

# **Bond Case Briefs**

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## **Monmouth County Improvement Authority, New Jersey: Fitch New Issue Report**

Revenue Framework: 'aa': County revenue growth should generally trend in line with historical inflation levels based on expectations for moderate levels of new construction activity and demand for various revenue-generating services. Fitch views the county's revenue raising flexibility, within the framework of various state tax cap laws, as high relative to potential revenue losses in a moderate economic downturn. Expenditure Framework: 'aa': Fitch expects spending levels to remain marginally above revenue growth, driven by annual moderate increases in salaries and benefits. The county retains solid capacity to make expenditure reductions centered on the legal ability to control workforce size, manageable carrying costs and very rapid amortization of county direct debt. Long-Term Liability Burden: 'aaa': The county's long-term liability burden associated with overall debt and adjusted net pension liabilities (NPL) is low at 5% of personal income. Fitch expects the burden to remain below 10% of personal income (the high end of the range for a 'aaa' assessment) based on the rapid amortization of outstanding debt and our expectation of future capital needs and debt issuance plans.

### **ACCESS REPORT**

Fri 18 Nov, 2022