Transitional Aid Application for Calendar Year 2025 and Fiscal Year 2026
Division of Local Government Services
Department of Community Affairs

General Instructions: This application must be submitted in its entirety by March 7, 2025, for CY2025 applicants and September 29, 2025, for FY2026 applicants for funding consideration under this program. Information contained in the application is subject to independent verification by the Division of Local Government Services (DLGS). Refer to Local Finance Notice 2025-03 when preparing this application for specific instructions and definitions and review the Submission Checklist on page 19 of this application and listed on page 7 of the Local Finance Notice.

Name of Municipality:	City of Atlantic City	**County:**	Atlantic
Contact Person:	Adetoro Aboderin	**Title:**	Chief Financial Officer
Phone:	609-347-5800	**Fax:** 609-347-6110	**E-mail:** aaboderin@acnj.gov

I. Aid History

List the amount of Transitional Aid received for the last three years, if any:

FY2025 / CY2024	FY2024 / CY2023	FY2023 / CY2022
$1,470,882.50	$1,730,450.00	$2,035,824.00

II. Aid Request for Application Year: (All municipalities currently operating under a Transitional Aid Memorandum of Understanding (MOU) are advised that a decrease from prior year funding of 15% should be anticipated.)

Amount of aid requested for the Application Year:	**$1,250,250.13**

If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2025-03.

III. Submission Requirements

The following items must be submitted with or prior to the submission of this application. Indicate the date of submission of each.

Item	Date Submitted to DLGS
2025 Annual Financial Statement	
2024 Annual Audit	Not Yet Submitted
2024 Corrective Action Plan	Not Yet Submitted
Application Year Introduced Budget	April 16, 2025
Budget Documentation Submitted to Governing Body	April 9, 2025

Application Year: CY2025 / FY2026	Municipality: City of Atlantic City	County: Atlantic

IV. A. Application Certification

The undersigned herewith certify that they have reviewed this application and, individually, believe the contents to be true and accurately portray the circumstances regarding the municipality's fiscal practices and need for financial assistance. By submitting the application, the municipality acknowledges that the law provides that the decision of the Director regarding an aid award is final and not subject to appeal.

Official	**Signature**	**Date**
Mayor/Chief Executive Officer	Honorable Marty Small Sr.	3/6/2025
Governing Body Presiding Officer	Aaron "Sporty" Randolph	3/6/2025
Chief Financial Officer	Adetoro Aboderin	3/6/2025
Chief Administrative Officer	Anthony Swan	3/6/2025

IV. B. Transitional Aid Recipients Applying in CY2025 / FY2026

Municipalities operating under a (MOU must certify that they are in substantial compliance with all conditions and requirements of the MOU.

Official	**Signature**	**Date**
Mayor/Chief Executive Officer	Honorable Marty Small Sr.	3/6/2025
Governing Body Presiding Officer	Aaron "Sporty" Randolph	3/6/2025
Chief Financial Officer	Adetoro Aboderin	3/6/2025
Chief Administrative Officer	Anthony Swan	3/6/2025

Application Year: CY2025 / FY2026	Municipality: City of Atlantic City	County: Atlantic

V. A. Explanation of Need for Transitional Aid

Explain the circumstances that warrant Transitional Aid in narrative form. Include factors that result in a constrained ability to raise sufficient revenues to meet budgetary requirements, and if such revenues were raised, how would it jeopardize the fiscal integrity of the municipality?

Over the past few years, the City has steadily worked to right size and solidify its fiscal position. This steady work and strong management & financial team has proved positive and the City continues to see tremendous improvements in its fiscal position. However, in order to maintain this upward trajectory, the City is still in need of financial assistance.

The City's current financial position was intensified by the excessive number of tax appeals experienced during the years when the real estate market went burst. This resulted in large refunds that the City could not pay without the issuance of (debt) Tax Appeal Refunding Bond.

Further decline in the market led to the Casinos being removed from the City's net valuation and a devastating decrease in the City's Net Valuation from $20 billion in 2008 to $2.524 billion in 2019 and simple fact that the net valuation has not recovered to even the 2019 level warrants the need for transitional aid.

V. B. Demonstration of Revenue Loss/Substantial Cost Increase

Show: (1) specific, extraordinary revenue losses, but not as the aggregate of many revenues line items; and (2) specific, extraordinary increases in appropriations, but not as the aggregate of many appropriation line items. Describe the item in the cell below each entry. If applicable, indicate in the description of the extraordinary expenditure increase if the increase resulted from a policy decision made by the municipality (i.e., a back-loaded debt service schedule, deferred payment, costs associated with additional hires, etc.).

Revenue or Appropriation	2023 Value	2024 Value	Amount of Loss/Increase
Police Salaries & Wages	28,309,284.88	31,383,724.00	Increase of 3,074,439
Description:	Contractual Cost of Police Salaries & Wages		
Uniform Fire Safety – S & W	770,734.36	1,258,977.00	Increase of 488,243.00
Description:	Contractual Cost of Uniformed Fire Salaries & Wages		
Employee Group Health	27,146,302.00	33,991,935.00	Increase of 6,845,633
Description:	Cost of Group Health Benefits - Contractual		
Description:			
Description:			
Description:			

V. C. Actions to Reduce Future Need for Aid

Detail the steps the municipality is taking to reduce the need for future aid. Include details about shared services and consolidation, long-term cost-cutting and enhanced revenue plans, the impact of new development, the potential for grants to offset costs, and estimated short and long-term annual savings.

These steps should demonstrate initiatives taken to bring structural balance to the municipality's finances and shall include, but are not limited to, the following:

Use additional pages if necessary.

- Efforts to bring economic development to the municipality; and
- A plan to constrain or reduce staffing costs through collective negotiation, attrition, consolidation, restructuring, or other personnel actions; and
- A plan to eliminate, reduce, or constrain the costs of non-essential services and activities; and
- A plan to maximize recurring revenues, including, as appropriate, updating fees, fines, and penalties; maximizing enforcement of delinquencies; and selling surplus land and property; and
- A plan to address findings contained in various audits, investigations, and reports with respect to the municipality, including municipal audits, applicable State Comptroller and State Auditor reports and audits, federal program audits, and other audits as identified by the Director.

The Atlantic City is still marketing itself as 'open for business' to stakeholders and sustainable industries. For the fifth year in a row, we have delivered a sustainable tax decrease to the Taxpayers of Atlantic City to show businesses they can be successful in Atlantic City.

The City is working closely with the MUA & the Sewer Company complete the street work and paving in a coordinated effort. All of the improvements are being completed with Grant funding.

The City is also actively working with CRDA and other stakeholders to ensure a clean & safe environment for its residents and visitors.

The City is still addressing over $100,000,000 of capital projects through grants and other funding without the issuance of additional debt.

V. D. Discussion of Health Benefits

Skip this section if using SHBP. If not using SHBP, explain why the municipality's current health benefits plan is cheaper or what other reasons exist to reject this alternative. Additionally, list all brokers (primary broker or risk manager, all co-brokers, and sub-brokers) together with their compensation for the current and prior two fiscal years. Compensation must be disclosed in this section, whether provided directly by the municipality or as a commission from the insurance provider. It is the municipality's right and obligation to determine whether the broker is compensated with a commission. If commissions are being earned, provide both how the commission is calculated (percentage of premium or self-insurance) and the actual dollar value of the commission paid each year.

The Health Broker of record for 2023, 2024 & 2025 is Corporate Employee Benefits, LLC & Fairview Insurance Agency.

5/1/22 - 4/30/23	**5/1/23 - 4/30/24**	**5/1/24 – 4/30/25**	
$30,000.00	**$35,000.00**	**$35,000.00**	**- Corporate Employee Benefits, LLC**
	4/1/23 - 3/31/24	**4/1/24 – 3/31/25**	
	$96,000.00	**$72,000.00**	**- Fairview Insurance Agency**

Risk Management Broker:

Fairview Insurance Agency Associates for 2022, 2023, 2024 & 2025

2022	**2023**	**2024**	**2025**
$73,000.00	**$73,000.00**	**$73,000.00**	**$73,000.00**

B L A N K

Application Year: CY2025 / FY2026	Municipality: City of Atlantic City	County: Atlantic

VI. Historical Fiscal Statistics

Item	2023	2024	Introduced Application Year
A. Property Tax/Budget Information			
Municipal tax rate	$1.5500	$1.4487	$1.488
Municipal Purposes tax levy	$37,173,694.83	$34,857,200.67	$35,758,937.11
Municipal Open Space tax levy	$-0-	$-0-	$-0-
Total general appropriations	$254,494,703.81	$307,458,105.24	$247,618,470.47
B. Cash Status Information			
% Of current taxes collected	98.44%	98.80%	%
% Used in the computation of reserve	95.50%	95.20%	95.20%
Reserve for uncollected taxes	$4,067,368.75	$4,016,714.62	$4,085,197.97
Total year-end cash surplus	$69,432,238.01	$61,356,269.57	
Total non-cash surplus	$10,861,445.29	$12,334,494.22	
Year-end deferred charges	$-0-	$-0-	
C. Assessment Data			
Assessed value (as of January 10)	$2,398,818,833.00	$2,406,105,833.00	$2,402,908,563.00
Average residential assessment	$122,562.50	$123,513.00	$124,990.00
Number of tax appeals granted	447		
Amount budgeted for tax appeals	$-0-	$-0-	$-0-
Refunding bonds for tax appeals	$-0-	$-0-	$-0-
D. Staffing Levels			
Total Number of Sworn Police -	297	317	315
Total S&W Expenditures	$27,615,926.00	$31,143,724.00	$33,915,402.00
Class 2 and Class 3 Officers	28	8	9
Total S&W Expenditures	$840,000.00	$240,000.00	$270,000.00
Uniformed Fire – Staff Number	180	196	197
Total S&W Expenditures	$21,934,598.00	$22,501,106.00	$25,383,694.00
Number of Other Full-time Employees	663	731	732
Total S&W Expenditures	$27,168,594.00	$30,125,090.00	$34,507,706.00
Number of Other part-time Employees	114	103	113
Total S&W Expenditures	$2,280,000.00	$2,060,000.00	$2,260,000.00

E. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			$2,402,908,563.00
Introduced Tax Levy			$35,758,937.11
Proposed Municipal Tax Rate	$1.488	Average res. value	$124,990.00
Current Year Taxes on average residential value			$4,427.15
Prior Year Taxes on average residential value			$123,513.00
Proposed increase in average residential taxes			$131.51

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

A. Year of latest revaluation/reassessment	2021
1. Most current equalized ratio	75.57%

B. Proposed Budget – Appropriation Cap Information Item

		Yes	No
1. Was an appropriation cap index rate ordinance adopted last year?		X	
If YES: % that was used	1%		
2. Amount of appropriation cap bank available going into this year	$9,359.10		
3. Is the Application Year budget at (appropriation) cap?		X	
If NO, amount of remaining balance	$		
4. Does the Application Year anticipate the use of a waiver to exceed the appropriation cap?		X	
If YES, the amount:	$4,000,000.00		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	$ Amount of Increase
Group Health Insurance	$33,526,000.00	$38,000,000.00	$4,474,000.00
Police & Fireman's Retirement System	$14,978,051.00	$17,870,430.00	$2,872,379.00
Police – Salaries & Wages	$31,523,046.00	$34,295,402.00	$2,772,356.00
Public Employees Retirement System	$3,796,289.00	$4,595,411.00	$799,122.00
Sanitation – Other Expenses	$3,602,750.00	$4,118,250.00	$515,500.00

D. List all new property tax-funded full-time positions planned in the Application Year:

Department/Agency	Position	Number	Dollar Amount
See Attached List			

E. **Display projected tax levies, local revenues (not grants), anticipated (gradually reduced) Transitional Aid, total salary and wages, and total other expenses projected for the three post-application years**:

	Tax Levy	Local Revenues	Transitional Aid	Total S&W	Total OE
First year	**32,907,467.97**	**131,500,000.00**	**1,062,712.85**	**98,190,156.75**	**154,242,311.21**
Second year	**32,655,260.00**	**133,000,000.00**	**903,305.92**	**101,626,812.24**	**153,078,447.77**
Third year	**32,250,652.67**	**134,500,000.00**	**767,810.03**	**105,183,750.67**	**152,641,902.00**

VIII. Financial Practices

A. Expenditure controls and practices:

Question	Yes	No
1. Is an encumbrance system used for the current fund?	x	
2. Is an encumbrance system used for other funds?	x	
3. Is a general ledger maintained for the current fund?	x	
4. Is a general ledger maintained for other funds?	x	
5. Are financial activities largely automated? If so, please identify the system being used.	x Edmunds	
6. Does the municipality operate a public assistance program?		x
7. Are expenditures controlled centrally (Yes) or de-centrally by dept. (No)?	x	
8. At any point during the year, are expenditures routinely frozen?	x	
9. Has the municipality adopted a cash management plan?	x	
10. Have all negative findings in the prior year's audit report been corrected?	x	
If not, be prepared to discuss why not in your application meeting.		

B. Risk Management: Indicate ("x") how each type of risk is insured.

Coverage	JIF/HIF	Self	Commercial
General Liability		x	
Vehicle/Fleet Liability		x	
Workers Compensation		x	
Property Coverage			x
Public Official Liability			x
Employment Practices Liability			
Environmental			
Health Benefits — **SHBP**		x	

C. 1. Salary and employee contract information (when more than one bargaining unit for each category, use averag

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	2025	2025	2025	2024
Average total cost percentage increase	Various	Various	2%	2%
Last contract settlement date	2022	2019	2019	
Contract expiration date	2025	2025	2025	

2. **Explain, if any, actions that have been taken or are under consideration for the Application Year**:

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)				
- None -				
Wage Freezes (describe below)				
- None -				
Layoffs (describe below)				
- None -				

D. Tax Enforcement Practices:

Question		Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in the 2025 budget? If not, please include a letter from the tax collector explaining why he/she failed to complete the sale in a timely manner and what the impacts were on cash flow and lost investment earnings.		x	
2. When was the last foreclosure action taken or tax assignment sale held?	Date:	Foreclosure - 5/30/2024	
3. On what dates were tax delinquency notices sent out in 2024?	Date:	2/14, 5/14, 9/9, 11/22 & 12/10	
4. Date of last tax sale?	Date:	12/20/24	

E. Specialized Service Delivery:

If the answer to either question is "Yes," provide (as an appendix) a cost justification for maintaining the service without changes.

Service	Yes	No
Sworn police or firefighters are used to handle emergency service call-taking and dispatch (in lieu of civilians).		x
The municipality provides rear-yard solid waste collection through the budget.		x

F. Other Financial Practices

1. Amount of interest on investment earned in:

2023	$9,960,952.13	2024	$9,818,456.25	Anticipated Application Year:	$6,130,000.00

2. List the instruments in which idle funds are invested:

Certificate of Deposit – TD Bank	
Liquidity Account – TD Bank	
Liquidity Account – NJ Arm	

3. What was the average return on investments during 2024?	4.35%
4. Left Blank Intentionally	
5. The name and firm of the municipality's auditor?	Ford, Scott & Associates
6. When was the last time the municipality changed auditors?	Over 20 Years ago

G. Status of Collective Negotiation (Labor) Agreements: List each labor agreement by employee group, contract expiration date, and the status of negotiations of expired contracts.

Employee Group	Expiration Date	Status of Negotiations of Expired Agreement
IAFF	12/31/2025	Signed
PBA	12/31/2025	Signed
Police Superior Officers Association	12/31/2025	Signed
White Collar	12/31/2025	Signed
Blue Collar – Teamsters Local 331	12/31/2025	Signed
IBEW	12/31/2025	Signed
Alliance of AC Supervisory Employees	12/31/2025	Signed

H. Tax Abatements. Please provide a detailed discussion of any short-term or long-term tax abatements that are currently in place or are currently being negotiated, including the following information:

Project Name/Property	Type of Project	2024 PILOT Billing	2024 Assessed Value	2024 Taxes If Billed in Full at 2023 Total Tax Rate	Term of Tax Abatement
Various Housing PILOTs	PILOT	4,178,050.00	291,220,900.00	4,513,050.29	Various

IX. A. List actions that limited Salary and Wage costs: i.e., layoffs, furloughs, freezes, contract concessions, etc. (See item C-3 in the Local Finance Notice for details.)

S&W Line Item	Prior Year Actual	Application Year Proposed	Explanation of Change
Compensated Absences	$974,094.43	$100.00	Terminal Leave is capped at $15,000.00
Longevity			Dollar Amount Capped at 12/31/2018 Rates
All Contracts are settled			

IX. B. List actions that limited or reduced Other Expense costs: i.e., reductions, changes, or elimination of services, procurement efficiencies, or restraint. Include changes in spending policies that reduce non-essential spending.

Line Item	Prior Year Actual	Application Year Proposed	Explanation of Change
Tipping Fees	$1,665,838.93	$1,700,000.00	The State of NJ pays up to $915,000
Public Health Services	$484,361.00	$452,366.00	The County of Atlantic is providing this service at a fraction of what it would cost the City.
Meals on Wheels Services	$274,806.00	$318,934.00	The County of Atlantic is providing this service at a fraction of what it would cost the City.
Transportation Services	$410,028.00	$445,704.00	The County of Atlantic is providing this service at a fraction of what it would cost the City.

IX. C. Evaluate existing local revenues as to whether the rates or collections can be increased or imposed, and if so, how changes will be implemented.

Local Revenues and services provided through the General/Current Fund	Check if services are provided	Are fees charged to cover the costs of the program?	If fees do not cover costs, what is the subsidy amount?	If there is a subsidy, explain why fees cannot be increased to reduce or eliminate the subsidy.
Recreation Programs	☒	No	Varies	Low income population with high unemployment and high crime
Sewer Fees	☐			
Water Fees	☐			
Swimming Pool	☐			
Uniform Construction Code	☒	Yes		
Uniform Fire Code	☒	Yes		
Land Use Fees	☒	Yes		
Parking Fees	☒	Yes		
Beach Fees	☐			
Insert other local fees below:	☐			
Land Use Escrow Fees for In-House Staff	☒	Yes		
Land Use Escrow Fees for Independent Contractors	☒	Yes		

X. Service Delivery

List all services the municipality contracts to another organization, i.e., shared services with another government agency, including formal and informal shared services, memberships in cooperative purchasing programs, and private (commercial) or non-profit organizations.

Type of Service	Name of Contracted Entity	Estimated Amount of Contract	Estimated Savings	Year Last Negotiated *(as applicable)*
Tipping Fees	County of Atlantic	$915,000	$915,000	2021
Fuel	Atlantic County Cooperative	$500,000	Unknown	2024
Various Cooperative Purchasing Program	NJ Department of Purchase & Property	Varies	Varies	2024
Various Cooperative Purchasing Program	ESCNJ	Varies	Varies	2024
Rock Salt	Atlantic County Cooperative	$500,000	Unknown	2024
Various Cooperative Purchasing Program	Somerset County Cooperative	Varies	Varies	2024
Various Cooperative Purchasing Program	Source Well Cooperative	Varies	Varies	2024

Section XI. Impact of Limited or No Aid Award

Describe (in detail) the impact of not being granted aid for the current fiscal year. Essential service needs should be given priority. List the appropriate category of impact if the aid is not received. Rank each item from both lists as to the order in which elimination will take place. If across-the-board cuts will be made, indicate under service. **For rank order purposes, consider the two sections as one list. The cuts outlined here are ones the municipality will make without a grant of aid.**

Rank Order	Department	# Of Layoffs	Effective Date	2023 Full-Time Staffing	2024 Full-Time Staffing	$ Amount to be Saved

If services will be reduced, describe the service, impact, and associated cost savings.

Rank Order	Service	Cost Savings	Impact on Services

Application Year: CY2025 / FY2026	Municipality: City of Atlantic City	County: Atlantic

XII. Agreement to Improve Financial Position of Municipality

If aid is granted, the municipality will be required to submit to certain reporting conditions and oversight as authorized by law, and a new MOU will need to be signed. Please mark each box below indicating that the applicant understands and agrees to comply with these broad reporting and oversight provisions.

	Yes	No
1. Allow the Director of DLGS to assign management, financial, and operational specialists to assess your municipal operations.	X	
2. Implement actions directed by the Director to address the findings of DLGS staff.	X	
3. Enter into a new MOU and comply with all its provisions without exception.	X	

XIII. Certification of Past Compliance for Municipalities Currently Operating Under a Transitional Aid MOU:

The undersigned certifies that the municipality is in substantial compliance with the conditions and requirements of the 2024 MOU and is operating in good faith to correct those areas of noncompliance that have been identified.

Mayor: ______________________ Date: 3/6/2025

Chief Financial Officer: ______________________ Date: 3/6/2025

Chief Administrative Officer: ______________________ Date: 3/6/2025

XIV. CAMPS Certification (County and Municipal Personnel System - Civil Service municipalities only)

For Civil Service municipalities, the undersigned, being knowledgeable thereof, hereby certify that the municipality has listed the names of all current civil service employees in NJ "CAMPS."

Human Resources or Personnel Director: ______________________ Date: 3/6/2025

Chief Administrative Officer: ______________________ Date: 3/6/2025

XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID

The undersigned acknowledges that the municipality must comply with the foregoing requirements to receive Transitional Aid. In addition, included with this application is a copy (printed or electronic) of the budget documentation supporting the budget calculation that was provided to the governing body.

Mayor: ______________________ Date: 3/6/2025

Chief Financial Officer: ______________________ Date: 3/6/2025

Chief Administrative Officer: ______________________ Date: 3/6/2025

APPENDIX A

Submission Checklist:

- ☑ Signed and certified application.
- AFS Only ☑ Copy of introduced budget, Annual Financial Statement, and budget documentation. Budget has not has not been introduced
- ☑ Organization charts.
- ☑ Copies of current labor contracts.
- ☑ Copies of salary ordinances/resolutions and any contracts of non-union affiliated individuals.
- ☑ Debt service schedules for all municipal obligations, including municipally operated utilities, all listed by payment date.
- ☐ For prior recipients requesting level or increased funding, a letter from the Mayor explaining why they failed to reduce their need for funding.
- ☐ For new applicants, a governing body resolution authorizing the application and agreeing to State supervision immediately upon filing the application.
- ☑ A list of all motor vehicles owned or leased by the municipality (excluding construction equipment and fire apparatus); the agency assigned to its use; if the vehicle is assigned to an individual, the name of the individual; and if the vehicle is used by the individual outside of the regular workday or taken home by the individual.
- ☐ A certification that copies of all active collective negotiation agreements and the cost-out of each have been delivered to PERC. Support documentation regarding the cost-out method must also be provided.
- ☑ List of all existing shared service agreements.
- ☐ List of documented efforts to share municipal services, including public safety dispatch, code enforcement, public health services, and other services offered by neighboring municipalities, area boards of education, local authorities, or the county, if those costs are less than the current full cost of providing equivalent service.

Submission Instructions:

- E-mail electronic forms to dlgs-ta@dca.nj.gov, with "<name of municipality> Transitional Aid Application" in the subject line.
- Submit one copy of the signed application form and any printed documents to:

  Transitional Aid Program
  Division of Local Government Services
  101 South Broad Street
  PO Box 803
  Trenton, NJ 08625-0803