

ASSEMBLY, No. 878

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblymen BLEE and LEFEVRE

1 AN ACT concerning the audit period of the Atlantic City Convention  
2 Center Authority, amending P.L.1981, c.459 and supplementing  
3 Title 52 of the Revised Statutes.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

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8 1. Section 14 of P.L.1981, c.459 (C.52:27H-42) is amended to  
9 read as follows:

10 14. a. As soon as it is practicable after the appointment and  
11 qualification of the members of the authority, and annually thereafter,  
12 at least 45 days preceding the commencement of the authority's [fiscal]  
13 accounting year on [July] January 1 of each year, the authority shall  
14 prepare a proposed budget for its operations and activities for the  
15 ensuing [fiscal] accounting year.

16 b. The budget shall set forth anticipated revenues for the ensuing  
17 [fiscal] accounting year and the sources thereof, and appropriations for  
18 the same period, which appropriations shall not exceed the anticipated  
19 revenues. No revenue from any source shall be anticipated unless it  
20 can be reasonably expected to be realized during the [fiscal]  
21 accounting year to which the budget applies. Appropriations shall be  
22 segregated as salaries and wages, contractual other expenses, and  
23 noncontractual other expenses.

24 c. An appropriation for "anticipated operating deficit of preceding  
25 year" shall appear in each annual budget in the amount by which the  
26 liabilities and disbursements of the authority for expenditures in the  
27 next preceding [fiscal] accounting year exceed or are likely to exceed  
28 receipts and other revenue in that year, subtracting any expenditures  
29 provided for by surplus anticipated in the budget.

30 d. No proposed budget prepared by the authority pursuant to this  
31 section shall be approved by the authority unless it is in compliance  
32 with the terms of any contract authorized pursuant to section 9 of this

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 act and has been approved by the New Jersey Sports and Exposition  
2 Authority.

3 (cf: P.L.1991, c.375, s.10)

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5 2. Section 16 of P.L.1981, c.459 (C.52:27H-44) is amended to  
6 read as follows:

7 16. On or before the last day of the third month following the close  
8 of each [fiscal] accounting year, the authority shall make an annual  
9 report of its activities for the preceding [fiscal] accounting year to the  
10 Governor, the Legislature, and the New Jersey Sports and Exposition  
11 Authority. The report shall set forth a complete operating and  
12 financial statement covering its operations during the year. The  
13 director shall audit the books and accounts of the authority for each  
14 [fiscal] accounting year, and a copy of that audit shall be filed with the  
15 Governor, the Legislature, and the New Jersey Sports and Exposition  
16 Authority.

17 (cf: P.L. 1991, c.375, s.11)

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19 3. (New section). Notwithstanding the provisions of any law, rule  
20 or regulation to the contrary, the authority shall prepare a special  
21 transition budget, and a separate audit thereof, for the six month  
22 period running from June 30 through December 31 immediately  
23 preceding the operative date of sections 1 and 2 of this 1995  
24 amendatory and supplementary act. The report of activities of the  
25 authority for the first accounting year beginning on January 1,  
26 prepared pursuant to the provisions of section 16 of P.L. 1981, c. 459  
27 (C.52:27H-44) shall include activities from the six month period  
28 designated herein.

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30 4. This act shall take effect immediately, but sections 1 and 2 shall  
31 remain inoperative until January 1 next following enactment.

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#### STATEMENT

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36 This bill amends the "Atlantic City Convention Center Authority  
37 Act," P.L.1981, c.459 (C.52:27H-29 et seq.) to require that the  
38 authority complete its mandatory annual audit on a calendar year basis  
39 rather than a fiscal year basis, as is currently the case. This  
40 amendment is necessary to coordinate the authority's audit year with  
41 the terms of the contract the authority recently entered into with the  
42 New Jersey Sports and Exposition Authority for the construction and  
43 operation of the Atlantic City Convention Center.

44 In conformance with the change in audit periods, the bill also  
45 supplements P.L.1981, c.459 to provide for a calendar-year budget  
46 cycle. These changes would take effect January 1 next following

1 enactment of the bill, and a six-month transition budget would precede  
2 the first calendar-year budget.

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7 Changes the audit period of the Atlantic City Convention Center

8 Authority from a fiscal year basis to a calendar year basis.