

# MOODY'S INVESTORS SERVICE

## Rating Action: Moody's assigns Aaa to New Providence, NJ's GO bonds; outlook remains stable

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24 Jul 2019

New York, July 24, 2019 -- Moody's Investors Service has assigned a Aaa to the Borough of New Providence, NJ's \$7.3 million General Improvement Bonds, Series 2019. Moody's maintains the Aaa on the borough's outstanding GO debt. The outlook is stable.

### RATINGS RATIONALE

The Aaa rating reflects the borough's substantial tax base, high wealth levels, and strong finances.

### RATING OUTLOOK

The stable outlook reflects our expectation that the borough's tax base, finances, and resident wealth and income will all remain strong.

### FACTORS THAT COULD LEAD TO AN UPGRADE

- Not applicable

### FACTORS THAT COULD LEAD TO A DOWNGRADE

- Material deterioration of the tax base and resident wealth and income
- Significant decrease in reserves

### LEGAL SECURITY

Debt service on the bonds is secured by the borough's general obligation unlimited ad valorem tax pledge.

### USE OF PROCEEDS

Proceeds from the bonds will be used to finance various capital projects.

### PROFILE

New Providence is a high wealth suburb of New York City (Aa1 stable) with a population of approximately 12,700.

### METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in December 2016. Please see the Rating Methodologies page on [www.moodys.com](http://www.moodys.com) for a copy of this methodology.

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