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Mayor Fulop Announces Bond Refinancing Measure Saving City Taxpayers More than \$2.5 Million

JERSEY CITY – Mayor Steven M. Fulop announced today that the City has **saved taxpayers more than \$2.5 million** in future debt service payments by refinancing approximately \$68 million in outstanding bonds. The savings came about because of an improved bond rating for Jersey City.

Earlier this month, **financial investors service firm Moody's** announced that it had **upgraded Jersey City's municipal bond rating** to an A1 with stable outlook citing the City's "improved financial position" and "rising income levels." The report by Moody's further noted that Jersey City's A1 stable rating is higher than that of the State of New Jersey, who has an A1 negative rating.

"We saw an opportunity to lower our debt service by refinancing our bonds, which provides added funds in our budget so we can continue to hire additional police officers and firefighters, improve city parks and infrastructure, and create more recreational opportunities for our youth," said **Mayor Fulop**. "This year, when we crafted our first budget we began looking toward the future to develop a framework and bond refinancing was one of our objectives. I am pleased we were able to achieve these significant savings for the taxpayers."

The debt service savings per bond issue are:

Total: **\$2,500,891**
Series 2006 General: **\$716,652**
Series 2006 Public: **\$804,440**
Series 2006 Water: **\$76,907**
Series 2005 School: **\$902,892**

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According to the report issued by Moody's, the service has assigned an A1 rating with a stable outlook to Jersey City's \$34.7 million General Obligation Bonds, Series 2014. Concurrently, Moody's has upgraded Jersey City's underlying general obligation rating to A1 with a stable outlook from A2 with a positive outlook, affecting \$833 million of city and city-guaranteed long-term general obligation bonds.

Moody's credited Jersey City with having an improved local economy with rising home values, income levels and PILOTS; borrowable liquidity outside of the current fund; a declining debt structure after 2016; and excess levy capacity under the 2% property tax levy cap. While Jersey City was upgraded, other large cities in New Jersey, as well as the State of New Jersey, have seen repeated downgrades from Moody's.

"Jersey City, with its substantial \$19.7 billion equalized value in 2014 (up from \$17.7 billion in 2012), boasts the largest municipal tax base in the state," reads the report.

All media inquiries should be directed to Jennifer Morrill, Press Secretary to Mayor Steven M. Fulop at 201-547-4836 or 201-376-0699.////