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*** *Press Release* ***

Mayor Fulop's Proposed Budget with NO Tax Increases Passes City Council as Proactive Efforts Prove Effective

*\$70M Pandemic Budget Impact Proves no Match for Jersey City;
Administration's Aggressive Stance to Fund Critical Services and find Cost
Savings helps City Overcome Unprecedented Financial Hardships*

JERSEY CITY – Two weeks after **Mayor Steven M. Fulop** introduced the CY 2020 municipal budget - which once again ***includes no tax increases*** - the City Council passed the \$658 million budget plan 6-2-1 at a special budget meeting Tuesday, citing the Mayor's aggressive approach to help Jersey City overcome \$70 million in expenses and revenue losses due to the COVID-19 pandemic.

"Our diligence from the onset helped to meet my goal of avoiding tax increases and further financial burdens for residents already struggling, while still balancing the biggest budget instability we've ever faced in our city's history," said **Mayor Fulop**. "Despite the unprecedented circumstances, with this budget, we're investing more in affordable housing, public safety, and other critical services and resources we provide that so many residents rely on."

The virtual special budget meeting took place at 2 p.m. to allow for ample public access and input during the public hearing portion.

While local governments around the state rely on tax increases to plug crippling budget deficits, the Fulop Administration remains committed to reducing residents' financial hardships and, instead, worked to identify \$25 million in immediate and long-term savings from voluntary employee buyouts, hiring freezes, restructuring personnel, elimination of overtime costs, reassessment of operational efficiencies, healthcare cost reevaluation, program inventory assessments, reducing and eliminating operating costs and contracts, internal audits, and debt restructuring. The city will also leverage approximately \$20 million in CARES Act funding to help offset additional expenses incurred.

"Not many cities in New Jersey, or even nationwide, can come out of a \$70 million shortfall and keep taxes flat for struggling residents while still meeting the needs of the community at large," said **Ward A Councilwoman Denise Ridley**. "Residents in Ward A are constantly asking for more public safety and health services for their families, and I'm humbled to be able to tell them that we have accomplished exactly that and more."

The Fulop Administration's proactive steps to aggressively address the taxpayers' hardships in the wake of the pandemic have helped alleviate financial burdens while creating a more resilient and sustainable economic future for Jersey City.

"We took a big hit during and after this pandemic, and while Jersey City led the state in most efforts, from implementing strict safety mandates to the first city-run testing sites, we need to work together during this recovery phase which is what this budget accomplishes," said **Council President Joyce Watterman**. "And we'll continue to work with the community in all we accomplish."

The budget team worked tirelessly to chip away at the historic budget deficit in order to produce a balanced budget that continues providing vital services without a tax increase and still find cost savings.

"We offer an expansive list of city services, from Meals on Wheels for our seniors to recreational activities for our youth, and we are meeting the community's needs in this budget and investing in critical areas to keep our residents and workers safe and healthy," said **Councilman-at-Large Daniel Rivera**. "The \$70 million budget gap has been an extraordinary challenge to overcome, but this budget goes beyond expectations and meets the growing demand for city services."

Mayor Fulop recognized early in the pandemic that planning for the post-pandemic fallout would prove critical for Jersey City's economy, now and in the future. In early April, Mayor Fulop shared details on the projected \$70 million financial exposure amid the COVID-19 pandemic – \$50 million in revenue loss coupled with \$20 million in added expenses in response to the health crisis. Two weeks later, the first steps were taken to begin balancing the budget and alleviating residents' financial hardships.

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