



State of New Jersey

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OFFICE OF THE STATE COMPTROLLER

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KEVIN D. WALSH

Acting State Comptroller

CHRISTOPHER JENSEN

Director

July 23, 2025

BY ELECTRONIC MAIL

Hon. John Moor, Mayor
City of Asbury Park
One Municipal Plaza
Asbury Park, NJ 07712

Re: Application of the Lifeguard Pension Law

Dear Mayor Moor:

Pursuant to N.J.S.A. 52:15C-5(a), the Office of the State Comptroller (OSC) is charged with conducting "routine, periodic, and random audits" of government agencies. Pursuant to that authority and consistent with N.J.S.A. 52:15C-8c(3), OSC has established objective criteria and developed a risk assessment for undertaking performance audits of government entities and programs.

OSC issued an engagement letter, dated September 22, 2023, to the City of Asbury Park (City or Asbury Park) to schedule a performance audit of the administration of its lifeguard pension plan. The city manager informed OSC that, although the City employs lifeguards, it does not have a lifeguard pension plan. At that time, OSC recommended the City review the Lifeguard Pension Law¹ with its legal professionals to determine if the statutes apply to Asbury Park.

In January 2025, OSC requested a written update on the status of the City's review of the Lifeguard Pension Law's applicability. Asbury Park provided the update in February 2025, indicating that the City does not believe that the requirement to establish a lifeguard pension fund is valid or enforceable against the City. The City did not offer any legal justification for its viewpoint.*

Pursuant to the Lifeguard Pension Law, a city of the fourth-class is required to create and administer a pension plan for its lifeguard employees. A city of the fourth-class is a city bordering the Atlantic Ocean which is a seaside or summer resort.² The Legislature incorporated Asbury

¹ N.J.S.A. 43:13-23 to -29.


² N.J.S.A. 40A:6-4.

Park as a city on March 25, 1897.³ The New Jersey Supreme Court found Asbury Park to be a fourth-class city in 1925.⁴ The Legislature passed the first Lifeguard Pension Law in 1928,⁵ followed by amendments in 1929⁶ and 1936.⁷ Based on the above facts and circumstances, and in the absence of any contrary argument, it appears that the City is required to comply with the Lifeguard Pension Law.

Only a court can conclusively determine the legal rights and duties involved, but OSC notes that the failure to create and administer a lifeguard pension plan is contrary to the requirements of N.J.S.A. 43:13-23 to -29. The City's noncompliance with the statutory requirements may create significant liabilities for the City. OSC urges the City to address this issue further with legal counsel.

Sincerely,

KEVIN D. WALSH
ACTING STATE COMPTROLLER

By: 
Christopher Jensen, CPA
Director, Audit Division

c: Jacquelyn Suarez, Commissioner, Department of Community Affairs
Michael F. Rogers, Director, Department of Community Affairs, Division of Local Government Services
Michele Meade, Deputy Director, Department of Community Affairs, Division of Local Government Services
Tina Zapicchi, Assistant Director, Financial Regulations, Department of Community Affairs, Division of Local Government Services
Jorge Carmona, Bureau Chief, Department of Community Affairs, Division of Local Government Services
Amy Quinn, Deputy Mayor, City of Asbury Park
Adam E. Cruz, City Manager, City of Asbury Park
JoAnn Boos, Chief Financial Officer, City of Asbury Park

** Prior to the release of this letter, Asbury Park was given a draft and provided the opportunity to respond. The City's response is attached as Appendix A. In its response, the City questions the enforceability of the law and contends that funding a lifeguard pension plan "appears to run counter to the stated purpose of the Office of the State Comptroller." In addition to evaluating compliance with the Lifeguard Pension Law at the municipal level, we reviewed the impact of the law collectively in our New Jersey's Lifeguard Pension Programs report and make recommendations to the Legislature to address the arbitrariness and unequal application of the law.*

³ P.L. 1897 c. 40.

⁴ Reade v. City of Asbury Park, 101 N.J.L. 319 (Sup. Ct. 1925), affirmed 102 N.J.L. 221 (E. & A. 1925).

⁵ P.L. 1928, c. 272.

⁶ P.L. 1929, c. 59.

⁷ P.L. 1936, c. 108.

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June 26, 2025

Christopher Jensen, CPA
Director, Audit Division
Office of the State Comptroller
Trenton, NJ 08625-0024

Re: Lifeguard Pension Law
City of Asbury Park

Dear Mr. Jensen:

This law firm represents the City of Asbury Park as their municipal counsel. Please accept this letter in response to your draft report to Mayor John Moor dated June 12, 2025 regarding a lifeguard pension plan in Asbury Park.

You base the claim that Asbury Park requires a lifeguard pension plan on the premise that Asbury Park is a "city of the fourth class," which was a designation applied in 1897, over 125 years ago. However, the distinction between a City "type" of government, and the "form" of municipal government that the municipality operates under today has become meaningless in the broader context of municipal operations. With the exception of the Small Municipality plan (requiring a population of under 12,000) and the Borough form of government (available only to borough type municipalities), any municipality can choose any other form of municipal government to establish and administrate their governing powers and responsibilities. While the initial impetus behind incorporating a municipality as a city appears to have been greater autonomy over their own affairs, the 1917 Home Rule Act and subsequent legislative amendments have largely erased the distinctions between Boroughs, Townships, Villages, Towns and Cities in all but name. While a greater degree of executive power may be a hallmark of the original City type of government, the current statutory structure allows for a Township like Edison to operate under the same form of government as the City of Asbury Park, regardless of incorporation status.

Further compounding this issue are the historical anomalies in place whereby school funding laws, liquor laws affecting Townships but not Boroughs, and government funding predicated on municipal status which have resulted in the creation of hundreds of municipal entities within the state which operate identically to the Atlantic shoreline cities affected by these statutes. In this manner, the State has variously been home to the Borough of Neptune City, the Township of Glen Ridge Borough, the City of Orange Township, and South Orange Village Township among many others. Red Bank alone has

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been, at various times, Red Bank Town, Shrewsbury City, and ultimately the Borough of Red Bank.

While many of these municipalities have since reamended their corporate documents and status in a return to historical form, the fact remains that of the more than 40 municipalities bordering the Atlantic Ocean, fewer than a dozen fall into the category affected by this legislation. In Monmouth County alone, the municipalities of Manasquan, Sea Girt, Spring Lake, Lake Como, Belmar, Bradley Beach, Neptune (Ocean Grove), Allenhurst, Deal and Monmouth Beach all directly border the Atlantic Ocean yet are under no obligation to fund lifeguard pension programs for their seasonal employees. Under the current logic, if the City of Asbury Park were to change its official name to the Town of Asbury Park - even while maintaining the same form of government - any such pension obligations would immediately cease.

Finally, there exists the problematic aspect of this statute in that it may well constitute special legislation as prohibited by the State Constitution. A law is regarded as special legislation “when by force of an inherent limitation, it arbitrarily separates some persons, places or things from others upon which, but for such limitation, it would operate.” Town of Morristown v. Woman’s Club, 124 N.J. 605, 622 (1991). In Vreeland v. Byrne, 72 N.J. 292 (1977), the Court established a three-part test to determine whether a statute constituted special legislation. Under that test, the purpose and object of the enactment must first be discerned, then applied to the factual situation presented, and finally it must be decided whether, as applied, the resulting classification can be said to rest upon any rational or reasonable basis relevant to the purpose and object of the act. See Vreeland at 300-301.

Here, for all practical purposes, the statute singles out a highly selective subsection of municipalities without a conceivable rational basis for their inclusion while others are specifically excluded, seems to violate these principles. If the goal is to encourage the return of suitable lifeguards for the protection of Jersey Shore beachgoers, then it fails to do so along the vast majority of the Jersey Shore. By excluding Boroughs, Townships, Villages and Towns from the requirement, miles and of miles of shoreline are excluded from the supposed purpose, most frequently in municipalities that are contiguous with each other. While it is true that a statute is not unconstitutional as special legislation merely because its effect is limited to a particular municipality (or municipalities), the classification by which a statute limits its effects must be grounded in a rational basis. Town of Seacaucus v. Hudson county Board of Taxation, 133 N.J. 482, 500 (1993). While the Court has indicated that one of the factors to look to would be whether “other municipalities could, and from time to time have, come within its scope,” the fact of the matter is that no Atlantic Shore municipality in New Jersey would currently adopt City classification if it included these

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additional mandates. In fact, of the nine cities boarding the Atlantic Ocean with lifeguard pension programs, only one continues to use the city form of government at all regardless of the type of incorporation they have.

Accordingly, the continued enforcement of this statute, despite the lack of a rational basis for the distinctions that it draws between similarly situated municipalities and despite the limited applicability it has to the employees affected, is both archaic and wasteful. The diversion of municipal tax dollars for the funding of these programs – much of which would remain unutilized due to the reality of seasonal employment – is an unnecessary cost which appears to run counter to the stated purpose of the Office of the State Comptroller.

We appreciate the opportunity to offer our input.

Very truly yours,

/s/ Kevin N. Starkey

Kevin N. Starkey

KNS:kl

cc: Mayor John Moor
Deputy Mayor Amy Quinn
Adam Cruz, City Manager
JoAnn Boos, CFO