BOROUGH OF FAIRVIEW

Financial Statements With Supplementary Information

December 31, 2020

(With Independent Auditors' Report Thereon)

BOROUGH OF FAIRVIEW

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Fairview
County of Bergen, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Fairview in the County of Bergen, as of December 31, 2020 and 2019, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting 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 that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), 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 are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity'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.

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 of the financial statements, the financial statements are prepared by the Borough of Fairview on the basis of the financial reporting provisions 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 meet the requirements 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 Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of Fairview as of December 31, 2020 and 2019, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2020 and 2019, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2020 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Fairview's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021 on our consideration of the Borough of Fairview'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 Borough of Fairview's internal control over financial reporting and compliance.

Steven D. Wielkotz
Registered Municipal Accountant
No. CR00413

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

June 30, 2021

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2020 and 2019

	Ref.	2020	2019
Assets			
Current Fund:			
Cash	A-4	$ 9,038,954	7,440,247
Due to State of New Jersey: Ch. 73, P.L.			
Senior Citizens and Veterans Deduction	A-5	26,795	19,795
		9,065,749	7,460,042
Receivables and Other Assets with Full Reserves:			
Tax Title Liens Receivable	A-6	39,723	29,031
Delinquent Taxes Receivable	A-7	497,192	483,057
Property Acquired for Taxes -			
Assessed Valuation	A-8	92,400	92,400
Revenue Accounts Receivable	A-9	32,031	23,536
Interfund Receivables	A-10	618,434	187,695
		1,279,780	815,719
Deferred Charges:			
Special Emergency Authorizations	A-11	120,000	150,000
		120,000	150,000
Total Current Fund		10,465,529	8,425,761
Grant Fund:			
Due from Current Fund	A-10	569,354	552,536
Federal and State Grants Receivable	A-19	225,055	215,179
Total Grant Fund		794,409	767,715
		$ 11,259,938	9,193,476

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2020 and 2019

	Ref.		2020	2019
Liabilities, Reserves and Fund Balance				
Current Fund:				
Appropriation Reserves	A-3/A-12	$	1,552,166	1,539,278
Interfunds Payables	A-10		569,354	554,651
Encumbrances Payable	A-13		529,059	166,898
Prepaid Taxes	A-14		202,765	133,930
Local District School Tax Payable	A-15		12,088	6,046
Due to County - Added/Omitted Taxes	A-16		12,525	8,418
Tax Overpayments	A-17		58,767	13,079
Reserve for:				
Revaluation	A-18		23,179	23,179
Disability	A-18		18,684	18,684
Tax Map	A-18		7,344	7,344
Due to Library	A-18		327,167	326,444
DMV Inspection Fines	A-18		3,402	3,393
Accounts Payable	A-18		130,112	131,939
Reassessment	A-18		3,500	135,700
Due to State of New Jersey:				
DCA Fees Payable	A-18		781	1,683
Marriage/Domestic Partnerships	A-18		475	11,300
			3,451,368	3,081,966
Reserve for Receivables	Contra		1,279,780	815,719
Fund Balance	A-1		5,734,381	4,528,076
Total Current Fund			10,465,529	8,425,761
Grant Fund:				
Reserve for:				
Appropriated Grants	A-20		776,627	655,917
Grant Encumbrances	A-20			40
Unappropriated Grants	A-21		17,782	111,758
Total Grant Fund			794,409	767,715
		$	11,259,938	9,193,476

See accompanying notes to financial statements.

Exhibit A-1

BOROUGH OF FAIRVIEW, N.J.

Comparative Statement of Operations and Changes in Fund Balance-Regulatory Basis

Current Fund

For the Years Ended December 31, 2020 and 2019

		2020	2019
Revenues and Other Income:			
Fund Balance Utilized	$	1,600,000	1,200,000
Miscellaneous Revenue Anticipated		3,203,872	3,140,003
Receipts from Delinquent Taxes		508,548	578,720
Receipts from Current Taxes		35,238,378	34,584,602
Non-Budget Revenue		345,856	266,050
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		1,555,743	1,450,037
Liabilities Canceled		31,065	85
Interfunds Returned		124,173	154,927
Total Revenues and Other Income		42,607,635	41,374,424
Expenditures:			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		7,974,091	7,802,473
Other Expenses		8,174,076	7,992,535
Capital Improvement Fund		50,000	50,000
Municipal Debt Service		1,808,655	1,601,116
Deferred Charges and Statutory Expenditures - Municipal		1,948,706	1,894,505
Local District School Tax		16,213,902	16,201,812
County Taxes including Added Taxes		3,487,723	3,391,928
Interfund Advances		115,685	171,723
Revenue Refunds		28,492	4,003
Total Expenditures		39,801,330	39,110,095
Excess (Deficit) Revenue Over Expenditures		2,806,305	2,264,329
Adjustment to Income Before Fund Balance - Expenditures Included above Which are by Statute Deferred Charges to Budget of Succeeding Year			150,000
Statutory Excess to Fund Balance		2,806,305	2,414,329
Fund Balance, January 1,		4,528,076	3,313,747
		7,334,381	5,728,076
Decreased by:			
Fund Balance Utilized as Budget Revenue		1,600,000	1,200,000
Fund Balance, December 31,	$	5,734,381	4,528,076

See accompanying notes to financial statements.

BOROUGH OF FAIRVIEW, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 1,600,000	1,600,000	
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	49,000	47,284	(1,716)
Other	29,000	32,863	3,863
Fees and Permits	75,000	122,426	47,426
Fines and Costs:			
Municipal Court	295,000	213,322	(81,678)
Interest and Costs on Taxes	100,000	113,033	13,033
Annual Service Charge in Lieu of Property Taxation - Senior Citizens' Housing Project - Eastview Tower	49,939	49,939	
Energy Receipts Taxes	942,844	942,844	
Consolidated Municipal Property Tax Relief Aid	87,434	87,434	
Uniform Construction Code Fees	250,000	586,283	336,283
Parking Meters	35,000	42,209	7,209
Uniform Fire Safety Act - Local	9,200		(9,200)
Third Party Ambulance Fees	13,500	19,363	5,863
Payments in Lieu of Taxes on State Exempt Property	30,000	30,158	158
Commercial Sewer User Fees	210,000	232,769	22,769
Police Administrative/Outside Duty	150,000	306,893	156,893
Capital Fund Balance	250,000	250,000	
Public and Private Revenues:			
Recycling Tonnage Grant	40,682	40,682	
Clean Communities Program	20,704	20,704	
Alcohol Education and Rehabilitation	11,116	11,116	
Municipal Alliance on Alcoholism and Drug Abuse	9,876	9,876	
Body Armor Grant	6,170	6,170	
Click it or Ticket	25,416	25,416	
Summer Food Program	10,312	10,312	
BCUA Grant	2,776	2,776	
Total Miscellaneous Revenues	2,702,969	3,203,872	500,903

BOROUGH OF FAIRVIEW, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Realized	Excess or (Deficit)
Receipts from Delinquent Taxes	480,000	508,548	28,548
Subtotal General Revenues	4,782,969	5,312,420	529,451
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	15,982,559	16,346,753	364,194
Budget Totals	20,765,528	21,659,173	893,645
Non-Budget Revenue		345,856	345,856
	$ 20,765,528	22,005,029	1,239,501

Adopted Budget	20,760,110
Appropriated by N.J.S.A. 40A:4-87	5,418
	20,765,528

Allocation of Current Year Tax Collections:

Revenue from Collections		$ 35,238,378
Allocated to:		
School Taxes	$ 16,213,902	
County Taxes	3,487,723	
		19,701,625
Balance for Support of Municipal Budget Appropriations		15,536,753
Add: Appropriation - Reserve for Uncollected Taxes		810,000
Amount for Support of Municipal Budget Appropriations		$ 16,346,753

BOROUGH OF FAIRVIEW, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Realized	Excess or (Deficit)
Analysis of Non-budget Revenues			
Miscellaneous Revenues Not Anticipated:			
Interest on Investments	$ 50,899		
Senior Citizen Administrative Fee	730		
Assessor Lists	400		
CARES Act	105,223		
Cable TV	62,283		
Pistol Range Fees	2,189		
Duplicate Bills	170		
Bad Check Fees	325		
JIF	67,225		
Bus Shelter	2,314		
Rental of Polling Places	20		
Insurance Claims	3,681		
Miscellaneous	50,397		
		$ 345,856	

See accompanying notes to financial statements.

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
General Government:					
Administrative and Executive:					
Salaries and Wages	399,308	399,308	381,895	17,413	
Other Expenses	148,600	148,600	84,637	63,963	
Financial Administration:					
Salaries and Wages	205,500				
Other Expenses:					
Single Audit Act of 1984	2,000	2,000		2,000	
Miscellaneous Other Expenses	137,000	146,483	146,483		
Collection of Taxes:					
Salaries and Wages	74,956	270,656	270,656		
Other Expenses	11,500	16,662	16,662		
Assessment of Taxes:					
Salaries and Wages	57,840	57,840	52,039	5,801	
Other Expenses	76,000	8,535	3,468	5,067	
Legal Services and Costs:					
Salaries and Wages	220,000	220,000	212,945	7,055	
Other Expenses	35,000	42,171	42,171		
Engineering Services and Costs:					
Other Expenses	15,000	15,000		15,000	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Salaries and Wages	16,922	20,285	20,285		
Other Expenses	200	200		200	
Zoning Board of Adjustment:					
Salaries and Wages	16,922	16,922	16,002	920	
Other Expenses	200	200	80	120	
Rent Leveling Board:					
Salaries and Wages	10,346	10,657	10,657		
Other Expenses	200	200		200	
Insurance:					
Other Insurance Premiums	600,000	612,402	612,402		
Group Insurance for Employees	2,290,000	2,290,000	2,144,557	145,443	
Public Safety:					
Police:					
Salaries and Wages	4,635,441	4,552,509	4,465,126	87,383	
Other Expenses	248,000	258,376	219,611	38,765	
Special Police:					
Salaries and Wages	102,917	144,893	144,893		
Other Expenses	18,500	18,500	5,080	13,420	
Emergency Management Services					
Other Expenses	8,200	8,200	8,162	38	
Fire:					
Stipends	125,000	143,697	115,997	27,700	
Miscellaneous Other Expenses	101,650	101,650	90,735	10,915	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Fire Hydrant Service	90,000	90,000	72,229	17,771	
Uniform Fire Safety Act:					
Salaries and Wages	108,663	108,663	93,509	15,154	
Other Expenses	25,000	25,000	23,135	1,865	
Municipal Prosecutor:					
Salaries and Wages	11,257	11,792	11,792		
Other Expenses	500	500		500	
Streets and Roads:					
Road Repairs and Maintenance:					
Salaries and Wages	1,196,850	1,196,850	1,107,401	89,449	
Other Expenses	170,800	170,800	135,624	35,176	
Fleet Maintenance	100,000	100,000	38,830	61,170	
Recycling					
Other Expenses	128,400	128,400	116,824	11,576	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Sanitation:					
Garbage and Trash Removal:					
Other Expenses	300,000	300,000	275,408	24,592	
Sanitary Landfill:					
Contractual - Bergen County	50,000	54,921	4,921	50,000	
Public Buildings and Grounds:					
Other Expenses	143,900	143,900	77,155	66,745	
Sewer System:					
Other Expenses	29,500	29,500	6,346	23,154	
Wastewater Supervision					
Salaries and Wages	8,647	8,647		8,647	
Health and Welfare:					
Board of Health:					
Salaries and Wages	92,782	117,804	117,804		
Other Expenses	98,500	98,500	91,674	6,826	
Administration of Public Assistance:					
Salaries and Wages	1,181	1,181		1,181	
Other Expenses	4,050	4,050	2,342	1,708	
Redevelopment					
Other Expenses	25,000	25,000		25,000	
Recreation and Education:					
Parks and Playgrounds:					
Other Expenses	20,000	20,000	8,533	11,467	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Parking Meters					
Salaries and Wages	43,188	43,188	39,278	3,910	
Other Expenses	12,000	12,000	10,816	1,184	
Recreation:					
Salaries and Wages	160,835	160,835	134,485	26,350	
Other Expenses	60,000	60,000	11,800	48,200	
Celebration of Public Events:					
Other Expenses	25,000	25,000		25,000	
Senior Citizen:					
Other Expenses	9,500	9,500	2,700	6,800	
Municipal Court:					
Salaries and Wages	225,989	225,989	206,187	19,802	
Other Expenses	43,699	43,699	22,201	21,498	
Public Defender (P.L., C. 256)					
Salaries and Wages	10,500	10,840	10,840		
Other Expenses	500	500		500	
Occupational Safety and Health Act (N.J.S.A. 40A:40-45.3):					
Other Expenses	23,200	23,200	5,782	17,418	
Hepatitis B	3,750	3,750		3,750	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Construction Code Official:					
Salaries and Wages	192,003	221,436	221,436		
Other Expenses	16,525	16,525	16,525		
Code Enforcement:					
Salaries and Wages	50,000				
Other Expenses	5,000				
UNCLASSIFIED:					
Salary and Wage Adjustment Program	25,000	25,000		25,000	
Utilities:					
Street Lighting	151,000	151,000	108,341	42,659	
Telephone	140,000	140,000	125,058	14,942	
Water	65,000	65,000	22,417	42,583	
Natural Gas & Electricity	215,000	215,000	165,008	49,992	
Fuel Oil	20,000	36,939	16,939	20,000	
Heating Oil	2,000	2,000		2,000	
Gasoline	85,000	85,000	41,718	43,282	
Third Party Ambulance	300,000	300,000	239,394	60,606	
Total Operations within "CAPS"	14,046,921	14,017,855	12,648,995	1,368,860	
B. Contingent					
Total Operations Including Contingent-within "CAPS"	14,046,921	14,017,855	12,648,995	1,368,860	
Detail:					
Salaries & Wages	7,992,047	7,968,992	7,633,227	335,765	
Other Expenses (Including Contingent)	6,054,874	6,048,863	5,015,768	1,033,095	
	14,046,921	14,017,855	12,648,995	1,368,860	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
(E) Deferred Charges and Statutory Expenditures-Municipal within "CAPS"					
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees' Retirement System	332,281	361,067	361,067		
Police and Firemen's Retirement System	1,172,638	1,172,638	1,172,638		
Social Security System (O.A.S.I.)	350,000	350,000	312,604	37,396	
Unemployment Compensation Insurance	30,000	30,000	27,500	2,500	
DCRP	5,000	5,000		5,000	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	1,889,919	1,918,705	1,873,809	44,896	
Total General Appropriations for Municipal Purposes within "CAPS"	15,936,840	15,936,560	14,522,804	1,413,756	
Operations - Excluded from "CAPS"					
Maintenance of Free Public Library (Ch. 82 & 541, P.L. 1985)					
Other Expenses	466,597	466,597	328,187	138,410	
Bergen County Utility Authority Sewer					
Sewer service charges - contractual	1,534,195	1,534,195	1,534,195		
Total Other Operations - Excluded from "CAPS"	2,000,792	2,000,792	1,862,382	138,410	

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Public and Private Programs Offset by Revenues					
Clean Communities Program:					
Salaries & Wages	5,100	5,100	5,100		
Other Expenses	15,604	15,604	15,604		
BCUA Grant	2,776	2,776	2,776		
Bergen County Drug Alliance Program:					
Other Expenses:					
County Share	9,876	9,876	9,876		
Borough Share	2,469	2,469	2,469		
Federal Body Armor	6,170	6,170	6,170		
Alcohol Enforcement Grant (Impaired Driving)	5,698	5,698	5,698		
Recycling Tonnage Grant	40,682	40,682	40,682		
Click it or Ticket Program	25,416	25,416	25,416		
Alcohol Enforcement Grant	5,418	5,418	5,418		
Summer Food Program	10,312	10,312	10,312		
Total Public and Private Programs Offset by Revenues	129,521	124,421	129,521		

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Total Operations-Excluded from "CAPS"	2,130,313	2,130,313	1,991,903	138,410	
Detail:					
Salaries and Wages	5,100	5,100	5,100		
Other Expenses	2,125,213	2,125,213	1,986,803	138,410	
	2,130,313	2,130,313	1,991,903	138,410	
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund	50,000	50,000	50,000		
Total Capital Improvements Excluded from "CAPS"	50,000	50,000	50,000		
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Principal	1,115,000	1,115,000	1,115,000		
Interest on Bonds	537,255	537,535	537,535		
Interest on Notes	156,120	156,120	156,120		
Total Municipal Debt Service-Excluded from "CAPS"	1,808,375	1,808,655	1,808,655		
Deferred Charges:					
Special Emergency Authorizations	30,000	30,000	30,000		
Total Deferred Charges - Municipal - Excluded from "CAPS"	30,000	30,000	30,000		

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2020

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	4,018,688	4,018,968	3,880,558	138,410	
Subtotal General Appropriations	19,955,528	19,955,528	18,403,362	1,552,166	
Reserve for Uncollected Taxes	810,000	810,000	810,000		
Total General Appropriations	$ 20,765,528	20,765,528	19,213,362	1,552,166	

Adopted Budget	20,760,110
Amended by N.J.S.A. 40A:4-87	5,418
	$ 20,765,528

Reserve for Uncollected Taxes	810,000
Reserve for Encumbrances	529,059
Deferred Charges (Special Emergency)	30,000
Transfer to Grant Fund	129,521
Cash	17,714,782
	$ 19,213,362

Exhibit B

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2020 and 2019

Assets	Ref.	2020	2019
Animal License Fund:			
Cash	B-1	$ 8,630	7,785
		8,630	7,785
Other Trust Funds:			
Cash - Other Trust	B-1	2,506,128	2,271,807
Cash - Unemployment Insurance	B-1	2,416	1,425
Cash - Library Trust Fund	B-1	375,604	393,221
Intrafunds	B-5	60,524	
Due from Current Fund-Unemployment	B-5		1,056
Due from Payroll Agency - Unemployment	B-5	962	962
Due from BCCLS	B-2	248	248
		2,945,882	2,668,719
Community Development Trust Fund:			
Cash - Community Development	B-1	2	2
		2	2
Total Assets		$ 2,954,514	2,676,506

Liabilities, Reserves & Fund Balance		2020	2019
Animal License Fund:			
Reserve for Dog Fund Expenditures	B-3	$ 3,334	3,285
Prepaid Licenses		157	250
Due to State of New Jersey	B-4	31	53
Interfund - Current Fund	B-5	5,108	4,197
		8,630	7,785
Other Trust Fund:			
Due to Current Fund	B-5	46,005	51,405
Due to Unemployment Trust Fund - Payroll Agency	B-5	962	962
Due to Current Fund Fund - Payroll Agency	B-5	448,965	
Due to Capital Fund	B-5	250,000	250,000
Intrafunds	B-5	60,524	
Payroll Deductions Payable	B-6		366,561
Reserve for:			
Various Trust Reserves	B-6	1,760,197	1,602,880
Unemployment Insurance Compensation	B-6	3,377	3,442
Library Expenditures	B-7	375,852	393,469
		2,945,882	2,668,719
Community Development Trust Fund:			
Reserve for Community Development	B-8	2	2
		2	2
Total Liabilties, Reserves & Fund Balance		$ 2,954,514	2,676,506

See accompanying notes to financial statements.

Exhibit C

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2020 and 2019

	Ref.	2020	2019
Assets			
Cash	C-2/C-3	$ 1,856,126	2,232,501
Grants Receivable	C-4	2,342,989	1,341,989
Deferred Charges to Future Taxation:			
Funded	C-5	16,476,000	17,836,000
Unfunded	C-6	8,259,205	5,288,205
Interfund Receivable-Current Fund	C-12		1,059
Interfund Receivable - Other Trust Funds:			
DEA Confiscated Funds	C-12	250,000	250,000
Overexpenditure of Ordinance	C-19	41,910	
		$ 29,226,230	26,949,754
Liabilities, Reserves and Fund Balance			
General Serial Bonds	C-7	$ 16,362,000	17,667,000
Capital Leases Payable	C-8	114,000	169,000
Bond Anticipation Notes	C-9	5,964,000	5,204,000
Improvement Authorizations:			
Funded	C-10	426,615	1,017,180
Unfunded	C-10	3,609,232	918,654
Capital Improvement Fund	C-11	124,292	162,292
Interfund Payable - Current Fund	C-12	118,351	
Contracts Payable	C-13	606,972	423,364
Reserve for Park Improvements	C-14	31,000	31,000
Reserve for Payment of Debt	C-15	845,437	845,437
Reserve for Payment of Notes	C-16	247,000	247,000
Reserve for Grants Receivable	C-18	730,000	
Fund Balance	C-1	47,331	264,827
		$ 29,226,230	26,949,754

There were bonds and notes authorized but not issued on December 31, 2020 and December 31, 2019 of $2,295,205 and $84,205. (Exhibit C-17).

See accompanying notes to financial statements.

Exhibit C-1

BOROUGH OF FAIRVIEW, N.J.

Comparative Statement of Changes in Fund Balance-Regulatory Basis

General Capital Fund

Years Ended December 31, 2020 and 2019

		2020	2019
Balance - January 1,	$	264,827	277,293
Increased by:			
Premium on Sale of Notes/Bonds		32,504	87,534
		32,504	87,534
		297,331	364,827
Decreased by:			
Utilized as Budget Revenue		250,000	100,000
		250,000	100,000
Balance - December 31,	$	47,331	264,827

See accompanying notes to financial statements.

Exhibit E

BOROUGH OF FAIRVIEW, N.J.

Balance Sheet-Regulatory Basis

Public Assistance Trust Fund

December 31, 2020 and 2019

	Ref.	2020	2019
Assets			
Cash - Public Assistance	E-1	$ 85,348	131,564
		$ 85,348	131,564
Liabilities			
Due to Current Fund	E-4	5	20
Reserve for Public Assistance	E-5	85,343	131,544
		$ 85,348	131,564

See accompanying notes to the financial statements.

Exhibit H

BOROUGH OF FAIRVIEW, N.J.

Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2020 and 2019

		2020	2019
General Fixed Assets:			
Land and Land Improvements	$	3,369,525	3,369,525
Buildings and Building Improvements		15,008,550	6,849,537
Equipment and Vehicles		8,216,799	7,849,871
Furniture		24,509	24,509
	$	26,619,383	18,093,442
Investment in Fixed Assets	$	26,619,383	18,093,442

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven 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 financial statements of the Borough of Fairview have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 Borough accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Borough of Fairview (the "Fairview") operates under a Mayor/Council form of government. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the volunteer fire department which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Borough uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Borough has the following funds and account group:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Borough as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the Borough as a trustee or agent for individuals, private organizations, other governments and/or other funds.

Animal Trust Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.

Library Trust Fund – This fund is used to account for Library state aid received from the State of New Jersey.

General Capital Fund - This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes.

General Fixed Assets Account Group - To account for all fixed assets of the Borough. The Borough's infrastructure is not reported in the group.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting

A modified accrual basis of accounting is followed by the Borough of Fairview. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of $1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month in the current year taxes are levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the Current Fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Borough is not required to adopt budgets for the following funds:

General Capital Fund
Trust Fund
Public Assistance Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During the years ended December 31, 2020 and 2019, the Governing body approved $5,418 and $18,898, respectively, in accordance with N.J.S.A. 40A:4-87. The Mayor and Council also approved Current Fund emergency or special emergency appropriations of $-0- and $150,000, respectively, in 2020 and 2019. In addition, several budget transfers were approved by the governing body in 2020 and 2019.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Expenditures - Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. 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 - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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 vacation and sick 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 - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value which approximates cost and are limited by N.J.S.A. 40A:5-15.1(a).

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Borough establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

General Fixed Assets - The Borough of Fairview has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general 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.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

Use of Estimates - The preparation of financial statements requires management of the Borough to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in all statements or notes to the financial statements because their inclusion would make certain statements unduly complex and difficult to understand.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

For the year ended December 31, 2018, the Borough adopted Government Accounting Standards Board GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions.* This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for periods beginning after June 15, 2017. As a result of adopting this Statement, the Borough was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their post-employment benefits other than pensions. As a result of the regulatory basis of accounting previously described in Note 1, the implementation of this Statement only required financial statement disclosure. There exists no impact on the financial statements of the Borough.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

For the year ended December 31, 2019, the Borough adopted the following GASB Statement:

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placement.* The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt.

C. 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 Borough presents the financial statements listed in the table of contents which are required by the Division 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.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2020, $-0- of the Borough's bank balance of $14,247,838 was exposed to custodial credit risk and as of December 31, 2019, $-0- of the Borough's bank balance of $12,695,090 was exposed to custodial credit risk.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

Investment Rate Risk

The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Borough places no limit on the amount the Borough may invest in any one issuer.

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2020 and 2019 consisted of the following:

	Balance Dec. 31, 2019	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds Payable - General Obligation Debt	$17,667,000	$2,985,000	$4,290,000	$16,362,000	$1,130,000
Other Liabilities:					
Deferred PERS/PFRS Pension Contribution	215,853		42,255	173,598	45,999
Compensated Absences Payable	1,656,802	638,792	624,933	1,670,661	
Capital Leases	169,000		55,000	114,000	59,000
	$19,708,655	$3,623,792	$5,012,188	$18,320,259	$1,234,999

NOTE 3. MUNICIPAL DEBT, (continued)

	Balance Dec. 31, 2018	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds Payable - General Obligation Debt	$8,717,000	$9,675,000	$725,000	$17,667,000	$1,115,000
Other Liabilities:					
Deferred PERS/PFRS Pension Contribution	254,934		39,081	215,853	42,255
Compensated Absences Payable	1,884,155	65,485	292,838	1,656,802	
Capital Leases	217,000		48,000	169,000	55,000
	$11,073,089	$9,740,485	$1,104,919	$19,708,655	$1,212,255

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Borough's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

	2020	2019	2018
Issued:			
General - Bonds, Notes and Loans	$22,326,000	$22,871,000	$22,330,000
Total Issued	22,326,000	22,871,000	22,330,000
Less:			
Funds Temporarily Held to Pay Bonds and Notes	1,092,437	1,092,437	567,988
Net debt issued	21,233,563	21,778,563	21,762,012
Authorized But Not Issued:			
General - Bonds, Notes and Loans	2,295,205	84,205	54,205
Total Authorized But Not Issued	2,295,205	84,205	54,205
Net Bonds and Notes Issued and Authorized But Not Issued	$23,528,768	$21,862,768	$21,816,217

NOTE 3. 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 1.681 % for 2020:

	Gross debt	Deductions	Net debt
General debt	$24,621,205	$1,092,437	$23,528,768

Net debt of $23,528,768 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,400,084,898 equals 1.681%.

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 1.596% for 2019:

	Gross debt	Deductions	Net debt
General debt	$22,955,205	$1,092,437	$21,862,768

Net debt of $21,862,768 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,370,027,664 equals 1.596%.

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

	2020	2019
3-1/2% of equalized valuation basis (municipal)	$49,002,971	$47,950,968
Net debt	23,528,768	21,862,768
Remaining Borrowing Power	$25,474,203	$26,088,200

NOTE 3. MUNICIPAL DEBT, (continued)

The Borough's long-term debt consisted of the following at December 31, 2019:

Paid by Current Fund:

General Serial Bonds:

	2020	2019
$5,230,000 2010 General Improvement Bonds with variable interest rates, issued February 15, 2010, due through February 15, 2026	$	$3,635,000
$5,607,000 General Improvement Bonds with variable interest rates, issued August 15, 2014, due through February 15, 2030	4,062,000	4,357,000
$9,675,000 General Improvement Bonds with variable interest rates, issued February 1, 2019, due through February 1, 2037	9,315,000	9,675,000
$2,985,000 General Improvement Refunding Bonds with variable interest rates, issued April 1, 2020, due through February 15, 2026	2,985,000	
	$16,362,000	$17,667,000

Aggregate debt service requirements are as follows:

	General Capital		
Year	Principal	Interest	Total
2021	$1,130,000	$527,110	$1,657,110
2022	1,220,000	486,316	1,706,316
2023	1,275,000	442,879	1,717,879
2024	1,370,000	395,860	1,765,860
2025	1,435,000	344,085	1,779,085
2026-2030	5,337,000	1,105,750	6,442,750
2031-2035	3,245,000	474,425	3,719,425
2036-2037	1,350,000	46,225	1,396,225
	$16,362,000	$3,822,650	$20,184,650

General capital serial bonds are direct obligations of the Borough for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Borough.

At December 31, 2020 and 2019, the Borough had authorized but not issued debt of $2,295,205 and $84,205, respectively.

NOTE 4. CAPITAL LEASES PAYABLE

On March 15, 2003 the Borough entered into a $464,000 capital lease through the Bergen County Improvement Authority for the retirement of its outstanding unfunded pension liability. This lease was subsequently refinanced with the issuance of a refunding capital lease of $416,000 on May 1, 2012. Annual debt service requirements for the capital leases are as follows:

Year	Principal	Interest	Total
2021	$59,000	$2,625	$61,625
2022	27,000	1,758	28,758
2023	28,000		28,000
	$114,000	$4,383	$118,383

NOTE 5. BOND ANTICIPATION NOTES

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2020 and 2019, the Borough had $5,964,000 and $5,204,000, respectively, in outstanding General Capital Bond anticipation notes.

The following activity related to bond anticipation notes occurred during the periods ended December 31, 2020 and 2019:

	Balance Dec. 31, 2019	Additions	Reductions	Balance Dec. 31, 2020
Notes Payable:				
TD Securities (USA), LLC	$	$5,964,000		$5,964,000
Bank of New Jersey	5,204,000		5,204,000	0
	$5,204,000	$5,964,000	$5,204,000	$5,964,000

	Balance Dec. 31, 2018	Additions	Reductions	Balance Dec. 31, 2019
Notes Payable:				
Bank of New Jersey	$13,613,000	$5,204,000	$13,613,000	$5,204,000
	$13,613,000	$5,204,000	$13,613,000	$5,204,000

NOTE 6. FUND BALANCE APPROPRIATED

The Current Fund balance at December 31, 2020 and 2019 which has been appropriated as revenue in the 2021 and 2020 budgets are as follows:

	2021	2020
Current Fund	$2,375,000	$1,600,000

NOTE 7. ACCRUED SICK AND VACATION BENEFITS

The Borough permits employees to accrue (with certain restrictions) unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. This amount is not reported either as an expenditure or liability.

The estimated accumulated unpaid compensation as of December 31, 2020 and 2019 was $1,670,661 and $1,656,802, respectively.

NOTE 8. PENSION PLANS

Description of Plans:

Borough employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

Plan Description

The State of New Jersey Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

NOTE 8. PENSION PLANS, (continued)

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Public Employees' Retirement System (PERS)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and Firemens' Retirement System (PFRS)

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the "Division"). For additional information about the PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

NOTE 8. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service. The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (Tiers 1 and 2 members) and 60% (Tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

NOTE 8. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The Borough of Fairview opted for this deferral in the amount of $445,673. The outstanding balance at December 31, 2020 was $173,598.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. 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.

NOTE 8. PENSION PLANS, (continued)

Contribution Requirements, (continued)

The Borough's contribution to the various plans, equal to the required contributions for each year, were as follows:

Year	PERS	PFRS	DCRP
2020	$332,281	$1,172,638	$-0-
2019	337,348	1,118,886	-0-
2018	322,830	989,959	-0-

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

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

Public Employees Retirement System (PERS)

At December 31, 2020, the Borough had a liability of $5,649,145 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the Borough's proportion was 0.0346416337 percent, which was an increase/(decrease) of 0.0023700962 percent from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Borough recognized pension expense of $332,281. At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$102,862	$19,978
Changes of assumptions	183,265	2,365,350
Net difference between projected and actual earnings on pension plan investments	193,092	
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	556,786	19,183
Total	$1,036,005	$2,404,511

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	($708,864)
2022	(646,269)
2023	(369,326)
2024	(149,349)
2025	(32,301)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	June 30, 2020	June 30, 2019
Collective deferred outflows of resources	$2,347,583,337	$3,149,522,616
Collective deferred inflows of resources	7,849,949,467	7,645,087,574
Collective net pension liability	16,435,616,426	18,018,482,972
Borough's Proportion	.0346416337%	.0322715375%

The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Actuarial Assumptions

The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% (based on years of service)
Thereafter	3.00-7.00% (based on years of service)
Investment Rate of Return	7.00 Percent

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non- Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement based on Scale MP-2020.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) 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. The long-term expected rate of return 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 real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Sensitivity of the Collective Net Pension Liability toChanges in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2020 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Borough's proportionate share of the pension liability	$7,122,828	$5,649,145	$4,398,684

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Police and Firemen's Retirement System (PFRS)

At December 31, 2020, the Borough had a liability of $13,213,712 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the Borough's proportion was 0.1022628720 percent, which was an increase/(decrease) of (0.008570635) percent from its proportion measured as of June 30, 2019.

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

For the year ended December 31, 2020, the Borough recognized pension expense of $1,172,638. At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in actual and expected experience	$133,217	$47,422
Changes of assumptions	33,252	3,542,517
Net difference between projected and actual earnings on pension plan investments	774,782	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	778,328	1,150,280
Total	$1,719,579	$4,740,219

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	$(1,236,052)
2022	(834,185)
2023	(339,603)
2024	(128,290)
2025	(110,559)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.90, 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	June 30, 2020	June 30, 2019
Collective deferred outflows of resources	$1,601,195,680	$1,198,936,924
Collective deferred inflows of resources	4,191,274,402	4,874,748,912
Collective net pension liability	14,926,648,722	12,237,818,793
Borough's Proportion	0.102262872%	0.1108335072%

Actuarial Assumptions

The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all Future Years	3.25-15.25% (based on years of service)
Investment Rate of Return	7.00%

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) 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. The long-term expected rate of return 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 real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Borough's proportionate share of the pension liability	$18,247,828	$13,213,712	$9,032,493

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the Borough is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2020 and 2019, the State proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is $2,050,708 and $2,141,719, respectively. For the years ended December 31, 2020 and 2019, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is $232,407 and $248,850, respectively, which is more than the actual contributions the State made on behalf of the Borough of $157,801 and $144,307, respectively. The State's proportionate share attributable to the Borough was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Borough's financial statements.

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 9. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group as of December 31, 2020.

	Balance Dec. 31, 2019	Additions	Deletions	Balance Dec. 31, 2020
Land	$3,369,525	$	$	$3,369,525
Buildings and Building Improvements	6,849,537	8,159,013		15,008,550
Machinery and Equipment	7,849,871	366,928		8,216,799
Furniture	24,509			24,509
	$18,093,442	$8,525,941	$0	$26,619,383

	Balance Dec. 31, 2018	Additions	Deletions	Balance Dec. 31, 2019
Land	$3,369,525	$	$	$3,369,525
Buildings and Building Improvements	6,849,537			6,849,537
Machinery and Equipment	6,921,650	928,221		7,849,871
Furniture	24,509			24,509
	$17,165,221	$928,221	$0	$18,093,442

NOTE 10. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2020 consist of the following:

$448,965	Due to the Current Fund from the Payroll Agency Fund for the employees' share of health benefit deductions and interest earned on the account.
46,005	Due to the Current Fund from the Other Trust Fund for municipal lien redemptions deposit error less interest earned on investments and deposit errors.
5,108	Due to the Current Fund from the Animal License Trust Fund for the current statutory excess calculation.
5	Due to the Current Fund from the Public Assistance II Fund for excess interest earnings turned over.
118,351	Due to the Current Fund from the Capital Fund for capital surplus not turned over less reimbursement for expenditures paid.
250,000	Due to the Capital Fund from the Other Trust Fund - DEA Confiscated Funds for a downpayment on an improvement authorization received but not turned over.
569,354	Due to the State and Federal Grant Fund from the Current Fund for grant funds received but not transferred.
$1,437,788	

It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 11. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2020 the following deferred charges are shown on the balance sheet of the various funds:

	Balance Dec. 31, 2020	2021 Budget Appropriation	Balance to Succeeding Year's Budget
Current Fund:			
Special Emergency Authorizations - (40A:4-53)			
DPW - Reassessment of Property	$120,000	$30,000	$90,000
Total Current Fund	$120,000	$30,000	$90,000
General Capital Fund:			
Over expenditure of Ordinance	$41,910	$41,910	$0
Total General Capital Fund:	$41,910	$41,910	$0

	Balance Dec. 31, 2019	2020 Budget Appropriation	Balance to Succeeding Year's Budget
Current Fund:			
Special Emergency Authorizations - (40A:4-53) A:4-46)			
DPW - Reassessment of Property	$150,000	$30,000	$120,000
Total Current Fund	$150,000	$30,000	$120,000

NOTE 12. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur.. During the 2020 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Fairview is a member of the South Bergen Joint Insurance Fund (SBJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The SBJIF and MEL coverage amounts are on file with the Borough.

NOTE 12. RISK MANAGEMENT, (continued)

The relationship between the Borough and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to insurance funds, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages in any of the prior three years.

NOTE 13. TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	Balance Dec 31, 2020	Balance Dec 31, 2019
Prepaid Taxes	$202,765	$133,930
Cash Liability for Taxes Collected in Advance	$202,765	$133,930

NOTE 14. LITIGATION

The Borough is a defendant in various legal proceedings. These cases, if decided against the Borough, would either be funded by insurance or raised by future taxation. The Borough expects such amounts, if any, to be immaterial.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the pension described in Note 8, the Borough provides post employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

The Plan provides medical and prescription drug to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provides they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Total OPEB Liability

The following other post employment benefit information is as of June 30, 2019 which is the latest information available. This information is eighteen months prior to December 31, 2020. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current other post employment benefit information is available.

At December 31, 2019, the Borough had a liability of $15,383,460 proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net OPEB liability was based on a projection of the Borough's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2019 the Borough's proportion was .113564 percent.

For the year ended December 31, 2019, the Borough recognized OPEB expense of $(551,249). At December 31, 2019, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$	$4,498,723
Changes of assumptions		5,451,556
Net difference between projected and actual earnings on OPEB plan investments	12,672	
Changes in proportion	259,843	2,510,345
Total	$272,515	$12,460,624

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding changes in proportion) will be recognized in OPEB expense as follows:

Year ended June 30:	
2020	$(1,618,516)
2021	(1,618,516)
2022	(1,619,509)
2023	(1,621,115)
2024	(1,622,582)
Thereafter	(1,837,370)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 8.05, 8.14 and 8.04 years for 2019, 2018 and 2017 amounts, respectively.

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which rolled forward to June 30, 2019. The total OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2016 , which was rolled forward to June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Inflation rate	2.50%
Salary increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

* Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

100% of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected.. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

Discount Rate

The discount rate for June 30, 2019 and 2018 was 3.50% and 3.87%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less that the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2019		
	1% Decrease 2.50%	At Current Discount Rate 3.50%	1% Increase 4.50%
Borough's proportionate share of Net OPEB liability	$17,787,193	$15,383,460	$13,460,109

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rates:

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Borough's proportionate share of Net OPEB liability	$12,981,745	$15,383,460	$18,447,253

Special Funding Situation PFRS

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under chapter 271, P.L. 1989.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

At December 31, 2019, the State's proportionate share of the net OPEB liability attributable to the Borough for the PFRS special funding situation is $185,333 and the State's proportionate share of the OPEB expense for the PFRS special funding situation is $164,612.

NOTE 16. COMMITMENTS AND CONTINGENCIES

The Borough underwent a municipal-wide reassessment effective for tax year 2020. As a result, numerous tax appeals have been filed with the New Jersey State Tax Court. The Borough's tax appeal attorney is rigorously defending the Borough's interest in those appeals. Any successful appeals would be raised through future taxation.

NOTE 17. OTHER MATTERS

On March 9, 2020 Governor Phil Murphy signed Executive Order No. 103 that declared a State of Emergency and Public Health Emergency across all 21 counties in New Jersey in response to address the novel coronavirus (COVID-19) outbreak. At the time of this report, the State of Emergency and Public Health Emergency remains in effect. In efforts to reduce the spread of the virus, many companies and organizations have either reduced staff or closed down, thus creating a potential financial dilemma among many of the taxpayers of the Borough of Fairview. The Borough has identified several risks as a result of the pandemic, including possible delays in the collection of real estate taxes and swim pool membership fees, revenue shortfalls in general permit revenue and cash flow shortages as a result of these delayed collections and increased health emergency costs. The Borough will continue to monitor the situation closely.

NOTE 18. SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through June 30, 2021, the date which the financial statements were available to be issued and noted the following item for disclosure:

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The estimated amount of federal aid available to the Borough of Fairview is $1,485,142.12 which will be available for use until December 31, 2024. This amount will be distributed to the Borough in two installments. The first installment within 120 days of the State receiving the funding from the Federal government and the second installment one year after the receipt of the first installment.

SUPPLEMENTARY DATA

BOROUGH OF FAIRVIEW

Supplementary Data

Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

Name	Title	Amount of bond	Name of corporate surety
Vincent Bellucci, Jr.	Mayor		
Violetta Berisha	Councilwoman		
Stephen Burke	Councilman		
Jhon Gomez	Councilman		
Albert Lukin	Councilman		
Russel Martin	Councilman		
Stephen Russo	Councilman		
Diane Testa	Administrator/Borough Clerk		
James Anzevino	Tax Assessor		
Michael Apicella	Tax Collector	1,000,000	(A)
Christopher Rutch	Treasurer/Acting CFO	1,000,000	(A)
Frank Tortora	Magistrate	1,000,000	(A)
Serina Ruberto	Court Administrator/Clerk	1,000,000	(A)
John L. Schettino	Borough Attorney		
JoAnn Panzarino	Welfare Director/ Board of Health		

(A) - Statutory positions are covered under the South Bergen Municipal Joint Insurance Fund ($50,000) and the Municipal Excess Joint Insurance Fund (Excess Crime Policy - Public Employee Bond of $950,000).

BOROUGH OF FAIRVIEW, N.J.

Supplementary Data

Comparative Schedule of Tax Rate Information

	2020	2019	2018
Tax rate	2.587	3.356	3.366
Apportionment of tax rate:			
Municipal	1.125	1.438	1.432
Library	0.034	0.044	0.044
County	0.252	0.323	0.318
Local school	1.176	1.551	1.572

Assessed valuation:	
2020	$ 1,379,245,679
2019	1,045,056,367
2018	1,035,136,267

Comparison of Tax Levies and Collections Currently

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levi

Year	Tax Levy	Cash Collections	Percentage of Collections
2020	$ 35,809,666	35,238,378	98.40%
2019	35,159,538	34,584,602	98.36%
2018	34,929,736	34,328,419	98.28%

BOROUGH OF FAIRVIEW, N.J.

Supplementary Data

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

Year		Amount of tax title liens	Amount of delinquent taxes	Total delinquent	Percentage of tax levy
2020	$	39,723	497,192	536,915	1.50%
2019		29,031	483,057	512,088	1.46%
2018		26,119	583,999	610,118	1.75%

Property Acquired By Tax Title Lien Liquidation

No properties have been acquired in fiscal year 2020 by foreclosure or deed as a result of liquidation of tax title liens.

The value of property acquired by liquidation of tax title liens on December 31, 2020, 2019, a on the basis of the last assessed valuation of such properties, was as follows:

Year		Amount
2020	$	92,400
2019		92,400
2018		92,400

Comparative Schedule of Fund Balances

	Year		Year ended	Utilized in budget of succeeding year
Current Fund:	2020	$	5,734,381	2,375,000
	2019		4,528,076	1,600,000
	2018		3,313,747	1,200,000
	2017		2,560,403	1,175,000
	2016		2,229,963	1,000,000

Schedule 1

BOROUGH OF FAIRVIEW, N.J.

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2020

Name of Federal Agency or Department	Federal Program	Grant Period	C.F.D.A. Account No.	Grant Period From	Grant Period To	Total Grant Award	Balance Dec. 31, 2019	Cash Receipts	Expenditures	Cancelled	Adjustment	Deferred Revenue/ (Accounts Receivable) Dec. 31, 2020		MEMO Cumulative Total Expenditures
U.S. Department of Housing and Urban Development Pass Through Funds:														
County of Bergen	Community Development Block Grants		14.218										*	
	General Capital Fund:												*	
	Ord. 2016-7: Handicapped Ramp on Fairview Ave			1/1/16	12/31/17	106,000	(106,000)					(106,000)	*	106,000
	Ord. 2016-7: Improvements to Cliff Street (Section 4)			1/1/16	12/31/18	88,900	(8)					(8)	*	88,900
	Ord. 2017-11: ADA Ramp Improvements - Anderson Avenue			1/1/18	12/31/19	170,000	(151,324)					(151,324)	*	151,324
	Ord. 2019-4: Columbus Park Improvements			1/1/19	12/31/20	100,000							*	
													*	
	Current Fund:												*	
	Community Development Planning Grant (Current)	7/1/05 - 6/30/06		7/1/05	6/30/06	30,000	(30,000)					(30,000)	*	30,000
	Fire Department Refill Station	11/1/8-10/31/09	210-124-738-49-77	11/1/08	10/31/09	50,000							*	39,950
	Morris Street Improvements	7/1/11 - 6/30/12	210-155-747-49-67	7/1/11	6/30/12	107,357							*	85,359
							(287,332)					(287,332)	*	501,533
													*	
U.S. Department of Agriculture - Food Nutrition Service (1)	Summer Food Service for Children		10.559	1/1/17	12/31/17	13,705	(3,868)				4,653	785	*	7,704
			10.559	1/1/18	12/31/18	14,966	5,403					5,403	*	
			10.559	1/1/19	12/31/19	26,210	26,210					26,210	*	
			10.559	1/1/20	12/31/20	10,312		10,312				10,312		
							27,745	10,312			4,653	42,710	*	7,704
U.S. Department of Transportation														
	National Highway Traffic Safety Administration -													
	Alcohol Impaired Driving Countermeasures													
	Incentive Grants		20.601			14,370	14,370				70	14,300	*	
	Drunk Driver Prevention		20.601	1/1/12	12/31/12	15,000	15,000					15,000	*	
	Alcohol Impaired Driving Countermeasures		20.601	1/1/13	12/31/13	8,635	8,635					8,635	*	
	Impaired Driving Countermeasures		20.601	1/1/14	12/31/14	14,990	4,990					4,990	*	10,000
			20.601	1/1/15	12/31/15	14,957	14,957					14,957	*	
			20.601	1/1/16	12/31/16	10,074	10,074					10,074	*	
			20.601	1/1/17	12/31/17	14,610	14,610					14,610	*	
			20.601	1/1/18	12/31/18	14,062	14,062					14,062	*	
	Occupant Protection Grant		20.602	1/1/16	12/31/16	3,999	3,999					3,999	*	
			20.602	1/1/18	12/31/18	6,600	6,600					6,600	*	
	Click it or Ticket		20.616	1/1/11	12/31/11	3,973	3,973					3,973	*	
			20.616	1/1/11	12/31/11	4,000	4,000					4,000	*	
			20.616	1/1/12	12/31/12	4,000	4,000					4,000	*	
		2013	20.616	1/1/13	12/31/13	3,969	3,969					3,969	*	
			20.616	1/1/14	12/31/14	3,998	3,998					3,998	*	
			20.616	1/1/15	12/31/15	9,926	9,926					9,926	*	
			20.616	1/1/17	12/31/17	11,000	11,000					11,000	*	
			20.616	1/1/18	12/31/18	5,500	5,500					5,500	*	
			20.616	1/1/19	12/31/19	25,416	25,416					25,416	*	
			20.616	1/1/20	12/31/20	4,069		4,069				4,069	*	
							179,079	4,069			70	183,078	*	10,000

Schedule 1

BOROUGH OF FAIRVIEW, N.J.

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2020

Name of Federal Agency or Department	Federal Program	Grant Period	C.F.D.A. Account No.	Grant Period From	Grant Period To	Total Grant Award	Balance Dec. 31, 2019	Cash Receipts	Expenditures	Cancelled	Adjustment	Deferred Revenue/ (Accounts Receivable) Dec. 31, 2020	MEMO Cumulative Total Expenditures
U.S. Department of the Treasury	Coronavirus Aid, Relief and Economic Security Act	2,020	21.019	3/27/20	Continuing	61,322		61,322	61,322				61,322
U.S. Department of Environmental Protection (1)	Municipal Stormwater Regulation Program		66.605			17,862	10,207					10,207	7,655
U.S. Department of Justice	Bulletproof Vest Partnership Grant	2009	16.607			1,152	(1,152)					(1,152)	
			16.607	1/1/12	12/31/12	1,485	1,017					1,017	468
			16.607	1/1/16	12/31/16	164	164					164	
			16.607	1/1/17	12/31/17	1,050	1,050					1,050	
			16.607	1/1/20	12/31/20	6,765		6,765				6,765	
	Edward Byrne Memorial Justice Assistance Grant - Local Solicitation (ARRA)	2009	16.751			35,185	19,955					19,955	15,230
	COPS More Program	9/1/00 - 12/31/03	2000-CM-WX-0424			125,000	25					25	124,975
	COPS Hiring Recovery Program (ARRA)	7/1/09-6/30/12	16.710			343,322	(18,606)					(18,606)	274,773
							2,453	6,765				9,218	415,446
Total Federal Assistance							$ (67,848)	82,468	61,322		4,723	(42,119)	1,003,660

Note: This schedule was not subject to an audit in accordance with OMB Uniform Guidance.

(1) - Passed through the State of New Jersey

Schedule 2

BOROUGH OF FAIRVIEW, N.J.

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2020

Name of State Agency or Department	State Program	State Program / Account No.	Grant Period From	Grant Period To	Grant Award	Balance Dec. 31, 2019	Cash Receipts	Expenditures	Cancelled	Adjustment	Deferred Revenue/ (Accounts Receivable) Dec. 31, 2020		MEMO Cumulative Total Expenditures
State Financial Assistance													
Current and Federal and State Grant Fund:													
Department of Environmental Protection and Energy	Clean Communities Grant	4900-765-042-4900-004-V42Y-6020	1/1/11	12/31/11	15,145	680					680	*	15,145
			1/1/12	12/31/12	14,912	2,335					2,335	*	12,577
			1/1/13	12/31/13	17,508	8,662					8,662	*	8,846
			1/1/14	12/31/14	16,416	16,416					16,416	*	
			1/1/15	12/31/15	19,961	17,923					17,923	*	2,038
			1/1/16	12/31/16	22,815	3,707					3,707	*	19,108
			1/1/17	12/31/17	19,383	19,295					19,295	*	88
			1/1/18	12/31/18	18,554	18,554					18,554	*	
			1/1/19	12/31/19	20,704	20,704					20,704	*	
												*	
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	1/1/08	12/31/08	17,842	3,288					3,288	*	15,153
			1/1/10	12/31/10	16,015	16,015					16,015	*	
			1/1/13	12/31/13	17,679	17,679					17,679	*	
			1/1/14	12/31/14	22,453	22,453					22,453	*	
			1/1/16	12/31/16	22,453	22,453					22,453	*	
			1/1/17	12/31/17	20,794	20,794					20,794	*	2,400
			1/1/18	12/31/19	40,682	40,682					40,682	*	
						210,958					210,958	*	75,355
												*	
Division of Motor Vehicles	Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	1/1/11	12/31/11	14,937	6,978					6,978	*	10,624
			1/1/12	12/31/12	5,433	5,433					5,433	*	
			1/1/14	12/31/14	6,785	5,945					5,945	*	840
			1/1/15	12/31/15	3,954	3,954					3,954	*	
			1/1/17	12/31/17	5,702	5,702					5,702	*	
			1/1/18	12/31/18	3,932	3,932					3,932	*	
			1/1/20	12/31/20	3,846		3,846				3,846		
	Alcohol Education & Rehabilitation	9735-760-098-Y900-001-X100-6020	1/1/03	12/31/03	2,069	2,069					2,069	*	
			1/1/11	12/31/11	4,854	4,854					4,854	*	
			1/1/12	12/31/12	3,777	3,777					3,777	*	
			1/1/13	12/31/13	4,327	4,327					4,327	*	
			1/1/14	12/31/14	2,718	2,718					2,718	*	
			1/1/15	12/31/15	2,416	2,416					2,416	*	
			1/1/16	12/31/16	5,016	5,016					5,016	*	
			1/1/17	12/31/17	2,895	2,895					2,895	*	70
			1/1/18	12/31/18	6,250	6,250					6,250	*	
						66,266	3,846				70,112	*	11,534
												*	
Divison of Criminal Justice	Body Armor Grant	1020-718-066-1020-001-YCJS-6120	1/1/14	12/31/14	3,199	1,853		1,853				*	3,199
			1/1/15	12/31/15	3,194	3,194		3,194				*	3,194
			1/1/16	12/31/16	3,194	2,986		2,358			628	*	2,358
			1/1/17	12/31/17	3,151	3,151					3,151	*	
			1/1/18	12/31/18	3,932	488					488	*	
			1/1/19	12/31/19	6,170	6,170					6,170	*	
			1/1/20	12/31/20	3,102		3,102				3,102		
						17,842	3,102	7,405			13,539	*	8,751
												*	
Department of Community Affairs												*	
	Emergency Management Program	1200-100-066-1200-845-YEMR-6120	1/1/04	12/31/04	2,406	1,247					1,247	*	1,159
												*	
Office of Smart Growth	Smart Futures Planning Grant	05-0026-00	1/1/05	12/31/05	70,000	15,000					15,000	*	
						16,247					16,247	*	1,159

BOROUGH OF FAIRVIEW, N.J.

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2020

Name of State Agency or Department	State Program	State Program / Account No.	Grant Period From	Grant Period To	Grant Award	Balance Dec. 31, 2019	Cash Receipts	Expenditures	Cancelled	Adjustment	Deferred Revenue/ (Accounts Receivable) Dec. 31, 2020		MEMO Cumulative Total Expenditures
Division of Highway Traffic Safety	Alcohol Enforcement Program	1160-100-066-1160-118	1/1/06	12/31/06	15,800	15,800					15,800	*	
		1160-100-066-1160-057	1/1/10	12/31/10	15,603	13,681					13,681	*	1,922
			1/1/19	12/31/19	11,116	5,698	5,418				11,116	*	
						35,179	5,418				40,597	*	1,922
County of Bergen (1)	Municipal Alliance on Alcoholism and Drug Abuse		1/1/04	12/31/04	11,500	2		2				*	11,500
			1/1/05	12/31/05	11,500	(9,445)		1,404			(10,849)	*	11,500
			1/1/07	12/31/07	11,500	(5,471)					(5,471)	*	11,500
			1/1/08	12/31/08	11,500	(3,324)					(3,324)	*	11,500
			1/1/09	12/31/09	11,017	(5,519)					(5,519)	*	11,017
			1/1/10	12/31/10	10,356	(3,739)					(3,739)	*	10,353
			1/1/11	12/31/11	10,356	(2,607)					(2,607)	*	9,057
			1/1/12	12/31/12	10,356	550					550	*	9,596
			1/1/13	12/31/13	9,876	(2,085)					(2,085)	*	9,876
			1/1/14	12/31/14	14,814	22					22	*	6,531
			1/1/15	12/31/15	9,876	(4,398)					(4,398)	*	1,889
			1/1/16	12/31/16	4,338	(4,138)					(4,138)	*	
			1/1/17	12/31/17	9,876	(3,517)					(3,517)	*	
			1/1/18	12/31/18	9,876	9,876				(5,018)	4,858	*	5,018
			1/1/19	12/31/19	9,876							*	
			1/1/20	12/31/20	9,876					2,469	2,469		
						(33,793)		1,406		(2,549)	(37,748)	*	109,337
Total State Financial Assistance - Current and Federal and State Grant Fund						312,699	12,366	8,811		(2,549)	313,705	*	208,058
General Capital Fund:													
State Department of Transportation													
	Improvements to Day Avenue	Ord. 2017-11	1/1/18	12/31/19	165,627	(71,418)		87,343		6,866	(165,627)	*	165,627
	Improvements to Cliff Street	Ord. 2016-7	1/1/16	12/31/19	155,500	(155,500)					(155,500)	*	155,500
	Improvements to Fairview Ave	Ord. 2019-4	1/1/19	12/31/19	235,000							*	
	Improvements to DeSoto Pl	Ord. 2019-4	1/1/19	12/31/19	192,050							*	
	Improvements to Sedore/Greeley Aves	Ord. 2019-17	1/1/19	12/31/19	210,000							*	
	Improvements to Morningside Ave	Ord. 2020-16	1/1/20	12/31/20	186,000								
						(226,918)		87,343		6,866	(321,127)	*	321,127
Green Acres Trust Local Programs													
	Acquisition of Real Property for Park Use	Ord. 2020-18			250,000								
Total State Financial Assistance - General Capital Fund						(226,918)		87,343		6,866	(321,127)		321,127
Public Assistance Trust Fund:												*	
Department of Human Services	Public Assistance	7550-150-158010-60	1/1/20	12/31/20	165,400		165,400	165,400				*	165,400
Total State Financial Assistance						85,781	177,766	261,554		4,317	(7,422)	*	694,585
Other Financial Assistance													
Bergen County Utilities Authority	Municipal Recycling Assistance Program		1/1/19	12/31/19	3,000					3,000	(3,000)		
			1/1/20	12/31/20	2,776					(2,776)	2,776		
	Bilingual Recycling Calendar	4875-100-042-4875-353	1/1/05	12/31/05	2,500	(24)					(24)	*	2,500
Total Other Financial Assistance						(24)				224	(248)	*	2,500

Schedule 2

BOROUGH OF FAIRVIEW, N.J.

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2020

Name of State Agency or Department	State Program	State Program / Account No.	Grant Period From	Grant Period To	Grant Award	Balance Dec. 31, 2019	Cash Receipts	Expenditures	Cancelled	Adjustment	Deferred Revenue/ (Accounts Receivable) Dec. 31, 2020	MEMO Cumulative Total Expenditures
Bergen County Open Space Trust												
	English Neighborhood Park Improvements	Ord. 2019-4			80,000	72,196					72,196	
	Safety Surfacing & Playground Equipment at Columbus Park	Ord. 2020-16			85,000			37,925			(37,925)	37,925
	Acquisition of Real Property for Park Use	Ord. 2020-18			480,000							
Total Bergen County Open Space Trust						72,196		37,925			34,271	37,925
Total Other Financial Assistance						72,172		37,925		224	34,023	40,425
Total State and Other Financial Assistance						$ 157,953	177,766	299,479		4,541	26,601	* 735,010

Note: This schedule was not subject to an audit in accordance with N.J. OMB Circular 15-08.

(1) - Passed through the State of New Jersey
(2) - Represents Supplemental Security Income awards retained and refunds of assistance.

Exhibit A-4

BOROUGH OF FAIRVIEW, N.J.

Schedule of Cash - Collector-Treasurer

Current Fund

Year Ended December 31, 2020

		Current Fund
Balance - December 31, 2019		$ 7,440,247
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	$ 345,856	
Due From State - Senior Citizen and Veteran Deductions	36,500	
Taxes Receivable	35,569,496	
Revenue Accounts Receivable	3,076,820	
Grants Receivable	5,418	
Unappropriated Grants	17,782	
Prepaid Taxes	202,765	
Interfunds	277,055	
Tax Overpayments	65,853	
Various Cash Liabilities and Reserves	17,773	
		39,615,318
		47,055,565
Decreased by Disbursements:		
Current Year Budget Appropriations	17,714,782	
Appropriation Reserves	149,710	
Various Cash Liabilities and Reserves	152,618	
Local District School Taxes	16,207,860	
County Taxes Payable	3,483,616	
Appropriated Grant Reserves	8,811	
Revenue Refunds	28,492	
Interfunds	270,722	
		38,016,611
Balance - December 31, 2020		$ 9,038,954

Exhibit A-5

BOROUGH OF FAIRVIEW, N.J.

Schedule of Amount Due To/(From) State of New Jersey for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019			$ (19,795)
Increased by:			
State Share of Senior Citizens and Veteran Deductions Received in Cash			36,500
			16,705
Decreased by:			
Senior Citizens' Deductions Per Tax Billing	$ 22,250		
Veterans' Deductions Per Tax Billing	18,250		
Deductions Allowed by Tax Collector	3,000		
			43,500
Balance - December 31, 2020			$ (26,795)

Exhibit A-6

BOROUGH OF FAIRVIEW, N.J.

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	29,031
Increased by:		
Transfer from 2020 Taxes		10,692
Balance - December 31, 2020	$	39,723

BOROUGH OF FAIRVIEW, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2020

Year	Balance, Dec. 31, 2019	Levy	Added Taxes	Collected 2019	Collected 2020	Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2020
2019	483,057		25,491		508,548				
	483,057		25,491		508,548				
2020		35,681,087	128,579	133,930	35,060,948	43,500	10,692	63,404	497,192
	$ 483,057	35,681,087	154,070	133,930	35,569,496	43,500	10,692	63,404	497,192

Analysis of Tax Levy

Tax yield:		
General Purpose Tax		$ 35,681,087
Added Tax (R.S. 54:4-63.1 et seq.)		128,579
		$ 35,809,666
Tax Levy:		
Local District School Tax	$ 16,213,902	
County Tax	3,335,181	
County Open Space Preservation	140,017	
County Added and Omitted Taxes	12,525	
		19,701,625
Local Tax for Municipal Purposes	15,982,559	
Additional Taxes	116,055	
Surplus	9,427	
		16,108,041
		$ 35,809,666

Exhibit A-8

BOROUGH OF FAIRVIEW, N.J.

Schedule of Property Acquired for Taxes Assessed Valuation

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$ 92,400
Balance - December 31, 2020	$ 92,400

BOROUGH OF FAIRVIEW, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2020

	Balance Dec. 31, 2019	Accrued	Collected	Balance Dec. 31, 2020
Clerk:				
Licenses:				
Alcoholic Beverages	$	47,284	47,284	
Other		32,863	32,863	
Fees and Permits		122,426	122,426	
Municipal Court :				
Fines and Costs	23,536	206,520	213,322	16,734
Uniform Construction Code:				
Fees and Permits - Building		586,283	586,283	
Energy Receipts Taxes		942,844	942,844	
Consolidated Municipal Property Tax				
Relief Aid		87,434	87,434	
Interest and Costs on Taxes		113,033	113,033	
Annual Service Charges in Lieu of Property Taxation				
Senior Citizens Housing Project		49,939	49,939	
Parking Meters		42,209	42,209	
Recycling Tonnage Grant		40,682	40,682	
Alcohol Education Rehabilitation		11,116	11,116	
Municipal Alliance on Alcoholism and Drug Abuse		9,876	9,876	
Clean Communities Grant		20,704	20,704	
Federal Body Armor Grant		6,170	6,170	
Summer Food Program		10,312	10,312	
BCUA Grant		2,776	2,776	
Click It or Ticket		25,416	25,416	
Third Party Ambulance Fees		19,363	19,363	
Commercial Sewer User Fees		248,066	232,769	15,297
Payments in Lieu of Taxes				
on State Exempt Property		30,158	30,158	
Police Administrative/Outside Duty		306,893	306,893	
Capital Fund Balance		250,000	250,000	
	$ 23,536	3,212,367	3,203,872	32,031

Cash	$ 3,076,820
Grants Receivable	127,052
	3,203,872

BOROUGH OF FAIRVIEW, N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2020

Fund	Due from/(to) Balance Dec. 31, 2019	Increased	Decreased	Due from/(to) Balance Dec. 31, 2020
State and Federal Grant Fund	$ (552,536)	8,811	25,629	(569,354)
Dog License Trust	4,197	911		5,108
Other Trust Fund:				
Unemployment Compensation Trust	(1,056)	25,056	24,000	
Other Trust	51,405		5,400	46,005
General Capital Fund	(1,059)	258,652	139,242	118,351
Payroll Trust	32,455		32,455	
Payroll Agency	99,618	448,965	99,618	448,965
Public Assistance II	20	324	339	5
	$ (366,956)	742,719	326,683	49,080
	Interest on Investments	13,310		
	Interfund	448,965		
	Budget Appropriation		24,000	
	Cash Receipts		271,655	
	Lien Certificate Premium		5,400	
	Cash Disbursements	270,722		
	Grant Fund	8,811	25,629	
	Statutory Excess	911		
		$ 742,719	326,684	

Exhibit A-11

BOROUGH OF FAIRVIEW, N.J.

Schedule of Deferred Charges - N.J.S.A. 40A:4-53
Special Emergency Authorizations

Current Fund

Year ended December 31, 2020

Date Authorized	Purpose	Net Amount Authorized	1/5 of net Amount Authorized	Balance Dec. 31, 2019	Reduced in 2020	Balance Dec. 31, 2020
June. 2019	Reassessment	150,000	30,000	150,000	30,000	120,000
				$ 150,000	30,000	120,000

BOROUGH OF FAIRVIEW, N.J.

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2020

	Balance, Dec. 31, 2019	Balance after Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages Within "CAPS":				
Administrative and Executive	$ 1,300	1,300		1,300
Financial Administration	199,975	199,975		199,975
Assessment of Taxes	1,079	1,079		1,079
Planning Board	609	609		609
Zoning Board of Adjustment	880	880		880
Police	62,472	62,472		62,472
Emergency Response Unit	17,934	17,934		17,934
Fire-Stipend	57,725	57,725		57,725
Public Buildings and Grounds	35,000	35,000		35,000
Sewer System	650	650		650
Administration of Public Assistance	1,165	1,165		1,165
Parks and Playgrounds	1	1		1
Parking Meters	15,135	15,135		15,135
Municipal Court	10,801	10,801		10,801
Construction Code Official	6,832	6,832		6,832
Salary and Wage Adjustment Program	25,000	25,000		25,000
Total Salaries and Wages Within "CAPS"	436,558	436,558		436,558
Other Expenses Within "CAPS":				
Administrative and Executive	19,048	20,513	1,825	18,688
Financial Administration	25,150	26,506	1,356	25,150
Financial Administration - Single Audit	2,000	2,000		2,000
Assessment of Taxes	18,431	18,431		18,431
Collection of Taxes	25,517	25,517		25,517
Legal Services and Costs		2,075		2,075
Engineering Services and Costs	11,386	11,770		11,770
Planning Board	4,700	4,700		4,700
Zoning Board	200	200		200
Rent Leveling Board	200	200		200
Fire	7,546	40,331	32,252	8,079
Fire Hydrant Service	12,610	12,610		12,610
Police	41,435	94,621	48,965	45,656
Special Police	9,545	9,995	5,250	4,745
Emergency Response Unit	54,667	54,667	739	53,928
Emergency Management Services	3,518	4,262	444	3,818
Third Party Ambulance		541		541

BOROUGH OF FAIRVIEW, N.J.

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2020

	Balance, Dec. 31, 2019	Balance after Transfers	Paid or Charged	Balance Lapsed
Other Insurance	145,284	145,284		145,284
Group Insurance	171,800	176,678	5,149	171,529
Municipal Prosecutor	500	500		500
Uniform Fire Safety	3,653	5,616	1,962	3,654
Road Repairs and Maintenance	40,468	40,468		40,468
Fleet Maintenance	35,000	45,728	7,539	38,189
Sanitation	58,215	58,215	2,384	55,831
Sanitary Landfill - Contractual	65,934	65,934	7,464	58,470
Public Buildings and Grounds	1,656	6,728	1,990	4,738
Sewer System	22,122	28,122		28,122
Board of Health	100	450	350	100
Public Assistance	4,121	4,121	20	4,101
Redevelopement	10,000	10,000		10,000
Parks and Playgrounds	23	42	20	22
Parking Meters	1,545	2,373	1,828	545
Municipal Court	5,524	5,774	2,352	3,422
Celebration of Public Events	2,000	2,000		2,000
Senior Citizens	12,000	12,000		12,000
Construction Code Official	89	3,675	3,675	
Code Enforcement	5,000	5,000		5,000
Occupational Safety and Health Act (NJS40A:40-45.3)				
Other Expenses	1,700	20,071	18,371	1,700
Hepatitis B	3,750	3,750		3,750
Street Lighting	33,723	33,723		33,723
Telephone	19,829	19,829		19,829
Water	1,413	1,413		1,413
Natural Gas and Electricity	63,628	63,628		63,628
Fuel Oil	7,580	13,580		13,580
Heating Oil	2,000	2,000		2,000
Gasoline	28,582	37,582		37,582
Total Other expenses Within "CAPS"	983,192	1,143,223	143,935	999,288
Deferred Charges and Statutory Expenditures Within "CAPS":				
Unemployment Compensation Insurance	30,000	30,000		30,000
DCRP	5,000	5,000		5,000
Total Deferred Charges and Statutory Expenditures Within "CAPS"	35,000	35,000		35,000
Total Reserves Within "CAPS"	1,454,750	1,614,781	143,935	1,470,846

BOROUGH OF FAIRVIEW, N.J.

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2020

	Balance, Dec. 31, 2019	Balance after Transfers	Paid or Charged	Balance Lapsed
Other Expenses Excluded From "CAPS":				
Maintenance of Free Public Library	84,528	88,947	4,050	84,897
Sewer Service Charges - Contractual		2,448	2,448	
Total Other Expenses Excluded from "CAPS"	84,528	91,395	6,498	84,897
Total Reserves Excluded from "CAPS"	84,528	91,395	6,498	84,897
Total Reserves	$ 1,539,278	1,706,176	150,433	1,555,743

Appropriation Reserves	1,539,278
Encumbrances	166,898
	$ 1,706,176

Balance of Appropriation Due to Library	723
Cash Disbursements	149,710
	$ 150,433

Exhibit A-13

BOROUGH OF FAIRVIEW, N.J.

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	166,898
Increased by:		
Transfer from Current Appropriations		529,059
		695,957
Decreased by:		
Transferred to Appropriation Reserves		166,898
Balance - December 31, 2020	$	529,059

Exhibit A-14

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	133,930
Increased by:		
Receipts - Prepaid 2021 Taxes		202,765
		336,695
Decreased by:		
Applied to 2020 Taxes		133,930
Balance - December 31, 2020	$	202,765

Exhibit A-15

BOROUGH OF FAIRVIEW, N.J.

Schedule of Local District School Tax

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019		$ 6,046
Increased by:		
Levy		16,213,902
		16,219,948
Decreased by:		
Cash Disbursed		16,207,860
Balance - December 31, 2020		$ 12,088

Exhibit A-16

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019		$ 8,418
Increased by:		
General County Levy	$ 3,335,181	
County Open Space Preservation Levy	140,017	
Added and Omitted Taxes	12,525	
		3,487,723
		3,496,141
Decreased by:		
Cash Disbursed		3,483,616
Balance - December 31, 2020		$ 12,525

Exhibit A-17

BOROUGH OF FAIRVIEW, N.J.

Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	13,079
Increased by:		
Cash Receipts	$	65,853
		78,932
Decreased by:		
Cancelled to Operations		20,165
Balance - December 31, 2020	$	58,767

BOROUGH OF FAIRVIEW, N.J.

Schedule of Various Cash Liabilities and Reserves

Current Fund

Year Ended December 31, 2020

Liabilities and Reserves		Balance, Dec. 31, 2019	Increased	Decreased	Balance, Dec. 31, 2020
Reserve for:					
Revaluation	$	23,179			23,179
Reassessment		135,700		132,200	3,500
Tax Map		7,344			7,344
Disability		18,684			18,684
Due to Library		326,444	723		327,167
Accounts Payable		131,939		1,827	130,112
DMV Inspection Fines		3,393	9		3,402
Due to State of New Jersey -					
DCA Fees		1,683	16,089	16,991	781
Marriage/Domestic Partnership Fees		11,300	1,675	12,500	475
	$	659,666	18,496	163,518	514,644
Transferred from Appropriation Reserves			723		
Cancellation to Fund Balance				10,900	
Cash			17,773	152,618	
		$	18,496	163,518	

BOROUGH OF FAIRVIEW, N.J.

Schedule of Grants Receivable

Current Fund

Year Ended December 31, 2020

Grant	Balance, Dec. 31, 2019	Budget Revenue	Received	Balance, Dec. 31, 2020
Municipal Alliance on Alcoholism and Drug Abuse	$ 74,349	9,876		84,225
Bilingual Calendar	24			24
Domestic Violence Grant	1,000			1,000
Clean Communities Grant		20,704	20,704	
Bullet Proof Vest Partnership (DOJ)	1,152			1,152
COPS Hiring Recovery Program (ARRA)	18,606			18,606
Community Development Block Grants:				
Planning Grant	30,000			30,000
Fire Department Air Refill Station	10,050			10,050
Morris Street Improvements	21,998			21,998
Smart Futures Planning Grant	55,000			55,000
Click it or Ticket		25,416	25,416	
Recycling Tonnage Grant		40,682	40,682	
BCUA Grant	3,000	2,776	2,776	3,000
Summer Food		10,312	10,312	
Alcohol Enforcement Grant		11,116	11,116	
Body Armor		6,170	6,170	
	$ 215,179	127,052	117,176	225,055
Adopted Budget		121,634		
Added by N.J.S.A. 40A4:87		5,418		
		$ 127,052		
Cash			5,418	
Unappropriated Grant Reserves			111,758	
			$ 117,176	

BOROUGH OF FAIRVIEW, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2020

Grant	Balance, Dec. 31, 2019	Transferred from 2020 Budget Appropriations	Expenditures	Balance, Dec. 31, 2020
COPS More	$ 25			25
Municipal Alliance	9,507			9,507
Alcohol Education and Rehabilitation Fund	40,942			40,942
SLA HEOP Grant	1,247			1,247
Recycling Tonnage Grant	76,167			76,167
Alcohol Enforcement Grant	49,279			49,279
Municipal Stormwater Regulation	10,207			10,207
Smart Growth	70,000			70,000
Domestic Violence	1,000			1,000
Bullet Proofvest Partnership Program	1,017			1,017
Summer Food Program	16,366			16,366
Edward Byrne Memorial Justice Assistance Grant - Local Solicitation (ARRA)	19,955			19,955
Community Development Block Grants -				
Morris Street Improvements	21,998			21,998
Fire Department Refill System	10,050			10,050
Clean Communities	46,016			46,016
Click it Or Ticket	19,941			19,941
Drunk Driving Enforcement Fund	18,356			18,356
Municipal Alliance	21,174	12,345	1,406	32,113
Drunk Driving Enforcement Fund	3,954			3,954
Clean Communities	3,815			3,815
Alcohol Enforcement Project	30,047	11,116		41,163
Summer Food	16,032	10,312		26,344
Alcohol Education Rehabilitation	2,416			2,416
Occupent Protection	3,999			3,999
Body Armor	11,672	6,170	7,405	10,437
Recycling Tonnage Grant	23,515	40,682		64,197
Drunk Driving Enforcement Fund	9,634			9,634
Click it Or Ticket	26,426	25,416		51,842
Clean Communities	37,741	20,704		58,445
Recycling Grant	3,000			3,000
Distracted Driving Incentive	6,600			6,600
Municpal Alliance	4,858			4,858
Impared Driving Countermeasures	28,672			28,672
Federal Body Armor	1,214			1,214
BCUA Recycling Grant		2,776		2,776
Alcohol Education and Rehabilitation Fund	9,075			9,075
	$ 655,917	129,521	8,811	776,627
Adopted Budget		124,103		
Appropriations by 40a:4-87		5,418		
		129,521		

Exhibit A-21

BOROUGH OF FAIRVIEW, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2020

Grant	Balance, Dec. 31, 2019	Received	Transferred to 2020 Budget Appropriations	Balance, Dec. 31, 2020
Alcohol Enforcement Grant	$ 5,698		5,698	
Click it or Ticket	25,416	4,069	25,416	4,069
Drunk Driving Enforcement Fund		3,846		3,846
Federal Body Armor Grant		6,765		6,765
Body Armor Grant	6,170	3,102	6,170	3,102
Summer Food Program	10,312		10,312	
BCUA Recycling	2,776		2,776	
Clean Communities	20,704		20,704	
Recycling Tonnage Grant	40,682		40,682	
	$ 111,758	17,782	111,758	17,782

BOROUGH OF FAIRVIEW, N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2020

	Animal License Fund	Other Trust	Unemployment Insurance	Community Development	Library Trust Fund
Balance - December 31, 2019	$ 7,785	2,271,807	1,425	2	393,221
Increased by Receipts:					
Dog License Fees - Borough Share	710				
Dog License Fees - State Share	123				
Prepaid Licenses	157				
Due to Current Fund		448,965	25,056		2,500
Budget Appropriation			24,000		
Library Receipts					8,695
Other Trust Funds		5,362,233			
Total Receipts	990	5,811,198	49,056		11,195
	8,775	8,083,005	50,481	2	404,416
Decreased by Disbursements:					
State Share - Dog Licenses	145				
Due to Current			24,000		
Unemployment - Employer Share			24,065		
Library Expenditures					28,812
Other Trust Funds		5,576,877			
Total Disbursements	145	5,576,877	48,065		28,812
Balance - December 31, 2020	$ 8,630	2,506,128	2,416	2	375,604

Exhibit B-2

BOROUGH OF FAIRVIEW, N.J.

Schedule of Due from BCCLS

Library Trust Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$ 248
Balance - December 31, 2020	$ 248

Exhibit B-3

BOROUGH OF FAIRVIEW, N.J.

Reserve for Animal Control Trust Expenditures

Trust Funds

Year Ended December 31, 2020

Balance - December 31, 2019		$ 3,285
Increased by:		
Prior Year Prepaids Realized	$ 319	
License Fees	710	
		1,029
		4,314
Decreased by:		
Expenditures under R.S. 4:19-15:11	145	
Due to Current - Statutory Excess	835	
		980
Balance - December 31, 2020		$ 3,334

License fees collected	
Year	
2018	1,587
2019	1,747
	$ 3,334

Exhibit B-4

BOROUGH OF FAIRVIEW, N.J.

Schedule of Due to State Department of Health

Dog License Trust Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	53
Increased by:		
State Fees Collected		123
		176
Decreased by:		
Paid to State		145
Balance - December 31, 2020	$	31

BOROUGH OF FAIRVIEW, N.J.

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2020

	Due from/(to) Balance Dec. 31, 2019	Increased	Decreased	Due from/(to) Balance Dec. 31, 2020
Current Fund:				
Animal License Trust	$ (4,197)		911	(5,108)
Other Trust Fund:				
Unemployment Compensation Trust	1,056	24,000	25,056	
Other Trust	(51,405)	5,400		(46,005)
Unemployment - Payroll Agency	962			962
Payroll Agency - Unemployment	(962)			(962)
DEA Trust - Other Trust		59,354		59,354
Other Trust - DEA Trust			59,354	(59,354)
COAH Closter - Harrington Park			1,170	(1,170)
COAH Harrington Park - Closter		1,170		1,170
Capital Fund:				
Other Trust Fund:				
DEA Confiscated Funds	(250,000)			(250,000)
	$ (304,546)	89,924	86,491	(301,113)
Due from		84,524	25,056	59,468
Due to	(304,546)	5,400	61,435	(360,581)
	$ (304,546)	89,924	86,491	(301,113)
Cash Receipts			24,000	
Prior Year Voided Check			1,056	
Reallocation of Funds		60,524	60,524	
Lien Certificate Premium		5,400		
Budget Appropriations		24,000		
Statutory Excess			911	
		$ 89,924	86,491	

Exhibit B-6

BOROUGH OF FAIRVIEW, N.J.

Schedule of Other Trust Funds

Trust Funds

Year Ended December 31, 2020

	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
Payroll Deductions Payable	$ 366,561	4,785,673	5,152,234	
Reserve for:				
Affordable Housing	9,447	21		9,468
Unemployment Compensation Insurance	3,442	24,000	24,065	3,377
Recycling Scrap Material	26,907	4,635	2,522	29,020
P.O.A.A.	86,350	1,468	217	87,601
Recreation	82,454	1,178	3,660	79,972
C.O.A.H.				
Alpine	8,777	20		8,797
Harrington Park	4,256	7		4,263
Closter	400,582	897		401,479
Tax Sale Premiums	322,400	174,300	100,000	396,700
Tax Title Lien Redemptions	15,577	169,628	169,628	15,577
Fire Penalties-Inspections	24,374	3,913	401	27,886
Fairview Memorial 911 Trust	3,239		125	3,114
Street Openings	3,800			3,800
Escrow Deposits:				
Planning Board	39,006			39,006
Engineering/Legal	159,019	80,350	66,784	172,585
Police Department Bequest	1,000			1,000
DEA Confiscated Funds	291,990	133,713	76,786	348,917
Nutrition	33,765			33,765
Uniform Fire Safety	20,371	11,830	4,520	27,681
Underground Storage Tank	10,000			10,000
Miscellaneous	16,521			16,521
Donations:				
Sara Liz Almonzar	18,995			18,995
Snow Removal	24,050			24,050
	$ 1,972,883	5,391,633	5,600,942	1,763,574

Cash Receipts	5,362,233	
Budget Appropriations	24,000	
Interfunds	5,400	
Cash Disbursements		5,600,942
	$ 5,391,633	5,600,942

Exhibit B-7

BOROUGH OF FAIRVIEW, N.J.

Schedule of Reserve for Library Trust Expenditures

Library Trust Fund

Year Ended December 31, 2020

Balance - December 31, 2019		$ 393,469
Increased by:		
State Aid - Library	$ 5,995	
Interest Earned - Due to Current Fund	2,500	
Library Fines	2,700	
		11,195
		404,664
Decreased by:		
Cash Disbursments		28,812
Balance - December 31, 2020		$ 375,852

Exhibit B-8

BOROUGH OF FAIRVIEW, N.J.

Schedule of Reserve for Expenditures

Community Development Trust Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$ 2
Balance - December 31, 2020	$ 2

Exhibit C-2

BOROUGH OF FAIRVIEW, N.J.

Schedule of Cash

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019		$ 2,232,501
Increased by Receipts:		
Capital Improvement Fund	$ 50,000	
Interfunds	8,652	
Bond Anticipation Notes	5,964,000	
Premium on Sale of Notes	32,504	
		6,055,156
		8,287,657
Decreased by Disbursements:		
Interest on Investments Paid to Current Fund	7,042	
Bond Anticipation Notes	5,204,000	
Reimbursement for Expenditures Paid	132,200	
Contracts Payable	423,364	
Improvement Authorizations	664,925	
		6,431,531
Balance - December 31, 2020		$ 1,856,126

Exhibit C-3

BOROUGH OF FAIRVIEW, N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2020

Grant Receivables		$	(2,342,989)
Reserve for Park Improvements			31,000
Reserve for Payment of Debt			845,437
Reserve for Payment of Notes			247,000
Overexpenditure of Ordinance			(41,910)
Contracts Payable			606,972
Interfunds			(131,649)
Capital Improvement Fund			124,292
Reserve for Grants Receivable			730,000
Fund Balance			47,331
Improvement Authorizations:			
Ordinance Number	Improvement Description		
1989-16	Ambulance Corp. Renovations		(3,909)
1991-21	Sanitary/Storm Sewers - 9th St., Phase 10		(4,474)
1994-08	Barrier Free Improvements - Municipal Bldg		(2,947)
1994-17/1994-23	Sewer Imps. - Delano Pl., Shaler Ave, 9th St.		(39,364)
1994-20	Acquisition of a Senior Citizen Bus		(179)
2000-19	Environmental Remediation Public Works Yard		(1,755)
2010-23/2013-07/2016-11/2020-06	New Municipal Complex Project		480,370
2012-12	Various Public Improvements		15,867
2013-04	Various Public Improvements		295,573
2013-20	Acquisition of a Sport Utility Vehicle		3,495
2014-07	Various Public Improvements		67,827
2015-13	Various Public Improvements		10,002
2016-07	Various Public Improvements		6,009
2018-03	Police and DPW Radio Communications Upgrade Project		26,202
2018-12	Acquisition of a Roll-Off Truck		11,130
2019-04	Various Public Improvements		550,844
2019-17	Improvements to Sedore & Greeley Aves		210,000
2020-16	Various Public Improvements		118,296
2020-21	Various Public Improvements, Repairs to Fire Engines & Acq. of Equipment & Machinery		(2,345)
			1,856,126

Exhibit C-4

BOROUGH OF FAIRVIEW, N.J.

Schedule of Grant Receivables

General Capital Fund

Year Ended December 31, 2020

	Balance, Dec. 31, 2019	Grant Awards	Balance, Dec. 31, 2020
State of New Jersey - Department of Transportation			
Ord. 2016-07: Improvements to Cliff Street, Section 4	$ 155,500		155,500
Ord. 2017-11: Improvements to Day Avenue	165,627		165,627
Ord. 2019-04:Improvements to Fairview Ave.	235,000		235,000
Ord. 2019-04: Improvements to DeSoto Pl	192,050		192,050
Ord. 2019-17: Improvements to Sedore/Greeley Aves.	210,000		210,000
Ord. 2020-16: Morningside Avenue		186,000	186,000
	958,177	186,000	1,144,177
County of Bergen:			
Community Development Block Grant			
Ord. 2016-07: Handicapped Ramps on Fairview Ave	106,000		106,000
Ord. 2016-07: Improvements to Cliff Street, Section 4	8		8
Ord. 2017-11: ADA Ramp Improvements - Anderson Avenue	170,000		170,000
Ord. 2019-04: Columbus Park Improvements	100,000		100,000
	376,008		376,008
County of Bergen:			
Open Space			
Ord. 2019-04: English Neiborhood Park Improvements	$ 7,804		7,804
Ord. 2020-16: Safety Surfacing and Playground Equipment at Columbus Park		85,000	85,000
Ord. 2020-18: Acquisition of Real Property for Park		480,000	480,000
	7,804	565,000	572,804
State of New Jersey - Department of Environmental Protection			
Green Acres Program			
Ord. 2020-18: Acquisition of Real Property for Park		250,000	250,000
		250,000	250,000
	$ 1,341,989	1,001,000	2,342,989

Exhibit C-5

BOROUGH OF FAIRVIEW, N.J.

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019		$ 17,836,000
Increased by:		
Bonds Issued		2,985,000
		20,821,000
Decreased by:		
Refunding Serial Bonds	$ 3,175,000	
2020 Budget Appropriations		
Serial Bonds	1,115,000	
Capital Leases Payable	55,000	
		4,345,000
Balance - December 31, 2020		$ 16,476,000

BOROUGH OF FAIRVIEW, N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2020

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	Increased by: 2020 Authorizations	Cancelled	Decreased by:	Balance Dec. 31, 2020	Analysis of Balance - Dec. 31, 2020: Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
	General improvements:								
89-16	Ambulance Corp. Renovations	$ 3,909				3,909		3,909	
91-21	Sanitary/Storm Sewers - 9th St., Phase 10	4,474				4,474		4,474	
94-08	Barrier Free Improvements - Municipal Bldg	2,947				2,947		2,947	
94-17/94-23	Sewer Imps. - Delano Pl., Shaler Ave, 9th St.	39,364				39,364		39,364	
94-20	Acquisition of a Senior Citizen Bus	179				179		179	
00-19	Environmental Remediation Public Works Yard	1,755				1,755		1,755	
2010-23/2013-07/2016-11/2019-02/2020-06	New Municipal Complex Project	2,990,327	760,000			3,750,327	3,748,750		1,577
2015-13	Various Public Improvements	144,750				144,750	144,750		
2016-07	Various Public Improvements	420,500				420,500	420,500		
2017-11	Various Public Improvements	357,000				357,000	357,000		
2018-03	Police and DPW Radio Communications Upgrade Project	500,000				500,000	500,000		
2019-4	Various Public Improvements	793,000				793,000	793,000		
2019-17	Improvements to Sedore & Greeley Aves	30,000				30,000			30,000
2020-05	Refunding Bond Ordinance		3,300,000		2,985,000	315,000			315,000
2020-16	Various Public Improvements		127,000			127,000			127,000
2020-18/2020-30	Acquisition of Real Property for use as a Park		950,000			950,000			950,000
2020-21	Various Public Improvements, Repairs to Fire Engines & Acq. of Equipment & Machinery		819,000			819,000		2,345	816,655
		$ 5,288,205	5,956,000		2,985,000	8,259,205	5,964,000	54,973	2,240,232
			Issuance of Refunding Bonds		2,985,000				
					2,985,000				

Improvement Authorizations Unfunded $ 3,609,232

Less: Unexpended Proceeds of Bond Anticipation Notes:

Less: Unexpended Proceeds of Bond Anticipation Notes:

Ordinance No.	
2010-23/2013-07/2016-11/2019-02/2020-06	480,370
2013-04	295,573
2015-13	10,002
2016-07	6,009
2018-03	26,202
2019-04	550,844
	1,369,000
	$ 2,240,232

BOROUGH OF FAIRVIEW, N.J.

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2020

Purpose	Date of Issue	Amount Issued	Maturities of Bonds Outstanding, December 31, 2020 Date	Amount	Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
2010 General Improvement Bonds	February 15, 2010	5,230,000				3,635,000		3,635,000	
2014 General Improvement Bonds	February 15, 2014	5,607,000	2/15/21	325,000	2.00%	4,357,000		295,000	4,062,000
			2/15/22	350,000	2.13%				
			2/15/23	375,000	2.250%				
			2/15/24	400,000	2.50%				
			2/15/25	425,000	3.00%				
			2/15/26	425,000	3.00%				
			2/15/27	425,000	3.00%				
			2/15/28	437,000	3.00%				
			2/15/29	450,000	3.00%				
			2/15/30	450,000	3.50%				
2019 General Improvement Bonds	February 1, 2019	9,675,000	2/1/21	375,000	3.00%	9,675,000		360,000	9,315,000
			2/1/22	430,000	3.00%				
			2/1/23	445,000	3.00%				
			2/1/24	450,000	3.00%				
			2/1/25	460,000	3.00%				
			2/1/26	475,000	3.00%				
			2/1/27	485,000	3.00%				
			2/1/28	495,000	3.00%				
			2/1/29	505,000	3.00%				
			2/1/30	600,000	3.00%				
			2/1/31	625,000	3.00%				
			2/1/32	640,000	3.00%				
			2/1/33	650,000	3.00%				
			2/1/34	660,000	3.00%				
			2/1/35	670,000	3.00%				
			2/1/36	680,000	3.25%				
			2/1/37	670,000	3.50%				
2020 General Improvement Refunding Bonds	April 1, 2020	2,985,000	2/15/21	430,000	5.00%		2,985,000		2,985,000
			2/15/22	440,000	5.00%				
			2/15/23	455,000	5.00%				
			2/15/24	520,000	5.00%				
			2/15/25	550,000	5.00%				
			2/15/26	590,000	5.00%				
						$ 17,667,000	2,985,000	4,290,000	16,362,000
					Paid via Budget Appropriation			1,115,000	
					Bonds Refunded			3,175,000	
					Refunding Bonds Issued		2,985,000		
							$ 2,985,000	4,290,000	

BOROUGH OF FAIRVIEW, N.J.

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2020

Purpose	Date of issue	Original issue	Maturities outstanding at December 31, 2020 Date	Amount	Interest rate	Balance, Dec. 31, 2019	Decreased	Balance, Dec. 31, 2020
Refunding of Unfunded Pension Obligation	May 1, 2012	416,000	Mar. 15, 2021	59,000	2.959	169,000	55,000	114,000
			Mar. 15, 2022	27,000	3.109			
			Mar. 15, 2023	28,000	3.259			
						$ 169,000	55,000	114,000
					Paid via budget appropriation		55,000	
							$ 55,000	

BOROUGH OF FAIRVIEW, N.J.

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2020

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
2013-07	Amend 23-2010: Municipal Complex Project	Aug. 30, 2018	Aug. 28, 2020	Aug. 27, 2021	1.00%	$ 908,827	908,827	908,827	908,827
2015-13	Various Public Improvements	Aug. 30, 2018	Aug. 28, 2020	Aug. 27, 2021	1.00%	144,750	144,750	144,750	144,750
2016-07	Various Public Improvements	Aug. 30, 2018	Aug. 28, 2020	Aug. 27, 2021	1.00%	420,500	420,500	420,500	420,500
2016-11	Amend 2010-23: Municipal Complex Project	Aug. 30, 2018	Aug. 28, 2020	Aug. 27, 2021	1.00%	1,603,923	1,603,923	1,603,923	1,603,923
2017-11	Various Public Improvements	Aug. 30, 2018	Aug. 28, 2020	Aug. 27, 2021	1.00%	357,000	357,000	357,000	357,000
2018-03	Police and DPW Radio Communications Upgrade Project	Aug. 30, 2018	Aug. 28, 2020	Aug. 27, 2021	1.00%	500,000	500,000	500,000	500,000
2019-02	New Municipal Complex Project	Aug. 30, 2019	Aug. 28, 2020	Aug. 27, 2021	1.00%	476,000	476,000	476,000	476,000
2019-04	Various Public Improvements	Aug. 30, 2019	Aug. 28, 2020	Aug. 27, 2021	1.00%	793,000	793,000	793,000	793,000
2020-06	Amend 2012-23: Municipal Complex Project	Aug. 28, 2020	Aug. 28, 2020	Aug. 27, 2021	1.00%		760,000		760,000
						$ 5,204,000	5,964,000	5,204,000	5,964,000
						Cash	760,000		
						Renewed	5,204,000	5,204,000	
							$ 5,964,000	5,204,000	

BOROUGH OF FAIRVIEW, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2020

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2019 Funded	Balance Dec. 31, 2019 Unfunded	2020 Authorizations	Paid or Charged	Balance Dec. 31, 2020 Funded	Balance Dec. 31, 2020 Unfunded
	General Improvements:							
2010-23/2013-7/2016-11/2020-06	New Municipal Complex Project	9,863,000			800,000	318,053		481,947
2012-12	Various Public Improvements	1,542,000	15,867				15,867	
2013-04	Various Public Improvements	1,300,000	266,971			(28,602)		295,573
2013-20	Acquisition of a Sport Utility Vehicle	25,000	3,495				3,495	
2014-07	Various Public Improvements	1,237,000	159,279			91,452	67,827	
2015-13	Various Public Improvements	152,000		10,002				10,002
2016-07	Various Public Improvements	1,732,000		6,110		101		6,009
2017-11	Various Public Improvements	711,000		53,340		53,340		
2018-03	Police and DPW Radio Communications Upgrade Project	750,000		26,202				26,202
2018-12	Acquisition of a Roll-Off Truck	160,000	11,130				11,130	
2019-04	Various Public Improvements	1,440,000	350,438	793,000		592,594		550,844
2019-17	Improvements to Sedore & Greeley Aves	240,000	210,000	30,000			210,000	30,000
2020-05	Refunding Bond Ordinance	3,300,000			3,300,000	2,985,000		315,000
2020-16	Various Public Improvements	405,000			405,000	159,704	118,296	127,000
2020-18/2020-30	Acquisition of Real Property for use as a Park	950,000			950,000			950,000
2020-21	Various Public Improvements, Repairs to Fire Engines & Acq. of Equipment & Machinery	860,000			860,000	43,345		816,655
			$ 1,017,180	918,654	6,315,000	4,214,987	426,615	3,609,232

Grants Appropriated	271,000
Capital Improvement Fund	88,000
Deferred Charges Unfunded	5,956,000
	$ 6,315,000

Cash	664,925
Overexpenditure of Ord. 2017-11	(41,910)
Refunding Bonds Issued	2,985,000
Contracts Payable	606,972
	$ 4,214,987

Exhibit C-11

BOROUGH OF FAIRVIEW, N.J.

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	162,292
Increased by:		
Budget Appropriation		50,000
		212,292
Decreased by:		
Appropriated to Finance Improvement Authorizations		88,000
Balance - December 31, 2020	$	124,292

BOROUGH OF FAIRVIEW, N.J.

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2020

	Due from/(to) Balance Dec. 31, 2019	Increased	Decreased	Balance Balance Dec. 31, 2020
Current Fund	$ 1,059	139,242	258,652	(118,351)
Other Trust Fund:				
DEA Confiscated Funds	250,000			250,000
	$ 251,059	139,242	258,652	131,649
Budget Revenue (Capital Surplus) Not Turned Over			250,000	
Interest on Investments		7,042	8,652	
Reimbursement for Expenditures Paid		132,200		
		$ 139,242	258,652	

Exhibit C-13

BOROUGH OF FAIRVIEW, N.J.

Schedule of Contracts Payable

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	423,364
Increased by:		
Charged to Improvement Authorizations		606,972
		1,030,336
Decreased by:		
Payments		423,364
Balance - December 31, 2020	$	606,972

Exhibit C-14

Schedule of Reserve for Park Improvements - Statewide Livable Communities Grant

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	31,000
Balance - December 31, 2020	$	31,000

Exhibit C-15

BOROUGH OF FAIRVIEW, N.J.

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	845,437
Balance - December 31, 2020	$	845,437

Analysis of Balance	
Columbus Park Improvements	$ 73,179
English Neighborhood Park Improvements	32,500
Veterans Park, Ord. 2014-07	22,934
9th Street	110,000
Columbus Park Improvements-Ord. 2016-7	52,474
ADA Imps. To Anderson/Fairview Aves-Ord. 2016-7	314,709
New Municipal Complex Ord. 2010-23	160,266
Cliff Street Improvements	79,375
	$ 845,437

Exhibit C-16

BOROUGH OF FAIRVIEW, NJ.

Schedule of Reserve for Payment of Notes

General Capital Fund

Year Ended December 31, 2020

Balance - December 31, 2019	$	247,000
Balance - December 31, 2020	$	247,000

BOROUGH OF FAIRVIEW, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2020

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
	General Improvements:				
1989-16	Renovations to Ambulance Corp. Bldg	$ 3,909			3,909
1991-21	Sanitary/Storm Sewers - 9th Street	4,474			4,474
1994-08	Barrier Free Imps. - Municipal Bldg.	2,947			2,947
1994-17/1994-23	Sewer Imps. - Delano Pl., Shaler Ave and 9th St.	39,364			39,364
1994-20	Acquisition of a Senior Bus	179			179
2000-19	Environmental Remediation and Reconstruction of Public Works Yard	1,755			1,755
2016-11	Amend 2010-23: Municipal Complex Project	1,577			1,577
2019-17	Improvements to Sedore & Greeley Aves	30,000			30,000
2020-05	Refunding Bond Ordinance		3,300,000	2,985,000	315,000
2020-06	Amend 2010-23: Municipal Complex Project		760,000	760,000	
2020-16	Various Public Improvements		127,000		127,000
2020-18	Acquisition of Property for use as a Park		825,000		825,000
2020-21	Various Public Imps., Repairs to Fire Engines & Acquisition of Equipment & Machinery		819,000		819,000
2020-30	Supplemental to 2020-18		125,000		125,000
		$ 84,205	5,956,000	3,745,000	2,295,205

Current Year Authorizations	5,956,000	
Refunding Bonds Issued		2,985,000
Bond Anticipation Notes Issued		760,000
		3,745,000

Exhibit C-18

BOROUGH OF FAIRVIEW, N.J.

Schedule of Reserve for Grants Receivables

General Capital Fund

Year Ended December 31, 2020

Increased by:		
Unappropriated Grant Awards		730,000
Balance - December 31, 2020	$	730,000

Analysis of Balance	
Green Acres - Ord. 2020-18: Acquisition of Real Property for Park	250,000.00
Open Space - Ord. 2020-18: Acquisition of Real Property for Park	480,000.00
$	730,000.00

Exhibit C-19

BOROUGH OF FAIRVIEW, N.J.

Schedule of Overexpenditure of Ordinance Appropriation

General Capital Fund

Year Ended December 31, 2020

Increased by:		
Overexpenditure of Ordinance	$	41,910
Balance - December 31, 2020	$	41,910
Analysis of Balance		
Ord. 2017-11: Various Public Improvements	$	41,910
	$	41,910

Exhibit E-1

BOROUGH OF FAIRVIEW, N.J.

Schedule of Cash-Treasurer

Public Assistance Trust Fund

Year Ended December 31, 2020

	Total	P.A.T.F. Account #1	P.A.T.F. Account #2
Balance - December 31, 2019	$ 131,564	850	130,714
Increased by Receipts:			
State Aid	165,400		165,400
Supplemental Security Income	18,385		18,385
Refund of Assistance	13,218		13,218
Interest Earned	324	2	322
	197,327	2	197,325
	328,891	852	328,039
Decreased by Disbursements:			
Public Assistance - 2020	243,204		243,204
Interest Paid to Current Fund	339	2	337
	243,543	2	243,541
Balance - December 31, 2020	$ 85,348	850	84,498

Exhibit E-2

BOROUGH OF FAIRVIEW, N.J.

Schedule of Public Assistance Cash and Reconciliation
Per N.J.S.A. 40A:5-5

Public Assistance Trust Fund

Year Ended December 31, 2020

Balance - December 31, 2020			$ 85,348
Increased by:			
State Aid	$ 39,400		
Interest Earned	13		
		39,413	
		124,761	
Decreased by:			
Public Assistance - 2021	56,429		
Interest Due Current	13		
		56,442	
Balance - March 31, 2021			$ 68,319

Reconciliation -March 31, 2021	PATF I Account	PATF II Account	Total
Balance on Deposit per Bank Statement:			
Bank of New Jersey	$ 850	83,499	84,349
Less: Outstanding Checks		16,030	16,030
Balance - March 31, 2021	$ 850	67,469	68,319

Exhibit E-3

BOROUGH OF FAIRVIEW, N.J.

Schedule of Public Assistance Cash and Reconciliation

Public Assistance Trust Fund

Year Ended December 31, 2020

Balance - December 31, 2019			$ 131,564
Increased by:			
State Aid	$ 165,400		
Supplemental Security Income	18,385		
Refunds of Assistance	13,218		
Interest Earned	324		
		197,327	
		328,891	
Decreased by:			
Public Assistance - 2020	243,204		
Interest paid to Current Fund	339		
		243,543	
Balance - December 31, 2020			$ 85,348

Reconciliation - December 31, 2020	PATF I Account	PATF II Account	Total
Balance on Deposit per Bank Statement:			
Bank of New Jersey	$ 850	100,343	101,193
Less: Outstanding Checks		15,845	15,845
Balance - December 31, 2020	$ 850	84,498	85,348

Exhibit E-4

BOROUGH OF FAIRVIEW, N.J.

Schedule of Interfunds

Public Assistance Trust Fund

Year Ended December 31, 2020

	Due from/(to) Balance Dec. 31, 2019	Increased	Decreased	Due from/(to) Balance Dec. 31, 2020
Current Fund	(20)	339	324	(5)
	$ (20)	339	324	(5)
Cash Disbursements		339		
Interest on Investments			324	
		$ 339	324	

Exhibit E-5

BOROUGH OF FAIRVIEW, N.J.

Schedule of Reserve for Public Assistance Expenditures

Public Assistance Trust Fund

Year Ended December 31, 2020

	Total	P.A.T.F. Account #1	P.A.T.F. Account #2
Balance - December 31, 2019	$ 131,544	16,140	115,404
Increased by:			
State Aid	165,400		165,400
Supplemental Security Income	18,385		18,385
Refund of Assistance	13,218		13,218
	197,003		197,003
	328,547	16,140	312,407
Decreased by:			
Public Assistance - 2020	243,204		243,204
	243,204		243,204
Balance - December 31, 2020	$ 85,343	16,140	69,203

Exhibit E-6

BOROUGH OF FAIRVIEW, N.J.

Schedule of Revenues - Cash Basis

Public Assistance Trust Fund

Year Ended December 31, 2020

		Total	P.A.T.F. Account #1	P.A.T.F. Account #2
State Aid Payments	$	165,400		165,400
Supplemental Security Income:		18,385		18,385
Refund of Assistance		13,218		13,218
Total Revenues (P.A.T.F.)		197,003		197,003
Total Receipts	$	197,003		197,003

Exhibit E-7

BOROUGH OF FAIRVIEW, N.J.

Schedule of Expenditures - Cash Basis

Public Assistance Trust Fund

Year Ended December 31, 2020

		Total	P.A.T.F. Account #1	P.A.T.F. Account #2
Reported:				
Current Year Assistance (State Matching):				
Maintenance Payments	$	84,405		84,405
Temporary Rental Assistance		136,857		136,857
Emergency Assistance		21,558		21,558
Work Related/Transient Assistance		324		324
Transportation		60		60
Total Payments Reported		243,204		243,204
Total Disbursements (P.A.T.F.)	$	243,204		243,204

BOROUGH OF FAIRVIEW

LETTER ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
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INDEPENDENT AUDITOR'S 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

Honorable Mayor and
Members of the Borough Council
Borough of Fairview
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as 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, the financial statements-regulatory basis of the Borough of Fairview in the County of Bergen as of and for the year ended December 31, 2020 and the related notes to the financial statements, and have issued our report thereon dated June 30, 2021, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements-regulatory basis, we considered the Borough of Fairview's internal control over financial reporting 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 Borough of Fairview's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Fairview'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements 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.

We did identify certain immaterial deficiencies in internal control that we have reported to management of the Borough of Fairview in the accompany comments and recommendations section of this report.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Fairview'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 immaterial instances of noncompliance that we have reported to the management of the Borough of Fairview in the accompanying 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 results of that testing, and not to provide an opinion on the effectiveness of the Borough of Fairview'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 Borough of Fairview's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

June 30, 2021

BOROUGH OF FAIRVIEW

GENERAL COMMENTS

Contracts and Agreements

N.J.S.A. 40A:11-3 states:

a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of $17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest $1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A. 40A:11-4 states:

a. 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 of specifically by any other law. The governing body of a contracting unit may, be resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, 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.

Effective January 1, 2011, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is $17,500 and with a qualified purchasing agent the threshold may be up to $40,000. On July 1, 2020, the threshold with a qualified purchasing agent was increased to $44,000.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

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

Collection of Recyclable Materials
Solid Waste Collection
Walker Street Firehouse Renovation
Columbus Park Lighting Improvements
2020 Road Improvement Project

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 4, 2020 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> "WHEREAS, the penalty for nonpayment of taxes becoming delinquent on and after February 1, shall be at the rate of eight per centum (8%) per year for the first $1,500 of delinquency and eighteen per centum (18%) per year on amounts over $1,500; and

WHEREAS, Section 54:4-67 of the Revised Statutes has been amended to allow the Tax Collector to collect no interest if payment of any installment is made within ten (10) days after the date upon which the same became payable, provided it meets with the approval of the Mayor and Council;

BE IT RESOLVED, that the Tax Collector is granted permission to withhold interest charged for a period of ten (10) days after the date upon which the installment became payable, provided it is received within the period.

Delinquent Taxes and Tax Title Liens

The last tax sale was held October 22, 2020 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

Year	Number of Liens
2020	2
2019	2
2018	2

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices.

The result of the test, which was made for the year ending December 31, 2020, is not yet known, but a separate report will be rendered if any irregularities are developed. In addition we utilized analytical review procedures to ascertain the validity of the receivables.

BOROUGH OF FAIRVIEW
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2020

COMMENTS

Finance/Treasurer:

1. Accounts payable balances were cancelled without approval from Mayor and Council.
2. *A detailed list of accounts payable balances that agrees to the general ledger balance could not be provided at the time of audit.
3. Prior year interfunds were not liquidated prior to the close of the current fiscal year.
4. There was an over-expenditure of $41,909.54 for Capital Ordinance 2017-11.
5. There are stale dated checks being carried as reconciling items in various accounts.
6. There were several instances where goods and/or services were ordered prior to encumbrance.
7. There are old grant receivables in the federal and state grant fund.

Clerk/Administration:

1. Minutes are not being approved and signed in a timely manner.

Departments:

1. There were several instances where escrow receipts per the department's ledger varied to what was posted in the accounting system.
2. *A monthly cash book that summarizes collections is not being maintained by the Recreation Department.
3. Daily receipts per the Fire Department do not always agree to the amounts posted in the accounting system.
4. A receipt ledger for rent leveling collections was not provided for review as requested during the audit.

Municipal Court:

1. A review of the December monthly management report indicated the following:
   a. There is an excessive number of tickets eligible for failure to appear notices over 14 days.
   b. There is an excess number of tickets eligible for dismissal.

BOROUGH OF FAIRVIEW
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2020

RECOMMENDATIONS

Finance/Treasurer:

1. That all cancellations of accounts payable be approved by Mayor and Council via resolution.
2. *A detailed list of accounts payable should be provided at time of audit.
3. That all interfund balances be liquidated prior to the close of the year.
4. Available spending appropriations should be reviewed and verified prior to expenditures being made to ensure that sufficient balances are available.
5. That outstanding checks considered stale dated be cancelled by resolution.
6. That the controls over purchasing procedures be enhanced to ensure that purchase orders are issued and funds are encumbered prior to ordering goods and/or services.
7. All old grant receivables should be reviewed and cancelled if necessary.

Clerk/Administration:

1. That all minutes be approved and signed within a timely manner.

Departments:

1. That more care be taken to ensure receipts agree to the amounts posted in the accounting system.
2. A cash receipts journal should be created and maintained for the Recreation Department which records all cash flows throughout the year.
3. That more care be taken to ensure receipts agree to the amounts posted in the accounting system.
4. Receipt ledgers should be maintained and available for review during audit.

Municipal Court:

1. Policies should be implemented to address the excess number of tickets that need following up.

BOROUGH OF FAIRVIEW

Status of Prior Year Audit Findings/Recommendations

A review was performed on all prior year recommendations and corrective action was taken on all, with the exception of the comments preceded with an "*".

Acknowledgment

We received the complete cooperation of all of the officials of the municipality and we greatly appreciate the courtesies extended to all members of the audit team.

Respectfully submitted,

Steven D. Wielkotz
Registered Municipal Accountant
No. CR00413

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

June 30, 2021