

**MIDDLESEX COUNTY, NEW JERSEY
COUNTY-GUARANTEED BONDS ISSUED BY MCIA
AS OF DECEMBER 31, 2013
(UNAUDITED)**

SERIES	DESCRIPTION	ISSUE DATE	ORIGINAL ISSUE AMT.	GUARANTEE BALANCE ¹
2004	Golf Courses (Ref. Bonds)	June 1, 2004	15,265,000	500,000
2004	Capital Equipment Lease Revenue	July 15, 2004	12,370,000	75,000
2004	Education Services Comm. Project (Refunding)	Aug. 1, 2004	14,010,000	11,230,000
2005	Capital Equipment Lease Revenue	Aug. 15, 2005	15,705,000	240,000
2006	Capital Equipment Lease Revenue	July 15, 2006	7,985,000	555,000
2007	Heldrich Bond Issue	June 13, 2007	3,000,000	2,400,000
2008	Capital Equipment Lease Revenue	Dec. 12, 2008	13,100,000	1,535,000
2008	Open Space (Refunded Bonds)	June 19, 2008	29,545,000	17,315,000
2008	Education Services Comm. Project	Nov. 18, 2008	40,000,000	35,170,000
2009	Capital Equipment Lease Revenue	Sept. 30, 2009	13,115,000	4,470,000
2009	Refunding Golf Course Centers	Dec. 18, 2009	4,755,000	4,055,000
2009	Open Space Bonds	Dec. 23, 2009	40,000,000	34,265,000
2010	Capital Equipment Lease Revenue	Sept. 30, 2010	14,075,000	6,310,000
2010	Education Services Comm. Project (Refunding)	July 8, 2010	5,300,000	3,515,000
2011	Open Space (Refunded Bonds)	Sept. 21, 2011	46,830,000	46,830,000
2011	Capital Equipment Lease Revenue	Sept. 15, 2011	9,595,000	5,895,000
2011	Capital Improvement Revenue (Refunding)	June 15, 2011	2,120,000	545,000
2012	Capital Equipment Lease Revenue	Sept. 15, 2012	11,815,000	9,840,000
2013	Capital Equipment Lease Revenue	Oct. 15, 2013	13,840,000	13,840,000
2013	Refunding Golf Course Centers	June 06, 2013	11,875,000	11,875,000

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

¹ County-Guaranteed Bonds do not represent debt of the County. To the extent that revenues from the respective projects are sufficient to pay the debt service on such bonds, the County may take a deduction from its gross debt for the principal amount of bonds outstanding and so guaranteed.

MIDDLESEX COUNTY, NEW JERSEY
DEBT ANALYSIS
DECEMBER 31, 2013
(UNAUDITED)

Full Valuation Per Capita ¹	\$116,453.18
County Net Debt (\$ 661,870,515) ²	0.718%
County Net Debt per Capita ¹	\$847.87
Municipal Net Debt (\$ 988,318,826) ²	0.972%
Municipal Net Debt per Capita ¹	\$1,211.29
Combined Direct Net Debt ²	1.727%
Combined Direct Net Debt per Capita ¹	\$2,040.16

Source: County financial records for County Debt and Local Municipalities for Municipal Debt.
¹Based upon year 2013 Population of 828,926 and 2013 Aggregate True Value of \$96,531,068,015 per the 2013 Equalization Table prepared by the Middlesex County Board of Taxation.
²Percentage based on State of New Jersey calculations of three (3) year average equalized valuations of \$97,897,271,748 (for years 2011, 2012, and 2013).

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). 2013 Aggregate True Value, year 2013 Population and December 31, 2012 and June 30, 2012 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"), which is 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, 2013, the MCUA had \$190,877,965 aggregate principal amount of debt outstanding relating to the Waste Water Division Component and \$55,152,385 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.

Debt History And Bonded Debt Ratios

The following table shows certain ratios relating to the County's gross and net debt authorized and authorized but not issued at the end of each of the last five (5) years:

MIDDLESEX COUNTY, NEW JERSEY HISTORY OF DEBT RATIOS (UNAUDITED)

<u>Year</u>	<u>Equalized Valuation</u>	<u>Gross Debt December 31</u>	<u>Percentage Gross Debt To Equalized Valuation</u>	<u>Net Debt December 31</u>	<u>Percentage Net Debt to Equalized Valuation</u>
2009	\$110,526,972,630	\$886,241,746	0.8018 %	\$607,439,232	0.5496 %
2010	\$109,546,597,397	\$915,414,439	0.8356 %	\$639,968,209	0.5842 %
2011	\$106,498,536,955	\$918,033,099	0.8620 %	\$661,870,515	0.6215 %
2012	\$101,673,177,816	\$894,743,318	0.8800 %	\$652,464,901	0.6417 %
2013	\$ 97,897,271,748	\$932,876,087	0.9529 %	\$702,823,005	0.7179 %

MIDDLESEX COUNTY, NEW JERSEY
OTHER COUNTY LEASE/LOAN OBLIGATIONS
AS OF DECEMBER 31, 2013
(UNAUDITED)

DESCRIPTION	COUNTY LEASE-PURCHASE/LOAN AMOUNT ¹
1998 Civic Square II Certificates of Participation	5,375,000.00
1998 Civic Square III Certificates of Participation	17,155,000.00
1998 Refunding of Certificates of Participation (BSS)	10,965,000.00
2005 Capital Equipment Lease Revenue	95,683.00
2006 Capital Equipment Lease Revenue	104,552.00
2008 County Loan From MCIA (Net)	220,828.00
2008 Open Space Trust Fund Revenue	17,315,000.00 ²
2009 Capital Equipment Lease Revenue	128,452.00
2009 County Loan From MCIA (Net)	1,558,792.00
2009 Open Space Trust Fund Revenue	34,265,000.00 ²
2010 Capital Equipment Lease Revenue	370,040.00
2010 County Loan From MCIA (Net)	5,678,948.00
2010 Youth Detention Center (Refunding)	3,605,000.00
2011 Capital Equipment Lease Revenue	586,627.00
2011 Capital Equipment Refunded Bonds 1999 Series	545,000.00
2011 County Loan From MCIA (Net)	4,410,336.00
2011 Open Space Trust Fund Rev. Refunded Bonds 2003 Series	46,830,000.00 ²
2011 Civic Square II (Refunding) COP	37,345,000.00
2012 Capital Equipment Lease Revenue	720,901.00
2012 Civic Square IV (Refunding) COP	35,415,000.00
2012 County Loan From MCIA (Net)	5,798,758.00
2013 Capital Equipment Lease Revenue	1,399,383.00
2013 County Loan From MCIA (Net)	8,432,614.00

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.

MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF GROSS DEBT SERVICE ON OUTSTANDING BONDS
AS OF MAY 31, 2014
(UNAUDITED)

Year	Principal ^{1,2}	Interest ³	Total Debt Service ⁴
2014	\$ 43,915,000.00	\$ 13,188,362.55	\$ 57,103,362.55
2015	45,150,000.00	11,094,662.76	56,244,662.76
2016	45,121,000.00	9,676,739.13	54,797,739.13
2017	36,125,000.00	8,319,325.51	44,444,325.51
2018	33,620,000.00	7,171,625.63	40,791,625.63
2019	34,050,000.00	6,012,746.92	40,062,746.92
2020	34,190,000.00	4,788,533.02	38,978,533.02
2021	30,335,000.00	3,618,627.02	33,953,627.02
2022	18,380,000.00	2,722,091.12	21,102,091.12
2023	13,785,000.00	2,172,916.15	15,957,916.15
2024	11,775,000.00	1,727,044.26	13,502,044.26
2025	8,532,000.00	1,373,974.88	9,905,974.88
2026	7,440,000.00	1,094,161.50	8,534,161.50
2027	7,450,000.00	829,473.50	8,279,473.50
2028	6,444,000.00	574,681.50	7,018,681.50
2029	3,455,000.00	375,248.50	3,830,248.50
2030	2,770,000.00	233,194.00	3,003,194.00
2031	2,785,000.00	104,886.00	2,889,886.00
2032	205,000.00	35,887.00	240,887.00
2033	225,000.00	25,925.00	250,925.00
2034	100,000.00	14,875.00	114,875.00
2035	100,000.00	10,625.00	110,625.00
2036	100,000.00	6,375.00	106,375.00
2037	100,000.00	2,125.00	102,125.00
	<u>\$ 386,152,000.00</u>	<u>\$ 75,174,105.95</u>	<u>\$ 461,326,105.95</u>

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 on page A-11. In addition, does not include lease payments/loan payments pursuant to various lease-purchase/loan agreements as detailed on page A-12.

² Includes State share of principal of County College Bonds in the amount of \$12,755,500.00.

³ Includes State share of interest on County College Bonds in the amount of \$2,660,920.00.

⁴ 2014 principal and interest have been appropriated in the County's 2014 budget.

MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF NET DEBT SERVICE ON OUTSTANDING BONDS
AS OF MAY 31, 2014
(UNAUDITED)

<u>Year</u>	<u>Principal</u> ^{1,2}	<u>Interest</u> ³	<u>Total</u> <u>Debt Service</u> ⁴
2014	\$ 42,450,000.00	\$ 12,746,420.66	\$ 55,196,420.66
2015	43,612,500.00	10,707,842.14	54,320,342.14
2016	43,650,500.00	9,339,108.51	52,989,608.51
2017	35,000,000.00	8,022,344.25	43,022,344.25
2018	32,797,500.00	6,901,969.39	39,699,469.39
2019	33,220,000.00	5,765,196.92	38,985,196.92
2020	33,350,000.00	4,564,689.26	37,914,689.26
2021	29,550,000.00	3,418,677.02	32,968,677.02
2022	17,577,500.00	2,545,892.69	20,123,392.69
2023	12,977,500.00	2,021,833.33	14,999,333.33
2024	10,967,500.00	1,602,388.01	12,569,888.01
2025	7,724,500.00	1,276,399.88	9,000,899.88
2026	6,730,000.00	1,022,992.75	7,752,992.75
2027	6,740,000.00	784,042.25	7,524,042.25
2028	6,094,000.00	550,400.25	6,644,400.25
2029	3,105,000.00	367,154.75	3,472,154.75
2030	2,770,000.00	233,194.00	3,003,194.00
2031	2,785,000.00	104,886.00	2,889,886.00
2032	205,000.00	35,887.00	240,887.00
2033	225,000.00	25,925.00	250,925.00
2034	100,000.00	14,875.00	114,875.00
2035	100,000.00	10,625.00	110,625.00
2036	100,000.00	6,375.00	106,375.00
2037	100,000.00	2,125.00	102,125.00
	-	-	-
	<u>\$ 371,931,500.00</u>	<u>\$ 72,071,244.06</u>	<u>\$ 444,002,744.06</u>

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 on page A-11. In addition, does not include lease payments/loan payments pursuant to various lease-purchase/loan agreements as detailed on page A-12.

² Includes State share of principal of County College Bonds in the amount of \$12,755,500.00.

³ Includes State share of interest on County College Bonds in the amount of \$2,660,920.00.

⁴ 2014 principal and interest have been appropriated in the County's 2014 budget.

MIDDLESEX COUNTY, NEW JERSEY
STATUTORY DEBT
AS OF DECEMBER 31, 2013¹
(UNAUDITED)

GROSS DEBT:

Issued and Outstanding:	
Bonds ²	\$386,502,000
Notes: Dated June 06, 2013 due June 06, 2014	799,600
Notes: Dated June 06, 2013 due June 06, 2014	<u>34,200,400</u>
Total Notes	<u>35,000,000</u>
Authorized but not Issued	421,502,000
County Loans from MCIA	267,461,374
Green Acres Trust Program Loans	28,273,258
Subtotal	<u>5,719,455</u>
	722,416,087
Less:	
County College Bonds payable by	
State of New Jersey	14,220,500
Accounts Receivable from MCIA Loans	2,172,982
Accounts Receivable from Heldrich Loan	2,400,000
Accounts Receivable from S.E.R.A. Loan	<u>799,600</u>
 STATUTORY NET DEBT (includes Authorized but not Issued) ³	 <u>\$702,823,005</u>

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 See Subsequent Events at page A-13.

³ Does not include County-Guaranteed Revenue Bonds issued by the Middlesex County Improvement Authority (MCIA) as detailed on page A-11. 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-12.

MIDDLESEX COUNTY, NEW JERSEY
STATUTORY DEBT LIMIT
AS OF DECEMBER 31, 2013
(UNAUDITED)

Three Year Average Equalization Basis (2011,2012,2013)	<u>\$ 97,897,271,748</u>
Statutory Borrowing Capacity (2% of Equalized Basis)....	\$1,957,945,435
Statutory Net Debt ¹	<u>702,823,005</u>
Remaining Borrowing Capacity	<u>\$1,255,122,430</u>
Percentage of Net Debt to Equalized Valuation Basis	<u>0.72%</u>

Source: 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-11. 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-12.