

Northfield Bancorp, Inc.
Form 11-K
June 28, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS AND SIMILAR PLANS
PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____.

Commission file number 001-35791

A. Full title of the plan and the address of the plan, if different from that of the issuer named below: Northfield Bank
Employee Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principle executive office:
Northfield Bancorp, Inc., 581 Main Street, Woodbridge, New Jersey 07095.

Northfield Bank Employee Savings Plan
Table of Contents
December 31, 2017 and 2016

The Northfield Bank Employee Savings Plan (the “Plan”) is subject to the Employee Retirement Income Security Act of 1974 (“ERISA”). Therefore, in lieu of the requirements of Items 1-3 of Form 11-K, the following financial statements and schedule have been prepared in accordance with the financial reporting requirements of ERISA.

The following financial statements, schedule and exhibits are filed as a part of this Annual Report on Form 11-K.

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(b) Schedule *	
Schedule of Assets (Held at End of Year) Schedule H, Part IV, Line 4i as of December 31, 2017	<u>9</u>
* Other schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.	
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Exhibit 23.1 - Consent of Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

To the Plan Administrator and Participants
Northfield Bank Employee Savings Plan:

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for plan benefits of the Northfield Bank Employee Savings Plan (the “Plan”) as of December 31, 2017 and 2016, the related statement of changes in net assets available for plan benefits for the year ended December 31, 2017, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2017 and 2016, and the changes in its net assets available for plan benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that responds to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The information in the supplemental schedule is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2017 is fairly stated, in all material respects, in relation to the Plan’s financial statements as a whole.

/s/ Withum Smith + Brown, PC

We have served as the auditor of the Plan since 2007.

Whippany, New Jersey
June 28, 2018

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Northfield Bank Employee Savings Plan
Statements of Net Assets Available for Plan Benefits
December 31, 2017 and 2016
(in thousands)

	2017	2016
Assets		
Investments at fair value:		
Mutual funds	\$11,160	\$9,447
Interest in common/collective trusts	3,932	4,499
Northfield Bancorp, Inc. Common Stock Fund	11,288	13,416
Total investments at fair value	26,380	27,362
Notes receivable from participants	521	576
Net assets available for plan benefits	\$26,901	\$27,938

The Notes to Financial Statements are an integral part of these statements.

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Northfield Bank Employee Savings Plan
 Statement of Changes in Net Assets Available for Plan Benefits
 Year Ended December 31, 2017
 (in thousands)

Additions

Additions to net assets attributable to:

Investment income

Interest and dividend income \$668

Total investment income 668

Contributions

Employer 387

Employee 1,295

Employee rollover 57

Total contributions 1,739

Total additions 2,407

Deductions

Deductions from net assets attributable to:

Participant distributions 3,236

Net depreciation in fair value of investments 404

Administrative expenses 76

Total deductions 3,716

Net decrease in net assets (1,309)

Transfers into Plan 272

Net assets available for plan benefits, beginning of the year 27,938

Net assets available for plan benefits, end of the year \$26,901

The Notes to Financial Statements are an integral part of this statement.

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Northfield Bank Employee Savings Plan
Notes to Financial Statements
December 31, 2017 and 2016

1. Description of Plan

The following description is provided for general information summary purposes. Participants of the Northfield Bank Employee Savings Plan (the "Plan") should refer to the Summary Plan document for more detailed and complete description of the Plan provisions.

General

The Plan is a defined contribution employee savings plan covering all eligible employees of Northfield Bank (the "Bank"). The Bank is a wholly-owned subsidiary of Northfield Bancorp, Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Pentegra Trust Company serves as the Plan's trustee.

Plan Administration

The Plan is administered by the Compensation Committee appointed by the Bank's Board of Directors.

Contributions

Participating employees with three months of credited service who are salaried employees or hourly paid employees who are eligible for the Bank's health benefits are automatically enrolled in the Plan and are entitled to contribute to the Plan between 2% to 100% (subject to certain IRS limitations) of their compensation, as defined in the Plan. Contributions can be made on a before-tax basis or after-tax basis.

The Bank matches a portion of the participants' before or after tax contributions after one year of credited service. The Bank contributes an amount equal to one-quarter of the employee contributions up to the first 6% of compensation, as defined, contributed by eligible employees with less than three years of service. The Bank contributes an amount equal to one-half of the employee contributions up to the first 6% of compensation, as defined, for eligible employees with three or more years of service. The Bank may make discretionary contributions which may vary in amount from year to year. There were no discretionary Bank contributions made for 2017.

Vesting

Plan participants are 100 percent vested in the account balance attributable to their voluntary contributions, including related earnings therein.

The vesting schedule related to Bank matching contributions and related earnings therein is as follows:

Years of Service Percentage Vested

Less than 1 year	0%
1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 years or more	100%

Forfeitures

If a participant terminates employment with the Bank and is less than 100% vested in the employer contribution, the participant forfeits the non-vested portion of their employer contribution (as of the earlier of: (1) when the participant receives a distribution or (2) the end of the period of five consecutive one-year breaks in service.) Forfeitures are retained in the Plan and used to reduce future Bank contributions or pay Plan expenses. The balance of forfeitures included in Plan assets at December 31, 2017 and 2016 was \$404 and \$319, respectively. There were forfeitures of \$11,394 that were used to reduce employer contributions in 2017.

Northfield Bank Employee Savings Plan
Notes to Financial Statements
December 31, 2017 and 2016

Administrative Expenses

Expenses associated with administering the Plan are generally paid by the Bank. Certain participant-specific expenses are assessed against such participants' individual investment accounts. In addition, certain investment related expenses have been offset against net investment income and are not readily determinable.

Payment of Benefits

On termination of service due to death, a participant's vested account balance will be distributed one of three ways: as a single cash payment within 1 year of the date of termination, through a straight-life annuity, or a rollover to an individual retirement account ("IRA") or another qualified plan for a surviving spouse. For termination of service due to disability, retirement or other reasons, a participant may receive the value of the vested interest in his or her account as a single cash payment, rollover to an IRA or a straight-life annuity contract.

Participant Accounts

Individual accounts are established for each participant. Each participant's account is credited with the participant's pre-tax contributions, the employer contributions, if any, and the proportionate share of dividends, interest and investment gains since the preceding valuation date. The participant's account is reduced by withdrawals, losses on investments and any administrative expenses.

Notes Receivable from Participants

Eligible participants may borrow up to the lesser of (1) fifty percent (50%) of the value of the employee vested account or (2) \$50,000 reduced by the largest outstanding note receivable balance during the past 12 months. The interest rate on all such notes receivable are fixed for the term of the receivable and are based on the "prime rate" as published in the Wall Street Journal on the first day of the month in which the loan was made. The rate shall remain in effect until the receivable is repaid. The interest rates on notes receivable from participants ranged from 3.25% to 4.25% at December 31, 2017 and ranged from 3.25% to 3.50% at December 31, 2016.

Distributions

During employment, a participant may make withdrawals of amounts applicable to employee and vested employer contributions, subject to certain restrictions, as defined. Participants are entitled to withdraw funds upon attaining age 59 1/2 or for financial hardship before that age. Participants may qualify for financial hardship withdrawals if they have an immediate and substantial financial need, as defined by the Plan document. Participants are limited to one withdrawal in any calendar year.

Transfers into Plan

Effective January 1, 2017, participants of the Northfield Bank Employee Stock Ownership Plan, who as of December 31, 2016 are 55 years of age or older with ten years of participation in the Plan, are eligible to transfer all or a portion of their investment in Northfield Bancorp, Inc. common stock to any of the funds offered by the Plan. During the year ended December 31, 2017, eligible participants transferred approximately \$272,000 into the Plan.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, using the accrual method of accounting.

Payment of Benefits

Amounts paid to participants are recorded upon distribution.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Northfield Bank Employee Savings Plan
Notes to Financial Statements
December 31, 2017 and 2016

Investment Valuation and Income Recognition

Mutual funds are valued on the last business day of the year based on published market values in active markets. Common/collective trust (“CCT”) fund fair values are determined by the respective fund manager using Net Asset Value (“NAV”) as a practical expedient. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. There were no significant unfunded commitments or restrictions on redemptions related to the CCTs as of December 31, 2017 and 2016. CCT funds can be redeemed daily.

The Northfield Bancorp, Inc. Common Stock Fund (“CSF”) consists primarily of Northfield Bancorp, Inc. common stock. In addition, the CSF also invested approximately 4% and 2% of its balance in money market instruments at December 31, 2017 and 2016, respectively. Participant ownership is measured in units of the CSF instead of shares of stock. The Plan directly owns common stock of Northfield Bancorp, Inc. The common stock is valued based upon quoted prices at the last reported sales price at the end of the year. The money market instruments are valued at cost plus interest earned, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment income (loss), unrealized appreciation (depreciation), and realized gains (losses) for each participant directed investment fund are allocated to each participant in the same ratio that the participant’s account balance in the fund bears to the total account balances for all participants in that fund.

Notes Receivable from Participants

Notes receivable are valued at their unpaid principal balance plus any accrued but unpaid interest. Upon default, these receivables are deemed to be a distribution to the participant.

Risks and Uncertainties

The Plan has various investments, directed by participants, including mutual funds, common/collective trusts, and direct holdings in common stock of Northfield Bancorp, Inc. These investments are subject to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect participants’ account balances and the amounts reported in the Statements of Net Assets Available for Plan Benefits.

The CSF is subject to various risks including concentration risk since the fund invests primarily in the common stock of Northfield Bancorp, Inc. and therefore the performance of the fund is primarily determined by the performance of Northfield Bancorp, Inc. common stock. The market price of Northfield Bancorp, Inc. common stock is dependent on a number of factors, including the financial condition and profitability of Northfield Bancorp, Inc. and Northfield Bank. In addition, the market price of Northfield Bancorp, Inc. common stock may be affected by general market conditions, market interest rates, the market for financial institutions, merger and takeover transactions, the presence of professional and other investors who purchase common stock on speculation, as well as other unforeseeable events not necessarily within the control of the board of directors of Northfield Bancorp, Inc. and the Bank.

Recent Accounting Pronouncements

There were no recently adopted accounting pronouncements that had a material impact on the Plan's financial statements.

3. Fair Value Measurements

In accordance with accounting principles generally accepted in the United States of America, each of the Plan's fair value measurements are categorized in one of the following three levels based on the lowest level input that is significant to the fair value measurement in its entirety:

- Level 1—Quoted prices in active markets for identical assets or liabilities.

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Northfield Bank Employee Savings Plan
Notes to Financial Statements
December 31, 2017 and 2016

- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table represents the Plan's fair value hierarchy for its investments measured at fair value on a recurring basis as of December 31, 2017 and 2016:

	Total	(Level 1)	(Level 2)	(Level 3)
	(in thousands)			
December 31, 2017				
Mutual funds, at fair value	\$11,160	\$11,160	\$ —	—
Investments measured at NAV*				
Common Collective Trusts (CCTs)	3,932			
Northfield Bancorp, Inc Common Stock Fund (CSF)	11,288			
Total investments at NAV	15,220			
Total investments	\$26,380			
December 31, 2016				
Mutual funds, at fair value	\$9,447	\$9,447	\$ —	—
Investments measured at NAV*				
CCTs	4,499			
CSF	13,416			
Total investments at NAV	17,915			
Total investments	\$27,362			

* In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for plan benefits.

The investment in CCTs and the CSF are valued at fair value using NAV as a practical expedient. The use of NAV is deemed appropriate as the common collective trusts do not have a finite life, unfunded commitments relating to the types of investment, or significant restrictions on redemptions. The practical expedient is used for valuation, unless it is probable that the Plan will sell a portion of the investment at an amount different from the net asset valuation.

4. Tax Status

The IRS has determined and informed the Plan sponsor by a letter dated June 16, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed, and is

currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by federal and state tax authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability

Northfield Bank Employee Savings Plan
Notes to Financial Statements
December 31, 2017 and 2016

(or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

5. Plan Termination

The Bank has not expressed any intention to discontinue the Plan, however, it has the right under the Plan to terminate or discontinue employee contributions to the Plan subject to the provisions of ERISA. In the event of plan termination, plan participants will become 100% vested in their Bank contribution accounts and are entitled to full distribution of such amounts.

6. Party-in-Interest Transactions

At December 31, 2017 and 2016, the Plan held 420,317 and 437,118 units, respectively, of the CSF. At December 31, 2017 and 2016, the CSF held 633,809 and 657,048 shares, respectively, of Northfield Bancorp, Inc. common stock.

Certain Plan investments are managed by the trustee of the Plan, and therefore, these transactions qualify as exempt party-in-interest transactions.

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Northfield Bank Employee Savings Plan

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

ID# 13-5578494; Plan# 002

December 31, 2017

(dollars in thousands)

(b) Identity of Issuer, Borrower	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost **	(e) Current Value
*(a) Lessor or Similar Party			
Mutual funds			
American Beacon Lg Cap Value Inv	35,507 shares	**	\$1,035
American Funds EuroPacific Class R6	6,843 shares	**	384
Dodge and Cox Income	40,762 shares	**	561
DFA US Small Cap Port	32,674 shares	**	1,174
T. Rowe Price Retirement Income Class I	6,585 shares	**	75
T. Rowe Price Growth Stock Fund Class I	9,573 shares	**	600
T. Rowe Price 2010 Class I	421 shares	**	5
T. Rowe Price 2015 Class I	50,394 shares	**	600
T. Rowe Price 2020 Class I	30,178 shares	**	373
T. Rowe Price 2025 Class I	41,809 shares	**	529
T. Rowe Price 2030 Class I	52,511 shares	**	677
T. Rowe Price 2035 Class I	20,698 shares	**	272
T. Rowe Price 2040 Class I	31,274 shares	**	416
T. Rowe Price 2045 Class I	14,545 shares	**	194
T. Rowe Price 2050 Class I	27,129 shares	**	362
T. Rowe Price 2055 Class I	4,838 shares	**	65
T. Rowe Price 2060 Class I	3,556 shares	**	47
Vanguard Mid Cap Index	5,387 shares	**	1,032
Vanguard 500 Index	11,175 shares	**	2,759
Total mutual funds			11,160
Interest in common/collective trusts			
*PAAAS Moderate Aggressive	16,595 shares	**	212
*PAAAS Moderate	35,247 shares	**	437
Wells Fargo Stable Return Fund C	62,300 shares	**	3,283
Total interest in common/collective trusts			3,932

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*Northfield Bancorp, Inc. Common Stock Fund	420,317 units	**	11,288
			\$26,380
Notes receivable from participants	Interest ranging from 3.25% to 4.25% maturing through 2031.		\$521

* Party-in-interest

** Cost omitted for participant directed investments

See Report of Independent Registered Public Accounting Firm

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Northfield Bank Employee Savings Plan
Index to Exhibits

Exhibit Number	Description	Page Number in Sequentially Numbered Form 11-K
<u>23.1</u>	Consent of Independent Registered Public Accounting Firm	12

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SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

NORTHFIELD BANK EMPLOYEE SAVINGS PLAN

DATE: June 28, 2018 By: /s/ William R. Jacobs

William R. Jacobs

Chief Financial Officer

(Principal Financial and Accounting Officer)