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Jersey City to Save $2.5M by Refinancing Bonds after Moody's Upgrade.

Jersey City will save more than $2.5 million in future debt service payments after refinancing approximately $68 million in outstanding bonds, city officials announced in a press release today.

The cost-saving maneuver comes on the heels of an announcement earlier this month that financial investors service firm, Moody's, has upgraded Jersey City's municipal bond rating to A1 with stable outlook.

In a statement, Jersey City Mayor Steve Fulop said refinancing the bonds will provide added funds to the city's budget and allow the city to hire additional police officers, firefighters, while improving city parks, infrastructure and recreation opportunities.

"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," Fulop said. "I am pleased we were able to achieve these significant savings for the taxpayers."

Moody's cited the city's "improved financial position" and "rising income levels," while also noting that Jersey City's A1 stable rating is higher than that of the state of New Jersey, which has an A1 negative rating.

The refinancing will save the city $716,652 on a Series 2006 General bond, $804,440 on a Series 2006 Public bond, $76,907 on a Series 2006 Water bond and $902,892 on a Series 2005 School.

According to the Moody's report, 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.

Patrick Villanova | The Jersey Journal

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