

CHAPTER 30

LOCAL FINANCE BOARD

Authority

N.J.S.A. 40A:2-17(B) and 18, 40A:4-83, 40A:5-38, 40A:12-6, 40A:14-194, 52:27BB-10, 52:27BB-30, 52:27BB-32, and 52:27D-18; and P.L. 1998, c. 45.

Source and Effective Date

R.2009 d.125, effective March 23, 2009.
See: 41 N.J.R. 894(a), 41 N.J.R. 1732(b).

Chapter Expiration Date

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 30, Local Finance Board, expires on March 23, 2016. See: 43 N.J.R. 1203(a).

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Former Subchapter 10 and N.J.A.C. 5:30-11.1 through 5:30-11.7 were repealed by R.1979 d.16, effective January 17, 1979.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Subchapter 13, Forms, Subchapter 15, Appropriation Caps, and Subchapter 16, Tenants Property Tax Rebate Program, were repealed by R.1990 d.383, effective August 6, 1990.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Subchapter 14, Local Public Contracts, was repealed and Subchapter 17, Cooperative Pricing and Joint Purchasing Systems, was recodified to N.J.A.C. 5:34-7 by R.1990 d.595, effective December 3, 1990.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 adopted 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: 30 N.J.R. 1123(a), 30 N.J.R. 2204(b).

Subchapter 13, Camden Financial Review Board, was adopted as Emergency New Rules, R.1998 d.453, effective August 13, 1998, to expire October 12, 1998. See: 30 N.J.R. 3330(a). The provisions of R.1998 d.453 were readopted as R.1998 d.530, effective October 12, 1998. See: 30 N.J.R. 3330(a), 30 N.J.R. 3938(b).

Subchapter 5, Encumbrance Accounting and Certifications of Availability of Funds, was recodified from N.J.A.C. 5:34-5 and Subchapter 11, Change Orders and Open-End Contracts was recodified from N.J.A.C. 5:34-4 by R.2000 d.485, effective December 4, 2000. See: 32 N.J.R. 3237(a), 32 N.J.R. 4300(a).

Subchapter 14, Emergency Service Volunteer Length of Service Award Program, was adopted as R.2001 d.36, effective January 16, 2001. See: 32 N.J.R. 3683(a), 33 N.J.R. 254(a), 33 N.J.R. 552(a).

Subchapter 15, Accumulated Absence Management and Financing, was adopted as R.2001 d.370, effective October 15, 2001. See: 33 N.J.R. 1509(a), 33 N.J.R. 3676(a).

Subchapter 16, Agency Communications with Local Units, was adopted as R.2002 d.126, effective April 15, 2002. See: 34 N.J.R. 46(a), 34 N.J.R. 1543(a).

Subchapter 9A, Disbursements Without Vendor Certification, was adopted as R.2003 d.158, effective April 21, 2003. See: 34 N.J.R. 2374(a), 35 N.J.R. 1664(a).

Subchapter 17, Electronic Disbursement Controls for Payroll Purposes, was adopted as R.2003 d.205, effective May 19, 2003. See: 34 N.J.R. 2377(a), 35 N.J.R. 2223(a).

Chapter 30, Local Finance Board, was readopted as R.2003 d.404, effective September 19, 2003. See: 35 N.J.R. 2427(a), 35 N.J.R. 4862(b). Chapter 30, Local Finance Board, expired on September 19, 2008.

Chapter 30, Local Finance Board, was adopted as emergency new rules by R.2009 d.59, effective January 22, 2009 (to expire March 23, 2009). See: 41 N.J.R. 894(a). The concurrent proposal of Chapter 30, Local Finance Board, was adopted without change as R.2009 d.125, effective March 23, 2009. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

- 5:30-1.1 Rules and regulations
- 5:30-1.2 Duties
- 5:30-1.3 Hearings
- 5:30-1.4 Vote
- 5:30-1.5 Advice to director
- 5:30-1.6 Determinations
- 5:30-1.7 Forms; general provisions
- 5:30-1.8 Use of Local Finance Notices
- 5:30-1.9 Use of electronic communications networks
- 5:30-1.10 (Reserved)
- 5:30-1.11 Realized revenue
- 5:30-1.12 through 5:30-1.15 (Reserved)

SUBCHAPTER 2. LOCAL BOND LAW

- 5:30-2.1 Exceptions to debt limitation of N.J.S.A. 40A:2-7
- 5:30-2.2 Automatic waiver of appearance
- 5:30-2.3 Payments for capital improvement
- 5:30-2.4 Form of Notice of Pending Bond Ordinance and Summary publication
- 5:30-2.5 Refunding of bonds meeting certain conditions
- 5:30-2.6 through 5:30-2.7 (Reserved)
- 5:30-2.8 Self-liquidating improvements and extensions
- 5:30-2.9 Submission of electronic proposals for sale of bonds
- 5:30-2.10 Use of financial surety bonds in electronic bond sale auctions
- 5:30-2.11 through 5:30-2.19 (Reserved)

SUBCHAPTER 3. ANNUAL BUDGET

- 5:30-3.1 (Reserved)
- 5:30-3.2 Procedures for adoption of budget
- 5:30-3.3 Examination of budget
- 5:30-3.4 Filing of municipal budget amendments
- 5:30-3.5 Detail in support of current budget appropriation
- 5:30-3.6 Emergency appropriations
- 5:30-3.7 Reserve for pension contributions
- 5:30-3.8 (Reserved)

SUBCHAPTER 4. CAPITAL BUDGETS AND CAPITAL IMPROVEMENT PROGRAMS

- 5:30-4.1 Authority and application
- 5:30-4.2 Definitions
- 5:30-4.3 When required
- 5:30-4.4 Method of adoption
- 5:30-4.5 Forms and content
- 5:30-4.6 Review and certification
- 5:30-4.7 Capital expenditures proscribed
- 5:30-4.8 Director's action
- 5:30-4.9 (Reserved)

SUBCHAPTER 5. CERTIFICATIONS OF AVAILABILITY OF FUNDS, AND ACCOUNTING SYSTEM REQUIREMENTS FOR LOCAL UNITS

- 5:30-5.1 General authority
- 5:30-5.2 Encumbrance systems
- 5:30-5.3 General requirements
- 5:30-5.4 Procedure
- 5:30-5.5 Methods of accounting for and certifying available funds for special situations
- 5:30-5.6 Accounting for governmental fixed assets
- 5:30-5.7 General ledger accounting systems

SUBCHAPTER 6. ANNUAL AUDIT

- 5:30-6.1 Uniform accounting system for local units
- 5:30-6.2 through 5:30-6.4 (Reserved)
- 5:30-6.5 Certification of governing body
- 5:30-6.6 through 5:30-6.11 (Reserved)

SUBCHAPTER 7. MUNICIPAL BUDGET LOCAL EXAMINATION AND APPROVAL

- 5:30-7.1 Authority
- 5:30-7.2 Definitions
- 5:30-7.3 Local examination process
- 5:30-7.4 Eligibility for local examination
- 5:30-7.5 Qualifying for budget local examination
- 5:30-7.6 Completion of local examination
- 5:30-7.7 Revocation of qualification

SUBCHAPTER 8. FINANCIAL ADMINISTRATION

- 5:30-8.1 Electronic data processing systems for financial, revenue, and property tax accounting
- 5:30-8.2 Recommended surety bond coverage for chief financial officers
- 5:30-8.3 Minimum surety bond coverage for tax collectors
- 5:30-8.4 Minimum surety bond requirements for municipal courts
- 5:30-8.5 Guidelines concerning receipt and custody of public funds
- 5:30-8.6 (Reserved)
- 5:30-8.7 Notice of occurrences
- 5:30-8.8 Reporting requirements for long-term tax exemption projects
- 5:30-8.9 (Reserved)
- 5:30-8.10 Acceptance of third party financial organization payments

SUBCHAPTER 9. GOVERNMENT ELECTRONIC RECEIPT ACCEPTANCE

- 5:30-9.1 Purpose and authority
- 5:30-9.2 Definitions
- 5:30-9.3 General grant of authority
- 5:30-9.4 Contracting for services
- 5:30-9.5 Accounting and control
- 5:30-9.6 Preauthorized transactions
- 5:30-9.7 Bulk payments
- 5:30-9.8 Individual electronic receipts
- 5:30-9.9 Surcharges or convenience fees
- 5:30-9.10 Payment of electronic receipt fees
- 5:30-9.11 Interpretations of the rules

SUBCHAPTER 9A. DISBURSEMENTS WITHOUT VENDOR CERTIFICATION

- 5:30-9A.1 Purpose
- 5:30-9A.2 Definitions
- 5:30-9A.3 Authorization to use procurement cards and electronic funds transfers for the acquisition of goods and services
- 5:30-9A.4 Conditions for use of procurement cards or electronic funds transfers; organization and access
- 5:30-9A.5 Procurement card limit and control requirements
- 5:30-9A.6 Electronic funds transfer authorization
- 5:30-9A.7 Policies and practices governing use of procurement cards; audit
- 5:30-9A.8 Eligible procurement card issuers; eligible providers of wire transfer services

SUBCHAPTER 10. MUNICIPAL PORT AUTHORITIES

- 5:30-10.1 Annual budgets of municipal port authorities
- 5:30-10.2 Approval of municipal port authorities obligations; municipal guarantees of authority bonds; financing agreements; and leases, sales or dispositions of real property

SUBCHAPTER 11. CHANGE ORDERS AND OPEN-END CONTRACTS

- 5:30-11.1 Application, compliance and penalties
- 5:30-11.2 Definitions
- 5:30-11.3 General requirements for all change orders
- 5:30-11.4 Procedures for minor field (site) modifications
- 5:30-11.5 General procedures for change orders
- 5:30-11.6 Change orders for professional services and extraordinary unspecifiable services
- 5:30-11.7 Change orders for materials, supplies and equipment which are part of construction contract
- 5:30-11.8 Change orders for construction, reconstruction and major repair contracts
- 5:30-11.9 Procedures for change orders which exceed 20 percent limitation
- 5:30-11.10 Open-end contracts

SUBCHAPTER 12. FEDERAL GRANTS FOR LIBRARY CONSTRUCTION AND STATE LIBRARY AID

- 5:30-12.1 General provisions
- 5:30-12.2 Procedure
- 5:30-12.3 Federal grants for library services
- 5:30-12.4 State library aid

SUBCHAPTER 13. FINANCIAL REVIEW BOARDS

- 5:30-13.1 Definitions
- 5:30-13.2 Powers and responsibilities
- 5:30-13.3 Financial review board
- 5:30-13.4 Report
- 5:30-13.5 Financial plan preparation
- 5:30-13.6 Financial plan modification
- 5:30-13.7 Annual municipal budget approval
- 5:30-13.8 Issuance of debt
- 5:30-13.9 Emergency appropriations, budget amendments, transfer of appropriation
- 5:30-13.10 Contracts
- 5:30-13.11 Orders and directives

SUBCHAPTER 14. EMERGENCY SERVICE VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM

- 5:30-14.1 Definitions
- 5:30-14.2 Creating LOSAPs: Determining the sponsoring agency for volunteer fire organizations
- 5:30-14.3 Creating LOSAPs: Determining the sponsoring agency for emergency service squads
- 5:30-14.4 LOSAP ordinances/resolutions: public disclosure sites and filing requirements
- 5:30-14.5 Ballot questions

9. Older Americans Act—program income;

10. Municipal Alliance on Alcoholism and Drug Abuse—program income;

11. Tax appeal filing fees collected by the county boards of taxation; and

12. Sanitary landfill closure trust fund.

As amended, R.1978 d.240, eff. July 21, 1978.

See: 10 N.J.R. 223(b), 10 N.J.R. 319(a).

As amended, R.1982 d.186, eff. June 21, 1982.

See: 14 N.J.R. 301(a), 14 N.J.R. 654(a).

(c)6 and 7 added.

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

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

Rewrote (c).

5:30-3.4 Filing of municipal budget amendments

(a) All budget amendments submitted to the Director, Division of Local Government Services for approval per N.J.S.A. 40A:4-85 and N.J.S.A. 40A:4-87 shall be filed with the Director within five days after adoption.

(b) Any such budget amendment not filed within the prescribed time must be accompanied by a statement of reasons, satisfactory to the Director, for such delay.

Amended by R.1979 d.16, eff. January 17, 1979.

See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

New Rule, R.1981 d.216, eff. July 9, 1981.

See: 13 N.J.R. 188(a), 13 N.J.R. 395(b).

5:30-3.5 Detail in support of current budget appropriation

(a) In the budget document filed with the Director, line items of appropriations for administration, operation and maintenance of each office, department, institution or other agency of each local unit shall be shown separately, and provide, at a minimum, a breakdown for "salaries and wage" and "other expenses."

(b) After the introduction of the budget, but no later than seven days prior to the public hearing on the budget, each local unit shall make available to the public such supporting documents that provides appropriate detail covering the makeup of any revenue or appropriation. Such documents shall be made available for public inspection at the office of the municipal clerk or chief financial officer. Copies of the documents shall be made available to the public pursuant to the provisions of N.J.S.A. 47:1A-2.

(c) The appropriate detail as required in (b) above shall include those schedules, estimates, or lists of proposed revenues and appropriations that were utilized by the governing body in its final deliberations on the budget, or used in such other circumstances that reflect the details of the lines items shown in the introduced budget. This provision shall not require the disclosure of any details that were part of a meeting of the governing body that was closed to the public pursuant to the Open Public Meetings Act.

New Rule, R.1990 d.383, effective August 6, 1990.

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

Prior rulemaking activity for 3.5 is as follows:

Amended by R.1979 d.16, effective January 17, 1979.

See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

Repeal and New Rule, R.1998 d.307, effective June 15, 1998.

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

Section was "Supplemental detail in support of current budget appropriation".

5:30-3.6 Emergency appropriations

(a) For emergency appropriations made after the adoption of the annual budget, for a purpose unforeseen at the time of adoption, and made pursuant to N.J.S.A. 40A:4-46 through 40A:4-49, the local unit shall file the following documents with the Director with five working days of the passage of the emergency resolution:

1. Two certified copies of the resolution authorizing the emergency appropriation;

2. An affidavit of the chief financial officer as required by N.J.S.A. 40A:4-52; and

3. For any emergency appropriation entitled "Down payments on improvements," an accounting of the capital improvement fund from the beginning of the budget year through the date of introduction of the related ordinance.

(b) For special emergency appropriations adopted pursuant to N.J.S.A. 40A:4-53 through 55, appropriations shall be made in the subsequent year's budgets pursuant to the following:

1. In the case of a five year emergency, an amount not less than 20 percent of the net deferred charge, unless the local unit elects to include a greater amount, until the emergency has been funded in full.

2. In the case of a three year emergency, an amount not less than one-third of the net deferred charge, unless the local unit elects to include a greater amount until the emergency has been funded in full.

(c) Revenues from Federal or State governments for emergencies resulting from natural or other disaster shall be recognized as miscellaneous revenues, or may be credited to the appropriation, only if the grant is a reimbursement for funds expended by the local unit for emergency purposes in advance of receipt of the grant and in the fiscal year the emergency took place.

(d) If an emergency appropriation is being funded by ordinance, adopted pursuant to the Local Bond Law, the funding shall be for the net amount reflected in the deferred charge and shall represent the total subject to bonding, plus not more than one percent of the amount of the deferred charge for the costs of issuing the bonds.

Repealed by R.1979 d.16, effective January 17, 1979.

See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

Text on purpose repealed.

New Rule R.1990 d.383, effective August 6, 1990.

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

Repeal and New Rule, R.1998 d.307, effective June 15, 1998.

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

Section was "Road repairs".

Recodified from N.J.A.C. 5:30-5.1 by R.2000 d.485, effective December 4, 2000.

See: 32 N.J.R. 3237(a), 32 N.J.R. 4300(a).

5:30-3.7 Reserve for pension contributions

A county or municipality may appropriate and reserve funds for the purpose of anticipating the phase-in increases in the cost of employer pension contributions as set forth in N.J.S.A. 43:15A-24 (Section 1 of P.L. 2003, c.108). Any such amount to be appropriated is to be determined by the governing body. Nothing in this section shall require any specific amount, or any amount at all to be appropriated in any given year. Once appropriated, funds so reserved for payment of pension contributions shall not be used for any other purpose unless approved by the Local Finance Board. Funds shall be used by anticipating them as revenue in the year they are to be expended to satisfy that year's pension obligation. The authority to appropriate and reserve funds or anticipate such funds shall only be effective for Fiscal Years 2004 through 2009.

New Rule, R.2004 d.353, effective September 20, 2004.

See: 36 N.J.R. 2607(a), 36 N.J.R. 4297(a).

5:30-3.8 (Reserved)

Amended by R.1979 d.16, eff. January 17, 1979.

See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

SUBCHAPTER 4. CAPITAL BUDGETS AND CAPITAL IMPROVEMENT PROGRAMS

5:30-4.1 Authority and application

(a) This subchapter is adopted by the Local Finance Board pursuant to its powers authorized at N.J.S.A. 52:27BB-10, 52:27BB-32, and 40A:4-43 to 45.

(b) This subchapter shall apply to all local units, and it shall be the duty of the governing body of each local unit to comply.

5:30-4.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Annual budget" means the Official Budget required to be adopted by the Local Budget Law, and which for purposes of this subchapter includes a separate section known as the Capital Budget and Capital Improvement Program.

"Capital budget" means the first year of a capital program.

"Capital program" means a moving, multi-year plan and schedule for capital projects, including prospective financing sources and, when pertinent, first year operating costs and savings.

"Capital project" means any of the following, with an expected useful life of five years or more and a prospective individual or (when added to the cost of other such items as are listed below) cumulative cost in any year of \$25,000 or more, regardless of the financing sources:

1. Acquisition and/or development of land;
2. Acquisition of major equipment, furniture, or other personal property;
3. Acquisition, construction, improvement and/or renovation of buildings, roads, utilities, structures, improvements or public works;
4. Any other matter described in N.J.S.A. 40A:2-22;

"Director" means the Director of the Division of Local Government Services or his designated representative.

"Financing sources" means any of the following, in any combination, from which moneys are provided to finance capital projects:

1. Appropriations in the annual budget(s) of the current, utility or enterprise, capital or other fund;
2. Bonds or notes;
3. Appropriations from the Capital Improvement Fund or any other funds or reserves;
4. State or Federal aid;
5. Private contributions, bequests, etc.

"Local unit" means any county or municipality.

5:30-4.3 When required

(a) Every local unit shall prepare and adopt a capital budget, in conjunction with its annual operating budget, for any year in which it proposes to undertake a capital project. Inclusion of the following in the annual budget for the year shall, as a minimum, demonstrate the necessity of adopting a capital budget: appropriations for capital improvement fund, specific capital line items or down payments.

(b) No local unit shall adopt a bond ordinance unless:

1. It has already adopted a capital budget as part of the annual budget; or
2. If prior to final adoption of the annual budget, by adoption of a temporary capital budget which subsequently shall be included in the annual budget; or
3. If a need is determined after adoption of the annual budget, by adoption of a capital budget or an amendment to the capital budget.

(c) Every local unit which adopts a capital budget shall also adopt a capital program, as provided below, or add a year to an existing capital program to replace the budget year. The capital program shall be submitted to the director with the capital budget.

5:30-4.4 Method of adoption

(a) Any capital budget or capital improvement program that is to be adopted shall:

1. Be assembled and prepared by the officer(s) responsible for preparing the annual budget, provided that the provisions of N.J.S.A. 40:55D-29, permitting the governing body to authorize the planning board to prepare a suggested capital improvement program, are considered.

2. Be adopted by the affirmative vote of a majority of the full authorized membership of the governing body.

3. Be referred to the planning board, if it affects the adopted master plan, at least 45 days prior to adoption. (See N.J.S.A. 40:55D-31 for full provisions.) Observance of this requirement would suggest notification to the planning board by January 10 for counties and February 3 for municipalities.

4. Be treated as part of the Official Budget and shall be published as part of it.

5. When an initial adoption or amendment is needed outside of the normal budget adoption procedure, the following should be observed:

i. Planning board review: As described above, this is optional at governing body discretion per N.J.S.A. 40:55D-29, except that it is mandatory per N.J.S.A. 40:55D-31 if the project affects the master plan (consult local attorney for guidance);

ii. Use of the Standard forms described below;

iii. Adoption by resolution;

iv. Same majority vote;

v. Publication in local newspaper;

vi. Filing with the Director for review and certification.

(b) An amendment to the Capital Budget must be approved by resolution of the governing body for the following:

1. To change priority of a specific project and use such funds for an unrelated project.

2. To fund new projects not previously considered.

3. A copy of the ordinance authorizing the project must contain the following statement:

"The capital budget is hereby amended to conform with the provisions of this ordinance to the extent of an inconsistency therewith and the resolutions promulgat-

ed by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services as on file with the (municipal clerk) (Clerk to the Board of Chosen Freeholders) and is available for public inspection."

4. A certified copy of the resolution shall be submitted in duplicate to the Director, Division of Local Government Services.

As amended, R.1981 d.3, eff. January 6, 1981.

See: 12 N.J.R. 568(b), 13 N.J.R. 73(b).

(b) added.

Amended by R.2003 d.404, effective October 20, 2003.

See: 35 N.J.R. 2427(a), 35 N.J.R. 4862(b).

Rewrote (b).

5:30-4.5 Forms and content

(a) The director shall provide forms as part of the annual budget document. These forms are mandatory, except that the director, at his discretion, may authorize the use of other forms that provide substantially the same information. Prior written approval shall be sought.

(b) The capital budget shall include by title all projects scheduled for startup in the current budget year or for continuation/completion from prior years, the amounts appropriated and the anticipated financing by source and amount.

(c) Capital program forms rules are as follows.

1. The capital program shall include by title all projects anticipated for the budget year and two or more additional years, as provided below, with the estimated costs and the anticipated financing by sources and amounts:

Population	Minimum Program Period
Under 10,000	3 years
Over 10,000	6 years

2. A municipality with population under 10,000 may discontinue annual capital program submissions whenever it shall, in compliance with the terms of this regulation, have had no capital budgets for three consecutive years provided, that the capital program shall be reinstated when a capital budget is adopted.

5:30-4.6 Review and certification

(a) The director shall, as part of his review of each local unit's annual budget, determine whether a capital budget and program are required, and if so, whether it has been included in the proper form. This review shall not extend to any determination as to the sufficiency or wisdom of its content.

(b) If the required capital budget and programs are not included in accordance with the requirements of this regulation, approval of the entire budget may be withheld, pending local corrective action.

5:30-4.7 Capital expenditures proscribed

Pursuant to N.J.S.A. 40A:4-44, no local unit shall make appropriations or authorize expenditures or obligations for capital projects in the absence of an adopted capital budget or other than in accordance therewith, except for the preliminary expenses of plans, specifications, and estimates.