,782		
Alcohol Services						
Salaries and Wages	22,394	22,394	22,394			
Other Expenses	178,469	175,719	175,719			
Board of Social Services:						
Administration	14,302,871	14,302,871	14,302,871			
Services	660,037	660,037	660,037			
Assistance to Supplemental Security Income Recipients	1,845,257	1,845,257	1,845,257			
Temporary Assistance for Needy Families	309,801	309,801	309,801			
Dept. of Community Services						
Salaries and Wages	287,000	278,014	278,014			
Other Expenses	67,600	66,229	66,228		1	
Department of Human Services:						
Salaries and Wages	1,319,000	1,024,900	1,024,899		1	
Other Expenses	201,008	195,502	155,678	39,824		
Dept. of Public Safety & Health:						
Salaries and Wages	502,000	504,230	504,229		1	
Other Expenses	2,750	1,465	1,465			
Division of McFoods:						
Salaries and Wages	380,000	424,735	424,735			
Other Expenses	54,900	51,307	46,806	4,500	1	
Environmental Health						
Salaries and Wages	1,018,000	865,975	865,975			
Other Expenses	23,736	4,845	4,845			
Environmental Health Act (CH. 443, P.L. 1977):						
Salaries and Wages	577,000	267,335	267,335			
Other Expenses	25,000	3,463	3,463			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
HEALTH AND WELFARE (continued):						
Haz Mat Division						
Salaries and Wages	$ 915,000	$ 967,519	$ 967,519			
Other Expenses	87,360	85,615	71,721	$ 13,894		
Home Care for the Elderly (N.J.S.A. 30:4D-3)						
Salaries and Wages	174,000	186,364	186,363		$ 1	
Other Expenses	1,036,637	856,272	680,921	175,350	1	
MC Indigent Res. - Other County	400,000	374,951	374,950		1	
MC Mid School After School	50,000	36,254	35,945	309		
Maintenance of Patients in State Institutions for Mental Diseases						
Local Share	8,879,206	8,879,206	8,879,206			
Mental Health Administrator:						
Other Expenses	600,000	597,551	494,357	103,194		
Mosquito Extermination Commission (N.J.S.A. 26:9-13 et seq.)	2,725,000	2,725,000	2,725,000			
Public Health Service - Interlocal Agreement:						
Salaries and Wages	2,936,000	3,315,332	3,315,332			
Other Expenses	121,200	183,476	168,756	14,719	1	
Raritan Bay Mental Health Clinic (N.J.S.A. 40:5-2.9):						
Salaries and Wages	4,661,600	233,015	232,845		170	
Other Expenses	605,350	499,870	450,467	49,402	1	
Raritan Bay Mental Health Center - Partial Care Program	139,550	18,960	10,282	8,678		
Roosevelt Care Center:						
Other Expenses	5,000,000	8,600,000	5,000,000		3,600,000	
Specially Challenged Children						
Salaries and Wages	1,126,000	1,253,281	1,253,281			
War Veterans Burial and Grave Decorations:						
Other Expenses	92,765	81,923	81,922		1	
TOTAL HEALTH AND WELFARE	52,416,370	51,072,547	46,764,715	707,652	3,600,180	
EDUCATION						
County Extension Services - Farm and Home Demonstrations:						
Salaries and Wages	602,000	658,223	658,222		1	
Other Expenses	28,000	23,628	19,907	3,721		
Division of Historic Sites & Services:						
Salaries and Wages	748,000	867,602	867,602			
Other Expenses	249,566	244,735	218,867	25,868		
Fire Inspection Bureau:						
Salaries and Wages	149,000	157,948	157,947		1	
Fire Training Academy:						
Salaries and Wages	1,427,000	1,747,424	1,747,424			
Other Expenses	1,115,267	988,551	931,928	56,622	1	
Middlesex County College	17,700,000	17,783,516	17,783,515		1	
Middlesex County Heritage Commission (N.J.S.A. 40:33A-6):						
Salaries and Wages	255,000	317,908	317,908			
Office of County Superintendent of Schools:						
Salaries and Wages	331,000	357,334	357,334			
Other Expenses	15,000	2,154	1,910	244		
Reimbursement for Residents Attending Out-Of-County,						
Two-Year Colleges (N.J.S.A. 18A:64A-23)	170,000	267,253	195,174	72,078	1	
Magnet Schools	27,599,909	27,008,342	27,008,342			
TOTAL EDUCATION	50,389,742	50,424,618	50,266,080	158,533	5	

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
RECREATION						
County Parks Department:						
Salaries and Wages	$ 7,597,000	$ 8,558,427	$ 8,558,424		$ 3	
Other Expenses	1,464,284	983,707	797,684	$ 186,021	2	
Golf Course Operations						
Other Expenses	3,000,000	2,944,018	2,920,983	23,035		
Infrastructure Management						
Salaries and Wages	324,000	328,626	328,626			
Other Expenses	24,000	11,497	9,772	1,725		
TOTAL RECREATION	12,409,284	12,826,275	12,615,489	210,781	5	
UNCLASSIFIED						
Civic Square II Lease / Purchase	3,543,550	3,543,550	3,538,300			$ 5,250
Civic Square III Lease / Purchase	1,478,000	1,478,000	1,478,000			
Civic Square IV Lease / Purchase	3,041,750	3,041,750	3,041,750			
Employee Child Care	120,000	89,050	89,050			
Garbage and Trash Removal (Contractual)	166,000	166,000	152,978	13,022		
Intoxicated Driver Resource Center Fees						
Salaries and Wages	234,518	253,603	253,603			
Other Expenses	84,700	78,433	50,710	27,723		
Life Support Program - New Brunswick - Contractual	53,000	53,000	53,000			
MCAT						
Salaries and Wages	871,000	830,231	830,230		1	
Other Expenses	954,737	936,946	849,168	470	87,308	
Matching Fund for Grants	309,601	309,601	12,000			297,601
Open Space Trust Bonds	2,784,264	2,784,264	2,784,264			
Salary & Wage Adjustment	2,901,000					
Solid Waste Management						
Other Expenses	2,950	280	279		1	
Supplemental Compensation at Retirement	200,000	200,000	200,000			
TOTAL UNCLASSIFIED	16,745,070	13,764,708	13,333,332	41,215	87,310	302,851
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
U.S. Dept. of Labor:						
TANF Innovation Initiative		890,000	890,000			
Workforce Investment Act - Adult		1,122,596	1,122,596			
Workforce ~ Date Reporting and Analysis		12,971	12,971			
Workforce Investment Act - Dislocated Workers		1,738,708	1,738,708			
Workforce Investment Act - GA/SNAP		797,959	797,959			
Workforce Investment Act - Youth		1,213,086	1,213,086			
Workforce Investment Act - SmartSTEPS Program		3,210	3,210			
Workforce Investment Act - TANF		1,276,370	1,276,370			
U.S. Dept. of Education:						
North Brunswick Title I Funds	216,626	216,626	216,626			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (continued):						
U.S. Dept. of Health and Human Services:						
Area Plan Grant for Program on Aging - Title III	$ 3,156,240	$ 4,793,492	$ 4,793,492			
CDBG-CV State DCA		2,465,244	2,465,244			
County Health Infrastructure Funding 2024		1,911,463	1,911,463			
DMHAS Block Grant for Training		20,000	20,000			
Disaster Response Crisis Counselor {DRCC}		30,000	30,000			
MC Area Wide S.H.I.P. Grant		43,000	43,000			
Senior Meals of Middlesex County	1,565,313	2,612,542	2,612,542			
Tuberculosis Program ~ Federal		32,000	32,000			
U.S. Dept. of Health and Human Services Direct Program:						
HIV Emergency Relief Program	1,889,471	2,845,413	2,845,413			
U.S. Dept. of Homeland Security & Preparedness:						
SHSP Homeland Security Grant	376,582	376,582	376,582			
Urban Areas Security Initiative		31,416	31,416			
U.S. Dept. of Housing & Urban Development:						
Continuum of Care (CoC) ~ Leasing Program		379,003	379,003			
Expanded Postmortem Toxicology Lab Testing Grant		155,220	155,220			
HUD Continuum of Care (CoC) ~ Leasing Program I & II	105,449	370,540	370,540			
U.S. Dept. of Justice:						
Pass-through N.J. Dept. of Public Safety						
Division of Criminal Justice:						
Body Armor Program - Sheriff	11,762	11,762	11,762			
Body Armor Replacement Program - Corrections	14,513	14,513	14,513			
Body Armor Replacement Program - Prosecutors	5,619	5,619	5,619			
Local Public Health Overdose Fatality Review Teams 2023	75,000	150,000	150,000			
Multi-Jurisdictional Task Force (RJAG-1-12-TF-09C)	126,722	126,722	126,722			
NJ Community Partnership Grant	968,860	968,860	968,860			
VOCA - County Sexual Assault Response Team/Forensic Nurse Examiner	194,342	392,532	392,532			
Southern MDDL Flood Mitigation	1,500,000	1,500,000	1,500,000			
U.A.S.I Grant	289,000	289,000	289,000			
Victims of Crime Act (VOCA) NJ Victim Assistance Grant (VAG)		145,000	145,000			
U.S. Dept. of Transportation:						
County D.W.I. Enforcement Grant	162,750	325,500	325,500			
EMAA ~ EMPG Emergency Mgmt Agency Asst.	55,000	55,000	55,000			
FTA - Section 5310	150,000	150,000	150,000			
Hazardous Material Emergency Preparedness -Training		44,085	44,085			
Insurance Fraud Reimbursement Program		300,000	300,000			
Job Access Reverse Commute	300,000	300,000	300,000			
MC Comprehensive Traffic Safety		117,700	117,700			
Medication Assist. Treatment (MAT)	571,765	1,143,530	1,143,530			
Division of Planning:						
North Jersey Transportation Planning Authority		243,214	243,214			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (continued):						
U.S. Department of Treasury:						
ARPA LATCF	$ 50,000	$ 50,000	$ 50,000			
N.J. Department of Community Affairs:						
Economic Development Projects 2024		8,500,000	8,500,000			
Parks and Rec Youth Sports Infrastructure 2024		8,500,000	8,500,000			
Rec. Opp. Individuals w/Disab.{ROID DCA}	42,000	77,000	77,000			
N.J. Department of Environmental Protection:						
Clean Communities Program		141,094	141,094			
County Environmental Health Act (CEHA)	617,794	617,794	617,794			
Recycling Enhancement Act - Interest		13,759	13,759			
Recycling Enhancement Act Fund Grant		688,500	688,500			
N.J. Department of Health & Senior Services:						
Addictions Cty Innov. Grant		52,983	52,983			
Area Wide Transportation Grant	317,510	317,510	317,510			
COVID-19 Vaccination Supplemental Funding	90,000	90,000	90,000			
Cancer Education and Early Detection (CEED)		649,371	649,371			
Child Advocacy Grant	246,175	511,995	511,995			
Child Passenger Safety 2025		45,000	45,000			
Childhood Lead Poisoning Prevention		791,775	791,775			
Comprehensive Cancer Control		339,727	339,727			
DYFS - Home Care Services - Respite Program	555,000	555,000	555,000			
DYFS - Services to the Homeless	1,082,080	1,082,080	1,082,080			
Juvenile Detention Education	910,797	910,797	910,797			
Human Services Council		336,260	336,260			
MC Medical Reserve Corp.		34,700	34,700			
NJDCA Children and Families, Rape Prevention & Education Grant (SAARC)		597,593	597,593			
Operation Helping Hands		100,000	100,000			
PASP Contract	-	5,148	5,148			
Public Health Priority Funding	233,252	233,252	233,252			
N.J. Department of Health & Senior Services (continued):						
Strengthening Local Public Health Capacity Program - Operations	89,365	134,567	134,567			
Special Child Health Services - Early Intervention		218,243	218,243			
Tuberculosis Control Program ~ Federal	234,934	234,934	234,934			
Worker and Community Right to Know Act		18,119	18,119			
Youth Incentive Program		50,878	50,878			
N.J. Department of Highway Traffic Safety:						
Drug Recon Expert (DRE) Callout Prgm.		52,540	52,540			
N.J. Department of Human Services:						
JACC - Program	104,962	104,962	104,962			
Personal Attendant Demonstration Project	64,800	64,800	64,800			
N.J. Dept. of Information Technology						
Public Safety Answering Point (PSAP) Upgrades & Consolidation Grant		115,560	115,560			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (continued):						
N.J. Dept. of Law and Public Safety:						
Juvenile Justice Commission:						
Family Court Service	$ 249,823	$ 249,823	$ 249,823			
Juvenile Detention Alternative (JDAI)	120,000	120,000	120,000			
N.J. Department of State:						
Cooperative Marketing Program	17,750	17,750	17,750			
Folk Art Program		150,000	150,000			
N.J. Council on the Arts	573,200	583,200	583,200			
NJ Historical Commission	255,900	255,900	255,900			
Cornelius Low House Museum	100,000	100,000	100,000			
N.J. Transit:						
Senior Citizens & Disabled Res.	2,745,099	2,960,487	2,960,487			
N.J. Department of Defense:						
Transport Disabled Veterans		22,000	22,000			
Governor's Council on Alcoholism and Drug Abuse:						
DMHAS Block Grant	31,366	31,366	31,366			
Municipal Alliance		322,020	322,020			
Local Revenue Miscellaneous:						
Area Plan Client Contributions	20,000	20,000	20,000			
Fares, Donation & Adv. Transportation	40,000	120,000	120,000			
MCUA - Environmental Health	338,000	1,067,731	1,067,731			
Muni Contribution to Blue Care Opioid Intervention		2,000	2,000			
Middlesex Cty Multi-Assist Cost Share Program	20,000	20,000	20,000			
Respite Cost Share Program	2,000	2,000	2,000			
Senior Meal Program		123,000	123,000			
Sheriff ~ D.A.R.E. Program Grant		16,710	16,710			
TOTAL PUBLIC AND PRIVATE PROG. OFFSET BY REVENUES	20,886,821	62,040,406	62,040,406			
Total Operations	423,783,928	464,921,970	456,635,145	$ 4,075,589	$ 3,908,385	$ 302,851
Contingent	500,418	555,405	440,236	39,439	75,730	
Total Operations Including Contingent	424,284,346	465,477,375	457,075,381	4,115,028	3,984,115	302,851
Detail:						
Salaries & Wages	151,836,512	146,804,689	146,804,481		208	
Other Expenses (Including Contingent)	272,447,834	318,672,686	310,573,751	4,115,028	3,983,907	
CAPITAL IMPROVEMENTS						
Capital Improvement Fund	77,600,000	77,600,000	77,600,000			
TOTAL CAPITAL IMPROVEMENTS	77,600,000	77,600,000	77,600,000			

COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED 2024 EXPENDED	ENCUMBERED	RESERVED	CANCELLED
COUNTY DEBT SERVICE						
County College Bonds	$ 986,540	$ 986,540	$ 986,540			
MCIA Bond Interest	1,047,051	1,047,051	1,047,051			
Other Bonds	1,915,842	1,915,842	1,915,841			$ 1
Payment of Bond Principal:						
County College Bonds	4,392,500	4,392,500	4,392,500			
MCIA Bond Principal	7,892,763	7,892,763	7,892,762			1
Other Bonds	13,685,000	13,685,000	13,685,000			
State Aid-County College Bonds (N.J.S. 18A:64A-22.6)	1,957,500	1,957,500	1,957,500			
Vocational School Bonds	3,210,000	3,210,000	3,210,000			
State Aid-County College Bonds (N.J.S. 18A:64A-22.6)	573,369	573,369	573,368			1
Vocational School Bonds	973,729	973,729	973,673			56
MCIA Capital Lease	1,850,709	1,850,709	1,850,709			
Interest on Notes	445,315	445,315	444,078			1,237
MCIA Capital Lease - Interest	398,259	398,259	398,259			
Paydown on Notes	10,478,000	10,478,000	10,478,000			
TOTAL COUNTY DEBT SERVICE	49,806,577	49,806,577	49,805,281			1,296
STATUTORY EXPENDITURES						
Contributions To:						
Defined Contribution Retirement Plan	63,000	97,703	97,702		$ 1	
Police and Firemen's Retirement System	14,608,973	14,608,973	14,608,972		1	
Public Employees' Retirement System	14,349,104	14,349,104	13,757,167		591,937	
Social Security System (O.A.S.I.)	11,500,000	11,425,853	11,425,853			
TOTAL STATUTORY EXPENDITURES	40,521,077	40,481,633	39,889,694		591,939	
TOTAL GENERAL APPROPRIATIONS	$ 592,212,000	$ 633,365,585	$ 624,370,356	$ 4,115,028	$ 4,576,054	$ 304,147
Budget as Adopted		$ 592,212,000				
Added By 40A:4-87		41,153,585				
		$ 633,365,585				
Cash Disbursements			$ 562,317,950			
Transferred to:						
Reserve for Federal and State Grants Appropriated			60,680,965			
Reserve for Local Grants Appropriated			1,371,441			
			$ 624,370,356			

See accompanying notes to the financial statements

EXHIBIT B

COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash	$ 130,006,638	$ 109,311,645
Motor Vehicle Fines Receivable	284,049	243,415
Federal Aid Receivable:		
Housing and Community Development Act 1974	20,144,330	18,387,213
Federal Aid Receivable:		
Section 8 Housing Assistance Payments Program	214,369	
State Aid Receivable: Alcoholism Rehabilitation Program	734,631	1,046,637
Section 8 Housing Assistance Prepayments	1,247,111	972,598
Open Space Program Receivable	320,817	305,610
Community Development Block Grant: Urban Housing		
Preservation Program Loans - Mortgages Receivable	687,001	742,852
Total Assets	$ 153,638,946	$ 131,009,970
LIABILITIES AND RESERVES		
Reserve for Motor Vehicle Fines Receivable	$ 284,049	$ 243,415
Environmental Quality	604,083	610,862
Motor Vehicle Fines - Road Fund	480,361	29,926
Reserve for Encumbrances	65,501,816	72,419,444
Performance and Escrow Deposits	2,708,399	3,470,524
Reserve for Open Space Program Receivable	320,817	305,610
Worker's Compensation Self-Insurance Fund	2,190,288	542,583
Supplemental Compensation at Retirement	88,660	61,205
Unemployment Compensation Fund	34,722	371,874
Reserve for Alcoholism Rehabilitation Program		1,647
Reserve for Housing and Community Development Expenditures	17,221,287	15,296,475
Reserve for CDBG Funds on Hand	1,463,279	1,439,036
Reserve for Refundable Consumer Affairs Deposits	31,529	30,759
Reserve for Section 8 Housing Assistance Payments Program	1,938,331	2,135,473
Road Opening Bonds	1,663,974	1,503,830
Self-Insurance Liability Trust Fund	2,991,117	1,368,460
Miscellaneous Trust Accounts	4,034,016	4,473,279
Dedicated Revenue by Statute	3,352,041	3,135,565
Prosecutor's Office - Dedicated Funds	7,445,400	4,985,025
State Seized Assets	4,505,645	4,223,373
Reserve for Debt Service - Open Space and Farmland Preservation	2,781,595	2,772,907
Reserve for Urban Housing & Preservation Program Loans	687,001	742,852
Escheated Seized Funds	4,622	4,622
Reserve for Open Space and Farmland Preservation	33,305,914	10,841,224
Total Liabilities and Reserves	$ 153,638,946	$ 131,009,970

See accompanying notes to the financial statements.

EXHIBIT C

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET- REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash	$ 100,540	$ 27,988,619
Leases Receivable	5,707,575	5,958,545
Deferred Charges to Future Taxation:		
Funded	139,430,000	155,600,000
Funded Loans	21,234,015	24,520,776
Funded - Capital Leases	58,827,162	69,055,177
Unfunded	456,080,451	412,791,605
Total Assets	$ 681,379,743	$ 695,914,722
LIABILITIES, RESERVES AND FUND BALANCE		
General Serial Bonds	$ 59,385,000	$ 73,070,000
Capital Transportation Grant Reserves	13,221,297	13,221,297
County College Bonds	33,965,000	33,510,000
County College Bonds (Ch. 12, P.L. 1971)	18,290,000	18,020,000
Vocational School Bonds	27,790,000	31,000,000
Bond Anticipation Notes		10,478,000
MCIA Loans Payable	19,268,323	22,319,853
Green Acres Loan Payable	1,965,692	2,200,923
Capital Leases Payable	58,827,162	69,055,177
Improvement Authorizations:		
Funded	65,413,192	54,230,390
Unfunded	194,482,491	221,841,949
Capital Improvement Fund	3,549,775	6,190
Reserve For:		
Encumbrances	179,166,163	137,255,337
Leases Receivable	5,707,575	5,958,545
Bond Issue Costs		31,679
Fund Balance	348,073	3,715,382
Total Liabilities, Reserves and Fund Balance	$ 681,379,743	$ 695,914,722
Bonds and Notes Authorized but not Issued	$ 456,080,451	$ 402,313,605

See accompanying notes to the financial statements

EXHIBIT C-1

COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance - December 31, 2023		$ 3,715,382
Increased by:		
Premium on Sale of Bonds	$ 348,073	
Premium on Sale of MCIA Loan Ordinance Bonds	170,788	
		518,861
Total Available		4,234,243
Decreased by:		
Anticipated Revenue Realized in Current Fund	3,715,382	
Transfer to Fund Unfunded Ordinances	170,788	
		3,886,170
Balance - December 31, 2024		$ 348,073

EXHIBIT D

COUNTY OF MIDDLESEX, NEW JERSEY
GOVERNMENTAL FIXED ASSETS
STATEMENT OF GOVERNMENTAL FIXED ASSETS
DECEMBER 31, 2024 AND 2023

GOVERNMENTAL FIXED ASSETS:	2024	2023
Land and Open Space	$ 405,009,368	$ 405,009,368
Buildings and Improvements	299,069,579	296,963,433
Machinery and Equipment (County Owned & MCIA Owned)	54,284,879	54,246,678
Motor Vehicles (County Owned and MCIA Owned)	45,689,736	39,601,617
Total Governmental Fixed Assets	$ 804,053,562	$ 795,821,096
Investments in Governmental Fixed Assets	$ 804,053,562	$ 795,821,096

See accompanying notes to the financial statements

1) FORM OF GOVERNMENT

The County of Middlesex ("County") is governed by a seven member Board of County Commissioners 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 Commissioner Board abides by the regulations of the New Jersey Civil Service Commission.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

GASB Statement No. 14, as amended, 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 are reported separately.

The financial statements of the County 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.

Description of Funds

The accounting policies of the County 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 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.

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 regulatory 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.

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

Basis of Accounting (Cont'd)

Expenditures (Cont'd)
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.

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

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

Basis of Accounting (Cont'd)

Fixed Assets (Cont'd)

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, 2024 and 2023 does not include Roosevelt Hospital, as the facility was transferred to the M.C.I.A., Note 17.

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 9 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. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Pursuant to N.J.A.C. 5:30-6.1(c)2, counties and municipalities may use the most recent available audited GASB Statement No. 68 financial information published by the New Jersey Department of the Treasury, Division of Pensions and Benefits. As of the date of audit, the 2023 Report was the most recent available and therefore information for that year was disclosed accordingly. As a result, the latest available audited information is presented in Note 9 to the financial statements.

Disclosures About OPEB Liabilities
With the implementation of GASB Statement No. 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. The audited financial information related to OPEB liabilities is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Pursuant to N.J.A.C. 5:30-6.1(c)2, counties and municipalities may use the most recent available audited GASB Statement No. 75 financial information published by the New Jersey Department of the Treasury, Division of Pensions and Benefits. As of the date of audit, the 2023 Report was the most recent report available and therefore information for that year was disclosed accordingly. Refer to Note 13 for these disclosures.

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.

Leases

County as a Lessee

The County is a lessee for leases of County copiers, vehicles and real estate, including office space, storage space and parking facilities. The County acknowledges lease obligations with an initial, collective value of $1,000 or more. At commencement of a lease, the County initially measures the lease obligation at the present value of payments expected to be made during the lease term. Subsequently, the lease obligation is reduced by the principal portion of lease payments made. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

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

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

County as a Lessor

The County is a lessor for leases of Middlesex County owned property with lease terms ranging from three to five years. The County acknowledges a lease with an initial, collective value of $1,000 or more. The County initially measures the lease at the present value of payments expected to be received during the lease term. Key estimates and judgments to the lessor include (1) the discount rate using the lessee's estimated borrowing rate expected less receipts to present value, (2) the lease term including any non-cancellable period of the lease, and (3) the lease payments determined by the lease receipts included in the measurement of the lease that are composed of fixed payments from the lessee and any payment renewal option that the lessee is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease if certain changes occur that are expected to significantly affect the amount of the lease.

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

Recent Accounting Standards

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

The GASB issued Statement No. 100, "*Accounting Changes and Error Corrections*" in June 2022. This Statement will improve the clarity of accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023 and all reporting periods thereafter, with earlier application encouraged. The requirements of this Statement have been evaluated by the County and have been determined not to be applicable to the financial statements for the year ended December 31, 2024.

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

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

The GASB issued Statement No. 103, "*Financial Reporting Model Improvements"* in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the impact of the Statement on the financial statements.

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

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.

3) DEFERRED COMPENSATION TRUST FUND

The County 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 Net County Debt	Year 2024	Year 2023
Issued:		
General Bonds and Notes	$ 139,430,000	$ 166,078,000
Loans	21,234,015	24,520,776
Net Debt Issued	160,664,015	190,598,776
Authorized but not issued:		
General Bonds and Notes	456,080,451	402,313,605
Bonds and Notes Issued and Authorized but not Issued	616,744,466	592,912,381
Less: Bonds issued and authorized but not Issued - County College Ch. 12	18,290,000	18,020,000
MCIA Loans		135,740
Accounts Receivable/Redevelopment Bonds		1,450,000
Net Bonds and Notes Issued and Authorized but not issued	$ 598,454,466	$ 573,306,641

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (CONT'D)

Summary of Statutory Debt Condition - Annual Debt Statement - Current Year 2024

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 0.412%.

	Gross Debt	Deductions	Net Debt
General Debt	$ 885,879,466	$ 287,425,000	$ 598,454,466

Net Debt of $598,454,466 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of $145,136,365,109 equals 0.412%.

Equalized Valuation Basis

2022 Equalized Valuation Basis of Real Property	$ 134,441,727,583
2023 Equalized Valuation Basis of Real Property	144,193,601,653
2024 Equalized Valuation Basis of Real Property	156,773,766,092
Average Equalized Valuation Basis	$ 145,136,365,109

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

2% of Average Equalized Valuation Basis	$ 2,902,727,302
Net Debt	598,454,466
Remaining Borrowing Power	$ 2,304,272,836

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (CONT'D)

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

Schedule of Debt Service as of December 31, 2024

Year	Total Principal *	Total Interest *	Total Debt Service
2025	$ 18,572,500	$ 3,451,916	$ 22,024,416
2026	17,935,000	2,843,991	20,778,991
2027	17,640,000	2,336,599	19,976,599
2028	17,295,000	1,837,057	19,132,057
2029	12,842,500	1,416,036	14,258,536
2030-2034	32,195,000	2,854,445	35,049,445
2035-2039	4,660,000	313,753	4,973,753
	$ 121,140,000	$ 15,053,797	$ 136,193,797

State Aided (Chapter 12) Bonds

Year	Total Principal	Total Interest	Total Debt Service
2025	$ 2,107,500	$ 606,658	$ 2,714,158
2026	2,100,000	499,784	2,599,784
2027	2,130,000	431,369	2,561,369
2028	1,820,000	365,575	2,185,575
2029	1,522,500	307,963	1,830,463
2030-2034	6,215,000	895,834	7,110,834
2035-2039	2,395,000	163,584	2,558,584
	$ 18,290,000	$ 3,270,768	$ 21,560,768

Green Acres Loans

Year	Total Principal	Total Interest	Total Debt Service
2025	$ 236,868	$ 13,362	$ 250,230
2026	238,537	11,694	250,231
2027	240,239	9,992	250,231
2028	241,975	8,255	250,230
2029	220,428	6,483	226,911
2030-2034	630,942	17,792	648,734
2035-2039	156,703	736	157,439
	$ 1,965,692	$ 68,314	$ 2,034,006

MCIA Loans Payable

Year	Total Principal	Total Interest	Total Debt Service
2025	$ 7,459,766	$ 941,953	$ 8,401,719
2026	4,759,809	590,428	5,350,237
2027	2,926,919	352,437	3,279,356
2028	3,064,015	206,092	3,270,107
2029	1,057,814	52,891	1,110,705
	$ 19,268,323	$ 2,143,801	$ 21,412,124

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, 2024.

Bonds Issued	Amount Issued	Amount Outstanding	Interest Rates	Final Maturity
General Improvement Debt				
ERI-Refunding Bonds of 2004	$ 10,315,000	$ 545,000	5.440%	2033
Heldrich Center Hotel Project 2015	2,175,000	1,340,000	2.250% to 5.000%	2037
Genl. Redev. Ref. Bonds Series 2016	4,050,000	675,000	5.000%	2025
General Improvement Bonds of 2016	33,900,000	15,300,000	2.000% to 2.125%	2029
Genl. Redev. Ref. Bonds Series 2017	24,615,000	17,300,000	4.000% to 5.000%	2031
General Improvement Bonds of 2018a	7,570,000	4,840,000	3.000% to 5.000%	2032
General Improvement Bonds of 2019A	10,000,000	7,375,000	2.000% to 4.000%	2034
Genl. Redev. Ref. Bonds Series 2020	18,995,000	12,010,000	0.820% to 1.450%	2028
Total General Improvement Debt		59,385,000		
County College Bonds				
County College Bonds Ch. 12 of 2010	1,176,500	97,500	3.500%	2025
County College Bonds Ch. 12 of 2012	4,250,000	900,000	2.600% to 3.000%	2027
County College Bonds of 2014	2,000,000	400,000	2.375% to 3.000%	2026
County College Bonds of 2014	3,400,000	1,200,000	2.375% to 3.000%	2028
County College Bonds Ch. 12 of 2014	2,125,000	800,000	2.375% to 3.000%	2028
County College Bonds of 2015	2,000,000	400,000	3.000%	2026
County College Bonds Ch. 12 of 2015	1,600,000	885,000	3.000% to 3.500%	2033
County College Bonds of 2016	5,000,000	1,885,000	2.000%	2028
County College Bonds Ch. 12 of 2016	1,500,000	555,000	2.000%	2028
County College Ref. Bonds Series 2016	3,227,500	1,625,000	5.000%	2029
County College Bonds of 2017	2,000,000	1,105,000	2.000% to 3.000%	2031
County College Bonds Ch. 12 of 2017	1,700,000	1,100,000	2.000% to 3.000%	2034
County College Bonds of 2018	1,925,000	1,235,000	3.000% & 5.000%	2032
County College Bonds Ch. 12 of 2018	1,785,000	1,185,000	3.000% to 5.000%	2033
County College Bonds Ch. 12 of 2018	1,875,000	960,000	3.000% to 5.000%	2029
County College Bonds of 2019	1,900,000	1,285,000	3.000%	2032
County College Bonds Ch. 12 of 2019	3,530,000	2,580,000	3.000%	2034
County College Bonds of 2020	2,000,000	1,470,000	2.000% to 4.000%	2033
County College Bonds Ch. 12 of 2020	635,000	200,000	0.820%	2025
County College Ref. Bonds Series 2020	317,500	180,000	0.820% to 1.230%	2027
County College Bonds Ch. 12 of 2021	1,880,000	1,355,000	2.000% to 3.000%	2030
County College Ref. Bonds Series 2021	2,765,000	2,350,000	2.000% to 3.000%	2036
City College Bonds Series 2022	1,910,000	1,560,000	4.000%	2030
City College Bonds Ch. 12 of 2022	1,885,000	1,700,000	4.000%	2037
City College Bonds Ch. 12 of 2023	2,195,000	2,105,000	3.000% to 4.000%	2038
County College Bonds of 2024	2,620,000	2,620,000	4.000% to 5.000%	2034
City College Bonds Ch. 12 of 2024	2,227,500	2,227,500	4.000% to 5.000%	2039
Total County College Bonds		33,965,000		

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (CONT'D)

Bonds Issued	Amount Issued	Amount Outstanding	Interest Rates	Final Maturity
County College Bonds (Ch. 12, P.L. 71)				
County College Bonds of 2010	$ 1,176,500	$ 97,500	3.500%	2025
County College Bonds of 2012	4,250,000	900,000	2.600% to 3.000%	2027
County College Bonds of 2014	2,125,000	800,000	2.375% to 3.000%	2028
County College Bonds of 2015	1,600,000	885,000	3.000% to 3.500%	2033
County College Bonds of 2016	1,500,000	555,000	2.000%	2028
County College Bonds of 2016	3,227,500	1,625,000	5.000%	2029
County College Bonds of 2017	1,700,000	1,100,000	2.000% to 3.000%	2034
County College Bonds of 2018	1,785,000	1,185,000	3.000% to 5.000%	2033
County College Bonds of 2019	3,530,000	2,580,000	3.000%	2034
County College Ref. Bonds of 2020	317,500	180,000	0.820% to 1.230%	2027
County College Bonds of 2021	2,765,000	2,350,000	2.000% to 3.000%	2036
County College Bonds of 2022	1,885,000	1,700,000	4.000%	2037
County College Bonds of 2023	2,195,000	2,105,000	3.000% to 4.000%	2038
County College Bonds of 2024	2,227,500	2,227,500	4.000% to 5.000%	2039
Total County College Bonds (Ch. 12, P.L. 71)		18,290,000		
Vocational/Magnet School Bonds				
Vocational School Bonds of 2014	3,100,000	600,000	2.375% to 3.000%	2026
Vocational School Bonds of 2015	3,100,000	1,400,000	3.000% to 3.125%	2030
Vocational School Bonds of 2016	6,100,000	2,490,000	2.000%	2028
Vocational School Bonds of 2017	3,000,000	1,775,000	2.000% to 3.000%	2032
Vocational School Bonds of 2018	2,995,000	1,995,000	3.000% to 5.000%	2033
Vocational School Bonds of 2018a	2,970,000	1,910,000	3.000% to 5.000%	2032
Vocational School Bonds of 2019	2,955,000	2,165,000	3.000%	2034
Vocational School Bonds of 2020	3,500,000	2,780,000	2.000% to 4.000%	2036
Vocational School Refunding Bonds of 2020	1,585,000	900,000	0.820% to 1.230%	2027
Vocational School Bonds of 2021	3,340,000	2,785,000	2.000% to 3.000%	2035
Vocational School Bonds of 2022	3,400,000	3,115,000	4.000%	2039
Vocational School Bonds of 2023	6,350,000	5,875,000	3.000% to 4.000%	2032
Total Vocational/Magnet School Bonds		27,790,000		
(A) MCIA Loan Payable				
County Loan from MCIA 2020	13,620,122	2,906,887	5.000%	2025
County Loan from MCIA 2021	9,042,037	3,861,773	5.000%	2026
County Loan from MCIA 2023	9,420,923	7,670,451	5.000%	2028
County Loan from MCIA 2024	4,829,212	4,829,212	5.000%	2029
		19,268,323		
Green Acres Loans Issued				
Old Bridge Park Acquisition 2009	750,000	199,748	2.000%	2029
New Brunswick Landing Lane Project 2010	1,600,000	451,276	0.000%	2030
New Brunswick Landing Lane Project 2015	800,000	489,021	2.000%	2035
New Brunswick Landing Lane Project 2016	1,400,000	825,647	0.000%	2036
Total Green Trust Program Loan		1,965,692		
Total Debt Issued and Outstanding		$ 160,664,015		

(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.

4) DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITIONS (CONT"D)

For the year ended December 31, 2024, the County has lease obligations for copiers and real estate, such as office space, storage space and parking facilities, with a value of $19,163,995. Lease payments included in the measurement of the lease obligations are composed of fixed payments. The County's outstanding leases have interest rates ranging from 0.00% to 5.16%. During the year ended December 31, 2024, the County paid principal and interest payments of $7,411,589.

The following is a summary of lease obligation principal and interest payments to maturity as of December 31, 2024, pursuant to GASB Statement No. 87:

Calendar Year	Copier Leases	Real Estate Leases	Total
2025	$ 212,136	$ 5,978,296	$ 6,190,432
2026	156,640	3,120,447	3,277,087
2027	31,277	2,256,948	2,288,225
2028		1,485,317	1,485,317
2029		1,126,614	1,126,614
2030-2034		4,538,875	4,538,875
2035-2039		162,084	162,084
2040-2044		95,361	95,361
	$ 400,053	$ 18,763,942	$ 19,163,995

5) FUND BALANCE APPROPRIATED

Fund balance for the Current Fund at December 31, 2024 was reported in the amount of $113,565,996, of which $5,000,000 was appropriated and included as anticipated revenue for the year ending December 31, 2025.

Fund balance for the Current Fund at December 31, 2023 was reported in the amount of $107,085,675, of which $0 was appropriated and included as anticipated revenue for the year ending December 31, 2024.

6) INVENTORY – MATERIALS AND SUPPLIES

For the years ended 2024 and 2023, the County has reported Inventory on the balance sheet of the Current Fund. The inventory is reported with an offsetting reserve. The County uses the First in, First out (FIFO) method of establishing year-end inventory. The amount reported is as follows:

	2024	2023
Inventory (Current Fund) Materials & Supplies	$ 2,406,824	$ 2,235,768

7) CASH AND CASH EQUIVALENTS

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.

7) CASH AND CASH EQUIVALENTS (CONT'D)

Deposits (Cont'd)

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 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.

At December 31, 2024, the County's recorded cash, cash equivalents and investments amounted to $309,026,941 and an amount of $312,052,015 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, $2,025,471 was FDIC insured and $304,508,239 was GUDPA insured. $5,518,305 held in agency and payroll accounts for the year ended December 31, 2024 are not covered by GUDPA.

At December 31, 2023, the County's recorded cash, cash equivalents and investments amounted to $347,809,144 and an amount of $351,756,522 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, $2,025,458 was FDIC insured and $344,835,294 was GUDPA insured. $4,895,771 held in agency and payroll accounts for the year ended December 31, 2023 are not covered by GUDPA.

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, 2024, based upon the insured balances as provided by FDIC and NJGUDPA coverage, $4,895,771 of the County's bank balance of $312,052,015 was considered exposed to custodial risk.

7) CASH AND CASH EQUIVALENTS (CONT'D)

An Analysis of the County's cash and cash equivalents at December 31, 2024 and 2023, by Fund/Category (Type) is as follows:

By Fund:	Fund	2024 Amount	2023 Amount
	Current	$ 178,919,763	$ 210,508,880
	Trust	130,006,638	109,311,645
	General Capital	100,540	27,988,619
	Total Cash, Cash Equivalents:	$ 309,026,941	$ 347,809,144

By Category (Type):	Cash & Cash Equivalents:	2024 Amount	2023 Amount
	Change Fund	$ 600	$ 600
	Demand Accounts	239,109,017	281,194,805
	Savings, Money Market / N.O.W.	69,917,324	66,613,739
	Total Cash, Cash Equivalents:	$ 309,026,941	$ 347,809,144

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. 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 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

9) PENSION AND RETIREMENT PLANS (CONT'D.)

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.

Public Employees' Retirement System

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

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

Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2023:

	2023
Inactive plan members or beneficiaries currently receiving benefits	191,119
Inactive plan members entitled to but not yet receiving benefits	580
Active plan members	241,151
Total	432,850

Contributing Employers – 1,691

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

For the year ended December 31, 2024, the County's total payroll for all employees was $170,884,841. For the year ended December 31, 2024, total PERS covered payroll was $90,072,700. 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 43:15 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contributions are based on an amortization of the unfunded accrued liability. Funding or noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount.

Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. 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.

It is assumed that the local employers will contribute 100.00% of their actuarially determined contribution and 100.00% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 70.00% of its actuarially determined contribution and 100.00% of its NCGIPF contribution. The 70.00% contribution rate is the actual total State contribution rate paid in fiscal year ending June 30, 2023 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2023 for all State administered retirement systems.

9) PENSION AND RETIREMENT PLANS (CONT'D.)

In accordance with Chapter 98, P.L. 2017, PERS receives 21.02% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis.

County payments to PERS for the year ending December 31, 2023 consisted of the following:

	2023
Total Regular Billing	$ 13,380,201

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:

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

A service retirement benefit of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, to tier 3 and 4 members before age 62 and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier.

Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

9) PENSION AND RETIREMENT PLANS (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, 2023, the PERS reported a net pension liability of $14,606,489,066 for its Non-State Employer Member Group. The County's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the County was $155,400,238 or 1.0728819711%, which was an increase of 0.0118437896% from its proportion measured as of June 30, 2022.

At December 31, 2023, the County's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources, if GASB Statement No. 68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,485,826	$ 635,226
Changes of assumptions	341,383	9,417,921
Net difference between projected and actual investment earnings on pension plan investments	715,638	
Changes in proportion	2,933,196	3,062,558
County contributions subsequent to the measurement date	14,339,371	
	$ 19,815,414	$ 13,115,705

$14,339,371 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 related to pensions would be recognized in pension expense on the GAAP basis as follows:

Year ended December 31,	Amount
2024	$ (7,744,421)
2025	(5,011,578)
2026	6,012,414
2027	(938,578)
2028	42,501
Total	$ (7,639,662)

9) PENSION AND RETIREMENT PLANS (CONT'D.)

Actuarial Assumptions- The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.20% adjustment for males and 101.40% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.40% adjustment for males and 99.70% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.70% adjustment for males and 117.20% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

9) PENSION AND RETIREMENT PLANS (CONT'D.)

Discount Rate – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100.0% of the actuarially determined contributions for the State employer and 100.00% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability – the following presents the County's proportionate share of the net pension liability of PERS calculated using the discount rate as disclosed below as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PERS	$ 204,003,582	$ 155,400,238	$ 116,457,627

Plan Fiduciary Net Position – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2023 was $34,831,652,936. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2023 was $27,400,438,440.

Additional information

Collective Local Group balances at June 30, 2023 are as follows:

Collective deferred outflows of resources	$ 1,080,204,730
Collective deferred inflows of resources	1,780,216,457
Collective net pension liability - Local Group	14,606,489,066
County's Proportion	1.0728819711%

Collective pension (benefit) for the Local Group for the measurement period ended June 30, 2023 was $(79,181,803). The average of the expected remaining service lives of all plan members is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63, years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

State Contribution Payable Dates

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

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

Receivable Contributions

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not

9) PENSION AND RETIREMENT PLANS (CONT'D.)

available at the beginning of the year to pay benefits. The receivable contributions for the year ended June 30, 2023 are $1,354,892,653.

Special Funding Situation

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

Unaudited data provided by the PERS indicates that the total Non-employer contributions made to the PERS by the State for the year ended June 30, 2023 was $61,366,036. The portion of that contribution allocated to the County in 2023 was $484,635 or 1.0769553845%. The June 30, 2023 State special funding situation pension expense of $55,672,745.00 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at $122,115,019.00 at June 30, 2023 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, 2023 and its share of the special funding situation Net Pension Liability at that date were $484,635 and $0 respectively

Police and Firemen's Retirement System

The Police and Firemen's Retirement System ("PFRS") 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, 2023:

	2023
Inactive plan members or beneficiaries currently receiving benefits	48,753
Inactive plan members entitled to but not yet receiving benefits	60
Active plan members	41,816
Total	90,629

Contributing Employers – 582

Significant Legislation – For the year ended June 30, 2023, it is assumed that the Local employers will contribute 100.00% of their actuarially determined contribution and 100.00% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 78.00% of its actuarially determined contribution and 100.00% of its NCGIPF contribution. The 78.00% contribution rate is the actual total State contribution rate paid in the fiscal year ending June 30, 2023 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2023 for all State administered retirement systems.

9) PENSION AND RETIREMENT PLANS (CONT'D.)

In accordance with Chapter 98, P.L. 2017, PFRS receives 1.20% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from the lottery proceeds are assumed to be contributed to the System on a monthly basis.

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

For the year ended December 31, 2024, the County's total payroll for all employees was $170,884,841. For the year ended December 31, 2024, total PFRS covered payroll was $42,539,794. 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 increased from 8.50% of annual compensation to 10.00% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits.

County payments to PFRS for the years ending December 31, 2023 consisted of the following:

	2023
Total Regular Billing	$ 13,929,822

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

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

The following represents the membership tiers for PFRS:

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

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

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991,

9) PENSION AND RETIREMENT PLANS (CONT'D.)

Chapter 109, P.L. 1979, Chapter 247, P.L. 1993, and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation.

However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

At June 30, 2023, the PFRS reported a net pension liability of $11,048,782,843 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 $118,508,084, or 1.0725895000% which was an increase of 0.0015206200% from its proportion, measured as of June 30, 2022. The pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

At December 31, 2023, the County's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources; if GASB Statement No. 68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,074,279	$ 5,651,784
Changes of assumptions	255,783	8,002,135
Net difference between projected and actual investment earnings on pension plan investments	6,035,393	
Changes in proportion	3,811,245	5,217,563
County contributions subsequent to the measurement date	14,278,323	
	$ 29,455,023	$ 18,871,482

$14,278,323 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 related to pensions would be recognized in pension expense on the GAAP basis as follows:

Year ended December 31,	Amount
2024	$ (4,661,948)
2025	(4,653,807)
2026	6,757,511
2027	(1,234,433)
2028	76,650
Thereafter	21,245
Total	$ (3,694,782)

9) PENSION AND RETIREMENT PLANS (CONT'D.)

Actuarial Assumptions- The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

9) PENSION AND RETIREMENT PLANS (CONT'D.)

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2023 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be based on 100.00% of the actuarially determined contributions for the State employer and 100.00% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments was applied to projected benefit payments after that date in determining the total pension liability.

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

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PFRS	$ 165,120,263	$ 118,508,084	$ 79,691,275

Plan Fiduciary Net Position – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2023 was $32,567,234,286. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2023 was $30,766,525,115.

Additional information

Collective Local Group balances at June 30, 2023 are as follows:

Collective deferred outflows of resources	$ 1,753,080,638
Collective deferred inflows of resources	1,966,439,601
Collective net pension liability - Local Group	13,084,649,602
County's Proportion	1.0725895000%

Collective pension expense for the Local Group for the measurement period ended June 30, 2023 was $844,810,693. The average of the expected remaining service lives of all plan members is 6.16, 6.22, 6.17, 5.90, 5.92 and 5.73 years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

State Contribution Payable Dates
Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25.00% by September 30, at least 50.00% by December 31, at least 75.00% by March 31, and at least 100.00% by June 30. As such, contributions are assumed to be made on a quarterly basis.

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

Receivable Contributions

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits.

9) PENSION AND RETIREMENT PLANS (CONT'D.)

Local contributions expected to be paid the April 1st, following the valuation are discounted by the interest rate used at the valuation date.

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 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, 2023 was $232,824,730. The portion of that contribution allocated to the County in 2023 was $2,497,253, or 1.07258924%. The June 30, 2023 State special funding situation pension expense of $231,575,656 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 $2,035,866,759 at June 30, 2023 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, 2023 and its share of the special funding situation NPL at that date were $2,483,856 and $21,836,493, respectively.

Defined Contribution Retirement Plan

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

Plan Membership and Contributing Employers - Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000 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.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3.00% of the employees' base salary. Active members contribute 5.50% of base salary.

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

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

For the year ended December 31, 2024 and 2023, the County's total payroll for all employees was $170,884,841 and $164,711,392. Total DCRP covered payroll was $2,176,625 and $1,963,983, respectively. Covered payroll refers to all compensation paid by the County to active employees covered

9) PENSION AND RETIREMENT PLANS (CONT'D.)

by the Plan. County and employee contributions to the DCRP for the year ended December 31, 2024, were $65,406 and $119,909, respectively and for the year ending December 31, 2023, were $58,947 and $108,067, respectively.

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, 2024 and 2023, the estimated cost of unused sick pay is calculated to be $12,538,963 and $11,898,251 respectively. At December 31, 2024 and 2023, the estimated cost of unused accrued vacation pay is calculated to be $9,876,467 and $7,072,699, 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. 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 2024 and 2023, $200,000 and $450,000, respectively was appropriated and added to the fund and $172,545 was disbursed to employees during 2024 while $388,795 was disbursed to employees during 2023.

11) LEASE REVENUE

The County has leased property to various lessees in Middlesex County with lease obligations composed of fixed payments valued at $684,001. The combined principal and interest revenue for 2024 was $354,294.

The future projected benefit for future years is as follows:

Calendar Year	Total
2025	$ 308,516
2026	217,427
2027	158,058
	$ 684,001

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 $1,500,000 self - insurance retention. A self-insurance Liability Fund has been established to fund those claims below $1,500,000. The County of Middlesex together with the autonomous agencies; Middlesex College, Board of Social Services, Middlesex County 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 $1,500,000 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, 2024 for the respective funds.

The Commissioners assessed the following participants for 2024 and 2023, as follows:

AGENCY	2024 TOTAL	2023 TOTAL
County College	$1,072,084	$1,078,773
Board of Social Services	86,376	74,583
County Improvement Authority	295,325	253,657
	$1,453,785	$1,407,013

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, 2024 and 2023 totaled $4,945,799 and $1,997,579, respectively. The County has appropriated funds in the 2024 and 2023 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, 2024 and 2023, was as follows:

Limits of Insurance:	2024	2023
Each Accident or Occurrence Limit	$ 5,000,000	$5,000,000
Policy Aggregate Limit	6,000,000	6,000,000
Self-Insured Limit Retention	1,500,000	1,500,000

12) RISK MANAGEMENT (CONT'D)

During 2024 and 2023, 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, 2024

The estimated liability, as established by the third party administrator, for claims incurred and reported for the Worker's Compensation Fund at December 31, 2024 is $7,789,151. 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 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 unemployment 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, 2024 were as follows:

	Balance 12/31/23	Increases to Reserves	Decrease to Reserves	Balance 12/31/24
Self-Insurance Fund	$ 1,368,460	$ 9,102,504	$ 7,479,847	$ 2,991,117
Workers' Compensation Fund	542,583	5,936,193	4,288,488	2,190,288
Unemployment Compensation Fund	371,874	4,862	342,014	34,722

YEAR ENDED DECEMBER 31, 2023

The estimated liability, as established by the third party administrator, for claims incurred and reported for the Worker's Compensation Fund at December 31, 2023 is $7,172,238. 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 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 unemployment 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.

12) RISK MANAGEMENT (CONT'D)

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, 2023 were as follows:

	Balance 12/31/22	Increases to Reserves	Decrease to Reserves	Balance 12/31/23
Self-Insurance Fund	$ 2,256,751	$ 7,730,714	$ 8,619,005	$ 1,368,460
Workers' Compensation Fund	1,195,666	3,973,082	4,626,165	542,583
Unemployment Compensation Fund	433,298	449,508	510,932	371,874

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 3,803 and 3,711 retirees, cobra participants and active employees as of December 31, 2024 and 2023 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

In 2024, Group Insurance Plan for Employees expenditures amounted to $36,872,035. The Group Insurance expense for the year 2023 was $40,579,035.

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

Fund Year	Fund Balance
2024	$ 3,755,330
2023	6,794,797
2022	10,887,362

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, 2024 and 2023.

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The following information is provided by the valuation from an actuarial consulting firm regarding the County Retiree Welfare Plan. This valuation was prepared by Aquarius Actuarial Consulting in May 2025.

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

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

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, 2024, approximately 1,402 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 $40,313,857.

At December 31, 2023, approximately 1,366 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 $37,625,204.

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.

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.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"* which is effective for fiscal years beginning after June 15, 2017. This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the County has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage. Under current New Jersey budget and financial reporting requirements, the county is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

liability. Additionally, the County is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

Employees covered by benefit terms:
At December 31, 2024, the following employees were covered by the benefit terms:

Active employees	2,315
Retirees	1,848
	4,163

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 with a pension 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.

B. Medical Benefits
Medical benefits are provided through plans offered by the Middlesex County Joint Health Insurance Fund. Summaries of these plans are included in Appendix E: Summary Plan. 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 a Premium Free retiree and spouse.

Prescription drug coverage for retirees is provided through a self-insured plan.

C. Dental
The County does not offer dental, vision, or life insurance benefits to retirees.

D. 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.

E. 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.

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Changes in the Total OPEB Liability	2024	2023
Total OPEB liability at beginning of year	$ 968,733,782	$ 864,329,337
Changes for the year:		
Service cost	31,840,711	26,698,356
Interest cost	32,186,393	32,676,488
Benefit payments	(26,523,643)	(25,254,971)
Experience (Gain)/Loss	163,712,489	
Actuarial assumption changes	(75,947,028)	70,284,572
Net Changes	125,268,922	104,404,445
Total OPEB liability at end of year	$ 1,094,002,704	$ 968,733,782

Changes in Plan Fiduciary Net Position During Year	2024	2023
Fair value of plan assets at beginning of year	$ -	$ -
Changes for the year:		
Employer contributions	26,523,643	25,254,971
Benefit Payments	(26,523,643)	(25,254,971)
Net Changes	-	-
Fair value of plan assets at end of year	-	-
Net OPEB liability at end of year	$ 1,094,002,704	$ 968,733,782
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered-employee payroll	$ 149,988,671	$ 158,949,663
Total OPEB liability as a percentage of covered-employee payroll	729.39%	609.46%

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 for 2024 and 2023 is $2,220 and $1,979, respectively. Salary increases are scheduled at 2.75% per year for civilians and 3.25% per year for police and fire. Retiree contributions assumes the cost for current Premium Free retirees and their dependents is 100.00% paid by the Middlesex County Administration prior to the application of Chapter 78. Direct Bill retirees and their dependents pay 100.00% of the costs to continue medical coverage.

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

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 June 30, 2023 Actuarial Valuation to value the GASB obligations.

The assumption for the plan used the "20-Bond GO Index" to establish a discount rate of 4.08% at December 31, 2024 and 3.26% at December 31, 2023. Inflation is assumed at 2.50% 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-percentage-point lower or 1-percentage-point higher than the current discount rate:

	December 31, 2024		
	1% Decrease (3.08%)	At Discount Rate (4.08%)	1% Increase (5.08%)
Total Net OPEB Liability	$ 1,285,183,205	$ 1,094,002,704	$ 942,107,574

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-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	December 31, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total Net OPEB Liability	$ 929,898,762	$ 1,094,002,704	$ 1,305,761,071

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

At December 31, 2024, the County would report deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources, had GASB 75 been followed:

	December 31, 2024	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Demographic experience different than expected	$ 146,240,505	$ 75,772,457
Changes of assumptions	58,542,422	292,628,381
	$ 204,782,927	$ 368,400,838

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Deferred outflows of resources and deferred inflows of resources related to OPEB would be recognized in OPEB expense as follows, had GASB 75 been followed:

Year ending	Amount
2025	$ (71,037,845)
2026	(32,773,041)
2027	(33,978,717)
2028	(33,978,717)
2029	(31,891,714)
Thereafter	40,042,123
Total	$ (163,617,911)

The Actuarial Cost Method used in this valuation to determine the Actuarial Accrued Liability was the Entry Age Normal Percent of Pay method. This method is one of the family of projected benefit cost methods. An estimate of the projected monthly benefit payable at retirement is initially required to determine costs and liabilities under this method.

The Normal Cost is the sum of the annual contributions required for each participant from his entry date to his assumed retirement date so that the accumulated contribution at retirement is equal to the liability for the projected benefit. The projected benefits are based on estimates of future years of service. The normal cost is developed as a level percentage of pay. The Present Value of Future Benefits equals the value of the projected benefit payable at retirement discounted back to the participant's current age. Discounts include such items as interest and mortality. The Present Value of Future Normal Costs equals the discounted value of the normal costs payable from the member's current age to retirement age.

The difference between the Present Value of Future Benefits and the Present Value of Future Normal Costs represents the Actuarial Accrued Liability at the participant's current age. The Actuarial Accrued Liability for participants currently receiving benefits and terminated vested participants is calculated as the Present Value of Future Benefits expected to be paid. No Normal Cost is payable for these participants.

The below information has been obtained from the State of New Jersey State Health Benefits Local Government Retired Employees Plan audit at June 30, 2023 and is the latest available information as of December 31, 2024.

Total OPEB Liability

Special Funding Situation
The State of New Jersey's Total OPEB Liability for special funding situation was $3,489,093,208 at June 30, 2023.

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.

13) POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

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 $68,761,130 at June 30, 2023.

Actuarial Assumptions and Other Inputs:
The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation at June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases*:	
Public Employees' Retirement System (PERS)	
Rate for All Future Years	2.75% to 6.55%
	Based on Years of Service
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25%
	Based on Years of Service

Mortality:

PERS Pub-2010 general classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

PFRS Pub-2010 general classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

*Salary increases are based on years of service within the respective plan.

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

Discount Rate:
The discount rate for June 30, 2023 was 3.65%. 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.

Mortality Rates:
Mortality rates were based on the Pub-2010 General Classification Headcount Weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

14) COUNTY-GUARANTEED FINANCE PURCHASE PAYABLES AND OTHER ISSUES

2024

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, 2024 amounted to $269,135,000, and are listed below:

Finance Purchase Payable Revenue Bonds	Original Issue Amount	Bonds Payable December 31, 2024
Series 2015	$ 8,080,000	$ 65,000
Series 2017	10,915,000	715,000
Series 2018	8,650,000	250,000
Series 2019	9,530,000	705,000
Series 2020	15,005,000	3,650,000
Series 2021	12,875,000	5,815,000
Series 2022	16,065,000	11,355,000
Series 2023	9,985,000	8,130,000
Series 2024	6,315,000	6,315,000
Heldrich Bond Issue, Series 2007	3,000,000	1,340,000
The Meadows at Middlesex Golf Course, Series 2013 (Ref Bonds)	11,875,000	4,660,000
Middlesex County Educational Services Comm., Series 2014	9,385,000	1,045,000
Open Space Refunded Bonds, Series 2016 (Ref Bonds)	19,160,000	12,715,000
Middlesex County Educational Svcs. Comm., Series 2017	13,170,000	9,055,000
Middlesex County Educational Svcs. Comm., Series 2024	18,380,000	18,380,000
New Brunswick Cultural Center	28,430,000	15,995,000
New Brunswick Parking Deck 2021	50,365,000	50,365,000
Carteret Parking Garage 2022	5,505,000	5,505,000
Helix ~ Hub Ser 2023A	26,720,000	26,720,000
Helix ~ Hub Ser 2023B	42,430,000	42,430,000
Helix ~ Hub Ser 2023C	18,225,000	18,225,000
Helix ~ Hub Ser 2023D	25,700,000	25,700,000
		$ 269,135,000

14) COUNTY-GUARANTEED FINANCE PURCHASE PAYABLE REVENUE BONDS AND OTHER ISSUES (CONT'D)

2023

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, 2023 amounted to $286,840,000, and are listed below:

Finance Purchase Payable Revenue Bonds	Original Issue Amount	Bonds Payable December 31, 2023
Series 2009	$ 13,115,000	$ 190,000
Series 2015	8,080,000	130,000
Series 2017	10,915,000	935,000
Series 2018	8,650,000	495,000
Series 2019	9,530,000	2,600,000
Series 2020	15,005,000	6,585,000
Series 2021	12,875,000	8,260,000
Series 2022	16,065,000	13,725,000
Series 2023	9,985,000	9,985,000
Heldrich Bond Issue, Series 2007	3,000,000	1,450,000
The Meadows at Middlesex Golf Course, Series 2009 (Ref Bonds)	4,755,000	440,000
The Meadows at Middlesex Golf Course, Series 2013 (Ref Bonds)	11,875,000	5,480,000
Middlesex County Educational Services Comm., Series 2014	9,385,000	2,045,000
Middlesex County Educational Services Comm., Series 2014 A	30,170,000	21,965,000
Open Space Refunded Bonds, Series 2016 (Ref Bonds)	19,160,000	14,945,000
Middlesex County Educational Svcs. Comm., Series 2017	13,170,000	9,930,000
New Brunswick Cultural Center	28,430,000	18,735,000
New Brunswick Parking Deck 2021	50,365,000	50,365,000
Carteret Parking Garage 2022	5,505,000	5,505,000
Helix ~ Hub Ser 2023A	26,720,000	26,720,000
Helix ~ Hub Ser 2023B	42,430,000	42,430,000
Helix ~ Hub Ser 2023C	18,225,000	18,225,000
Helix ~ Hub Ser 2023D	25,700,000	25,700,000
		$ 286,840,000

15) LEASE PAYMENTS - 2024

The County participated in the following lease purchase agreements:

	2025	2026	2027	2028	2029	2030 - End	Total Minimum Lease Payments	Less Amount Representing Interest	Principal Minimum Lease Payment	Date of Final Lease Payment	Interest Rate Range
MCIA 2016 Open Space Trust Ref Bonds (2009 Series)	$ 2,771,406	$ 2,769,406	$ 2,771,206	$ 2,769,006	$ 2,767,588		$ 13,848,612	$ 1,133,612	$ 12,715,000	Dec. 15, 29	2.125%-5.00%
Total of MCIA Open Space Trust Fund Programs	**$ 2,771,406**	**$ 2,769,406**	**$ 2,771,206**	**$ 2,769,006**	**$ 2,767,588**	**$ -**	**$ 13,848,612**	**$ 1,133,612**	**$ 12,715,000**		
MCIA 2022 Capital Purchase Payable (2022 Series)	2,246,274	2,246,274	2,246,274				6,738,822	621,660	6,117,162	Sep. 15, 27	5.00%
Total of MCIA Capital Purchase Payable Program	**$ 2,246,274**	**$ 2,246,274**	**$ 2,246,274**	**$ -**	**$ -**	**$ -**	**$ 6,738,822**	**$ 621,660**	**$ 6,117,162**		
Civic Square Project Certificates of Participation:											
Civic Square II Project, Series 1998	1,250,000						1,250,000		1,250,000	Jun. 1, 25	N/A
2011 Civic Square II - Refunded COP	2,526,300	3,742,500	3,739,700	3,731,700	3,733,200		17,473,400	1,723,400	15,750,000	Jun. 1, 29	4.00%
Civic Square III, Series 2009 (Refunded in 2017)	1,466,900	1,469,800	1,470,500	1,473,900			5,881,100	446,100	5,435,000	Jun. 1, 28	4.00%
Civic Square IV, Series 2001	3,033,000	3,035,250	3,037,000	3,033,000	3,033,250	$ 6,071,750	21,243,250	3,683,250	17,560,000	Oct. 1, 31	5.00%
Total of Civic Square Projects	**$ 8,276,200**	**$ 8,247,550**	**$ 8,247,200**	**$ 8,238,600**	**$ 6,766,450**	**$ 6,071,750**	**$ 45,847,750**	**$ 5,852,750**	**$ 39,995,000**		

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.

16) LEASE AGREEMENTS RECEIVABLE

The County reports the following lease agreements receivable within the General Capital Fund balance sheet as at December 31, 2024 and 2023:

Lessee	2024 Amount Recorded	2023 Amount Recorded	Final Payment Date
City of New Brunswick, NJ	$ 5,707,575	$ 5,958,545	May 1, 2029

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. 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, 2024 the receivable balance to the County of Middlesex from the City of New Brunswick Civic Square II was $5,707,575.

17) 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 County Commissioners transferred operation of, including the license to operate the Center, to the Middlesex County Improvement Authority (“MCIA”). On May 6, 1999, the Board of County Commissioners adopted a resolution authorizing the transfer of ownership of the Center from the County to the MCIA. On November 15, 1999, the Board of County Commissioners 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.

Presently the County, through the MCIA, provides medical, health and extended-care services at the two skilled-care facilities at Roosevelt Care Center in Edison and Roosevelt Care Center at Old Bridge. Both 180-bed facilites, which in addition to providing quality long-term care, offer a full range of rehabilitative, dementia and sub-acute services.

In January 21, 2020 the County and MCIA entered into an “Operations and Management Services Agreement” with Barnabas Health, Inc. D/B/A Robert Wood Johnson Barnabas Health for the operations of the two hospitals, all three parties are currently in negotiations for the sale of the hospital.

18) 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 2024, the County collected $2,316,883 in PILOT payments.

19) GOVERNMENTAL FIXED ASSETS

The County's governmental fixed assets are reported as follows:

	Balance December 31, 2023	Increases	Decreases	Balance December 31, 2024
Land & Open Space	$ 405,009,368			$ 405,009,368
Buildings/Improvements	296,963,433	$ 2,106,146		299,069,579
Machinery and Equipment (County Owned & MCIA Owned)	54,246,678	441,056	$ 402,855	54,284,879
Motor Vehicles (County Owned & MCIA Owned)	39,601,617	6,088,119		45,689,736
	$ 795,821,096	$ 8,635,321	$ 402,855	$ 804,053,562

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, 2024 and 2023 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.

21) SUBSEQUENT EVENTS

The County has evaluated subsequent events occurring after December 31, 2024, through the date of June 30, 2025, which is the date the financial statements were available to be issued and identified the following:

– March 06, 2025 –

The Board of County Commissioners adopted a Bond Ordinance providing for 2025 general capital improvements by, in and for the County of Middlesex, appropriating $87,600,000, therefore and authorizing the issuance of $16,761,904 bond or notes and $70,838,096 will be funded from the Capital Improvement Fund to pay for the part of the cost therefore.

– March 20, 2025 –

The County's 2025 operating budget was adopted.

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APPENDIX C

FORMS OF APPROVING LEGAL OPINIONS FOR THE BONDS

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McCarter & English, LLP
Four Gateway Center
100 Mulberry Street
Newark, NJ 07102-4056
www.mccarter.com

June __, 2026

The Board of County Commissioners of the
County of Middlesex, New Jersey

Ladies and Gentlemen:

We have acted as co-bond counsel to the County of Middlesex, New Jersey (the "County") in connection with the issuance and sale by the County of its $_____ aggregate principal amount of General Obligation Bonds, Series 2026, consisting of $_____ General Improvement Bonds, $_____ County Magnet School Bonds, $_____ County College Bonds and $_____ County College Bonds (County College Bond Act, P.L. 1971, c. 12, as Amended) (collectively, the "Bonds"). In this capacity, we have examined a certified copy of a record of proceedings of the Board of County Commissioners of the County and such other proofs, documents and instruments submitted to us which we deemed pertinent relative to the issuance and sale by the County of the Bonds.

The Bonds are dated, mature (subject to prior redemption) and bear interest upon the terms and conditions stated therein and in the resolution adopted by the County on June 4, 2026 (the "Resolution"). The Bonds are fully registered in form and are issued pursuant to the Local Bond Law, constituting Chapter 2 of Title 40A of the Revised Statutes of New Jersey (the "Local Bond Law"), the Resolution and the bond ordinances referred to therein, in all respects duly approved and published as required by law. The County College Bonds and the Chapter 12 County College Bonds are also authorized pursuant to the provisions of N.J.S.A. 18A:64A-1 et seq., as amended and supplemented. The Chapter 12 County College Bonds are entitled to the benefits of the provisions of the County College Bond Act, P.L. 1971, c.12, N.J.S.A. 18A:64A-22.1 et seq., pursuant to which an amount equal to one-half of the principal of and interest on the Chapter 12 County College Bonds will be paid by the State of New Jersey, subject to annual appropriation by the State of New Jersey.

We are of the opinion that such proceedings, proofs, documents and instruments show lawful authority for the issuance and sale of the Bonds pursuant to the Local Bond Law and other applicable statutes, and that the Bonds are valid and legally binding obligations of the County, all the taxable property within the jurisdiction of which is subject to the levy of ad valorem taxes for the ultimate payment of the principal of and interest on said Bonds without limitation as to rate or amount.

We are further of the opinion that based upon existing law, interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986,

as amended (the "Code"), and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax imposed on individuals. However, interest on the Bonds may be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on certain applicable corporations.

We are further of the opinion that under existing law, interest on the Bonds and net gains from the sale of the Bonds are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

The Code imposes certain requirements that must be met on the date of issuance of the Bonds and on a continuing basis subsequent to the issuance of the Bonds in order for interest on the Bonds to be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the County to comply with such requirements may cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds. The County has made representations in the Tax Certificate, dated as of the date hereof, as to various tax requirements with respect to the Bonds. In addition, the County has covenanted to comply with the provisions of the Code applicable to the Bonds and has covenanted not to take any action or fail to take any action that would cause the interest on the Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code or cause interest on the Bonds to be an item of tax preference under Section 57 of the Code. With your permission, we have relied upon the representations made in the Tax Certificate and we have assumed continuing compliance by the County with the above covenants in rendering our federal income tax opinion with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes and with respect to the treatment of interest on the Bonds for purposes of the alternative minimum tax.

Attention is called to the fact that for purposes of this opinion letter we have not been requested to examine and have not examined any documents or information relating to the County other than the certified copies of the proceedings, proofs, documents and instruments hereinabove referred to, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been or may be supplied to any purchaser of the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined an executed Bond of each series and, in our opinion, the forms of said Bonds and their execution are regular and proper.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States as of the date hereof and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions, or laws or judicial decisions hereafter enacted or rendered. Our engagement by the County with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

This opinion letter is rendered to you in connection with the above described transaction. This opinion letter may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Very truly yours,

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_____, 2026

Board of County Commissioners of the
County of Middlesex, New Jersey

Dear Commissioners:

We have acted as co-bond counsel to the County of Middlesex, New Jersey (the "*County*"), in connection with the issuance by the County of its $_____ General Obligation Bonds, Series 2026, consisting of $_____ General Improvement Bonds (the "*General Improvement Bonds*"), $_____ Magnet School Bonds (the "*Magnet School Bonds*"), $_____ County College Bonds (the "*County College Bonds*") and $_____ County College Bonds (County College Bond Act, P.L. 1971, c. 12, as Amended) (the "*Chapter 12 Bonds*"; and together with the General Improvement Bonds, the Magnet School Bonds and the County College Bonds, the "*Bonds*"), each dated the date hereof. In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to us as we have deemed necessary.

The Bonds are authorized by and are being issued pursuant to the Local Bond Law of the State of New Jersey (constituting Chapter 2 of Title 40A of the New Jersey Statutes). The General Improvement Bonds, the Magnet School Bonds, the County College Bonds and the Chapter 12 Bonds are each authorized by and are being issued pursuant to Bond Ordinances #482, #483, #485 and #484, respectively, of the County finally adopted on May 21, 2026, each in all respects duly approved and published as required by law. The Bonds are further authorized by and are being issued pursuant to a resolution of the County adopted on May 21, 2026, in all respects duly approved.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Bonds are valid and legally binding obligations of the County, and the County has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount. The Chapter 12 Bonds are additionally secured by the County College Bond Act, P.L. 1971, c. 12, as amended and supplemented (N.J.S.A. 18A:64A-22.1 *et seq*.).

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

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

Very truly yours,

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS

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CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS

This Continuing Disclosure Certificate dated as of June __, 2026 (the "Disclosure Certificate") is executed and delivered by the County of Middlesex, State of New Jersey (the "County" or the "Issuer") in connection with the issuance of its $19,200,000 aggregate principal amount of General Obligation Bonds, Series 2026, consisting of (i) $4,750,000 aggregate principal amount of General Improvement Bonds, (ii) $7,000,000 aggregate principal amount of County Magnet School Bonds, (iii) $2,750,000 County College Bonds, and (iv) $4,700,000 County College Bonds (County College Bond Act, P.L. 1971 c. 12, as Amended) (collectively, the "Bonds"), all such Bonds being dated June __, 2026. The Bonds are being issued pursuant to various bond ordinances duly adopted by the Board of County Commissioners of the County and published as required by law, and a resolution entitled, "Resolution Determining the Form and Other Details of Not to Exceed $19,200,000 General Obligation Bonds, Series 2026, Consisting of $4,750,000 General Improvement Bonds, $7,000,000 County Magnet School Bonds, $2,750,000 County College Bonds and $4,700,000 County College Bonds (County College Bond Act, P.L. 1971, c. 12, as Amended), of the County of Middlesex, New Jersey, and Providing for Their Sale and Determining Certain Matters With Respect Thereto" (the "Bond Resolution"), such Bond Resolution being duly adopted by the Board of County Commissioners of the County on June 4, 2026. The County covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County for the benefit of the Beneficial Owners of the Bonds to assist the Underwriter in complying with the Rule (as defined below). The County acknowledges it is an "Obligated Person" under the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Bond Resolution which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"*Annual Report*" shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Beneficial Owner*" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for Federal income tax purposes.

"*Business Day*" shall mean any day other than a Saturday, Sunday or a day on which the County or the Dissemination Agent is authorized by law or contract to remain closed.

"*Continuing Disclosure Information*" shall mean, collectively, (a) each Annual Report, (b) any notice required to be electronically filed by the County with the MSRB through EMMA pursuant to Section 3 of this Disclosure Certificate, and (c) any notice of a Listed Event required to be filed by the County with the MSRB through EMMA pursuant to Section 5 of this Disclosure Certificate.

"*Disclosure Representative*" shall mean the Chief Financial Officer or Treasurer of the County or his or her designee, or such other person as the County shall designate in writing from time to time for the purposes of this Disclosure Certificate.

"*Dissemination Agent*" shall mean, initially, Phoenix Advisors, LLC, or any Dissemination Agent subsequently designated in writing by the County which has filed with the County a written acceptance of such designation.

"*EMMA*" shall mean the Electronic Municipal Market Access system, a website created by the MSRB and approved by the SEC to provide a central location where investors can obtain municipal bond information including disclosure documents. The County or the Dissemination Agent shall submit disclosure documents to EMMA as a PDF file to www.emma.msrb.org.

"*Financial Obligation*" shall mean a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) listed hereinabove. The term "*Financial Obligation*" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"*Listed Events*" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"*MSRB*" shall mean the Municipal Securities Rulemaking Board.

"*National Repository*" shall mean the MSRB, through the internet facilities of EMMA, or any other public or private repository or entity that shall hereafter be designated by the SEC as a repository for purposes of the Rule.

"*Rule*" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"*SEC*" shall mean the United States Securities and Exchange Commission.

"*State*" shall mean the State of New Jersey.

"*Underwriter*" shall mean the original underwriter of the Bonds required to comply with the Rule in connection with the purchase of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The County shall provide or cause to be provided to the Dissemination Agent not later than September 15 of each year, commencing September 15, 2026 (for the calendar year ending December 31, 2025), an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate;

provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report; and provided, further, that if the audited financial statements of the County are not available by September 15 of each year, the County shall include unaudited financial statements with its Annual Report and when such audited financial statements become available to the County, the same shall be submitted to the Dissemination Agent no later than thirty (30) days after the receipt of the same by the County.

(b) Not later than September 30 of each year (commencing September 30, 2026), the Dissemination Agent shall provide to EMMA a copy of the Annual Report received by the Dissemination Agent pursuant to subsection (a) hereof.

(c) If the County does not provide or is unable to provide an Annual Report by the applicable date required in subsection (a) above, such that the Dissemination Agent cannot forward the Annual Report to EMMA in accordance with subsection (b) above, the Dissemination Agent shall send, in a timely manner, a notice of such event to EMMA in substantially the form attached hereto as Exhibit A, with copies to the County (if the Dissemination Agent is not the County).

(d) Each year the Dissemination Agent shall file a report with the County (if the Dissemination Agent is not the County), certifying that the Annual Report has been filed with EMMA pursuant to this Disclosure Certificate, and stating the date it was provided.

(e) If the fiscal year of the County changes, the County shall give written notice of such change to the Dissemination Agent and the Dissemination Agent shall, within five (5) Business Days after the receipt thereof from the County, forward a notice of such change to EMMA in the manner provided in Section 5(e) hereof.

SECTION 4. Content of Annual Reports. (a) The County's Annual Report shall contain or incorporate by reference the following:

1. The audited financial statements of the County (as of the preceding December 31). The audited financial statements are to be prepared in accordance with generally accepted auditing standards and audit requirements prescribed by the Division of Local Government Services, State Department of Community Affairs (the "Division") that demonstrate compliance with the modified accrual basis, with certain exceptions, which is a comprehensive basis of accounting other than generally accepted accounting principles (“GAAP”) and the budget laws of the State.

2. The most current annual debt statement of the County (as of the preceding December 31); and

3. The general financial information and operating data of the County consistent with the information set forth in Appendices A and B to the Official Statement dated June __, 2026, prepared in connection with the sale of the Bonds (the "Official Statement"), and in the forepart thereof under the heading entitled, "LITIGATION."

(b) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the County is an "Obligated Person" (as defined by the Rule), which have been filed with the MSRB, through the EMMA system, or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds, as applicable:

1. Principal and interest payment delinquencies;

2. Nonpayment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bondholders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances of the Bonds;

10. Release, substitution or sale of property securing repayment of the Bonds, if material;

11. Rating changes relating to the Bonds;

12. Bankruptcy, insolvency, receivership or similar event of the County;

13. The consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee for the Bonds or the change of name of a trustee for the Bonds, if material;

15. Incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect Bondholders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

The County shall, in a timely manner not in excess of ten (10) Business Days after the occurrence of any Listed Event, file a notice of the occurrence of such Listed Event with the MSRB, through the EMMA system, in accordance with the provisions of Section 5 of this Disclosure Certificate. In determining the materiality of any of the Listed Events specified in subsection (a) of this Section 5 that require a materiality determination, the County may, but shall not be required to, rely conclusively on an opinion of counsel.

(b) Whenever the County has or obtains knowledge of the occurrence of any of the Listed Events that require a materiality determination, the County shall, as soon as possible, determine if such event would constitute information material, if applicable, to the Beneficial Owners of the Bonds.

(c) If the County (i) has or obtains knowledge of the occurrence of any of the Listed Events not requiring a materiality determination, or (ii) determines that the occurrence of a Listed Event requiring a materiality determination would be material to the Beneficial Owners of the Bonds, the County shall promptly notify the Dissemination Agent in writing (if the County is not the Dissemination Agent) and the County shall instruct the Dissemination Agent to report such Listed Event and the Dissemination Agent shall report the occurrence of such Listed Event pursuant to subsection (e) hereof.

(d) If the County determines that the occurrence of a Listed Event requiring a materiality determination would not be material to the Beneficial Owners of the Bonds, the County shall promptly notify the Dissemination Agent in writing (if the Dissemination Agent

is not the County) and the Dissemination Agent (if the Dissemination Agent is not the County) shall be instructed by the County not to report the occurrence.

(e) If the Dissemination Agent has been instructed in writing by the County to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB, through the EMMA system, in a timely manner not in excess of ten (10) Business Days after the occurrence thereof, with a copy to the County (if the Dissemination Agent is not the County). Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) hereof need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Bondholders of the affected Bonds pursuant to the Bond Resolution.

SECTION 6. Termination of Reporting Obligation. The County's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or when the County is no longer an "Obligated Person" (as defined in the Rule). The County shall file a notice of the termination of its reporting obligations pursuant to the provisions hereof with the Dissemination Agent, which notice shall be filed with the MSRB, through the EMMA system, in accordance with the provisions of Section 5(e) hereof.

SECTION 7. Compliance with the Rule. The County hereby covenants for the benefit of the holders of the Bonds and the beneficial holders of the Bonds to provide certain financial information and operating data of the County, as detailed in Sections 3, 4 and 5 hereof, and to comply with the provisions of the Rule.

The County has taken steps to ensure timely Annual Reports and other filings on a going-forward basis, including hiring Phoenix Advisors, LLC in March of 2014 to serve as its continuing disclosure agent. This covenant is being made by the County to assist the purchasers of the Bonds in complying with the Rule.

SECTION 8. Dissemination Agent; Compensation. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Phoenix Advisors, LLC. The County shall compensate the Dissemination Agent (which shall be appointed) for the performance of its obligations hereunder in accordance with an agreed upon fee structure.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver (supported by an opinion of counsel expert in Federal securities laws acceptable to the County to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof) is (a) made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (b) the undertaking, as amended or waived, would have complied with the requirements of the Rule at the time of the primary

offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment or waiver does not materially impair the interests of holders, as determined either by parties unaffiliated with the County, such determination being supported by an opinion of counsel expert in Federal securities laws, or by the approving vote of a majority of Beneficial Owners of the Bonds at the time of the amendment. The County shall give notice of such amendment or waiver to this Disclosure Certificate to the Dissemination Agent, which notice shall be filed in accordance with the provisions of Section 5 hereof. Notwithstanding the above, the addition of or change in the Dissemination Agent shall not be construed to be an amendment under the provisions hereof.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in the same manner as a Listed Event under Section 5 hereof, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Certificate, the Holders of at least 25% aggregate principal amount of Outstanding Bonds or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the County to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and, to the extent permitted by law, the County agrees to indemnify and hold the Dissemination Agent (if the Dissemination Agent is not the County) and its

respective officers, directors, employees and agents, harmless against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. To the extent permitted by law, the County further releases the Dissemination Agent from any liability for the disclosure of any information required by the Rule and this Disclosure Certificate. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Underwriter(s), and the Beneficial Owners of the Bonds, including Bondholders, and shall create no rights in any other person or entity.

SECTION 14. Notices. All notices and submissions required hereunder shall be given to the following, or their successors, by electronic mail or facsimile transmission (with written confirmation of receipt), followed by hard copy sent by certified or registered mail, personal delivery or recognized overnight delivery:

(a) If to the County

Mr. Nicholas Jeglinski
Chief Financial Officer
County of Middlesex
Middlesex County Administration Building, Third Floor
John F. Kennedy Square
75 Bayard Street
New Brunswick, New Jersey 08901
Telephone: (732) 745-3173
Email: Nicholas.jeglinski@co.middlesex.nj.us

(b) Copies of all notices to the Dissemination Agent from time to time with respect to the Bonds:

initially: Mr. Anthony P. Inverso
Senior Managing Director
Phoenix Advisors, LLC
625 Farnsworth Avenue
Bordentown, New Jersey 08505
Telephone: (609) 291-0130
Email: ainverso@muniadvisors.com

Each party shall give notice from time to time to the other parties, in the manner specified herein, of any change of the identity or address of anyone listed herein.

SECTION 15. Counterparts. This Disclosure Certificate may be executed in any number of counterparts which shall be executed by authorized signatories of the County and the Dissemination Agent, as applicable, and all of which together shall be regarded for all purposes as one original and shall constitute and be but one and the same.

SECTION 16. Severability. If any one or more of the covenants or agreements in this Disclosure Certificate to be performed on the part of the County and the Dissemination Agent should be contrary to law, then such covenant or covenants, and agreement or agreements, shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Disclosure Certificate.

SECTION 17. Governing Law. This Disclosure Certificate shall be construed in accordance with and governed by the laws of the United States of America and the State, as applicable.

COUNTY OF MIDDLESEX

_____

NICHOLAS JEGLINSKI
Chief Financial Officer

Acknowledged and Accepted by:
PHOENIX ADVISORS, LLC,
as Dissemination Agent

_____

AUTHORIZED SIGNATORY

EXHIBIT A

NOTICE TO MSRB VIA EMMA OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	County of Middlesex, State of New Jersey
Name of Bond Issue:	$4,750,000 General Improvement Bonds Dated June __, 2026 (CUSIP Number 59656___) $7,000,000 County Magnet School Bonds Dated June __, 2026 (CUSIP Number 59656___) $2,750,000 County College Bonds Dated June __, 2026 (CUSIP Number 59656___) $4,700,000 County College Bonds (County College Bond Act, P.L. 1971, c. 12, as Amended) Dated June __, 2026 (CUSIP Number 59656___)
Date of Issuance:	June __, 2026

NOTICE IS HEREBY GIVEN that the above designated County has not provided an Annual Report with respect to the above-named Bonds as required by the Bond Resolution and a Continuing Disclosure Certificate dated as of June __, 2026 executed by the County.

DATED: _____

_____
DISSEMINATION AGENT
(on behalf of the County)

cc: County of Middlesex