

**Rating Action: Moody's assigns MIG 1 to Edison, NJ's BANs**

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Global Credit Research - 23 Jan 2018

**Rating applies to \$63.2M of notes**

New York, January 23, 2018 -- Moody's Investors Service has assigned a MIG 1 to the Township of Edison, NJ's \$57.2 million Bond Anticipation Note consisting of a \$49.7 million Bond Anticipation Note and a \$7.5 million Sewer Utility Bond Anticipation Note. Moody's has also assigned a MIG 1 to Edison's \$6.1 million Tax Appeal Refunding Bond Anticipation Note (Federally Taxable).

**RATINGS RATIONALE**

The MIG 1 short-term rating reflects the township's strong fundamental credit quality (the township's general obligation rating is Aa2 stable), healthy liquidity, and established record of market access.

**RATING OUTLOOK**

The stable outlook on the underlying rating reflects the township's large, stable tax base and strong financial position.

**FACTORS THAT COULD LEAD TO AN UPGRADE (Long-term Only)**

- Continued tax base expansion
- Increased resident wealth and incomes, and
- Significant increase in reserves

**FACTORS THAT COULD LEAD TO A DOWNGRADE**

- Material deterioration of the tax base
- Reduced resident wealth and incomes and
- Significant depletion of reserves

**LEGAL SECURITY**

Debt service on the GO notes is secured by the township's general obligation unlimited ad valorem tax pledge.

**USE OF PROCEEDS**

Proceeds from Bond Anticipation Note, plus cash on hand, will be used to currently refund \$28.5 million of the township's \$29.8 million Bond Anticipation Note, maturing February 9, 2018, and to currently refund \$10 million of the township's \$10 million Bond Anticipation Note, maturing February 9, 2018, and to provide \$11.2 million in new money for various capital improvements. Proceeds from the Sewer Utility Bond Anticipation Note plus cash on hand will be used to currently refund \$7.5 million of the Township's \$7.6 million Sewer Utility Bond Anticipation Note, maturing February 9, 2018. Proceeds from the Taxable Note plus cash on hand will be used to currently refund \$6.1 million of the Township's \$8.1 million Tax Appeal Refunding Bond Anticipation Note (Federally Taxable) maturing February 9, 2018.

**PROFILE**

Edison is a near suburb of New York City with a population of just over 100,000.

**METHODOLOGY**

The principal methodology used in this rating was US Bond Anticipation Notes published in April 2014. Please see the Rating Methodologies page on [www.moody.com](http://www.moody.com) for a copy of this methodology.

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