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***** Press Release *****

Jersey City takes Preemptive Steps to Confront \$70 million Budget Impact of COVID-19

Voluntary Buyout Separation Package Offered to City Employees with 15+ years, Averting Layoffs as Last Resort

JERSEY CITY – **Mayor Steven M. Fulop** announced today the first steps to confront the \$70 million budget impact COVID-19 will have on the municipal budget of Jersey City.

The city will offer a voluntary separation package for those who have 15 years or more of service with the city. There are currently over 400 employees eligible for the voluntary package with a combined total salary of \$22.7 million. Applicants will receive \$20,000 or 25% of their salary, whichever is greater. Applicants must respond by April 20th and date of separation will be May 1st.

“We are working every day to get Jersey City healthy and to get past Covid-19, but we are also taking steps to plan long term to avoid hurting home owners and renters with increased taxes,” said **Mayor Fulop**. “The more proactive and aggressive we can be now, the better off we will be in the long term. Government is not immune to the hardships created by this crisis, and all options will have to be on the table to close the gap with layoffs absolutely being a last resort.”

Jersey City’s projected financial exposure amid the COVID-19 health crisis is an anticipated budget impact totaling \$70 million – \$50 million in revenue loss coupled with \$20 million in added expenses in response to the health crisis.

To provide further cost savings, the city will be freezing all city employee salary adjustments while also prohibiting any new hires until further notice.

The voluntary separation option follows Friday’s announcement from the Mayor unveiling a Local Relief Program to freeze rent increases within rent controlled buildings, in addition to a program of local grants to support small businesses that are facing financial hardships due to the current COVID-19 crisis.

“As local governments nationwide face devastating financial fallout, here in Jersey City we’re working to mitigate the community impacts as much as is possible, but the help needed at the local level from state and federal government is significant,” concluded Mayor Fulop.

The new measures will go before the City Council at the next scheduled Virtual Council Meeting on Wednesday, April 8th, at 6 p.m. which can be viewed live through www.jcnj.org/vcm.

All media inquiries should be directed to Press Secretary Kim Scalcione at KScalcione@jcnj.org.