

**TOWNSHIP OF FAIRFIELD  
COUNTY OF ESSEX  
NEW JERSEY**

**REPORT ON  
EXAMINATION OF ACCOUNTS  
FOR THE YEAR 2015**

**SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS**

**TOWNSHIP OF FAIRFIELD**  
**COUNTY OF ESSEX, NEW JERSEY**

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**REPORT ON EXAMINATION**  
**FINANCIAL STATEMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**AND**  
**SUPPLEMENTARY DATA**  
**YEAR ENDED DECEMBER 31, 2015**

# SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members  
of the Township Council  
Township of Fairfield  
Fairfield, New Jersey 07004

### Report on the Financial Statements

We have audited the financial statements - regulatory basis of the various funds and account groups of the Township of Fairfield, in the County of Essex, as of and for the years then ended December 31, 2015 and December 31, 2014, and the related notes to the financial statements - regulatory basis, as listed in the foregoing table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements - regulatory basis in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements - regulatory basis that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements - regulatory basis based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements - regulatory basis are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements - regulatory basis. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements - regulatory basis, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements - regulatory basis in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements - regulatory basis.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1, these financial statements - regulatory basis have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which is a basis of accounting other than accounting principles generally accepted in the United States of America, to demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "*Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles*" paragraph, the financial statements - regulatory basis referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2015 and 2014, and the results of its operations for the years then ended.

### ***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements - regulatory basis referred to above, present fairly, in all material respects, the financial position of the various funds of the Township of Fairfield at December 31, 2015 and 2014, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended, in accordance with accounting principles on the basis of financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements - regulatory basis that collectively comprise the Township's financial statements. The supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements - regulatory basis. Such information has been subjected to the auditing procedures applied in the audit of the financial statements - regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the financial statements - regulatory basis taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2016 on our consideration of the Township of Fairfield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Fairfield's internal control over financial reporting and compliance.



SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey  
October 10, 2016

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A  
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Regular</u>			
Cash - Treasurer	A-4	\$ 7,940,641.98	\$ 6,544,006.77
Cash - Tax Collector	A-5	1,325.29	1,321.79
Cash - Money Market	A-6	131,145.49	130,382.84
Change Funds	A-7	170.00	170.00
		8,073,282.76	6,675,881.40
Due from State of New Jersey per Ch. 129, P.L. 1976	A-8	8,885.85	12,885.85
		8,082,168.61	6,688,767.25
Receivables and Other Assets with Full Reserves:			
Taxes Receivable	A-9	523,228.90	623,244.61
Tax Title Liens Receivable	A-10	1,443,978.80	1,217,231.70
Property Acquired for Taxes - Assessed Valuation	A-11	4,810,800.00	4,810,800.00
Revenue Accounts Receivable	A-12	15,379.65	35,123.86
Other Accounts Receivable	A-13		16,096.43
Interfunds Receivable	A-14	223,374.32	195,891.20
		7,016,761.67	6,898,387.80
Deferred Charges:			
Special Emergency Authorization (N.J.S.A. 40A:4-53)	A-16	141,160.00	211,740.00
		15,240,090.28	13,798,895.05
<u>Federal and State Grant Fund</u>			
Interfunds Receivable	A-15	265,383.87	209,152.95
Federal and State Grants Receivable	A-17	1,707,245.65	1,127,673.86
		1,972,629.52	1,336,826.81
		\$ 17,212,719.80	\$ 15,135,721.86

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A  
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Regular</u>			
Appropriation Reserves:			
Encumbered	A-3,18	\$ 593,705.55	\$ 146,097.20
Unencumbered	A-3,18	1,418,260.97	1,400,102.02
Accounts Payable	A-19	1,147.50	
Tax Overpayments	A-20	744,275.39	444,604.01
Interfunds Payable	A-21	1,520,824.03	1,340,937.39
Special Emergency Note Payable	A-22	141,160.00	211,740.00
Regional High School Taxes Payable	A-25	2.46	
Prepaid Taxes	A-27	<u>276,866.26</u>	<u>105,671.51</u>
		4,696,242.16	3,649,152.13
Reserve for Receivables and Other Assets		7,016,761.67	6,898,387.80
Fund Balance	A-1	<u>3,527,086.45</u>	<u>3,251,355.12</u>
		<u>15,240,090.28</u>	<u>13,798,895.05</u>
 <u>Federal and State Grant Fund</u>			
Federal and State Grant Programs			
Appropriated:			
Encumbered	A-28	875.00	11,239.78
Unencumbered	A-28	<u>1,967,954.52</u>	<u>1,321,734.53</u>
		1,968,829.52	1,332,974.31
Unappropriated Reserves	A-29	<u>3,800.00</u>	<u>3,852.50</u>
		<u>1,972,629.52</u>	<u>1,336,826.81</u>
		<u>\$ 17,212,719.80</u>	<u>\$ 15,135,721.86</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND  
CHANGE IN FUND BALANCE - REGULATORY BASIS

A-1

	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	A-2	\$ 1,828,000.00	\$ 1,600,000.00
Miscellaneous Revenue Anticipated	A-2a	4,987,316.55	5,055,122.46
Receipts from Current Taxes	A-2b	51,974,373.99	50,691,843.82
Receipts from Delinquent Taxes	A-2b	556,662.17	555,408.18
Nonbudget Revenue	A-2e	284,973.57	302,982.84
Other Credits to Income:			
Prior Year Outstanding Checks Voided	A-4	4,001.20	
Other Accounts Receivable Realized	A-13	16,096.43	
Unexpended Balance of Appropriation Reserves	A-18	825,320.02	632,942.93
Increase in Deferred Local School District Tax	A-24	117,685.00	100,558.00
Increase in Deferred Regional High School Tax	A-25	190,432.00	51,608.48
		<u>60,784,860.93</u>	<u>58,990,466.71</u>
<u>Expenditures and Other Charges</u>			
Budget Appropriations:			
Operations:			
Salaries and Wages		7,161,470.00	7,090,970.00
Other Expenses		9,225,199.47	8,818,942.05
Capital Improvements		291,848.00	284,533.40
Debt Service		1,352,503.55	1,349,448.13
Deferred Charges		188,931.23	114,494.94
Statutory Expenditures		1,468,691.00	1,423,588.00
	A-3	<u>19,688,643.25</u>	<u>19,081,976.52</u>
Interfund Charge	A-2d	27,483.12	190,049.33
Prior Year Senior Citizen Deductions Disallowed	A-8	2,250.00	6,000.00
Reserve for Other Accounts Receivable			16,096.43
Grant Adjustments	A-20	26,895.13	58,186.09
County Taxes	A-23	13,515,416.09	13,081,932.39
Local School District Taxes	A-24	10,635,425.00	10,400,059.00
Regional High School Taxes	A-25	14,522,347.00	14,141,483.00
Municipal Open Space Tax	A-26	262,670.01	263,599.71
		<u>58,681,129.60</u>	<u>57,239,382.47</u>
Excess in Revenue		2,103,731.33	1,751,084.24
<u>Fund Balance</u>			
Balance January 1	A	<u>3,251,355.12</u>	<u>3,100,270.88</u>
		5,355,086.45	4,851,355.12
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>1,828,000.00</u>	<u>1,600,000.00</u>
Balance December 31	A	<u>\$ 3,527,086.45</u>	<u>\$ 3,251,355.12</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	A-1	<u>\$ 1,828,000.00</u>	<u>\$ 1,828,000.00</u>	\$
Miscellaneous Revenue	A-2a	<u>4,882,131.02</u>	<u>4,987,316.55</u>	<u>105,185.53</u>
Receipts from Delinquent Taxes	A-2b	<u>550,000.00</u>	<u>556,662.17</u>	<u>6,662.17</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes		13,115,460.66		
Minimum Library Tax		877,548.02		
	A-2b,9	<u>13,993,008.68</u>	<u>14,600,515.89</u>	<u>607,507.21</u>
Budget Totals	A-3	21,253,139.70	21,972,494.61	719,354.91
Nonbudget Revenue	A-2e	<u>                    </u>	<u>284,973.57</u>	<u>284,973.57</u>
		<u>\$ 21,253,139.70</u>	<u>\$22,257,468.18</u>	<u>\$1,004,328.48</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF REVENUE (Continued)  
ANALYSIS OF MISCELLANEOUS REVENUE - REGULATORY BASIS

A-2a

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-12	\$ 46,500.00	\$ 45,841.00	\$ (659.00)
Other	A-2c	10,500.00	10,402.00	(98.00)
Fees and Permits	A-2c	220,000.00	219,113.83	(886.17)
Fines and Costs:				
Municipal Court	A-12	264,000.00	338,027.82	74,027.82
Interest and Costs on Taxes	A-5	172,000.00	163,360.84	(8,639.16)
Interest on Investments and Deposits	A-12	13,000.00	17,944.07	4,944.07
Comcast Franchise Fees (N.J.S.A. 48:5A-30)	A-12	65,367.85	65,367.85	
Hazardous Chemical Control Fees	A-12	50,000.00	59,783.75	9,783.75
Recycling Fees	A-12	12,800.00	2,848.00	(9,952.00)
Hotel Inspection Fees	A-12	42,500.00	42,570.00	70.00
Engineering Escrow Fees	A-12	9,400.00	9,374.44	(25.56)
Fire Prevention Services	A-12	150,000.00	190,744.00	40,744.00
Cellular Tower Rental	A-12	200,000.00	191,717.38	(8,282.62)
Site Plan Review	A-12	5,000.00	8,233.25	3,233.25
Verizon FIOS Franchise Fee (N.J.S.A. 48:5A-30)	A-12	61,726.72	61,726.72	
Sewer Utility Operating Surplus - Current Year	A-14	300,000.00	300,000.00	
Consolidated Municipal Property Tax Relief Act	A-12	13,018.00	13,018.00	
Energy Receipts Tax (P.L. 1997, Chapter 162 & 167)	A-12	1,161,877.00	1,161,877.00	
Garden State Trust Pilot	A-12	10,447.00	10,447.00	
Uniform Construction Code Fees	A-12	250,000.00	331,303.00	81,303.00
Special Items:				
Public and Private Revenue Offset with				
Appropriations:				
Body Armor Replacement Fund	A-17	3,446.80	3,446.80	
Municipal Alliance on Alcoholism and Drug Abuse	A-17	56,080.00	56,080.00	
Alcohol Education, Rehabilitation and Enforcement Fund	A-17	3,064.52	3,064.52	
Recycling Tonnage	A-17	27,955.77	27,955.77	
Drive Sober or Get Pulled Over	A-17	12,500.00	12,500.00	
New Jersey Department of Transportation:				
Lehigh Drive	A-17	226,000.00	226,000.00	
Highway Safety Fund	A-17	10,953.81	10,953.81	
Clean Communities	A-17	18,746.05	18,746.05	
Federal Emergency Management Agency:				
Hazard Mitigation Grant I	A-17	157,500.00	157,500.00	
Hazard Mitigation Grant II	A-17	75,000.00	75,000.00	
Police Donations	A-17	4,552.50	4,552.50	
New Jersey Department of Environmental Protection:				
De-Snagging and Shoal Dredging	A-17	184,800.00	184,800.00	
Other Special Items:				
Uniform Fire Safety Act	A-12	143,700.00	157,824.92	14,124.92
Guaranty Agreement for the Payment of Library				
Debt Service:				
1984 Bonds	A-12	1,350.00	1,350.00	
ECIA Annual Payment	A-12	110,000.00	110,000.00	
Hotel and Motel Occupancy Fees	A-12	625,000.00	668,842.23	43,842.23
Assessment Trust Fund Surplus	A-14	25,000.00	25,000.00	
Interfunds Receivable:				
Developer's Escrow Trust Fund		31,050.00		(31,050.00)
Animal Control Fund		2,900.00		(2,900.00)
Water Operating Fund		56,850.00		(56,850.00)
Sewer Operating Fund		40,395.00		(40,395.00)
Swimming Pool Operating Fund		7,150.00		(7,150.00)
	A-1,2	<u>\$ 4,882,131.02</u>	<u>\$ 4,987,316.55</u>	<u>\$ 105,185.53</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF REVENUE (Continued)  
ANALYSIS OF TAX REVENUE - REGULATORY BASIS

A-2b

	<u>Ref.</u>		
<u>Allocation of Current Taxes</u>			
<u>Collections of Current Taxes:</u>			
Due from State of New Jersey	A-8	\$ 74,750.00	
2015 Collections	A-9	51,730,034.04	
Tax Overpayments Applied	A-9	63,918.44	
2014 Collections	A-29	105,671.51	
	A-1	105,671.51	\$51,974,373.99
<u>Allocated to:</u>			
County Taxes	A-23	13,483,606.66	
County Added Taxes	A-23	31,809.43	
		13,515,416.09	
Local School District Tax	A-24	10,635,425.00	
Regional High School Taxes	A-25	14,522,347.00	
Municipal Open Space Tax	A-26	262,670.01	
		262,670.01	38,935,858.10
Balance for Support of Municipal Budget Appropriations			13,038,515.89
Plus: Appropriation for "Reserve for Uncollected Taxes"	A-3		1,562,000.00
Amount for Support of Municipal Budget Appropriations	A-2		\$14,600,515.89
<u>Receipts from Delinquent Taxes</u>			
<u>Collections of Delinquent Taxes:</u>			
Due from State of New Jersey	A-8	\$ 1,000.00	
2015 Collections:			
Taxes	A-9	547,474.79	
Tax Title Liens	A-10	2,232.15	
Tax Overpayments Applied:			
Taxes	A-9	5,955.23	
	A-1	5,955.23	\$ 556,662.17

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF REVENUE (Continued)  
ANALYSIS OF OTHER LICENSES  
AND FEES AND PERMITS - REGULATORY BASIS

A-2c

	<u>Ref.</u>		
<u>Other Licenses</u>			
Township Clerk:			
Raffle Licenses		\$ 700.00	
Amusement Licenses		<u>9,600.00</u>	
	A-12		\$ 10,300.00
Registrar of Vital Statistics:			
Marriage Licenses	A-12		<u>102.00</u>
	A-2a		<u>\$ 10,402.00</u>
 <u>Other Fees and Permits</u>			
Construction Code Official:			
Electrical Filing Fees		\$47,871.00	
Plumbing Fees		37,770.00	
Fire Permits		15,605.00	
Certificate of Occupancy		57,752.00	
Elevator Fees		32,752.00	
Noise Permits		<u>150.00</u>	
	A-12		\$191,900.00
Tax Collector:			
Tax Searches	A-12		70.00
Police Department	A-12		5,564.63
Registrar of Vital Statistics	A-12		4,259.20
Engineering Department:			
Zoning Board of Adjustment Fees		5,700.00	
Planning Board Fees		1,350.00	
Zoning Permits		7,575.00	
Driveway Paving		825.00	
Nonresident Paving		<u>1,870.00</u>	
	A-12		<u>17,320.00</u>
	A-2a		<u>\$219,113.83</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF REVENUE (Continued)  
ANALYSIS OF NET INTERFUND CHARGE TO OPERATIONS - REGULATORY BASIS

A-2d

	<u>Ref.</u>	
<u>Analysis of Net Interfund Account</u> <u>Charge to Operations</u>		
Balance December 31, 2015	A	\$ 223,374.32
Balance December 31, 2014	A	<u>195,891.20</u>
Net Charge	A-1	<u>\$ 27,483.12</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF REVENUE (Continued)  
ANALYSIS OF NONBUDGET REVENUE - REGULATORY BASIS

A-2e

	<u>Ref.</u>		
<u>Miscellaneous Revenue Not Anticipated</u>			
Free Pubic Library Reimbursements		\$109,402.36	
Gov Deals Auction Proceeds		22,917.42	
Prior Year Appropriation Refunds		20,548.73	
Sale of Municipal Assets		3,800.00	
Soil Removal		3,534.00	
Bus Shelter Advertising		2,348.33	
State of New Jersey:			
Administrative Fee for Senior Citizens' and Veterans' Deductions		1,550.00	
DMV Inspection Fines		1,238.50	
Restitution		182.00	
Borough of North Caldwell Reimbursements		1,331.25	
Joint Insurance Fund Dividends		1,250.00	
PSE&G Commission		1,100.00	
Subdivision Fees		600.00	
Bid Specifications		475.00	
Duplicate Tax Bill		232.00	
Master Plan		15.00	
Copy Fees		5.95	
Miscellaneous		<u>27,647.65</u>	
	A-5		\$198,178.19
<u>Other Sources</u>			
Revenue Accounts Receivable	A-12	22,405.00	
Interfunds Receivable:			
Interest and Costs on Assessments	A-14	3,025.82	
Administrative Fee:			
Outside Employment of Off-Duty Police Officers	A-14	56,957.50	
Other Revenue	A-14	471.42	
Statutory Excess - Animal Control Trust Fund	A-14	<u>3,935.64</u>	
			<u>86,795.38</u>
	A-1,2		<u>\$284,973.57</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #1

	Appropriations		Paid or Charged	Expended		Balance Cancelled	
	Budget	Modified Budget		Encumbered	Reserved		Unencumbered
<b>GENERAL GOVERNMENT</b>							
Administrative and Executive:							
Salaries and Wages	\$ 117,000.00	\$ 120,500.00	\$ 115,519.16	\$ 4,325.11	\$ 655.73	\$	
Other Expenses	60,000.00	74,000.00	58,751.21		15,248.79		
Mayor and Council:							
Salaries and Wages	43,270.00	43,270.00	42,419.64		850.36		
Township Clerk:							
Salaries and Wages	155,000.00	155,000.00	142,452.95		12,547.05		
Other Expenses	68,000.00	68,000.00	65,976.15	364.55	1,659.30		
Central Purchasing:							
Other Expenses	29,000.00	30,500.00	29,903.58	388.29	208.13		
Financial Administration:							
Salaries and Wages	123,000.00	133,000.00	129,625.43		3,374.57		
Other Expenses:							
Annual Audit	28,500.00	28,500.00	28,500.00				
Postage	26,000.00	31,000.00	31,000.00				
Miscellaneous Other Expenses	53,500.00	37,552.00	23,292.39	9,177.70	5,081.91		
Payroll Costs	34,000.00	39,000.00	32,507.03	651.18	5,841.79		
Assessment of Taxes:							
Salaries and Wages	72,000.00	72,000.00	69,568.71		2,431.29		
Other Expenses	31,000.00	21,000.00	11,944.85	1,980.00	7,075.15		
Collection of Taxes:							
Salaries and Wages	55,000.00	57,000.00	56,234.18		765.82		
Other Expenses	32,500.00	32,500.00	25,340.91	172.00	6,987.09		
Legal Services and Costs:							
Other Expenses:							
Miscellaneous	75,000.00	75,000.00	75,000.00				
Contractual	110,000.00	110,000.00	52,938.08	11,917.61	45,144.31		
Municipal Prosecutor:							
Salaries and Wages	28,000.00	28,000.00	24,166.63		3,833.37		
Engineering Services and Costs:							
Salaries and Wages	118,000.00	120,000.00	115,516.40		4,483.60		
Other Expenses	18,000.00	18,000.00	13,721.33	74.05	4,204.62		
Public Buildings and Grounds:							
Salaries and Wages	70,000.00	70,000.00	67,947.86		2,052.14		
Other Expenses	36,000.00	71,000.00	44,345.73	22,894.45	3,759.82		

APPROPRIATIONS WITHIN "CAPS"

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #2

	Appropriations		Paid or Charged	Expended		Balance Cancelled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered	
<u>Appropriations</u>						
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
GENERAL GOVERNMENT						
Municipal Land Use Law (N.J.S. 40:55D-1):						
Planning Board:						
Salaries and Wages	9,500.00	9,500.00	7,986.25		1,513.75	
Other Expenses	14,000.00	14,000.00	4,318.45	400.00	9,281.55	
Board of Adjustment:						
Salaries and Wages	9,500.00	9,500.00	7,986.25		1,513.75	
Other Expenses	15,000.00	15,000.00	2,786.89	1,089.00	11,124.11	
Environmental Commission:						
Salaries and Wages	400.00	400.00			400.00	
Other Expenses	1,000.00	1,000.00	365.00		635.00	
Municipal Court:						
Salaries and Wages	162,000.00	162,000.00	160,032.30		1,967.70	
Other Expenses	10,500.00	10,500.00	5,715.59	1,198.00	3,586.41	
Insurance:						
General Liability	541,000.00	541,000.00	483,176.76		57,823.24	
Employee Group Health	2,215,790.00	2,215,790.00	2,128,822.27		86,967.73	
Employee Group Health - Waivers	68,000.00	68,000.00	68,000.00			
Stream Cleaning:						
Salaries and Wages	15,000.00	15,000.00	3,535.00		11,465.00	
Other Expenses	15,000.00	15,000.00	14,717.91	92.23	189.86	
	<u>4,459,460.00</u>	<u>4,511,512.00</u>	<u>4,144,114.89</u>	<u>54,724.17</u>	<u>312,672.94</u>	
<b>PUBLIC SAFETY</b>						
Fire:						
Other Expenses	115,000.00	115,000.00	110,076.92	3,253.41	1,669.67	
Police:						
Salaries and Wages	4,590,000.00	4,590,000.00	4,262,215.55		327,784.45	
Other Expenses	235,000.00	235,000.00	225,373.82	7,759.92	1,866.26	
First Aid Organization Contribution (N.J.S.A. 40:5-2)						
Fire Prevention Bureau:						
Salaries and Wages	185,000.00	185,000.00	180,594.58		4,405.42	
Other Expenses	79,000.00	88,000.00	87,840.15		159.85	
Emergency Management Services:						
Salaries and Wages	7,200.00	8,300.00	8,250.06		49.94	
Other Expenses	20,000.00	15,000.00	12,896.77		2,103.23	
	<u>5,247,200.00</u>	<u>5,252,300.00</u>	<u>4,891,572.56</u>	<u>11,013.33</u>	<u>349,714.11</u>	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #3

	Appropriations		Paid or Charged	Expended		Balance Cancelled
	Budget	Modified Budget		Encumbered	Reserved	
<u>APPROPRIATIONS WITHIN "CAPS":</u>						
<u>STREETS AND ROADS</u>						
Road Repairs and Maintenance:						
Salaries and Wages	\$ 495,000.00	\$ 460,000.00	\$ 387,639.21	\$ 72,360.79	\$	
Other Expenses	50,000.00	64,000.00	60,157.44	1,455.76	2,386.80	
Repairs and Maintenance of Vehicles:						
Salaries and Wages	197,000.00	197,000.00	191,368.51	5,631.49	8,223.85	
Other Expenses	135,000.00	124,000.00	111,714.61	4,061.54	88,602.93	
	<u>877,000.00</u>	<u>845,000.00</u>	<u>750,879.77</u>	<u>5,517.30</u>	<u>88,602.93</u>	
<u>HEALTH AND WELFARE</u>						
Board of Health:						
Other Expenses	119,500.00	119,500.00	118,012.28	752.92	734.80	
Garbage and Trash Removal:						
Other Expenses - Contractual	850,000.00	782,000.00	597,255.71	26,108.75	158,635.54	
Human Services:						
Other Expenses	42,000.00	42,000.00	26,350.00	4,180.00	11,470.00	
	<u>1,011,500.00</u>	<u>943,500.00</u>	<u>741,617.99</u>	<u>31,041.67</u>	<u>170,840.34</u>	
<u>RECREATION AND EDUCATION</u>						
Parks and Playgrounds:						
Salaries and Wages	205,000.00	205,000.00	152,397.79	52,602.21	248.90	
Other Expenses	20,000.00	25,000.00	23,304.19	1,446.91	139.00	
Camp Wyankie:						
Other Expenses	2,500.00	2,500.00	2,361.00			
Park Maintenance:						
Salaries and Wages	185,000.00	185,000.00	177,308.19	7,691.81	5,824.28	
Other Expenses	25,600.00	25,600.00	19,217.72	558.00	400.00	
Historic Preservation Commission:						
Other Expenses	400.00	400.00			66,906.20	
	<u>438,500.00</u>	<u>443,500.00</u>	<u>374,588.89</u>	<u>2,004.91</u>	<u>66,906.20</u>	
<u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS</u>						
OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.4.17)						
Construction Code Officials:						
Salaries and Wages	255,000.00	261,000.00	260,255.38	744.62	206.27	
Other Expenses	130,000.00	136,000.00	135,224.22	569.51	950.89	
	<u>385,000.00</u>	<u>397,000.00</u>	<u>395,479.60</u>	<u>569.51</u>	<u>950.89</u>	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #4

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Balance Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Reserved</u>	
<u>UNCLASSIFIED</u>						
<u>Utilities:</u>						
Electricity	\$ 125,000.00	\$ 125,000.00	\$ 71,079.57	\$ 250.35	\$ 53,670.08	\$
Street Lighting	168,000.00	168,000.00	149,156.52		18,843.48	
Telephone	55,000.00	55,000.00	54,943.12		56.88	
Gas - Heating Fuel	50,000.00	50,000.00	43,446.71		6,553.29	
Motor Fuel	200,000.00	200,000.00	108,390.47		80,917.36	
	<u>598,000.00</u>	<u>598,000.00</u>	<u>427,016.39</u>	<u>10,942.52</u>	<u>160,041.09</u>	
<u>Municipal Service Agreements with Homeowners Association</u>	28,000.00	28,000.00		5,454.02	22,545.98	
Salary Adjustment Account	75,000.00	75,000.00			75,000.00	
Compensated Absences	50,000.00	50,000.00	50,000.00			
	<u>13,169,660.00</u>	<u>13,143,812.00</u>	<u>11,775,270.09</u>	<u>121,267.43</u>	<u>1,247,274.48</u>	
<u>Total Operations</u>						
Detail:						
Salaries and Wages	7,171,870.00	7,161,470.00	6,563,020.03		594,124.86	
Other Expenses	5,997,790.00	5,982,342.00	5,212,250.06		653,149.62	
	<u>77,351.23</u>	<u>77,351.23</u>	<u>77,351.23</u>			
<u>DEFERRED CHARGES</u>						
Overexpenditure of Ordinance Appropriation						
<u>STATUTORY EXPENDITURES</u>						
Contribution to:						
Public Employees' Retirement System	282,072.00	282,072.00	282,072.00			
Police and Firemen's Retirement System	846,651.00	846,651.00	846,651.00		16,858.64	
Social Security System (OASI)	272,000.00	272,000.00	255,141.36			
Public Employees' Retirement System Early Retirement	21,468.00	21,468.00	21,468.00			
DC Retirement Program	3,500.00	3,500.00	3,107.22		392.78	
Unemployment Contribution	43,000.00	43,000.00			43,000.00	
	<u>1,468,691.00</u>	<u>1,468,691.00</u>	<u>1,408,439.58</u>		<u>60,251.42</u>	
<u>Total General Appropriations Within "CAPS"</u>	<u>14,715,702.23</u>	<u>14,689,854.23</u>	<u>13,261,060.90</u>	<u>121,267.43</u>	<u>1,307,525.90</u>	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #5

Appropriations	Appropriations		Paid or Charged	Expended		Balance Cancelled
	Budget	Modified Budget		Encumbered	Reserved	
	\$ 877,548.02	\$ 877,548.02	\$ 877,548.00	\$	0.02	\$
<b>OTHER OPERATIONS</b>						
Maintenance of Free Public Library (Ch. 82 and Ch. 541, P.L. 1985)	50,000.00	50,000.00			50,000.00	
Length of Service Awards Program:	22,000.00	22,000.00			22,000.00	
Fire Department	70,210.00	70,210.00	70,210.00			
First Aid Squad	1,500,000.00	1,500,000.00	988,826.83		38,735.05	
Employee Group Health Insurance	2,519,758.02	2,519,758.02	1,936,584.83		110,735.07	
Tax Appeals						
	18,746.05	18,746.05	18,746.05			
<b>STATE AND FEDERAL PROGRAMS</b>						
<b>OFFSET BY REVENUES</b>						
Clean Communities Program	56,080.00	56,080.00	56,080.00			
Municipal Alliance on Alcoholism and Drug Abuse:	14,000.00	14,000.00	14,000.00			
State Share	3,064.52	3,064.52	3,064.52			
Local Share	27,955.77	27,955.77	27,955.77			
Alcohol Education, Rehabilitation and Enforcement Fund	3,446.80	3,446.80	3,446.80			
Recycling Tonnage						
Body Armor Replacement Fund	10,953.81	10,953.81	10,953.81			
New Jersey Division of Traffic Highway Safety:	12,500.00	12,500.00	12,500.00			
Comprehensive Traffic Safety Grant						
Drive Sober or Get Pulled Over						
FEMA:						
Hazard Mitigation Grant I:						
State Share	157,500.00	157,500.00	157,500.00			
Match	126,500.00	126,500.00	126,500.00			
Hazard Mitigation Grant II:						
State Share	75,000.00	75,000.00	75,000.00			
Match	28,000.00	28,000.00	28,000.00			
Police Donations	4,552.50	4,552.50	4,552.50			
New Jersey Department of Environmental Protection	184,800.00	184,800.00	184,800.00			
	723,099.45	723,099.45	723,099.45			
Total Operations Excluded from "CAPS"	3,242,857.47	3,242,857.47	2,659,684.28	472,438.12	110,735.07	
Detail:						
Other Expenses	3,242,857.47	3,242,857.47	2,659,684.28	472,438.12	110,735.07	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #6

	Appropriations		Paid or Charged	Expended		Balance Cancelled
	Budget	Modified Budget		Encumbered	Reserved	
<u>Appropriations</u>						
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	\$ 40,000.00	\$ 65,848.00	\$ 65,848.00	\$	\$	\$
New Jersey Department of Transportation: Kaplan Drive (Section 2)	226,000.00	226,000.00	226,000.00			
	<u>266,000.00</u>	<u>291,848.00</u>	<u>291,848.00</u>			
<u>DEBT SERVICE</u>						
Payment of Bond Principal	625,000.00	625,000.00	625,000.00			247.50
Payment of Bond Anticipation Notes	532,000.00	532,000.00	532,000.00			2,248.95
Interest on Bonds	178,000.00	178,000.00	177,752.50			<u>2,496.45</u>
Interest on Notes	20,000.00	20,000.00	17,751.05			
	<u>1,355,000.00</u>	<u>1,355,000.00</u>	<u>1,352,503.55</u>			
<u>DEFERRED CHARGES</u>						
Emergency Authorizations	70,580.00	70,580.00	70,580.00			
Deficit in Dedicated Assessment Budget	41,000.00	41,000.00	41,000.00			
	<u>111,580.00</u>	<u>111,580.00</u>	<u>111,580.00</u>			
Total General Appropriations Excluded from "CAPS"	4,975,437.47	5,001,285.47	4,415,615.83	472,438.12	110,735.07	2,496.45
Reserve for Uncollected Taxes	1,562,000.00	1,562,000.00	1,562,000.00			
Total Appropriations	\$ 21,253,139.70	\$ 21,253,139.70	\$ 19,238,676.73	\$ 593,705.55	\$ 1,418,260.97	\$ 2,496.45
	<u>A-2</u>	<u>Sheet #7</u>	<u>Sheet #7</u>	<u>A</u>	<u>A</u>	<u>A</u>

Reference

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3  
Sheet #7

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget		\$21,211,928.52	\$
Added by N.J.S. 40A:4-87		41,211.18	
	A-2	21,253,139.70	
Cash Disbursed:			
Salaries and Wages			7,161,470.00
Matching Funds for Grants	A-28		168,500.00
Other Expenditures			9,231,748.05
	A-4		16,561,718.05
Deferred Charges:			
Special Emergency Authorizations	A-16		70,580.00
Interfunds Payable	A-21		263,779.23
Federal and State Grant Programs	A-28		780,599.45
Reserve for Uncollected Taxes	A-2b		1,562,000.00
	Sheet #6	\$21,253,139.70	\$19,238,676.73
<u>Analysis of Charges to Operations</u>			
Paid or Charged			\$19,238,676.73
Reserved:			
Encumbered	Sheet #6	\$ 593,705.55	
Unencumbered	Sheet #6	1,418,260.97	
			2,011,966.52
			21,250,643.25
Less: Reserve for Uncollected Taxes	Above		1,562,000.00
	A-1		\$19,688,643.25

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B  
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Assessment Trust Fund</u>			
Cash - Checking	B-4	\$ 31,979.01	\$ 9,003.00
Assessments Receivable:			
Pledged	B-9	3,207.90	4,278.79
Unpledged	B-9	22,405.40	41,266.21
Assessment Liens:			
Pledged	B-10		2,028.61
Unpledged	B-10	4,658.21	2,629.60
Interfunds Receivable	B-12	42,254.60	70,298.91
Prospective Assessments Funded:			
Pledged	B-13		38,970.95
Unpledged	B-13	115,690.95	76,720.00
		<u>220,196.07</u>	<u>245,196.07</u>
<u>Animal Control Trust Fund</u>			
Cash - Checking	B-4	<u>25,085.02</u>	<u>21,531.22</u>
<u>General Trust Fund</u>			
Cash - Checking	B-4	1,164,499.15	1,425,991.36
Cash - New Jersey Cash Management Fund	B-7	250,093.12	249,838.50
		<u>1,414,592.27</u>	<u>1,675,829.86</u>
Due from Municipal Court	B-11		620.00
Interfunds Receivable	B-12	1,426,697.78	1,104,889.37
Community Development Block Grant Funds			
Receivable	B-14	49,500.00	53,540.00
Other Accounts Receivable	B-15	16,561.03	22,500.88
		<u>2,907,351.08</u>	<u>2,857,380.11</u>
<u>Developers' Escrow Trust Fund</u>			
Cash	B-4	<u>663,940.21</u>	<u>600,191.75</u>
		<u>\$3,816,572.38</u>	<u>\$3,724,299.15</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B  
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Assessment Trust Fund</u>			
Assessment Serial Bonds	B-31	\$	\$ 41,000.00
Interfunds Payable	B-17	54,145.00	54,145.00
Reserve for Assessments and Liens	B-22	142,754.56	120,615.81
Fund Balance	B-1	<u>23,296.51</u>	<u>29,435.26</u>
		<u>220,196.07</u>	<u>245,196.07</u>
<u>Animal Control Trust Fund</u>			
Interfunds Payable	B-17	17,929.62	13,993.98
Reserve for Expenditures	B-23	<u>7,155.40</u>	<u>7,537.24</u>
		<u>25,085.02</u>	<u>21,531.22</u>
<u>General Trust Fund</u>			
Due to State of New Jersey	B-16	11,175.00	7,199.00
Interfunds Payable	B-17	7,533.00	122,427.83
Due to Municipal Court	B-18	27,559.60	29,206.60
Other Deposits	B-19	915,906.33	871,394.97
Redemption of Tax Title Liens	B-20	6,648.97	19,257.70
Premium on Tax Sale	B-21	536,600.00	459,600.00
Reserves for:			
Municipal Open Space	B-24	917,438.88	944,738.59
Recreation Program Expenditures	B-25	285,871.36	183,904.35
Community Development Block Grant Expenditures	B-26	89,200.00	135,814.00
State Unemployment Insurance Trust Expenditures	B-27	17,617.24	10,046.53
Outside Employment of Off-Duty Police Officers	B-28	62,419.46	64,919.46
Municipal Alliance	B-29	<u>29,381.24</u>	<u>8,871.08</u>
		<u>2,907,351.08</u>	<u>2,857,380.11</u>
<u>Developers' Escrow Trust Fund</u>			
Interfunds Payable	B-17	203,907.08	203,260.43
Developers' Escrow Trust Funds	B-30	<u>460,033.13</u>	<u>396,931.32</u>
		<u>663,940.21</u>	<u>600,191.75</u>
		<u>\$3,816,572.38</u>	<u>\$3,724,299.15</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
TRUST FUND

STATEMENT OF FUND BALANCE  
ASSESSMENT TRUST FUND - REGULATORY BASIS

B-1

	<u>Ref.</u>		
Balance December 31, 2014	B		\$ 29,435.26
Increased by:			
Deficit - General Budget	B-3	\$ 0.44	
Collection of Unpledged Assessments	B-22	<u>18,860.81</u>	
			<u>18,861.25</u>
			48,296.51
Decreased by:			
Due to Current Fund as Anticipated Revenue	B-17		<u>25,000.00</u>
Balance December 31, 2015	B		<u><u>\$ 23,296.51</u></u>

STATEMENT OF REVENUE - REGULATORY BASIS

B-2

	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>
Deficit (General Budget)	B-3,12	<u>\$41,000.00</u>	<u>\$ 41,000.00</u>

STATEMENT OF EXPENDITURES - REGULATORY BASIS

B-3

	<u>Ref.</u>	<u>Budget Appropriations</u>	<u>Expended</u>
Payment of Bond Principal	B-2,31	<u>\$41,000.00</u>	<u>\$ 41,000.00</u>
	<u>Reference</u>		<u>Below</u>
	<u>Ref.</u>		
Assessment Cash	B-1		\$ 0.44
Reserve for Assessments and Liens	B-22		<u>40,999.56</u>
	Above		<u><u>\$ 41,000.00</u></u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Cash - Checking	C-2	\$ 4,626,308.53	\$ 917,815.70
Cash - Money Market Account	C-3	631,929.94	631,929.94
	C-4	<u>5,258,238.47</u>	<u>1,549,745.64</u>
Note Receivable	C-5	141,160.00	211,740.00
Interfunds Receivable	C-6	319,715.82	371,142.92
Deferred Charges to Future Taxation:			
Funded	C-7	5,259,000.00	5,884,000.00
Unfunded	C-8	9,515,144.23	3,096,042.23
Overexpenditure of Ordinance Appropriation	C-9	<u>77,351.23</u>	<u>77,351.23</u>
		<u>\$20,493,258.52</u>	<u>\$11,190,022.02</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	C-16	\$ 5,259,000.00	\$ 5,884,000.00
Bond Anticipation Notes	C-15	8,923,652.00	2,022,550.00
Tax Appeal Refunding Notes	C-14	674,000.00	1,156,000.00
Improvement Authorizations:			
Funded	C-10	573,271.66	630,431.34
Unfunded	C-10	4,193,830.25	820,984.87
Capital Improvement Fund	C-11	77,150.00	77,150.00
Interfunds Payable	C-12	371,101.56	218,752.65
Reserve for Contributions	C-13	203,174.78	163,174.78
Fund Balance	C-1	<u>218,078.27</u>	<u>216,978.38</u>
		<u>\$20,493,258.52</u>	<u>\$11,190,022.02</u>
 Bonds and Notes Authorized but Not Issued	 C-17	 <u>\$ 110,590.48</u>	 <u>\$ 110,590.48</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 216,978.38
Increased by:		
Prior Year Outstanding Checks Cancelled	C-2	<u>1,099.89</u>
Balance December 31, 2015	C	<u>\$ 218,078.27</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D  
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Operating Fund</u>			
Cash - Checking Account	D-5	\$ 1,396,884.75	\$ 1,222,827.70
Cash - Money Market	D-7	149,383.46	149,059.36
Interfunds Receivable	D-9	126.00	126.00
		<u>1,546,394.21</u>	<u>1,372,013.06</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-10	<u>99,949.96</u>	<u>89,091.51</u>
Deferred Charges:			
Emergency Appropriation	D-13	<u>10,948.00</u>	<u>                    </u>
		<u>1,657,292.17</u>	<u>1,461,104.57</u>
<u>Capital Fund</u>			
Cash - Checking Account	D-5	209,910.10	11,303.81
Cash - Money Market	D-7	92,144.23	192,144.23
	D-8	<u>302,054.33</u>	<u>203,448.04</u>
Interfunds Receivable	D-9	149,555.07	253,649.27
Fixed Capital	D-11	4,984,660.95	4,984,660.95
Fixed Capital Authorized and Uncompleted	D-12	<u>2,207,000.00</u>	<u>1,977,000.00</u>
		<u>7,643,270.35</u>	<u>7,418,758.26</u>
		<u>\$9,300,562.52</u>	<u>\$8,879,862.83</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D  
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4, 14	\$ 11,254.88	\$ 6,433.17
Unencumbered	D-4, 14	263,237.03	290,438.21
Accrued Interest on Bonds	D-15	8,946.75	10,678.00
Accrued Interest on Notes	D-16	174.32	101.87
Water Rent Overpayments	D-17	6,014.17	1,814.08
Interfunds Payable	D-21	296,908.20	342,689.85
		586,535.35	652,155.18
Reserve for Receivables		99,949.96	89,091.51
Fund Balance	D-1	970,806.86	719,857.88
		1,657,292.17	1,461,104.57
 <u>Capital Fund</u>			
Serial Bonds	D-26	718,000.00	738,000.00
Refunding Bonds	D-25		138,000.00
Bond Anticipation Notes	D-24	1,088,750.00	885,250.00
Improvement Authorizations:			
Funded	D-18	120,082.74	120,082.74
Unfunded	D-18	159,245.18	164,181.09
Capital Improvement Fund	D-19		552.00
Reserves for:			
Amortization	D-22	5,024,660.95	4,866,660.95
Deferred Reserve for Amortization	D-23	350,150.00	323,650.00
Fund Balance	D-2	182,381.48	182,381.48
		7,643,270.35	7,418,758.26
		\$9,300,562.52	\$8,879,862.83
 Bonds and Notes Authorized but Not Issued	 D-27	 \$ 10,100.00	 \$ 10,100.00

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

D-1

	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
<u>Revenue and Other Income</u>			
Operating Surplus Anticipated	D-3	\$ 185,375.00	\$ 38,840.00
Water Rents	D-3	2,219,589.07	1,977,575.92
Miscellaneous	D-3	60,527.17	43,866.79
Other Credits to Income:			
Prior Year Outstanding Checks Cancelled	D-5	4,966.25	
Unexpended Balance of Appropriation Reserves	D-14	170,116.37	290,533.17
		<u>2,640,573.86</u>	<u>2,350,815.88</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operations	D-4	1,937,600.00	1,850,600.00
Debt Service	D-4	201,649.88	162,438.48
Statutory Expenditures	D-4	65,000.00	64,000.00
		<u>2,204,249.88</u>	<u>2,077,038.48</u>
 Excess in Revenue		 436,323.98	 273,777.40
 <u>Fund Balance</u>			
Balance January 1	D	<u>719,857.88</u>	<u>484,920.48</u>
		1,156,181.86	758,697.88
 Decreased by:			
Utilized as Anticipated Revenue	D-3	<u>185,375.00</u>	<u>38,840.00</u>
 Balance December 31	D	 <u>\$ 970,806.86</u>	 <u>\$ 719,857.88</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

STATEMENT OF FUND BALANCE  
CAPITAL FUND - REGULATORY BASIS

D-2

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$182,381.48</u>
Balance December 31, 2015	D	<u>\$182,381.48</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

STATEMENT OF REVENUE - REGULATORY BASIS

D-3

<u>Source</u>	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Operating Surplus Anticipated	D-1	\$ 185,375.00	\$ 185,375.00	\$
Water Rents	D-1,Below	1,976,000.00	2,219,589.07	243,589.07
Miscellaneous	D-1,Below	<u>43,000.00</u>	<u>60,527.17</u>	<u>17,527.17</u>
<b>Total Revenue</b>	<b>D-4</b>	<b><u>\$ 2,204,375.00</u></b>	<b><u>\$ 2,465,491.24</u></b>	<b><u>\$ 261,116.24</u></b>

Analysis of Water Rents

Consumer Accounts Receivable:

Collections	D-6,10	\$2,212,766.49
Interfunds Receivable	D-9	5,008.50
Overpayment Applied	D-10	<u>1,814.08</u>
	Above	<u>\$ 2,219,589.07</u>

Analysis of Miscellaneous Revenue

Tax Collector:

Water Penalty		\$ 21,752.23
Meter Charges		11,810.00
Water Connection Fees		10,600.00
Tap-Ins		7,860.00
Inspection Fees		775.00
Swimming Pool Fill Fees		1,480.00
Final Reading Fees		630.00
Temporary Water Fees		440.00
Miscellaneous		<u>1,850.00</u>
	D-6	57,197.23

Interest and Costs on Water Rents	D-9	987.63
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Interest on Investments and Deposits:

Collections	D-5	\$ 1,976.01
Money Market	D-7	324.10
Interfunds Receivable	D-9	<u>42.20</u>
		<u>2,342.31</u>
	Above	<u>\$ 60,527.17</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

STATEMENT OF EXPENDITURES - REGULATORY BASIS

D-4

<u>Ref.</u>	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Reserved Unencumbered</u>	<u>Balance Cancelled</u>
				<u>Encumbered</u>	<u>Unencumbered</u>		
<u>Operating</u>							
Salaries and Wages	\$ 332,000.00	\$ 332,000.00	\$ 307,863.21	\$	\$ 24,136.79	\$	
Other Expenses	1,600,000.00	1,600,000.00	1,357,093.34	11,254.88	231,651.78		
Financial Administration:							
Other Expenses	5,600.00	5,600.00	5,600.00				
	<u>1,937,600.00</u>	<u>1,937,600.00</u>	<u>1,670,556.55</u>	<u>11,254.88</u>	<u>255,788.57</u>		
D-1							
<u>Capital Improvements</u>							
Down Payments on Improvements		10,948.00	10,948.00				
D-19							
<u>Debt Service</u>							
Payment of Bond Principal		158,000.00	158,000.00				
Payment of Bond Anticipation Notes and Capital Notes		15,000.00	15,000.00				23.25
Interest on Bonds		24,275.00	24,251.75				101.87
Interest on Notes		4,500.00	4,398.13				125.12
		<u>201,775.00</u>	<u>201,649.88</u>				
D-1							
<u>Statutory Expenditures</u>							
Contributions to:							
Public Employees' Retirement System		34,000.00	34,000.00				
Social Security System (OASI)		26,000.00	23,551.54		2,448.46		
Unemployment Compensation Insurance		5,000.00	5,000.00		5,000.00		
		<u>65,000.00</u>	<u>57,551.54</u>		<u>7,448.46</u>		
D-1							
<u>Reference</u>							
		<u>\$ 2,204,375.00</u>	<u>\$ 1,940,705.97</u>	<u>Below</u>	<u>\$ 11,254.88</u>	<u>D</u>	<u>\$ 125.12</u>
		<u>Below</u>	<u>Below</u>			<u>D</u>	
<u>Ref.</u>							
Adopted Budget		\$ 2,204,375.00	\$				
Cash Disbursed			1,867,108.09				
Accrued Interest on Bonds			24,251.75				
Accrued Interest on Notes			4,398.13				
Emergency Appropriation		10,948.00					
Interfunds Payable			44,948.00				
		<u>Above</u>	<u>\$ 1,940,705.97</u>				

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E  
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Operating Fund</u>			
Cash - Checking	E-6	\$ 2,735,642.11	\$ 2,272,262.66
Cash - Money Market	E-8	1,207.68	1,159.90
Interfunds Receivable	E-15	153,173.57	186,653.43
		2,890,023.36	2,460,075.99
Receivables with Full Reserves:			
Sewer Rents Receivable	E-11	158,168.12	188,913.86
		3,048,191.48	2,648,989.85
<u>Assessment Trust Fund</u>			
Cash - Checking Account	E-6,9	63,427.88	63,414.11
Assessments Receivable:			
Unpledged	E-12	19,730.67	19,730.67
Assessment Liens:			
Unpledged	E-13	2,580.60	2,580.60
Assessment Lien Interest and Costs	E-14	428.13	428.13
Interfunds Receivable	E-15	13,698.00	13,698.00
		99,865.28	99,851.51
<u>Capital Fund</u>			
Cash - Checking Account	E-6	379,473.63	711.18
Cash - Money Market	E-8	5,213.61	55,213.61
	E-10	384,687.24	55,924.79
Interfunds Receivable	E-15	15,456.42	
Fixed Capital	E-16	22,123,151.35	22,123,151.35
Fixed Capital Authorized and Uncompleted	E-17	1,264,100.00	884,100.00
		23,787,395.01	23,063,176.14
		\$ 26,935,451.77	\$ 25,812,017.50

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E  
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-5,18	\$ 887.40	\$ 2,834.21
Unencumbered	E-5,18	159,931.82	106,644.55
Accrued Interest on Bonds	E-19	5,932.32	6,950.97
Accrued Interest on Notes	E-20	231.53	68.06
Sewer User Overpayments	E-21	7,083.62	26,439.99
Interfunds Payable	E-24	91,713.19	36,711.79
		<u>265,779.88</u>	<u>179,649.57</u>
Reserve for Receivables		158,168.12	188,913.86
Fund Balance	E-1	2,624,243.48	2,280,426.42
		<u>3,048,191.48</u>	<u>2,648,989.85</u>
 <u>Assessment Trust Fund</u>			
Interfunds Payable	E-24	25,003.42	24,989.65
Reserves for:			
Assessment Lien Interest and Costs	E-14	428.13	428.13
Assessments and Liens Receivable	E-25	22,311.27	22,311.27
Fund Balance	E-2	52,122.46	52,122.46
		<u>99,865.28</u>	<u>99,851.51</u>
 <u>Capital Fund</u>			
Serial Bonds	E-30	38,000.00	53,000.00
Refunding Bonds	E-29	360,000.00	427,000.00
Bond Anticipation Notes	E-28	630,000.00	250,000.00
Improvement Authorizations:			
Funded	E-22	16,883.21	16,883.21
Unfunded	E-22	471,037.16	93,324.66
Capital Improvement Fund	E-23	38,530.00	38,530.00
Interfunds Payable	E-24		33,493.63
Reserves for:			
Amortization	E-26	22,179,751.35	22,097,751.35
Deferred Reserve for Amortization	E-27	44,000.00	44,000.00
Fund Balance	E-3	9,193.29	9,193.29
		<u>23,787,395.01</u>	<u>23,063,176.14</u>
		<u>\$ 26,935,451.77</u>	<u>\$ 25,812,017.50</u>
 Bonds and Notes Authorized but Not Issued	 E-31	 <u>\$ 135,500.00</u>	 <u>\$ 135,500.00</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

E-1

	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
<u>Revenue and Other Income</u>			
Sewer Rents	E-4	\$ 4,876,534.85	\$ 4,723,793.45
Interest on Investments and Deposits	E-4	4,747.80	1,945.36
Miscellaneous	E-4	58,540.79	54,673.59
Other Credits to Income:			
Prior Year Outstanding Checks Cancelled	E-6	9,394.61	
Unexpended Balance of Appropriation			
Reserves	E-18	103,893.69	132,832.24
		<u>5,053,111.74</u>	<u>4,913,244.64</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operations	E-5	4,252,600.00	4,085,750.00
Debt Service	E-5	96,694.68	103,219.98
Statutory Expenditures	E-5	60,000.00	64,000.00
Surplus (General Budget)	E-5	300,000.00	200,000.00
		<u>4,709,294.68</u>	<u>4,452,969.98</u>
 Excess in Revenue		 343,817.06	 460,274.66
 <u>Fund Balance</u>			
Balance January 1	E	<u>2,280,426.42</u>	<u>1,820,151.76</u>
Balance December 31	E	<u>\$ 2,624,243.48</u>	<u>\$ 2,280,426.42</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

STATEMENT OF FUND BALANCE  
ASSESSMENT TRUST FUND - REGULATORY BASIS

E-2

	<u>Ref.</u>	
Balance December 31, 2014	E	<u>\$ 52,122.46</u>
Balance December 31, 2015	E	<u>\$ 52,122.46</u>

STATEMENT OF FUND BALANCE  
CAPITAL FUND - REGULATORY BASIS

E-3

	<u>Ref.</u>	
Balance December 31, 2014	E	<u>\$ 9,193.29</u>
Balance December 31, 2015	E	<u>\$ 9,193.29</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

STATEMENT OF REVENUE - REGULATORY BASIS

E-4

<u>Source</u>	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Sewer Rents	E-1,Below	\$ 4,698,710.00	\$ 4,876,534.85	\$ 177,824.85
Interest on Investments and Deposits	E-1,Below	1,000.00	4,747.80	3,747.80
Miscellaneous	E-1,Below	<u>10,000.00</u>	<u>58,540.79</u>	<u>48,540.79</u>
<b>Total Revenue</b>	<b>E-5</b>	<b><u>\$ 4,709,710.00</u></b>	<b><u>\$ 4,939,823.44</u></b>	<b><u>\$ 230,113.44</u></b>
 <u>Analysis of Sewer Rents</u>				
Collections	E-7,11		\$ 4,840,089.98	
Overpayment Applied	E-11		26,439.99	
Interfunds Receivable	E-15		<u>10,004.88</u>	
	Above		<u>\$ 4,876,534.85</u>	
 <u>Interest on Investments and Deposits</u>				
Collections	E-6		\$ 4,636.30	
Money Market Account	E-8		47.78	
Interfunds Receivable	E-15		<u>63.72</u>	
	Above		<u>\$ 4,747.80</u>	
 <u>Analysis of Miscellaneous Revenue Realized</u>				
Sewer Connections			\$ 13,200.00	
Sewer Inspections			360.00	
Sewer - Penalty			<u>44,980.79</u>	
	E-7,Below		<u>\$ 58,540.79</u>	

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

STATEMENT OF EXPENDITURES - REGULATORY BASIS

E-5

	Ref.	Budget	Modified Budget	Paid or Charged	Expended		Reserved	Unencumbered	Balance Cancelled
					Encumbered	Unencumbered			
<u>Operating</u>									
Salaries and Wages		\$ 332,000.00	\$ 332,000.00	\$ 297,411.32	\$	\$ 887.40	\$ 34,588.68	\$	
Other Expenses		530,000.00	542,327.00	419,344.49			122,095.11		
Financial Administration:									
Other Expenses		5,600.00	5,600.00	5,600.00					
Regional Sewerage Authority Share of Costs	E-1	3,380,000.00	3,372,673.00	3,372,673.00		887.40		156,683.79	
		4,247,600.00	4,252,600.00	4,095,028.81					
<u>Debt Service</u>									
Payment of Bond Principal		82,000.00	82,000.00	82,000.00					0.39
Interest on Bonds		13,310.00	13,310.00	13,309.61					414.93
Interest on Notes	E-1	1,800.00	1,800.00	1,385.07					415.32
		97,110.00	97,110.00	96,694.68					
<u>Statutory Expenditures</u>									
Contributions to:									
Public Employees' Retirement System		34,000.00	34,000.00	34,000.00					
Social Security System (OASI)		26,000.00	26,000.00	22,751.97			3,248.03		
Unemployment Compensation Insurance	E-1	5,000.00	60,000.00	56,751.97			3,248.03		
		65,000.00	60,000.00	60,000.00					
Surplus (General Budget)	E-1	300,000.00	300,000.00	300,000.00					
		\$ 4,709,710.00	\$ 4,709,710.00	\$ 4,548,475.46		\$ 887.40	\$ 159,931.82	\$ 415.32	
<u>Reference</u>		E-4		Below		E		E	
	Ref.								
Cash Disbursed	E-6			\$ 4,499,780.78					
Accrued Interest on Bonds	E-19			13,309.61					
Accrued Interest on Notes	E-20			1,385.07					
Interfunds Payable	E-24			34,000.00					
	Above			\$ 4,548,475.46					

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
<u>Operating Fund</u>			
Cash - Checking	F-5	\$ 97,738.19	\$ 97,261.02
Cash - Money Market	F-7	7,783.18	7,764.58
Interfunds Receivable	F-9	1,001.63	1,000.80
		<u>106,523.00</u>	<u>106,026.40</u>
<u>Capital Fund</u>			
Cash - Checking Account	F-5	805.08	804.25
Cash - Money Market	F-7	10,806.00	10,806.00
	F-8	11,611.08	11,610.25
Interfunds Receivable	F-9	1,584.98	1,584.98
Fixed Capital	F-10	1,548,406.45	1,548,406.45
Fixed Capital Authorized and Uncompleted	F-11	374,000.00	374,000.00
		<u>1,935,602.51</u>	<u>1,935,601.68</u>
		<u>\$ 2,042,125.51</u>	<u>\$ 2,041,628.08</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	F-4	\$ 12.99	\$
Unencumbered	F-4,12	47,877.38	19,333.01
Accrued Interest on Bonds	F-13	1,211.73	1,632.23
Interfunds Payable	F-16	22,083.33	15,812.83
		<u>71,185.43</u>	<u>36,778.07</u>
Fund Balance	F-1	35,337.57	69,248.33
		<u>106,523.00</u>	<u>106,026.40</u>
 <u>Capital Fund</u>			
Serial Bonds	F-20	95,000.00	125,000.00
Improvement Authorizations:			
Funded	F-14	48,678.68	48,678.68
Unfunded	F-14	69,299.97	69,299.97
Capital Improvement Fund	F-15	3,350.00	3,350.00
Interfunds Payable	F-16	1,001.63	1,000.80
Reserves for:			
Preliminary Study	F-17	7,280.80	7,280.80
Amortization	F-18	1,686,406.45	1,656,406.45
Deferred Amortization	F-19	23,000.00	23,000.00
Fund Balance	F-2	1,584.98	1,584.98
		<u>1,935,602.51</u>	<u>1,935,601.68</u>
		<u>\$ 2,042,125.51</u>	<u>\$ 2,041,628.08</u>
 Bonds and Notes Authorized but Not Issued	 F-21	 \$ 118,000.00	 \$ 118,000.00

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

F-1

	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	F-3	\$ 66,910.00	\$ 6,769.00
Membership Fees	F-3	145,735.00	155,605.00
Nonbudget Revenue	F-3	22,208.26	28,335.98
Other Credits to Income:			
Prior Year Outstanding Checks Cancelled	F-5	62.97	
Unexpended Balance of Appropriation Reserves	F-12	19,333.01	24,319.07
		<u>254,249.24</u>	<u>215,029.05</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operations	F-4	185,400.00	165,200.00
Debt Service	F-4	33,350.00	34,275.00
Statutory Expenditures	F-4	2,500.00	10,500.00
		<u>221,250.00</u>	<u>209,975.00</u>
Excess in Revenue		32,999.24	5,054.05
 <u>Fund Balance</u>			
Balance January 1	F	69,248.33	70,963.28
		<u>102,247.57</u>	<u>76,017.33</u>
 Decreased by:			
Utilized as Anticipated Revenue	F-3	66,910.00	6,769.00
Balance December 31	F	<u>\$ 35,337.57</u>	<u>\$ 69,248.33</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

STATEMENT OF FUND BALANCE  
CAPITAL FUND - REGULATORY BASIS

F-2

	<u>Ref.</u>	
Balance December 31, 2014	F	<u>\$ 1,584.98</u>
Balance December 31, 2015	F	<u>\$ 1,584.98</u>

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

STATEMENT OF REVENUE - REGULATORY BASIS

F-3

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Revenue</u>				
Fund Balance Utilized	F-1	\$ 66,910.00	\$ 66,910.00	\$
Membership Fees	F-1,6	<u>155,605.00</u>	<u>145,735.00</u>	<u>(9,870.00)</u>
 Budget Totals	 F-4	 222,515.00	 212,645.00	 (9,870.00)
 Nonbudget Revenue	 F-1,Below	 <u>                    </u>	 <u>22,208.26</u>	 <u>22,208.26</u>
		<u>\$222,515.00</u>	<u>\$234,853.26</u>	<u>\$ 12,338.26</u>
 <u>Nonbudget Revenue Realized</u>				
Guest Passes			\$ 3,320.00	
Nursery School Fees			6,295.00	
Swimming Team Fees			<u>12,440.00</u>	
	F-6		<u>22,055.00</u>	
 Interest on Deposits:				
Collections	F-5	\$ 133.83		
Money Market Account	F-7	18.60		
Interfunds Receivable	F-9	<u>0.83</u>		
			<u>153.26</u>	
	Above		<u>\$ 22,208.26</u>	

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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

STATEMENT OF EXPENDITURES - REGULATORY BASIS

F-4

	Ref.	Budget	Modified Budget	Paid or Charged	Expended		Balance Cancelled
					Encumbered	Reserved Unencumbered	
<u>Operating</u>							
Salaries and Wages		\$ 100,000.00	\$ 108,000.00	\$ 107,696.67	\$ 303.33	\$	\$
Other Expenses		74,000.00	74,000.00	26,412.96	12.99	47,574.05	
Financial Administration:							
Other Expenses	F-1	3,400.00	3,400.00	3,400.00			
		177,400.00	185,400.00	137,509.63	47,877.38		
<u>Debt Service</u>							
Payment of Bond Principal		30,000.00	30,000.00	30,000.00			
Interest on Bonds		3,350.00	3,350.00	3,350.00			1,265.00
Interest on Notes	F-1	1,265.00	1,265.00	33,350.00			1,265.00
		34,615.00	34,615.00				
<u>Statutory Expenditures</u>							
Contributions to:							
Social Security System (OAS)		7,500.00					
Public Employees' Retirement System		2,500.00	2,500.00	2,500.00			
Unemployment Compensation Insurance		500.00					
	F-1	10,500.00	2,500.00	2,500.00			
		\$ 222,515.00	\$ 222,515.00	\$ 173,359.63	\$ 47,877.38	\$ 1,265.00	\$ 1,265.00

Reference F-3

Below F F

Ref.

Cash Disbursed	F-5	\$ 167,509.63
Accrued Interest on Bonds	F-13	3,350.00
Interfunds Payable	F-16	2,500.00
	Above	\$ 173,359.63

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD  
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

G

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Cash	G-1	<u>\$ 1,180.30</u>	<u>\$ 1,180.18</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Reserve for Public Assistance Expenditures	G-2	<u>\$ 1,180.30</u>	<u>\$ 1,180.18</u>

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See accompanying notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

## TOWNSHIP OF FAIRFIELD

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2015

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Reporting Entity

The Township of Fairfield is governed by the Small Municipality Plan of the Optional Municipal Charter Law. The Township Council consists of four members, one of which is appointed Council President on an annual basis. The Mayor and each Council member are elected in a general election for a term of three years. Each Council member, including the Mayor, carries the power of one legislative vote.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Township of Fairfield include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5. The financial statements, however, do not include the operations of the Municipal Library, which is a separate entity subject to a separate examination.

##### B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles. The GASB establishes three fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The accounting policies of the Township of Fairfield conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. These principles are a "Modified Accrual Basis of Accounting" which differs from accounting principles generally accepted in the United States of America (GAAP) for governmental entities. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Fairfield accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Assessment Trust Fund, Animal Control Trust Fund, General Trust Fund and Developers' Escrow Trust Fund.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as, related long-term debt accounts.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Description of Funds (Continued)**

Utilities Funds - Water, Sewer and Swimming Pool Utilities are treated as separate entities. Each maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Township of Fairfield pursuant to the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund.

Free Public Library - Budget Appropriations and State Aid are transferred to the Free Public Library bank account and are expended with the approval of the Library for its purposes. Interest on investments, Library fines and other revenue are retained by the Library and expended therefrom. The Library is the subject of a separate report.

Payroll Fund - Net salaries, certain payroll deductions and social security contributions of municipal and utility operations are deposited into various bank accounts of the Payroll Fund. A Payroll Fund does not exist under GAAP.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain movable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

**C. Basis of Accounting**

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from accounting principles generally accepted in the United States of America. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

**Property Taxes and Other Revenue**

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

**Grant Revenue**

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township of Fairfield budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

**Expenditures**

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### C. Basis of Accounting (Continued)

#### Expenditures (Continued)

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

#### Encumbrances

As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31st are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

#### Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

#### Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

#### Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the Capital Fixed Assets at market value on the date of acquisition.

#### Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

#### Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### C. Basis of Accounting (Continued)

#### Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Water, Sewer and Swimming Pool Utilities are required, by regulation, to be prepared by Township personnel for inclusion on the Water, Sewer and Swimming Pool Utilities Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

#### Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township of Fairfield has developed a fixed asset accounting and reporting system.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Township.

Utilities:

Capital acquisitions, including utility infrastructure costs of the Water, Sewer and Swimming Pool Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

**Capital Fixed Assets (Continued)**

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

**D. Basic Financial Statements**

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township of Fairfield presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

**2. CASH, CASH EQUIVALENTS AND INVESTMENTS**

**A. Cash and Cash Equivalents**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

**B. Investments**

New Jersey statutes permit the Township to purchase the following types of securities:

Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.

## **2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

### **B. Investments (Continued)**

- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- . Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- . Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of state laws permit local governments to invest in a wide range of obligations issued by state governments and its agencies.

As of December 31, 2015, the Township had funds invested and on deposit in checking, governmental money market funds, certificates of deposit and New Jersey Cash Management Accounts. The amount of the Township's cash and cash equivalents on deposit as of December 31, 2015 was \$24,787,355.78. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40. There were no securities categorized as investments as defined by GASB Statement No. 40.

## **3. TAXES AND TAX TITLE LIENS RECEIVABLE**

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

### 3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

#### Comparative Schedule of Tax Rates

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	<u>\$2.019</u>	<u>\$1.956</u>	<u>\$1.937</u>	<u>\$1.886</u>	<u>\$1.627</u>
Apportionment of Tax Rate:					
Municipal	\$0.501	\$0.483	\$0.467	\$0.457	\$0.374
Municipal Open Space	0.010	0.010	0.010	0.010	0.010
County	0.500	0.482	0.496	0.470	0.407
County Open Space	0.015	0.015	0.016	0.016	0.015
Local School	0.406	0.395	0.384	0.372	0.321
Regional High School	0.554	0.538	0.529	0.525	0.468
Library	0.033	0.033	0.035	0.036	0.032

#### Assessed Valuations

<u>Year</u>	<u>Amount</u>
2015	\$ 2,620,481,953.00
2014	2,629,496,403.00
2013	2,654,422,440.00
2012	2,687,207,540.00
2011	3,087,558,937.00

#### Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2015	\$ 53,032,264.89	\$ 51,974,373.99	98.01 %
2014	51,560,096.21	50,691,843.82	98.31
2013	51,462,791.50	50,502,224.23	98.13
2012	50,755,185.63	49,637,048.77	97.79
2011	50,282,463.68	48,964,710.89	97.38

#### Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2015	\$1,443,978.80	\$ 523,228.90	\$1,967,207.70	3.71 %
2014	1,217,231.70	623,244.61	1,840,476.31	3.57
2013	1,885,906.62	563,417.05	2,449,323.67	4.76
2012	1,829,829.43	727,870.93	2,557,700.36	5.09
2011	1,927,917.86	595,375.30	3,587,093.75	7.13

**4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens, on the basis of the last assessed valuation of such properties in the year of acquisition, was as follows:

<u>Year</u>	<u>Amount</u>
2015	\$ 4,810,800.00
2014	4,810,800.00
2013	4,028,500.00
2012	6,137,614.00
2011	4,989,914.00

**5. WATER CONSUMER ACCOUNTS RECEIVABLE**

The Township of Fairfield maintains a utility fund for the billing and collection of water rents. Billings are done on a quarterly basis.

A comparison of Water Utility billings and collections for the past five (5) years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collections*</u>
2015	\$ 2,230,447.52	\$ 2,219,589.07
2014	1,946,056.39	1,976,699.69
2013	1,937,810.15	1,907,888.26
2012	1,934,095.39	1,911,303.95
2011	1,805,174.57	1,828,331.91

\*Collections include amounts that were levied in prior years.

**6. SEWER RENTALS RECEIVABLE**

The Township of Fairfield maintains a utility fund for the billing and collection of sewer user charges. Billings are done on a quarterly basis.

A comparison of billings and collections for the past five (5) years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection*</u>
2015	\$ 4,845,789.11	\$ 4,876,534.85
2014	4,626,956.11	4,720,582.88
2013	4,676,232.95	4,591,586.24
2012	4,489,102.70	4,495,199.71
2011	4,439,810.86	4,471,538.86

\*Collections include amounts that were levied in prior years.

**7. SWIMMING POOL UTILITY**

Swimming Pool Utility membership and guest fee collections for the past five (5) years are as follows:

<u>Year</u>	<u>Membership</u>	<u>Guests</u>
2015	\$145,735.00	\$ 3,320.00
2014	155,605.00	7,495.00
2013	159,787.30	22,185.00
2012	181,275.00	13,060.00
2011	197,812.00	4,045.00

**8. FUND BALANCES APPROPRIATED**

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2015	\$ 3,527,086.45	\$ 1,765,000.00
	2014	3,251,355.12	1,828,000.00
	2013	3,100,270.88	1,600,000.00
	2012	2,324,812.96	1,300,000.00
	2011	2,847,218.55	1,300,000.00
Water Utility Operating Fund:	2015	970,806.86	387,806.00
	2014	719,857.88	185,375.00
	2013	484,920.48	38,840.00
	2012	340,163.52	41,900.00
	2011	347,069.23	127,050.00
Sewer Utility Operating Fund:	2015	2,624,243.48	327,700.00
	2014	2,280,426.42	-
	2013	1,820,151.76	-
	2012	1,364,930.03	-
	2011	1,003,749.97	-
Swimming Pool Utility Operating Fund:	2015	35,337.57	35,270.00
	2014	69,248.33	66,910.00
	2013	70,963.28	6,769.00
	2012	84,480.81	62,000.00
	2011	63,382.87	32,200.00

**9. PENSION PLANS**

**Description of Systems**

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System are considered a cost-sharing multiple-employer plan.

**9. PENSION PLANS (Continued)**

**Description of Systems (Continued)**

The amount of the Township's contribution is certified each year by PERS and PFRS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Specific information on actuarial assumptions and rates of return can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS the employer contribution includes funding for post-retirement medical premiums.

	PERS		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Covered Employee Payroll	\$ 2,815,862	\$ 2,836,466	\$ 2,795,527
Total Payroll	7,876,764	7,700,113	7,928,871
Actuarial Contribution			
Requirements	364,681	334,188	298,457
Total Contributions	564,646	531,127	486,048
Employer Share	364,681	334,188	298,457
% of Covered Payroll	12.95%	11.78%	10.68%
Employee's Share	199,965	196,939	187,591
% of Covered Payroll	7.10%	6.94%	6.71%
	PFRS		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Covered Employee Payroll	\$ 3,450,554	\$ 3,389,224	\$ 3,302,670
Total Payroll	7,876,764	7,700,113	7,928,871
Actuarial Contribution			
Requirements	866,605	790,154	780,299
Total Contributions	1,214,993	1,136,458	1,110,566
Employer Share	866,605	790,154	780,299
% of Covered Payroll	25.11%	23.31%	23.63%
Employee's Share	348,388	346,304	330,267
% of Covered Payroll	10.10%	10.22%	10.00%

***Assumptions***

The total PERS and PFRS pension liability for June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014 using an actuarial experience study for the period July 1, 2010 to June 30, 2012. The pension liability was rolled forward to June 30, 2015. The actuarial valuation used an inflation rate of 3.04%, projected salary increases from 2012 to 2021 of 2.15% to 4.40% for PERS and 2.60% to 9.48% for PFRS based on age and thereafter 3.15% to 5.40% for PERS and 3.60% to 10.48% for PFRS based on age and an investment rate of return of 7.90%.

## 9. PENSION PLANS (Continued)

### ***Assumptions (Continued)***

The discount rate used to measure the total pension liability was 4.90% for PERS and 5.79% for PFRS as of June 30, 2015. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability. More information on mortality rates and other assumptions, and investment policies, can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

### ***Public Employees' Retirement System:***

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other state of local jurisdiction.

### **Significant Legislation**

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PERS operates and to the benefit provisions of that system. Provisions impacting employee pension and health benefits include:

- New members of PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  to 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 62 to 65 for Tier 5 members.
- Active member contribution rates will increase. PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years. For Fiscal Year 2013, the member contribution rates increased in July 2013. The phase-in of the additional incremental member contributions for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

In addition, the method for amortizing the pension systems' unfunded accrued liability changed (from a level percent of pay method to a level dollar of pay).

The following presents the Township's proportionate share of the PERS net pension liability calculated using the discount rate of 4.90% and 5.39% as of June 30, 2015 and 2014, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

**9. PENSION PLANS (Continued)**

**Significant Legislation (Continued)**

**Sensitivity of the Township's Proportionate Share of the PERS Local Share  
Net Pension Liability to Changes in the Discount Rate**

	At 1% Decrease <u>(3.90%)</u>	At Current Discount Rate <u>(4.90%)</u>	At 1% Increase <u>(5.90%)</u>
2015	<u>\$ 11,834,669</u>	<u>\$ 9,521,990</u>	<u>\$ 7,583,057</u>
	At 1% Decrease <u>(4.39%)</u>	At Current Discount Rate <u>(5.39%)</u>	At 1% Increase <u>(6.39%)</u>
2014	<u>\$ 9,548,214</u>	<u>\$ 7,589,790</u>	<u>\$ 5,945,212</u>

***Police and Firemen's Retirement System:***

The Police and Firemen's Retirement System (PFRS) was established in July, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full-time county and municipal police and firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and if required to retire because of attaining the mandatory retirement age of 65, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PFRS operates and to the benefit provisions of that system.

This new legislation's provisions impacting employee pension and health benefits include:

- The annual benefit under special retirement for new PFRS members enrolled after June 28<sup>th</sup>, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the members' final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.

The following presents the Township's proportionate share of the PFRS net pension liability calculated using the discount rate of 5.79% and 6.32% as of June 30, 2015 and 2014, respectively, as well as what the PFRS net pension liability would be if it were calculated using a discount rate of one percentage point lower or one percentage point higher than the assumed rate.

9. PENSION PLANS (Continued)

Police and Firemen's Retirement System: (Continued)

**Sensitivity of the Township's Proportionate Share of the PFRS Local Share  
Net Pension Liability to Changes in the Discount Rate**

	At 1% Decrease (4.79%)	At Current Discount Rate (5.79%)	At 1% Increase (6.79%)
2015	<u>\$ 24,571,031</u>	<u>\$ 17,758,016</u>	<u>\$ 13,800,460</u>
	At 1% Decrease (5.32%)	At Current Discount Rate (6.32%)	At 1% Increase (7.32%)
2014	<u>\$ 19,317,275</u>	<u>\$ 12,940,769</u>	<u>\$ 10,215,943</u>

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension**

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2015 and 2014 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2015 and 2014, respectively.

Following is the total of the Township's portion of the PERS and PFRS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended June 30, 2015:

	<u>PERS</u>	<u>PFRS</u>
Net Pension Liabilities	\$ 9,521,990	\$ 17,758,016
Deferred Outflow of Resources	1,670,591	3,688,556
Deferred Inflow of Resources	153,095	828,521
Pension Expense	350,755	668,362
Contributions Made After Measurement Date	364,681	866,605

**9. PENSION PLANS (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)***

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the PERS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the years ended June 30, 2015 and 2014. The Township's proportionate share of the collective net pension liability as of June 30, 2015 and 2014 was .0424% and .0405% for PERS and .1066% and .1029% for PFRS, respectively.

It is important to note that New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 68 information in the Notes to the Financial Statements.

At June 30, 2015, the amount determined as the Township's proportionate share of the PERS net pension liability was \$9,521,990. For the year ended June 30, 2015 the Township would have recognized PERS pension expense of \$350,755. At June 30, 2015, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 227,161	\$
Change of Assumptions	1,022,586	
Net Difference Between Projected and Actual Investment Earnings		153,095
Net Change in Proportions	420,844	
Total Contributions and Proportionate Share of Contributions After the Measurement Date	<u>364,681</u>	
	<u>\$ 2,035,272</u>	<u>\$ 153,095</u>

**9. PENSION PLANS (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)***

At June 30, 2015, the amount determined as the Township's proportionate share of the PFRS net pension liability was \$17,758,016. For the year ended June 30, 2015 the Township would have recognized PFRS pension expense of \$668,362. At June 30, 2015 deferred outflows of resources and deferred inflows of resources related to the PFRS pension are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$	\$ 153,169
Change of Assumptions	3,278,571	
Net Difference Between Projected and Actual Investment Earnings		309,063
Net Change in Proportions	409,985	366,289
Total Contributions and Proportionate Share of Contributions After the Measurement Date	<u>866,605</u>	<u>                    </u>
	<u>\$ 4,555,161</u>	<u>\$ 828,521</u>

***Long-Term Expected Rate of Return***

The arithmetic mean return on the portfolio was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

**9. PENSION PLANS (Continued)**

**Contributions Required and Made**

Contributions made by employees for PERS and PFRS are currently 7.06% and 10.0% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past three (3) years are as follows:

<u>Year</u>	<u>PERS</u>		<u>PFRS</u>	
	<u>Township</u>	<u>Employees</u>	<u>Township</u>	<u>Employees</u>
2015	\$ 282,072.00	\$ 199,965.21	\$ 846,651.00	\$ 348,388.04
2014	247,928.00	196,938.59	835,692.00	346,303.81
2013	242,075.00	187,591.42	874,943.00	330,267.00

The Township of Fairfield, in accordance with the provisions of Public Law 2009, c. 19 (S21), elected by resolution of the governing body to defer the 50% of their 2009 normal and accrued pension liability for the PERS and PFRS pension retirement system obligation in the amount of \$496,879.00. This deferred pension liability will be repaid over a 15 year period which started in April 2012.

**10. DEFINED CONTRIBUTION RETIREMENT PROGRAM**

**Description of System**

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the minimum base salary required for eligibility in the DCRP was increased to \$5,000.00.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Employees enrolled in the PERS on or after July 1, 2007 or employees enrolled in the PFRS after May 21, 2010 who earn salary in excess of established "maximum compensation" limits.
- Employees otherwise eligible to enroll in the PERS on or after November 2, 2008 who do not earn the minimum salary for PERS Tier 3, but who earn salary of at least \$5,000.00.

## **10. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)**

### **Description of System (Continued)**

- Employees otherwise eligible to enroll in the PERS after May 21, 2010, who do not work the minimum number of hours per week required for PERS Tier 4 or Tier 5 enrollment (32 hours per week) but who earn salary of at least \$5,000.00 annually.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

### **Contributions Required and Made**

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

During the year 2015, there were five officials or employees enrolled in the DCRP.

## **11. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION**

### **Plan Description**

The Township of Fairfield, by contractual agreement, provides medical benefits which include health and dental insurance coverage and prescription benefits to employees and their spouse after retirement with twenty-five years of full-time service with the municipality. These benefits are similar to health benefits provided to current employees.

### **Actuarial Valuation**

An actuarial computation for the annual payment for currently retired employees and the future costs for those employees has not been prepared.

## 12. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8.1, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legally required installment is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

### Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2015</u>	<u>Year 2014</u>	<u>Year 2013</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 14,856,652.00	\$ 9,062,550.00	\$ 10,492,425.00
Assessments:			
Bonds and Notes		41,000.00	81,000.00
Water Utility:			
Bonds and Notes	1,806,750.00	1,761,250.00	1,190,250.00
Sewer Utility:			
Bonds and Notes	1,028,000.00	730,000.00	816,000.00
Swimming Pool Utility:			
Bonds and Notes	95,000.00	125,000.00	155,000.00
	<u>17,786,402.00</u>	<u>11,719,800.00</u>	<u>12,734,675.00</u>
 <u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	110,590.48	110,590.48	47,044.13
Water Utility:			
Bonds and Notes	10,100.00	10,100.00	10,100.00
Sewer Utility:			
Bonds and Notes	135,500.00	135,500.00	135,500.00
Swimming Pool Utility:			
Bonds and Notes	118,000.00	118,000.00	118,000.00
	<u>374,190.48</u>	<u>374,190.48</u>	<u>310,644.13</u>
 Total Debt	 <u>18,160,592.48</u>	 <u>12,093,990.48</u>	 <u>13,045,319.13</u>
 Less: Cash on Hand:			
General	193,098.25	193,098.25	92,398.25
Assessment		0.44	80.44
	<u>193,098.25</u>	<u>193,098.69</u>	<u>92,478.69</u>
 Net Bonds and Notes Issued and Authorized but Not Issued	 <u>\$ 17,967,494.23</u>	 <u>\$ 11,900,891.79</u>	 <u>\$ 12,952,840.44</u>

**12. MUNICIPAL DEBT (Continued)**

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.537%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School	\$ 605,000.00	\$ 605,000.00	\$
Regional High School	6,039,435.22	6,039,435.22	
Water Utility	1,816,850.00	1,816,850.00	
Sewer Utility	1,163,500.00	1,163,500.00	
Swimming Pool Utility	213,000.00	213,000.00	
General	<u>14,967,242.48</u>	<u>193,098.25</u>	<u>14,774,144.23</u>
	<u>\$ 24,805,027.70</u>	<u>\$ 10,030,883.47</u>	<u>\$ 14,774,144.23</u>

Net debt, \$14,774,144.23, divided by Average Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$2,750,310,016.00 equals 0.537%.

**Borrowing Power Under N.J.S. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis	\$ 96,260,850.56
Net Debt	<u>14,774,144.23</u>
Remaining Borrowing Power	<u>\$ 81,486,706.33</u>

**School Debt Deductions**

Local School Debt is deductible up to the extent of 2.50% of the Average Equalized Assessed Valuations of real property for the Local School District. As of December 31, 2015, local school district debt was the sum of \$605,000.00 and is fully deductible. Regional High School Debt is deductible in full. Regional High School Debt apportioned to the Township of Fairfield as of December 31, 2015 was the sum of \$6,039,435.22.

**Calculation of "Self-Liquidating Purposes" Water Utility per N.J.S. 40A:2-45**

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 2,465,491.24
Deductions:		
Operating and Maintenance Costs	\$ 2,002,600.00	
Debt Service per Water Utility Operating Fund	<u>201,649.88</u>	
		<u>2,204,249.88</u>
Excess in Revenue		<u>\$ 261,241.36</u>

There being an excess in revenue, all Water Utility Debt is deductible for Debt Statement purposes.

**12. MUNICIPAL DEBT (Continued)**

**Calculation of "Self-Liquidating Purposes" Sewer Utility per N.J.S. 40A:2-45**

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 4,939,823.44
Deductions:		
Operating and Maintenance Costs	\$ 4,312,600.00	
Debt Service per Sewer Utility Operating Fund	<u>96,694.68</u>	
		<u>4,409,294.68</u>
Excess in Revenue		<u>\$ 530,528.76</u>

There being an excess in revenue, all Sewer Utility Debt is deductible for Debt Statement purposes.

**Calculation of "Self-Liquidating Purposes" Swimming Pool Utility per N.J.S. 40A:2-45**

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 234,853.26
Deductions:		
Operating and Maintenance Costs	\$ 187,900.00	
Debt Service per Swimming Pool Utility Operating Fund	<u>33,350.00</u>	
		<u>221,250.00</u>
Excess in Revenue		<u>\$ 13,603.26</u>

There being an excess in revenue, all Swimming Pool Utility Debt is deductible for Debt Statement purposes.

The foregoing debt information is in agreement with the Revised Annual Debt Statement as filed by the Chief Financial Officer.

As of December 31, 2015, the Township's long-term debt is as follows:

**General Capital Bonds**

**Serial Bonds:**

\$3,808,000.00, 2004 Bonds due in an annual installment of \$388,000.00 through July 2016, interest at 3.65%	\$ 388,000.00
\$5,316,000.00, 2013 Bonds due in annual installments of \$235,000.00 to \$410,000.00 through August 2028, interest at 2.00% to 4.00%	<u>4,871,000.00</u>
	<u>\$ 5,259,000.00</u>

**12. MUNICIPAL DEBT (Continued)**

**Water Utility Bonds**

**Serial Bonds:**

\$758,000.00, 2013 Bonds due in annual installments of \$38,000.00 to \$40,000.00 through August 2033, interest at 2.00% to 4.60% \$ 718,000.00

**Sewer Utility Bonds**

**Serial Bonds:**

\$163,000.00, 2004 Bonds due in annual installments of \$10,000.00 to \$15,000.00 through July 2018, interest at 3.65% \$ 38,000.00

**Refunding Bonds:**

\$760,000.00, 2009 Bonds due in annual installments of \$55,000.00 to \$80,000.00 through January 2020, interest at 2.75% to 4.00% 360,000.00

\$ 398,000.00

**Swimming Pool Utility Bonds**

\$257,000.00, 2004 Bonds due in annual installments of \$17,000.00 to \$20,000.00 through July 2018, interest at 3.65% \$ 57,000.00

\$58,000.00, 2013 Bonds due in annual installments of \$8,000.00 to \$10,000.00 through August 2019, interest at 1.75% to 4.05% 38,000.00

\$ 95,000.00

**Tax Appeal Refunding Note**

Outstanding Tax Appeal Refunding Notes are summarized as follows:

	Interest Rate	Amount
General Capital Fund	0.70 %	\$ 384,000.00
	0.70	140,000.00
	0.49	<u>150,000.00</u>
		<u>\$ 674,000.00</u>

**12. MUNICIPAL DEBT (Continued)**

**Special Emergency Note**

Outstanding Special Emergency Note is summarized as follows:

	<u>Interest Rate</u>	<u>Amount</u>
Current Fund	1.00%	<u>\$ 141,160.00</u>

**Bond Anticipation Notes**

Outstanding Bond Anticipation Notes are summarized as follows:

	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	0.63 %	\$ 573,800.00
	0.63	686,250.00
	0.63	712,500.00
	0.63	1,251,102.00
	0.47	<u>5,700,000.00</u>
		<u>\$ 8,923,652.00</u>
Water Capital Fund	0.63	\$ 170,250.00
	0.63	700,000.00
	0.63	<u>218,500.00</u>
		<u>\$ 1,088,750.00</u>
Sewer Capital Fund	0.63	\$ 250,000.00
	0.63	<u>380,000.00</u>
		<u>\$ 630,000.00</u>

Statutory requirements for providing sums equivalent to legally payable installments for the redemption of notes (Budget Appropriations) and permanent funding (Bond Issues) are summarized as follows:

<u>Original Notes Issued</u>	<u>Legal Installments Due</u>	<u>Permanent Funding Required as of May 1</u>
2012	2015 - 2022	2023
2013	2016 - 2023	2024
2014	2017 - 2024	2025
2015	2018 - 2015	2026

12. MUNICIPAL DEBT (Continued)

A schedule of annual debt service for general bonds principal and interest for bonded debt is as follows:

Calendar Year	Total	General		Water Utility		Sewer Utility		Swimming Pool Utility	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 889,992.50	\$ 623,000.00	\$ 157,977.00	\$ 40,000.00	\$ 23,858.00	\$ 10,000.00	\$ 1,387.00	\$ 30,000.00	\$ 3,770.50
2017	635,105.50	385,000.00	139,115.00	40,000.00	23,058.00	15,000.00	1,022.00	30,000.00	1,910.50
2018	620,128.00	385,000.00	131,415.00	40,000.00	22,258.00	13,000.00	474.50	27,000.00	980.50
2019	578,333.00	385,000.00	123,715.00	40,000.00	21,458.00			8,000.00	160.00
2020	561,673.00	385,000.00	116,015.00	40,000.00	20,658.00				
2021	551,048.00	385,000.00	106,390.00	40,000.00	19,658.00				
2022	538,298.00	385,000.00	94,840.00	40,000.00	18,458.00				
2023	525,548.00	385,000.00	83,290.00	40,000.00	17,258.00				
2024	512,798.00	385,000.00	71,740.00	40,000.00	16,058.00				
2025	525,048.00	410,000.00	60,190.00	40,000.00	14,858.00				
2026	509,298.00	410,000.00	45,840.00	40,000.00	13,458.00				
2027	491,298.00	410,000.00	29,440.00	40,000.00	11,858.00				
2028	389,298.00	326,000.00	13,040.00	40,000.00	10,258.00				
2029	48,658.00			40,000.00	8,658.00				
2030	47,008.00			40,000.00	7,008.00				
2031	45,308.00			40,000.00	5,308.00				
2032	43,548.00			40,000.00	3,548.00				
2033	39,748.00			38,000.00	1,748.00				
	<u>\$ 7,552,136.00</u>	<u>\$ 5,259,000.00</u>	<u>\$ 1,173,007.00</u>	<u>\$ 718,000.00</u>	<u>\$ 259,424.00</u>	<u>\$ 38,000.00</u>	<u>\$ 2,883.50</u>	<u>\$ 95,000.00</u>	<u>\$ 6,821.50</u>

The interest reflected above is on the cash basis for all funds.

**12. MUNICIPAL DEBT (Continued)**

A schedule of annual debt service for sewer refunding bonds principal and interest for bonded debt is as follows:

<u>Calendar Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 90,456.25	\$ 80,000.00	\$ 10,456.25
2017	83,231.25	75,000.00	8,231.25
2018	80,981.25	75,000.00	5,981.25
2019	78,356.25	75,000.00	3,356.25
2020	<u>55,928.13</u>	<u>55,000.00</u>	<u>928.13</u>
	<u>\$ 388,953.13</u>	<u>\$ 360,000.00</u>	<u>\$ 28,953.13</u>

The interest reflected above is on the cash basis.

**Bonds and Notes Authorized but Not Issued**

	<u>Balance Dec. 31, 2015</u>	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2013</u>
General Capital Fund:			
General Improvements	\$ 110,590.48	\$ 110,590.48	\$ 47,044.13
Water Utility Capital Fund:			
General Improvements	10,100.00	10,100.00	10,100.00
Sewer Utility Capital Fund:			
General Improvements	135,500.00	135,500.00	135,500.00
Swimming Pool Utility Capital Fund:			
General Improvements	<u>118,000.00</u>	<u>118,000.00</u>	<u>118,000.00</u>
	<u>\$ 374,190.48</u>	<u>\$ 374,190.48</u>	<u>\$ 310,644.13</u>

**13. INTERFUND RECEIVABLES AND PAYABLES**

As of December 31, 2015, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 223,374.32	\$ 1,520,824.03
Federal and State Grant Fund	265,383.87	
Assessment Trust Fund	42,254.60	54,145.00
Animal Control Trust Fund		17,929.62
General Trust Fund	1,426,697.78	7,533.00
Developers' Escrow Trust Fund		203,907.08
General Capital Fund	319,715.82	371,101.56
Water Operating Fund	126.00	296,908.20
Water Capital Fund	149,555.07	
Sewer Operating Fund	153,173.57	91,713.19
Sewer Assessment Trust Fund	13,698.00	25,003.42
Sewer Capital Fund	15,456.42	
Swimming Pool Operating Fund	1,001.63	22,083.33
Swimming Pool Capital Fund	1,584.98	1,001.63
Payroll Fund	128.00	
	<u>\$ 2,612,150.06</u>	<u>\$ 2,612,150.06</u>

**14. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS' BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the balance sheet of the Current Fund and Water Operating Fund:

	<u>Balance Dec. 31, 2015</u>	<u>2016 Budget Appropriation</u>	<u>To be Raised in Subsequent Budget</u>
<u>Current Fund</u>			
Special Emergency Authorization (N.J.S.A. 40A:4-53)	\$ 141,160.00	\$ 70,580.00	\$ 70,580.00
<u>Water Operating Fund</u>			
Emergency Appropriation	10,948.00	10,948.00	

**15. DEFERRED SCHOOL TAXES**

The Local School District Tax and the Regional High School Tax were raised on the school year basis and liability deferred by statute, resulting in school taxes payable set forth in liabilities computed as follows:

	<u>Local School District Balance Dec. 31, 2015</u>	<u>Regional High School Balance Dec. 31, 2015</u>
*Balance of Tax	\$ 5,317,710.50	\$ 7,261,175.96
Amount Deferred	<u>5,317,710.50</u>	<u>7,261,173.50</u>
Tax Payable (Cash Liability)	<u>\$ -</u>	<u>\$ 2.46</u>

\*Required for school operations for the six month period following December 31st.

**16. DEFERRED COMPENSATION PLAN**

The Township of Fairfield offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The Township of Fairfield authorized such modifications to their plan by resolution of the Township Council adopted September 28, 1998.

The Administrator for the Township of Fairfield's Deferred Compensation Plan is AXA Equitable Life Insurance Company.

**17. RISK MANAGEMENT**

The Township of Fairfield is a member of the Suburban Essex Joint Insurance Fund with respect to General Liability, Property, Workers' Compensation and Employer Liability.

Members may be subject to additional assessments and are also responsible for their respective share of the fund's liabilities, should the fund be dissolved.

Payment to this Fund for the year 2015 was the sum of \$517,402.24.

## **18. CONTINGENT LIABILITY**

### **A. Compensated Absences**

The Township of Fairfield has an accrued sick policy plan whereby eligible employees may receive one-half of accumulated sick time not to exceed twenty days. Employees are compensated for unused vacation days.

It is estimated that the sum of \$595,771.31 would be payable to seventy-one officials and employees as of December 31, 2015 for accumulated vacation and sick days. This amount was not verified by audit.

A provision for the above is not reflected on the financial statements of the Township.

### **B. Tax Appeal**

As of August 15, 2016, there were 79 tax appeals pending before the New Jersey Tax Court with an assessed valuation of \$494,322,500.00. Potential liability was undeterminable.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

### **C. Federal and State Awards**

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 2015 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

### **D. Other**

A general liability claim against the Township of Fairfield was settled in the year 2012 for the sum of \$1,425,000.00. Liability coverage for the Township was provided by the Municipal Excess Liability Joint Insurance Fund (MEL). An agreement was entered into with the MEL whereby the MEL would pay the entire settlement costs and the Township would reimburse the MEL 50% of these costs over a ten year period. The agreement provides that payments of \$71,250.00 would commence on January 1, 2013 and each January thereafter through January 2023.

### **E. Arbitrage Rebate Calculation**

In 1985, under the Tax Reform Act, the Arbitrage Rebate Law went into effect requiring issuers of tax exempt debt obligations to rebate to the Federal Government all of the earnings in excess of the yield on investments of proceeds of such debt issuances (the "rebate arbitrage"). The Rebate Regulations apply to obligations issued after August 31, 1986. The arbitrage rebate liability must be calculated every installment computation date (last day of the fifth bond year) or earlier if the bonds are retired, defeased or refunded and pay at least 90% of the rebatable arbitrage (plus any earnings thereon) within 60 days after such date.

### **F. Payments in Lieu of Taxes (PILOT)**

Under N.J.S.A. 40A:20-12, each municipality is required to annually remit to the County five percent (5%) of the annual service charge for each long-term PILOT financial agreement entered into by the municipality.

**18. CONTINGENT LIABILITY (Continued)**

**G. Litigation**

There is no significant litigation or any contingent liabilities, unasserted claims or assessments or statutory violations which would affect the financial position or results of operations of the Township.

**19. SECONDARY MARKET DISCLOSURE**

Solely for purposes of complying with Rule 1602-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the requirements in accordance with Paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the municipality shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof various financial documents relating to the financial conditions of the Municipal Securities Rulemaking Board through the Electronic Municipal Access Data Port (the "MSRB").

**20. SUBSEQUENT EVENT**

The Township of Fairfield has evaluated subsequent events that occurred after the balance sheet date, but before October 10, 2016. No items were determined to require disclosure.

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION  
TREASURER

A-4

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>	
Balance December 31, 2014	A	\$ 6,544,006.77		\$
Increased by Receipts:				
Prior Year Outstanding Checks Cancelled	A-1	\$ 4,001.20		\$
Collector	A-5	57,150,655.36		
Interfunds Receivable	A-14,15	316,001.01	26,895.13	
Federal and State Grants Receivable	A-17		197,175.16	
Interfunds Payable	A-21	272,030.92		
Township's Matching Funds for Grants	A-28		168,500.00	
Unappropriated Reserves	A-29		3,800.00	
		57,742,688.49		396,370.29
		64,286,695.26		396,370.29
Decreased by Disbursements:				
Budget Appropriations	A-3	16,561,718.05		
Interfunds Receivable	A-15	420,129.04	56,230.92	
Appropriation Reserves	A-18	719,731.70		
Tax Overpayments	A-20	33,808.73		
Interfunds Payable	A-21	175,017.13		
Special Emergency Note Payable	A-22	70,580.00		
County Taxes	A-23	13,515,416.09		
Local School District Tax	A-24	10,517,740.00		
Regional High School Taxes	A-25	14,331,912.54		
Federal and State Grant Programs:				
Appropriated	A-28		340,139.37	
		56,346,053.28	340,139.37	396,370.29
Balance December 31, 2015	A	\$ 7,940,641.98		\$ -
<u>Bank Reconciliation December 31, 2015</u>				
Balance per Statements:				
PNC Bank:				
Account #81-0142-8686		\$ 3,354,222.40		
TD Bank:				
Account #3452885534		5,439,706.99		
BCB Bank:				
Account #2822900003		3,006,619.09		
		11,800,548.48		
Plus: In-Transit Items				
		8,553.47		
		11,809,101.95		
Less: Outstanding Checks				
In-Transit Items		\$ 3,862,475.74		
		5,984.23		
		3,868,459.97		
		\$ 7,940,641.98		

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION  
TAX COLLECTOR

A-5

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ 1,321.79
Increased by Receipts:			
Interest and Costs on Taxes	A-2a	\$ 163,360.84	
Miscellaneous Revenue Not Anticipated	A-2e	198,178.19	
Due from State of New Jersey (Ch. 129, P.L. 1976)	A-8	77,500.00	
Taxes Receivable	A-9	52,277,508.83	
Tax Title Liens	A-10	2,232.15	
Revenue Accounts Receivable	A-12	3,735,562.38	
Other Accounts Receivable	A-13	16,096.43	
Tax Overpayments	A-20	403,353.78	
Prepaid Taxes	A-27	<u>276,866.26</u>	
			<u>57,150,658.86</u>
			57,151,980.65
Decreased by Disbursements:			
Payments to Treasurer	A-4		<u>57,150,655.36</u>
Balance December 31, 2015	A		<u>\$ 1,325.29</u>
<u>Bank Reconciliation December 31, 2015</u>			
Balance per Statement:			
PNC Bank:			
Account #345-3103645			\$ 3,708.06
Less: In-Transit Items			<u>2,382.77</u>
			<u>\$ 1,325.29</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

CASH - MONEY MARKET ACCOUNT

A-6

	<u>Ref.</u>	
Balance December 31, 2014	A	\$130,382.84
Increased by:		
Accrued Interest	A-12	<u>762.65</u>
Balance December 31, 2015	A	<u>\$131,145.49</u>
 <u>Bank Reconciliation December 31, 2015</u>		
Balance per Statement:		
Columbia Bank, Fairfield, New Jersey: Account #024804518		<u>\$131,145.49</u>

CHANGE FUNDS

A-7

	<u>Ref.</u>	
Balance December 31, 2014	A	<u>\$ 170.00</u>
Balance December 31, 2015	A	<u>\$ 170.00</u>
 <u>Analysis of Balance</u>		
Tax Collector		\$ 100.00
Municipal Court		50.00
Police Department		<u>20.00</u>
		<u>\$ 170.00</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

DUE FROM STATE OF NEW JERSEY  
PER CHAPTER 129, P.L. 1976

A-8

	<u>Ref.</u>		
Balance December 31, 2014	A		\$12,885.85
Increased by:			
Deductions per Tax Billings:			
Senior Citizens		\$ 7,000.00	
Disabled		250.00	
Veterans		<u>67,500.00</u>	
		74,750.00	
Less: Deductions Disallowed by Tax Collector:			
Senior Citizen	\$1,750.00		
Veterans	<u>250.00</u>		
		<u>2,000.00</u>	
		72,750.00	
Plus: Deductions Allowed by Tax Collector:			
Senior Citizens	1,250.00		
Veterans	<u>750.00</u>		
		<u>2,000.00</u>	
	A-2b	74,750.00	
2014 Deductions Allowed by Tax Collector:			
Senior Citizens	A-2b A-9	<u>1,000.00</u>	<u>75,750.00</u>
			88,635.85
Decreased by:			
2014 Deductions Disallowed by Tax Collector	A-1	2,250.00	
Collections	A-5	<u>77,500.00</u>	
			<u>79,750.00</u>
Balance December 31, 2015	A		<u><u>\$ 8,885.85</u></u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-9

Year	Balance Dec. 31, 2014	2015 Levy	Added Taxes	2014	2015	Due from State of New Jersey	Tax Overpayments Applied	Transfers to Tax Title Liens	Cancelled	Balance Dec. 31, 2015
2013	\$ 16,376.06		\$ 15,558.12	\$	\$ 102.66	\$	\$ 5,955.23	\$	\$ 6,909.57	\$ 16,273.40
2014	606,868.55		15,558.12		547,372.13	1,000.00	5,955.23	52,614.14	6,909.57	8,575.60
2015	623,244.61	53,032,264.89		105,671.51	51,730,034.04	74,750.00	63,918.44	163,425.97	396,085.03	24,849.00
	\$ 623,244.61	\$ 53,032,264.89	\$ 15,558.12	\$ 105,671.51	\$ 52,277,508.83	\$ 75,750.00	\$ 69,873.67	\$ 216,040.11	\$ 402,994.60	\$ 523,228.90
Reference	A	Below	Reserve	A-27	A-2b.5	A-8	A-2b.20	A-10	Reserve	A

ANALYSIS OF 2015 PROPERTY TAX LEVY

Tax Yield	Ref.	Tax Levy	Ref.
General Purpose Tax:			
General Purpose Tax		\$52,756,784.96	
Business Personal Property Tax		150,745.67	
Added Taxes (N.J.S. 54:4-63.1 et seq.)		52,907,530.63	
		124,734.26	
County Taxes:			
County Tax (Abstract)			
Due County for Added and Omitted Taxes:			
(N.J.S. 54:4-63.1 et seq.)			
Local School District Tax (Abstract)	A-23		\$13,515,416.09
Regional High School Tax (Abstract)	A-24		10,635,425.00
Local Municipal Open Space Tax:			
Open Space Tax (Abstract)	A-25		14,522,347.00
Added Taxes			
Local Tax for Municipal Purposes (Budget)	A-26		262,050.00
Plus: Additional Taxes Levied			620.01
			13,993,008.68
			103,398.11
			14,096,406.79
		\$53,032,264.89	\$53,032,264.89

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

TAX TITLE LIENS

A-10

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ 1,217,231.70
Increased by:			
Transfers from Taxes Receivable	A-9	\$216,040.11	
Interest and Cost Accrued by Tax			
Sale of December 8, 2015	Reserve	<u>12,939.14</u>	
			<u>228,979.25</u>
			<u>1,446,210.95</u>
Decreased by:			
Collections	A-2b,5		<u>2,232.15</u>
Balance December 31, 2015	A		<u><u>\$ 1,443,978.80</u></u>

PROPERTY ACQUIRED FOR TAXES  
AT ASSESSED VALUATION

A-11

	<u>Ref.</u>		
Balance December 31, 2014	A		<u>\$ 4,810,800.00</u>
Balance December 31, 2015	A		<u><u>\$ 4,810,800.00</u></u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

A-12  
Sheet #1

REVENUE ACCOUNTS RECEIVABLE

<u>Source</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Accruals</u>	<u>Collections</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Budget Revenue</u>					
Clerk:					
ABC Licenses	A-2a	\$	\$ 45,841.00	\$ 45,841.00	\$
Other Licenses	A-2c		10,300.00	10,300.00	
Hotel Inspection Fees	A-2a		42,570.00	42,570.00	
Construction Code Official:					
Building Permits	A-2a		331,303.00	331,303.00	
Other Fees and Permits	A-2c		191,900.00	191,900.00	
Collector:					
Fees and Permits	A-2c		70.00	70.00	
Police:					
Fees and Permits	A-2c		5,564.63	5,564.63	
Registrar of Vital Statistics:					
Marriage Licenses	A-2c		102.00	102.00	
Fees and Permits	A-2c		4,259.20	4,259.20	
Magistrate:					
Fines and Costs	A-2a	35,123.86	318,283.61	338,027.82	15,379.65
Fire Inspector:					
Fire Prevention Fees	A-2a		190,744.00	190,744.00	
Hazardous Chemical Control Fees	A-2a		59,783.75	59,783.75	
Engineer:					
Recycling Fees	A-2a		2,848.00	2,848.00	
Fees and Permits	A-2c		17,320.00	17,320.00	
Escrow Fees	A-2a		9,374.44	9,374.44	
Site Plan	A-2a		8,233.25	8,233.25	
State of New Jersey:					
Consolidated Municipal Property Tax					
Relief Aid	A-2a		13,018.00	13,018.00	
Energy Receipts Tax	A-2a		1,161,877.00	1,161,877.00	
Uniform Fire Safety Fees	A-2a		157,824.92	157,824.92	
Hotel and Motel Occupancy Fees	A-2a		668,842.23	668,842.23	
Garden State Trust Pilot	A-2a		10,447.00	10,447.00	
Other:					
Comcast Franchise Fees	A-2a		65,367.85	65,367.85	
Verizon FIOS Franchise Fee	A-2a		61,726.72	61,726.72	
Interest on Investments	A-2a		17,944.07	17,944.07	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

A-12  
Sheet #2

REVENUE ACCOUNTS RECEIVABLE

<u>Source</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Accruals</u>	<u>Collections</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Budget Revenue</u>					
Other:					
Guaranty Agreement for the Payment of Library Debt Service:					
1984 Bonds	A-2a	\$	1,350.00	1,350.00	\$
ECIA Annual Payment	A-2a		110,000.00	110,000.00	
Cellular Tower Rental	A-2a		191,717.38	191,717.38	
		<u>35,123.86</u>	<u>3,698,612.05</u>	<u>3,718,356.26</u>	<u>15,379.65</u>
<u>Nonbudget Revenue</u>					
Other Licenses:					
Limousine			550.00	550.00	
Omnibus			3,000.00	3,000.00	
Other Fees and Permits:					
Towing			18,225.00	18,225.00	
Assessor			630.00	630.00	
	A-2e		<u>22,405.00</u>	<u>22,405.00</u>	
		<u>\$ 35,123.86</u>	<u>\$ 3,721,017.05</u>	<u>\$ 3,740,761.26</u>	<u>\$ 15,379.65</u>
Reference		A	Reserve	Below	A
Collections	Ref.				
Interest on Investments and Deposits:					
Accrued Interest	A-5			\$ 3,735,562.38	
Interfunds Receivable	A-6			762.65	
	A-14			<u>4,436.23</u>	
			Above	<u>\$ 3,740,761.26</u>	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

OTHER ACCOUNTS RECEIVABLE

A-13

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 16,096.43
Decreased by: Collections	A-1,5	<u>16,096.43</u>
		<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

INTERFUNDS RECEIVABLE  
CURRENT FUND

A-14

Ref.	Total	Assessment Trust Fund	Animal Control Trust Fund	General Trust Fund	Developers' Escrow Trust Fund	General Capital Fund	Water Operating Fund	Sewer Operating Fund	Swimming Pool Operating Fund
Balance December 31, 2014	\$ 195,891.20	\$	\$ 13,993.98	\$	\$ 1,157.34	\$ 81,227.20	\$ 55,642.91	\$ 36,711.79	\$ 7,157.98
Increased by:									
Miscellaneous Revenue Anticipated:									
Assessment Trust Surplus	25,000.00	25,000.00							
Sewer Utility Surplus	300,000.00							300,000.00	
Miscellaneous Revenue Not Anticipated:									
Interest and Costs on Assessments	3,025.82	3,025.82							
Administrative Fees:									
Outside Employment of Off-Duty Police Officers	56,957.50			56,957.50					
Other Revenue	471.42			471.42					
Statutory Excess - Animal Control Fund	3,935.64		3,935.64						
Expenses Paid by Current Fund	420,129.04	18.49		300,000.00	646.65	3,236.30	64,308.68	49,549.86	6,270.50
Interest on Investments and Deposits	4,436.23	28,044.31	3,935.64	534.79	646.65	3,236.30	64,308.68	349,549.86	6,270.50
	813,955.65	28,044.31	17,929.62	357,963.71	1,803.99	84,463.50	119,951.59	386,261.65	13,428.48
Decreased by:									
Settlements	316,001.01								
Transfers from Interfunds Payable	470,471.52	28,044.31		357,963.71		84,463.50	5,996.13	310,004.88	
	786,472.53	28,044.31		357,963.71		84,463.50	5,996.13	310,004.88	
Balance December 31, 2015	\$ 223,374.32	\$	\$ 17,929.62	\$	\$ 1,803.99	\$	\$ 113,955.46	\$ 76,256.77	\$ 13,428.48

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

INTERFUNDS RECEIVABLE  
FEDERAL AND STATE GRANT FUND

A-15

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>General Trust Fund</u>	<u>General Capital Fund</u>
Balance December 31, 2014	A	\$209,152.95	\$169,381.90	\$7,533.00	\$32,238.05
Increased by:					
Prior Year Adjustment	A-28	26,895.13	26,895.13		
Advances	A-4	<u>56,230.92</u>	<u>56,230.92</u>		
		<u>292,279.00</u>	<u>252,507.95</u>	<u>7,533.00</u>	<u>32,238.05</u>
Decreased by:					
Settlements	A-4	<u>26,895.13</u>	<u>26,895.13</u>		
Balance December 31, 2015	A	<u>\$265,383.87</u>	<u>\$225,612.82</u>	<u>\$7,533.00</u>	<u>\$32,238.05</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

DEFERRED CHARGES  
N.J.S. 40A:4-53 SPECIAL EMERGENCY AUTHORIZATION

A-16

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of</u> <u>Net Amount Authorized</u>	<u>Balance Dec. 31, 2014</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2015</u>
03-26-12	Reassessment of Real Property	\$102,900.00	\$20,580.00	\$ 61,740.00	\$20,580.00	\$ 41,160.00
12-26-12	Hurricane Sandy	250,000.00	50,000.00	<u>150,000.00</u>	<u>50,000.00</u>	<u>100,000.00</u>
				<u>\$211,740.00</u>	<u>\$70,580.00</u>	<u>\$ 141,160.00</u>
	<u>Reference</u>			A	A-3	A

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

FEDERAL AND STATE GRANTS RECEIVABLE

A-17  
Sheet #1

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Grants</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>State Grants</u>				
Municipal Alliance and Drug Abuse Program:				
2015	\$	\$ 56,080.00	\$ 48,001.77	\$ 8,078.23
2014	11,839.59			11,839.59
2013	22,199.08			22,199.08
2012	28,652.76			28,652.76
2011	11,789.56			11,789.56
2010	47,437.99			47,437.99
2009	21,765.91			21,765.91
2008	32.10			32.10
2007	24.79			24.79
2006	3,731.26			3,731.26
Body Armor Fund		3,446.80	3,446.80	
Child Passenger Safety	475.68			475.68
Hazard Mitigation	55,725.00			55,725.00
Comprehensive Traffic Safety Grant	75.00			75.00
Alcohol Education, Rehabilitation and Enforcement Fund	3,072.17	3,064.52	3,064.52	3,072.17
Recycling Tonnage		27,955.77	27,955.77	
New Jersey Department of Environmental Protection		184,800.00		184,800.00
Highway Safety Fund "Safe Corridors":				
2015		10,953.81		10,953.81
2014	29,514.06			29,514.06
2012	23,903.63			23,903.63
2011				
Clean Communities Program		18,746.05	18,746.05	
New Jersey Department of Transportation:				
Lehigh Drive	122,000.00	226,000.00	82,760.25	265,239.75
<u>Federal Grants</u>				
Passed-Through New Jersey Department of Transportation Trust Fund:				
Big Piece Road - Section VII	23,408.44			23,408.44
Big Piece Road - Section X	35,699.20			35,699.20
Beverly Road - Section II	72,119.84			72,119.84
Industrial Road:				
2011	25,541.98			25,541.98
2012	250,000.00			250,000.00
Bulletproof Vest Program:				
2007	2,075.75			2,075.75
Drive Sober or Get Pulled Over:				
2015		12,500.00	12,500.00	
2013	3,725.00			3,725.00
2012	675.00			675.00
COPS Hiring Recovery Program:				
2012	0.01			0.01
2011	4,476.58			4,476.58

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

FEDERAL AND STATE GRANTS RECEIVABLE

A-17  
Sheet #2

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Grants</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Federal Grants</u>				
FEMA:				
National Preparedness	\$ 13,462.00	\$	\$	\$ 13,462.00
Hazard Mitigation Grant I		157,500.00		157,500.00
Hazard Mitigation Grant II		75,000.00		75,000.00
<u>County Programs</u>				
Essex County Open Space Trust Fund	150,000.00			150,000.00
<u>Other Grants</u>				
Skyline Auto Exchange	164,251.48			164,251.48
Police Donations		<u>4,552.50</u>	<u>4,552.50</u>	
	<u>\$1,127,673.86</u>	<u>\$780,599.45</u>	<u>\$201,027.66</u>	<u>\$1,707,245.65</u>
<u>Reference</u>	<u>A</u>	<u>A-2a</u>	<u>Below</u>	<u>A</u>
		<u>Ref.</u>		
Collections		A-4	\$197,175.16	
Unappropriated Reserves		A-29	<u>3,852.50</u>	
Applied		Above	<u>\$201,027.66</u>	

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

APPROPRIATION RESERVES

A-18  
Sheet #1

<u>APPROPRIATION</u>	<u>Balance</u> Dec. 31, 2014	<u>Encumbered</u>	<u>Unencumbered</u>	<u>Balance</u> After Transfers	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>Salaries and Wages</u>	\$ 5,675.72		5,675.72	\$ 5,675.72		\$ 5,675.72
<u>Administrative and Executive</u>			850.36	850.36		850.36
Mayor and Council			128.72	128.72		128.72
Township Clerk			5,215.87	5,215.87		5,215.87
Financial Administration			61.14	61.14		61.14
Assessment of Taxes			10,061.28	10,061.28		10,061.28
Collection of Taxes			3,519.94	3,519.94	2,083.33	1,436.61
Municipal Prosecutor			20,170.77	20,170.77		20,170.77
Engineering Services and Costs			4,076.74	4,076.74		4,076.74
Public Buildings and Grounds						
Municipal Land Use Law (N.J.S. 40:55D-1):						
<u>Planning Board</u>			1.96	1.96		1.96
<u>Board of Adjustment</u>			1.96	1.96		1.96
<u>Environmental Commission</u>			400.00	400.00		400.00
<u>Municipal Court</u>			17,187.59	17,187.59	45.05	17,142.54
<u>Stream Cleaning</u>			2,732.50	1,732.50		1,732.50
<u>Police</u>			35,149.60	35,149.60	26,518.67	8,630.93
<u>Fire Prevention Bureau</u>			3,825.38	3,825.38		3,825.38
<u>Emergency Management Services</u>			699.96	699.96		699.96
<u>Road Repair and Maintenance</u>			88,691.27	88,691.27		88,691.27
<u>Repair and Maintenance of Vehicles</u>			14,662.09	14,662.09		14,662.09
<u>Parks and Playgrounds</u>			5,079.87	5,079.87		5,079.87
<u>Park Maintenance</u>			20,796.54	20,796.54		20,796.54
<u>Construction Code Officials</u>			362.69	362.69		362.69
<u>Salary Adjustment Account</u>			100,000.00	100,000.00		100,000.00
			<u>339,351.95</u>	<u>338,351.95</u>	<u>28,647.05</u>	<u>309,704.90</u>
<u>Other Expenses</u>						
<u>Administrative and Executive</u>	3,195.23		5,522.11	8,717.34	4,257.72	4,459.62
<u>Township Clerk</u>	2,209.11		9,683.08	9,892.19	94.11	9,798.08
<u>Central Purchasing</u>			1,882.96	1,882.96	552.40	1,330.56

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

APPROPRIATION RESERVES

A-18  
Sheet #2

	Balance Dec. 31, 2014		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
<b>APPROPRIATION</b>					
<b>APPROPRIATIONS WITHIN "CAPS"</b>					
Other Expenses					
Financial Administration:					
Miscellaneous Other Expenses	\$ 15,595.59	\$ 15,595.59	\$ 12,295.59	\$ 4,009.74	\$ 8,285.85
Payroll Costs	2,406.36	2,406.36	2,406.36	1,988.73	417.63
Assessment of Taxes	525.00	2,906.58	3,431.58	525.00	2,906.58
Collection of Taxes	3,770.50	837.56	4,608.06	2,608.06	2,000.00
Legal Services and Costs:					
Miscellaneous	84.00	66,435.81	66,519.81	10,833.11	55,686.70
Engineering Services and Costs	1,417.33	259.30	4,976.63	4,924.66	51.97
Public Buildings and Grounds	2,257.01	188.71	3,445.72	2,266.74	1,178.98
Planning Board	1,657.18	9,551.40	11,208.58	1,979.09	9,229.49
Board of Adjustment	342.20	13,086.62	13,428.82	815.20	12,613.62
Environmental Commission		1,000.00	1,000.00	89.89	910.11
Municipal Court	657.40	4,209.86	4,867.26	657.40	4,209.86
Insurance:					
General Liability		689.02	689.02		689.02
Employee Group Health		52,970.61	52,970.61	1,258.80	51,711.81
Stream Cleaning		5,820.67	6,820.67	6,400.00	420.67
Fire	5,789.63	6,232.77	12,022.40	10,104.38	1,918.02
Police	49,477.32	96.85	50,574.17	48,516.12	2,058.05
First Aid Organization Contribution (N.J.S.A. 40:5-2)		1,675.29	1,675.29		1,675.29
Fire Prevention Bureau	2,408.97	131.64	2,540.61	2,514.98	25.63
Emergency Management Services	621.27	10,148.72	10,769.99	1,891.27	8,878.72
Road Repairs and Maintenance	4,530.46	1,517.17	6,047.63	5,116.24	931.39
Repair and Maintenance of Vehicles	11,116.90	27,975.28	39,092.18	35,484.60	3,607.58
Board of Health	369.08	1,047.12	1,416.20	369.08	1,047.12
Garbage and Trash Removal - Contractual	60.00	171,114.88	171,174.88	32,990.88	138,184.00
Human Services	7,600.00	16,787.20	24,387.20	11,400.00	12,987.20
Parks and Playgrounds	536.46	5,587.71	6,124.17	1,448.27	4,675.90
Camp Wyanokie		139.00	139.00		139.00
Park Maintenance	2,652.15	1,173.86	3,826.01	3,204.47	621.54
Historic Preservation Commission		400.00	400.00		400.00
Construction Code Officials	32,870.01	10,253.33	43,123.34	32,870.01	10,253.33



TOWNSHIP OF FAIRFIELD  
CURRENT FUND

ACCOUNTS PAYABLE

A-19

	<u>Ref.</u>	
Increased by:		
Accruals	A-18	\$ 1,147.50
Balance December 31, 2015	A	<u>\$ 1,147.50</u>

Analysis of Balance

Vendor

Fire and Safety Services, Ltd.		<u>\$ 1,147.50</u>
--------------------------------	--	--------------------

TAX OVERPAYMENTS

A-20

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ 444,604.01
Increased by:			
Collections	A-5		<u>403,353.78</u>
			847,957.79
Decreased by:			
Refunds	A-4	\$ 33,808.73	
Applied to Taxes Receivable	A-9	<u>69,873.67</u>	
			<u>103,682.40</u>
Balance December 31, 2015	A		<u>\$ 744,275.39</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

A-21

INTERFUNDS PAYABLE

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>General Trust Fund</u>	<u>Assessment Trust Fund</u>	<u>General Capital Fund</u>	<u>Sewer Assessment Trust Fund</u>	<u>Payroll Fund</u>
Balance December 31, 2014	A	\$ 1,340,937.39	\$ 169,381.90	\$ 1,097,129.52	\$ 60,599.97	\$	\$ 13,698.00	\$ 128.00
Increased by:								
Prior Year Adjustment	A-1	26,895.13	26,895.13					
Budget Appropriation	A-3	263,779.23		50,000.00		213,779.23		
Advances	A-4	272,030.92	56,230.92	215,800.00				
Municipal Open Space Tax	A-26	262,670.01		262,670.01				
		<u>825,375.29</u>	<u>83,126.05</u>	<u>528,470.01</u>		<u>213,779.23</u>		
		<u>2,166,312.68</u>	<u>252,507.95</u>	<u>1,625,599.53</u>	<u>60,599.97</u>	<u>213,779.23</u>	<u>13,698.00</u>	<u>128.00</u>
Decreased by:								
Settlements	A-4	175,017.13	26,895.13	82,274.00		65,848.00		
Transfers from Interfunds Receivable	A-14	470,471.52		357,963.71	28,044.31	84,463.50		
		<u>645,488.65</u>	<u>26,895.13</u>	<u>440,237.71</u>	<u>28,044.31</u>	<u>150,311.50</u>		
Balance December 31, 2015	A	<u>\$ 1,520,824.03</u>	<u>\$ 225,612.82</u>	<u>\$ 1,185,361.82</u>	<u>\$ 32,555.66</u>	<u>\$ 63,467.73</u>	<u>\$ 13,698.00</u>	<u>\$ 128.00</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

SPECIAL EMERGENCY NOTE PAYABLE

A-22

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 211,740.00
Decreased by: Payments	A-4	<u>70,580.00</u>
Balance December 31, 2015	A	<u>\$ 141,160.00</u>

Analysis of Balance

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
12-01-16	1.00%	<u>\$ 141,160.00</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

COUNTY TAXES

A-23

	<u>Ref.</u>	
Increased by:		
2015 Levy:		
General County		\$13,091,452.72
Open Space Preservation		<u>392,153.94</u>
	A-2b	<u>13,483,606.66</u>
2015 Added Assessments:		
General County	A-2b	<u>31,809.43</u>
	A-1,9	<u>13,515,416.09</u>
Decreased by:		
Payments	A-4	<u>13,515,416.09</u>
		<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX

A-24

	<u>Ref.</u>	
Balance December 31, 2014: School Tax Deferred		\$ 5,200,025.50
Increased by:		
2015 - 2016 Fiscal Year Levy	A-1,2b,9	<u>10,635,425.00</u> 15,835,450.50
Decreased by:		
Payments	A-4	<u>10,517,740.00</u>
Balance December 31, 2015: School Tax Deferred		<u>\$ 5,317,710.50</u>
 <u>Analysis of Increase in Deferred School Tax</u>		
Deferred School Tax December 31, 2015		\$ 5,317,710.50
Deferred School Tax December 31, 2014		<u>5,200,025.50</u>
	A-1	<u>\$ 117,685.00</u>

REGIONAL HIGH SCHOOL TAXES

A-25

	<u>Ref.</u>	
Balance December 31, 2014: School Tax Deferred		\$ 7,070,741.50
Increased by:		
2015 - 2016 Fiscal Year Levy	A-1,2b,9	<u>14,522,347.00</u> 21,593,088.50
Decreased by:		
Payments	A-4	<u>14,331,912.54</u>
Balance December 31, 2015: School Tax Payable	A	\$ 2.46
School Tax Deferred		<u>7,261,173.50</u>
		<u>\$ 7,261,175.96</u>
 <u>Analysis of Increase in Deferred School Tax</u>		
Deferred School Tax December 31, 2015		\$ 7,261,173.50
Deferred School Tax December 31, 2014		<u>7,070,741.50</u>
	A-1	<u>\$ 190,432.00</u>

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

MUNICIPAL OPEN SPACE TAX

A-26

	<u>Ref.</u>		
Increased by:			
2015 Calendar Year Levy		\$262,050.00	
2015 Added Assessments		620.01	
	A-1,2b,9		\$262,670.01
Decreased by:			
Payments	A-21		262,670.01
			\$ -

PREPAID TAXES

A-27

	<u>Ref.</u>		
Balance December 31, 2014	A		\$105,671.51
Increased by:			
Collections	A-5		276,866.26
			382,537.77
Decreased by:			
Applied to 2015 Taxes	A-2b,9		105,671.51
Balance December 31, 2015	A		\$276,866.26

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

FEDERAL AND STATE GRANT PROGRAMS APPROPRIATED

A-28  
Sheet #1

	Balance Dec. 31, 2014		2015 Budget Appropriation	Prior Year Adjustment	Expended	Balance Dec. 31, 2015	
	Encumbered	Unencumbered				Encumbered	Unencumbered
State Programs							
Clean Communities Program:							
2013	\$ 239.78	\$ 13,551.76	\$	\$	\$ 13,791.54	\$	\$ 10,031.42
2014		15,428.14			5,396.72		18,746.05
2015			18,746.05				
Drunk Driving Enforcement Fund:							
2013		3,411.42			1,365.00		2,046.42
2014		7,536.08					7,536.08
Highway Safety Fund "Safe Corridors":							
2014		26,574.96			26,574.96		10,953.81
2015			10,953.81				
Municipal Alliance Program:							
2010		2,653.06					2,653.06
2011		26,417.92			40,963.77		26,417.92
2014		54,822.68			58,186.18		13,858.91
2015			70,080.00				11,893.82
Body Armor Replacement Fund:							
2012		1,034.79			1,034.79		
2013		746.69			746.69		
2014		3,283.59			1,908.64	875.00	499.95
2015			3,446.80		684.88		2,761.92
Recycling Tonnage:							
2007		14.48					14.48
2010	281.96				281.96		
2011	2,218.04	34,537.34			3,149.29		33,606.09
2012		15,596.71					15,596.71
2013		26,330.98					26,330.98
2015			27,955.77				27,955.77
Over the Limit, Under Arrest:							
2011		1,968.45					1,968.45
Hazard Mitigation:							
2007		115,975.00					115,975.00
Child Passenger Safety:							
2007		475.68					475.68
Municipal Storm Water Regulation Program:							
2006		1,939.68					1,939.68
2007		1,346.62					1,346.62

TOWNSHIP OF FAIRFIELD  
CURRENT FUND

A-28  
Sheet #2

FEDERAL AND STATE GRANT PROGRAMS APPROPRIATED

	Balance Dec. 31, 2014		2015 Budget Appropriation	Prior Year Adjustment	Expended	Balance Dec. 31, 2015	
	Encumbered	Unencumbered				Encumbered	Unencumbered
State Programs							
Alcohol Education, Rehabilitation and Enforcement Fund:							
2012	\$	4,431.53	\$	\$26,895.13	\$	\$	\$ 31,326.66
2014		6,144.34			3,672.15		2,472.19
2015			3,064.52		3,064.52		
New Jersey Department of Environmental Protection			184,800.00		31,333.00		153,467.00
Comprehensive Traffic Safety		19,000.00					19,000.00
New Jersey Department of Transportation:							
Lehigh Drive - Section I	8,500.00	110,250.00			108,953.79		9,796.21
Lehigh Drive - Section II			226,000.00				226,000.00
Federal Programs							
Passed Through New Jersey Department of of Transportation Trust Fund:							
Big Piece Road:							
Section VII		8,617.22					8,617.22
Section X		58,232.25					58,232.25
Beverly Road:							
Section II		75,419.84					75,419.84
Industrial Road:							
2011		18,029.92					18,029.92
2012		250,000.00					250,000.00
Law Drive		59,168.60					59,168.60
Drive Sober or Get Pulled Over:							
2012		15,912.50					15,912.50
2013		12,125.00					12,125.00
2014		12,825.00					12,825.00
2015			12,500.00				12,500.00
FEMA:							
National Preparedness Fire Administration:							
2008		17,559.56					17,559.56
Hazard Mitigation - Grant I			284,000.00		10,173.39		273,826.61
Hazard Mitigation - Grant II			103,000.00				103,000.00
Flood Mitigation Acquisition		3,976.16					3,976.16



TOWNSHIP OF FAIRFIELD  
CURRENT FUND

UNAPPROPRIATED RESERVES

A-29

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Collections</u>	<u>Applied to</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Federal and State Grant Fund</u>				
Police Donations	\$ 3,852.50	\$	\$3,852.50	\$
Over the Limit, Under Arrest	<u>                    </u>	<u>3,800.00</u>	<u>                    </u>	<u>3,800.00</u>
	<u>\$ 3,852.50</u>	<u>\$3,800.00</u>	<u>\$3,852.50</u>	<u>\$ 3,800.00</u>
<u>Reference</u>	<u>A</u>	<u>A-4</u>	<u>A-17</u>	<u>A</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-4

CASH RECEIPTS AND DISBURSEMENTS  
TREASURER

<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Developers' Escrow Trust Fund</u>
Balance December 31, 2014	\$ 9,003.00	\$ 21,531.22	\$ 1,425,991.36	\$ 600,191.75
Increased by Receipts:				
Collector		\$ 3,884.40		\$
Interfunds Receivable	\$ 19,931.70		\$ 138,878.77	
Community Development Block Grant	41,000.00		82,274.00	
Other Accounts Receivable			39,700.00	
Interfunds Payable			261,083.89	
Redemption of Tax Title Liens	3,044.31		300,751.59	646.65
Reserve for Municipal Open Space Trust Fund			307,410.19	
Reserve for Recreation Program Expenditures			10,030.28	
Municipal Alliance			452,320.04	
Developers' Escrow Trust Fund			30,642.99	
	<u>63,976.01</u>	<u>3,884.40</u>	<u>1,623,091.75</u>	<u>316,916.88</u>
	72,979.01	25,415.62	3,049,083.11	917,108.63
Decreased by Disbursements:				
Interfunds Receivable			648,470.94	
Due to State of New Jersey		330.60	32,617.00	
Other Deposits			108,801.41	
Redemption of Tax Title Liens			320,018.92	
Premium on Tax Sale			138,800.00	
Reserve for Recreation Program Expenditures			350,353.03	
Reserve for Community Development Block Grant Expenditures			82,274.00	
Reserve for State Unemployment Insurance Trust Fund Expenditures			2,333.90	
Police Officers			190,781.93	
Municipal Alliance			10,132.83	
Developers' Escrow Trust Fund				253,168.42
Assessment Serial Bonds	41,000.00	330.60	1,884,583.96	253,168.42
	<u>41,000.00</u>	<u>330.60</u>	<u>1,884,583.96</u>	<u>253,168.42</u>
	\$ 31,979.01	\$ 25,085.02	\$ 1,164,499.15	\$ 663,940.21
Balance December 31, 2015				

TOWNSHIP OF FAIRFIELD  
TRUST FUND

BANK RECONCILIATIONS  
DECEMBER 31, 2015

B-5

	<u>Assessment Trust Fund</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Developers' Escrow Trust Fund</u>
<b>Balance per Statements:</b>				
PNC Bank,				
Fairfield, New Jersey:				
Account #80-4236-6859	\$	\$	\$ 18,221.44	\$
Account #80-4236-5979			29,614.47	
Account #80-4236-5952			51,539.64	
Columbia Bank,				
Fairfield, New Jersey:				
Account #024804851			30,307.88	
Account #024803740			67,629.60	
Bank of America,				
West Caldwell, New Jersey:				
Account #999022504				579.91
TD Banknorth, N.A.,				
Fairfield, New Jersey:				
Account #345-2885445	32,657.40			
Account #345-2885453		25,118.62		
Account #3452885550			154,741.72	
Account #4243537573			159.85	
Account #3452885437			41,255.55	
Account #3451154870			540,076.00	
Account #3450991442			284,144.50	
Account #4274672463			4,006.20	
Account #0050098				688,495.03
	32,657.40	25,118.62	1,221,696.85	689,074.94
Plus: In-Transit Items				
	32,657.40	25,118.62	5,714.04	689,074.94
			1,227,410.89	
Less: Outstanding Checks				
In-Transit Items	678.39	3.60	61,169.74	25,134.73
	678.39	30.00	1,742.00	
		33.60	62,911.74	25,134.73
	\$31,979.01	\$25,085.02	\$1,164,499.15	\$663,940.21
<u>Reference</u>	<u>B-4</u>	<u>B-4</u>	<u>B-4</u>	<u>B-4</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS  
TAX COLLECTOR

B-6

	<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>
Increased by Receipts:				
Assessments Receivable	B-9	\$19,931.70	\$	\$
Due from Municipal Court	B-11			11,778.00
Due to State of New Jersey	B-16		330.60	36,593.00
Other Deposits	B-19			90,507.77
Reserve for Animal Control Trust				
Fund Expenditures	B-23		<u>3,553.80</u>	
		<u>19,931.70</u>	<u>3,884.40</u>	<u>138,878.77</u>
Decreased by Disbursements:				
Turnover to Treasurer	B-4	<u>19,931.70</u>	<u>3,884.40</u>	<u>138,878.77</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

CASH  
NEW JERSEY CASH MANAGEMENT FUND

B-7

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance December 31, 2014	B	\$249,838.50
Increased by:		
Accrued Interest	B-17	<u>254.62</u>
Balance December 31, 2015	B	<u>\$250,093.12</u>
 <u>Bank Reconciliation December 31, 2015</u>		
Morgan Stanley Trust: #171-000102520		<u>\$250,093.12</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-8

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS

<u>Assessment Serial Bonds</u> <u>Curbing - Various Streets</u>	<u>Ordinance</u> <u>Number</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Receipts</u>		<u>Disbursements</u> <u>Other</u>	<u>Transfers</u>		<u>Balance</u> <u>Dec. 31, 2015</u>
			<u>Assessments</u> <u>Receivable</u>	<u>Other</u>		<u>From</u>	<u>To</u>	
	02-12	\$ 0.44	\$	\$40,999.56	\$41,000.00	\$	\$	\$
<u>General Accounts</u>								
Fund Balance		29,435.26		18,860.81			25,000.00	23,296.51
Interfund Current Fund		(60,599.97)		0.44				(32,555.66)
Interfund Sewer Assessment Trust Fund		(9,698.94)		3,044.31				(9,698.94)
Interfund General Capital Fund	05-12 07-14	49,866.21		1,070.89				50,937.10
		<u>\$ 9,003.00</u>		<u>\$ 19,931.70</u>	<u>\$ 41,000.00</u>		<u>\$ 25,000.00</u>	<u>\$ 31,979.01</u>
<u>Reference</u>		<u>B</u>		<u>B-9</u>	<u>Below</u>		<u>Contra</u>	<u>B</u>
				<u>Below</u>	<u>Below</u>		<u>Contra</u>	
<u>Deficit General Budget</u>				\$				
<u>Interest on Deposits</u>				\$41,000.00				
<u>Interest and Costs on Assessments</u>				18.49				
<u>Serial Bonds</u>				3,025.82	41,000.00			
				<u>\$44,044.31</u>	<u>\$41,000.00</u>			

Ref.

Deficit General Budget  
Interest on Deposits  
Interest and Costs on Assessments  
Serial Bonds

B-12  
B-17  
B-17  
B-31  
Above

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-9

ASSESSMENTS RECEIVABLE

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Date</u>	<u>Confirmation Installments</u>	<u>Balance Dec. 31, 2014</u>		<u>Collections</u>	<u>Balance Dec. 31, 2015</u>	
				<u>Pledged</u>	<u>Unpledged</u>		<u>Pledged</u>	<u>Unpledged</u>
95-02	Curbing - Various Streets	2-22-99	10	\$	\$ 361.48	\$	\$	\$ 361.48
02-12	Curbing - Various Streets	3-23-09 5-09-05	10		15,535.30	11,253.18		4,282.12
05-12	Curbing - Fleetwood Drive	3-23-09	10	3,577.39		603.29	2,974.10	
05-12	Curbing - Various Streets	3-26-12	10		18,492.11	5,706.48		12,785.63
07-14	Curbing - Dale Drive	3-23-09	10	701.40		467.60	233.80	
07-14	Curbing - Various Streets	3-26-12	10		6,877.32	1,901.15		4,976.17
				<u>\$4,278.79</u>	<u>\$41,266.21</u>	<u>\$19,931.70</u>	<u>\$3,207.90</u>	<u>\$22,405.40</u>
			<u>Reference</u>	<u>B</u>	<u>B</u>	<u>B-6</u>	<u>B</u>	<u>B</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

ASSESSMENT LIEN RECEIVABLE

B-10

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2014</u>		<u>Balance Dec. 31, 2015</u>
		<u>Pledged</u>	<u>Unpledged</u>	<u>Unpledged</u>
95-02	Curbing - Montesano Road	\$	\$2,629.60	\$ 2,629.60
02-12	Curbing - Various Streets	<u>2,028.61</u>	<u>                    </u>	<u>2,028.61</u>
		<u>\$2,028.61</u>	<u>\$2,629.60</u>	<u>\$ 4,658.21</u>
		<u>B</u>	<u>B</u>	<u>B</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

DUE FROM MUNICIPAL COURT

B-11

	<u>Ref.</u>		
Balance December 31, 2014	B		\$ 620.00
Increased by:			
Parking Offense Adjudication Act		\$ 180.00	
Public Defender Application Fees		<u>12,625.00</u>	
	B-19		<u>12,805.00</u>
			<u>13,425.00</u>
Decreased by:			
Collections:			
Parking Offense Adjudication Act		198.00	
Public Defender Application Fees		<u>11,580.00</u>	
	B-6		<u>11,778.00</u>
Transfer to Due to Municipal Court	B-18	<u>1,647.00</u>	
			<u>13,425.00</u>
			<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-12

INTERFUNDS RECEIVABLE

Ref.	Assessment Trust Fund			General Trust Fund				Swimming Pool Operating Fund
	Total	Current Fund	Sewer Assessment Trust Fund	Total	Current Fund	General Capital Fund		
B	\$ 70,298.91	\$ 60,599.97	\$ 9,698.94	\$ 1,104,889.37	\$ 1,097,129.52	\$		\$ 7,759.85
B-2	41,000.00	41,000.00				648,470.94		
B-4				648,470.94	50,000.00			
B-19				50,000.00				
B-21				215,800.00	215,800.00			
B-24				262,670.01	262,670.01			
	<u>111,298.91</u>	<u>101,599.97</u>	<u>9,698.94</u>	<u>2,281,830.32</u>	<u>1,625,599.53</u>	<u>648,470.94</u>		<u>7,759.85</u>
B-4	41,000.00	41,000.00		82,274.00	82,274.00			
B-17	28,044.31	28,044.31		772,858.54	357,963.71	414,894.83		
	<u>69,044.31</u>	<u>69,044.31</u>		<u>855,132.54</u>	<u>440,237.71</u>	<u>414,894.83</u>		
B	\$ 42,254.60	\$ 32,555.66	\$ 9,698.94	\$ 1,426,697.78	\$ 1,185,361.82	\$ 233,576.11		\$ 7,759.85

Increased by:

- Deficit - General Budget
- General Capital Fund Expenditures
- Paid by General Trust Fund in Error
- Budget Appropriation:
- Compensated Absences
- General Trust Fund Revenue Deposited in Current Fund in Error
- Open Space Tax Levy and Added Taxes

Decreased by:

- Settlements
- Interfund Transfers

TOWNSHIP OF FAIRFIELD  
TRUST FUND

PROSPECTIVE ASSESSMENTS FUNDED

B-13

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance Dec. 31, 2014		Balance Dec. 31, 2015
		<u>Pledged</u>	<u>Unpledged</u>	<u>Unpledged</u>
02-12	Curbing - Various Streets	<u>\$ 38,970.95</u>	<u>\$ 76,720.00</u>	<u>\$ 115,690.95</u>
	<u>Reference</u>	<u>B</u>	<u>B</u>	<u>B</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-14

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS RECEIVABLE

<u>Program Year</u>	<u>Balance Dec. 31, 2014</u>	<u>Grant</u>	<u>Collections</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2015</u>
2014	\$ 53,540.00	\$	\$ 39,700.00	\$ 13,840.00	\$
2015	<u>49,500.00</u>	<u>49,500.00</u>	<u>39,700.00</u>	<u>13,840.00</u>	<u>49,500.00</u>
	<u>\$ 53,540.00</u>	<u>\$ 49,500.00</u>	<u>\$ 39,700.00</u>	<u>\$ 13,840.00</u>	<u>\$ 49,500.00</u>
	<u>B</u>	<u>B-26</u>	<u>B-4</u>	<u>B-26</u>	<u>B</u>
	<u>Reference</u>				

TOWNSHIP OF FAIRFIELD  
TRUST FUND

OTHER ACCOUNTS RECEIVABLE

B-15

	<u>Ref.</u>	<u>Total</u>	<u>Action Date Service</u>	<u>Outside Employment of Off-Duty Police Officers</u>
Balance December 31, 2014	B	\$ 22,500.88	\$ 764.63	\$ 21,736.25
Increased by:				
Unemployment Insurance Trust	B-27	9,904.61	9,904.61	
Fund Payroll Deductions	B-28	245,239.43		245,239.43
Billings		<u>277,644.92</u>	<u>10,669.24</u>	<u>266,975.68</u>
Decreased by:				
Collections	B-4	<u>261,083.89</u>	<u>10,066.77</u>	<u>251,017.12</u>
Balance December 31, 2015	B	<u>\$ 16,561.03</u>	<u>\$ 602.47</u>	<u>\$ 15,958.56</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

DUE TO STATE OF NEW JERSEY

B-16

		<u>Animal Control Trust Fund Registration Fees</u>	<u>Total General Trust Fund</u>	<u>General Trust Fund</u>	
<u>Ref.</u>				<u>Construction Training Fees</u>	<u>Marriage License Fees</u>
Balance December 31, 2014	B	\$	<u>\$ 7,199.00</u>	<u>\$ 7,049.00</u>	<u>\$150.00</u>
Increased by:					
Registration and Other Fees		248.00	36,593.00	35,868.00	725.00
Pilot Clinic Fees		49.60			
Animal Population Control		33.00			
	B-6	<u>330.60</u>	<u>36,593.00</u>	<u>35,868.00</u>	<u>725.00</u>
		330.60	43,792.00	42,917.00	875.00
Decreased by:					
Payments	B-4	<u>330.60</u>	<u>32,617.00</u>	<u>32,017.00</u>	<u>600.00</u>
Balance December 31, 2015	B	<u>\$ -</u>	<u>\$11,175.00</u>	<u>\$10,900.00</u>	<u>\$275.00</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

INTERFUNDS PAYABLE

B-17

Ref.	Assessment Trust Fund		Animal Control Fund	General Trust Fund		Federal and State Grant Fund		Developers' Escrow Trust Fund		General Capital Fund
	Total	Current Fund		General Capital Fund	Current Fund	Federal and State Grant Fund	Current Fund	Current Fund		
B	\$ 54,145.00	\$	\$ 13,993.98	\$ 122,427.83	\$	\$ 7,533.00	\$ 203,260.43	\$ 1,157.34	\$ 202,103.09	
	18.49	18.49		280.17	280.17		646.65	646.65		
	3,025.82	3,025.82		300,471.42	300,471.42		646.65			
B-4	3,044.31	3,044.31		300,751.59	300,751.59					
B-1	25,000.00	25,000.00		254.62	254.62					
B-7			3,935.64							
B-23				300,000.00						300,000.00
B-24				56,957.50	56,957.50					
B-28				780,391.54	780,391.54	7,533.00	203,907.08	1,803.99	202,103.09	
B-12	28,044.31	28,044.31		772,858.54	357,963.71					414,894.83
B	\$ 54,145.00	\$	\$ 17,929.62	\$ 7,533.00	\$	\$ 7,533.00	\$ 203,907.08	\$ 1,803.99	\$ 202,103.09	\$

Increased by:  
 Interest on Deposits  
 Interest and Costs on Assessments  
 Current Fund Revenue Deposited in General Trust Fund in Error  
 Assessment Fund Balance Anticipated as Current Fund Revenue  
 Interest Income  
 Excess Fund Balance  
 Down Payment on Improvements  
 Off-Duty Administration Fees

Decreased by:  
 Interfund Transfers

TOWNSHIP OF FAIRFIELD  
TRUST FUND

DUE TO MUNICIPAL COURT

B-18

	<u>Ref.</u>	
Balance December 31, 2014	B	\$29,206.60
Decreased by:		
Transfer from Due from Municipal Court	B-11	<u>1,647.00</u>
Balance December 31, 2015	B	<u>\$ 27,559.60</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-19

OTHER DEPOSITS

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Increase</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Security Deposits	\$ 10,951.50	\$	\$	\$ 10,951.50
Maintenance and Performance Deposits	31,738.85			31,738.85
Other Deposits	17,801.78			17,801.78
Van Ness Improvements	1,566.70			1,566.70
Uniform Fire Safety Act	38,634.38	17,950.00	15,368.00	41,216.38
Public Defender Service Fees	2,572.00	12,625.00	12,500.00	2,697.00
Parking Offenses Adjudication Act	1,482.06	180.00		1,662.06
Housing Trust Fund	492,586.20	53,710.09	57,207.36	489,088.93
Detention Basin	80,500.00			80,500.00
Law Enforcement Forfeiture Trust Fund	72,667.82	14,447.68	19,326.05	67,789.45
Senior Citizen Trips	387.48	4,400.00	4,400.00	387.48
Snow Removal Trust Fund	15,000.00			15,000.00
Compensated Absences	101,500.00	50,000.00		151,500.00
Hurricane Sandy	4,006.20			4,006.20
	<u>\$ 871,394.97</u>	<u>\$ 153,312.77</u>	<u>\$ 108,801.41</u>	<u>\$ 915,906.33</u>

Reference

B

Below

B-4

B

Ref.

Collections  
Due from Municipal Court  
Interfunds Receivable

\$ 90,507.77  
12,805.00  
50,000.00

Above

\$ 153,312.77

TOWNSHIP OF FAIRFIELD  
TRUST FUND

REDEMPTION OF TAX TITLE LIENS

B-20

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 19,257.70
Increased by:		
Deposits	B-4	<u>307,410.19</u>
		326,667.89
Decreased by:		
Redemptions	B-4	<u>320,018.92</u>
Balance December 31, 2015	B	<u>\$ 6,648.97</u>

PREMIUM ON TAX SALE

B-21

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 459,600.00
Increased by:		
Due from Current Fund	B-12	<u>215,800.00</u>
		675,400.00
Decreased by:		
Refunds	B-4	<u>138,800.00</u>
Balance December 31, 2015	B	<u>\$ 536,600.00</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-22

RESERVE FOR ASSESSMENTS AND LIENS

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2014</u>	<u>Current Budget Appropriation</u>	<u>Collections to Fund Balance</u>	<u>Balance Dec. 31, 2015</u>
	<u>Assessments Receivable</u>				
95-02	Curbing - Montesano Road	\$ 361.48	\$	\$ 11,253.18	\$ 361.48
02-12	Curbing - Various Streets	15,535.30		5,706.48	4,282.12
05-12	Curbing - Various Streets	18,492.11		1,901.15	12,785.63
07-14	Curbing - Various Streets	6,877.32			4,976.17
02-12	<u>Prospective Assessments Funded</u>	76,720.00	38,970.95		115,690.95
	Curbing - Various Streets				
	<u>Assessment Liens</u>				
95-02	Curbing - Montesano Road	2,629.60			2,629.60
02-12	Curbing - Various Streets	2,028.61	2,028.61		2,028.61
		<u>\$120,615.81</u>	<u>\$40,999.56</u>	<u>\$18,860.81</u>	<u>\$142,754.56</u>

Reference

B

B-3

B-1

B

TOWNSHIP OF FAIRFIELD  
TRUST FUND

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

B-23

	<u>Ref.</u>		
Balance December 31, 2014	B		\$ 7,537.24
Increased by:			
Collections:			
Dog License Fees		\$3,422.40	
Cat License Fees		33.00	
Miscellaneous Revenue:			
Late Fees		72.00	
Interest on Deposits		24.40	
Replacement Fees		2.00	
	B-6		3,553.80
			11,091.04
Decreased by:			
Statutory Excess Due to Current Fund	B-17		3,935.64
Balance December 31, 2015	B		\$ 7,155.40

License Revenue

<u>Year</u>			
2014			\$ 3,419.53
2013			3,735.87
Maximum Balance			\$ 7,155.40

TOWNSHIP OF FAIRFIELD  
TRUST FUND

RESERVE FOR MUNICIPAL OPEN SPACE TRUST FUND

B-24

	<u>Ref.</u>		
Balance December 31, 2014	B		\$ 944,738.59
Increased by:			
Tax Levy		\$ 262,050.00	
Added Taxes		<u>620.01</u>	
	B-12	262,670.01	
Other Income	B-4	10,000.00	
Interest on Deposits	B-4	<u>30.28</u>	
			<u>272,700.29</u>
			1,217,438.88
Decreased by:			
Down Payment - General Capital Fund:			
Ordinance #2015-05	B-17		<u>300,000.00</u>
Balance December 31, 2015	B		<u>\$ 917,438.88</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

RESERVE FOR RECREATION PROGRAM EXPENDITURES

B-25

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 183,904.35
Increased by:		
Fees	B-4	<u>452,320.04</u>
		636,224.39
Decreased by:		
Expenditures	B-4	<u>350,353.03</u>
Balance December 31, 2015	B	<u><u>\$285,871.36</u></u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

B-26

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES

<u>Program</u> <u>Year</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Grants</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
2013 Senior Citizen Bus	\$ 58,274.00	\$	\$ 58,274.00	\$	\$
2014 ADA Accessible Senior Citizen Bus	24,000.00		24,000.00		
2014 ADA Curb Ramps to Municipal Complex	53,540.00			13,840.00	39,700.00
2015 ADA Curb Ramps		<u>49,500.00</u>			<u>49,500.00</u>
	<u>\$135,814.00</u>	<u>\$ 49,500.00</u>	<u>\$ 82,274.00</u>	<u>\$13,840.00</u>	<u>\$ 89,200.00</u>
<u>Reference</u>	<u>B</u>	<u>B-14</u>	<u>B-4</u>	<u>B-14</u>	<u>B</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

RESERVE FOR STATE UNEMPLOYMENT  
INSURANCE TRUST FUND EXPENDITURES

B-27

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 10,046.53
Increased by:		
Payroll Deductions:		
Collections	B-15	<u>9,904.61</u> 19,951.14
Decreased by:		
Expenditures	B-4	<u>2,333.90</u>
Balance December 31, 2015	B	<u>\$ 17,617.24</u>

RESERVE FOR OUTSIDE EMPLOYMENT  
OF OFF-DUTY POLICE OFFICERS

B-28

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 64,919.46
Increased by:		
Billings	B-15	<u>245,239.43</u> 310,158.89
Decreased by:		
Payroll Expenditures	B-4	\$190,781.93
Administrative Fees	B-17	<u>56,957.50</u>
		<u>247,739.43</u>
Balance December 31, 2015	B	<u>\$ 62,419.46</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

RESERVE FOR MUNICIPAL ALLIANCE

B-29

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 8,871.08
Increased by:		
Collections	B-4	30,642.99
		<u>39,514.07</u>
Decreased by:		
Expenditures	B-4	10,132.83
		<u>10,132.83</u>
Balance December 31, 2015	B	<u>\$ 29,381.24</u>

DEVELOPERS' ESCROW TRUST FUNDS

B-30

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 396,931.32
Increased by:		
Collections		\$296,162.42
Prior Year Outstanding Checks Cancelled		<u>20,107.81</u>
	B-4	<u>316,270.23</u>
		713,201.55
Decreased by:		
Expended	B-4	253,168.42
		<u>253,168.42</u>
Balance December 31, 2015	B	<u>\$ 460,033.13</u>

TOWNSHIP OF FAIRFIELD  
TRUST FUND

ASSESSMENT SERIAL BONDS

B-31

<u>Purpose</u>	<u>Original Issue</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Decrease</u>
	<u>Date</u>	<u>Amount</u>			
Curbing	3-17-05	\$356,000.00	4.10%	<u>\$ 41,000.00</u>	<u>\$ 41,000.00</u>
				<u>B</u>	<u>B-4</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION  
TREASURER

C-2

	<u>Ref.</u>		
Balance December 31, 2014	C		\$ 917,815.70
Increased by Receipts:			
Prior Year Outstanding Checks Cancelled	C-1	\$ 1,099.89	
Interfunds Receivable	C-11	65,848.00	
Interfunds Payable	C-12	3,236.30	
Reserve for Contributions	C-13	40,000.00	
Bond Anticipation Notes	C-15	<u>6,951,102.00</u>	
			<u>7,061,286.19</u>
			7,979,101.89
Decreased by Disbursements:			
Improvement Authorizations	C-10		<u>3,352,793.36</u>
Balance December 31, 2015	C		<u>\$4,626,308.53</u>
 <u>Bank Reconciliation December 31, 2015</u>			
Balance per Statement:			
TD Bank, Fairfield, New Jersey: Account #428-1034458			\$4,767,855.39
Less: Outstanding Checks			<u>141,546.86</u>
			<u>\$4,626,308.53</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

CASH - MONEY MARKET ACCOUNT

C-3

	<u>Ref.</u>	
Balance December 31, 2014	C	<u>\$ 631,929.94</u>
Balance December 31, 2015	C	<u>\$631,929.94</u>
 <u>Bank Reconciliation December 31, 2015</u>		
Balance per Statement:		
Columbia Bank,		
Fairfield, New Jersey:		
Account #024804518		<u>\$ 631,929.94</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-4  
Sheet #1

ANALYSIS OF CAPITAL CASH

Ordinance Number	Balance Dec. 31, 2014	Receipts		Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2015
		Bond Anticipation Notes	Other		From	To	
<b>General Accounts</b>							
Fund Balance	\$ 216,978.38	\$	\$ 1,099.89	\$	\$	\$	\$ 218,078.27
Reserve for Contributions	163,174.78		40,000.00				203,174.78
Capital Improvement Fund	77,150.00				65,848.00	65,848.00	77,150.00
Bond Anticipation Note Cash:							
Ordinance Number #12-12	37,083.25						37,083.25
Ordinance Number #13-15	156,015.00						156,015.00
Interfund Current	81,227.20		69,084.30		213,779.23		(63,467.73)
Interfund Federal and State Grant Fund	32,238.05						32,238.05
Interfund Assessment Trust Fund	(54,145.00)						(54,145.00)
Interfund General Trust Fund	(114,894.83)				300,000.00	648,470.94	233,576.11
Interfund Developers' Escrow Trust Fund	(202,103.09)						(202,103.09)
Interfund Water Capital Fund	103,702.42						103,702.42
Interfund Pool Capital Fund	1,584.98						1,584.98
Note Receivable	(211,740.00)					70,580.00	(141,160.00)
<b>General Improvement Authorizations</b>							
Multi-Purpose:							
a. Acquisitions and Improvements for Administration	526.99						526.99
Renovation and Expansion of the Municipal Public Library	(41,201.00)						(41,201.00)
Multi-Purpose:							
b. Various Acquisitions for the Tax Collector	13,504.97						13,504.97
Acquisition of Fire Truck	6,720.52						6,720.52
Multi-Purpose:							
b. Various Acquisitions and Improvements for the Fire Department	3,509.34						3,509.34
i. Various Acquisitions of Equipment for the Police Department	1,276.67						1,276.67
Summit Avenue By-Pass Drainage Improvements	2,103.63						2,103.63
Multi-Purpose:							
h. Various Improvements and Acquisitions for the Tax Collector	832.94						832.94
Multi-Purpose:							
a. Various Acquisitions for the Office of Emergency Management	418.28						418.28
e. Various Improvements for the Buildings and Grounds Department	2,377.41						2,377.41
f. Acquisition for the Fleet Maintenance	890.12						890.12
h. Various Improvements for the Recreation Department	14,873.65						14,873.65
i. Various Acquisitions of Equipment for the Police Department	7,341.63						7,341.63
Architectural Design and Construction Administration Services for the Public Safety Complex						1,904.00	1,904.00
Multi-Purpose:							
a. Various Acquisitions of Equipment for the Office of Emergency Management	1,033.83						1,033.83
b. Various Acquisitions and Improvements for the Fire Department	1,774.47						1,774.47
c. Various Acquisitions for the Road Department	0.20						0.20
d. Various Acquisitions for the Parks Department	319.71						319.71
e. Various Improvements for the Building and Grounds Department	5,337.95						5,337.95
f. Acquisitions for Fleet Maintenance	32,846.31						32,846.31
g. Various Acquisitions and Improvements for the Engineering Department	722.91						722.91
i. Various Acquisitions of Equipment for the Police Department	(2.85)						(2.85)
j. Various Acquisitions of Equipment and Improvements for the Municipal Court	642.93						642.93
	3,321.54						3,321.54

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-4  
Sheet #2

ANALYSIS OF CAPITAL CASH

Ordinance Number	Balance Dec. 31, 2014	Receipts		Disbursements Improvement Authorizations	Transfers From	To	Balance Dec. 31, 2015
		Bond Anticipation Notes	Other				
08-10	\$ 1,240.15	\$	\$	\$ 21,388.51	\$	\$	\$ 1,240.15
	21,388.51						8,005.75
	8,005.75						7,039.05
	7,039.05						61,645.24
08-11	61,645.24						
09-30	32,836.76			32,836.76			175.00
09-34	175.00						82,543.61
11-10	82,543.61						107,014.88
11-12	107,014.88						
11-17							
	9,011.94			3,000.00			6,011.94
	3,717.96						3,717.96
	10,573.87			2,490.00			8,083.87
	6,637.69			1,300.45			5,337.24
11-24	9,964.23						9,964.23
12-01	178,931.74						178,931.74
12-06	52.66						52.66
12-12							
	15,530.04			12,393.57			3,136.47
	1,950.50						1,950.50
	11,188.71			4,893.38			6,295.33
	23,791.50			3,119.10			20,672.40
13-15	4,626.62			1,000.00			3,626.62
	999.13						999.13
	13,987.83			1,000.00		77,351.23	12,987.83
	(77,351.23)						1,412.04
	1,412.04						91.23
	6,145.85			6,054.62			
	3,110.42						3,110.42
	41,586.60						41,586.60
14-09	3,023.21			1,388.07			1,635.14
	22,544.67			14,740.00			7,804.67
	69,579.52			6,747.25			62,832.27
	2,226.01			2,226.01			
	399,453.33						399,453.33
	2,230.09			1,127.95			1,102.14
	39,979.17			4,217.52			35,761.65
	15,862.79			2,440.58			13,422.21

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-4  
Sheet #3

ANALYSIS OF CAPITAL CASH

Ordinance Number	Balance Dec. 31, 2014	Receipts		Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2015
		Bond Anticipation Notes	Other		From	To	
15-05	\$	\$ 5,700,000.00	\$	\$ 2,921,327.09	\$ 648,470.94	\$ 300,000.00	\$ 2,430,201.97
15-12							
		6,602.00		4,279.36		348.00	6,950.00
		5,700.00				300.00	1,720.64
		4,750.00				250.00	5,000.00
		91,200.00		9,036.35		4,800.00	86,963.65
		31,825.00		11,478.13		1,675.00	22,021.87
		36,575.00		6,100.00		1,925.00	32,400.00
		55,575.00		19,656.24		2,925.00	38,843.76
		35,625.00		20,760.00		1,875.00	16,740.00
		541,500.00				28,500.00	570,000.00
		142,500.00		205,788.29		7,500.00	150,000.00
		299,250.00				15,750.00	109,211.71
02-12	46,484.90						46,484.90
05-12	14,629.86						14,629.86
07-14	521.75						521.75
		\$ 1,549,745.64		\$ 3,352,793.36	\$ 1,228,098.17	\$ 1,228,098.17	\$ 5,258,238.47
Reference		C	Below	C-10	Contra	Contra	C
		\$ 6,951,102.00	\$ 110,184.19				
		C-15	Below				
		Ref.					
	Fund Balance		\$ 1,099.89				
	Interfunds Receivable		65,848.00				
	Interfunds Payable		3,236.30				
	Reserve for Contributions		40,000.00				
	Above		\$ 110,184.19				

Construction of Recreational Complex

Multi-Purpose:

- a. Various Acquisition for the Municipal Clerk's Office
- b. Various Acquisitions for the Finance Department and Portions of Henning Drive and South Hampton Drive
- d. Various Acquisitions for the Fire Department
- e. Various Acquisitions for the Recreation Department
- f. Various Acquisitions for Buildings and Grounds
- g. Various Acquisitions for Fleet Maintenance
- h. Various Acquisitions for Road Department
- i. Renovations and Additional Floor for the Police Department and Portions of Henning Drive and South Hampton Drive
- j. Resurfacing of Various Township Roads Including Kevin Terrace and Portions of Henning Drive and South Hampton Drive
- k. Various Acquisitions for the Police Department

Local Improvements

- Curbing - Various Locations
- Curbing - Various Locations
- Curbing - Various Locations

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

NOTE RECEIVABLE

C-5

	<u>Ref.</u>	
Balance December 31, 2014	C	\$211,740.00
Decreased by:		
Budget Appropriation	C-6	<u>70,580.00</u>
Balance December 31, 2015	C	<u>\$141,160.00</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-6

INTERFUNDS RECEIVABLE

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Assessment Trust Fund</u>	<u>General Trust Fund</u>	<u>Developers' Escrow Trust Fund</u>
Balance December 31, 2014	C	\$ 371,142.92	\$	\$ 54,145.00	\$ 114,894.83	\$ 202,103.09
Increased by:						
Down Payment on Reconstruction:						
Recreational Complex	C-10	300,000.00			300,000.00	
Budget Appropriation:						
Note Receivable	C-5	70,580.00	70,580.00			
Overexpenditure	C-9	77,351.23	77,351.23			
Capital Improvement Fund	C-11	65,848.00	65,848.00			
		<u>884,922.15</u>	<u>213,779.23</u>	<u>54,145.00</u>	<u>414,894.83</u>	<u>202,103.09</u>
Decreased by:						
Settlements	C-2	65,848.00	65,848.00			
Transfer To/From Interfunds Payable	C-12	499,358.33	84,463.50		414,894.83	
		<u>565,206.33</u>	<u>150,311.50</u>		<u>414,894.83</u>	
Balance December 31, 2015	C	<u>\$ 319,715.82</u>	<u>\$ 63,467.73</u>	<u>\$ 54,145.00</u>	<u>\$ -</u>	<u>\$ 202,103.09</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

C-7

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 5,884,000.00
Decreased by:		
Serial Bonds Redeemed	C-16	<u>625,000.00</u>
Balance December 31, 2015	C	<u>\$ 5,259,000.00</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-8

Improvements	Ordinance Number	Balance Dec. 31., 2014	2015 Authorizations	Notes Paid by Budget Appropriations	Balance Dec. 31., 2015	Analysis of Balance		
						Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
<u>General Improvements</u>								
Renovation and Expansion of the Municipal Library	02-18	\$ 41,201.00	\$	\$	\$ 41,201.00	\$	\$ 41,201.00	\$
Multi-Purpose	06-13	0.28			0.28			0.28
Multi-Purpose	07-15	2.85			2.85		2.85	
Tax Appeals	11-10	285,000.00		140,000.00	145,000.00	140,000.00		5,000.00
Multi-Purpose	11-17	840.00			840.00			840.00
Tax Appeals	11-24	300,000.00		150,000.00	150,000.00	150,000.00		
Flood Mitigation Acquisition Report	12-01	63,546.35			63,546.35			63,546.35
Tax Appeals	12-06	576,000.00		192,000.00	384,000.00	384,000.00		
Multi-Purpose	12-12	699,166.75		50,000.00	649,166.75	649,166.75		
Multi-Purpose	13-15	417,785.00			417,785.00	417,785.00		
Multi-Purpose	14-09	712,500.00			712,500.00	712,500.00		
Construction of Recreation Complex	15-05		5,700,000.00		5,700,000.00	5,700,000.00		
Multi-Purpose	15-10		1,251,102.00		1,251,102.00	1,251,102.00		
		<u>\$ 3,096,042.23</u>	<u>\$ 6,951,102.00</u>	<u>\$ 532,000.00</u>	<u>\$ 9,515,144.23</u>	<u>\$ 9,404,553.75</u>	<u>\$ 41,203.85</u>	<u>\$ 69,386.63</u>
	<u>Reference</u>	<u>C</u>	<u>C-10</u>	<u>Below</u>	<u>C</u>	<u>Below</u>	<u>C-4</u>	<u>C-10</u>
	Bond Anticipation Notes			\$ 50,000.00		\$ 8,923,652.00		
	Less: Cash on Hand			50,000.00		193,098.25		
	Tax Appeal Refunding Notes			482,000.00		8,730,553.75		
				<u>\$ 532,000.00</u>		<u>\$ 9,404,553.75</u>		
				Above				

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

OVEREXPENDITURE OF ORDINANCE APPROPRIATION

C-9

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 77,351.23
Decreased by:		
Budget Appropriation	C-6	<u>77,351.23</u>
		<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-10  
Sheet #1

	Number	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Balance Dec. 31, 2015	
				Funded	Unfunded		Funded	Unfunded
				\$	\$		\$	\$
General Improvements								
Multi-Purpose:								
a. Various Acquisitions and Improvements for Administration Department	00-18	8-14-00	\$ 65,339.00	\$ 526.99	\$	\$	\$ 526.99	\$
Multi-Purpose:								
b. Various Acquisitions for the Tax Collector	03-08	4-28-03	20,000.00	13,504.97			13,504.97	
Acquisition of Fire Truck	04-01	1-26-04	835,000.00	6,720.52			6,720.52	
Multi-Purpose:								
b. Various Acquisitions and Improvements for the Fire Department	04-12	9-27-04	172,000.00	3,509.34			3,509.34	
i. Various Acquisitions of Equipment for the Police Department			126,000.00	1,276.67		525.00	751.67	
Summit Avenue By-Pass Drainage Improvements	04-13	11-08-04	90,000.00	2,103.63			2,103.63	
Multi-Purpose:								
h. Various Improvements and Acquisitions for the Tax Collector	05-08	6-09-05		832.94			832.94	
05-14	6-27-05		20,000.00					
Multi-Purpose:								
a. Various Acquisitions of Equipment for the Office of Emergency Management	06-13	5-08-06	31,000.00	418.28		0.28	418.28	0.28
e. Various Acquisitions and Improvements for the Buildings and Grounds Department			4,500.00	2,377.41			2,377.41	
f. Acquisitions for Fleet Maintenance			6,000.00	890.12			890.12	
h. Various Acquisitions and Improvements for the Recreation Department			16,400.00	14,873.65			14,873.65	
i. Various Acquisitions of Equipment for the Police Department			71,000.00	7,341.63		1,904.00	5,437.63	
Architectural Design and Construction Administration Services for the Public Safety Complex	06-21	10-16-06	535,000.00	1,033.83			1,033.83	
Multi-Purpose:								
a. Various Acquisitions of Equipment for the Office of Emergency Management	07-15	7-31-07	30,000.00	1,774.47			1,774.47	
b. Various Acquisitions and Improvements for the Fire Department			78,060.00	0.20			0.20	
c. Various Acquisitions for the Road Department			113,000.00	319.71			319.71	
d. Various Acquisitions for the Parks Department			46,940.00	5,337.95			5,337.95	
e. Various Improvements for the Building and Grounds Department			50,000.00	32,846.31		29,615.13	3,231.18	
f. Acquisitions for Fleet Maintenance			8,000.00	722.91			722.91	
i. Various Acquisitions of Equipment for the Police Department			105,000.00	642.93			642.93	
j. Various Acquisitions for the Municipal Clerk			20,000.00	3,321.54			3,321.54	
Multi-Purpose:								
b. Various Acquisitions for the Roads Department	08-10	9-08-08	48,000.00	1,240.15			1,240.15	
c. Various Improvements for the Buildings and Grounds Departments			40,000.00	21,398.51		21,398.51		
f. Various Acquisitions for Fire Prevention			9,000.00	8,005.75			8,005.75	
g. Various Acquisitions of Equipment for the Police Department			105,000.00	7,039.05			7,039.05	
Tax Appeals	08-11	10-20-08	540,000.00	61,645.24			61,645.24	

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-10  
Sheet #2

	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Balance Dec. 31, 2015	
			Funded	Unfunded		Funded	Unfunded
General Improvements Acquisition and Installation of Communications Center Upgrade for the Police Department	09-30	\$ 1,150,000.00	\$ 32,836.76	\$	\$	\$	\$
Acquisition of Accounting Software System	09-34	40,000.00	175.00		175.00		87,543.61
Tax Appeals	11-10	705,000.00					
Reconstruction of Fleetwood Avenue, Sunset Road and Mill Street	11-12	525,000.00	107,014.88				
Multi-Purpose:							
a. Various Acquisitions of Equipment for the Finance Department	11-17	63,000.00	9,011.94	840.00	3,000.00	6,011.94	840.00
b. Various Acquisitions of Equipment for the Clerk's Office		8,000.00	3,717.96			3,717.96	
c. Various Acquisitions of Equipment for the Police Department		64,000.00	10,573.87		2,490.00	8,083.87	
d. Various Acquisitions of Equipment for Public Works		45,000.00	6,637.69		1,300.45	5,337.24	
Tax Appeals	11-24	750,000.00		9,964.23			9,964.23
Flood Mitigation Acquisition Project	12-01	1,040,375.00	178,931.74	63,546.35	178,931.74	63,546.35	
Tax Appeals	12-06	960,000.00		52.66			52.66
Multi-Purpose:							
a. Various Acquisitions and Improvements of Equipment for the Fire Department	12-12	125,000.00		15,530.04	12,393.57	3,136.47	
b. Various Acquisitions of Equipment for the Clerk's Office		8,500.00		1,950.50		1,950.50	
c. Various Acquisitions of Equipment for Public Works		264,000.00		11,188.71	4,893.38	6,295.33	
e. Various Acquisitions of Equipment for the Police Department		118,000.00		23,791.50	3,119.10	20,672.40	
Multi-Purpose:							
a. Various Acquisitions Administration Department	13-15	85,000.00		4,626.62	1,000.00	3,626.62	
b. Acquisitions of a New Desk for the Clerk's Office		1,000.00	49.13	950.00		49.13	
c. Acquisitions of Fence at Mill Street Water Tower and Belgian Blocks for Parking Lot for the Department of Public Works		14,000.00	687.83	13,300.00	1,000.00	12,987.83	
e. Acquisition of Server and Accessories for the Finance Department		15,000.00		1,412.04		1,412.04	
f. Various Acquisitions and Improvements for the Fire Department		95,000.00		6,145.85	6,054.62	91.23	
g. Acquisition of Football Blocking Sleds for the Recreation Department		12,000.00		3,110.42		3,110.42	
h. Various Acquisitions of Equipment for the Police Department		52,000.00		41,586.60		41,586.60	
Multi-Purpose:							
a. Various Acquisitions of Equipment for the Municipal Clerk's Office	14-09	13,000.00		3,023.21	1,338.07	1,685.14	
b. Various Acquisitions and Improvements for the Police Department		120,000.00		22,544.67	14,740.00	7,804.67	
c. Various Acquisitions for the Fire Department		75,000.00		69,579.52	6,747.25	62,832.27	
d. Various Acquisitions for Fire Protection Including Sport Utility Vehicle		40,000.00		2,226.01	2,226.01		
e. Various Road Improvements to Lehigh and Matt Drives, Resurfacing of Municipal Parking Lot and Remediation of Lead Contamination at Police Shooting Range		400,000.00	19,453.33	380,000.00		19,453.33	
f. Various Acquisitions for the Recreation Department		8,000.00		2,230.09	1,127.95	1,102.14	
g. Acquisition of a Bobcat Toolcat with Bucket		65,000.00		39,979.17	4,217.52	35,761.65	
h. Various Acquisitions for Fleet Maintenance		29,000.00		15,862.79	2,440.58	13,422.21	

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-10  
Sheet #3

IMPROVEMENT AUTHORIZATIONS

Number	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Expended	Balance Dec. 31, 2015	
			Funded	Unfunded			Funded	Unfunded
15-05	4-27-15	\$ 6,000,000.00	\$ -	\$ -	\$ 6,000,000.00	\$ 3,569,798.03	\$ -	\$ 2,430,201.97
15-12	8-18-15							
		6,950.00			6,950.00		348.00	6,602.00
		6,000.00			6,000.00			1,720.64
		5,000.00			5,000.00		250.00	4,750.00
		96,000.00			96,000.00			86,963.65
		33,500.00			33,500.00			22,021.87
		38,500.00			38,500.00			32,400.00
		58,500.00			58,500.00			38,843.76
		37,500.00			37,500.00			16,740.00
		570,000.00			570,000.00		28,500.00	541,500.00
		150,000.00			150,000.00		7,500.00	142,500.00
		315,000.00			315,000.00			109,211.71
02-12	8-26-02	375,000.00	46,484.90				46,484.90	
05-12	6-27-05	134,000.00	14,629.86				14,629.86	
07-14	7-31-07	37,000.00	521.75				521.75	
			\$ 630,431.34	\$ 820,984.87	\$ 7,316,950.00	\$ 4,001,264.30	\$ 573,271.66	\$ 4,193,830.25
		Reference	C	C	Below	Below	C	C
		Ref.						
		Disbursements						
		Interfunds Receivable			\$ 300,000.00	\$ 3,352,793.36		
		Deferred Charges to Future Taxation - Unfunded			6,951,102.00			
		Capital Improvement Fund			65,848.00			
		Interfunds Payable				648,470.94		
					\$ 7,316,950.00	\$ 4,001,264.30		

General Improvements

Construction of Recreational Complex

Multi-Purpose:

- a. Various Acquisitions for the Municipal Clerk's Office
- b. Various Acquisitions for the Finance Department
- c. Various Acquisitions for the Tax Assessor
- d. Various Acquisitions for the Fire Department
- e. Various Acquisitions for the Recreation Department
- f. Various Acquisitions for Buildings and Grounds
- g. Various Acquisitions for Fleet Maintenance
- h. Various Acquisitions for Road Department
- i. Renovations and Additional Floor for the Police Department and Portions of Various Township Roads Including Kevin Terrace and Portions of Henning Drive and South Hampton Drive
- k. Various Acquisitions for the Police Department

Local Improvements

- Curbing - Various Locations
- Curbing - Various Locations
- Curbing - Various Locations

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-11

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 77,150.00
Increased by:		
Budget Appropriations	C-6	<u>65,848.00</u>
		142,998.00
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
Ordinance Number:		
#15-12	C-10	<u>65,848.00</u>
Balance December 31, 2015	C	<u>\$ 77,150.00</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE

C-12

<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>	<u>General Trust Fund</u>	<u>Water Capital Fund</u>	<u>Swimming Pool Capital Fund</u>
Balance December 31, 2014	\$ 218,752.65	\$ 81,227.20	\$ 32,238.05	\$	\$ 103,702.42	\$ 1,584.98
Increased by:						
Interest on Deposits	3,236.30	3,236.30				
Improvement Authorization Expenditures	648,470.94			648,470.94		
Paid by General Trust Fund in Error	<u>870,459.89</u>	<u>84,463.50</u>	<u>32,238.05</u>	<u>648,470.94</u>	<u>103,702.42</u>	<u>1,584.98</u>
Decreased by:						
Transfer To/From Interfunds Receivable	<u>499,358.33</u>	<u>84,463.50</u>		<u>414,894.83</u>		
Balance December 31, 2015	<u>\$ 371,101.56</u>	<u>\$ -</u>	<u>\$ 32,238.05</u>	<u>\$ 233,576.11</u>	<u>\$ 103,702.42</u>	<u>\$ 1,584.98</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

RESERVE FOR CONTRIBUTIONS

C-13

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 163,174.78
Increased by: Developer's Contribution	C-2	<u>40,000.00</u>
Balance December 31, 2015	C	<u>\$ 203,174.78</u>
<u>Analysis of Balance</u> Skyline Auto Exchange		<u>\$ 203,174.78</u>

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-14

TAX APPEAL REFUNDING NOTES

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance Dec. 31, 2015</u>
Tax Appeal	11-10	04-17-14 04-15-15	04-15-15 04-14-16	0.75 0.70	\$ 280,000.00	\$ 140,000.00	\$ 280,000.00	\$ 140,000.00
Tax Appeal	11-24	12-11-14 12-10-15	12-10-15 12-08-16	0.49 0.63	300,000.00	150,000.00	300,000.00	150,000.00
Tax Appeal	12-06	04-17-14 04-15-15	04-15-15 04-14-16	0.75 0.70	576,000.00	384,000.00	576,000.00	384,000.00
					\$ 1,156,000.00	\$ 674,000.00	\$ 1,156,000.00	\$ 674,000.00
			<u>Reference</u>		<u>C</u>	<u>Below</u>	<u>Below</u>	<u>C</u>
			<u>Ref.</u>					
			Paid by Budget Appropriation Contra Renewals			\$ 482,000.00 674,000.00		
			Above			\$ 674,000.00	\$ 1,156,000.00	

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

C-15

BOND ANTICIPATION NOTES

	<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2015</u>
<u>General Improvements</u>									
Various Capital Improvements	12-12	12-13-12	12-11-14 12-09-15	12-10-15 12-08-16	0.49 % 0.63	\$ 736,250.00	\$ 686,250.00	\$ 736,250.00	\$ 686,250.00
Multi-Purpose	13-15	12-12-13	12-11-14 12-09-15	12-10-15 12-08-16	0.49 0.63	573,800.00	573,800.00	573,800.00	573,800.00
Various Capital Improvements	14-09	12-11-14	12-11-14 12-09-15	12-10-15 12-08-16	0.49 0.63	712,500.00	712,500.00	712,500.00	712,500.00
Construction of Recreational Complex	15-05	06-19-15	06-19-15	06-17-16	0.47	5,700,000.00	5,700,000.00		5,700,000.00
Various Capital Improvements	15-12	12-09-15	12-09-15	12-08-16	0.63	1,251,102.00	1,251,102.00		1,251,102.00
						<u>\$ 8,923,652.00</u>	<u>\$ 2,022,550.00</u>	<u>\$ 2,022,550.00</u>	<u>\$ 8,923,652.00</u>
						<u>Below</u>	<u>Below</u>	<u>Below</u>	<u>C</u>
						<u>C</u>			
						<u>Ref.</u>			
						Issued for Cash			
						Paid by Budget	\$ 6,951,102.00	\$	
						Appropriation		50,000.00	
						Contra Renewals	1,972,550.00	1,972,550.00	
						Above	\$ 8,923,652.00	\$ 2,022,550.00	\$ 8,923,652.00

TOWNSHIP OF FAIRFIELD  
 GENERAL CAPITAL FUND

SERIAL BONDS

C-16

Purpose	Original Issue		Maturities of Bonds Outstanding Dec. 31, 2015		Interest Rate	Balance Dec. 31, 2014	Paid	Balance Dec. 31, 2015
	Date	Amount	Date	Amount				
General Improvements	7-15-04	\$ 3,808,000.00	7-15-16	\$ 388,000.00	3.65 %	\$ 778,000.00	\$ 380,000.00	\$ 388,000.00
General Improvements	8-15-13	5,316,000.00	8-15-16	235,000.00	2.00			
			8-15-17	385,000.00	2.00			
			8-15-18	385,000.00	2.00			
			8-15-19	385,000.00	2.00			
			8-15-20	385,000.00	2.50			
			8-15-21	385,000.00	3.00			
			8-15-22	385,000.00	3.00			
			8-15-23	385,000.00	3.00			
			8-15-24	385,000.00	3.00			
			8-15-25	410,000.00	3.50			
			8-15-26	410,000.00	4.00			
			8-15-27	410,000.00	4.00			
			8-15-28	326,000.00	4.00			
						\$ 5,884,000.00	\$ 625,000.00	\$ 5,259,000.00

Reference

C

C-7

C

TOWNSHIP OF FAIRFIELD  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-17

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2015</u>
<u>General Improvements</u>					
Renovation and Expansion of the					
Municipal Library	02-18	\$ 41,201.00	\$	\$	\$ 41,201.00
Multi-Purpose	06-13	0.28			0.28
Multi-Purpose	07-15	2.85			2.85
Tax Appeals	11-10	5,000.00			5,000.00
Multi-Purpose	11-17	840.00			840.00
Flood Mitigation Acquisition Project	12-01	63,546.35			63,546.35
Recreation Complex	15-05		5,700,000.00	5,700,000.00	
Multi-Purpose	15-12		1,251,102.00	1,251,102.00	
		<u>\$ 110,590.48</u>	<u>\$ 6,951,102.00</u>	<u>\$ 6,951,102.00</u>	<u>\$ 110,590.48</u>
	<u>Reference</u>	<u>C</u>	<u>C-8</u>	<u>C-15</u>	<u>C</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATIONS  
TREASURER

D-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance December 31, 2014	D	\$ 1,222,827.70		\$ 11,303.81
Increased by Receipts:				
Prior Year Outstanding Checks Cancelled	D-1	\$ 4,966.25	\$	
Interest on Investments and Deposits	D-3	1,976.01		
Collector	D-6	2,287,751.86		
Money Market Withdrawals	D-7		100,000.00	
Interfunds Receivable	D-9	100,000.00		
Interfunds Payable	D-21		215,042.20	
Bond Anticipation Notes	D-24		218,500.00	
		<u>2,394,694.12</u>		<u>533,542.20</u>
		3,617,521.82		544,846.01
Decreased by Disbursements:				
Budget Appropriations	D-4	1,867,108.09		
Interfunds Receivable	D-9	215,000.00		
Appropriation Reserves	D-14	126,755.01		
Water Rent Overpayments	D-17	11,773.97		
Improvement Authorizations	D-18		234,935.91	
Interfunds Payable	D-21		100,000.00	
		<u>2,220,637.07</u>		<u>334,935.91</u>
Balance December 31, 2015	D	<u>\$ 1,396,884.75</u>		<u>\$ 209,910.10</u>
<u>Bank Reconciliation December 31, 2015</u>				
Balance per Statements:				
TD Bank, Fairfield, New Jersey:				
Account #3453103661		\$ 1,485,691.59	\$	246,025.48
Account #3453103688				246,025.48
		<u>1,485,691.59</u>		
Plus: Transfer-in-Transit		7,036.77		
		<u>1,492,728.36</u>		<u>246,025.48</u>
Less: Outstanding Checks (Per List on File)		10,095.76		36,115.38
Transfer-in-Transit		85,739.75		
Due to Bank		8.10		
		<u>95,843.61</u>		<u>36,115.38</u>
		<u>\$ 1,396,884.75</u>		<u>\$ 209,910.10</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS  
WATER COLLECTOR

D-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue	D-3	\$ 57,197.23
Consumer Accounts Receivable	D-3	2,212,766.49
Water Rent Overpayments	D-16	<u>17,788.14</u>
		<u>2,287,751.86</u>
Decreased by:		
Turnovers to Treasurer	D-5	<u>2,287,751.86</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

CASH - MONEY MARKET ACCOUNT

D-7

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2014	D	\$ 149,059.36	\$ 192,144.23
Increased by:			
Accrued Interest	D-3	324.10	
		149,383.46	192,144.23
Decreased by:			
Withdrawals	D-5		100,000.00
			100,000.00
Balance December 31, 2015	D	\$ 149,383.46	\$ 92,144.23
 <u>Bank Reconciliation December 31, 2015</u>			
Balance per Statements:			
Columbia Bank,			
Fairfield, New Jersey:			
Account #024803407		\$ 149,383.46	\$ 92,144.23

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

D-8

ANALYSIS OF WATER UTILITY CAPITAL CASH AND INVESTMENTS

Ordinance Number	Balance Dec. 31, 2014	Receipts		Disbursements		Transfers		Balance Dec. 31, 2015
		Bond Anticipation Notes	Other	Improvement Authorizations	Other	From	To	
<u>General Accounts</u>								
Fund Balance	\$182,381.48	\$	\$	\$			\$	\$182,381.48
Capital Improvement Fund	552.00					552.00		(103,702.42)
Due from General Capital Fund	(103,702.42)							(45,852.65)
Due from Water Utility Operating Fund	(149,946.85)		215,042.20		100,000.00		10,948.00	
<u>General Improvement Authorizations</u>								
Various Improvements to the Water System	11,318.32							11,318.32
Various Improvements to the Water System	263.45							263.45
Various Improvements to the Water System	24,987.82							24,987.82
Various Improvements to the Water System	8,095.80							8,095.80
Various Improvements to the Water System	219.90							219.90
Various Improvements to the Water System	59,710.74							59,710.74
Acquisition of Equipment for the Water System	5,960.98							5,960.98
Acquisition of Equipment for the Water System	611.77							611.77
Acquisition of Equipment for the Water System	8,913.96			18,291.80				8,913.96
Acquisition of Equipment for the Water System	29,983.25			124,097.84				11,691.45
Renovations to the Water Tank	124,097.84							
Various Capital Improvements for the Water Utility System	15-10	218,500.00		92,546.27			11,500.00	137,453.73
		\$203,448.04	\$215,042.20	\$234,935.91	\$100,000.00	\$11,500.00	\$11,500.00	\$302,054.33
<u>Reference</u>	D	D-24	D-21	D-17	D-21	Contra	Contra	D

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

INTERFUNDS RECEIVABLE

D-9

Ref.	Water Operating Fund			Water Capital Fund		Total
	Total	Current Fund	Water Capital Fund	General Capital Fund	Water Operating Fund	
D	\$ 126.00	\$	\$	\$103,702.42	\$149,946.85	\$ 253,649.27
D-3	42.20		42.20			
D-3	987.63	987.63				
D-5	215,000.00		215,000.00			
D-10	5,008.50	5,008.50				
D-20	221,164.33	5,996.13	215,042.20	103,702.42	10,948.00	264,597.27
D-5	100,000.00		100,000.00			
D-21	121,038.33	5,996.13	115,042.20			115,042.20
	221,038.33	5,996.13	215,042.20			115,042.20
D	\$ 126.00	\$ -	\$ -	\$103,702.42	\$ 45,852.65	\$ 149,555.07

Balance December 31, 2014

Increased by:

Interest on Deposits  
Water Utility Fund Revenue Deposited in  
Current Fund in Error  
Advances  
Consumer Accounts Receivable Deposited  
in Current Fund in Error  
Budget Appropriations:  
Down Payment on Improvements

Decreased by:

Settlement  
Transfer to Interfunds Payable

Balance December 31, 2015

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE

D-10

	<u>Ref.</u>		
Balance December 31, 2014	D		\$ 89,091.51
Increased by:			
Water Rent Billings	Reserve		<u>2,230,447.52</u>
			2,319,539.03
Decreased by:			
Collections	D-6	\$2,212,766.49	
Interfunds Receivable	D-9	5,008.50	
Overpayments Applied	D-17	<u>1,814.08</u>	
			<u>2,219,589.07</u>
Balance December 31, 2015	D		<u>\$ 99,949.96</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

FIXED CAPITAL

D-11

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Pumping Stations and Structures	\$ 913,838.98	\$ 913,838.98
Wells and Appurtenances	558,314.29	558,314.29
Distribution Mains, Hydrants and Accessories	1,648,506.68	1,648,506.68
Meters	797,653.70	797,653.70
Engineering Services	80,764.67	80,764.67
Underground Storage Tanks	27,120.10	27,120.10
General Equipment	470,889.14	470,889.14
General Improvements to Water System	455,573.39	455,573.39
Refunding Bond Issuance Costs	<u>32,000.00</u>	<u>32,000.00</u>
	<u>\$4,984,660.95</u>	<u>\$4,984,660.95</u>

Reference

D

D

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

D-12

	<u>Number</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorization</u>	<u>Balance Dec. 31, 2015</u>
Various Improvements to the Water System	00-16	8-14-00	\$ 57,500.00	\$ 57,500.00	\$	\$ 57,500.00
Various Improvements to the Water System	02-10	7-22-02	21,500.00	21,500.00		21,500.00
Various Improvements to the Water System	04-08	7-26-04	91,000.00	91,000.00		91,000.00
Various Improvements to the Water System	05-09	4-09-05	63,000.00	63,000.00		63,000.00
Various Improvements to the Water System	06-04	2-13-06	30,000.00	30,000.00		30,000.00
Various Improvements to the Water System	06-17	7-24-06	710,000.00	710,000.00		710,000.00
Acquisition of Equipment for the Water System	07-16	7-31-07	36,000.00	36,000.00		36,000.00
Acquisition of Equipment for the Water System	08-16	12-29-08	33,000.00	33,000.00		33,000.00
Acquisition of Equipment for the Water System	11-16	6-13-11	40,000.00	40,000.00		40,000.00
Acquisition of Equipment for the Water System	12-11	8-13-12	195,000.00	195,000.00		195,000.00
Renovations to the Water Tank	14-07	6-24-14	700,000.00	700,000.00		700,000.00
Various Capital Improvements for the Water Utility System	15-10	8-18-15	230,000.00		230,000.00	230,000.00
				<u>\$1,977,000.00</u>	<u>\$230,000.00</u>	<u>\$2,207,000.00</u>
		<u>Reference</u>		<u>D</u>	<u>D-18</u>	<u>D</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

DEFERRED CHARGES

D-13

	<u>Ref.</u>	
Increased by:		
Emergency Appropriation	D-4	<u>\$10,948.00</u>
Balance December 31, 2015	D	<u><u>\$10,948.00</u></u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

APPROPRIATION RESERVES

D-14

	Balance Dec. 31, 2014		Balance After Transfers	Expended	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating</u>					
Salaries and Wages	\$	\$ 27,778.45	\$ 27,778.45	\$	\$ 27,778.45
Other Expenses	6,433.17	254,397.23	265,830.40	126,755.01	139,075.39
 <u>Statutory Expenditures</u>					
Contribution to:					
Social Security System (OASI)		3,262.53	3,262.53		3,262.53
Unemployment Compensation Insurance		5,000.00			
	\$ 6,433.17	\$ 290,438.21	\$ 296,871.38	\$ 126,755.01	\$ 170,116.37
<u>Reference</u>	<u>D</u>	<u>D</u>		<u>D-5</u>	<u>D-1</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

ACCRUED INTEREST ON BONDS

D-15

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 10,678.00
Increased by:		
Budget Appropriations	D-4	<u>24,251.75</u> 34,929.75
Decreased by:		
Payments	D-21	<u>25,983.00</u>
Balance December 31, 2015	D	<u>\$ 8,946.75</u>

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2015</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<u>Serial Bonds</u>					
\$ 718,000.00	Various	8-15-15	12-31-15	4 1/2 Months	<u>\$ 8,946.75</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

ACCRUED INTEREST ON NOTES

D-16

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 101.87
Increased by:		
Budget Appropriations	D-4	<u>4,398.13</u>
		<u>4,500.00</u>
Decreased by:		
Payments	D-21	<u>4,325.68</u>
Balance December 31, 2015	D	<u><u>\$ 174.32</u></u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

WATER RENT OVERPAYMENTS

D-17

	<u>Ref.</u>		
Balance December 31, 2014	D		\$ 1,814.08
Increased by:			
Collections	D-6		<u>17,788.14</u>
			19,602.22
Decreased by:			
Refunds	D-5	\$11,773.97	
Overpayments Applied	D-10	<u>1,814.08</u>	
			<u>13,588.05</u>
Balance December 31, 2015	D		<u>\$ 6,014.17</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

D-18

IMPROVEMENT AUTHORIZATIONS

Number	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Paid or Charged	Balance Dec. 31, 2015	
			Funded	Unfunded			Funded	Unfunded
00-16	8-14-00	\$ 57,500.00	\$ 11,318.32	\$	\$	\$ 11,318.32	\$	
02-10	7-22-02	21,500.00	263.45			263.45		
04-08	7-26-04	91,000.00	24,987.82			24,987.82		
05-09	4-09-05	63,000.00	8,095.80			8,095.80		
06-04	2-13-06	30,000.00	219.90			219.90		
06-17	7-24-06	710,000.00	59,710.74			59,710.74		
07-16	7-31-07	36,000.00	5,960.98			5,960.98		
08-17	12-29-08	33,000.00	611.77			611.77	350.00	
11-16	6-13-11	40,000.00	8,913.96			8,913.96		
12-11	8-13-12	195,000.00			18,291.80		21,441.45	
14-07	6-24-14	700,000.00			124,097.84			
15-10	8-18-15	230,000.00		230,000.00	92,546.27		137,453.73	
			\$120,082.74	\$164,181.09	\$234,935.91	\$120,082.74	\$159,245.18	
			D	D	D-5	D	D	

Reference	Ref.
D-12, Below	D-19
D-5	D-20
D-5	D-27
Above	Above

Capital Improvement Fund	Ref.
Down Payment on Improvements	D-19
Bonds and Notes Authorized but Not Issued	D-20
	D-27
	Above

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

CAPITAL IMPROVEMENT FUND

D-19

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 552.00
Decreased by:		
Appropriations to Finance Improvement		
Authorizations:		
Ordinance Number:		
15-10	D-18	<u>552.00</u>
		<u>\$ -</u>

DOWN PAYMENT ON IMPROVEMENTS

D-20

	<u>Ref.</u>	
Increased by:		
Budget Appropriation:		
Current Fund	D-9	\$ 10,948.00
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
Ordinance #15-10	D-18	<u>10,948.00</u>
		<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

INTERFUNDS PAYABLE

D-21

		Water Operating Fund					
<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Water Capital Fund</u>	<u>Sewer Operating Fund</u>	<u>Water Capital Fund</u>	<u>Water Operating Fund</u>	<u>Water Operating Fund</u>
Balance December 31, 2014	\$ 342,689.85	\$ 55,642.91	\$ 149,946.85	\$ 137,100.09			\$
Increased by:							
Capital Improvement Fund Realized in Water Capital Fund	10,948.00		10,948.00				
Water Operating Pension Payment Paid by Current Fund	34,000.00	34,000.00					42.20
Interest on Deposits							215,000.00
Advances	44,948.00	34,000.00	10,948.00				215,042.20
Water Operating Debt Service Paid by Current Fund:							
Accrued Interest on Bonds	25,983.00	25,983.00					
Accrued Interest on Notes	4,325.68	4,325.68					
	75,256.68	64,308.68	10,948.00				215,042.20
	417,946.53	119,951.59	160,894.85	137,100.09			215,042.20
Decreased by:							
Settlement	121,038.33	5,996.13	115,042.20				100,000.00
Transfer from Interfunds Receivable	121,038.33	5,996.13	115,042.20				115,042.20
Balance December 31, 2015	\$ 296,908.20	\$ 113,955.46	\$ 45,852.65	\$ 137,100.09			\$ -

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

RESERVE FOR AMORTIZATION

D-22

	<u>Ref.</u>		
Balance December 31, 2014	D		\$ 4,866,660.95
Increased by:			
Bonds Paid from Operating Budget:			
Refunding Bonds	D-25	\$ 138,000.00	
Serial Bonds	D-26	<u>20,000.00</u>	
			<u>158,000.00</u>
Balance December 31, 2015	D		<u>\$ 5,024,660.95</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

DEFERRED RESERVE FOR AMORTIZATION

D-23

	<u>Ordinance</u>		<u>Balance</u>	<u>2015</u>	<u>Notes</u>	<u>Balance</u>
	<u>Number</u>	<u>Date</u>	<u>Dec. 31, 2014</u>	<u>Authorizations</u>	<u>Paid from Operating Budget</u>	<u>Dec. 31, 2015</u>
Various Improvements to the Water System	00-16	8-14-00	\$ 57,500.00	\$	\$	\$ 57,500.00
Various Improvements to the Water System	02-10	7-22-02	21,500.00			21,500.00
Various Improvements to the Water System	04-08	7-26-04	33,000.00			33,000.00
Various Improvements to the Water System	05-09	9-25-05	26,200.00			26,200.00
Various Improvements to the Water System	06-04	2-13-06	10,000.00			10,000.00
Various Improvements to the Water System	06-17	7-24-06	170,000.00			170,000.00
Acquisition of Equipment for the Water System	07-16	7-31-07	1,800.00			1,800.00
Acquisition of Equipment for the Water System	08-17	12-29-08	1,650.00			1,650.00
Acquisition of Equipment for the Water System	11-16	6-13-11	2,000.00			2,000.00
Acquisition of Various Items of Equipment for the Water System	12-11	8-13-12			15,000.00	15,000.00
Various Capital Improvements for the Water Utility System	15-10	8-18-15		11,500.00		11,500.00
			<u>\$323,650.00</u>	<u>\$11,500.00</u>	<u>\$15,000.00</u>	<u>\$350,150.00</u>

Reference

D

Below

D-24

D

Ref.

Capital Improvement Fund  
Down Payment on Improvements

D-19      \$ 552.00  
D-20      10,948.00

Above      \$11,500.00

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

D-24

BOND ANTICIPATION NOTES

	<u>Ordinance _Number_</u>	<u>Date of Original _Issue_</u>	<u>Date of _Issue_</u>	<u>Date of _Maturity_</u>	<u>Interest _Rate_</u>	<u>Balance Dec. 31, 2014</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2015</u>
Acquisition of Various Items of Equipment for the Water System	12-11	12-13-12	12-11-14 12-09-15	12-10-15 12-08-16	0.49 % 0.63	\$ 185,250.00	\$ 170,250.00	\$ 185,250.00	\$ 170,250.00
Renovations to Water Tank for the Water Utility System	14-12	12-11-14	12-11-14 12-09-15	12-10-15 12-08-16	0.49 0.63	700,000.00	700,000.00	700,000.00	700,000.00
Various Capital Improvements for the Water Utility System	15-10	12-09-15	12-09-15	12-08-16	0.63	218,500.00	218,500.00	218,500.00	218,500.00
						<u>\$ 885,250.00</u>	<u>\$ 1,088,750.00</u>	<u>\$ 885,250.00</u>	<u>\$ 1,088,750.00</u>
				<u>Reference</u>		<u>D</u>	<u>Below</u>	<u>Below</u>	<u>D</u>
				<u>Ref.</u>					
				Issued for Cash			\$ 218,500.00	\$ 15,000.00	
				Budget Appropriations			870,250.00	870,250.00	
				Renewals			<u>\$ 1,088,750.00</u>	<u>\$ 885,250.00</u>	
				Above					

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

REFUNDING BONDS

D-25

<u>Purpose</u>	<u>Original Issue</u>		<u>Balance</u>	<u>Decrease</u>
	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2014</u>	
Water Utility Improvements	8-18-09	\$ 666,000.00	<u>\$ 138,000.00</u>	<u>\$ 138,000.00</u>
			<u>D</u>	<u>D-22</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

SERIAL BONDS

D-26

<u>Purpose</u>	<u>Original Issue</u>		<u>Maturities of Bonds Outstanding Dec. 31, 2015</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2015</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Water Improvement Bonds	8-20-13	\$ 758,000.00	8-15-16/19	\$ 40,000.00	2.000 %			
			8-15-20	40,000.00	2.500			
			8-15-21/24	40,000.00	3.000			
			8-15-25	40,000.00	3.500			
			8-15-26/28	40,000.00	4.000			
			8-15-29	40,000.00	4.125			
			8-15-30	40,000.00	4.250			
			8-15-31	40,000.00	4.400			
			8-15-32	40,000.00	4.500			
		8-15-33	38,000.00		4.600			
						\$ 738,000.00	\$ 20,000.00	\$ 718,000.00
					<u>Reference</u>	<u>D</u>	<u>D-22</u>	<u>D</u>

TOWNSHIP OF FAIRFIELD  
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Improvements</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorization</u>	<u>Bond Anticipation Note Issued</u>	<u>Balance Dec. 31, 2015</u>
Acquisition of Equipment for the Water System	08-17	\$ 350.00	\$	\$	\$ 350.00
Acquisition of Equipment for the Water System	12-11	9,750.00			9,750.00
Various Capital Improvements for the Water Utility System	15-10	<u>9,750.00</u>	<u>218,500.00</u>	<u>218,500.00</u>	<u>9,750.00</u>
	<u>Reference</u>	<u>D</u>	<u>D-18</u>	<u>D-24</u>	<u>D</u>
		<u>\$ 10,100.00</u>	<u>\$ 218,500.00</u>	<u>\$ 218,500.00</u>	<u>\$ 10,100.00</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-6  
Sheet #1

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATIONS  
TREASURER

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Assessment Trust Fund</u>	<u>Capital Fund</u>
Balance December 31, 2014	E	\$ 2,272,262.66	\$ 63,414.11	\$ 711.18
Increased by Receipts:				
Prior Year Outstanding Checks				
Cancelled	E-1	\$ 9,394.61	\$	
Interest on Investments and				
Deposits	E-4	4,636.30		
Collector	E-7	4,905,766.16		
Money Market Withdrawals	E-8			50,000.00
Interfunds Payable	E-24	50,000.00	13.77	1,049.95
Bond Anticipation Notes	E-28			380,000.00
Contra Items:				
Petty Cash	Contra	200.00		
		<u>4,969,997.07</u>	<u>13.77</u>	<u>431,049.95</u>
		<u>7,242,259.73</u>	<u>63,427.88</u>	<u>431,761.13</u>
Decreased by Disbursements:				
Budget Appropriations	E-5	4,499,780.78		
Interfunds Receivable	E-15	1,000.00		50,000.00
Appropriation Reserves	E-18	5,585.07		
Sewer User Overpayments	E-21	51.77		2,287.50
Improvement Authorizations	E-22			
Contra Items:				
Treasurer	Contra	200.00		
		<u>4,506,617.62</u>		<u>52,287.50</u>
Balance December 31, 2015	E	<u>\$ 2,735,642.11</u>	<u>\$ 63,427.88</u>	<u>\$ 379,473.63</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATIONS  
TREASURER

E-6  
Sheet #2

	<u>Operating Fund</u>	<u>Assessment Trust Fund</u>	<u>Capital Fund</u>
<u>Bank Reconciliation December 31, 2015</u>			
Balance per Statements:			
BCB Community Bank			
Account #2822900037	\$ 1,502,712.03	\$	\$
TD Bank, Fairfield, New Jersey:			
Account #3453103696	1,186,157.14		
Account #3453103718			379,473.63
Account #3453103726		10,619.80	
PNC Bank, Fairfield, New Jersey:			
Account #80-4236-5987	<u>2,688,869.17</u>	<u>52,808.08</u>	<u>379,473.63</u>
		<u>63,427.88</u>	
Plus: Deposit-in-Transit	<u>86,273.13</u>		
	<u>2,775,142.30</u>	<u>63,427.88</u>	<u>379,473.63</u>
Less: Outstanding Checks (Per List on File)	<u>39,500.19</u>		
	<u>\$ 2,735,642.11</u>	<u>\$ 63,427.88</u>	<u>\$ 379,473.63</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

CASH RECEIPTS AND DISBURSEMENTS  
SEWER COLLECTOR

E-7

	<u>Ref.</u>	<u>Operating Fund</u>
Increased by:		
Miscellaneous Revenue	E-4	\$ 58,540.79
Sewer Rents Receivable	E-11	4,840,089.98
Sewer User Overpayments	E-21	<u>7,135.39</u>
		<u>4,905,766.16</u>
Decreased by:		
Turnovers to Treasurer	E-6	<u>4,905,766.16</u>
		<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

CASH - MONEY MARKET

E-8

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2014	E	\$ 1,159.90	\$ 55,213.61
Increased by:			
Accrued Interest	E-4	47.78	
		1,207.68	55,213.61
Decreased by:			
Withdrawals	E-6		50,000.00
Balance December 31, 2015	E	\$ 1,207.68	\$ 5,213.61
 <u>Bank Reconciliation December 31, 2015</u>			
Balance per Statement:			
Columbia Bank,			
Fairfield, New Jersey:			
Account #024804507		\$ 1,207.68	\$ 5,213.61

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

ANALYSIS OF SEWER UTILITY ASSESSMENT TRUST CASH

E-9

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Receipts</u> <u>Other</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Due from Current Fund	\$ (13,698.00)	\$	\$ (13,698.00)
Due to Assessment Trust Fund	9,698.94		9,698.94
Due to Sewer Operating Fund	15,290.71	13.77	15,304.48
Fund Balance	<u>52,122.46</u>	<u>                    </u>	<u>52,122.46</u>
	<u>\$ 63,414.11</u>	<u>\$ 13.77</u>	<u>\$ 63,427.88</u>
<u>Reference</u>	<u>E</u>	<u>E-24</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

ANALYSIS OF SEWER UTILITY CAPITAL CASH AND INVESTMENTS

E-10

General Accounts Fund Balance Interfund Sewer Utility Operating Fund Capital Improvement Fund	Ordinance Number	Balance Dec. 31, 2014	Receipts			Disbursements		Balance Dec. 31, 2015
			Bond Anticipation Notes	Other	Improvement Authorizations	Interfund Receivable		
		\$ 9,193.29	\$	1,049.95	\$	50,000.00	\$ 9,193.29	
		33,493.63					(15,456.42)	
		38,530.00					38,530.00	
<u>General Improvement Authorizations</u>								
Various Improvements to the Sewer Utility System	99-01	9,045.31					9,045.31	
Various Improvements to the Sewer Utility System	99-21	4,327.82					4,327.82	
Various Improvements to the Sewer Utility System	01-13	3,042.42					3,042.42	
Various Improvements to the Sewer Utility System	02-11	467.66					467.66	
Various Improvements to the Sewer Utility System	04-10	(19,194.40)					(19,194.40)	
Various Improvements to the Sewer Utility System	06-05	(2,149.94)					(2,149.94)	
Various Improvements to the Sewer Utility System	08-18	(20,831.00)					(20,831.00)	
Acquisition of Various Items of Equipment	15-11	380,000.00			2,287.50		377,712.50	
		\$ 55,924.79	\$ 380,000.00	\$ 1,049.95	\$ 2,287.50	\$ 50,000.00	\$ 384,687.24	
		E	E-28	Below	E-22	E-15	E	
			<u>Ref.</u>					
Interest on Investments			\$ 49.95					
Advances			1,000.00					
			Above				\$ 1,049.95	

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

SEWER RENTS RECEIVABLE

E-11

	<u>Ref.</u>		
Balance December 31, 2014	E		\$ 188,913.86
Increased by:			
Sewer Rent Billings	Reserve		4,845,789.11
			<u>5,034,702.97</u>
Decreased by:			
Collections	E-7	\$ 4,840,089.98	
Interfunds Receivable	E-15	10,004.88	
Overpayments Applied	E-21	<u>26,439.99</u>	
			<u>4,876,534.85</u>
Balance December 31, 2015	E		<u>\$ 158,168.12</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-12

ASSESSMENTS RECEIVABLE

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Balance Dec. 31, 2014 Unpledged</u>	<u>Balance Dec. 31, 2015 Unpledged</u>
453	Sanitary Sewers	6-15-77	10	6-15-86	\$ 3,965.32	\$ 3,965.32
573	Sanitary Sewers	4-10-81	10	10-22-90	13,926.24	13,926.24
97-02	Sanitary Sewers	11-27-00	10	11-27-10	<u>1,839.11</u>	<u>1,839.11</u>
					<u>\$ 19,730.67</u>	<u>\$ 19,730.67</u>
				<u>Reference</u>	<u>E</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

ASSESSMENT LIENS

E-13

	<u>Ref.</u>	
Balance December 31, 2014	E	<u>\$ 2,580.60</u>
Balance December 31, 2015	E	<u>\$ 2,580.60</u>

ASSESSMENT LIEN INTEREST AND COSTS

E-14

	<u>Ref.</u>	
Balance December 31, 2014	E	<u>\$ 428.13</u>
Balance December 31, 2015	E	<u>\$ 428.13</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-15

INTERFUNDS RECEIVABLE

Ref.	Total	Sewer Operating Fund					Swimming Pool Operating Fund	Sewer Assessment Fund Current Fund	Sewer Capital Fund	Sewer Operating Fund
		Current Fund	Water Operating Fund	Sewer Assessment Fund	Sewer Capital Fund	Sewer Operating Fund				
E	\$ 186,653.43	\$	\$ 137,100.09	\$ 15,290.71	\$ 33,493.63	\$ 769.00	\$ 13,698.00	\$		
E-4	63.72			13.77	49.95				50,000.00	
E-6	1,000.00				1,000.00					
E-11	10,004.88	10,004.88	10,004.88			769.00	13,698.00		50,000.00	
	197,722.03	10,004.88	137,100.09	15,304.48	34,543.58	769.00	13,698.00		50,000.00	
E-24	44,548.46	10,004.88			34,543.58				34,543.58	
E	\$ 153,173.57	\$ -	\$ 137,100.09	\$ 15,304.48	\$ -	\$ 769.00	\$ 13,698.00		\$ 15,456.42	

Balance December 31, 2014

Increased by:

Interest on Deposits

Advances

Sewer Rents Receivable Deposited

in Current Fund in Error

Decreased by:

Transfer To/From Interfunds Payable

Balance December 31, 2015

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

FIXED CAPITAL

E-16

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Sewer Treatment Plant	\$ 20,391,456.44	\$ 20,391,456.44
Land Acquisition	29,095.00	29,095.00
Sanitary Sewer Lines and Appurtenances	719,416.86	719,416.86
Legal and Professional Fees	8,894.07	8,894.07
Engineering Services	66,902.60	66,902.60
Underground Storage Tanks	79,759.79	79,759.79
General Equipment	130,458.68	130,458.68
General Improvements to Sewer System	425,167.91	425,167.91
Refunding Bond Issuance Costs	22,000.00	22,000.00
Acquisition of Various Items of Equipment	<u>250,000.00</u>	<u>250,000.00</u>
	<u>\$ 22,123,151.35</u>	<u>\$ 22,123,151.35</u>
<u>Reference</u>	<u>E</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-17

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

	<u>Ordinance</u>		<u>Balance</u> <u>Dec. 31., 2014</u>	<u>2015</u> <u>Authorizations</u>	<u>Balance</u> <u>Dec. 31., 2015</u>
	<u>Number</u>	<u>Date</u>			
Various Improvements to the Sewer System	99-01	2-08-99	\$ 250,000.00	\$	\$ 250,000.00
Various Improvements to the Sewer System	99-21	9-13-99	320,000.00		320,000.00
Various Improvements to the Sewer System	01-13	9-10-01	13,100.00		13,100.00
Various Improvements to the Sewer System	02-11	7-22-02	150,000.00		150,000.00
Various Improvements to the Sewer System	04-10	7-26-04	26,000.00		26,000.00
Various Improvements to the Sewer System	06-05	2-13-06	35,000.00		35,000.00
Various Improvements to the Sewer System	08-18	12-29-08	90,000.00		90,000.00
Acquisition of Various Items of Equipment for the Sewer System	15-11	8-18-15	380,000.00	380,000.00	380,000.00
			<u>\$ 884,100.00</u>	<u>\$ 380,000.00</u>	<u>\$ 1,264,100.00</u>
		<u>Reference</u>	<u>E</u>	<u>E-22</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-18

APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Expended</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating:				
Salaries and Wages	\$ 2,834.21	\$ 27,463.90	\$ 5,585.07	\$ 27,463.90
Other Expenses		70,942.15		73,191.29
Statutory Expenditures:				
Contribution to:				
Social Security System		3,238.50		3,238.50
Unemployment Compensation		5,000.00		
	<u>\$ 2,834.21</u>	<u>\$ 106,644.55</u>	<u>\$ 5,585.07</u>	<u>\$103,893.69</u>

Reference

E

E-6

E-1

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

ACCRUED INTEREST ON BONDS

E-19

	<u>Ref.</u>	
Balance December 31, 2014	E	\$ 6,950.97
Increased by:		
Budget Appropriations	E-5	<u>13,309.61</u> 20,260.58
Decreased by:		
Payments	E-24	<u>14,328.26</u>
Balance December 31, 2015	E	<u>\$ 5,932.32</u>

ACCRUED INTEREST ON NOTES

E-20

	<u>Ref.</u>	
Balance December 31, 2014	E	\$ 68.06
Increased by:		
Budget Appropriations	E-5	<u>1,385.07</u> 1,453.13
Decreased by:		
Payments	E-24	<u>1,221.60</u>
Balance December 31, 2015	E	<u>\$ 231.53</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

SEWER USER OVERPAYMENTS

E-21

	<u>Ref.</u>		
Balance December 31, 2014	E		\$ 26,439.99
Increased by:			
Collections	E-7		<u>7,135.39</u>
			33,575.38
Decreased by:			
Refunds	E-6	\$ 51.77	
Overpayments Applied	E-11	<u>26,439.99</u>	
			<u>26,491.76</u>
Balance December 31, 2015	E		<u>\$ 7,083.62</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS

E-22

	Number	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Expended	Balance Dec. 31, 2015	
				Funded	Unfunded			Funded	Unfunded
<u>General Improvements</u>									
Various Sewer Utility Improvements	99-01	2-08-99	\$ 250,000.00	\$ 9,045.31	\$	\$	\$ 9,045.31	\$	
Various Improvements to the Sewer System	99-21	9-13-99	320,000.00	4,327.82			4,327.82		
Various Sewer Utility Improvements	01-13	9-10-01	13,100.00	3,042.42			3,042.42		
Various Improvements to the Sewer System	02-11	7-22-02	150,000.00	467.66			467.66		
Various Improvements to the Sewer System	04-10	7-26-04	26,000.00						805.60
Various Improvements to the Sewer System	06-05	2-13-06	35,000.00						27,850.06
Various Improvements to the Sewer System	08-18	12-29-08	90,000.00						64,669.00
Acquisition of Various Items of Equipment to the Sewer System	15-11	8-18-15	380,000.00		380,000.00	2,287.50		377,712.50	
				\$ 16,883.21	\$ 380,000.00	\$ 2,287.50	\$ 16,883.21	\$ 471,037.16	
			Reference	E	E-17	E-6	E	E	

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

CAPITAL IMPROVEMENT FUND

E-23

	<u>Ref.</u>	
Balance December 31, 2014	E	<u>\$ 38,530.00</u>
Balance December 31, 2015	E	<u>\$ 38,530.00</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

INTERFUNDS PAYABLE

E-24

Ref.	Sewer Operating Fund			Sewer Assessment Fund		Sewer Capital Fund	
	Total	Current Fund	Sewer Capital Fund	Total	Sewer Operating Fund	Assessment Trust Fund	Sewer Operating Fund
E	\$ 36,711.79	\$ 36,711.79	\$	\$ 24,989.65	\$ 15,290.71	\$ 9,698.94	\$ 33,493.63
E-6							49.95
E-6	50,000.00		50,000.00	13.77	13.77		1,000.00
E-5	34,000.00	34,000.00					
E-19	14,328.26	14,328.26					
E-20	1,221.60	1,221.60					
	<u>136,261.65</u>	<u>86,261.65</u>	<u>50,000.00</u>	<u>25,003.42</u>	<u>15,304.48</u>	<u>9,698.94</u>	<u>34,543.58</u>
E-15	44,548.46	10,004.88	34,543.58				34,543.58
E	<u>\$ 91,713.19</u>	<u>\$ 76,256.77</u>	<u>\$ 15,456.42</u>	<u>\$ 25,003.42</u>	<u>\$ 15,304.48</u>	<u>\$ 9,698.94</u>	<u>\$</u>

Increased by:

Interest on Deposits

Advances

Sewer Operating Pension Payment

Paid by Current Fund

Sewer Operating Debt Service Paid

by Current Fund:

Accrued Interest on Bonds

Accrued Interest on Notes

Decreased by:

Transfer To/From Interfunds Receivable

Balance December 31, 2015

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

RESERVE FOR ASSESSMENTS AND LIENS

E-25

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2015</u>
<b>Assessments Receivable:</b>			
Sanitary Sewers	453	\$ 3,965.32	\$ 3,965.32
Sanitary Sewers	573	13,926.24	13,926.24
Sanitary Sewers	97-02	1,839.11	1,839.11
		<u>19,730.67</u>	<u>19,730.67</u>
<b>Assessment Liens:</b>			
Sanitary Sewers	573	<u>2,580.60</u>	<u>2,580.60</u>
		<u>\$ 22,311.27</u>	<u>\$ 22,311.27</u>
	<u>Reference</u>	<u>E</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

RESERVE FOR AMORTIZATION

E-26

	<u>Ref.</u>		
Balance December 31, 2014	E		\$ 22,097,751.35
Increased by:			
Bonds Paid from Operating Budget:			
Refunding Bonds	E-29	\$ 67,000.00	
Serial Bonds	E-30	<u>15,000.00</u>	
			<u>82,000.00</u>
Balance December 31, 2015	E		<u>\$ 22,179,751.35</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

DEFERRED RESERVE FOR AMORTIZATION

E-27

	<u>Ordinance</u>		<u>Balance</u>	<u>Balance</u>
	<u>Number</u>	<u>Date</u>	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2015</u>
Various Improvements to the Sewer System	99-01	2-08-99	\$ 12,500.00	\$ 12,500.00
Various Improvements to the Sewer System	99-21	9-13-99	16,000.00	16,000.00
Various Improvements to the Sewer System	04-10	7-26-04	6,000.00	6,000.00
Various Improvements to the Sewer System	06-05	2-13-06	5,000.00	5,000.00
Various Improvements to the Sewer System	08-18	12-29-08	<u>4,500.00</u>	<u>4,500.00</u>
			<u>\$ 44,000.00</u>	<u>\$ 44,000.00</u>
		<u>Reference</u>	<u>E</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-28

BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Note Issued</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2015</u>
Acquisition of Various Items of Equipment for the Sewer System	13-14	12-12-13	12-11-14 12-09-15	0.49% 0.63	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
	15-11	12-09-15	12-09-15	0.63	\$ 380,000.00	380,000.00	380,000.00	380,000.00
					<u>\$ 250,000.00</u>	<u>\$ 630,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 630,000.00</u>
					<u>E</u>	<u>Below</u>	<u>Below</u>	<u>E</u>
					<u>Ref.</u>			
					Issued for Cash	\$ 380,000.00	\$ 250,000.00	\$ 250,000.00
					Renewals	E-6 Contra	250,000.00	250,000.00
					Above	\$ 630,000.00	\$ 250,000.00	\$ 250,000.00

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-29

REFUNDING BONDS

<u>Purpose</u>	<u>Original Issue</u>		<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2015</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2015</u>
Sewer Utility Improvements	8-18-09	\$ 760,000.00	1-15-16	\$ 80,000.00	2.750%	\$ 427,000.00	\$ 67,000.00	\$ 360,000.00
			1-15-17	75,000.00	3.000			
			1-15-18	75,000.00	3.000			
			1-15-19	75,000.00	4.000			
			1-15-20	55,000.00	3.375	\$ 427,000.00	\$ 67,000.00	\$ 360,000.00
						<u>E</u>	<u>E-26</u>	<u>E</u>

Reference

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-30

SERIAL BONDS

<u>Purpose</u>	<u>Original Issue</u> <u>Date</u> <u>Amount</u>	<u>Maturities of Bonds</u> <u>Outstanding</u> <u>Dec. 31, 2015</u> <u>Date</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Sewer Utility Improvements	7-15-04      \$ 163,000.00	7-15-16      \$ 10,000.00 7-15-17      15,000.00 7-15-18      13,000.00	3.65%	<u>\$ 53,000.00</u>	<u>\$ 15,000.00</u>	<u>\$ 38,000.00</u>
		<u>Reference</u>		<u>E</u>	<u>E-26</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SEWER UTILITY

E-31

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Improvements</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorization</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2015</u>
Various Sewer Utility Improvements	04-10	\$ 20,000.00	\$	\$	\$ 20,000.00
Various Sewer Utility Improvements	06-05	30,000.00			30,000.00
Various Sewer Utility Acquisitions	08-18	85,500.00			85,500.00
Acquisition of Various Items of Equipment for the Sewer System	15-11	<u>380,000.00</u>	<u>380,000.00</u>	<u>380,000.00</u>	<u>380,000.00</u>
		<u>\$ 135,500.00</u>	<u>\$ 380,000.00</u>	<u>\$ 380,000.00</u>	<u>\$ 135,500.00</u>
	<u>Reference</u>	<u>E</u>	<u>E-22</u>	<u>E-28</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATIONS  
TREASURER

F-5  
Sheet #1

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2014	F	\$ 97,261.02	\$ 804.25
Increased by Receipts:			
Prior Year Outstanding			
Checks Cancelled	F-1	\$ 62.97	\$
Interest on Investments			
and Deposits	F-3	133.83	
Collector	F-6	167,790.00	
Interfunds Payable	F-16	<u>                    </u>	<u>0.83</u>
		<u>167,986.80</u>	<u>0.83</u>
		265,247.82	805.08
Decreased by Disbursements:			
Budget Appropriations	F-4	<u>167,509.63</u>	<u>                    </u>
Balance December 31, 2015	F	<u>\$ 97,738.19</u>	<u>\$ 805.08</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATIONS  
TREASURER

F-5  
Sheet #2

	<u>Operating</u> <u>Fund</u>	<u>Capital</u> <u>Fund</u>
<u>Bank Reconciliation December 31, 2015</u>		
Balance per Statements:		
TD Bank,		
Fairfield, New Jersey:		
Account #3453103734	\$ 101,516.20	\$
Account #3452885542		805.08
	<u>101,516.20</u>	<u>805.08</u>
Less: Outstanding Checks	<u>3,778.01</u>	<u>          </u>
	<u>\$ 97,738.19</u>	<u>\$ 805.08</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

CASH RECEIPTS AND DISBURSEMENTS  
TAX COLLECTOR'S ACCOUNT

F-6

	<u>Ref.</u>	
Increased by:		
Membership Fees	F-3	\$ 145,735.00
Nonbudget Revenue	F-3	<u>22,055.00</u>
		167,790.00
Decreased by Disbursements:		
Turnover to Treasurer	F-5	<u>167,790.00</u>
		<u>\$ -</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

CASH - MONEY MARKET ACCOUNT

F-7

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2014	F	\$7,764.58	\$ 10,806.00
Increased by:			
Accrued Interest	F-3	<u>18.60</u>	<u>                    </u>
Balance December 31, 2015	F	<u>\$7,783.18</u>	<u>\$10,806.00</u>

Bank Reconciliation December 31, 2015

Balance per Statement:

Columbia Bank,

Fairfield, New Jersey:

Account #024804493

\$7,783.18

\$ 10,806.00

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

ANALYSIS OF SWIMMING POOL UTILITY CAPITAL CASH AND INVESTMENTS

F-8

	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2014</u>	<u>Receipts Other</u>	<u>Balance Dec. 31, 2015</u>
<u>General Accounts</u>				
Capital Improvement Fund		\$ 3,350.00	\$	\$ 3,350.00
Reserve for Preliminary Study		7,280.80		7,280.80
Due to Swimming Pool Operating Fund		1,000.80	0.83	1,001.63
 <u>Improvement Authorizations</u>				
Various Pool Improvements and Other Related Expenses	01-12	48,678.68		48,678.68
Various Improvements to the Pool Complex	04-09	(35,993.22)		(35,993.22)
Renovation of Main Filter System	06-18	<u>(12,706.81)</u>		<u>(12,706.81)</u>
		<u>\$ 11,610.25</u>	<u>\$ 0.83</u>	<u>\$ 11,611.08</u>
	<u>Reference</u>	<u>E</u>	<u>F-16</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

INTERFUNDS RECEIVABLE

F-9

	<u>Ref.</u>	<u>Swimming Pool Operating Fund</u> <u>Swimming Pool Capital Fund</u>	<u>Swimming Pool Capital Fund</u> <u>General Capital Fund</u>
Balance December 31, 2014	F	\$ 1,000.80	\$1,584.98
Increased by:			
Interest on Deposits	F-3	<u>0.83</u>	<u>          </u>
Balance December 31, 2015	F	<u>\$ 1,001.63</u>	<u>\$1,584.98</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

FIXED CAPITAL

F-10

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Swimming Pool Facility	<u>\$ 1,548,406.45</u>	<u>\$ 1,548,406.45</u>
<u>Reference</u>	<u>E</u>	<u>E</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

F-11

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

	<u>Ordinance</u>		<u>Amount</u>	<u>Balance</u>	
	<u>Number</u>	<u>Date</u>		<u>Dec. 31, 2014</u>	<u>Dec. 31, 2015</u>
Various Pool Improvements and Other Related Expenses	01-12	9-10-01	\$175,000.00	\$175,000.00	\$175,000.00
Various Improvements to the Pool Complex	04-09	7-26-04	73,000.00	73,000.00	73,000.00
Renovation of Main Filter System	06-18	8-28-06	126,000.00	126,000.00	126,000.00
				<u>\$374,000.00</u>	<u>\$374,000.00</u>
		<u>Reference</u>		<u>F</u>	<u>F</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

APPROPRIATION RESERVES

F-12

	<u>Balance</u> <u>Dec. 31, 2014</u> <u>Unencumbered</u>	<u>Balance</u> <u>Lapsed</u>
<u>Operating</u>		
Salaries and Wages	\$ 49.50	\$ 49.50
Other Expenses	11,283.51	11,283.51
	<u>11,333.01</u>	<u>11,333.01</u>
 <u>Statutory Expenditures</u>		
Contributions to:		
Social Security System (OASI)	7,500.00	7,500.00
Unemployment Compensation		
Insurance	<u>500.00</u>	<u>500.00</u>
	<u>\$ 19,333.01</u>	<u>\$ 19,333.01</u>
<u>Reference</u>	<u>E</u>	<u>F-1</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

ACCRUED INTEREST ON BONDS

F-13

	<u>Ref.</u>	
Balance December 31, 2014	F	\$ 1,632.23
Increased by:		
Budget Appropriation	F-4	3,350.00
		<u>4,982.23</u>
Decreased by:		
Payments	F-16	3,770.50
		<u>3,770.50</u>
Balance December 31, 2015	F	<u><u>\$ 1,211.73</u></u>

Analysis of Balance

Bonds Outstanding <u>Dec. 31, 2015</u>	Interest <u>Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 57,000.00	3.650%	7-15-15	12-31-15	5 1/2 Months	\$ 926.73
38,000.00	2.000%	8-23-15	12-31-15	4 1/2 Months	285.00
					<u><u>\$ 1,211.73</u></u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

F-14

IMPROVEMENT AUTHORIZATIONS

	<u>Number</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2014</u>		<u>Balance Dec. 31, 2015</u>	
				<u>Funded</u>	<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
General Improvements							
Various Pool Improvements and Other Related Expenses	01-12	9-10-01	\$ 175,000.00	\$ 48,678.68	\$	\$ 48,678.68	\$
Various Improvements to the Pool Complex	04-09	7-26-04	73,000.00		37,006.78		37,006.78
Renovation of Main Filter System	06-18	8-28-06	126,000.00		32,293.19		32,293.19
				<u>\$ 48,678.68</u>	<u>\$ 69,299.97</u>	<u>\$ 48,678.68</u>	<u>\$ 69,299.97</u>
			<u>Reference</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>F</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

CAPITAL IMPROVEMENT FUND

F-15

	<u>Ref.</u>	
Balance December 31, 2014	F	<u>\$ 3,350.00</u>
Balance December 31, 2015	F	<u><u>\$ 3,350.00</u></u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

F-16

INTERFUNDS PAYABLE

Ref.	Total	Swimming Pool Operating Fund				Swimming Pool Operating Fund	Swimming Pool Capital Fund
		Current Fund	General Trust Fund	Water Operating Fund	Sewer Operating Fund		
F	\$ 15,812.83	\$ 7,157.98	\$ 7,759.85	\$ 126.00	\$ 769.00	\$ 1,000.80	
F-4 F-5	2,500.00	2,500.00					0.83
F-13	3,770.50	3,770.50					
F	\$ 22,083.33	\$ 13,428.48	\$ 7,759.85	\$ 126.00	\$ 769.00	\$ 1,001.63	

Balance December 31, 2014

Increased by:

Pool Operating Expenditure Paid  
by Current Fund in Error  
Interest on Deposits  
Accrued Interest on Bond Paid  
by Current Fund in Error

Balance December 31, 2015

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

RESERVE FOR PRELIMINARY STUDY

F-17

	<u>Ref.</u>	
Balance December 31, 2014	F	<u>\$ 7,280.80</u>
Balance December 31, 2015	F	<u><u>\$ 7,280.80</u></u>

RESERVE FOR AMORTIZATION

F-18

	<u>Ref.</u>	
Balance December 31, 2014	F	\$ 1,656,406.45
Increased by:		
Serial Bonds Paid from Operating Budget	F-20	<u>30,000.00</u>
Balance December 31, 2015	F	<u><u>\$ 1,686,406.45</u></u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

DEFERRED RESERVE FOR AMORTIZATION

F-19

	<u>Ordinance</u>		<u>Balance</u>	<u>Balance</u>
	<u>Number</u>	<u>Date</u>	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2015</u>
Renovation of Main Filter System	06-18	8-28-06	<u>\$ 23,000.00</u>	<u>\$ 23,000.00</u>
		<u>Reference</u>	<u>F</u>	<u>F</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

F-20

SERIAL BONDS

<u>Purpose</u>	<u>Original Issue</u>		<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Paid</u>	<u>Balance Dec. 31, 2015</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Swimming Pool Bonds	7-15-04	\$ 257,000.00	7-15-16/17	\$ 20,000.00	3.65%	\$ 77,000.00	\$ 20,000.00	\$ 57,000.00
			7-15-18	17,000.00				
Swimming Pool Bonds	8-20-13	58,000.00	8-15-16/18	10,000.00	4.05%	48,000.00	10,000.00	38,000.00
			8-15-19	8,000.00	1.75%	\$125,000.00	\$ 30,000.00	\$ 95,000.00
					<u>Reference</u>	<u>F</u>	<u>F-18</u>	<u>F</u>

TOWNSHIP OF FAIRFIELD  
SWIMMING POOL UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

F-21

<u>Improvements</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2015</u>
Various Improvements to the Pool Complex	04-09	\$ 73,000.00	\$ 73,000.00
Main Filter System Renovation	06-18	<u>45,000.00</u>	<u>45,000.00</u>
		<u>\$ 118,000.00</u>	<u>\$ 118,000.00</u>
	<u>Reference</u>	E	E

TOWNSHIP OF FAIRFIELD  
PUBLIC ASSISTANCE TRUST FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION

G-1

	<u>Ref.</u>	<u>Trust Fund Account #1</u>
Balance December 31, 2014	G	\$ 1,180.18
Increased by:		
Interest on Deposits	G-2	<u>0.12</u>
Balance December 31, 2015	G	<u>\$ 1,180.30</u>
 <u>Bank Reconciliation December 31, 2015</u>		
Balance per Statement:		
PNC Bank,		
Fairfield, New Jersey:		
Account #81-0028-9493		
		<u>\$ 1,180.30</u>

TOWNSHIP OF FAIRFIELD  
PUBLIC ASSISTANCE TRUST FUND

RESERVE FOR PUBLIC ASSISTANCE EXPENDITURES

G-2

	<u>Ref.</u>	<u>Trust Fund Account #1</u>
Balance December 31, 2014	G	\$ 1,180.18
Increased by:		
Interest on Deposits	G-1	<u>0.12</u>
Balance December 31, 2015	G	<u>\$ 1,180.30</u>

**PART II**  
**REPORT ON INTERNAL CONTROL**  
**ROSTER OF OFFICIALS**  
**LETTER OF TRANSMITTAL, COMMENTS AND RECOMMENDATIONS**  
**(MANAGEMENT LETTER)**  
**YEAR ENDED DECEMBER 31, 2015**

550 BROAD STREET, 11TH FLOOR  
NEWARK, N.J. 07102-9989  
PHONE (973) 624-6100  
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303  
FREEHOLD, N.J. 07728-2291  
PHONE (732) 780-2600  
FAX (732) 780-1030

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Township Council  
Township of Fairfield  
Fairfield, New Jersey 07004

We have audited the financial statements - regulatory basis of the various funds of the Township of Fairfield, in the County of Essex, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements - regulatory basis and have issued our report thereon dated October 10, 2016. These financial statements - regulatory basis have been prepared in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements - regulatory basis, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements - regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township's financial statements - regulatory basis will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements - regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain matters that we reported to management in the comments and recommendations section of this report.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey  
October 10, 2016

**ROSTER OF OFFICIALS AND CERTAIN EMPLOYEES  
AND REPORT ON SURETY BONDS FOR THE YEAR 2015**

<u>Name</u>	<u>Title</u>	<u>Amount of Bonds</u>
James Gasparini	Mayor	\$
John LaForgia	Council President	
Joseph Cifelli	Councilperson	
Michael McGlynn	Councilperson	
Thomas Morgan	Councilperson	
Joseph Catenaro	Business Administrator	
J. John McCluskey	Chief Financial Officer Tax Collector	1,000,000.00 1,000,000.00
Denise D. Cafone	Municipal Clerk	
Dennis M. Galvin	Township Attorney	
Frank Pomaco	Municipal Court Judge	1,000,000.00
Maria Cappa-Foschini	Municipal Court Administrator	
Anthony G. Manna	Officer in Charge	
Michael Leposky	Tax Assessor	
Steven Bury	Township Engineer from February 1, 2015	
Lawrence Gonnello	Township Engineer to January 30, 2015	
Philip Cheff	Construction Code Official	
Anthony Pompei	Recreation Director	

The above surety coverage is provided by the Suburban Essex Joint Insurance Fund and is subject to a \$2,500.00 deductible.

An employee dishonesty and faithful performance bond issued through the Suburban Essex Joint Insurance Fund, in the amount of \$50,000.00 with excess coverage of \$950,000.00, covers all employees except those required to file statutory bonds.

**SAMUEL KLEIN AND COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR  
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36 WEST MAIN STREET, SUITE 303  
FREEHOLD, N.J. 07728-2291  
PHONE (732) 780-2600  
FAX (732) 780-1030

The Honorable Mayor and Members  
of the Township Council  
Township of Fairfield  
Fairfield, New Jersey 07004

Gentlemen:

We have audited the regulatory basis financial statements and supplemental schedules and data of the

**TOWNSHIP OF FAIRFIELD**  
**COUNTY OF ESSEX**

for the years ended December 31, 2015 and December 31, 2014 and have issued our report thereon. As part of our audit, we reviewed and tested the municipality's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America; by the Division of Local Government Services of the Department of Community Affairs, State of New Jersey; by the *Government Auditing Standards* issued by the U.S. General Accounting Office; and by the provisions of the "Single Audit Act of 1984". Compliance requirements were also reviewed in accordance with the requirements of the aforementioned standards and guidelines or, where applicable, the terms and conditions of particular grant agreements and as approved by the Cognizant Audit Agency.

Our comments with respect to the audit, internal control, and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the audit are herewith set forth.

**Contracts and Agreements Required to be Advertised (N.J.S. 40A:11-4)**

N.J.S.A. 40A:11-4a states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

It is pointed out that the Township Council has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The statutory bidding threshold, effective July 1, 2015, decreased from \$26,000.00 to \$17,500.00 based on the appointment of a nonqualified purchasing agent.

P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay-to-Play Law", however, provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity.

The minutes indicate that bids were requested by public advertising for the following items:

**Service and Construction Contracts:**

- Reconstruction of Lehigh Drive, Section 1
- Handicap Ramps for the Municipal Complex
- Commerce Road Antenna Lease II
- Reconstruction of Lehigh Drive, Section 2

**Vehicles and Equipment:**

- Cellular Antenna on the Commerce Road Water Tank
- Ten (10) In-Car Computers for the Police Department
- Mill Street Water Tank Chain Link Fencing

Inasmuch as the system of records did not provide an accumulation of payments for categories of materials and supplies or related work or labor, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 19:44A-20.5.

**Collection of Interest on Delinquent Taxes, Assessments, Water and Sewer Billings**

N.J.S. 53:4-67, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body adopted the following resolution on January 5, 2015, authorizing interest to be charged on delinquent payments:

WHEREAS, N.J.S.A. 54:4-66 provides that taxes are payable in quarterly installments, February 1<sup>st</sup>, May 1<sup>st</sup>, August 1<sup>st</sup> and November 1<sup>st</sup> in each year, and

WHEREAS, N.J.S.A. 54:4-67 authorizes municipalities to provide a grace period not exceeding ten days without additional charge for interest.

NOW, THEREFORE BE IT RESOLVED, by the Mayor and Council of the Township of Fairfield that no interest shall be charged if any installment of taxes is made within the tenth calendar day following the date on which the same becomes payable, but when an installment is received after the expiration of the grace period, the delinquent balance shall bear interest from the due date at a rate of 8% per annum on that portion of the delinquency which is less than or equal to \$1,500.00 and 18% per annum on that portion of the delinquency which is in excess of \$1,500.00.

It is further noted that on January 5, 2015, the Township of Fairfield adopted the following resolution on delinquent taxes, in accordance with the provisions of Ch. 75, P.L. 1991, establishing certain interest penalties. This resolution reads as follows:

WHEREAS, by virtue of Chapter 75, Laws of 1991 the Township of Fairfield is permitted to charge 6% penalty against delinquent taxes and other municipal charges totaling in excess of \$10,000.00, if the taxpayer fails to pay that delinquency prior to the end of the calendar year.

NOW, THEREFORE BE IT RESOLVED, by the Mayor and Council of the Township of Fairfield, that the Municipal Tax Collector be and is hereby authorized to charge late charges on delinquent taxes and other municipal charges pursuant to Chapter 75, Laws of 1991.

Interest on delinquent assessments was authorized at 8% by resolutions adopted by the Township Council.

Our test of the Collector's records indicated that interest on delinquent taxes was generally collected in accordance with the provisions of the foregoing resolution.

**Interest on Delinquent Water and Sewer Charges**

The Governing Body on March 11, 2002 adopted Ordinance Number 2002-05 authorizing interest to be charged on delinquent water and sewer charges. This ordinance reads as follows:

In the event that a bill is not paid within thirty (30) days of the date of issuance, interest shall accrue on the unpaid balance, at the maximum rate allowed pursuant to N.J.S.A. 40:14B-41, that being at a rate of one and one half percent (1.5%) per month until the date on which such charge, and the interest thereon, shall be fully paid to the Township.

Our test of the Collector's records indicated that interest on delinquent water and sewer charges were generally collected in accordance with the provisions of the foregoing ordinance.

**Delinquent Taxes**

Delinquent taxes, in the sum of \$24,849.00, exclusive of 2015, is summarized as follows:

<u>Year</u>	<u>Amount</u>
2013	\$16,273.40
2014	<u>8,575.60</u>
	<u>\$24,849.00</u>

A tax sale was held on December 8, 2015 and was complete.

**Tax Title Liens**

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number</u>	<u>Amount</u>
2015	30	\$1,443,978.80
2014	31	1,217,231.70
2013	31	1,855,435.04

**Tax Title Lien Redemption Account**

A detailed list supporting the cash balance for the tax title lien redemptions was not available for audit.

It is recommended that a detailed list supporting the cash balance for the tax title lien redemption account be prepared.

**Verification of Delinquent Taxes and Other Charges**

A test verification of unpaid charges and current payments, in accordance with the regulations of the Division of Local Government Services, consisted of notices as follows:

<u>Type</u>	<u>Number of Notices</u>
Payment of 2015 Taxes and 2016 Taxes	100
Payment of Water and Sewer Rents	100
Delinquent Taxes	10
Tax Title Liens	2
Assessments	5
Unpaid Water and Sewer Utility Charges	<u>20</u>
	<u>237</u>

There were no exceptions developed in connection with our examination.

**Revenue Collections**

Police Department:

Revenue collections were not turned over to the Tax Collector within 48 hours of receipt in accordance with the provisions of N.J.S.A. 40A:5-15.

Other Departments:

Certain revenue collections reflected on various departmental records were not in agreement with the records of the Tax Collector's Office, detailed as follows:

	<u>Department</u>	<u>Tax Collector</u>	<u>Department Over/ (Under)</u>
Building:			
Continued Certificate of Occupancy	\$ 56,827.00	\$ 57,752.00	\$ (925.00)
Fire Prevention:			
Smoke Detector	190,708.00	191,053.00	(345.00)
Penalty	16,062.50	17,950.00	(1,887.50)
State Fees	141,260.57	141,427.62	(167.05)
False Alarms	3,300.00		3,300.00

Swimming Pool Utility:

Revenue collections were not deposited within 48 hours of receipt in accordance with the provisions of N.J.S.A. 40A:5-15.

The cash receipts book contained numerous recording errors and incomplete postings.

The following recommendations are noted:

That departmental revenue collections for the Police Department and Swimming Pool Utility be turned over to the Tax Collector within 48 hours in accordance with the provisions of N.J.S.A. 40A:5-15.

That certain revenue collections reflected on various departmental records be reconciled to the records of the Tax Collector on a monthly basis.

That more care be exercised in the recording and posting of Swimming Pool Utility fees and that recreation receipts be recorded in the cash receipts book the day of receipt rather than the day of deposit.

**Federal and State Grant Fund**

As reflected on Exhibits A-17 and A-28 herein, various grants have not been realized or expended for several years.

It is recommended that certain grants be reviewed and appropriate action taken as to their disposition.

**Other Deposits**

The following deposits have remained unchanged for several years:

Security Deposits	\$ 10,951.50
Maintenance and Performance Deposits	31,738.85
Van Ness Improvements	1,566.70
Detention Basin	80,500.00

It is recommended that certain other deposits be reviewed and appropriate action be taken.

### Other Post-Employment Benefits

Local Finance Notices 2007-15 and 2009-13 require local units that provide non-pension benefits to retired employees, such as health insurance coverage, prescription or other benefits, to disclose the annual payment for currently retired employees and future cost for those employees in the Notes to the Financial Statements.

Those municipalities that are not members of the State Health Benefits Plan or other cost sharing plans must obtain an actuarially calculated post-employment benefit on a periodic basis for inclusion in the Notes to the Financial Statements.

The Township of Fairfield maintains private health coverage and provides certain retired employees with post-employment benefits which require appropriate disclosure in the Notes to the Financial Statements in accordance with regulations promulgated by the Local Finance Board.

To date, the aforementioned post-employment costs for the Township of Fairfield have not been determined, resulting in our inability to include this information in the Notes to the Financial Statements.

It is recommended that an actuarial study be prepared to determine certain post-employment benefits in accordance with regulations promulgated by the Local Finance Board.

### Payroll Fund

During 2011, the Township of Fairfield contracted with ADS to be the third party payroll service provider. ADS has the authority to withdraw funds from Township accounts and transfer these funds to their own accounts for the purpose of the payment to certain agencies with regard to payroll deductions.

An audit of the service provider's payroll account was not provided to the Township nor did our staff prepare such an audit. We did review certain records provided to the Township. It should be noted however, that we could not verify required payments of Federal and State agencies made by the service provider.

The Local Finance Board has adopted rules and regulations regarding third-party payroll vendors which are summarized in N.J.A.C. 5:30-17 and further provides authority for local governments to hire payroll service vendors to disburse funds to payroll agencies on behalf of the local unit.

In addition, Local Finance Notice 2009-18 has offered additional safeguards with respect to third-party payroll services.

Other payroll comments are as follows:

The Payroll Account bank reconciliation, as prepared by ADS, reflects a balance of \$29,663.25 as of December 31, 2015.

There remains an unidentified balance in the sum of \$13,352.84 in the Payroll Agency bank account as of December 31, 2015.

**Municipal Court**

The following summary of receipts and disbursements, comprising a segment of the "Report of the Municipal Court for 2015", which is filed under a separate cover with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk, is presented herewith for information purposes:

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Municipal Treasurer	\$ 35,123.86	\$ 318,283.61	\$ 338,027.82	\$ 15,379.65
County Treasurer	40,147.10	86,180.61	87,971.61	38,356.10
State Treasurer	24,213.74	280,171.14	291,145.93	13,238.95
Cash Bail	4,082.10	86,777.83	90,196.00	663.93
Miscellaneous	<u>(17,880.90)</u>	<u>19,184.11</u>	<u>23,322.13</u>	<u>(22,018.92)</u>
	<u>\$ 85,685.90</u>	<u>\$ 790,597.30</u>	<u>\$ 830,663.49</u>	<u>\$ 45,619.71</u>

Comments and resultant recommendations relating to the Municipal Court are detailed as follows:

The following checks have been outstanding in excess of one year:

<u>General Account</u>		<u>Bail Account</u>	
<u>Check</u> <u>Number</u>	<u>Amount</u>	<u>Check</u> <u>Number</u>	<u>Amount</u>
1314	\$ 76.00	2143	\$ 500.00
1315	1.00	2165	7.00
1316	1.00	2268	30.00
1317	1.00	2171	200.00
1318	5.00	2307	354.00
1319	2.00	2336	250.00
1322	20.00	2340	11.00
1327	54.00	2427	349.00
1329	5.00	2451	250.00
1331	40.00	2452	250.00
1332	2.00	2453	60.00
1333	1.00	2456	500.00
1334	1.00	2457	81.00
1336	1.00		
1341	33.00		
1345	96.09		
1348	100.00		
1374	1.00		
1415	11.00		
1416	10.00		
1418	2.00		
1419	7.00		
1420	33.00		
1421	100.00		
1432	1.00		
Total O/S	<u>\$ 604.09</u>	Total O/S Checks	<u>\$ 2,842.00</u>

A listing of outstanding bail was not in agreement with the cash balance as of December 31, 2015, detailed as follows:

Balance per Listing	\$ 5,492.50
Cash Book	<u>663.93</u>
Deficit	<u>\$ 4,828.57</u>

Fees collected for motor vehicle fines due to the County of Essex in the amount of \$29,206.60 were inadvertently deposited to the General Trust Fund. As of the date of this report, these funds have not been paid to the County of Essex.

The General and Bail revenue collections were not deposited within 48 hours of receipt in accordance with the provisions of N.J.S.A. 40A:5-15.

In the General Account disbursements payments are not made before the 15<sup>th</sup> of the month.

Certain year end balances were not in agreement with payments made in January 2016, as detailed in the following schedule:

<u>Agency</u>	<u>Balance Dec. 31, 2015</u>	<u>Jan. 2016 Payment</u>	<u>Excess (Deficit)</u>
State of New Jersey	\$ 13,238.95	\$ 12,672.04	\$ 566.91
County of Essex	38,356.10	5,304.00	33,052.10
Municipality	15,379.65	15,832.05	(452.40)
Public Defender	1,645.00	1,400.00	245.00

Our examination of the payments indicated the following:

Seven time payment agreements were not available for audit.

Three time payments did not reflect the Judge's signature.

The December 2015 Monthly Management Report was examined and the following items were noted:

All tickets that have been assigned must be issued within six months. The Tickets Assigned Not Issued Report indicated that 1,213 tickets were not issued within six months.

The Tickets Issued but Not Assigned Report indicated that 47 tickets were issued but not assigned.

The following recommendations with respect to the Municipal Court are noted as follows:

That certain outstanding checks be reviewed and appropriate action taken.

That the listing of cash bail on hand be reconciled to the amount of cash on deposit and more care be exercised in the recording and handling of the cash bail collections.

That certain monies due to the County of Essex be reviewed and appropriate action taken.

That General and Bail revenue collections be deposited within 48 hours in accordance with the provisions of N.J.S.A. 40A:5-15.

That General Account payments be made before the 15<sup>th</sup> of the month following collections.

That more care be exercised in maintaining the cash receipts book and distribution of funds to the appropriate agencies.

That all time payments be made available for audit and reflect the Judge's signature.

That tickets assigned but not issued in excess of six months be reviewed for proper disposition.

That follow-up procedures be implemented for tickets whether issued or assigned.

### **Capital Fixed Assets**

The Division of Local Government Services in the Department of Community Affairs of the State of New Jersey requires all municipalities in the State to establish and maintain sets of accounts and inventories reflecting costs or other valuations of all of its fixed assets, including land, buildings, improvements, machinery, furniture and equipment. Such accounts, to be included under "Capital Fixed Assets", would insure complete fiscal reliability of records, establish a basis for claims of losses and other insurance purposes, augment protective measures against the misuse or theft of property and furnish data on aging, anticipated life and other information on assets. Failure to maintain capital fixed asset records could jeopardize the Township's eligibility for future Federal and State Grants.

Although an inventory of movable fixed assets was prepared, it has not been updated for certain items of equipment.

It is recommended that the records of the Capital Fixed Assets be updated and maintained on a current basis.

### **Corrective Action Plan**

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by resolution of the Governing Body and submitted within 60 days from the date the audit is received.

A Corrective Action Plan was prepared by the Chief Financial Officer, approved by resolution of the Governing Body and submitted to the Division of Local Government Services.

### **Status of Prior Years' Audit Recommendations**

A review was performed on all prior years' audit recommendations and corrective action was taken on all with the exception of those recommendations marked with an asterisk.

### **Miscellaneous**

A report summarizing collections of Dog License Fees and remittances of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Individual payments of the Local School District and Regional High School taxes for the year 2015 were confirmed as received by the Secretaries of the respective Boards of Education.

Change Funds were verified by physical counts during the course of audit.

All sums of outstanding checks shown in cash reconciliations herein are in agreement with the records of the Treasurer.

An exit conference was held with the Township Administrator and Chief Financial Officer.

A summary or synopsis of this report was prepared for publication and filed with the Township Clerk.

One copy of this report was filed with the New Jersey Division of Local Government Services.

## RECOMMENDATIONS

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### General

- \*That a detailed list supporting the cash balance for the tax title lien redemption account be prepared. 218
- \*That departmental revenue collections for the Police Department and Swimming Pool Utility be turned over to the Tax Collector within 48 hours in accordance with the provisions of N.J.S.A. 40A:5-15. 219
- That certain revenue collections reflected on various departmental records be reconciled to the records of the Tax Collector on a monthly basis. 219
- That more care be exercised in the recording and posting of Swimming Pool Utility fees and that recreation receipts be recorded in the cash receipts book the day of receipt rather than the day of deposit. 219
- \*That certain grants be reviewed and appropriate action taken as to their disposition. 219
- \*That certain other deposits be reviewed and appropriate action be taken. 219
- \*That an actuarial study be prepared to determine certain post-employment benefits in accordance with regulations promulgated by the Local Finance Board. 220

### Municipal Court

- \*That certain outstanding checks be reviewed and appropriate action taken. 222
- \*That the listing of cash bail on hand be reconciled to the amount of cash on deposit and more care be exercised in the recording and handling of the cash bail collections. 222
- \*That certain monies due to the County of Essex be reviewed and appropriate action taken. 222
- That General and Bail revenue collections be deposited within 48 hours in accordance with the provisions of N.J.S.A. 40A-15. 222
- That General Account payments be made before the 15<sup>th</sup> of the month following collections. 222
- That more care be exercised in maintaining the cash receipts book and distribution of funds to the appropriate agencies. 222
- That all time payments be made available for audit and reflect the Judge's signature. 223
- That tickets assigned but not issued in excess of six months be reviewed for proper disposition. 223

**RECOMMENDATIONS**  
***(Continued)***

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**Municipal Court (Continued)**

That follow-up procedures be implemented for tickets whether issued or assigned. 223

**Capital Fixed Assets**

\*That the records of the Capital Fixed Assets be updated and maintained on a current basis. 223

\* \* \*

\*Repeated from the previous year.

The foregoing comments and resulting recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

We shall be pleased to confer on any questions that might arise with respect to any matters in this report and to assist in the implementation of recommendations.

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the audit.

Respectfully submitted,

A handwritten signature in cursive script that reads "Samuel Klein and Company".

SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

A handwritten signature in cursive script that reads "Joseph J. Faccione".

JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey  
October 10, 2016

