

CHAPTER 30

LOCAL FINANCE BOARD

Authority

N.J.S.A. 40A:4-83, 40A:5-38, 40A:12-6, 52:27BB-10, 52:27BB-30, 52:27BB-32, 52:27D-18.

Source and Effective Date

R.1998 d.307, effective May 22, 1998.
See: 30 N.J.R. 1123(a), 30 N.J.R. 2204(b).

Executive Order No. 66(1978) Expiration Date

Chapter 30, Local Finance Board, expires on May 22, 2003.

Chapter Historical Note

Chapter 30, Local Finance Board, was enacted as R.1970 d.40, effective April 13, 1970. See: 1 N.J.R. 17(d), 2 N.J.R. 39(a).

Subchapter 14, Local Public Contracts, was adopted as R.1977 d.128, effective May 20, 1977. See: 8 N.J.R. 371(c), 9 N.J.R. 212(a).

Subchapter 16, Tenants Property Tax Rebate Program, was adopted as R.1977 d.241, effective July 8, 1977. See: 9 N.J.R. 257(c), 9 N.J.R. 357(b).

Former Subchapter 10 and N.J.A.C. 5:30-11.1 through 5:30-11.7 were repealed by R.1979 d.16, effective January 17, 1979. See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

Pursuant to Executive Order No. 66(1978), Chapter 30, Local Finance Board, was readopted as R.1983 d.277, effective June 21, 1983. See: 15 N.J.R. 463(b), 15 N.J.R. 1180(a).

Subchapter 10, Municipal Port Authorities, was adopted as R.1984 d.381, effective September 4, 1984. See: 15 N.J.R. 1204(a), 16 N.J.R. 2357(a).

Pursuant to Executive Order No. 66(1978), Chapter 30, Local Finance Board, was readopted as R.1988 d.350, effective June 29, 1988. See: 20 N.J.R. 1027(a), 20 N.J.R. 1879(a).

Former Subchapter 9, Financial Administration, Subchapter 11, School Bonds, Subchapter 13, Forms, Subchapter 15, Appropriation Caps, and Subchapter 16, Tenants Property Tax Rebate Program, were repealed by R.1990 d.383, effective August 6, 1990. See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Subchapter 14, Local Public Contracts, was repealed and Subchapter 17, Cooperative Pricing and Joint Purchasing Systems, was recodified to N.J.A.C. 5:34-7 by R.1990 d.595, effective December 3, 1990. See: 22 N.J.R. 724(a), 22 N.J.R. 3629(a).

Pursuant to Executive Order No. 66(1978), Chapter 30, Local Finance Board, was readopted as R.1993 d.297, effective May 27, 1993. See: 25 N.J.R. 1630(a), 25 N.J.R. 2688(a).

Subchapter 7, Municipal Budget Local Examination and Approval, was adopted as R.1997 d.146, effective March 17, 1997. See: 28 N.J.R. 5125(a), 29 N.J.R. 870(a).

Subchapter 9, Government Electronic Receipt Acceptance, was enacted as R.1997 d.147, effective March 17, 1997. See: 29 N.J.R. 4(a), 29 N.J.R. 872(a).

Pursuant to Executive Order No. 66(1978), Chapter 30, Local Finance Board, was readopted as R.1998 d.307, effective May 22, 1998. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. GENERAL PROVISIONS

5:30-1.1 Rules and regulations

(a) All applications to the Board shall require a hearing before the Board, which shall include an appearance by the applicant at the time the application is heard. The chair or the Board may waive such appearance if it is found in the interest of the Board or the applicant to do so.

(b) The Local Finance Board shall meet on the second Wednesday of each month of the calendar year at its office, 101 South Broad Street, Trenton, New Jersey at the date and time specified in each notice of public meeting issued by the Board. Further, the business that would otherwise be handled at the regular meetings required pursuant to N.J.S.A. 52:27BB-13 shall be considered at the next following meeting scheduled pursuant to this subsection.

(c) The Board shall also meet at the call of the chair by notice in writing or via facsimile at such time and place as shall be specified in said notice. The Board, in its discretion, may agree to meet upon the receipt of a telephone request from the chair or any member thereof to transact any business which may properly come before it. The members of the Board may be considered in attendance at a meeting by using telecommunications equipment as permitted by the Open Public Meetings Act.

(d) The board shall meet as a municipal finance commission in those municipalities in which it functions and all other actions shall be taken as the Local Finance Board.

(e) Additional information on the Board and its practices can be obtained by contacting the Executive Secretary, Local Finance Board, 101 Broad Street, PO Box 803, Trenton, New Jersey 08625-0803, (609) 292-4537.

(f) References in this chapter to the Director or Division shall refer to the Director of the Division of Local Government Services, or to the Division of Local Government Services, as appropriate.

Amended by R.1990 d.383, effective August 6, 1990.

See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Time and place of meetings changed in (b).

Amended by R.1998 d.307, effective June 15, 1998.

See: 30 N.J.R. 1123(a), 30 N.J.R. 2204(b).

Rewrote the section.

Case Notes

Regulations valid as implementing legislative policy; definition of qualitative clarified by regulations. *Twp. of Burlington v. Middle Department Inspection Agency, Inc.*, 175 N.J.Super. 624, 421 A.2d 616 (Law Div.1980).

Advertising requirement valid and constitutional. *Apartment House Council of New Jersey v. Laezza*, 158 N.J.Super. 204, 385 A.2d 936 (App.Div.1978).

Tenants Property Tax Rebate Act constitutional; regulatory scheme adopted. *Cold Indian Springs Corp. v. Twp. of Ocean*, 154 N.J.Super. 75, 380 A.2d 1178 (Law Div.1977), affirmed 161 N.J.Super. 586, 392 A.2d 175 (App.Div.1978), affirmed 81 N.J. 502, 410 A.2d 652 (1980).

5:30-1.2 Duties

The Local Finance Board studies the entire field of local government in New Jersey, and promulgates reasonable rules and regulations for the interpretation and administration of State laws included within the jurisdiction of the division.

5:30-1.3 Hearings

(a) The Local Finance Board holds hearings when required by law, and also when it determines that interested persons should be given an opportunity to be heard.

(b) Hearings to appeal a determination or action of the Director pursuant to N.J.S.A. 52:27BB-15 shall be held upon receipt of a written request filed with the chair or executive secretary and which include an explanation of the determination or action of the Director which is being appealed, the nature of and reason for the appeal, and supporting documentation as may be requested by the Board.

Amended by R.1998 d.307, effective June 15, 1998.

See: 30 N.J.R. 1123(a), 30 N.J.R. 2204(b).

Rewrote (b).

SUBCHAPTER 11. (RESERVED)

SUBCHAPTER 12. FEDERAL GRANTS FOR
LIBRARY CONSTRUCTION AND STATE
LIBRARY AID**5:30-12.1 General provisions**

The following procedures are hereby promulgated covering the accounting procedures to be used by local units in accounting for Federal grants under the Federal Library Services and Construction Act and State Library Aid per N.J.S.A. 18A-74.

5:30-12.2 Procedure

(a) An appropriation for the full amount of construction costs must be made in the usual manner by either ordinance or budget appropriation.

(b) The Federal grant may be used as an anticipated revenue to partially finance such appropriations.

(c) It is emphasized that only the governing body can adopt either the ordinance or the budget.

5:30-12.3 Federal grants for library services

(a) When a Federal grant for extended library services is received by the municipal treasurer it should be credit to "Reserve for Library Services with Federal Aid." (The 1966 and subsequent years' municipal budget forms will include "State or Federal Aid for Maintenance of Libraries" in the "Dedication by Rider—N.J.S.A. 40A:4-39".)

1. If budget appropriations and other moneys are customarily turned over in full to the treasurer of the board of trustees as provided in N.J.S.A. 40:54-13, the municipal treasurer should promptly draw his check on the "Reserve" account and turn the funds over to the library board.

2. If budget appropriations are customarily retained in the custody of the municipal treasurer and disbursed by him after approval by the board of trustees of the free public library, the municipal treasurer should credit the money received from the Federal grant to the aforementioned "Reserve" account and expend such moneys in the same manner as other funds are expended by the library board.

5:30-12.4 State library aid

(a) Effective January 1, 1966, the present method of budgeting and accounting for this money will be completely revised as follows:

1. The "Dedication by Rider—N.J.S.A. 40A:4-39" in the 1966 and subsequent years' municipal budget forms will include "State or Federal Aid for maintenance of libraries".

2. The item of anticipated revenue for "State Library Aid—N.J.S.A. 18:24A" together with the required, applicable appropriation will be eliminated from the 1966 and subsequent years' budget documents.

3. All municipal treasurers are instructed to credit all moneys received after January 1, 1966, for "State Library Aid—N.J.S.A. 18:24A" to a special reserve in the current fund entitled (depending upon which title is applicable in his municipality): "Reserve for maintenance of free public library with State aid" or "Reserve for aid to privately owned library or reading room with State aid".

(b) If budget appropriations are customarily turned over in full to the board of trustees of the free public library or the privately owned library, the municipal treasurer should promptly draw his check on the "Reserve" account and turn over the funds to such library.

(c) If budget appropriations are customarily retained in the custody of the municipal treasurer and disbursed by him after approval by the board of trustees of the free public library or for the aid of a privately owned library, the municipal treasurer should retain the funds in the proper "reserve" account and should expend such moneys in the same manner as other funds are expended by or for the library.

(d) All appropriations for "expense of participation in free county library" are always expended directly by the municipality for the purpose of aiding and improving the service rendered within the municipality by the free county library. State library aid for this purpose, therefore, should always be credited by the municipal treasurer to "reserve for expense of participation in free county library with State aid" and expenditures should be made in the same manner as other expenditures are made for this purpose in those municipalities where this is applicable.

(e) Unexpended balances of 1965 appropriations "with State aid" for any of the purposes cited in subsection (a)3 of this Section should be transferred at December 31, 1965, to the proper "reserve" in an amount up to, but not exceeding, the actual amount of State aid received in 1965.