

CHAPTER 30

LOCAL FINANCE BOARD

Authority

N.J.S.A. 52:27BB-10, 52:27BB-32, 52:27D-18, 40A:4083, 40A:5-38, 40A:11-11, 40A:12-6.

Source and Effective Date

R.1993 d.297, effective May 27, 1993. See: 25 N.J.R. 1630(a), 25 N.J.R. 2688(a).

Executive Order No. 66(1978) Expiration Date

Chapter 30, Local Finance Board, expires May 27, 1998.

Historical Note

All provisions of this chapter, Local Finance Board, became effective April 13, 1970 as R.1970 d.40. See: 1 N.J.R. 17(d), 2 N.J.R. 39(a).

1972 Revisions: Amendments became effective March 2, 1972 as R.1972 d.42. See: 3 N.J.R. 219(a), 4 N.J.R. 63(a).

1975 Revisions: Amendments became effective April 24, 1975 as R.1975 d.107. See: 7 N.J.R. 201(b). Further amendments became effective June 18, 1975 as R.1975 d.168. See: 7 N.J.R. 306(a). Further amendments became effective September 29, 1975 as R.1975 d.287. See: 7 N.J.R. 497(b).

1976 Revisions: Amendments became effective January 1, 1976 as R.1975 d.322. See: 7 N.J.R. 540(a). Further amendments became effective May 6, 1976 as R.1976 d.91. See: 8 N.J.R. 216(c). Further amendments became effective June 15, 1976 as R.1976 d.130. See: 8 N.J.R. 271(a).

1977 Revisions: Amendments became effective January 1, 1977 as R.1976 d.384. See: 8 N.J.R. 10(a). Further amendments became effective March 10, 1977 as R.1977 d.81. See: 9 N.J.R. 165(a). Further amendments became effective April 15, 1977 as R.1977 d.82. See: 8 N.J.R. 371(c), 9 N.J.R. 166(a). Further amendments became effective May 20, 1977 as R.1977 d.127. See: 9 N.J.R. 211(a). Further amendments became effective October 6, 1977 as R.1977 d.347. See: 9 N.J.R. 457(a). Further amendments became effective December 21, 1977 as R.1977 d.479. See: 10 N.J.R. 55(a).

1978 Revisions: Amendments became effective June 22, 1978 as R.1978 d.211. Further amendments became effective July 17, 1978 as R.1978 d.233. See: 10 N.J.R. 318(a). See: 10 N.J.R. 317(b). Further amendments became effective July 21, 1978 as R.1978 d.241. See: 10 N.J.R. 223(a), 10 N.J.R. 319(b).

1979 Revisions: Amendments to the chapter became effective and Subchapter 10 was repealed effective January 17, 1979 as R.1979 d.16. See: 10 N.J.R. 529(a), 11 N.J.R. 59(a). Further amendments became effective January 17, 1979 as R.1979 d.16. See: 10 N.J.R. 529(a), 11 N.J.R. 59(a). Further amendments became effective February 2, 1979 as R.1979 d.40. See: 11 N.J.R. 7(a), 11 N.J.R. 117(e).

1981 Revisions: Amendments became effective January 6, 1981 as R.1981 d.3. See: 12 N.J.R. 568(b), 13 N.J.R. 73(b). Further amendments became effective May 7, 1981 as R.1981 d.122. See: 13 N.J.R. 121(b), 13 N.J.R. 260(a). Further amendments became effective July 9, 1981 as R.1981 d.216. See: 13 N.J.R. 188(a), 13 N.J.R. 395(b). Further amendments became effective November 2, 1981 (operative November 5, 1981) as R.1981 d.381. See: 13 N.J.R. 475(a), 13 N.J.R. 755(a).

1982 Revisions: Amendments became effective June 21, 1982 as R.1982 d.186. See: 14 N.J.R. 301(a), 14 N.J.R. 654(a).

1983 Revisions: This chapter was readopted effective June 21, 1983 as R.1983 d.277. See: 15 N.J.R. 463(b), 15 N.J.R. 1180(a).

1984 Revisions: New subchapter 10 became effective September 4, 1984 as R.1984 d.381. See: 15 N.J.R. 1204(a), 16 N.J.R. 2357(a).

1986 Revisions: Amendments to subchapter 17 became effective August 4, 1986 as R.1986 d.315. See: 18 N.J.R. 1022(a), 18 N.J.R. 1524(a).

1988 Revisions: This chapter was readopted in compliance with Executive Order No. 66(1978) effective June 29, 1988 as R.1988 d.350. See: 20 N.J.R. 1027(a), 20 N.J.R. 1879(a).

Pursuant to Executive Order No. 66(1978), Chapter 30 was readopted as R.1993 d.297. See: Source and Effective Date.

See section annotations on additional rulemaking.

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SUBCHAPTER 1. GENERAL PROVISIONS

5:30-1.1 Rules and regulations

(a) The statutes creating the Local Finance Board and the Division of Local Finance (N.J.S.A. 52:27) are attached to and deemed part of these rules and regulations.

(b) The Local Finance Board shall meet on the third Monday of January, April, July, and October of each year; in addition, it shall meet on the third Tuesday of each month at its office, 101 South Broad Street, Trenton, New Jersey at 9:30 A.M., unless otherwise ordered by formal action of the board.

(c) The board shall also meet at the call of the director, acting as chairman, by notice in writing or telegram 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 director or any member thereof to transact any business which may properly come before it.

(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.

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).

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 on a determination or action by the director shall be held upon the receipt of a petition filed with the director or secretary. Said petition shall be in the form of the attached, entitled, "Petition for hearing", as approved by the Local Finance Board on January 30, 1939.

5:30-1.4 Vote

(a) In the case of a vote on any appeal from a determination of the Director, the Director shall disqualify himself or herself from a vote, but shall preside at the hearing on the appeal. A vote of a majority of the whole board, namely, five votes, shall be required in determining whether any appeal from any action of the Director shall be sustained or reserved.

Local Finance Board
 Division of Local Government Services
 Department of Community Affairs
 CN 803
 Trenton, New Jersey 08625

As amended, R.1979 d.294, eff. September 1, 1979.
 See: 11 N.J.R. 431(c).
 Administrative Correction to (b).
 See: 23 N.J.R. 57(b).

5:30-6.2 through 5:30-6.4 (Reserved)

As amended, R.1979 d.16, eff. January 17, 1979.
 See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

5:30-6.5 Certification of governing body

(a) N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts, and financial transactions.

(b) The annual report of audit has been filed by a registered municipal accountant with the Clerk of the Board of Freeholders (Municipal Clerk) as per the requirements of N.J.S.A. 40A:5-6, and a copy has been received by each member of the governing body.

(c) The Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per N.J.S.A. 52:27BB-34.

(d) The Local Finance Board has promulgated a regulation requiring that the governing body of each municipality shall by resolution certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed as a minimum, the sections of the annual audit entitled: General Comments; Recommendations.

(e) The members of the governing body have personally reviewed as a minimum the annual report of audit, and specifically the sections of the annual audit entitled: General Comments; Recommendations, as evidenced by the group affidavit form of the governing body.

(f) Such resolution of certification shall be adopted by the governing body no later than 45 days after the receipt of the annual audit, as per the regulations of the Local Finance Board.

(g) All members of the governing body have received and familiarized themselves with, at least, the minimal requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board.

(h) Failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the members of the local governing body to the penalty provisions of N.J.S.A. 52:27B-52.

5:30-6.6 Enforcement of State statutes

(a) The rules and regulations of the Local Finance Board pertaining to the implementation and execution of N.J.S.A. 18A:24-3 and N.J.S.A. 40A:2-8 shall be as follows: Exhibits C-19 and D-53 of the requirements of audit must be revised so as to set forth the ten per cent of the total amount of the authorization which is not subject to the three year and four month limitation imposed by the amendment to N.J.S.A. 40:2-8. Sheets 32.33.51 and 52 of the Annual Financial Statement must be revised in a similar manner.

(b) The Local Finance Board suggests and recommends that the publication of the Department of Education—Division of Business and Finance, titled "Financial Accounting for New Jersey School Districts—The Audit Program" Exhibit B-3 be revised in a similar manner as the "Requirements of Audit"—Exhibits C-19 and D-53 promulgated by the Local Finance Board.

(c) The Chief Financial Officer of every municipality and the Chief Financial Officer of every school district should be required to maintain a permanent record of the issuance of bond anticipation notes or temporary notes or loan bonds, for each improvement for which the issuance of debt has been authorized. The maintenance of a permanent record is necessary in order to readily determine compliance with the time limitations imposed by the amendments to N.J.S.A. 18A:24-3 and 40A:2-8.

5:30-6.7 Capital projects financed by capital improvement fund, capital surplus or other capital reserves

All expenditures from a capital surplus account, from a capital reserve set aside for a specific capital purpose, or from a capital improvement fund other than those expenditures permitted for preliminary expenses under the regulation of the Local Finance Board adopted November 10, 1964, shall be made by means of an ordinance appropriation duly adopted by the municipality or county, which ordinance shall become effective upon advertising following final adoption in the manner required by statute.

5:30-6.8 through 5:30-6.11 (Reserved)

As amended, R.1979 d.16, eff. January 17, 1979.
 See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

SUBCHAPTER 7. BONDS

5:30-7.1 through 5:30-7.9 (Reserved)

As amended, R.1979 d.16, eff. January 17, 1979.
 See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

5:30-7.10 (Reserved)

Repealed by R.1990 d.383, effective August 6, 1990.
 See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on minimum surety bond coverage for tax collectors repealed.

5:30-7.11 (Reserved)

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on effective date of the revised bond schedule repealed.

5:30-7.12 (Reserved)

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on minimum surety bond requirements for municipal courts repealed.

5:30-7.13 (Reserved)

As amended, R.1979 d.16, eff. January 17, 1979.
See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).

SUBCHAPTER 8. FINANCIAL ADMINISTRATION**5:30-8.1 Mechanical and data processing accounting**

(a) In any instance where a local unit is planning any mechanical, punch card or E.D.P. installation or utilizing the services of an Electronic Data Processing Center, it shall before entering into any agreement or contract submit a detailed resume of the program, the type thereof, the results to be obtained, the personnel required and the savings in operations (a complete brochure).

(b) Effective December 1, 1964, the Division will indicate its disapproval thereof if there are any unworkable features such as a failure to have at all times a complete, visible statement of a taxpayer's account, or information needed for tax searches, or conventional visible forms for other financial activities capable of being checked by approved auditing standards either in detail or by adequate "test check". (L.F.B. regulation)

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 uniform systems of accounting repealed.
Recodified by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on mechanical and data processing accounting recodified from 8.6.

5:30-8.2 (Reserved)

R.1977 d.81, eff. March 10, 1977.

See: 9 N.J.R. 165(a).

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 rules and regulations repealed.

Recodified by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on unbudgeted school aid refunds recodified from 8.9.

Repealed by R.1992 d.426, effective October 19, 1992.

See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).

Text on unbudgeted school aid refunds per P.L. 1977 c.15 repealed.

5:30-8.3 Minimum surety bond coverage for tax collectors

(a) The Local Finance Board has further considered the provisions of N.J.S.A. 54:4-122.5 and has determined that the minimum surety bond coverage for tax collections should be made applicable to the collector of utility rentals and charges.

(b) The Local Finance Board promulgated the following requirements:

1. The minimum requirement for the surety bond of each tax collector (or the collector's office) shall be such percentage of the preceding year's tax duplicate as is required by the schedule set forth in paragraph 3 of this subsection.

2. The minimum requirement for the surety bond of each collector of utility rents shall be such percentage of the preceding year's utility charges as is required by the schedule set forth in paragraph 3 of this subsection.

3. Tax Levy or Utility Charges Minimum Bond Required

Up to \$100,000	25% of the Levy
\$100,000 to \$250,000	\$25,000 + 8% of all over \$100,000
\$250,000 to \$500,000	\$37,000 + 6% of all over \$250,000
\$500,000 to \$750,000	\$52,000 + 4% of all over \$500,000
\$750,000 to \$1,000,000	\$62,000 + 2% of all over \$750,000
\$1,000,000 to \$2,000,000	\$67,000 + 1% of all over \$1,000,000
\$2,000,000 to \$5,000,000	\$77,000 + ½% of all over \$2,000,000
\$5,000,000 and upwards	\$92,000 + ¼% of all over \$5,000,000

4. That in fixing such minimum bond the nearest even \$1,000 shall be used.

5. When the collector of taxes and the collector of utility charges is the same person the minimum surety bond coverage shall be computed separately. The required amounts shall be combined in a single surety bond.

6. That the minimum coverage arrived at by use of the foregoing schedule shall be an overall minimum amount where there is more than one person in the office. The several persons handling funds should be bonded in accordance with their responsibility.

7. The Board hereby directs that the Director of Local Finance notify every municipality that each and every collector, collector's office and utility collector or utility collector's office be bonded in accordance with the aforementioned minimum amounts.

8. That in any case where a municipality desires to substitute for the foregoing method any other method which it deems satisfactory and which complies with the provisions of the existing statutes, such substituted procedure, shall, if approved by the Local Finance Board, be deemed to comply with the regulations of the Board.

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 books and forms repealed.

New Rule R.1990 d.383, effective August 6, 1990.
 See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

5:30-8.4 Minimum surety bond requirements for municipal courts

(a) The Local Finance Board reviewed the present minimum surety bond requirements for the municipal courts. The minimum surety bond requirements shall be in accordance with the following schedule:

Total Annual Receipts	Minimum Bond Required
\$1 to \$5,000	\$2,000
\$5,000 to \$10,000	\$2,000 + 30% of all over \$5,000
\$10,000 to \$20,000	\$3,500 + 25% of all over \$10,000
\$20,000 to \$50,000	\$6,000 + 15% of all over \$20,000
\$50,000 to \$100,000	\$10,500 + 12% of all over \$50,000
\$100,000 to \$200,000	\$16,500 + 8% of all over \$100,000
\$200,000 to \$500,000	\$24,500 + 5% of all over \$200,000
\$500,000 to \$1,000,000	\$39,500 + 2% of all over \$500,000
\$1,000,000 and up	\$49,500 + 1% of all over \$1,000,000

(b) The Magistrate as well as the Clerk of the Court, and all other proper officers, shall be bonded in such amount as may be deemed appropriate and adequate under the circumstances, the amount, including all assistants, to be not less than the minimum referred to in subsection (a) of this section, and in every case where the minimum requirement applies, based on the volume of annual transactions, the Magistrate and the Clerk of the Court shall be bonded in the amount of not less than \$1,000.00 each.

(c) In those cases where the minimum requirement, based on the volume of business of the Court, calls for an amount in excess of \$2,000.00, it may be appropriate to bond the Magistrate or the Clerk, as the case may be, in an amount which shall be above the \$1,000.00 minimum required by statute to the nearest \$500.00 above said minimum.

(d) The municipal governing body and the Municipal Judge may allocate the amount of the coverage as between the Magistrate, the Clerk of the Court and other employees, in accordance with the financial responsibility of each officer with due regard to the \$1,000.00 minimum for each individual.

(e) There shall be a recomputation as to the minimum bond requirement annually and if the bond presently in force is less than the minimum required by the above schedule, the bond shall be increased.

(f) In all cases, however, a new bond shall be obtained at least every three years, coinciding with the term of office of the Magistrate.

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 installation of systems repealed.
 New Rule R.1990 d.383, effective August 6, 1990.
 See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

5:30-8.5 Guidelines concerning receipt and custody of public funds

(a) No officer of a local unit shall accept in receipt of the payment of any tax, license, fee or other charge, a check in excess of the amount actually due.

(b) Under no circumstances shall said officer engage in the practice of cashing checks with public funds.

(c) The Director of the Division of Local Government Services shall provide copies of this resolution to all fiscal units together with such explanatory information as he may deem appropriate, and he is hereby directed to take such steps as are necessary to implement this resolution.

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 instruction and consultation repealed.
 New Rule R.1990 d.383, effective August 6, 1990.
 See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

5:30-8.6 Signatures on checks drawn upon the treasury of the local unit

(a) Each municipality by July 1, 1972 and at each subsequent organizational meeting shall designate by resolution the individual or individuals, in accordance with N.J.S.A. 40A:5-17b, in addition to the signature of the treasurer, or if there is no treasurer, such other person who is the custodian of funds of the municipality, whose signature or signatures shall appear on checks drawn upon the treasury of the municipality.

(b) Each county board of freeholders at its annual first organizational meeting shall designate such county officer(s), in addition to the county treasurer, or if there is no treasurer, such other person who is custodian of funds of the county, whose signature or signatures shall appear on checks drawn upon the treasury of the county.

(c) Pursuant to N.J.S.A. 40A:5-19, a different signature practice may be established by ordinance in the case of a municipality and by resolution in the case of a county, for checks for wages and salaries.

(d) The Director of the Division of Local Government Services shall provide copies of the resolution to all affected local units together with such explanatory information as he may deem appropriate, and he is hereby directed to take such steps as are necessary to implement this resolution.

Recodified by R.1990 d.383, effective August 6, 1990.
 See: 22 N.J.R. 706(b).
 Text on mechanical and data processing accounting recodified to 8.1.
 New Rule R.1990 d.383, effective August 6, 1990.
 See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

5:30-8.7 Type I school bonds

(a) The provisions of N.J.S.A. 18:10-15 and N.J.S.A. 18:10-29, 52 to 59 are intended to provide a method of preventing defaults in the payment of certain school bonds;

and it is apparent that it will be necessary to secure information from the municipality in the case of a Type I school bond or interest which may go into default.

(b) It is the duty and responsibility of the municipal treasurer to advise the Division of Local Government Services and the Department of Education in any case where there might be a prospective default in the payment of principal or interest of any school bonds falling due from this date (1958).

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on tax bill receipting machine repealed.
New Rule R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

5:30-8.8 Implementation of the Housing and Community Development Act of 1974

(a) The dedicated revenues from the Housing and Community Development Act of 1974 and appropriated for the purpose to which the revenue is dedicated will be made a part of the budget of the local unit as a dedication by rider under the provisions of N.J.S.A. 40A:4-39.

(b) The local unit shall establish a separate bank account entitled "community development block grant" which shall be part of a separate trust fund.

(c) All operating expenditures must conform to each contract.

(d) Expenditures for capital purposes shall follow the process of adoption of an ordinance authorizing such capital expenditures.

(e) All the provisions of the Local Public Contracts Law (N.J.S.A. 40A:11) and the Local Lands and Buildings Law (N.J.S.A. 40A:12) shall be complied with.

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on tax collector's course repealed.
New Rule R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

5:30-8.9 Implementation of the Housing and Community Development Act of 1974; urban counties

(a) The governing body of each participating municipality shall adopt an ordinance to enter into an agreement with their respective county as prescribed by the Division of Local Government Services for compliance with the Interlocal Services Act.

(b) There may be established an interfund loan should the participating municipality expect to expend funds prior to receipt of Housing and Community Development Act of 1974 funds from the county.

(c) The dedicated revenues from the Housing and Community Development Act of 1974 and appropriated for the purpose to which the revenue is dedicated will be made a part of the budget of the local unit as a dedication by rider under the provisions of N.J.S.A. 40A:4-39.

(d) The local unit shall establish a separate bank account entitled "community development block grant" which shall be part of a separate trust fund.

(e) All operating expenditures must conform to each contract. Any expenditures not included in contract with the county shall be considered an overexpenditure and a violation of N.J.S.A. 40A:4-57.

(f) Expenditures for capital purposes shall follow the process of adoption of an ordinance authorizing such capital expenditures.

(g) All the provisions of the Local Public Contracts Law, N.J.S.A. 40A:11, and the Local Lands and Building Law, N.J.S.A. 40A:12, shall be complied with.

Recodified by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on unbudgeted school aid refunds recodified to 8.2.
New Rule R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

SUBCHAPTER 9. (RESERVED)

5:30-9.1 Bank collection of tax payments

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 systems repealed.
New Rule R.1981 d.2, effective January 6, 1981.
See: 12 N.J.R. 633(a), 13 N.J.R. 73(a).

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on bank collection of tax payments repealed.

5:30-9.2 Form of tax collection record

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 inspection of local administration repealed.
New Rule R.1981 d.122, effective May 7, 1981.
See: 13 N.J.R. 121(b), 13 N.J.R. 260(a).

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on form of tax collection record repealed.

5:30-9.3 Examination previews: Tax collector certification

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 investigation repealed.
New Rule R.1981 d.121, effective May 7, 1981.
See: 13 N.J.R. 70(d), 13 N.J.R. 260(b).

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Text on examination previews: tax collector certification repealed.

5:30-9.4 Issuance of orders

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 issuance of orders repealed.

5:30-9.5 Hearings and powers of inquiry

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 hearings and powers of inquiry repealed.

5:30-9.6 Compliance

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 compliance repealed.

5:30-9.7 Duty of local officers

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 duty of local officers repealed.

5:30-9.8 Enforcement of orders; penalties

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 enforcement of orders; penalties repealed.

5:30-9.9 Guidelines concerning receipt and custody of public funds

Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).
Text on receipt and custody of public funds repealed.

5:30-9.10 Signatures on checks drawn upon the treasury of the local unit

Amended by R.1972, d.42, effective March 2, 1972.
See: 3 N.J.R. 219(a), 4 N.J.R. 63(a).
Repealed by R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).
Text on signatures on checks drawn on the local unit repealed.

SUBCHAPTER 10. MUNICIPAL PORT AUTHORITIES**5:30-10.1 Annual budgets of municipal port authorities**

(a) Every municipal port authority shall submit its annual budget to the Local Finance Board at least 45 days prior to the date upon which such budget is scheduled for final adoption for approval by the Local Finance Board.

(b) In reviewing and approving each such budget, the Local Finance Board shall consider whether:

1. All estimates of revenue contained in such budget are reasonable, accurate and fairly stated;
2. The items of appropriation contained in such budget are properly set forth;

3. The budget, in itemization, form, arrangement and content will permit the exercise of the comptroller function within the authority; and

4. The operating income anticipated in such budget will, together with all other anticipated revenues:

- i. Produce sufficient revenues to satisfy all obligations to the bondholders of the authority;
- ii. Meet operating expenses, capital outlays and debt service requirements; and
- iii. Provide for necessary reserves, all as may be required by law, regulations or terms of contracts and agreements.

(c) The Local Finance Board may require that a municipal port authority provide it with whatever information and documentation it may deem necessary in connection with its review.

(d) If the Local Finance Board finds that the foregoing conditions have been satisfied, it shall approve the budget; otherwise, it may determine either to disapprove it or to require amendments thereto. In consideration whether or not to approve the budget, the Local Finance Board shall not substitute its discretion with respect to an amount of an appropriation when the amount is not made mandatory by law or regulation.

(e) In the event the Local Finance Board shall disapprove the proposed budget, the Board shall notify the authority and shall give the authority and any other interested parties an opportunity to be heard.

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

(a) No authority shall adopt any final resolution authorizing:

1. The issuance of bonds, notes, mortgages or other obligations;
2. The entry into any agreement providing for a municipal guarantee of authority bonds;
3. The entry into any financing agreement; or
4. The entry into any agreement for the leasing, sale or disposition of real property unless and until it shall have obtained the approval of the Local Finance Board to do so.

(b) Prior to the adoption of any such proposed resolution, the authority shall submit the proposed resolution to the Local Finance Board for review and approval.

(c) The Local Finance Board may, by resolution adopted within a reasonable time, approve or disapprove any such

resolution proposed by the authority, or may require changes in the proposed resolution.

(d) The Local Finance Board shall, in the course of its review, give consideration to:

1. The nature, purpose and scope of the proposed project financing or of the lease, sale or disposition of real property;
2. The engineering and feasibility studies or appraisals prepared in connection therewith;
3. The terms and provisions of the proposed agreements for the lease, sale or disposition of real property, financing agreements, security agreements and, in the instance of a negotiated offering, the proposed or maximum conditions of sale;
4. The proposed or maximum schedule of debt service payments required and the impact thereof on the budget and financial condition of the authority and of the local unit or units which created the authority;
5. The estimate of the annual cost of operating and maintaining the project as set forth in the engineering report and feasibility studies; and the initial rate, rent, fee or change schedule or structure proposed by the authority, or other proposed method of raising the amounts required to finance the operations of the authority, pay debt service on its obligations and maintain reserves required by law, regulation or term of contracts and agreements. The Local Finance Board may examine the estimates, computations or calculations made in connection with this submission, may require the submission of any papers, documents, appraisals, witnesses, information, audits or investigations and may take any action which it may determine advisable in connection with this project.

(e) If after such review and consideration, the Local Finance Board determines that the project cost has been accurately determined, that the method for funding the project and the proposed financing arrangements are reasonable and feasible, that the proposed arrangements would not impose an undue financial burden on the authority, the local unit or the residents of the local unit which created the authority and would not materially impair the credit of the authority of the local unit or substantially reduce their ability to pay punctually the principal and interest on their outstanding indebtedness and supply essential public services and improvements; and in the case of a lease, sale or disposition of real property, that the terms of the lease, sale or disposition are fair and reasonable in light of current market conditions, it shall approve the resolution proposed by the port authority.

(f) The Local Finance Board may waive the provisions of (d) and (e) above when the proposed financing agreement, guarantee agreement or debt authorization does not exceed \$50,000 or when the proposed agreement for the leasing, sale or disposition of real property does not exceed an annual rental or total sale proceeds of \$15,000.

(g) At any time within 12 months after approval of the Local Finance Board, the authority may adopt the resolution so approved and, after adoption, shall immediately transmit a copy to the Local Finance Board. Failure of any authority to act within 12 months after approval by the Local Finance Board will void the resolution adopted by the Local Finance Board.

SUBCHAPTER 11. (RESERVED)

Subchapter Historical Note

Subchapter 11, School Bonds, was effective April 13, 1970 as R.1970 d.40. See: 1 N.J.R. 17(d), 2 N.J.R. 39(a). N.J.A.C. 5:30-11.1 through 11.7 were repealed by R.1979 d.16, effective January 17, 1979. N.J.A.C. 5:30-11.8 was repealed by R.1990 d.383, effective August 6, 1990. See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

See section annotations following for specific subjects.

5:30-11.1 Bonds in excess of statutory limitations

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 bonds in excess of statutory limitations repealed.

5:30-11.2 Submission for consideration

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 submission for consideration repealed.

5:30-11.3 Approval or disapproval by Commissioner

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 approval or disapproval by Commissioner repealed.

5:30-11.4 Approval or disapproval by Local Finance Board

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 approval or disapproval by Local Finance Board repealed.

5:30-11.5 Change of maturities; application to Local Finance Board

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 change of maturities; application to Local Finance Board repealed.

5:30-11.6 Change of maturities; approval or disapproval by Local Finance Board

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 change of maturities; approval or disapproval by Local Finance Board repealed.

5:30-11.7 Issuance of bonds in accordance with maturities approved by Local Finance Board

Repealed by R.1979 d.16, effective January 17, 1979.
See: 10 N.J.R. 529(a), 11 N.J.R. 59(a).