



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### **Moody’s Upgrades Atlantic City’s Issuer Rating, Outlook Stays ‘Positive’**

**Atlantic City, N.J. (April 9, 2024)** – Moody’s Investors Service has upgraded the City of Atlantic City’s issuer rating to Ba1 from Ba2, while maintaining a positive outlook in the city.

According to Moody’s:

*The upgrade to Ba1 reflects the substantial strengthening of the city's fiscal position, including sharp increases in fund balance and declines in debt. The Ba1 rating recognizes that Atlantic City has proven its ability to achieve good fiscal outcomes under the current fiscal framework created by the state. Its cash position and budget management are strong (70% of revenue), it is in structural surplus, and its debt is rapidly declining (92% of revenue at the end of 2023, down from 169% in 2018). The city has also made strides in addressing deferred capital investment. The primary risk facing the city is the expiration in 2026 of the fiscal framework under which this has been achieved. Governance is therefore a key driver of this rating action.*

“While I will always shoot for the stars, and was seeking a multi-tier upgrade from Moody’s this year, I am grateful Moody’s recognized all the great things happening in Atlantic City under my watch, and gave the city yet another upgrade and positive outlook,” said City of Atlantic City Mayor Marty Small, Sr. “I also appreciate Moody’s once again acknowledging strong government as a reason for the city’s success. The next upgrade will put us in the investment grade, and I will stop at nothing to make sure we achieve that.”

Under the Small administration, the city’s issuer rating was upgraded from B2 positive to Ba3 in 2020, and was upgraded to Ba2 in 2022. The outlook was changed from ‘stable’ to ‘positive’ in 2020, where it remains today. Atlantic City’s issuer rating was Caa3 positive back in 2018.

Moody's representatives visited Atlantic City on Wednesday, March 27, 2024 to meet with Mayor Small and the City's financial team, consisting of Business Administrator Anthony Swan, Chief Financial Officer Toro Aboderin and City Auditor Leon Costello. The representatives were given a tour of Atlantic City, where they got to see new development projects, new attractions like Showboat's Island Waterpark, and renovations happening at Pop Lloyd Stadium and the Atlantic City Aquarium.

That same day, Moody's representatives attended a news conference in City Council Chambers where Mayor Small and the financial team announced a 10.2-cent tax decrease in the mayor's proposed 2024 budget for Atlantic City taxpayers. The proposed budget next goes to City Council.

The full Moody's Atlantic City report can be found here:

[https://www.moody.com/research/Moodys-upgrades-Atlantic-City-NJ-to-Ba1-from-Ba2-outlook-Rating-Action--PR\\_908539206](https://www.moody.com/research/Moodys-upgrades-Atlantic-City-NJ-to-Ba1-from-Ba2-outlook-Rating-Action--PR_908539206)

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