



COMPREHENSIVE
ANNUAL FINANCIAL REPORT

Year Ended December 31, 2014



Town Board
Frank P. Petrone, Supervisor

Susan A. Berland, Councilwoman
Eugene Cook, Councilman
Mark A. Cuthbertson, Councilman
Tracey A. Edwards, Councilwoman



Town of Huntington, New York
Comprehensive Annual Financial Report
Year Ended December 31, 2014

Prepared by:
Department of Audit & Control

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**INTRODUCTORY
SECTION**



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FRANK P. PETRONE
Supervisor

June 3, 2015

Members of the Town Board
And Citizens of the Town of Huntington:

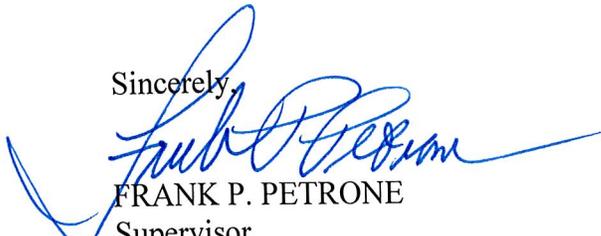
I am pleased to present the Comprehensive Annual Financial Report of the Town of Huntington, New York for the year ended December 31, 2014. The financial statements have been audited by the accounting firm selected by the Town Board, Cullen & Danowski, LLP. The independent auditors' unqualified opinion is included in this report.

In each of the past sixteen years the Town of Huntington has been awarded a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). Certificates are awarded to those governments whose annual financial reports are judged to conform to the generally accepted accounting principles promulgated by the Government Accounting Standards Board (GASB). It is my belief that the December 31, 2014 Comprehensive Annual Financial Report continues to meet the requirements of the Certificate of Achievement Program.

The preparation of this report could not have been accomplished without the dedicated effort of the entire staff of the Comptroller's Office.

Fiscal Year 2014 presented many challenges, however, through sound fiscal management, operating results were better than anticipated. We will continue to monitor the Town's 2015 budget closely and exercise financial discipline as economic conditions warrant.

Sincerely,



FRANK P. PETRONE
Supervisor





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AUDIT & CONTROL
Peggy Karayianakis, CPA
Interim Director

June 3, 2015

Honorable Members of the Town Board
and Citizens of the Town of Huntington:

The Office of the Comptroller is pleased to submit the Comprehensive Annual Financial Report (“CAFR”) of the Town of Huntington, New York (the “Town”) for the year ended December 31, 2014. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Town.

The report is designed to present the Town’s financial activities and the financial position and results of Town operations, as measured by the financial activity of its various funds. All required disclosures to enable the reader to gain a reasonable understanding of the Town’s financial position are included therein.

The accounting firm of Cullen & Danowski, LLP was selected by the Town Board to perform an independent audit of the Town’s financial statements as of December 31, 2014, and to provide reasonable assurance that the financial statements are free from material misstatement. The auditors’ unmodified opinion on the basic financial statements and combined and individual fund statements and schedules are included in the financial section of this report.

This report includes government-wide statements, and fund financial statements of various departments, agencies and other organizational units, which are considered part of the Town of Huntington’s financial reporting entity. Criteria for determining the reporting entity and presentation of the related financial data are established by the Government Accounting Standards Board. The criteria include legal standing and financial accountability. Note A to the Financial Statements provides detail on the financial reporting entity with a brief summary of the nature of significant component units and their relationship to the Town of Huntington.

The Town is required to undergo an annual “single audit” in conformity with the provisions of the Federal Single Audit Act (as amended) and the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this “single audit”, including the schedule of expenditures of federal awards, findings and recommendations and the independent auditors’ reports on the internal control structure and compliance with applicable laws and regulations are not presented in this report, but rather are routinely presented as a separate report.

The Management’s Discussion and Analysis (MD&A), in the financial section, provides an introduction, overview and analysis of the Town’s basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

General and Historical Information

The Town is located at the western end of Suffolk County contiguous to the Nassau-Suffolk County border. It is approximately 40 miles from Manhattan and 40 miles from Riverhead, the Suffolk County seat. The history of Huntington is closely associated with the early development of the American colonies. The community was originally settled in 1653, well within the lifetime of the earliest New England colonist. In the beginning, water-borne transportation gave life to the community. The natural harbors offered ready access to the farmlands of the Long Island interior. The harbor was the setting for the early Huntington community, which became the focal point for the movement of agricultural products into the commerce of the colonies. Although agriculture was its mainstay and water-borne transportation its lifeline for two centuries, in later years the whaling industry and expanded manufacturing activity broadened the local economy and gave impetus to the expansion of the harbor communities of Cold Spring Harbor, Huntington and Northport.

Huntington enjoys five harbors bordering the north shore of the Town: Cold Spring Harbor, Lloyd Harbor, Huntington, Centerport and Northport Harbors. Within its coves and bays there are a total of eight beaches maintained by the Town. The Town has also put into operations three marinas for the use of residents. These facilities, along with boat ramps, municipal golf courses, ice skating rinks and park sites, provide active recreation for Town residents.

The Town is within easy commuting distance of New York City. The Long Island Rail Road, which has frequent schedules of trains, accommodates its commuters daily to New York City from four stations in the Town. The Town is connected with New York City and other nearby points by four main east-west highways: Route 25A (Northern Boulevard), Route 25 (Jericho Turnpike), the Northern State Parkway and the Long Island Expressway. In addition, Old Country Road provides a secondary east-west connecting highway to central and southern sections of the Town.

The Town provides the following services:

- Planning and Community Development: Environmental, land management, zoning, environmental open space and park fund (EOSPA), buildings review, housing services and economic development
- Citizen and Community Services: Neighborhood improvements, senior citizen services, handicapped services, women's services, veteran's and minority affairs
- Public Safety: Emergency management, code enforcement, fire prevention, animal control and special services
- Transportation and Parking: Street and drainage maintenance, roadway improvements, public transportation
- Support Services/Legislative/Administrative: Facilities, financial, fleet, human resources, technology, legal, tax collection, records management, historic preservation
- Culture and Recreation Services: Parks, beaches, recreational, youth programs
- Utilities: Water and Sewer
- Other Operations: Refuse disposal, recycling, resource recovery and environmental remediation

Town Government

The Town of Huntington is governed by Town Law, other general laws of the State of New York as well as various local laws and ordinances and is classified by New York State as a suburban town. Included in the Town are four incorporated villages: Northport, Asharoken, Lloyd Harbor and Huntington Bay. In addition, there are several prominent unincorporated areas in the Town. These include Cold Spring Harbor, Elwood, Huntington, Huntington Station, South Huntington, Melville, East Northport, Halesite, Dix Hills, Centerport, Greenlawn and Fort Salonga. The Town encompasses an area of approximately 94 square miles. There are eight public school districts in Huntington, five of which are entirely within the Town. The other three serve portions of the Towns of Smithtown, Babylon and Oyster Bay, in addition to parts of Huntington.

The chief executive officer of the Town is the Supervisor who is elected for a term of four years and is eligible for the right of succession. The Supervisor is also a member of the Town Board.

Town Government-(continued)

The Town Board is the principal policy-making body of the Town. Its four members, in addition to the Supervisor, are elected to four-year terms. The terms are staggered so that every two years two Council Members run for election. There is no limitation to the number of terms that may be served by members of the Town Board. Both Supervisor and Council Members are elected at large.

The Town Board appoints its Assessor, who serves a six-year term. The Town Board appoints the Comptroller and the Town Attorney, whose terms end upon the succeeding election of a new Town Board and appointment of a successor. The Town Clerk, the Receiver of Taxes and the Superintendent of Highways are elected for four-year terms.

The Comptroller, who is responsible to the Town Board, also acts as the accounting officer of the Town. Pursuant to Local Law No. 12, 1974, certain financial functions of the Town are the responsibility of the Comptroller. The duties of the Comptroller include administration and direction and control of the following divisions: Audit & Control, Payroll and Purchasing.

The Comptroller is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with U.S. generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation costs and benefits require estimates and judgment by Town management.

In December 2009, the Town established an Audit Committee consisting of five members including the Town Supervisor, one Town Board member and three members of the public. This Committee supports the Town Board's oversight of management, reporting and controls of the Town of Huntington's finances. Their primary role is to advise the Town Board with an informed and objective opinion regarding the workplace culture, policies, systems and controls in place to adequately safeguard the assets of the Town and accurately and transparently report the Town's financial information.

Local Economy

The cornerstones of Huntington's desirability as an outstanding place to live, work, and raise a family have always been its people, quality of life, pristine waterfront and beaches, open spaces, historical charm and property tax stability. With the Town's finances on sound fiscal footing, the Town Board has undertaken numerous initiatives to further enhance the Town's quality of life. These include: sponsorship of a third bond act of \$15 million to purchase and preserve open space, improve park facilities, fund neighborhood improvements, and support green energy efficient projects. The Town has implemented clean energy initiatives by purchasing natural gas garbage trucks, clean diesel fuel buses, hybrid vehicles; installed energy saving light fixtures, solar energy at Town Hall and municipal parking lots, progressed Huntington Station revitalization through a private developer to assist the municipality with the next phase of Huntington Station's revitalization, maintained programs to enhance care for children and seniors; continued the "American Dream" Program providing down payment assistance to first-time home buyers; continued the "Take Back the Blocks Program" to purchase and rehabilitate homes that are sold as affordable housing units with accessory apartments.

Median family income (\$122,555) and housing values (\$460,000) exceed figures for other Suffolk County towns as well as New York City suburban averages. Income growth within the Town has remained stagnant but is significantly higher than the state and county averages, and recent economic indicators demonstrate that the Town continues to be an economically vibrant community.

Long Island has shown signs of economic improvement in 2014. Job growth continued in 2014 mainly in construction, wholesale trade, administrative and support services and arts and entertainment. Housing demand continued to strengthen in 2014. Home prices remained stable with an increase of 2.5% in a continued tight lending market.

Local Economy (continued)

Huntington's unemployment rate has remained low at 3.9% as of December of 2014, below the Suffolk County rate of 4.7%, New York State of 5.6% and the nation's rate of 5.4%.

The Town of Huntington is a mature suburban community. Although its capacity for new large-scale residential development on vacant land is limited, there continues to be a significant number of large-scale housing projects predominately resulting from the redevelopment of underutilized properties throughout the Town. In the future, new housing construction will generally occur as in-fill development on smaller parcels within existing neighborhoods or as major developments on large underutilized properties. This trend has and will continue to contribute to population and tax base growth in the future.

The strength of the local housing market is evidenced by the projects currently under Planning Department review, recently approved, under construction or completed. Since 2009 the Town has approved the construction of nine-hundred and twenty-six (926) housing units of various building types and densities. Several major multi-family housing projects approved this past year that are under construction include the Club at Melville with approximately two hundred fifty (250) units, Creekside Apartments with nineteen (19) units, Avalon Bay, a three hundred seventy nine (379) rental project, and Heatherwood, a three story mixed use facility with twenty-six (26) rental units in downtown Huntington. With respect to single-family residential subdivisions, the Town Planning Department is currently processing fifty-one (51) subdivisions that will ultimately result in the development of approximately two-hundred and fourteen (214) new single-family homes. It is also important to note that there are a number of significant residential projects not included within the town wide unit total that have received zone changes and are in various stages of site plan review. Included within this category are the Oheka Castle condominium project, totaling one hundred ninety (190) luxury housing units, and the Seasons at Elwood, a planned 263 unit retirement community

Commercial and industrial development expansion and improvement remains steady. Over the past eight (8) years, over two (2) million square feet of Class A office space has been constructed or renovated in the Town's corporate center, the Melville Employment Center (MEC). These developments include the Rubies Corporation, Air Techniques, Henry Schein, Honeywell Corporation, Leviton Corporation and the Capital One Bank Corporate Center. Further, a new Hyatt Hotel with one-hundred and sixty (160) rooms has been proposed on Route 110 in the MEC. In addition, TD Bank currently plans to open three new locations within the Town.

The construction of the first phase of the 900,000 square foot Canon USA North American Headquarters, approved in March 2010, was completed February 2013. The first phase included the construction of 700,000 square feet of office and research space with parking garages for approximately three-thousand (3,000) cars. Canon USA employs approximately 1,800 people at this location. The second phase of the project is anticipated to begin in 2017 and provide an additional 200,000 square feet of research and development space which would increase the number of employees to 2,060. A regional economic analysis estimated that the Canon construction will inject approximately \$459.1 million into the local economy. Secondary economic impacts are expected to generate an additional \$350.0 million.

Vacant commercial and industrial land, like the Canon site, is limited. However, many sites zoned for such uses are under-utilized and excellent candidates for site redevelopment. This is an emerging trend that is fully supported and encouraged by Huntington officials, who have identified existing commercial corridors and industrial sites throughout the Town, and the Melville Employment Center (MEC) in particular, as the Town's primary focus in its 2008 Comprehensive Plan Update "Horizons 2020". Many of the under-utilized industrial sites in Melville are on large parcels in prime locations with access to the Long Island Expressway (LIE). The Town adopted new zoning guidelines in 2006 to promote redevelopment to meet the demands of modern corporations. The strong market demand for quality corporate office space will continue to spur redevelopment and result in increasing market values and commercial property tax revenues. For example, a new six-story 160,000 square foot corporate center has been proposed on a property on the LIE South Service Road that formerly housed a one-story aging commercial building. This office site is directly to the east of the Canon site and is currently under review.

Local Economy (continued)

In addition to Melville, significant commercial projects continue to be proposed in other locations to take advantage of the income and employment levels in the Town. For example, currently under review is Villadom-Elwood Orchard development on the Jericho Turnpike Corridor. This project consists of the rezoning of 49.28 acres in Elwood for the construction of a 486,000 square foot mixed use development which will include retail, office, a supermarket, a restaurant and a fitness center. The developer estimates that this project will create 750 construction jobs and eventually create 950 permanent full time positions.

A similar redevelopment trend is occurring in other corridors as evidenced by the increasing number of applications to the Town's Planning and Zoning Boards for expansion of existing business uses. Shopping centers are upgrading to compete with the "box" stores and outlet centers. Simon Properties completed construction of a 74,000 square foot expansion of its existing 1.2 million square foot Walt Whitman Mall on Route 110 in 2013, Target Corporation purchased a 150,000 square foot retail location and opened a new store in October 2013, creating 250 jobs. Consumer expenditures per capita by Huntington households are among the highest in the nation and will continue to fuel the commercial redevelopment and expansion for the foreseeable future. In addition, there has been an increasing trend, and there are numerous projects underway, for mixed use construction within downtown Huntington Village.

Finally, Huntington is home to several thriving "downtown" business districts. Huntington Village is one of Long Island's finest, boasting a performing arts theater, an art museum, a park with free concerts, an independent cinema arts theater, a commercial movie theater, about 50 restaurants and 200 retail stores. The Paramount Theater, a performing arts center in the Village has opened its doors and has offered live performances attracting many to the downtown area. Other important developments in Huntington Village are the planned boutique hotel that will provide first class lodging to visitors to the region and the increase in construction of mixed use developments in the downtown area. Located within a mile of local beaches and the LIRR and served by the HART Bus public transportation system, Huntington village features a considerable stock of rental units and smaller, more affordable single-family homes.

Long-range Financial Planning

The Town's capital budget program is a long-range financing plan and is approved annually by the Town Board. Each capital project may be financed by the issuance of general obligation bonds or the commitment of operating funds or reserve funds in lieu of capital borrowings in order to be on the "pay as you go" program to reduce the debt service burden.

The Town, over the years and as part of its long-range financial planning, has prudently built up reserves during periods of good times so that these funds can be strategically used to offset potential tax increases when times become tough. This fiscal policy continues to be a major initiative for the Town.

The Town's strategic financial planning encompasses conservative long-term forecasts of recurring revenue, future impact of long term agreements, careful reserve and fund balance analysis and a multi-year approach to capital project plans to anticipate future impacts of today's financial decisions and to reach long-term financial stability while achieving the Town's objectives.

Major Initiatives

Through sound fiscal management, the Town has been able to fund and complete various major projects in 2014 including \$16.5 million of road resurfacing, reconstruction, drainage, equipment purchases, land purchases, land improvements, recreational facility and building improvements.

Major initiatives that are currently underway within the Town include the following:

- Huntington's three Business Improvement Districts (BID), Huntington Village, Huntington Station and Cold Spring Harbor continue to work cooperatively with the Town to enhance the Town's downtown business districts. These efforts seek to stimulate economic activity. In order to attract interest to the districts, events such as classic car shows, Halloween Parades and trick or treating of downtown shops, sidewalk sales and jazz festivals continue into 2015. Huntington Station is planning its sixth annual "Huntington Awareness Day" that further encourages patronage of Huntington Station retail establishments and a sense of unity within the community.
- The Town continues to assist its BIDs in all ways possible. All of the BIDs agree that more programming is needed to attract the patronage necessary to sustain their various places of business. The Town continues to participate as the lead member in consortium to address the need for additional parking in downtown Huntington Village. The consortium is comprised of the Town, the Huntington Chamber Commerce, Town of Huntington Economic Development Corporation, Huntington Village BID and Paramount Theater. During the summer of 2014, the consortium entities co-funded a pilot parking valet program in downtown Huntington Village that provided parking relief while major capital improvements and a renovation were occurring at one of the shopping district's largest municipal parking lots.
- The Town of Huntington through the Huntington Community Development Agency (CDA) administers approximately \$800,000 in program funding annually. This includes: a Home Rehabilitation program designed to help elderly and limited-income residents remain in their homes; a Down Payment Assistance program that assists eligible first time buyers achieve the dream of homeownership; and "Take Back the Blocks" that purchases and renovates derelict properties and converts them to owner-occupied affordable housing. CDA also spearheads development programs to stimulate economic development and job growth in low-income areas such as the Huntington Business Incubator, and serves as the HUD contract agency for the disbursement of Huntington's federal Community Development Block Grant (CDBG).
- Huntington, the Town of Huntington Economic Development Corporation, and Renaissance Downtowns, LLC public private partnership is moving closer to construction and revitalization in and around the Huntington Train Station transportation hub. The Community Benefits Agreement was finalized by the close of 2014 and forecasts some \$300,000 in developer fees coming to the Town for use in uplifting the Huntington Station area by way of community programs. The developer is finalizing the SEQRA process for the area's proposed developments and active discussions remain underway with the New York State Department of Transportation and Long Island Rail Road with regard to the disposition of state-controlled lands to the Town so they can be developed in accordance with the development strategy.
- In accordance with Town policy, the Town successfully completed the United States Department of Energy (USDOE) Energy Efficiency and Conservation Block Grant (EECBG) for energy-related projects including: 1) the installation of high-energy efficiency street lighting; 2) re-commissioning of Town Hall that included an energy audit and resulting implementation of energy conservation measures, such as, a building automation system upgrade and VFDs, 3) a 28kW solar PV demonstration project for Town Hall; 4) developed & implemented a residential energy efficiency retrofit program for Town homeowners that helped over 1,000 Huntington homeowners save energy and money; and 5) developed a comprehensive Town-wide long-range energy efficiency and capital investment plan. USDOE invited Huntington to join the Better Buildings Challenge (BBC), and as a BBC partner, the Town has committed to reduce energy intensity 20% by 2020.

Major Initiatives (continued)

- The Town has adopted the NYSDEC Climate Smart Communities Pledge for localities to improve energy efficiency and reduce greenhouse gas emissions, and has developed a Climate Action Plan that is under review to be adopted by the Town Board. Huntington is in the process of converting its public transit bus fleet to clean diesel and its garbage trucks to CNG. The Town constructed a 12 KW solar powered PV system and five Electric Vehicle (EV) charging station at Huntington's LIRR South Parking Garage partially funded by a NYSERDA grant. The Town helped develop the LI Unified Solar Permitting Initiative (LIUSPI) resulting in Huntington's invitation to join Sustainable CUNY as a participating partner in NYSERDA's NY Sun Initiative and NY Solar Smart under DOE's Solar Rooftop Challenge II grant. The Town assisted Sustainable CUNY in modifying LIUSPI to bring unified solar permitting to NYS as part of their grant deliverable. Together with Sustainable CUNY and the Town's Advisory Committee on Energy Efficiency, Renewables and Sustainability (ACEERS), Solarize Huntington, a group purchasing program, was developed and launched to provide education and outreach and lower the soft costs of solar PV installations for Town homeowners. The Town has applied to NYSERDA's RFP 3044 to conduct a NY Prize Stage 1 Feasibility Assessment for the Town of Huntington Community Microgrid located in Huntington, NY. The proposed microgrid will provide energy service to several critical facilities in the immediate area which serve a critical community need and have suffered from historic reliability issues in the past during Hurricane Sandy and Irene. The Town is working to develop a model geothermal code that will be suitable for the Town of Huntington, incorporating promoting the energy efficient and environmentally friendly emerging technology with safeguarding against faulty installations.

Economic Development

The Town of Huntington continues to advance its efforts Town-wide to improve and enhance economic development, facilitate the creation of jobs, cultivate retention and growth of business, and promote tourism. The Supervisor's Office and the Huntington Community Development Agency work closely with regional business associations, chambers of commerce and business improvement districts to streamline permitting, overcome regulatory obstacles, identify capital improvement projects and apply for and receive outside grant funding for public works projects.

Current projects the Town has implemented or is in the process of implementing to enhance the economic development of the Town are:

- Renaissance Downtowns, LLC as Master Developer for Huntington Station, is finalizing its development programs for a series of new buildings in the transportation hub area. These projects include a boutique hotel, office building, mixed use building and artists' lofts. A structured parking garage will also be included to accommodate commuter and retail parking. The developer is expecting to break ground by first quarter 2016.
- Town of Huntington Economic Development Corporation is continuing to interact and advise Renaissance Downtowns on the revitalization of Huntington Station and, among other things, is pursuing the continuing development of Gateway Park in Huntington Station. This park includes a 1900s farmhouse that is being transformed into a meeting house with public restrooms for park-goers, and an exhibit hall to focus on the history of the area, Huntington Station's early agriculture, as well as current trends in agriculture and gardening. The renovations to the farmhouse are being funded by a \$270,000 grant from the State of New York.
- The Town of Huntington purchased and razed a decade old Huntington Station eyesore at 1000 New York Avenue to pave the way for its resale and redevelopment by the private sector. For this project, the Town secured a \$1.1 million grant from Empire State Development Corporation that will be passed to a selected private developer to offset demolition and construction costs. This property, among three others adjacent to it, is slated by the Master Developer to become a mixed use center with retail on the first floor and studio and one bedroom apartments above.

Economic Development (continued)

- The Town of Huntington and Renaissance Downtowns remain in the process of marketing the Town of Economic Development Corporation-owned Northridge property in Huntington Station to attract a bank and other uses that are compatible with the adopted Development Strategy.
- The Huntington Business Incubator (Biz Inc) was opened in fall 2013 by the Huntington Community Development Agency to offer start-up businesses and entrepreneurs a place to access a host of business amenities including co-working space, conference rooms, business technology, professional guidance through volunteer mentors, and more. The purpose of Biz Inc is to seed fledgling businesses with a hope to nurture them to the point where they can be “re-seeded” in the Huntington Station redevelopment area or elsewhere in the Town.
- The Huntington Opportunity Resource Center (HORC) was opened in June 2014 at 124-1268 New York Avenue to provide an array of services to assist the unemployed and underemployed in the Town. The Town partnered with Suffolk County to bring the County’s Department of Social Services and Department of Labor to the Resource Center to assist residents in need. The Town/County partnership leverages shared resources that result in blanketing the community with a plethora of services, including resume writing, business software training, workshops, dress for success services, job search assistance and so much more.
- The Town and its Huntington Community Development Agency are partnering on the construction of a 14-unit veteran’s preference affordable housing community to be known as Columbia Terrace Condominiums. This community will be located at the intersection of Railroad Street, Lowndes Avenue and Columbia Street. The Town/HCDA are planning to break ground in the fall of 2015. The project was recently awarded a grant in the amount of \$250,000 from Suffolk County to cover the cost of required road infrastructure and streetscaping work fronting the property. Empire State Development has further awarded a \$1.4 million grant for the construction of the condos.

Financial Information

Budgetary Control

The Supervisor prepares a tentative budget each year that becomes the preliminary budget upon the scheduling of a public hearing thereon. Subsequent to the public hearing, revisions, if any, are made and the budget is adopted by the Town Board as its final budget for the coming year. The Town’s fiscal year 2015 final budget was adopted on November 6, 2014.

The Town establishes budgetary controls to ensure compliance with legal provisions in the annual appropriated budgets approved by the Town Board. The Supervisor submits a proposed operating budget for the General, Debt and Special Revenue Funds for the fiscal year commencing on January 1. The operating budgets include proposed expenditures and the means of financing them. A public hearing is conducted to obtain taxpayer comments on the proposed budgets. Subsequent to the public hearing, revisions, if any, are made and the budget is then adopted by the Town Board as its final budget for the coming fiscal year. In the event that the budget is not adopted, the proposed operating budget is adopted by default.

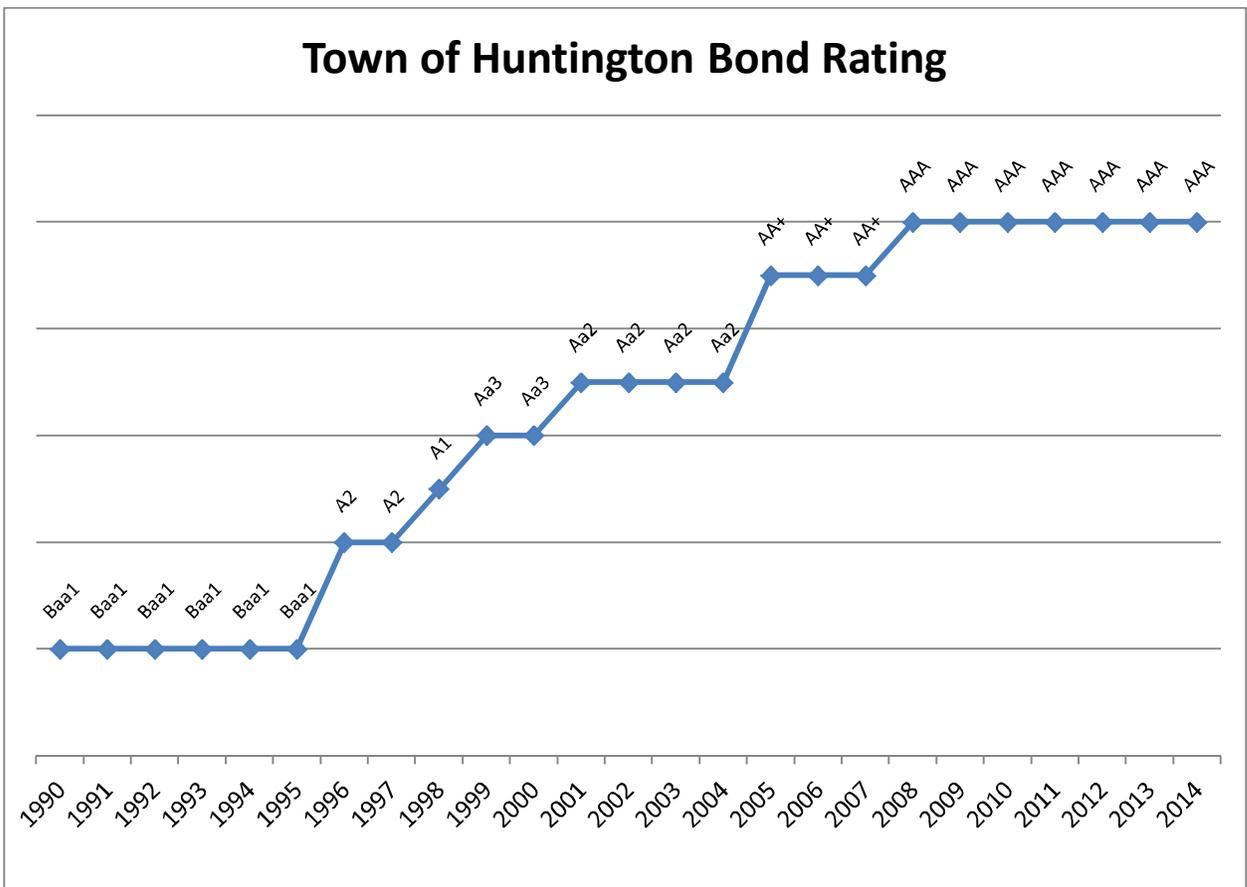
The level of budgetary control at which expenditures cannot exceed the appropriated budget amount is exercised at the object level within a department. The Town also maintains an encumbrance accounting system that accomplishes budgetary control. Appropriations which have not been expended or encumbered, lapse at the end of the year.

Financial Information (continued)

Debt Administration

The Town has achieved the highest bond rating of AAA from all three rating agencies, Standard & Poor’s, Fitch Rating Agency and Moody’s Investor’s Service from 2010 to 2014, placing Huntington among the best fiscally managed Towns in New York State. In 2014 Moody’s Investor’s Service placed 256 US local government General Obligation ratings under review in conjunction with updated methodology which included the Town of Huntington. On November 25, 2014, all three rating agencies confirmed the Town’s AAA rating. These ratings have been upheld for all previously issued bonds as well. This achievement reflects the Town's consistently solid financial position and a low debt with manageable additional capital needs.

The Town has received six bond rating upgrades since July 1995. Prior to 1995, it had been 28 years since the Town received an increase in bond rating. As a result of these upgrades, the Town’s cost to borrow has decreased considerably. The Town is committed to maintaining its current bond rating in future years.



Financial Policies

The Town of Huntington is governed by financial policies pursuant to laws of the State of New York. In addition, the Town has adopted and adheres to a set of Financial Management Policies that includes the following policies: Debt Management Policy, Fund Balance Policy, Budget Policy, Investment Policy, Cash Collection Policy, Purchasing Policy, Credit Card/Debit Card Policy, Capital Asset Policy and a Cash, Payments & Deposits Policy. All policies are designed to strengthen internal controls.

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Huntington for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2013. This was the fifteenth consecutive year that the Town of Huntington has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

In addition, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Distinguished Budget Presentation Award to the Town of Huntington for the fiscal year beginning January 1, 2014. This was the second consecutive year that the Town of Huntington has received this prestigious award.

A Certificate of Achievement and Distinguished Budget Presentation Award are valid for a period of one year only. We believe both our current comprehensive annual financial report and our adopted budget continue to conform to their respective program requirements. We have submitted the 2015 Adopted Budget and are submitting the 2014 CAFR to the GFOA to determine their eligibility for another certificate.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Comptroller's Office and the guidance of our independent auditors, Cullen & Danowski, LLP. I would like to extend my appreciation to all members of the department who assisted and contributed to its preparation.

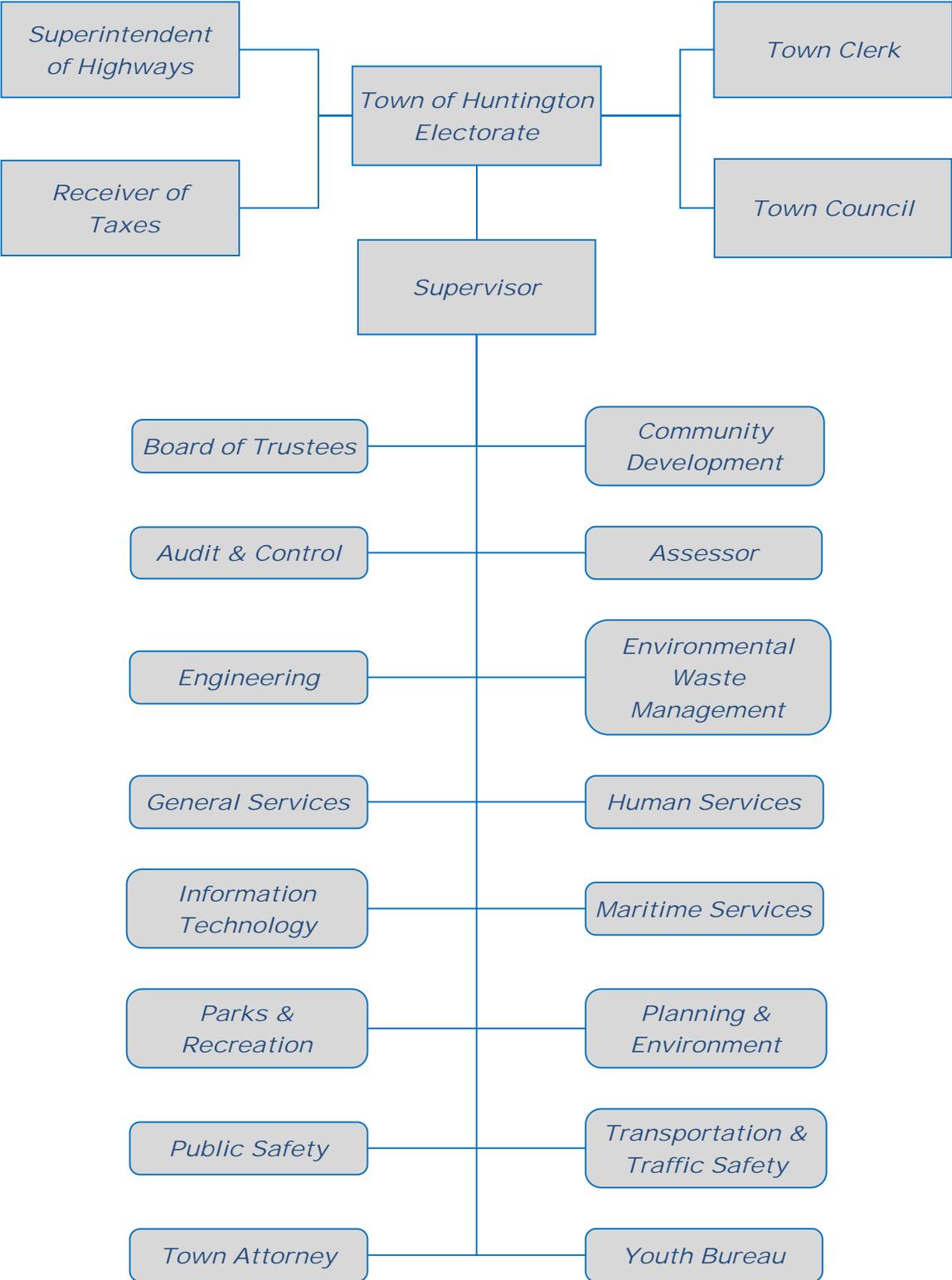
Finally, I would like to thank the Supervisor and the members of the Town Board for continued interest and support in planning and conducting the financial operations of the Town of Huntington in a responsible and progressive manner.

Respectfully submitted,



Peggy Karayianakis CPA
Town of Huntington
Interim Comptroller

Town of Huntington Organizational Chart



Town of Huntington Town Officials

Town Board



Frank P. Petrone
Town Supervisor



Susan A. Berland
Councilwoman



Eugene Cook
Councilman



Mark A. Cuthbertson
Councilman



Tracey A. Edwards
Councilwoman

Town Clerk:

Jo-Ann Raia

Receiver of Taxes:

Ester Bivona

Superintendent of Highways:

Peter Gunther

Assessor:

Roger Ramme

Director of Audit and Control:

Peggy Karayianakis

Director of Engineering:

Joseph Cline

Director of Environmental Control:

Matt Laux

Director of General Services:

Mark J. Tyree

Director of Human Services:

Jillian Guthman-Abadom

Director of Information Technology:

William Crowley

Director of Maritime:

Edward Carr

Director of Parks & Recreation:

Donald McKay

Director of Planning:

Anthony J. Aloisio

Director of Public Safety:

Joseph Rose

Director of Transportation & Traffic Safety:

Stephen McGloin

Director of Youth Bureau:

Maria E. Georgiou

Town Attorney:

Cindy Elan-Mangano

Town Historian:

Robert Hughes



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Huntington
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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**FINANCIAL
SECTION**

INDEPENDENT AUDITORS' REPORT

Honorable Supervisor and Town Board
Town of Huntington
Huntington, New York

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Huntington, New York (Town), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town'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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the two component units, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the component units, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement. The financial statements of the South Huntington Water District, one of the discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

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 financial statement 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.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Huntington, New York, as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and the schedule of funding progress - postemployment benefits healthcare costs on pages 22-33 and 82-90 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Huntington, New York's basic financial statements. The introductory section, other supplementary information section, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information on pages 92-117 is the responsibility of management and was 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the other supplementary information on pages 92-117 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2015, on our consideration of the Town of Huntington, New York's internal control over financial reporting and on our tests on 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 Town of Huntington, New York's internal control over financial reporting and compliance.

Cullen & Danowski, LLP

June 3, 2015

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Huntington (the "Town"), we offer readers of the Town's financial statements this Management Discussion and Analysis ("MD&A") of the financial activities of the Town for the fiscal year ended December 31, 2014. The MD&A is intended to serve as an introduction to the Town's basic financial statements, which have the following components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

New Accounting Principles- Effective with the financial report for the year ended December 31, 2014, the Town has adopted two new pronouncements. GASB Statement No.69 on *Government Combinations and Disposals of Government Operations* establishes accounting and financial reporting standards to government combinations and disposals of government operations. GASB Statement No.70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of the statement is to improve accounting and financial reporting by state and local governments that extend or receive nonexchange financial guarantees.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report presents the Town's financial activities and position in four parts—MD&A (this section), the basic financial statements, required supplementary information other than MD&A, and other supplementary information presenting combining statements for non-major governmental funds, and component units. The report also includes statistical and economic data.

The basic financial statements include government-wide financial statements, fund financial statements, and notes that provide more detailed information to supplement the basic financial statements.

Reporting on the Town as a Whole

The government-wide financial statements are designed to present an overall picture of the financial position of the Town. These statements consist of the Statement of Net Position and the Statement of Activities, which are prepared using the economic resources measurement focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included regardless of when cash is received or paid, producing a view of financial position similar to that presented by most private-sector companies.

The Statement of Net Position combines and consolidates the Town's current financial resources with capital assets and long-term obligations. This statement includes all of the Town's assets and liabilities. Net position is the difference between the Town's assets and liabilities, and represents one measure of the Town's financial health. Overtime, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities focuses on both the gross and net cost of various activities (governmental and component unit); these costs are paid by the Town's general tax and other revenues. This statement summarizes the cost of providing (or the subsidy provided by) specific government services, and includes all current year revenues and expenses.

The Statement of Net Position and the Statement of Activities divide the Town's activities into two types.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Governmental Activities

The Town's basic services are reported here, including general government, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. Taxes, fees, and federal and state aid finance most of these activities.

Discretely Presented Component Units

Discretely Presented Component units are legally separate organizations for which the Town is either financially accountable, or the nature and significance of their relationship with the Town is such that exclusion would cause the Town's financial statements to be misleading or incomplete. The Town includes two discretely presented component units in the notes to this report. These entities are reported in a separate column in the government-wide statements. See Note A.1 for information on separately issued financial statements.

Blended Component Units

Certain Component Units, deposited being legally separated from the primary government, are reported as if they were part of the primary government because they provide services exclusively to the Town and thus are reported as if they were part of the primary government. The Blended Component Units, are Huntington Community Development Agency and Local Development Corporation and are reported as non-major government funds.

Reporting on the Town's Most Significant Funds

Fund financial statements present financial information in a form more familiar to experienced users of governmental financial statements. However, these statements now focus on the most significant funds. Use these statements to find more detailed information about the Town's most significant activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The Town uses funds to keep track of sources of funding and spending related to specific activities.

Governmental Funds

A majority of the Town's activities are reported in governmental funds. Reporting of these funds focuses on how money flows into and out of the funds, and amounts remaining at year-end for future spending.

Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general governmental operations and the basic services it provides. This information should help you determine whether there are more or less resources available for the Town's programs. The reconciliation following the fund financial statements explains the differences between the government's activities, reported in the government-wide Statement of Net Position and government-wide Statement of Activities, and the governmental funds. The General Fund, Highway Fund, Debt Service Fund, Refuse and Garbage Fund and Capital Projects Fund are reported as major funds.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because those funds are not available to support the Town of Huntington's activities.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Net Position

Total assets and deferred outflows of the Town on December 31, 2014, were \$417.7 million, a decrease of \$14.4 million over the prior year, which includes a prior period adjustment of \$1.3 million. Total liabilities and deferred inflows were \$207.9 million, an increase of \$7.4 million over the prior year. See Note C 9. This results in a net position balance of \$209.8 million, a decrease of \$21.8 million over the prior year. Of the Town's net position, \$254.0 million was net investment in capital assets, while \$5.8 million was restricted by statute or other legal requirements, and was not available to finance day-to-day operations of the Town. The unrestricted net position (deficit) was (\$50.0) million, and increased the deficit by \$10.6 million primarily as a result of the recording of a \$7.7 million increase in the Other Post-Employment Benefits liability (OPEB). The Town's bonded indebtedness was \$84.0 million, which included issuances in 2014 for \$8.3 million in Town bonds to finance road construction, improvements to Town facilities, parking and infrastructure.

Condensed Statement of Net Position
Governmental Activities
As of December 31,

	<u>2014</u>	As Restated <u>2013</u>
<u>Assets and Deferred outflows</u>		
Current and other assets	92,083,135	102,989,229
Non-current pension asset	248,929	143,864
Capital assets	325,385,662	329,015,912
Total assets and deferred outflows	417,717,726	432,149,005
<u>Liabilities and Deferred inflows</u>		
Current and other liabilities	44,568,659	41,668,908
Non-current liabilities	153,009,634	146,163,130
Deferred inflow of resources	10,357,863	12,703,900
Total liabilities and deferred inflows	207,936,156	200,535,938
<u>Net Position</u>		
Net investment in capital assets	254,011,721	259,663,495
Restricted	5,753,873	11,289,185
Unrestricted	(49,984,024)	(39,339,613)
Total net position	\$ 209,781,570	\$ 231,613,067

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Changes in Net Position

The Town's program revenues for the year ended December 31, 2014 were \$41.9 million, a decrease of \$11.3 million and general revenues were \$127.2 million, a decrease of \$3.8 million over the prior year, for total revenues of \$169.1 million, a decrease of \$15.1 million. The expenses for the year ended December 31, 2014 of the Town were \$190.9 million, an increase of \$4.7 million. As a result of expenses exceeding revenues, the change in net position for the year ended December 31, 2014 was a decrease of \$21.8 million. Revenues and expenses of the Town's governmental activities are detailed on the next page.

As a result of a directive by the NYS Comptroller's Office, issued October 2014 and under GASB Interpretation No.6, retainage does not meet the definition of a liability until it becomes due and payable. This resulted in an increase in the opening balances of the Town's net position fund balance as of December 31, 2013. Fund balance increased by \$1.3 million and was restated.

Governmental Activities

During the current fiscal year, net position for governmental activities decreased by \$21.8 million from the prior fiscal year for an ending balance of \$209.8 million. The decrease in overall net position of governmental activities is due primarily to the following:

- Increase in OPEB liability - \$7.7 million
- Increase in Risk Retention liability - \$1 million
- Increase in snow removal costs - \$2.3 million
- Increase in use of reserves for unanticipated expenditures - \$2.7 million
- Increase of payroll expenses - \$1.8 million
- Decrease in Sewer Charges revenue - \$1 million
- Decrease in Mortgage Tax revenue - \$1.6 million

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Governmental Activities (continued)

Condensed Statement of Net Position
Governmental Activities
For the Years Ended December 31,

	<u>2014</u>	<u>As restated 2013</u>
<u>Revenues</u>		
Program Revenues:		
Charges for services	\$ 34,260,701	\$ 35,231,600
Operating grants & contributions	5,923,624	16,123,065
Capital grants & contributions	1,680,112	3,102,784
General Revenues:		
Property taxes	109,929,165	109,889,320
Mortgage taxes	6,423,492	7,988,336
Other taxes	4,822,112	4,513,225
Special Item-Loss on asset disposal	(19,781)	
Interest and investment income	1,351,384	1,390,584
State aid – unrestricted	1,067,256	1,067,256
Miscellaneous	<u>3,628,523</u>	<u>4,885,076</u>
Total revenues	<u>169,066,588</u>	<u>184,191,246</u>
<u>Expenses</u>		
General government support	\$ 41,719,964	\$ 38,157,603
Public safety	14,465,259	13,512,292
Health	3,526,646	3,440,004
Transportation	52,657,107	50,374,861
Economic assistance and opportunity	3,395,864	3,288,214
Culture and recreation	21,483,238	22,622,239
Home and community services	50,666,829	52,119,532
Interest and debt	<u>2,983,178</u>	<u>2,683,833</u>
Total expenses	<u>190,898,085</u>	<u>186,198,578</u>
(Decrease) Increase in net position	(21,831,497)	(2,007,332)
Net position, January 1 (as restated)	<u>231,613,067</u>	<u>233,620,399</u>
Net position, December 31	<u>\$ 209,781,570</u>	<u>\$ 231,613,067</u>

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Governmental Activities (continued)

Net Cost of the Town's Governmental Activities
For Years Ended December 31,

	<u>Total Cost of Services</u>		<u>Net Costs of Services</u>	
		<u>As Restated</u>		<u>As Restated</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General government support	\$ 41,719,964	\$ 38,157,603	\$ 35,867,052	\$ 30,875,513
Public safety	14,465,259	13,512,292	12,452,323	11,708,411
Health	3,526,646	3,440,004	3,040,204	2,953,451
Transportation	52,657,107	50,374,861	47,845,028	35,239,740
Economic assistance and opportunity	3,395,864	3,288,214	2,788,484	2,712,967
Culture and recreation	21,483,238	22,622,239	12,403,525	13,445,503
Home and community services	50,666,829	52,119,532	31,653,854	33,399,821
Interest on debt	2,983,178	2,683,833	2,983,178	2,683,833
Total	<u>\$ 190,898,085</u>	<u>\$ 186,198,578</u>	<u>\$ 149,033,648</u>	<u>\$ 133,019,239</u>

Governmental Funds

Total assets in the Town's General fund were \$35.3 million. Receivables reported were \$3.5 million, consisting of \$2.0 million in waste management fees, and \$1.1 million in franchise fees and \$.4 million of various small revenue receivables. Due from federal, state and other governments were \$2.6 million of which \$2.1 million is due from intermunicipal agreement for services provided by the resource recovery facility and \$.5 million from other granting agencies.

Total liabilities and deferred inflow of resources in the Town's General fund was \$11.3 million. Accrued liabilities of \$5.3 million were the result of payroll accruals and waste management fees, accounts payable of \$2.5 million and deferred inflow of resources of \$3.5 million from the 2014-2015 tax warrant.

In addition to the General fund, all Town Special Revenue funds exclusive of the Fire Protection District, the Ambulance District, Huntington Community Development Agency and Huntington Local Development Agency, which are included in the non-major governmental funds, have deferred inflow of resources. These balances are derived from tax monies collected for the 2014-2015 tax warrant.

As of December 31, 2014 governmental funds reported an overall fund balance of \$57.9 million. The unassigned fund balances in the General Fund is \$4.8 million. Fund balances in the Highway and Refuse and Garbage funds and other non-major funds are recorded as restricted funds, with the exception of those funds with deficit fund balances, in accordance with Governmental Accounting Standards Board Statement No. 54.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Governmental Funds (continued)

In the General Fund, the fund balance has decreased by \$4.4 million. The decrease in the General Fund was due to the following:

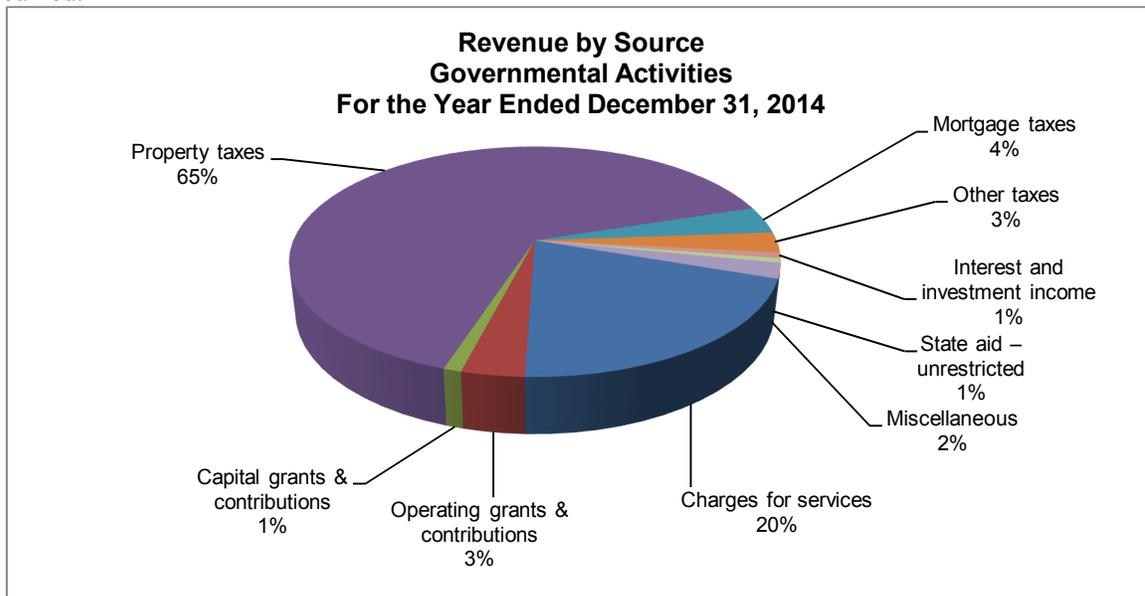
- Appropriation of \$.6 million from the Judgments and Claims Reserve for the settlement of various claims.
- Appropriation of \$.8 million from the General Capital Reserve for various capital projects in lieu of bonding.
- Appropriation of \$.6 million from the Employee Benefit Accrual Liability Reserve for payment of unused time to retirees.
- Decrease of \$1.3 million in parking meter fees due to the late implementation of new muni meter system. Delay was caused by severe winter, which hindered installation of new system.
- Decrease of \$1.0 million in mortgage tax.

In the Highway Fund, the fund balance has decreased by \$3.2 million. The decrease in fund balance is attributable to the following:

- Appropriation of \$2.4 million for snow removal.
- Appropriation of \$.3 million of fund balance for capital projects.
- Appropriation of \$.4 million for increase in retirement costs.

In the Refuse and Garbage Fund, the fund balance increased \$.3 million due to a reduction in the refuse and garbage disposal fees.

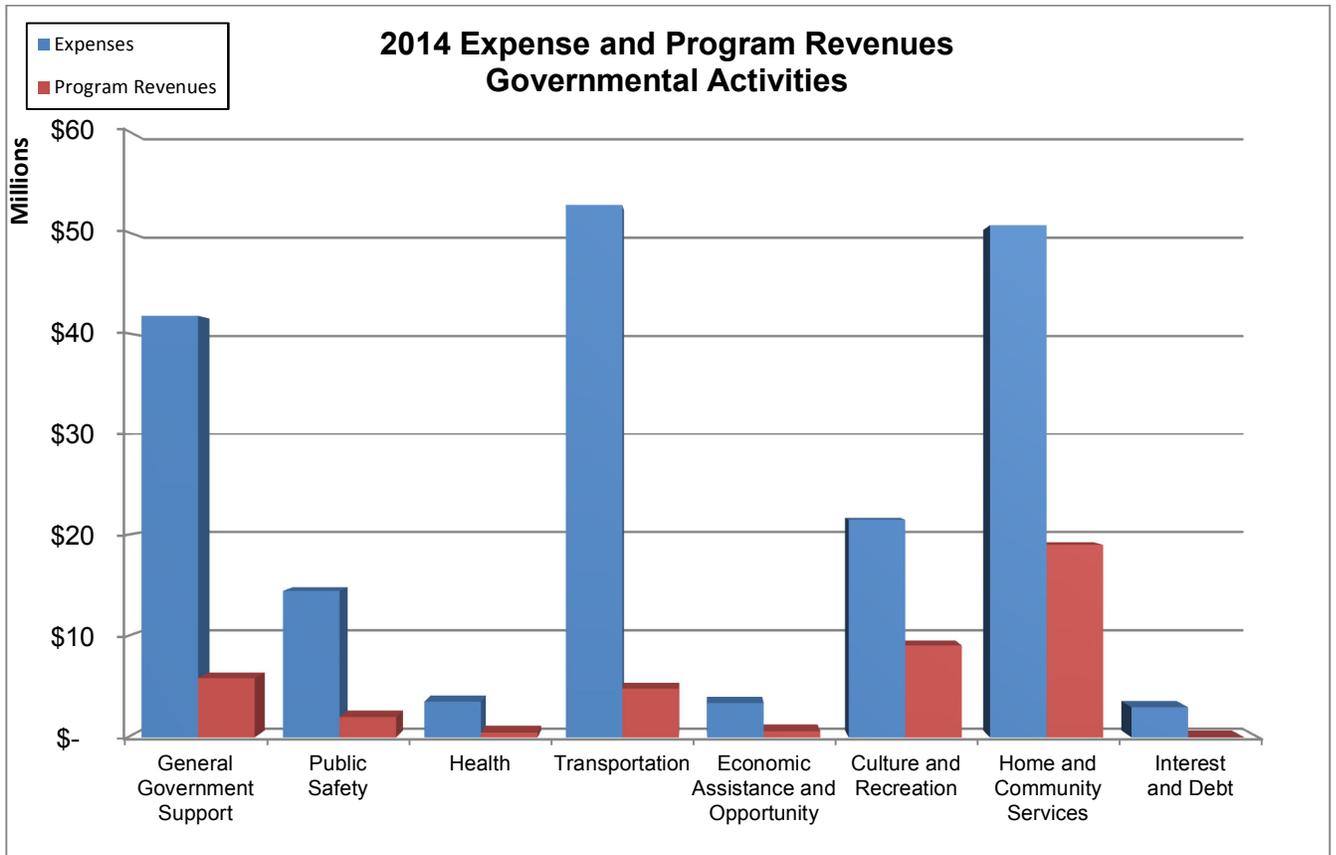
The Capital Projects fund had a decrease in fund balance of \$4.8 million. This is due to the timing of when revenues are recorded from the issuance of long-term debt, and when the expenditures for the related projects are incurred.



TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Governmental Funds (continued)



BUDGETARY HIGHLIGHTS

Variances for the General Fund

In the current year, the General Fund's final revenue budget amounts compared to the original revenue budget showed slight changes due to various immaterial adjustments.

The final expenditure and other financing uses budget compared to the original expenditure budget showed slight changes that were due primarily to increased retirement costs.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION

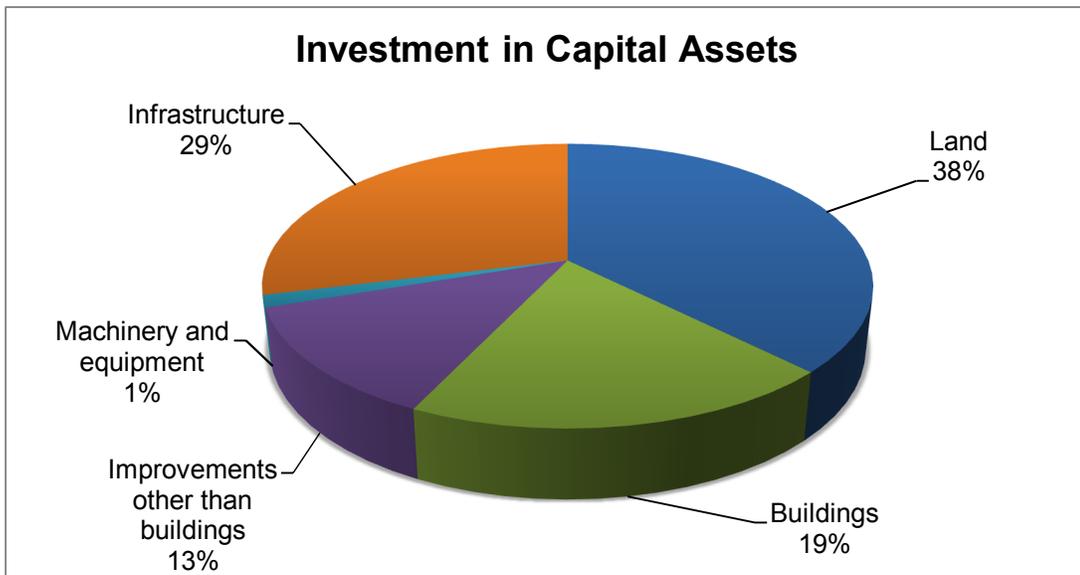
Capital Assets

As of December 31, 2014, the Town had \$325.3 million in net capital assets, of which \$93.9 million net was infrastructure. The Town's capital assets also include land, buildings, improvements other than buildings and machinery and equipment. The details of capital assets are shown in Note C.3 to the financial statements.

Capital Assets - Net of Depreciation
 Governmental Activities
 As of December 31,

	2014	2013
Land	\$ 122,125,810	\$ 122,125,912
Buildings	63,554,700	63,733,420
Improvements other than buildings	41,376,591	42,159,105
Machinery and equipment	4,424,430	5,324,769
Infrastructure	93,904,131	95,672,708
Total net capital assets	\$ 325,385,662	\$ 329,015,914

The Capital Budget Program is a long range financing guide and not a definitive plan. The Town Board must authorize each appropriation before any project is initiated. Each project may be financed by the issuance of general obligation bonds, which, at times, are preceded by the issuance of bond anticipation notes for various periods of time depending on the period's probable usefulness of the purpose of expenditure. The Town has made significant transfers of operating funds in lieu of capital borrowings in order to be on a "pay as you go" program to reduce the debt service burden, which has led to the reduction of debt service.



TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt Administration

The Town of Huntington may issue both general obligation bonds and bond anticipation notes. The Town may contract indebtedness only for a Town purpose and pledges its full faith and credit for the payment of principal and interest. Standard & Poor's Fitch Rating Agency affirmed the Town's 'AAA' respectively, reflecting the town's strong local economy, a diverse and continually expanding local employment base, consistently solid financial position with healthy unreserved fund balances and a low debt burden on a market value basis. Moody's Investors Service affirmed the Town's bond rating to Aaa.

During fiscal year 2014, the Town of Huntington issued \$8.3 million in general obligation bonds to finance road reconstruction, improvements to the Dix Hills Water District, town wide parking lots and Woodbine Marina, technology, and other improvements to Town infrastructure and facilities. Note-C.4 to the financial statements shows the details of the Town's long-term liabilities.

The New York State Constitution limits the power of towns (and other municipalities and school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations, in summary form, as generally applicable to the Town, include the following:

Purpose and Pledge - Subject to certain enumerated exceptions, the Town shall not give or loan any money or property to, or in aid of, any individual or private corporation or private undertaking or give or loan its credit to, or in aid of, any of the foregoing or any public corporation.

The Town may contract indebtedness only for a Town purpose and shall pledge its full faith and credit for the payment of principal and interest thereon.

Payment and Maturity - Except for certain short-term indebtedness contracted in anticipation of tax revenue or to be paid within three fiscal year periods, indebtedness shall be paid: (a) in annual installments commencing no later than two years after the date of such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object of purpose as determined by statute; and (b) no installment may be more than fifty percent (50%) in excess of the smallest prior installment unless the Town authorized the issuance of bonds with a substantial level of declining debt service. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its general obligation bonds and such required annual installments on its notes.

Debt Limit - The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven percent (7%) of the average full valuation of taxable real estate of the Town and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service.

The constitutional method of determining full valuation is calculated by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Board of Equalization and Assessment.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt Administration (continued)

The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking a sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

At December 31, 2014 the total outstanding indebtedness for the Town of Huntington (including component units) aggregated \$108.0 million. Of this amount \$84 million was subject to the constitutional debt limit and represented approximately 3.16% of the statutory debt limit.

FACTORS AND NEXT YEAR'S BUDGET AND RATES

Union Contracts

The Town employs approximately 696 full-time employees as of December 31, 2014. The Civil Service Employees Association covers approximately 199 employees. Local 342, Long Island Service Employees, United Marine Division, and International Longshoremen's Association, covers approximately 414 of the Town's employees and is divided into two units. The supervisory unit covers 78 employees and the labor unit covers 336 employees. The Civil Service Employees Association contract expires on December 31, 2016 and all other contracts expire on December 31, 2015.

State Aid

The Town receives state aid from the State of New York. While the State is not constitutionally obligated to maintain or continue providing State Aid; it has given no indication of terminating the funding in 2015. Operating revenues in the General Fund Budget include approximately 10.4% to be derived from State Aid. The largest allotment of State Aid is derived from Mortgage Tax Collections. Although mortgage tax revenue did not meet expectations in 2014 the real estate market remains steady and revenues from mortgage tax collections are expected to meet the budget projection for 2015.

Utility and Fuel Costs

The Town has addressed the unstable energy market by implementing energy efficiency programs to reduce its consumption. The Town will continue to monitor utility and fuel expenses closely to limit its financial exposure.

Tax Collection

Property taxes for the Town, together with the County, Fire District and School District taxes are collected by the Town Tax Receiver on a single tax bill. Such taxes are due and payable in equal installments on December 1 and May 10, but may be paid without penalty by January 10th and May 31st respectively. Penalties on unpaid taxes are 1% per month from the date such taxes are due and payable and 10% after May 31st.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2014

FACTORS AND NEXT YEAR'S BUDGET AND RATES (continued)

Tax Collection (continued)

<u>As of May 31</u>	<u>Total Tax Levy</u>	<u>To Town Supervisor</u>	<u>To County Treasurer</u>	<u>Uncollected/ Returned</u>
2014	\$960,878,249	\$828,251,272	\$132,626,977	\$24,508,573
2013	941,140,645	809,174,772	131,965,873	22,286,297
2012	918,665,388	791,338,298	127,337,090	22,906,987
2011	879,997,364	761,108,582	118,888,782	24,068,926
2010	862,060,354	747,420,530	114,639,824	24,964,228

The Tax Receiver distributes collected tax money to the Town, Fire Districts and School Districts prior to distributing the balance collected to the County. Uncollected amounts are not segregated by the Receiver and any deficiency in tax collection is the County's responsibility. The Town is thereby assured of full tax collection.

Contacting the Town's Financial Management

This financial report is designed to provide the Town's citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact the Town of Huntington, Department of Audit & Control at 100 Main Street, Huntington, NY 11743.

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BASIC FINANCIAL STATEMENTS

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TOWN OF HUNTINGTON
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF NET POSITION
December 31, 2014

	<u>Primary Governmental Activities</u>	<u>Component Units</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 45,955,816	\$ 14,362,265
Cash - Restricted	20,407,556	2,183,121
Accounts receivable	4,161,464	1,722,260
Due from federal, state and other governments	16,968,378	56,229
Inventory of material and supplies	-	525,049
Prepays	4,589,922	344,960
Total Current Assets	<u>92,083,136</u>	<u>19,193,884</u>
Non-Current Assets		
Net Pension Asset	248,929	
Non-depreciable capital assets	122,125,810	8,159,127
Depreciable capital assets, net of depreciation	203,259,852	52,325,196
Total Non-Current Assets	<u>325,634,591</u>	<u>60,484,323</u>
DEFERRED OUTFLOW OF RESOURCES		
Deferred charges, net of accumulated amortization		141,878
Total Deferred Outflow of Resources		<u>141,878</u>
Total Assets and Deferred Outflow	<u>\$ 417,717,727</u>	<u>\$ 79,820,085</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable and other		
current liabilities	\$ 7,524,651	\$ 1,043,631
Accrued liabilities	6,743,435	800,278
Accrued interest payable	598,606	44,930
Retained percentages	3,585,000	-
Due to other governments	1,350,054	-
Non-current liabilities:		
Due within one year	24,766,913	2,577,674
Total Current Liabilities	<u>44,568,659</u>	<u>4,466,513</u>
Non-Current Liabilities:		
Due in more than one year	153,009,634	26,438,798
Total Non-Current Liabilities	<u>153,009,634</u>	<u>26,438,798</u>
Total Liabilities	<u>197,578,293</u>	<u>30,905,311</u>
DEFERRED INFLOW OF RESOURCES		
Deferred revenues	10,357,863	-
Total Deferred Inflow of Resources	<u>10,357,863</u>	<u>-</u>
NET POSITION		
Net Investment in capital assets	254,011,721	40,852,848
Restricted for:		
Debt service	1,106,604	-
Capital Projects	4,647,269	6,458,699
Unrestricted (deficit)	(49,984,023)	1,603,227
Total Net Position	<u>\$ 209,781,571</u>	<u>\$ 48,914,774</u>

See notes to the financial statements.

TOWN OF HUNTINGTON
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2014

GOVERNMENTAL FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government support	\$ 41,719,964	\$ 4,926,059	\$ 56,108	\$ 870,745
Public safety	14,465,259	2,012,936	-	-
Health	3,526,646	219,720	266,722	-
Transportation	52,657,107	738,867	3,263,845	809,367
Economic assistance and opportunity	3,395,864	335,082	272,298	-
Culture and recreation	21,483,238	8,064,953	1,014,760	-
Home and community services	50,666,829	17,963,084	1,049,891	-
Interest on debt	2,983,178	-	-	-
Total Primary Government	\$ 190,898,085	\$ 34,260,701	\$ 5,923,624	\$ 1,680,112
Component Units:				
Home and community services	\$ 13,470,281	\$ 6,724,281		

General Revenues

Property taxes
Mortgage tax
Other taxes
Special Item - Loss on asset disposal
Unrestricted grants and contributions
Interest and investment income
State aid - unrestricted
Miscellaneous
Total General Revenues
Change in net position
Net position - Beginning of year (as restated)
Net position - Ending of year

See notes to the financial statements.

Net (Expense) Revenue and
and Changes in Net Position

Primary	
Governmental Activities	Component Units
\$ (35,867,052)	
(12,452,323)	
(3,040,204)	
(47,845,028)	
(2,788,484)	
(12,403,525)	
(31,653,854)	
(2,983,178)	
<u>\$ (149,033,648)</u>	

\$ (6,746,000)

\$ 109,929,165	\$ 6,165,389
6,423,492	-
4,822,112	-
(19,781)	
-	
1,351,384	476,801
1,067,256	-
3,628,524	460,312
<u>127,202,152</u>	<u>7,102,502</u>
(21,831,496)	356,502
<u>231,613,067</u>	<u>48,558,272</u>
<u>\$ 209,781,571</u>	<u>\$ 48,914,774</u>

TOWN OF HUNTINGTON
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	Major Governmental Funds						Total
	General	Highway	Debt Service	Refuse and Garbage	Capital Projects	Nonmajor Governmental Funds	
ASSETS							
Cash and cash equivalents	\$ 11,006,274	\$ 2,554,508	\$ -	\$ 6,001,122	\$ 16,530,867	\$ 9,863,045	\$ 45,955,816
Cash - Restricted	16,722,415	2,717,761	-	102,948	-	864,432	20,407,556
Accounts receivable, net	3,530,353	96,877	-	89,928	57,995	386,311	4,161,464
Due from federal, state and other governments	2,641,452	10,402,022	-	261,558	1,381,499	366,627	15,053,158
Due from other funds	301,464	9,843	-	9,194	527,711	38,128	886,340
Prepays	1,065,926	382,598	-	136,111	-	307,544	1,892,179
Total Assets	\$ 35,267,884	\$ 16,163,609	\$ -	\$ 6,600,861	\$ 18,498,072	\$ 11,826,087	\$ 88,356,513
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
LIABILITIES							
Accounts payable and other							
current liabilities	\$ 2,474,738	\$ 1,167,657	\$ -	\$ 781,561	\$ 2,217,504	\$ 883,191	\$ 7,524,651
Accrued liabilities	5,260,513	251,300	-	915,998	-	315,624	6,743,435
Bond Anticipation Notes Payable	-	-	-	-	3,585,000	-	3,585,000
Due to other governments	-	-	-	-	-	1,350,054	1,350,054
Due to other funds	82,579	505,589	-	134,121	46,205	117,846	886,340
Total Liabilities	7,817,830	1,924,546	-	1,831,680	5,848,709	2,666,715	20,089,480
DEFERRED INFLOW OF RESOURCES							
Deferred revenue	3,515,980	3,068,894	-	2,323,464	-	1,449,525	10,357,863
Total Deferred Inflows	3,515,980	3,068,894	-	2,323,464	-	1,449,525	10,357,863
FUND BALANCES							
Non-Spendable							
Prepays	1,065,926	382,598	-	136,111	-	307,544	1,892,179
Restricted for:							
Open space land preservation	12,571,198	-	-	-	-	-	12,571,198
Debt service	2,546	1,055,138	-	1	-	48,919	1,106,604
Snow and ice removal/road repair	467,896	904,563	-	-	-	-	1,372,459
Workers' compensation	307,926	-	-	-	-	-	307,926
Judgments and claims	807,214	-	-	-	-	-	807,214
Retirement contribution	800	96,444	-	50,068	-	108,977	256,289
General Capital reserve	1,368,776	531,109	-	-	-	51,485	1,951,370
Employee Benefit Accrual Liability Reserve	1,196,059	130,507	-	52,879	-	655,051	2,034,496
Highway	-	4,500,564	-	-	-	-	4,500,564
Refuse District	-	-	-	1,836,157	-	-	1,836,157
Town Outside Village	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-
Local Development Corporation	-	-	-	-	-	190,239	190,239
Fire Protection	-	-	-	-	-	42,720	42,720
Streetfighting	-	-	-	-	-	1,763,196	1,763,196
Ambulance Services	-	-	-	-	-	42,007	42,007
Sewer Services	-	-	-	-	-	1,778,011	1,778,011
Water Services	-	-	-	-	-	1,775,585	1,775,585
Assigned:							
Subsequent year's budget	656,000	2,975,000	-	370,000	-	1,827,000	5,828,000
Unappropriated Fund Balance	733,557	594,246	-	501	8,002,094	66,913	9,397,311
Capital projects fund balance	-	-	-	-	4,647,269	-	4,647,269
Unassigned:							
General fund	4,756,176	-	-	-	-	-	4,756,176
Nonmajor Governmental Funds	-	-	-	-	-	(947,800)	(947,800)
Total Fund Balances	23,934,074	11,170,169	-	2,445,717	12,649,363	7,709,847	57,909,170
Total Liabilities, Deferred Inflows and Fund Balances	\$ 35,267,884	\$ 16,163,609	\$ -	\$ 6,600,861	\$ 18,498,072	\$ 11,826,087	\$ 88,356,513

See notes to the financial statements.

TOWN OF HUNTINGTON

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
As of December 31, 2014

Total Fund Balances - Governmental Funds \$ 57,909,170

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets less accumulated depreciation are included in the Statement of Net Position:

Capital Assets - Non-Depreciable	122,125,810	
Capital Assets - Depreciable	652,357,075	
Accumulated Depreciation	(449,097,223)	
		325,385,662

Other Agency Net Pension Asset - LOSAP 248,929

New York State Employees Retirement System annual contributions paid on an annual basis have been prepaid, creating a year-end asset. The asset is not a current available resource and is not reported in the funds. 2,697,743

Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds. 1,915,220

Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. However these liabilities are included in the Statement of Net Assets.

General obligation bonds	(84,020,668)	
Due to Employee Retirement System	(3,213,994)	
Other post-employment benefits payable	(64,764,446)	
Other Agency Liabilities- LOSAP	(410,285)	
Compensated absences	(13,892,544)	
Claims and judgments	(11,020,796)	
Estimated liability for landfill closure and post-closure care costs	(451,179)	
Installment purchase debt	(2,635)	
		(177,776,547)

Interest payable applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. However these liabilities are included in the Statement of Net Position. (598,606)

Net Position of Governmental Activities \$ 209,781,571

See notes to the financial statements.

TOWN OF HUNTINGTON
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year ended December 31, 2014

Major Governmental Funds

	General	Highway	Debt Service	Refuse and Garbage
REVENUES				
Real property taxes	\$ 36,728,178	\$ 29,393,394	\$ -	\$ 23,773,582
Other real property tax items	338,536	60,587	-	247
Non-property tax items	4,225,784	-	-	-
Departmental income	31,135,661	83,088	-	9,785
Intergovernmental charges	186,869	9,484	-	9,192
Use of money and property	926,029	73,425	-	44,118
Licenses and permits	1,006,951	199,375	-	-
Fines and forfeitures	1,101,734	-	-	-
Sale of property and compensation for loss	414,989	55,817	-	545,281
Miscellaneous local sources	1,107,424	355,186	-	90,918
Interfund revenues	4,138,963	-	-	-
State aid	9,025,085	1,498,480	-	-
Federal aid	950,992	955,715	-	-
Total Revenues	<u>91,287,195</u>	<u>32,684,551</u>	<u>-</u>	<u>24,473,123</u>
EXPENDITURES				
Current:				
General government support	24,126,298	191,623	-	1,977,787
Public safety	4,904,851	-	-	-
Health	759,590	-	-	-
Transportation	5,033,471	21,263,547	-	-
Economic assistance and opportunity	2,101,653	-	-	-
Culture and recreation	14,057,894	-	-	-
Home and community services	20,342,383	-	-	19,403,786
Employee benefits	18,071,558	7,506,155	-	2,573,004
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	11,007,429	-
Interest	5,267	6,846	3,037,145	-
Total Expenditures	<u>89,402,965</u>	<u>28,968,171</u>	<u>14,044,574</u>	<u>23,954,577</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,884,230</u>	<u>3,716,380</u>	<u>(14,044,574)</u>	<u>518,546</u>
Other Financing Sources (Uses)				
Debt issued	-	-	-	-
Transfers in	-	1,166,152	14,044,574	-
Transfer Out	(2,148,359)	(289,750)	-	-
Transfers out (Debt Service)	(4,148,967)	(7,797,137)	-	(176,356)
Total Other Financing Sources (Uses)	<u>(6,297,326)</u>	<u>(6,920,735)</u>	<u>14,044,574</u>	<u>(176,356)</u>
Net Change in Fund Balances	(4,413,096)	(3,204,355)	-	342,190
Fund Balances at Beginning of Year (as restated)	28,347,170	14,374,524	-	2,103,527
Fund Balances at End of Year	<u>\$ 23,934,074</u>	<u>\$ 11,170,169</u>	<u>\$ -</u>	<u>\$ 2,445,717</u>

See notes to the financial statements.

Capital Projects	Nonmajor Governmental Funds	Total
\$ -	\$ 20,034,011	\$ 109,929,165
-	52,257	451,627
-	144,701	4,370,485
-	7,631,362	38,859,896
-	-	205,545
2,219	305,593	1,351,384
-	704,081	1,910,407
-	-	1,101,734
-	49,427	1,065,514
278,521	730,961	2,563,010
-	-	4,138,963
928,522		11,452,087
751,590	1,016,392	3,674,689
<u>1,960,852</u>	<u>30,668,785</u>	<u>181,074,506</u>
-	4,353,407	30,649,115
-	3,710,059	8,614,910
-	2,604,129	3,363,719
-	2,989,695	29,286,713
-	-	2,101,653
-	-	14,057,894
-	10,578,893	50,325,062
-	5,692,076	33,842,793
16,534,234	-	16,534,234
-	-	11,007,429
-	-	3,049,258
<u>16,534,234</u>	<u>29,928,259</u>	<u>202,832,780</u>
(14,573,382)	740,526	(21,758,274)
8,285,000	-	8,285,000
2,666,569		17,877,295
(1,166,152)	(228,460)	(3,832,721)
	(1,922,114)	(14,044,574)
<u>9,785,417</u>	<u>(2,150,574)</u>	<u>8,285,000</u>
(4,787,965)	(1,410,048)	(13,473,274)
17,437,328	9,119,895	71,382,444
<u>\$ 12,649,363</u>	<u>\$ 7,709,847</u>	<u>\$ 57,909,170</u>

TOWN OF HUNTINGTON
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2014

Net Change in Fund Balance \$ (13,473,274)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeds capital outlay in the current period is:

Capital Outlay	\$ 10,286,923	
Depreciation Expense	<u>(13,897,290)</u>	(3,610,367)

Gains and losses on disposals of equipment are not reported by the governmental funds, but are included in the Statement of Activities. (19,883)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

Prepaid charges	490,013
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (32,292)

The issuance of long-term debt and increase in obligations under capital leases provides current financial resources to governmental funds, while the repayment of the principal of long term debt and capital leases consumes the current financial resources of governmental funds.
Neither transaction has any effect on net assets.

Debt issued	(8,285,000)	
Repayment of bond principal	11,007,429	
Employees retirement incentive	53,548	
Due to Employee Retirement System	350,723	
Other post-employment benefits payable	(7,714,703)	
Other Agency Liabilities- LOSAP	344,509	
Compensated absences	(255,231)	
Claims and judgments	(858,975)	
Estimated liability for landfill closure and post-closure care costs	45,126	
Installment purchase debt	60,801	
Accrued interest payable	<u>66,080</u>	<u>(5,185,693)</u>

Change in Net Position of Governmental Activities \$ (21,831,496)

See notes to the financial statements.

TOWN OF HUNTINGTON
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2014

	<u>Total Agency Funds</u>
ASSETS	
Cash	\$ 129,042,286
Other assets	<u>1,411,759</u>
Total Assets	<u><u>\$ 130,454,045</u></u>
 LIABILITIES	
Liabilities:	
Due to school districts	\$ 58,986,125
Due to other governments	58,986,127
Other liabilities	<u>12,481,793</u>
Total Liabilities	<u><u>\$ 130,454,045</u></u>

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TOWN OF HUNTINGTON
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December 31, 2014

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TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Huntington (the “Town”), which was established in 1653, is governed by Town Law and other general laws of the State of New York and various local laws and ordinances. The Town Board (the “Board”) is the legislative body responsible for overall operations. The Board consists of the Town Supervisor (the “Supervisor”) who is elected for a term of four years and four council members who are elected for terms of four years. The Board appoints the Comptroller and the Town Attorney whose terms end upon the succeeding election of a new Board and appointment of their successors. The Superintendent of Highways, Town Clerk and Receiver of Taxes are elected and serve four year terms. The Board appoints the following Directors: General Services, Community Services, Youth Services, Human Services, Engineering Services, Parks, Planning and Environmental Services, Audit and Control, Assessor, and Public Safety. The Directors serve at the discretion of the Board except for the Assessor, whose term is six years. The Town provides a full range of municipal services including public safety, transportation, home and community services, youth services, public works and road maintenance, recreation and parks, and general and administrative services.

The financial statements of the Town of Huntington have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The more significant of the government's accounting policies are described below.

1. REPORTING ENTITY

The financial reporting entity consists of: (a) the primary government, which is the Town of Huntington; (b) organizations for which the primary government is financially accountable for; and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in the applicable GASB statements.

The decision to include a potential component unit in the Town of Huntington reporting entity is based on several criteria set forth in various GASB statements including legal standing, fiscal dependency and financial accountability. Based on the application of these criteria, the following is a summary of certain entities considered in determining the Town of Huntington’s reporting entity.

The Huntington Community Development Agency (“HCDA”) is a separate public benefit corporation created by state legislation to promote the safety, health and welfare of the Town's inhabitants and to promote the sound growth and development of the Town. The Board presides as the HCDA Board. HCDA’s management is designated by the Board. The Board is completely accountable for fiscal matters. The HCDA’s governing body is the same as the Town of Huntington’s therefore it is a blended unit of the Town and is reported in the special revenue fund.

The Town of Huntington Local Development Corporation (“HLDC”) is a separate public benefit corporation created by the Board to conduct activities that will relieve and reduce unemployment, promote and provide for maximum employment, improve and maintain job opportunities, lessen the burdens of governments and act in the public interest. The Board presides as the HLDC Board. HLDC’s management is designated by the Board. The Board is completely accountable for fiscal matters. The HLDC’s governing body is the same as the Town of Huntington’s therefore it is a blended unit of the Town and is reported in the special revenue fund.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. REPORTING ENTITY (continued)

The South Huntington Water District and the Greenlawn Water District, special districts of the Town of Huntington, provide water services to residents and businesses within the districts. These special districts are organized under New York State Town law and have separately elected boards. Long-term debt backed by the full faith and credit of the Town, and other fiscal matters result in a fiscal interdependency with the Town. Accordingly, these special districts have been determined to be component units of the Town and are presented discretely in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government.

Complete financial statements of the individual component units can be obtained from their respective administrative offices:

South Huntington Water District 13 th Street & 5 th Avenue South Huntington Station, N.Y. 11746	Greenlawn Water District 45 Railroad Street Greenlawn, N.Y. 11740
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Condensed financial statements of these components are presented in Note E.

2. BASIS OF PRESENTATION

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Government-wide Financial Statements

The government-wide financial statements report information on the Town as a whole, except fiduciary activities with separate columns for the primary governmental activities as well as the discretely presented component units.

In the government-wide Statement of Net Position, the Town's governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts — Net investment in capital assets, restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functional categories (general government support, public safety, health, transportation, home and community services, etc.), which are otherwise supported by general government revenues (property, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants and contributions and capital grants and contributions to produce the net cost of each program.

Program revenues include (a) charges for services and (b) operating and capital grants and contributions that are directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function) are normally covered by general revenue (property or sales taxes, intergovernmental revenues, interest income, etc.).

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. BASIS OF PRESENTATION (continued)

Government-wide Financial Statements (continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Eliminations have been made to prevent distortion of the direct costs and program revenues reported. Sales and purchase of goods and services for a price approximating their external value are not eliminated between the funds in the government-wide statements.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Fund Financial Statements

The fund financial statements are similar to the financial statements presented in the previous model. The emphasis is on the major funds in the fund financial statements. Nonmajor funds are summarized into a single column.

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are presented by type in the fund financial statements as follows:

Governmental Funds - Governmental funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position.

The Town reports the following major governmental funds:

General Fund - is the principal operating fund of the Town. This fund is used to account for all financial resources except those required to be accounted for in other funds. The major sources of revenue are real property taxes and various departmental income.

Highway Fund – is a Special Revenue Fund used to account for revenues and expenditures for highway purposes. The major source of revenue is real property taxes.

Debt Service Fund – is used to account for the accumulation of resources for the payment of principal, and interest on indebtedness. The major source of revenue is interfund transfers.

Refuse and Garbage Fund – is a Special Revenue Fund used to account for the pickup of garbage in the Town. The major source of income is real property taxes.

Capital Projects Fund – is used to account for financial resources used for the acquisition or construction of major capital facilities. The major source of funding is bond proceeds.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. BASIS OF PRESENTATION (continued)

Fund Financial Statements (continued)

Additionally, the Town reports the following nonmajor funds:

Special Revenue Funds – are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special Revenue Funds include the following:

- Town Outside Village Fund – is used for revenues and expenditures for certain services provided to the area of the Town located outside of Incorporated Villages. The major sources of funding are real property taxes and building permits.
- Special Grant Fund (HCDA) – is used to account for the Huntington Community Development Agency. This agency is used to account for Federal Aid from the Community Development Block Grant Program. The major source of revenue is federal funding.
- Local Development Corporation (LDC) – is used to account for sponsor conduit financing and earn a fee income to support its mission.
- Special District Funds – are used to account for taxes or other revenue sources which are raised or received to provide special services to areas that encompass less than the whole Town. The Special District Funds consist of a number of separate districts which are administered by the Board including a fire protection district, a street lighting district, two ambulance districts, three sewer districts, business improvement district and a water district.

Fiduciary Funds – Fiduciary funds are used to account for assets held by the Town in a trustee or custodial capacity.

- Trust and Agency Funds – include agency funds which are used for money (and/or property) received and held in the capacity of trustee, custodian or agent.
- Town Agency Funds – accounts for consolidated payroll, amounts due to component units and other agency liabilities.
- Town Receiver of Taxes Agency Funds – accounts for amounts due to other governments for general and school taxes collected.

3. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

Measurement focus refers to what is being measured, where as the basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

In the government-wide statements, governmental activities are presented using the economic resources measurement focus and are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. BASIS OF ACCOUNTING/MEASUREMENT FOCUS (continued)

In the funds statements, governmental funds use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (measurable and available to finance current operations). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers all revenues available if they are collected within 60 days after the year-end. Revenues susceptible to accrual include, franchise fees, mortgage taxes, charges for services, intergovernmental revenues and operating transfers. Permits, fees, and other similar revenues are not susceptible to accrual because generally they are not measurable until they are received in cash. In those instances where expenditures are the prime factor in determining eligibility for state and federal grants, revenues are recognized when the expenditure is incurred. In the Capital Projects Fund, long-term debt is recognized as revenue upon receipt of the proceeds. Expenditures are recorded on the accrual basis except that (a) expenditures for prepaid expenses are recognized when incurred; (b) principal and interest on indebtedness are recognized as expenditures when due; (c) compensated absences, such as vacation and sick leave, which vest or accumulate, are charged as expenditures when paid.

4. ASSETS, LIABILITIES AND FUND EQUITY

RECEIVABLES

Receivables include amounts due from Federal, State, and other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred.

PREPAIDS

Prepays in the General and Special Revenue Funds represent insurance premiums paid for coverage that will benefit the subsequent period. Prepays in the government-wide statements represent retirement benefits that will benefit a future period.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town did not have any items that qualified.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. ASSETS, LIABILITIES AND FUND EQUITY (continued)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resource (revenue) until that time. The Town has one item that is reported as deferred inflow of resources. This item relates to deferred revenue that represents collections of the 2014 tax warrant. The property taxes collected are applicable to the 2014 fiscal and thus are not available for use at year end.

CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure assets, consisting of certain improvements other than buildings including roads, curbs, sidewalks, drainage system, street lighting, water mains and sewer system are capitalized along with other capital assets. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25-40 years
Improvements other than buildings	15-30 years
Machinery and equipment	4-12 years
Infrastructure	
Roads	25 years
Curbs and sidewalks	15 years
Drainage system	25 years
Street lighting	20 years
Water mains	50 years
Sewer system	40 years

In the fund financial statements capital assets are recorded as capital outlay expenditures in the governmental fund upon acquisition.

LONG-TERM OBLIGATIONS

The liabilities for long-term obligations consisting of general obligation bonds, employees retirement, other post-employment benefits payable, compensated absences, claims and judgments, estimated liability for landfill closure and post closure costs, and installment purchase debt are recognized in the government-wide financial statements.

In the fund financial statements long-term obligations are not reported as liabilities. The debt proceeds are reported as other financing sources, and payment of principal and interest are reported as expenditures.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. ASSETS, LIABILITIES AND FUND EQUITY (continued)

EQUITY CLASSIFICATIONS

In Government-wide Statements equity is classified as net position and displayed in three components:

- a) Net investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Net position-restricted – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Net position-unrestricted – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, assigned and unassigned. Portions of fund equity are segregated for future use and are therefore not available for future appropriation or expenditure. Amounts reserved for encumbrances, prepaids, open space land preservation and bond retirement, represent portions of fund equity which are required to be segregated in accordance with state law or GAAP. Designations of fund balances in governmental funds indicate the utilization of these resources in the subsequent year’s budget or tentative plans for future use.

5. REVENUES AND EXPENDITURES

REAL PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES

Real property tax payments are due in two equal installments: the first half payable the December 1st preceding the year for which the tax is levied and the second half payable May 10th. The first half tax is payable without penalty until January 10th and the second half tax is payable without penalty to May 31st. Penalties are imposed thereafter at the rate of 1% per month from December 1st and May 10th until May 31st, after which taxes are payable to the County Treasurer and accrue a 10% penalty. The Town has its own Assessor's Office whose responsibilities are independent and distinct from those of the Receiver of Taxes ("Receiver"). The Town assessment rolls are used for the levy of real property taxes by the Town and the school districts, as well as by the County of Suffolk, New York, (the "County") and by special districts based upon a single tax bill. The Receiver collects all taxes based on this single bill and distributes the proceeds to the Town prior to distributing the remaining balance collected to the County.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. REVENUES AND EXPENDITURES

REAL PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES (continued)

Responsibility for the collection of unpaid taxes rests with the County and, accordingly, the Town is assured of 100% collection of real property taxes. The responsibility of transmitting school taxes to the school districts rests with the Supervisor. Property tax bills that relate to the ensuing fiscal year are recorded as deferred revenues.

INTERFUND TRANSACTIONS

Interfund transactions, exclusive of interfund services provided and used, have been eliminated from the government-wide financial statements. In the funds financial statements interfund transactions include:

- a) **Interfund Revenues**
Interfund revenues in the General Fund represent amounts charged for services or facilities provided by the General Fund. The amounts paid by the fund receiving the benefit of the service or facilities, are reflected as an expenditure of that fund.
- b) **Transfers**
Transfers represent primarily payments to the Debt Service Fund and Capital Projects Fund from the other funds for their appropriate share of the debt service and capital projects.

COMPENSATED ABSENCES

The liability for vested or accumulated vacation and sick leave (compensated absences) is recorded as current and noncurrent obligations in the government-wide statements. The current portion of this debt is estimated based on historical trends. Compensated absences liability and expense are reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The amount that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a liability in the funds statement in the respective fund that will pay it.

OTHER POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits, the Town provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town.

Health care benefits in accordance with New York State Health Insurance Rules and Regulations (administered by the New York State Department of Civil Service), are provided through the New York State Empire Plan (the "Empire Plan") whose premiums are based on the benefits paid throughout the State during the year.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. REVENUES AND EXPENDITURES (continued)

OTHER POST-EMPLOYMENT BENEFITS (continued)

The Town recognizes the cost of providing other post-employment benefits by recording its share of insurance premiums as an expenditure in the year paid. The Town's union contracts and ordinances require that it provide its eligible enrollees with the Empire Plan benefit coverage, or if another provider is utilized, the equivalent coverage. Under the provisions of the Empire Plan, premiums are adjusted on a prospective basis for any losses experienced by the Empire Plan. The Town has the option to terminate its participation in the Empire Plan at any time without liability for its respective share of any previously incurred loss.

6. NEW ACCOUNTING PRINCIPLES

Effective with the financial report for the year ended December 31, 2014, the Town has adopted GASB Statement No. 69 on *Government Combinations and Disposals of Government Operations*, which establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Town is required to implement this authoritative guidance for the year ended December 31, 2014.

Effective with the financial report for the year ended December 31, 2014, the Town has adopted GASB Statement No. 70 on *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of the statement is to improve accounting and financial reporting by state and local governments that extend or receive nonexchange financial guarantees. The requirements of this Statement are effective for reporting periods beginning after June 15, 2013.

7. USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. BUDGETARY DATA

The Town follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) On or before September 20th, each department, office or district submits to the Budget Officer and the Comptroller a detailed estimate of the budget known as “departmental estimates” for the amount of revenue to be received and expenditures to be made for the ensuing fiscal year.
- b) On or before September 30th, the Budget Officer files with the Town Clerk and the Comptroller and presents to the Board a tentative budget for the ensuing fiscal year.
- c) On or before October 5th, the Board reviews the tentative budget and files with the Town Clerk a preliminary budget.
- d) The Board conducts a public hearing on the preliminary budget and on or before November 20th the Board meets to adopt the budget now known as the “annual budget.”
- e) Formal budgetary integration is employed during the year as a management control device for the General and certain Special Revenue Funds. The Board adopts the budget and establishes a legal level of control over the budget at the object level of expenditures. The object level identifies expenditures by the article purchased or service obtained in order to carry out a function. Appropriations are adopted at the object level. All budgetary amendments and transfers of appropriations over \$5,000 require Board approval. Appropriations for all governmental funds, except the Capital Projects Fund, lapse at year-end.

In order to show the full legal level of budgetary compliance for the General and certain Special Revenue Funds, detailed individual schedule of revenues, expenditures and change in fund balance – budget and actual, are presented in a separate budget report.

- f) Budgets for the General and all Special Revenue Funds except for the Special Grant and Capital Projects Funds are legally adopted each year. The budgets are adopted on a basis of accounting consistent with GAAP. The Capital Projects and Special Grant Funds budgets are adopted on a project or grant basis.
- g) Budgetary controls for the Special Grant Funds are established in accordance with the applicable grant agreement, which covers a period other than the Town’s fiscal year. Consequently, the budgets for such funds have been excluded.
- h) In June 2011, New York State enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions, which includes a 2.00% property tax cap for municipalities, however there are permitted exceptions and adjustments that can increase the property tax cap percentage. Beginning in 2012 and lasting through at least June 15, 2016, no local government is authorized to increase its property tax levy by more than the calculated property tax cap; however local governments can exceed the property tax cap limit by a 60% vote of the governing body and annually adopting a local law.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

1. BUDGETARY DATA (continued)

The 2014 budget reflects a zero increase in real property tax revenue from the prior year for the Town's overall government activities, which is in compliance with the property tax cap imposed by New York State.

2. FUND BALANCES

FUND BALANCE CLASSIFICATION

The Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB-54") that defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB-54 requires the fund balance amounts to be properly reported within one of the following fund balance categories:

Nonspendable

Includes amounts that cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. This includes fund balance related to inventories, prepaids, long-term debt, notes receivable and property held for resale (unless the proceeds are restricted, committed or assigned).

Restricted

Includes amounts that can be spent only for specific purposes stipulated by constitutional provisions, enabling legislation or external resource providers such as creditors, grantors, contributors or laws/regulations of other governments. All of the reserves of fund balance established by the Town allowed by law meet this criteria.

Committed

Includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Board, the Town's highest level of decision-making authority. These constraints can only be removed by the same formal action of the Board.

Assigned

Includes amounts that are constrained by the Town's intent to be used for specific purposes, but do not meet the criteria to be classified as restricted or committed. The Town Board has the authority to assign amounts to be used for specific purposes. The Board is not required to impose or remove the constraint. Assignments cannot be made if it would result in a negative unassigned fund balance.

Unassigned

Includes the residual classification of the Town's General fund and includes all spendable amounts not contained in other classifications.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

2. FUND BALANCES (continued)

FUND BALANCE CLASSIFICATION POLICIES AND PROCEDURES

The Board is the highest level of authority for the Town and as such must adopt formal Board resolutions to establish, modify or rescind a Committed or Assigned fund balance for a specific purpose in accordance with all governing laws. General Municipal Law authorizes the governing board to establish most of the reserves of fund balance that are restricted for specific purposes.

The Town's policy is to apply expenditures against restricted fund balance, committed fund balance first, and then assigned fund balance and unassigned fund balance at the end of the fiscal year, in order as needed.

ASSIGNED FUND BALANCE

The Town's Assigned Fund Balance is a result of the Town Board's adoption of a resolution assigning funds for specific purposes.

The 2015 Preliminary Budget submitted by the Town Supervisor became the Adopted Budget on November 6, 2014. The 2015 adopted budget contained a projected use of \$5,828,000 of fund balance.

Town Board resolutions are required to fund any Capital Project. These resolutions are adopted as funds are needed for projects. Funding is appropriated specifically for each project and cannot be used for alternate projects. As a result, the Capital Project Fund Balance of \$4,647,269 is reported as Assigned Fund Balance.

ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded for budgetary control purposes in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Appropriations for all governmental funds except the Capital Projects Fund lapse at year-end. However, encumbrances reserved against fund balances are reappropriated in the ensuing year. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

2. FUND BALANCES (continued)

All encumbrances at December 31, 2014 are reported as Assigned: Unappropriated Fund Balances:

	2014
	Encumbrances
General Fund	\$ 733,557
Part Town Fund	39,051
Highway	594,246
Capital Projects Fund	8,002,094
Street Lighting	17,208
Refuse District	501
Sewer District	10,654
Water District	-
Total Encumbrances	\$ 9,397,311

C. DETAILED NOTES ON ALL FUNDS

1. CASH AND INVESTMENTS

Cash consists of funds deposited in demand accounts, time deposit accounts, and certificates of deposit with maturities of less than three months.

The Town's investments are governed by a formal investment policy that was adopted by a formal Board resolution. The Town's monies must be deposited in FDIC-insured commercial banks or trust companies authorized to do business within the State of New York. The Town is authorized to invest monies not required for immediate expenditure for terms not to exceed its projected cash flow needs. The policy authorizes the Town to invest in certificates of deposit, obligations of the U.S. Treasury, U.S. Agencies and investments made by the Cooperative Liquid Asset Security System ("CLASS").

CLASS is a cooperative investment plan consisting of U.S. Treasury Obligations and repurchase agreements relating to treasury obligations. Investments are stated at cost, which approximates market. CLASS was established as a cooperative investment arrangement organized under the CLASS Municipal Cooperation Agreement made pursuant to New York General Municipal Law, Article 3A and 5-G. The Town does not maintain any cash and/or investments with CLASS.

The Town does not engage in the use of any derivative products or arbitrage investments.

All banks doing business with the Town must collateralize all amounts held by them in excess of the Federal Deposit Insurance Act ("FDIC") amount.

It is the Town's policy to require collateral held in the name of the Town for demand deposits, money market deposits, and certificates of deposit for all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

1. CASH AND INVESTMENTS (continued)

Book balances of the primary government, including Agency Funds consists of the following:

Cash with the Town Supervisor	\$ 77,433,405
Cash with the Town Receiver of Taxes	<u>117,972,252</u>
	\$ <u>195,405,657</u>

Custodial Credit Risk – Deposits/Investments – Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government may be unable to recover deposits or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exist when, in the event of the failure of the counterparty, a government will be unable to recover the value of its investments or collateral securities that are in possession of an outside party.

GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, requires deposits to be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

- Uncollateralized
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent but not in the Town's name

At December 31, 2014 the Town's bank deposit balances were \$196,001,176. Of these balances, \$2,250,000 was covered by the Federal Deposit Insurance Corporation; \$208,908,047 was covered by collateral held by the Town's agent, a third-party financial institution, in the Town's name.

At December 31, 2014, the Town's component units' bank balances were \$16,834,269. Of these balances, \$1,789,359 was covered by the Federal Deposit Insurance Corporation and \$15,224,874 was covered by collateral held by the Town's component units' agent, a third-party financial institution, in the Town's component units' name and no funds were uncollateralized.

Credit Risk – State law and Town law limit investments to those authorized by State statutes. The Town has a written investment policy.

Interest-Rate Risk – Interest-rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates substantially increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. Accordingly, such investments would have to be held to maturity to avoid a potential loss.

Concentration of Credit Risk – Exists when investments in anyone type represents 5 percent or more of the total investments. Excluding from this requirement are investments issued or explicitly guarantee by the U.S. government.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

2. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances for the primary government at December 31, 2014 represent primarily the payment of debt service and operating expenditures that will be reimbursed subsequent to year end and are stated as follows:

Primary Government

<u>Major Funds</u>	<u>Amount Receivable</u>	<u>Amount Payable</u>
General Fund	\$ 301,464	\$ 82,579
Highway Fund	9,843	505,589
Refuse and Garbage Fund	-	134,121
Capital Projects Fund	9,194	46,205
Debt Service	527,711	-
<u>Nonmajor Funds</u>		
Town Outside Village	780	31,389
Street Lighting District	1	4,776
Sewer Districts	31,036	76,022
Water Districts	6,311	5,659
	<u>\$ 886,340</u>	<u>\$ 886,340</u>

Interfund transfer balances for the primary government at December 31, 2014 represent primarily the receipt and payment of general obligation bond principal and interest and funding of capital project expenditures and are stated as follows:

Primary Government

<u>Major Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 6,297,326
Highway Fund	1,166,152	8,086,887
Refuse and Garbage Fund	-	176,356
Capital Projects Fund	2,666,569	1,166,152
Debt Service	14,044,574	-
<u>Nonmajor Funds</u>		
Town Outside Village	-	139,984
Street Lighting District	-	11,228
Sewer Districts	-	980,968
Water Districts	-	1,018,394
	<u>\$ 17,877,295</u>	<u>\$ 17,877,295</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

<u>Primary government</u>	<u>Balance</u> <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/14</u>
Capital assets not being depreciated				
Land	\$ 122,125,912	\$ -	\$ 102	\$ 122,125,810
Total capital assets not being depreciated	<u>122,125,912</u>	<u>-</u>	<u>102</u>	<u>122,125,810</u>
Other capital assets:				
Buildings	99,235,629	2,530,627	-	101,766,256
Improvements other than buildings	84,612,474	2,052,085	-	86,664,559
Machinery and equipment	42,020,894	856,572	1,792,048	41,085,418
Infrastructure	417,993,203	4,847,639	-	422,840,842
Total depreciable capital assets	<u>643,862,200</u>	<u>10,286,923</u>	<u>1,792,048</u>	<u>652,357,075</u>
Total assets Primary Government	<u>765,988,112</u>	<u>10,286,923</u>	<u>1,792,150</u>	<u>774,482,885</u>
Less accumulated depreciation				
Buildings	35,502,209	2,709,347	-	38,211,556
Improvements other than buildings	42,453,369	2,834,599	-	45,287,968
Machinery and equipment	36,696,125	1,737,130	1,772,267	36,660,988
Infrastructure	322,320,497	6,616,214	-	328,936,711
Total accumulated depreciation	<u>\$ 436,972,200</u>	<u>\$ 13,897,290</u>	<u>\$ 1,772,267</u>	<u>449,097,223</u>
Total net depreciable capital assets				<u>203,259,852</u>
Total net capital assets				<u>\$ 325,385,662</u>

Depreciation expense was charged to governmental functions as follows:

General government support	\$ 1,287,039
Public safety	888,259
Transportation	6,211,373
Economic assistance and opportunity	57,910
Culture and recreation	2,690,841
Home and community services	2,761,868
Total governmental activities depreciation expense	<u>\$ 13,897,290</u>

The Town of Huntington evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Town's policy is to record an impairment loss in the period when the Town determines that the carrying amount of the asset will not be recoverable. At December 31, 2014, the Town has not recorded any such impairment losses.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

3. CAPITAL ASSETS (continued)

<u>Discretely presented component units</u>	Balance 1/1/14	Additions	Deletions	Balance 12/31/14
Capital assets not being depreciated				
Land	\$ 1,306,746	\$ -	\$ -	\$ 1,306,746
Construction in progress	6,356,642	2,397,933	1,902,194	6,852,381
Total capital assets not being depreciated	<u>7,663,388</u>	<u>2,397,933</u>	<u>1,902,194</u>	<u>8,159,127</u>
Depreciable capital assets				
Buildings and improvements	25,821,610	76,188	-	25,897,798
Machinery and equipment	17,063,783	351,259	78,864	17,336,178
Infrastructure	65,494,216	1,951,856	51,898	67,394,174
Total depreciable capital assets	<u>108,379,609</u>	<u>2,379,303</u>	<u>130,762</u>	<u>110,628,150</u>
Total Assets - Component Units	<u>116,042,997</u>	<u>4,777,236</u>	<u>2,032,956</u>	<u>118,787,277</u>
Less accumulated depreciation				
Buildings and improvements	8,643,581	765,868	-	9,409,449
Machinery and equipment	12,740,256	1,017,007	78,864	13,678,399
Infrastructure	34,195,869	1,027,683	-	35,223,552
Total accumulated depreciation	<u>\$ 55,579,706</u>	<u>\$ 2,810,558</u>	<u>\$ 78,864</u>	<u>58,311,400</u>
Total net depreciable capital assets				<u>52,316,750</u>
Total net capital assets				<u>\$ 60,475,877</u>

4. INDEBTEDNESS

SHORT TERM DEBT

Bond Anticipation Notes (BANs) – Liabilities for BANs are generally accounted for in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12-month period thereafter. The Town issued \$9,070,000 in various BANs during 2014, in which \$5,485,000 was redeemed by December 31, 2014. Total balance of bond anticipation notes payable as of year-end \$3,585,000. The remaining BANs payable mature on December 9, 2015 and carry varying interest rates from .4% to 1.0%.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS (continued)

LONG TERM DEBT

Summary of changes in long term debt transactions for the year ended December 31, 2014 is as follows:

	Balance 1/1/14	Increases	Reductions	Balance 12/31/14	Non-current liabilities due within one year	Non-current liabilities
Primary Government						
General obligation bonds	\$ 86,743,097	\$ 8,285,000	\$ 11,007,429	\$ 84,020,668	\$ 10,881,635	\$ 73,139,033
Employees Retirement Incentive	53,548	-	53,548	-	-	-
Due to Employee Retirement System	3,564,717	-	350,723	3,213,994	361,288	2,852,706
Other Long Term Liability-GASB 45	57,049,743	14,357,620	6,642,917	64,764,446	-	64,764,446
Net Pension Obligation-LOSAP	649,729	117,369	356,813	410,285	-	410,285
Compensated absences	13,637,313	6,335,888	6,080,656	13,892,545	6,080,656	7,811,889
Claims and judgments	10,161,821	8,259,226	7,400,251	11,020,796	7,400,251	3,620,545
Estimated liability for landfill closure and post-closure care costs	496,305	-	45,126	451,179	40,450	410,729
Installment purchase debt	63,436	-	60,801	2,635	2,635	-
	<u>\$ 172,419,709</u>	<u>\$ 37,355,103</u>	<u>\$ 31,998,264</u>	<u>\$ 177,776,548</u>	<u>\$ 24,766,915</u>	<u>\$ 153,009,633</u>
Component Units						
General obligation bonds	26,371,905		2,347,571	24,024,334	2,383,366	21,640,968
Other Long Term Liability-GASB 45	3,552,228	951,819	382,231	4,121,816	-	4,121,816
Compensated absences	552,006	26,638	36,840	541,804	140,187	401,617
	<u>\$ 30,476,139</u>	<u>\$ 978,457</u>	<u>\$ 2,766,642</u>	<u>\$ 28,687,954</u>	<u>\$ 2,523,553</u>	<u>\$ 26,164,401</u>

General Obligation Bonds – The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are backed by the full faith and credit of the Town, bear interest at various rates from 2.00% to 7.2% and have maturity dates in 2014 through 2028. The outstanding debt as of December 31, 2014 is \$108,045,002.

	<u>Beg Bal 1/1/14</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance @ 12/31/14</u>
Primary Government				
General Fund	26,995,540	3,785,000	3,254,320	27,526,220
Town Outside Village	1,476,563	200,000	98,739	1,577,824
Highway Fund	46,796,295	3,100,000	6,120,991	43,775,304
Sewer Districts	5,163,817	200,000	655,477	4,708,340
Street Lighting District	75,661	-	8,202	67,459
Refuse and Garbage Fund	1,581,833	-	126,859	1,454,974
Water District	4,653,387	1,000,000	742,841	4,910,546
	<u>86,743,096</u>	<u>8,285,000</u>	<u>11,007,429</u>	<u>84,020,667</u>
Component Units				
Greenlawn Water District	3,387,534	-	417,974	2,969,560
South Huntington Water District	22,984,371	-	1,929,597	21,054,774
	<u>26,371,905</u>	<u>-</u>	<u>2,347,571</u>	<u>24,024,334</u>
Total General Obligation Bonds	<u>\$113,115,001</u>	<u>\$8,285,000</u>	<u>\$13,355,000</u>	<u>\$108,045,001</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS (continued)

LONG TERM DEBT (continued)

Principal Government:

Year Ending December, 31	Principal Due	Interest Due	Total
2015	10,881,635	2,848,045	13,729,680
2016	10,084,700	2,466,900	12,551,600
2017	8,769,298	2,135,779	10,905,077
2018	8,336,739	1,828,313	10,165,052
2019	7,915,567	1,538,832	9,454,399
2020-2024	28,818,330	3,927,919	32,746,249
2025-2029	9,214,399	661,924	9,876,323
	<u>84,020,668</u>	<u>15,407,712</u>	<u>99,428,380</u>

Component Units:

Year Ending December 31	Principal Due	Interest Due	Total
2015	2,383,366	839,626	3,222,992
2016	2,415,301	762,050	3,177,351
2017	2,480,702	681,881	3,162,583
2018	2,573,261	594,978	3,168,239
2019	2,319,433	505,413	2,824,846
2020-2024	9,026,670	1,382,233	10,408,903
2025-2029	2,825,601	217,113	3,042,714
	<u>24,024,334</u>	<u>4,983,294</u>	<u>29,007,628</u>

Other Long-Term Debt – The governmental activities of employee’s retirement incentive, other post-employment benefits payable, compensated absences, claims and judgments, and estimated liability for landfill closure and post-closure care costs, and installment purchase debt are generally liquidated by the General Fund.

Installment Purchase Debt - The Town has purchased equipment that is being financed over 36 to 60 months at various interest rates. The assets and related obligations are accounted for in the government-wide financial statements.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS (continued)

LONG TERM DEBT (continued)

Equipment and related accumulated depreciation under capital lease are as follows:

Machinery and equipment	\$ 30,786
Less: accumulated depreciation	<u>(28,151)</u>
Net Value	<u>\$ 2,635</u>

The following is a schedule of future minimum payments as of December 31, 2014:

	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
Year ending December 31, 2015	\$ 2,635	\$ 30	\$ 2,665

Prior-Year Defeasance of Debt

In prior years, the Town of Huntington defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At December 31, 2014, the amount of defeased bonds outstanding was approximately \$21 million, of which approximately \$17 million was for general Town purposes and approximately \$4 million was for the component units.

5. RETIREMENT SYSTEM

Plan Description

The Town of Huntington participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The ERS provides retirement benefits as well as death and disability benefits.

The obligation of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the ERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the ERS and for the custody and control of their funds.

A publicly available annual report containing financial statements and required supplemental information for the Employees' Retirement System may be obtained by writing to the New York State Retirement System, Governor Smith State Building, Albany, NY 12244.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

Funding Policy

The System is noncontributory for employees who joined the New York State and Local Employees' Retirement System prior to July 27, 1976 (Tiers 1 & 2). Employees who joined the New York State and Local Retirement System between July 27, 1976 and December 31, 2009 (Tiers 3 & 4) are required to contribute 3% of their gross earnings until they have ten years of membership or ten years of credited services, whichever occurs first. Employees who joined the New York State and Local Retirement System between January 1, 2010 and March 31, 2012 (Tier 5) must contribute 3% of their gross earning for their entire career. Employees who joined the New York State and Local Retirement System after April 1, 2012 to present (Tier 6) must contribute between 3% and 6% of their gross earning for their entire career. The amount that Tier 6 members contribute is initially based on their annual wage. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made employers to the pension accumulation fund.

The Town is required to contribute at an actuarially determined rate. The actual contributions were equal to the actuarially required amounts and also include additional contributions to fund various early retirement incentives made available to the Town employees. The credits and miscellaneous adjustments represent modification made by the ERS for prior years' contributions.

The required contributions, for the Primary government, for the current year and two preceding years were:

	<u>Annual Required Contribution</u>
For the year ending December 31, 2014	\$ 10,790,971
2013	12,736,105
2012	10,760,219

The Town's contribution to the System was 100 percent of the contributions required for years ending December 31, 2013 and 2014. For the year ending December 31, 2012, the Town elected to amortize \$3,905,184 of its required pension contribution over a ten year period at an interest rate of 3%. The balance remaining at December 31, 2014 is \$3,213,994.

6. EMPLOYEE RETIREMENT INCENTIVES

From 2004 to 2012, the Town made available retirement incentive programs to eligible employees. The incentive offered to pay health insurance benefits for the retirees and their spouses. It also included a three-year payout of accrued sick and vacation time. The cost of these retirement incentive programs is charged to expenditures in the year when the payment is due. During 2014, \$53,548 was charged to expenditures for these programs. There is currently no unpaid liability at the end of the year.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

7. OTHER POST-EMPLOYMENT BENEFITS (OBLIGATIONS FOR HEALTH INSURANCE) (continued)

Plan Description:

The Town provides continuation of medical insurance to employees who are at least 50 years old and have 15 consecutive years of service with the Town. Based on collective bargaining agreements, the retiree and his/her beneficiaries receive this coverage for the life of the retiree and continued coverage for a non-married spouse and dependent children upon the death of the retiree. The same benefits are available to non-union employees.

The Town retiree's pays 100% of the premiums for those employees who retired prior to January 1, 2004. The Town will pay 75% of premiums for employees and 35% of spouse's premium for those employees who retire after January 1, 2004. A retirement incentive is offered to employees whereby the Town will pay the full premium cost for those who retire within the first year that they are eligible during the period of January 1, 2012 through December 31, 2016.

Funding Policy:

The number participants as of January 1, 2014, the effective date of the biennial other post-employment benefits (OPEB) valuation, are as follows. There have been no significant changes in the number or type of coverage since that date.

	Total	Town	Component Units
Active Employees	636	600	36
Retirees	624	601	23
Spouses of Retired Employees	328	313	15
Total	1588	1514	74

The Town currently pays for post-employment health care benefits on a pay-as-you-go basis. GASB 45 does not require that the unfunded liability be amortized nor that it be funded only that the unfunded accrued liability is accounted for and in compliance in meeting its Annual Required Contribution ("ARC"). However, if the liability is funded, assets must be transferred to a qualifying irrevocable trust or equivalent arrangement for the exclusive benefit of plan members and must be protected from creditors.

At this time, there is no New York State statute providing local governments with the requisite authority for establishing another post-employment benefits trust. Therefore, these financial statements are presented on a pay-as-you-go basis until a funding mechanism is authorized for Municipalities by New York State statute.

Annual Other Post-Employment Benefits Cost and Net Obligation:

For the year ended December 31, 2014, the Town's annual other post-employment benefits, including component units, cost (expenses) were \$15,309,439. Considering the annual expense as well as the payment of current health insurance premiums, which totaled \$7,025,148 for retirees and their beneficiaries, the result was an increase in the other post-employment benefits liability of \$8,284,291 for the year ended December 31, 2014.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

7. OTHER POST-EMPLOYMENT BENEFITS (OBLIGATIONS FOR HEALTH INSURANCE) (continued)

The Town's annual other post-employment benefits cost, the amount actually paid and changes to the Town's net other post-employment benefits obligation to the Plan for the year ended December 31, 2014 are as follows:

	<u>Total</u>	<u>Town</u>	<u>Component Units</u>
Annual Required Contribution (ARC)	\$ 15,999,837	\$ 15,005,894	\$ 993,943
Interest on net OPEB Obligation	2,424,078	2,281,989	142,089
Adjustment to ARC	<u>(3,114,476)</u>	<u>(2,930,263)</u>	<u>(184,213)</u>
Annual OPEB Cost	15,309,439	14,357,620	951,819
Payments Made	<u>(7,025,148)</u>	<u>(6,642,917)</u>	<u>(382,231)</u>
Increase in Net OPEB Obligation	8,284,291	7,714,703	569,588
Net OPEB Obligation-beginning of year	<u>60,601,971</u>	<u>57,049,743</u>	<u>3,552,228</u>
Net OPEB Obligation-end of year	\$ 68,886,262	\$ 64,764,446	\$ 4,121,816

The Town's annual other post-employment benefits cost, the percentage of annual other post-employment benefits cost contributed to the Plan and the net other post-employment benefits obligation for the year ended December 31, 2014:

Annual Other Post-Employment Benefits Cost and Net Obligation:

<u>Town of Huntington</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 14,357,620	46.3%	\$ 64,764,446
2013	\$ 13,812,790	42.8%	\$ 57,049,743
2012	\$ 14,483,463	46.4%	\$ 49,151,926

<u>Component Units</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 951,819	40.2%	\$ 4,121,816
2013	\$ 913,620	34.9%	\$ 3,552,228
2012	\$ 895,463	40.8%	\$ 2,957,116

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

7. OTHER POST-EMPLOYMENT BENEFITS (OBLIGATIONS FOR HEALTH INSURANCE) (continued)

Funded Status and Funding Progress:

The funded status of the plan as of January 1, 2014 is as follows:

	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded ratio	Covered Payroll	UAAL as a % of Covered Payroll
Town	1/1/2014	-	199,225,531	199,225,531	0%	59,000,459	337.7%
Component Units	1/1/2014	-	11,815,236	11,815,236	0%	2,512,024	470.3%
Total			211,040,767	211,040,767		61,512,483	

Actuarial Methods and Assumptions:

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to annual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term liability in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

Based on the Town's actuarial update as of January 1, 2014, the annual other post-employment benefits cost (expense) is calculated based on the annual required contribution (ARC) to the Town, an amount that was actuarially determined by using the entry age method (one of the actuarial cost methods in accordance with parameters of GASB 45) and level percentage of projected payroll of active plan members on a closed basis. Included coverage is "community-rated" and annual premiums for community-rated coverage was used with future trend increases without age adjustments. The actuarial methods and assumptions are as follows:

	<u>Town</u>	<u>Component Units</u>
Interest Rate	4.0%	4.0%
2013 Medical Rate Trends (Pre-65/Post-65)	9.0%/8.0%	8.0%/5.0%, 9.0%/6.0%
Ultimate Medical Trend Rate	5.0%	5.0%
Year Ultimate Trend Rates Reached (Pre-65/Post-65)	2017/2016	2016/2013, 2017/2014
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Remaining amortization Period at 12/31/2013	22.77	22.97, 22.04
Annual Payroll Increase	2.5%	2.5%

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

C. DETAILED NOTES ON ALL FUNDS (continued)

8. COMPENSATED ABSENCES

Town employees are granted vacation and sick leave and earn compensatory absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation, sick leave and unused compensatory absences at various rates subject to certain maximum limitations.

Estimated vacation, sick leave and compensatory absences accumulated by governmental fund type employees have been recorded in the government-wide financial statements. Payment of vacation time and sick leave is dependent upon many factors, and therefore the timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation, sick leave and compensatory absences when such payments become due. As of December 31, 2014, the value of the accumulated vacation time and sick leave was \$13,892,544 for the Town and \$541,804 for the Component Units.

<u>Town</u>	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2014</u>
General Fund	\$ 7,415,989	\$ 3,441,395	\$ 3,142,376	\$ 7,715,008
Town Outside Village	1,141,022	645,857	662,090	1,124,789
Highway	2,693,112	1,463,713	1,385,973	2,770,852
Street Lighting	183,598	104,329	88,364	199,563
Refuse	1,162,809	310,079	450,431	1,022,457
Sewer Districts	394,350	158,654	170,903	382,101
Water District	478,060	154,877	143,809	489,128
CDA	168,373	56,983	36,710	188,646
Total Primary Government	\$ 13,637,313	\$ 6,335,887	\$ 6,080,656	\$ 13,892,544
 Component Units				
Greenlawn Water District	\$ 206,834	\$ 26,638	\$ -	\$ 233,472
South Huntington Water District	345,172		36,840	308,332
Total Components	\$ 552,006	\$ 26,638	\$ 36,840	\$ 541,804

9. PRIOR PERIOD ADJUSTMENTS

The opening balances of the Town's net position and the Town's Capital Projects fund balance were restated as follows:

	<u>Town's Net</u> <u>Position</u>	<u>Capital Projects</u> <u>Fund Balance</u>	<u>Sewer Districts</u>
Departmental Income - Sewer Charges ¹	\$ 230,351,745	\$ 17,454,116	\$ 464,679
Accounting for Retained Percentages ²	1,261,322	(1,278,110)	1,278,110
	<u>\$ 231,613,067</u>	<u>\$ 17,437,328</u>	<u>\$ 1,742,789</u>

1. As per recommendation from NYS Comptroller's office, revenue derived from Sewer Charges for capital improvements should be recorded in the operating budget of the Sewer District.

2. As per bulletin issued in October 2014 is required by NYS Comptroller and under GASB Interpretation No. 6, retainage does not meet the definition of a liability until it becomes due and payable. Retainage recorded at 12/31/13 is required to be restated as a prior period adjustment.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

D. COMMITMENTS AND CONTINGENCIES

1. RISK RETENTION

In common with other municipalities, the Town receives numerous notices of claims. The Town self-insures for bodily injury and property damage up to a maximum of \$2,000,000 per claim. Claims in excess of \$2,000,000 are covered by an excess liability policy providing for \$10,000,000 per occurrence and in the aggregate. The Town is also self-insured for automobile liability insurance with the same limits as above. Additionally, the Town is self-insured for workers' compensation insurance. Estimated benefits to be paid are appropriated in the various operating funds of the Town. The Town has provided an umbrella-type policy protecting against catastrophic workers' compensation losses up to a \$10,000,000 cap with a \$2,000,000 retention for each loss. Although the eventual outcome of these claims cannot presently be determined, the amount of unsettled claims and litigation is estimated to be \$11,020,796. The Town is of the opinion that the ultimate settlement of the outstanding claims will not result in a material adverse effect on the Town's financial position.

There have been no significant reductions in insurance coverage as compared to the prior year, and there were no settlements in excess of insurance coverage over the last three years.

The Town estimates its workers' compensation and general liability by consulting with legal counsel and past experience with similar claims. The Town has not purchased any annuity contracts with regard to its workers' compensation or general liability claims.

The schedule below presents the changes in claims liabilities for the past two years for general liability and workers' compensation and includes an estimate of claims that have been incurred but not yet reported.

	<u>Workers' Compensation</u>		<u>General Liability</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Unpaid claims and claim adjustment expenditures at beginning of year	\$4,834,183	\$4,936,774	\$5,327,638	\$3,249,000
Incurred claims and claim adjustment expenditures:				
Provision for insured events of the current year and increases in provision for insured events of prior years	7,927,064	6,691,369	332,162	2,550,430
Payments:				
Claims and claim adjustment expenditures attributable to insured events and of the current and prior years	<u>(5,860,578)</u>	<u>(6,793,960)</u>	<u>(1,539,673)</u>	<u>(471,792)</u>
Total unpaid claims and claim adjustment expenditures at the end of year	<u>\$6,900,669</u>	<u>\$4,834,183</u>	<u>\$4,120,127</u>	<u>\$5,327,638</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

D. COMMITMENTS AND CONTINGENCIES (continued)

2. RESOURCE RECOVERY FACILITY

The waste-to-energy Resource Recovery Facility, which was constructed to service the Town, was financed through the issuance of \$176,550,000 in Industrial Development Bonds, by the New York State Environmental Facilities Corporation. The facility was constructed and is now being operated by Covanta Huntington Limited Partnership (“Covanta”) (formerly known as Ogden Martin Systems, Inc.), an affiliate of Covanta Energy, Inc. The facility is currently operating at full capacity.

Industrial Development Bonds are not general obligations of the Town and do not constitute any indebtedness of or charge against the general credit of the Town. However, the Town has entered into a Service Agreement with Covanta pursuant to which the Town has certain obligations with respect to the delivery of waste tonnage to the facility and the payment of related service fees, that when combined with revenue from the sale of project-generated electricity will finance both the operating expenses and debt service relating to the facility. The original Service Agreement had a term of 25 years. In December 2010, the Town exercised their option to extend this Service Agreement until the year 2019 and amended the financial provisions in the extension.

In September 1989, the Board closed its 60-year old landfill and thereafter, entered into an agreement with the neighboring Town of Smithtown. This agreement executed in December 1989 provided that until such time as Huntington's waste-to-energy facility was constructed, Huntington would share the use of two cells in Smithtown's State-approved landfill for the disposal of its solid waste. For the reserving of capacity and the transfer of a fee interest in the first cell, the Town has paid the Town of Smithtown a charge of approximately \$33.30 per ton of solid waste disposed of therein. For its use of the second cell, which was constructed to receive solid waste upon the first cell being filled to capacity, the Town must pay the Town of Smithtown a fee equal to a portion of the capital costs, costs of usage associated with such cell, and the costs incurred after the cell is no longer utilized.

The Town has been paying approximately one-half of these costs. Included in the capital costs is a general obligation bond issued by the Town of Smithtown to finance the construction of the second cell.

As further consideration for allowing the Town to use its landfill, the agreement grants the Town of Smithtown the right to deliver its processable solid waste to the waste-to-energy facility. By the terms of the agreement, the Town of Smithtown has agreed to share the obligations of the Town under the Service Agreement with Covanta. The total costs paid by the Town under this service agreement during 2014 amounted to \$18,091,238 of which \$6,713,363 was reimbursed by the Town of Smithtown.

3. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require the Town of Huntington to place a final cover on its landfill site, which stopped accepting waste in 1989, and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Accordingly, as of December 31, 2014, the Town has recorded a liability of \$451,179, which represents the provision to be made in future budgets for unfunded closure and post-closure landfill costs. Actual costs may be higher or lower due to inflation or deflation, changes in technology or changes in regulations or applicable laws.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

D. COMMITMENTS AND CONTINGENCIES (continued)

4. CONSTRUCTION AND OTHER CAPITAL ACQUISITION COMMITMENTS

Construction in progress, commitments for equipment purchases and other capital acquisition commitments amounting to \$8,002,094 has been recorded as encumbrances in the Capital Projects Fund.

5. LITIGATION

The Town is involved in various litigation arising in the normal conduct of its affairs. Some of the law suits seek damages which could be in excess of the Town's insurance coverage. However, it is not possible to determine the Town's potential exposure, if any, at this time.

6. LENGTH OF SERVICE AWARD PROGRAM-LOSAP

Plan Description

The Town of Huntington participates in two Volunteer Ambulance First Aid Workers Service Award Programs (the Plans): Commack Volunteer Ambulance Corps. and Huntington Community First Aid Squad, Inc. Both plans are single-employer defined benefit pension plans covering the volunteer ambulance workers. The Plans are administered by Penflex, Inc. with all provisions and amendments subject to approval of the Board. None of the pension plans issue separate audited reports on the pension plans.

Funding Policy

The Plans are established under New York State Law Section 565-B, A7635-B, and Article 11AAA. The Plans are non-contributory. The Town is required to contribute the total amount sufficient to cover the normal cost of the plans.

Any volunteer ambulance worker who completed five years of service and attains age 65 is eligible for normal retirement benefits. The amount of the monthly retirement income payable to a volunteer ambulance worker eligible for normal retirement benefits is equal to \$20 multiplied by the total years of service, which is not to exceed 40 years with no post-retirement benefit increases.

Pension expense is determined based on an annual actuarial calculation. The required contribution for the Plans consists of two components. The first component, the annual prior service cost which equals the level annual payment required to fund over the prior service funding period, the portion of the current participants' projected benefits at entitlement age which is based on the service credit ambulance workers earned before the effective date of the Service Award Program. The second component, the "normal cost," which is equal to the level annual payment required to fund the portion of the current participants' projected benefits based on their service credit earned after the effective date of the Service Award Program. Based upon accepted actuarial methods and the assumptions used, it has been determined that the contributions for the Commack Volunteer Ambulance Corps of \$48,482 and the Huntington Community First Aid Squad of \$356,409 for the year ended December 31, 2013 was sufficient to satisfy current and future service award obligations upon eligibility for retirement. The Fiscal Year 2013 contribution was made in Fiscal Year 2014. Actuarial results for Fiscal Year 2014 were not available to be reported in this financial statement. The Annual Required Contribution and the Annual Contribution do not vary significantly from year to year and are not material to the financial statements as a whole.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

D. COMMITMENTS AND CONTINGENCIES (continued)

6. LENGTH OF SERVICE AWARD PROGRAM-LOSAP

Funding Policy (continued)

Commack Volunteer Ambulance Corps

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Paid	Percentage of Annual Postemployment Benefit Cost Contributed	Net Service Award Obligation (Asset)
12/31/2014	\$ (41,419)	\$ 63,646	-154%	\$ (248,929)
12/31/2013	\$ 7,224	\$ 69,687	965%	\$ (143,864)
12/31/2012	\$ 78,827	\$ 68,524	87%	\$ (81,401)
12/31/2011	\$ 14,367	\$ 71,971	501%	\$ (91,704)
12/31/2010	\$ 6,882	\$ 78,127	1135%	\$ (34,100)
12/31/2009	\$ 225,487	\$ 66,612	30%	\$ 50,909

	2014	2013	2012	2011	2010	2009
Annual required contribution (ARC)	\$ 48,482	\$ 63,646	\$ 69,687	\$ 68,524	\$ 71,970	\$ 78,127
Interest on net OPEB obligation	(8,991)	(5,291)	(5,960)	(2,216)	3,310	-
Adjustment to ARC	(80,910)	(51,131)	15,100	(51,942)	(82,162)	147,360
Annual OPEB cost (expense)	(41,419)	7,224	78,827	14,366	(6,882)	225,487
Payments made	(63,646)	(69,687)	(68,524)	(71,970)	(78,127)	(66,612)
Increase (decrease) in net OPEB obligation	(105,065)	(62,463)	10,303	(57,604)	(85,009)	158,875
Net OPEB, beginning of year	(143,864)	(81,401)	(91,704)	(34,100)	50,909	(107,966)
Net OPEB, end of year	<u>\$ (248,929)</u>	<u>\$ (143,864)</u>	<u>\$ (81,401)</u>	<u>\$ (91,704)</u>	<u>\$ (34,100)</u>	<u>\$ 50,909</u>

The funded status of the plan as of December 31, 2013 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Accrued Liability (AAL)	(Overfunded)/ Underfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as Percentage of Covered Payroll
12/31/2013	1,033,644	784,719	(248,925)	131.7%	N/A	N/A
12/31/2012	835,007	691,143	(143,864)	120.8%	N/A	N/A
12/31/2011	703,107	621,706	(81,401)	113.1%	N/A	N/A
12/31/2010	687,326	595,622	(91,704)	115.4%	N/A	N/A
12/31/2009	565,236	531,136	(34,100)	106.4%	N/A	N/A
12/31/2008	418,899	469,808	50,909	89.2%	N/A	N/A

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

D. COMMITMENTS AND CONTINGENCIES (continued)

6. LENGTH OF SERVICE AWARD PROGRAM-LOSAP

Funding Policy (continued)

Huntington Community First Aid Squad

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Paid	Percentage of Annual Postemployment Benefit Cost Contributed	Net Service Award Obligation (Asset)
12/31/2014	\$ 117,369	\$ 356,813	304%	\$ 410,285
12/31/2013	\$ 178,112	\$ 355,889	200%	\$ 649,729
12/31/2012	\$ 432,859	\$ 328,130	76%	\$ 827,506
12/31/2011	\$ 227,078	\$ 320,258	141%	\$ 722,777
12/31/2010	\$ 168,023	\$ 330,474	197%	\$ 815,957
12/31/2009	\$ 945,534	\$ 252,863	27%	\$ 978,408

	2014	2013	2012	2011	2010	2009
Annual required contribution (ARC)	\$ 356,409	\$ 356,813	\$ 355,889	\$ 328,130	\$ 320,258	\$ 330,474
Interest on net OPEB obligation	40,608	53,788	46,981	53,037	63,597	18,573
Adjustment to ARC	(279,648)	(232,489)	29,989	(154,089)	(215,832)	596,487
Annual OPEB cost (expense)	117,369	178,112	432,859	227,078	168,023	945,534
Payments made	(356,813)	(355,889)	(328,130)	(320,258)	(330,474)	(252,863)
Increase in net OPEB obligation	(239,444)	(177,777)	104,729	(93,180)	(162,451)	692,671
Net OPEB, beginning of year	649,729	827,506	722,777	815,957	978,408	285,737
Net OPEB, end of year	\$ 410,285	\$ 649,729	\$ 827,506	\$ 722,777	\$ 815,957	\$ 978,408

The funded status of the plan as of December 31, 2013 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as Percentage of Covered Payroll
12/31/2013	3,922,570	4,332,855	410,285	90.5%	N/A	N/A
12/31/2012	3,185,108	3,834,837	649,729	83.1%	N/A	N/A
12/31/2011	2,700,107	3,527,613	827,506	76.5%	N/A	N/A
12/31/2010	2,488,933	3,211,710	722,777	77.5%	N/A	N/A
12/31/2009	2,095,658	2,911,615	815,957	72.0%	N/A	N/A
12/31/2008	1,627,773	2,606,181	978,408	62.5%	N/A	N/A

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

D. COMMITMENTS AND CONTINGENCIES (continued)

6. LENGTH OF SERVICE AWARD PROGRAM-LOSAP

Funding Policy (continued)

Actuarial Methods and Assumptions

Commack Volunteer Ambulance Corps

Valuation Date	December 31, 2013
Actuarial Cost Method	Attained Age Normal Frozen Initial Liability Cost Method
Amortization Method	Level Dollar, Open
Pre-Entitlement age mortality table	None assumed
Post-entitlement age mortality table	50/50 blend 1994 US Uninsured Pensioner Mortality
Remaining Amortization Period	5 Years
Asset Valuation Method	Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return, Including an inflation factor	6.25%

Huntington Community First Aid Squad

Valuation Date	December 31, 2013
Actuarial Cost Method	Attained Age Normal Frozen Initial Liability Cost Method
Amortization Method	Level Dollar, Open
Pre-Entitlement age mortality table	None assumed
Post-entitlement age mortality table	50/50 blend 1994 US Uninsured Pensioner Mortality
Remaining Amortization Period	5 Years
Asset Valuation Method	Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return, Including an inflation factor	6.25%

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

E. CONDENSED FINANCIAL STATEMENTS FOR THE DISCRETELY PRESENTED COMPONENT UNITS

The following represents condensed financial statements for the discretely presented component units as of and for the year ended December 31, 2014:

Condensed Statement of Net Position:

	South Huntington Water District	Greenlawn Water District	Totals
ASSETS			
Current Assets			
Current assets and other assets	13,454,590	5,739,294	19,193,884
Capital assets net of depreciation	42,680,127	17,804,196	60,484,323
Deferred Outflow of Resources	141,878	-	141,878
Total Assets	<u>56,276,595</u>	<u>23,543,490</u>	<u>79,820,085</u>
LIABILITIES AND NET POSITION			
Current Liabilities	3,613,061	853,452	4,466,513
Other long-term liabilities	21,682,823	4,755,975	26,438,798
Investment in capital	26,085,923	14,766,925	40,852,848
Restricted	4,275,578	2,183,121	6,458,699
Unrestricted	619,210	984,017	1,603,227
Total Liabilities and Net Position	<u>\$ 56,276,595</u>	<u>\$ 23,543,490</u>	<u>\$ 79,820,085</u>

Condensed Statement of Activities:

	Program		General Revenue		Net Assets			
	Expenses	Charges for Services	Net (Expense) Revenue	Property Tax	Other	Change	1/1/2014	12/31/2014
South Huntington Water District	8,145,060	4,014,449	(4,130,611)	3,862,889	989,268	721,546	30,259,165	30,980,711
Greenlawn Water District	5,325,221	2,709,832	(2,615,389)	2,302,500	(52,155)	(365,044)	18,299,107	* 17,934,063
	<u>\$ 13,470,281</u>	<u>\$ 6,724,281</u>	<u>\$ (6,746,000)</u>	<u>\$ 6,165,389</u>	<u>\$ 937,113</u>	<u>\$ 356,502</u>	<u>\$ 48,558,272</u>	<u>\$ 48,914,774</u>

*Restated

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

F. SUBSEQUENT EVENTS

No reportable subsequent events.

G. NEW PRONOUNCEMENTS

Governmental Accounting Standards Board (GASB) issued authoritative guidance GASB Statement No. 68 on *Accounting and Financial Reporting for Pensions*, an amendment of GASB Statement No. 27. The objective of the statement is to improve financial reporting by state and local governments for pension plans. The Town is required to implement this authoritative guidance for the year ended December 31, 2015.

Governmental Accounting Standards Board (GASB) issued authoritative guidance GASB Statement No. 71 on *Pension Transition for Contributions Made Subsequent to the Measurement Date an amendment of GASB Statement No. 68* which addresses an issue regarding application of the transition provisions of GASB Statement No. 68. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

Governmental Accounting Standards Board (GASB) issued authoritative guidance GASB Statement No. 72 on *Fair Value Measurement and Application*. The objective of the statement is to improve accounting and financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, *Measurement of Elements of Financial Statements*, and other relevant literature. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

Notes to Required Supplementary Information

In order to show the full legal level of budgetary compliance for the General and certain Special Revenue Funds, detailed individual statements of revenues, expenditures and changes in fund balance – budget and actual, are presented in a separate budget report.

Budgets for the General and certain Special Revenue Funds are legally adopted for each fiscal year. The budgets are adopted on a basis of accounting consistent with GAAP, except that appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior years. The Capital Projects and Special Grant Funds are budgeted on a project or grant basis.

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 36,505,718	\$ 36,675,718	\$ 36,728,178	\$ 52,460
Total Real Property Taxes	36,505,718	36,675,718	36,728,178	52,460
OTHER REAL PROPERTY TAXES				
Payment In lieu of taxes	57,000	57,000	64,987	7,987
Interest and penalty on taxes	280,000	280,000	273,549	(6,451)
Total Other Real Property Taxes	337,000	337,000	338,536	1,536
NON-PROPERTY TAX ITEMS				
Franchises - cable TV	3,925,937	3,925,937	4,225,784	299,847
Total Non-Property Tax Items	3,925,937	3,925,937	4,225,784	299,847
DEPARTMENTAL INCOME				
Town clerk fees	325,000	325,000	251,113	(73,887)
Other general departmental income	4,000	4,000	9,152	5,152
Parking meter fees	1,800,000	1,800,000	555,309	(1,244,691)
Transportation	439,000	439,000	447,681	8,681
Charges - programs for the aging	263,500	263,500	342,100	78,600
Park and recreational charges	1,983,000	1,985,425	1,896,711	(88,714)
Recreational concessions	130,000	130,000	80,635	(49,365)
Special recreational facility charges	6,241,800	6,241,800	6,086,404	(155,396)
Refuse and garbage charges	21,785,033	21,785,033	21,466,556	(318,477)
Total Departmental Income	32,971,333	32,973,758	31,135,661	(1,838,097)
INTERGOVERNMENTAL CHARGES				
Information Technology - other governments	-	-	35	35
Miscellaneous Revenue	27,000	27,000	84,698	57,698
Refuse and Garbage Service	98,944	98,944	102,136	3,192
Total Intergovernmental Charges	125,944	125,944	186,869	60,925
USE OF MONEY AND PROPERTY				
Interest and earnings	209,400	209,400	182,719	(26,681)
Rental of real property	681,500	681,500	743,310	61,810
Total Use of Money and Property	890,900	890,900	926,029	35,129
LICENSES AND PERMITS				
Bingo licenses	13,000	13,000	11,513	(1,487)
Dog licenses	30,200	30,200	26,898	(3,302)
Parking Permits	905,000	905,000	931,550	26,550
Other permits	25,000	26,140	36,990	10,850
Total Licenses and Permits	973,200	974,340	1,006,951	32,611
FINES AND FORFEITURES				
Fines	1,483,000	1,483,000	1,101,734	(381,266)
Total Fines and Forfeitures	1,483,000	1,483,000	1,101,734	(381,266)

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sales of scrap and excess material	25,000	25,000	43,470	18,470
Sales of refuse for recycling	21,200	21,200	27,185	5,985
Sales other	8,000	8,000	9,231	1,231
Sales of Real Property	-	-	271,869	271,869
Sales of equipment	6,500	6,500	-	(6,500)
Insurance recoveries	220,000	230,704	63,234	(167,470)
Total Sale of Property and Compensation for Loss	<u>280,700</u>	<u>291,404</u>	<u>414,989</u>	<u>123,585</u>
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	-	-	15,108	15,108
Gifts and donations		25,350	23,431	(1,919)
Miscellaneous revenue	1,154,518	1,179,518	1,068,885	(110,633)
Total Miscellaneous Local Sources	<u>1,154,518</u>	<u>1,204,868</u>	<u>1,107,424</u>	<u>(97,444)</u>
INTERFUND REVENUES	<u>4,138,963</u>	<u>4,138,963</u>	<u>4,138,963</u>	<u>-</u>
STATE AID				
State Aid - revenue sharing	1,067,256	1,067,256	1,067,256	-
State Aid - mortgage tax	7,500,000	7,500,000	6,455,784	(1,044,216)
State Aid - other		-	16,319	16,319
State Aid - bus and other mass transit	789,085	789,085	809,650	20,565
State Aid - programs for aging	272,914	272,914	194,082	(78,832)
State Aid - youth program	493,028	493,028	405,243	(87,785)
State Aid - code enforcement	7,580	7,580	-	(7,580)
State Aid - other culture and recreation	48,674	48,674	43,811	(4,863)
State Aid - other home and community services	-	-	32,940	32,940
Total State Aid	<u>10,178,537</u>	<u>10,178,537</u>	<u>9,025,085</u>	<u>(1,153,452)</u>
FEDERAL AID				
Federal Aid - programs for the aging	135,630	135,630	191,200	55,570
Federal Aid - youth program	717,392	717,392	724,455	7,063
Federal Aid - other home and community services	-	-	8,040	8,040
Federal Aid - federal emergency management assistance	-	-	26,738	26,738
Federal Aid - other culture and recreation	-	-	559	559
Total Federal Aid	<u>853,022</u>	<u>853,022</u>	<u>950,992</u>	<u>97,970</u>
Total Revenues	<u>\$ 93,818,772</u>	<u>\$ 94,053,391</u>	<u>\$ 91,287,195</u>	<u>\$ (2,766,196)</u>

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2014

Function	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Town board	\$ 714,573	\$ 723,535	\$ 717,385	\$ -	\$ 6,150
Traffic violations bureau	116,199	116,199	98,255	-	17,944
Supervisor	883,760	838,112	829,289	45	8,778
Comptroller	1,055,864	1,075,271	1,071,400	-	3,871
Tax collection	640,023	641,107	640,685	69	353
Purchasing	280,663	291,365	291,235	65	65
Assessment	1,132,335	1,273,126	1,230,628	-	42,498
Fiscal agent fees	35,000	47,279	47,279	-	-
Town clerk	988,476	1,086,312	1,059,248	17,218	9,846
Town attorney	2,495,997	3,038,783	2,761,788	236,536	40,459
Personnel	644,988	678,629	662,879	900	14,850
Engineer	715,554	720,421	673,865	6,183	40,373
General services	512,413	600,610	600,605	-	5
Operation of plant	9,620,943	9,902,997	9,783,596	12,917	106,484
Central storeroom	441,324	402,324	382,065	167	20,092
Central printing and mailing	244,000	175,146	171,013	-	4,133
Information Technology	2,204,557	2,371,333	1,946,494	342,220	82,619
Unallocated insurance	349,815	331,743	329,056	-	2,687
Municipal assessment dues	9,000	7,162	6,372	-	790
Judgments and claims	300,000	791,926	791,925	-	1
Purchase of land and right of way	1,500,000	-	-	-	-
Taxes and assessment on municipal property	29,500	21,730	19,736	-	1,994
Contractual	20,000	175,727	11,500	-	164,227
Total General Government Support	24,934,984	25,310,837	24,126,298	616,320	568,219
PUBLIC SAFETY					
Administration	2,801,192	3,194,023	3,132,112	59,009	2,902
Harbors and waterways	667,562	700,012	695,981	1,500	2,531
Control of dogs	843,323	854,065	845,211	314	8,540
Safety inspection	228,696	220,339	220,280	-	59
Civil defense	15,119	15,119	11,267	-	3,852
Total Public Safety	4,555,892	4,983,558	4,904,851	60,823	17,884
HEALTH					
Substance Abuse	836,183	759,590	759,590	-	-
Total Health	836,183	759,590	759,590	-	-
TRANSPORTATION					
Highway and street administration	827,441	838,547	838,375	-	172
Public transportation	3,765,740	4,168,605	4,125,451	787	42,367
Waterways Navigation	66,895	69,653	69,645	-	8
Total Transportation	4,660,076	5,076,805	5,033,471	787	42,547
ECONOMIC ASSISTANCE AND OPPORTUNITY					
Community action administration	74,825	75,059	73,001	-	2,058
Public Information	147,500	166,758	166,756	-	2
Veterans service	8,000	8,000	7,785	-	215
Family Assistance Program	169,270	169,270	169,270	-	-
Programs for the aging	1,815,921	1,749,137	1,684,841	34	64,262
Total Economic Assistance And Opportunity	2,215,516	2,168,224	2,101,653	34	66,537

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2014

Function	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
CULTURE AND RECREATION					
Council on the arts	147,500	147,500	147,500	-	-
Recreation administration	3,721,913	3,887,792	3,822,474	277	65,041
Playgrounds and recreation centers	1,325,780	1,375,163	1,270,858	4,427	99,878
Special recreation facility charges	4,107,421	4,046,996	3,951,059	-	95,937
Band concerts	143,811	151,288	151,286	-	2
Youth programs	529,897	537,786	537,461	-	325
Joint youth programs	2,684,228	2,687,419	2,524,432	-	162,987
Museums	819,655	857,612	824,870	2,400	30,342
Historian	52,866	52,893	52,448	434	11
Celebrations	10,000	8,992	8,992	-	-
Adult recreation	752,958	769,241	766,514	-	2,727
Total Culture and Recreation	14,296,029	14,522,682	14,057,894	7,538	457,250
HOME AND COMMUNITY SERVICES					
Refuse and garbage	19,748,666	18,804,175	18,802,117	-	2,058
Landfill Post Closure	66,500	63,879	54,797	-	9,082
Recycling	522,291	598,375	585,421	-	12,954
General natural resources	845,260	854,116	853,065	494	557
Miscellaneous	45,796	90,247	46,983	16,310	26,954
Total Home and Community Services	21,228,513	20,410,792	20,342,383	16,804	51,605
EMPLOYEE BENEFITS					
State employee retirement system	5,341,793	5,832,388	5,832,387	-	1
Social security	99,500	43,495	43,495	-	-
Workers' compensation	1,100,000	1,453,186	1,421,935	31,250	1
Life insurance	50,500	29,200	28,670	-	530
Unemployment insurance	130,000	130,000	94,272	-	35,728
Disability benefits	90,300	63,387	59,531	-	3,856
Hospital, medical and dental	9,845,000	9,321,590	9,315,217	-	6,373
Union welfare benefits	470,000	470,000	456,342	-	13,658
Other employee benefits	1,075,000	840,155	819,709	-	20,446
Total Employee Benefits	18,202,093	18,183,401	18,071,558	31,250	80,593
DEBT SERVICE					
Interest on Bond Anticipation Note	-	5,270	5,267	-	3
Total Debt Service	-	5,270	5,267	-	3
Total Expenditures	90,929,286	91,421,159	89,402,965	733,556	1,284,638
Excess (Deficiency) of Revenues Over Expenditures	2,889,486	2,632,232	1,884,230	(733,556)	(1,481,558)
Other Financing Sources (Uses)					
Transfers out	-	(2,148,359)	(2,148,359)	-	-
Transfers out (Debt Service)	(4,047,486)	(4,148,967)	(4,148,967)	-	-
Total Other Financing Sources (Uses)	(4,047,486)	(6,297,326)	(6,297,326)	-	-
Net Change in Fund Balance	\$ (1,158,000)	\$ (3,665,094)	(4,413,096)	\$ (733,556)	\$ (1,481,558)
Fund Balance at Beginning of Year			28,347,170		
Fund Balance at End of Year			\$ 23,934,074		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HIGHWAY FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 29,393,394	\$ 29,393,394	\$ 29,393,394	-
Total Real Property Taxes	29,393,394	29,393,394	29,393,394	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	55,700	55,700	60,282	\$ 4,582
Interest and penalties on taxes	-	-	305	305
Total Other Real Property Taxes	55,700	55,700	60,587	4,887
DEPARTMENTAL INCOME				
Other general departmental income	-	-	83,088	83,088
Total Departmental Income	-	-	83,088	83,088
INTERGOVERNMENT CHARGE				
Transportation Services, Other Government	-	-	9,484	9,484
Total Departmental Income	-	-	9,484	9,484
USE OF MONEY AND PROPERTY				
Interest and earnings	90,000	90,000	73,425	(16,575)
Total Use of Money and Property	90,000	90,000	73,425	(16,575)
LICENSES AND PERMITS				
Licenses and permits	100,000	100,000	199,375	99,375
Total Licenses and Permits	100,000	100,000	199,375	99,375
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sales of scrap materials/equipment	8,000	8,000	9,271	1,271
Insurance recoveries	5,000	5,000	46,546	41,546
Total Sale of Property and Compensation for Loss	13,000	13,000	55,817	42,817
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue	351,000	397,645	355,186	(42,459)
Total Miscellaneous Local Sources	351,000	397,645	355,186	(42,459)
STATE AID				
State aid - Consolidated highway aid	1,336,265	1,909,921	1,498,480	(411,441)
State Aid - State Emergency Management Office	-	-	-	-
Total State Aid	1,336,265	1,909,921	1,498,480	(411,441)
FEDERAL AID				
Federal Aid - Federal Emergency Management Assistance	-	955,715	955,715	-
Total Federal Aid	-	955,715	955,715	-
Total Revenues	\$ 31,339,359	\$ 32,915,375	\$ 32,684,551	\$ (230,824)

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HIGHWAY FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 114,802	\$ 114,802	\$ 103,404	\$ -	\$ 11,398
Bond and note issue expense	60,000	32,750	32,749	-	1
Employee training	9,000	9,000	5,250	-	3,750
Other Government Support	50,220	50,220	50,220	-	-
Total General Government Support	<u>234,022</u>	<u>206,772</u>	<u>191,623</u>	<u>-</u>	<u>15,149</u>
TRANSPORTATION					
Highway repairs	12,649,801	13,063,359	12,987,832	34,678	40,849
Capital highway improvements	1,336,265	1,910,469	1,452,291	458,070	108
Highway and machinery	2,343,950	2,238,211	2,121,296	101,499	15,416
Brush and weeds	410,000	410,000	393,012	-	16,988
Snow removal	1,894,146	4,309,117	4,309,116	-	1
Total Transportation	<u>18,634,162</u>	<u>21,931,156</u>	<u>21,263,547</u>	<u>594,247</u>	<u>73,362</u>
EMPLOYEE BENEFITS					
State employee retirement system	2,036,033	2,398,833	2,398,833	-	-
Social security	48,000	17,216	17,215	-	1
Workers Compensation	1,200,000	865,290	865,289	-	1
Life insurance	400	400	255	-	145
Unemployment insurance	90,000	23,008	23,008	-	-
Disability benefits	1,000	1,000	243	-	757
Hospital, medical and dental	4,083,000	3,789,101	3,788,948	-	153
Union welfare benefits	200,000	200,000	187,330	-	12,670
Other employee benefits	234,000	225,035	225,034	-	1
Total Employee Benefits	<u>7,892,433</u>	<u>7,519,883</u>	<u>7,506,155</u>	<u>-</u>	<u>13,728</u>
DEBT SERVICE					
Interest on Bond Anticipation Note	-	6,850	6,846	-	4
Total Debt Service	<u>-</u>	<u>6,850</u>	<u>6,846</u>	<u>-</u>	<u>4</u>
Total Expenditures	<u>26,760,617</u>	<u>29,664,661</u>	<u>28,968,171</u>	<u>594,247</u>	<u>102,243</u>
Excess (Deficiency) of Revenues					
Over Expenditures	4,578,742	3,250,714	3,716,380	(594,247)	(128,581)
Other Financing Sources (Uses)					
Transfer Out	-	(289,750)	(289,750)	-	-
Transfers in	-	727,291	1,166,152	-	(438,861)
Transfers out (Debt Service)	(7,792,742)	(7,792,742)	(7,797,137)	-	4,395
Total Other Financing Sources (Uses)	<u>(7,792,742)</u>	<u>(7,355,201)</u>	<u>(6,920,735)</u>	<u>-</u>	<u>(434,466)</u>
Net Change in Fund Balance	<u>\$ (3,214,000)</u>	<u>\$ (4,104,487)</u>	<u>\$ (3,204,355)</u>	<u>\$ (594,247)</u>	<u>\$ (563,047)</u>
Fund Balance at Beginning of Year			<u>14,374,524</u>		
Fund Balance at End of Year			<u>\$ 11,170,169</u>		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
REFUSE AND GARBAGE FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 23,773,582	\$ 23,773,582	\$ 23,773,582	\$ -
Total Real Property Taxes	23,773,582	23,773,582	23,773,582	-
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	1,000	1,000	247	(753)
Total Other Real Property Tax Items	1,000	1,000	247	(753)
DEPARTMENTAL INCOME				
Refuse and garbage charges	9,040	9,040	9,785	745
Total Departmental Income	9,040	9,040	9,785	745
INTERGOVERNMENT CHARGE				
Refuse & Garbage Service, Other Government	9,658	9,658	9,192	(466)
Total Intergovernment Charge	9,658	9,658	9,192	(466)
USE OF MONEY AND PROPERTY				
Interest and earnings	71,200	71,200	44,118	(27,082)
Total Use of Money and Property	71,200	71,200	44,118	(27,082)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sales of recycled materials	500,000	500,000	496,617	(3,383)
Insurance recoveries	-	-	48,664	48,664
Total Sale of Property and Compensation for Loss	500,000	500,000	545,281	45,281
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	105,000	105,000	90,918	(14,082)
Total Miscellaneous Local Sources	105,000	105,000	90,918	(14,082)
Total Revenues	\$ 24,469,480	\$ 24,469,480	\$ 24,473,123	\$ 3,643

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
REFUSE AND GARBAGE FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 37,736	\$ 55,301	\$ 55,300	\$ -	1
Employee training	6,000	6,000	3,500	-	2,500
Other government support	1,922,922	1,945,366	1,918,987	5	26,374
Total General Government Support	<u>1,966,658</u>	<u>2,006,667</u>	<u>1,977,787</u>	<u>5</u>	<u>28,875</u>
HOME AND COMMUNITY SERVICES					
Refuse and garbage	20,329,591	20,054,141	19,403,786	496	649,859
Total Home and Community Services	<u>20,329,591</u>	<u>20,054,141</u>	<u>19,403,786</u>	<u>496</u>	<u>649,859</u>
EMPLOYEE BENEFITS					
State employee retirement system	653,875	731,196	731,196	-	-
Social security	23,000	20,568	20,568	-	-
Workers Compensation	300,000	360,332	360,332	-	-
Life insurance	500	500	85	-	415
Unemployment insurance	40,000	18,079	3,782	-	14,297
Disability insurance	500	500	83	-	417
Hospital, medical and dental	1,184,000	1,128,183	1,126,829	-	1,354
Union welfare benefits	68,000	68,000	61,270	-	6,730
Other employee benefits	104,000	282,113	268,859	-	13,254
Total Employee Benefits	<u>2,373,875</u>	<u>2,609,471</u>	<u>2,573,004</u>	<u>-</u>	<u>36,467</u>
Total Expenditures	<u>24,670,124</u>	<u>24,670,279</u>	<u>23,954,577</u>	<u>501</u>	<u>715,201</u>
Excess (Deficiency) of Revenues Over Expenditures	(200,644)	(200,799)	518,546	(501)	718,844
Other Financing Sources (Uses)					
Transfers out	-	-	-	-	-
Transfers out (Debt Service)	(176,356)	(176,356)	(176,356)	-	-
Total Other Financing Sources (Uses)	<u>(176,356)</u>	<u>(176,356)</u>	<u>(176,356)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	\$ (377,000)	\$ (377,155)	342,190	\$ (501)	\$ 718,844
Fund Balance at Beginning of Year			<u>2,103,527</u>		
Fund Balance at End of Year			<u>\$ 2,445,717</u>		

TOWN OF HUNTINGTON
SCHEDULE OF FUNDING PROGRESS
POSTEMPLOYMENT BENEFITS HEALTHCARE COSTS
December 31, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
1/1/2014	\$ -	\$ 199,225,531	\$ 199,225,531	0%	\$ 59,000,459	337.7%
1/1/2013	-	192,762,104	192,762,104	0%	\$ 57,270,545	336.6%
1/1/2012	-	190,444,054	190,444,054	0%	\$ 55,167,523	345.2%

Additional Post-employment Benefits information is shown on Note C. 7 to the financial statements.

OTHER SUPPLEMENTARY INFORMATION

Combining Fund Statements

TOWN OF HUNTINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2014

	Special Revenue Funds			
	Town	Special	Local	Town Business
	Outside Village	Grant (HCDA)	Development Corporation (LDC)	Improvement Districts
ASSETS				
Cash and cash equivalents	\$ 423,101	\$ 647,153	\$ 190,239	
Cash-Restricted	646,343	0	-	-
Prepays	166,588	12,834	-	-
Accounts receivable, net	143,007	4,717	-	-
Due from federal, state and other governments	141,375	54,275	-	-
Due from other funds	780	-	-	-
Total Assets	<u>1,521,194</u>	<u>718,979</u>	<u>190,239</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	200,601	88,703	-	-
Accrued liabilities	122,547	18,027	-	-
Due to other governments	-	1,350,054	-	-
Due to other funds	31,389	-	-	-
Total Liabilities	<u>354,537</u>	<u>1,456,784</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS				
Deferred revenue	401,836	-	-	-
Total Deferred Inflows	<u>401,836</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY				
Non-Spendable				
Prepays	166,588	12,834	-	-
Restricted for:				
Debt service	-	-	-	-
Retirement contribution	240	-	-	-
Capital reserve	51,485	-	-	-
Post retirement benefits	594,618	-	-	-
Town Outside Village	-	-	-	-
Community Development	-	-	-	-
Local Development Corporation	-	-	190,239	-
Fire Protection	-	-	-	-
Streetlighting	-	-	-	-
Ambulance Services	-	-	-	-
Sewer Services	-	-	-	-
Water Services	-	-	-	-
Assigned to:				
Subsequent year's budget	110,000	-	-	-
Unappropriated Fund Balance	39,051	-	-	-
Unassigned Fund Balance	<u>(197,161)</u>	<u>(750,639)</u>	<u>190,239</u>	<u>-</u>
Total Fund Equity	<u>764,821</u>	<u>(737,805)</u>	<u>190,239</u>	<u>-</u>
Total Liabilities, Deferred Inflows & Fund Equity	<u>\$ 1,521,194</u>	<u>\$ 718,979</u>	<u>\$ 190,239</u>	<u>\$ -</u>

<u>Special Districts</u>		<u>Total</u>	
\$	8,602,552	\$	9,863,045
	218,089		864,432
	128,122		307,544
	238,587		386,311
	170,977		366,627
	37,348		38,128
	<u>9,395,675</u>		<u>11,826,087</u>
	593,887		883,191
	175,050		315,624
	-		1,350,054
	86,457		117,846
	<u>855,394</u>		<u>2,666,715</u>
	1,047,689		1,449,525
	<u>1,047,689</u>		<u>1,449,525</u>
	128,122		307,544
	48,919		48,919
	108,737		108,977
	-		51,485
	60,433		655,051
	-		-
	-		-
	-		190,239
	42,720		42,720
	1,763,196		1,763,196
	42,007		42,007
	1,778,011		1,778,011
	1,775,585		1,775,585
	1,717,000		1,827,000
	27,862		66,913
	-		(947,800)
	<u>7,492,592</u>		<u>7,709,847</u>
\$	<u>9,395,675</u>	\$	<u>11,826,087</u>

TOWN OF HUNTINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Special Revenue Funds			
	Town	Special	Local	Town Business
	Outside Village	Grant (HCDA)	Development Corporation (LCD)	Improvement Districts
REVENUES				
Real property taxes	\$ 4,190,837	\$ -	\$ -	\$ 186,500
Other real property tax items	9,155	-	-	-
Non-property tax items	-	-	-	-
Departmental income	4,391,497	-	1,000	-
Use of money and property	13,210	-	-	-
Licenses and permits	704,081	-	-	-
Compensation for loss	1,618	-	-	-
Miscellaneous local sources	283,878	331,797	-	-
State aid	-	-	-	-
Federal aid	-	1,016,392	-	-
Total Revenues	<u>9,594,276</u>	<u>1,348,189</u>	<u>1,000</u>	<u>186,500</u>
EXPENDITURES				
Current:				
General government support	2,064,471	-	-	-
Public safety	2,264,343	-	-	-
Health	247,788	-	-	-
Transportation	-	-	-	-
Home and community services	2,067,155	1,620,250	2,500	186,500
Employee benefits	3,261,119	-	-	-
Total Expenditures	<u>9,904,876</u>	<u>1,620,250</u>	<u>2,500</u>	<u>186,500</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(310,600)	(272,061)	(1,500)	-
Other Financing Sources (Uses)				
Transfers out	-	-	-	-
Transfers out (Debt Service)	(139,984)	-	-	-
Total Other Financing Sources (Uses)	<u>(139,984)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(450,584)	(272,061)	(1,500)	-
Fund Balances at Beginning of Year	<u>1,215,405</u>	<u>(465,744)</u>	<u>191,739</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 764,821</u>	<u>\$ (737,805)</u>	<u>\$ 190,239</u>	<u>\$ -</u>

<u>Special Districts</u>		<u>Total</u>	
\$	15,656,674	\$	20,034,011
	43,102		52,257
	144,701		144,701
	3,238,865		7,631,362
	292,383		305,593
	-		704,081
	47,809		49,427
	115,286		730,961
	0		-
	0		1,016,392
	<u>19,538,820</u>		<u>30,668,785</u>

	2,288,936		4,353,407
	1,445,716		3,710,059
	2,356,341		2,604,129
	2,989,695		2,989,695
	6,702,488		10,578,893
	2,430,957		5,692,076
	<u>18,214,133</u>		<u>29,928,259</u>

	1,324,687		740,526
	(228,460)		(228,460)
	(1,782,130)		(1,922,114)
	<u>(2,010,590)</u>		<u>(2,150,574)</u>
	(685,903)		(1,410,048)
	8,178,495		9,119,895
	0		
\$	<u>7,492,592</u>	\$	<u>7,709,847</u>

TOWN OF HUNTINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL DISTRICT FUNDS
December 31, 2014

	Special Revenue Funds		
	Fire	Street	
	Protection District	Lighting District	
ASSETS			
Cash and cash equivalents	\$ 58,116	\$ 3,035,440	\$ 42,007
Cash-Restricted	-	24,931	-
Prepays	-	24,874	-
Accounts receivable, net	-	591	-
Due from federal, state and other governments	-	-	-
Due from other funds	-	1	-
Total Assets	<u>\$ 58,116</u>	<u>\$ 3,085,837</u>	<u>\$ 42,007</u>
LIABILITIES			
Accounts payable and other current liabilities	\$ 15,396	\$ 147,116	\$ -
Accrued liabilities	-	16,522	-
Due to other funds	-	4,776	-
Total Liabilities	<u>15,396</u>	<u>168,414</u>	<u>-</u>
DEFERRED INFLOWS			
Deferred revenues	-	317,214	-
Total Deferred Inflows	<u>-</u>	<u>317,214</u>	<u>-</u>
FUND EQUITY			
Non-Spendable			
Prepays	-	24,874	-
Restricted for:			
Debt service	-	-	-
Retirement contribution	-	4,528	-
Postretirement benefits	-	20,403	-
Fire Protection	42,720	-	-
Streetlighting	-	1,763,196	-
Ambulance Services	-	-	42,007
Sewer Services	-	-	-
Water Services	-	-	-
Assigned to:			
Subsequent year's budget	-	770,000	-
Unappropriated Fund Balance	-	17,208	-
Total Fund Equity	<u>42,720</u>	<u>2,600,209</u>	<u>42,007</u>
Total Liabilities, Deferred Inflows and Fund Equity	<u>\$ 58,116</u>	<u>\$ 3,085,837</u>	<u>\$ 42,007</u>

Sewer Districts	Water District	Total
\$ 2,554,651	\$ 2,912,338	\$ 8,602,552
58,794	134,364	218,089
58,881	44,367	128,122
1,209	236,787	238,587
144,701	26,276	170,977
31,036	6,311	37,348
<u>\$ 2,849,272</u>	<u>\$ 3,360,443</u>	<u>\$ 9,395,675</u>
\$ 184,956	\$ 246,419	\$ 593,887
134,982	23,546	175,050
76,022	5,659	86,457
<u>395,960</u>	<u>275,624</u>	<u>855,394</u>
484,972	245,503	1,047,689
<u>484,972</u>	<u>245,503</u>	<u>1,047,689</u>
58,881	44,367	128,122
48,919		48,919
3,361	100,848	108,737
6,514	33,516	60,433
-	-	42,720
-	-	1,763,196
-	-	42,007
1,778,011	-	1,778,011
<u>-</u>	<u>1,775,585</u>	<u>1,775,585</u>
62,000	885,000	1,717,000
10,654	-	27,862
<u>1,968,340</u>	<u>2,839,316</u>	<u>7,492,592</u>
<u>\$ 2,849,272</u>	<u>\$ 3,360,443</u>	<u>\$ 9,395,675</u>

TOWN OF HUNTINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL DISTRICT FUNDS
Year Ended December 31, 2014

	Special Revenue Funds		
	Fire Protection District	Street Lighting District	Ambulance Districts
REVENUES			
Real property taxes	\$ 1,534,886	\$ 3,449,543	\$ 2,929,973
Other real property tax items	16	6,902	3,147
Non-property tax items	-	-	-
Departmental income	-	-	-
Use of money and property	1,558	14,708	1,521
Compensation for loss			
Miscellaneous local sources	-	23,382	31,174
Federal aid	-	-	-
Total Revenues	<u>1,536,460</u>	<u>3,494,535</u>	<u>2,965,815</u>
EXPENDITURES			
Current:			
General government support	92,397	534,731	177,732
Public safety	1,445,716	-	-
Health	-	-	2,356,341
Transportation	-	2,989,695	-
Home and community services	-	-	-
Employee benefits	-	385,105	404,891
Total Expenditures	<u>1,538,113</u>	<u>3,909,531</u>	<u>2,938,964</u>
Excess (Deficiency) of Revenues Over			
Expenditures	(1,653)	(414,996)	26,851
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Transfers out (Debt Service)	-	(11,228)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(11,228)</u>	<u>-</u>
Net Change in Fund Balance	(1,653)	(426,224)	26,851
Fund Balances at Beginning of Year	<u>44,373</u>	<u>3,026,433</u>	<u>15,156</u>
Fund Balances at End of Year	<u>\$ 42,720</u>	<u>\$ 2,600,209</u>	<u>\$ 42,007</u>

	Sewer Districts	Water District	Total
\$	5,006,185	\$ 2,736,087	\$ 15,656,674
	33,007	30	43,102
	144,701	-	144,701
	1,338,759	1,900,106	3,238,865
	10,359	264,237	292,383
	47,809	-	47,809
	32,995	27,735	115,286
	-	-	-
	6,613,815	4,928,195	19,538,820
	841,387	642,689	2,288,936
	-	-	1,445,716
	-	-	2,356,341
	-	-	2,989,695
	3,622,443	3,080,045	6,702,488
	943,466	697,495	2,430,957
	5,407,296	4,420,229	18,214,133
	1,206,519	507,966	1,324,687
	(128,460)	(100,000)	(228,460)
	(852,508)	(918,394)	(1,782,130)
	(980,968)	(1,018,394)	(2,010,590)
	225,551	(510,428)	(685,903)
	1,742,789	3,349,744	8,178,495
\$	1,968,340	\$ 2,839,316	\$ 7,492,592

TOWN OF HUNTINGTON
FIDUCIARY FUND
STATEMENT OF CHANGES IN AGENCY ASSETS AND LIABILITIES
Year ended December 31, 2014

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2014
ASSETS				
Town Agency Fund				
Cash	\$ 9,191,913	\$ 220,746,188	\$ 218,868,067	\$ 11,070,034
Other assets	1,073,098	193,561,021	193,222,360	1,411,759
Total Assets - Town Agency Fund	10,265,011	414,307,209	412,090,427	12,481,793
Town Receiver of Taxes Agency Fund				
Cash	96,260,759	951,003,820	929,292,327	\$ 117,972,252
Total Assets - Town Receiver of Taxes Agency Fund	96,260,759	951,003,820	929,292,327	117,972,252
Total Assets	<u>\$ 106,525,770</u>	<u>\$ 1,365,311,029</u>	<u>\$ 1,341,382,754</u>	<u>\$ 130,454,045</u>
LIABILITIES				
Town Agency Fund				
Other liabilities	\$ 10,265,011	\$ 892,224,310	\$ 890,007,528	\$ 12,481,793
Total Liabilities - Town Agency Fund	10,265,011	892,224,310	890,007,528	12,481,793
Town Receiver of Taxes Agency Fund				
Due to school districts	48,130,378	892,017,694	881,161,947	58,986,125
Due to other governments	48,130,381	58,986,126	48,130,380	58,986,127
Total Liabilities - Town Receiver Agency Fund	96,260,759	951,003,820	929,292,327	117,972,252
Total Liabilities	<u>\$ 106,525,770</u>	<u>\$ 1,843,228,130</u>	<u>\$ 1,819,299,855</u>	<u>\$ 130,454,045</u>

**Schedules of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Nonmajor Special Revenue Funds**

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TOWN OUTSIDE VILLAGE FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 4,190,837	\$ 4,190,837	\$ 4,190,837	\$ -
Total Real Property Taxes	4,190,837	4,190,837	4,190,837	-
OTHER REAL PROPERTY TAXES				
Payment in lieu of taxes	34,400	34,400	9,111	\$ (25,289)
Interest and penalties on taxes	1,000	1,000	44	(956)
Total Other Real Property Taxes	35,400	35,400	9,155	(26,245)
DEPARTMENTAL INCOME				
Building fees	4,188,640	4,188,640	3,719,568	(469,072)
Zoning board fees	138,000	138,000	106,589	(31,411)
Planning fees	210,000	210,000	245,455	35,455
Other fees	250,500	250,500	319,885	69,385
Total Departmental Income	4,787,140	4,787,140	4,391,497	(395,643)
USE OF MONEY AND PROPERTY				
Interest and earnings	23,000	23,000	13,210	(9,790)
Total Use of Money and Property	23,000	23,000	13,210	(9,790)
LICENSES AND PERMITS				
Building permits	885,000	885,000	704,081	(180,919)
Total Licenses and Permits	885,000	885,000	704,081	(180,919)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries	-	-	1,618	1,618
Total Sale of Property and Compensation for Loss	-	-	1,618	1,618
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue	200,000	200,000	283,878	83,878
Total Miscellaneous Local Sources	200,000	200,000	283,878	83,878
STATE AID				
State Aid - State Emergency Management Office	30,316	30,316	-	(30,316.00)
Total State Aid	30,316	30,316	-	(30,316.00)
Total Revenues	\$ 10,151,693	\$ 10,151,693	\$ 9,594,276	\$ (557,417)

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TOWN OUTSIDE VILLAGE FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Government Support Administration	\$ 2,056,915	\$ 2,113,623	\$ 2,021,744	\$ 216	\$ 91,663
Insurance	66,636	51,636	42,727	-	\$ 8,909
Total General Government Support	<u>2,123,551</u>	<u>2,165,259</u>	<u>2,064,471</u>	<u>216</u>	<u>100,572</u>
PUBLIC SAFETY					
Traffic control	642,313	762,363	722,410	33,810	6,143
Safety inspection	1,479,427	1,552,784	1,541,933	2,780	8,071
Total Public Safety	<u>2,121,740</u>	<u>2,315,147</u>	<u>2,264,343</u>	<u>36,590</u>	<u>14,214</u>
HEALTH					
Registrar of vital statistics	238,365	248,705	247,788	-	917
Total Health	<u>238,365</u>	<u>248,705</u>	<u>247,788</u>	<u>-</u>	<u>917</u>
HOME AND COMMUNITY SERVICES					
Zoning	163,449	166,082	153,141	-	12,941
Planning	1,590,492	1,591,470	1,574,862	2,222	14,386
Joint planning board	128,949	126,980	124,062	-	2,918
Accessory Apartment	188,368	202,731	198,910	22	3,799
Conservation	16,199	16,199	16,180	-	19
Total Home and Community Services	<u>2,087,457</u>	<u>2,103,462</u>	<u>2,067,155</u>	<u>2,244</u>	<u>34,063</u>
EMPLOYEE BENEFITS					
State employee retirement system	973,285	1,044,536	1,044,536	-	-
Social security	26,500	26,500	6,970	-	19,530
Workers Compensation	120,000	134,726	134,726	-	-
Life insurance	13,000	13,000	6,678	-	6,322
Unemployment insurance	8,000	8,000	986	-	7,014
Disability benefits	20,000	20,000	8,221	-	11,779
Hospital, medical and dental	2,048,000	1,891,157	1,821,899	-	69,258
Union welfare benefits	152,000	147,000	145,994	-	1,006
Other employee benefits	170,000	109,409	91,109	-	18,300
Total Employee Benefits	<u>3,530,785</u>	<u>3,394,328</u>	<u>3,261,119</u>	<u>-</u>	<u>133,209</u>
Total Expenditures	<u>10,101,898</u>	<u>10,226,901</u>	<u>9,904,876</u>	<u>39,050</u>	<u>282,975</u>
Excess (Deficiency) of Revenues					
Over Expenditures	49,795	(75,208)	(310,600)	(39,050)	(274,442)
Other Financing Uses					
Transfers out	-	-	-	-	-
Transfers out (Debt Service)	(139,795)	(139,984)	(139,984)	-	-
Total Other Financing Uses	<u>(139,795)</u>	<u>(139,984)</u>	<u>(139,984)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (90,000)</u>	<u>\$ (215,192)</u>	<u>(450,584)</u>	<u>\$ (39,050)</u>	<u>\$ (274,442)</u>
Fund Balance at Beginning of Year			<u>1,215,405</u>		
Fund Balance at End of Year			<u>\$ 764,821</u>		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TOWN BUSINESS IMPROVEMENT DISTRICTS
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 186,500	\$ 186,500	\$ 186,500	\$ -
Total Real Property Taxes	186,500	186,500	186,500	-
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	5	5	-	\$ (5)
Total Other Real Property Tax Items	5	5	-	(5)
Total Revenues	186,505	186,505	186,500	(5)
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Contractual expenditures	186,505	186,505	186,500	5
Total Home and Community Services	186,505	186,505	186,500	5
Total Expenditures	186,505	186,505	186,500	5
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>
Fund Balance at Beginning of Year			-	
Fund Balance at End of Year			<u>\$ -</u>	

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIRE PROTECTION DISTRICT FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 1,534,886	\$ 1,534,886	\$ 1,534,886	\$ -
Total Real Property Taxes	<u>1,534,886</u>	<u>1,534,886</u>	<u>1,534,886</u>	<u>-</u>
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	-	-	16	\$ 16
Total Other Real Property Tax Items	<u>-</u>	<u>-</u>	<u>16</u>	<u>16</u>
USE OF MONEY AND PROPERTY				
Interest and earnings	5,000	5,000	1,558	(3,442)
Total Use of Money and Property	<u>5,000</u>	<u>5,000</u>	<u>1,558</u>	<u>(3,442)</u>
Total Revenues	<u>1,539,886</u>	<u>1,539,886</u>	<u>1,536,460</u>	<u>(3,426)</u>
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Other government support	92,397	92,397	92,397	-
Total General Government Support	<u>92,397</u>	<u>92,397</u>	<u>92,397</u>	<u>-</u>
PUBLIC SAFETY				
Fire protection	1,447,489	1,447,489	1,445,716	1,773
Total Public Safety	<u>1,447,489</u>	<u>1,447,489</u>	<u>1,445,716</u>	<u>1,773</u>
Total Expenditures	<u>1,539,886</u>	<u>1,539,886</u>	<u>1,538,113</u>	<u>1,773</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(1,653)	<u>\$ (1,653)</u>
Fund Balance at Beginning of Year			<u>44,373</u>	
Fund Balance at End of Year			<u>\$ 42,720</u>	

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET LIGHTING DISTRICT FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 3,449,543	\$ 3,449,543	\$ 3,449,543	\$ -
Total Real Property Taxes	3,449,543	3,449,543	3,449,543	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	6,500	6,500	6,866	\$ 366
Interest and penalties on taxes	-	-	36	36
Total Other Real Property Tax Items	6,500	6,500	6,902	402
USE OF MONEY AND PROPERTY				
Interest and earnings	22,500	22,500	14,708	(7,792)
Total Use of Money and Property	22,500	22,500	14,708	(7,792)
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	22,000	22,000	23,382	1,382
Total Miscellaneous Local Sources	22,000	22,000	23,382	1,382
FEDERAL AID				
Federal Aid - Federal Emergency Management Assistance	-	-	-	-0-
Total Federal Aid	-	-	-	-0-
Total Revenues	\$ 3,500,543	\$ 3,500,543	\$ 3,494,535	\$ (6,008)

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET LIGHTING DISTRICT FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 7,230	\$ 9,644	\$ 9,321	\$ -	\$ 323
Other government support	525,910	525,910	525,410	-	500
Total General Government Support	<u>533,140</u>	<u>535,554</u>	<u>534,731</u>		<u>823</u>
TRANSPORTATION					
Lighting	2,975,976	3,035,668	2,989,695	17,208	28,765
Total Transportation	<u>2,975,976</u>	<u>3,035,668</u>	<u>2,989,695</u>	<u>17,208</u>	<u>28,765</u>
EMPLOYEE BENEFITS					
State employee retirement system	128,648	142,657	142,657	-	-
Social security	7,250	7,250	398	-	6,852
Workers Compensation	10,000	10,000	2,037	-	7,963
Life insurance	300	300	85	-	215
Unemployment insurance	5,000	1,261		-	1,261
Disability insurance	1,000	795	83	-	712
Hospital, medical and dental	250,000	238,252	225,400	-	12,852
Union welfare benefits	11,000	11,000	9,240	-	1,760
Other employee benefits	67,000	67,205	5,205	-	62,000
Total Employee Benefits	<u>480,198</u>	<u>478,720</u>	<u>385,105</u>	<u>-</u>	<u>93,615</u>
Total Expenditures	<u>3,989,314</u>	<u>4,049,942</u>	<u>3,909,531</u>	<u>17,208</u>	<u>123,203</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>(488,771)</u>	<u>(549,399)</u>	<u>(414,996)</u>	<u>(17,208)</u>	<u>117,195</u>
Other Financing Sources (Uses)					
Transfers out					
Transfers in					
Transfers out (Debt Service)	(11,229)	(11,229)	(11,228)	-	(1)
Total Other Financing (Uses)	<u>(11,229)</u>	<u>(11,229)</u>	<u>(11,228)</u>	<u>-</u>	<u>(1)</u>
Net Change in Fund Balance					
	<u>\$ (500,000)</u>	<u>\$ (560,628)</u>	(426,224)	<u>\$ (17,208)</u>	<u>\$ 117,194</u>
Fund Balance at Beginning of Year					
			<u>3,026,433</u>		
Fund Balance at End of Year			<u>\$ 2,600,209</u>		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AMBULANCE DISTRICTS FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 2,929,973	\$ 2,929,973	\$ 2,929,973	\$ -
Total Real Property Taxes	<u>2,929,973</u>	<u>2,929,973</u>	<u>2,929,973</u>	<u>-</u>
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	2,100	2,100	3,116	1,016
Interest and penalties on taxes	100	100	31	(69)
Total Other Real Property Tax Items	<u>2,200</u>	<u>2,200</u>	<u>3,147</u>	<u>947</u>
USE OF MONEY AND PROPERTY				
Interest and earnings	7,600	7,600	1,521	(6,079)
Total Use of Money and Property	<u>7,600</u>	<u>7,600</u>	<u>1,521</u>	<u>(6,079)</u>
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	46,300	46,300	31,174	(15,126)
Total Miscellaneous Local Sources	<u>46,300</u>	<u>46,300</u>	<u>31,174</u>	<u>(15,126)</u>
Total Revenues	<u>2,986,073</u>	<u>2,986,073</u>	<u>2,965,815</u>	<u>(20,258)</u>
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Other government support	177,732	177,732	177,732	-
Total General Government Support	<u>177,732</u>	<u>177,732</u>	<u>177,732</u>	<u>-</u>
HEALTH				
Ambulance	2,356,341	2,356,341	2,356,341	-
Total Health	<u>2,356,341</u>	<u>2,356,341</u>	<u>2,356,341</u>	<u>-</u>
EMPLOYEE BENEFITS				
State employee retirement system	452,000	452,000	404,891	47,109
Total Employee Benefits	<u>452,000</u>	<u>452,000</u>	<u>404,891</u>	<u>47,109</u>
Total Expenditures	<u>2,986,073</u>	<u>2,986,073</u>	<u>2,938,964</u>	<u>47,109</u>
Excess (Deficiency) of Revenues				
Over Expenditures	-		26,851	26,851
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	26,851	<u>\$ 26,851</u>
Fund Balance at Beginning of Year			15,156	
Fund Balance at End of Year			<u>\$ 42,007</u>	

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TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEWER DISTRICTS FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 5,006,185	\$ 5,006,185	\$ 5,006,185	\$ -
Total Real Property Taxes	5,006,185	5,006,185	5,006,185	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	30,500	30,500	32,955	2,455
Interest and penalties on taxes	500	500	52	(448)
Total Other Real Property Tax Items	31,000	31,000	33,007	2,007
NON-PROPERTY TAX ITEMS				
Local government assistance	144,701	144,701	144,701	-
Total Non-Property Tax Items	144,701	144,701	144,701	-
DEPARTMENTAL INCOME				
Sewer charges	1,321,600	1,321,600	1,338,759	17,159
Total Departmental Income	1,321,600	1,321,600	1,338,759	17,159
USE OF MONEY AND PROPERTY				
Interest and earnings	19,000	19,000	10,359	(8,641)
Total Use of Money and Property	19,000	19,000	10,359	(8,641)
SALE OF PROPERTY/COMPENSATION FOR LOSS				
Insurance Recoveries	-	-	47,809	47,809
Total Sale of Property/Compensation for Loss	-	-	47,809	47,809
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	39,738	39,738	32,995	(6,743)
Total Miscellaneous Local Sources	39,738	39,738	32,995	(6,743)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Revenues	\$ 6,562,224	\$ 6,562,224	\$ 6,613,815	\$ 51,591

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEWER DISTRICTS FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 16,066	\$ 17,757	\$ 16,666	\$ -	\$ 1,091
Other government support	826,551	832,864	824,721	-	8,143
Total General Government Support	<u>842,617</u>	<u>850,621</u>	<u>841,387</u>	<u>-</u>	<u>9,234</u>
HOME AND COMMUNITY SERVICES					
Sewer	3,736,320	3,741,610	3,622,443	10,654	108,513
Total Home and Community Services	<u>3,736,320</u>	<u>3,741,610</u>	<u>3,622,443</u>	<u>10,654</u>	<u>108,513</u>
EMPLOYEE BENEFITS					
State employee retirement system	298,658	337,325	337,325	-	-
Social security	10,445	10,445	1,834	-	8,611
Workers Compensation	80,000	80,000	23,804	-	56,196
Life insurance	1,000	842	-	-	842
Unemployment insurance	8,000	7,500	-	-	7,500
Disability benefits	750	750	-	-	750
Hospital, medical and dental	627,000	572,798	531,557	-	41,241
Other employee benefits	105,000	105,000	48,946	-	56,054
Total Employee Benefits	<u>1,130,853</u>	<u>1,114,660</u>	<u>943,466</u>	<u>-</u>	<u>171,194</u>
Total Current	<u>5,709,790</u>	<u>5,706,891</u>	<u>5,407,296</u>	<u>10,654</u>	<u>288,941</u>
Total Expenditures	<u>5,709,790</u>	<u>5,706,891</u>	<u>5,407,296</u>	<u>10,654</u>	<u>288,941</u>
Excess (Deficiency) of Revenues					
Over Expenditures					
	<u>852,434</u>	<u>855,333</u>	<u>1,206,519</u>	<u>(10,654)</u>	<u>340,532</u>
Other Financing Sources (Uses)					
Transfers out	-	(128,460)	(128,460)		
Transfers out (Debt Service)	<u>(852,434)</u>	<u>(852,509)</u>	<u>(852,508)</u>	<u>-</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>(852,434)</u>	<u>(980,969)</u>	<u>(980,968)</u>	<u>-</u>	<u>1</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (125,636)</u>	225,551	<u>\$ (10,654)</u>	<u>\$ 340,533</u>
Fund Balance at Beginning of Year (as restated)			<u>1,742,789</u>		
Fund Balance at End of Year			<u>\$ 1,968,340</u>		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WATER DISTRICT FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 2,736,087	\$ 2,736,087	\$ 2,736,087	\$ -
Total Real Property Taxes	2,736,087	2,736,087	2,736,087	-
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	-	-	30	30
Total Other Real Property Tax Items	-	-	30	30
DEPARTMENTAL INCOME				
Metered water sales	1,700,250	1,700,250	1,742,780	42,530
Water rental arrears	100,000	100,000	157,326	57,326
Total Departmental Income	1,800,250	1,800,250	1,900,106	99,856
USE OF MONEY AND PROPERTY				
Interest and earnings	17,500	17,500	15,357	(2,143)
Tower rental	263,000	263,000	248,880	(14,120)
Total Use of Money and Property	280,500	280,500	264,237	(16,263)
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	24,000	24,000	27,735	3,735
Total Miscellaneous Local Sources	24,000	24,000	27,735	3,735
Total Revenues	\$ 4,840,837	\$ 4,840,837	\$ 4,928,195	\$ 87,358

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WATER DISTRICT FUND
For the Year ended December 31, 2014

	Budgetary Amounts		Actual	Encum- brances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 11,244	\$ 13,392	\$ 13,324	\$ -	\$ 68
Other government support	621,675	638,265	629,365	-	8,900
Total General Government Support	<u>632,919</u>	<u>651,657</u>	<u>642,689</u>	<u>-</u>	<u>8,968</u>
HOME AND COMMUNITY SERVICES					
Water	2,973,002	3,202,213	3,080,045	-	122,168
Total Home and Community Services	<u>2,973,002</u>	<u>3,202,213</u>	<u>3,080,045</u>	<u>-</u>	<u>122,168</u>
EMPLOYEE BENEFITS					
State employee retirement system	196,678	218,883	218,882	-	1
Social security	12,000	12,000	2,447	-	9,553
Worker's Compensation	60,000	60,000	12,837	-	47,163
Life insurance	300	300	170	-	130
Unemployment benefits	5,000	2,959	-	-	2,959
Disability benefits	500	500	139	-	361
Hospital, medical and dental	443,000	422,836	413,867	-	8,969
Union welfare benefits	17,000	17,160	17,160	-	-
Other employee benefits	83,000	31,993	31,993	-	-
Total Employee Benefits	<u>817,478</u>	<u>766,631</u>	<u>697,495</u>	<u>-</u>	<u>69,136</u>
Total Expenditures	<u>4,423,399</u>	<u>4,620,501</u>	<u>4,420,229</u>	<u>-</u>	<u>200,272</u>
Excess (Deficiency) of Revenues					
Over Expenditures	417,438	220,336	507,966	-	287,630
Other Financing Sources (Uses)					
Transfers out	-	(100,000)	(100,000)	-	-
Transfers out (Debt Service)	(917,438)	(918,394)	(918,394)	-	-
Total Other Financing Sources (Uses)	<u>(917,438)</u>	<u>(1,018,394)</u>	<u>(1,018,394)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (500,000)</u>	<u>\$ (798,058)</u>	<u>(510,428)</u>	<u>-</u>	<u>\$ 287,630</u>
Fund Balance at Beginning of Year			<u>3,349,744</u>		
Fund Balance at End of Year			<u>\$ 2,839,316</u>		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year ended December 31, 2014

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
USE OF MONEY AND PROPERTY				
Interest and earnings	\$ -	\$ -	\$ -	\$ -
Total Use of Money and Property	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
DEBT SERVICE				
Principal	-	11,007,429	11,007,429	-
Interest	-	3,037,145	3,037,145	-
Total Debt Service	<u>-</u>	<u>14,044,574</u>	<u>14,044,574</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>14,044,574</u>	<u>14,044,574</u>	<u>-</u>
(Deficiency) of Revenues				
(Under) Expenditures	<u>-</u>	<u>(14,044,574)</u>	<u>(14,044,574)</u>	<u>-</u>
Other Financing Sources				
Transfers In	-	14,044,574	14,044,574	-
Total Other Financing Sources	<u>-</u>	<u>14,044,574</u>	<u>14,044,574</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance at Beginning of Year			<u>-</u>	
Fund Balance at End of Year			<u>\$ -</u>	

**DISCRETELY PRESENTED
COMPONENT UNITS**

These component units of the Town provide water services to residents and businesses within the districts. These districts are organized under New York State Town Law and have separately elected boards. Long-term debt, backed by the full faith and credit of the Town, and other matters result in an interdependency with the Town.

TOWN OF HUNTINGTON
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
December 31, 2014

	South Huntington Water District	Greenlawn Water District	Totals
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 12,162,330	\$ 2,199,935	\$ 14,362,265
Cash Restricted		2,183,121	2,183,121
Accounts receivable, net	995,118	727,142	1,722,260
Due from federal, state and other governments	56,229		56,229
Inventory of materials and supplies	112,082	412,967	525,049
Prepays	128,831	216,129	344,960
Total Current Assets	<u>13,454,590</u>	<u>5,739,294</u>	<u>19,193,884</u>
Non-Current Assets			
Non-depreciable capital assets	6,901,306	1,257,821	8,159,127
Depreciable capital assets, net of depreciation	<u>35,778,821</u>	<u>16,546,375</u>	<u>52,325,196</u>
Total Non-Current Assets	<u>42,680,127</u>	<u>17,804,196</u>	<u>60,484,323</u>
Deferred Outflow of Resources			
Deferred charges, net of accumulated amortization	<u>141,878</u>	-	<u>141,878</u>
Total Deferred Outflow of Resources	<u>141,878</u>	-	<u>141,878</u>
Total Assets	<u>56,276,595</u>	<u>23,543,490</u>	<u>79,820,085</u>
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable and other current liabilities	768,697	274,934	1,043,631
Accrued liabilities	762,644	37,634	800,278
Accrued interest payable		44,930	44,930
Non-current liabilities due within one year	<u>2,081,720</u>	<u>495,954</u>	<u>2,577,674</u>
Total Current Liabilities	<u>3,613,061</u>	<u>853,452</u>	<u>4,466,513</u>
Non-Current Liabilities			
Due in more than one year	<u>21,682,823</u>	<u>4,755,975</u>	<u>26,438,798</u>
Total Non-Current Liabilities	<u>21,682,823</u>	<u>4,755,975</u>	<u>26,438,798</u>
Total Liabilities	<u>25,295,884</u>	<u>5,609,427</u>	<u>30,905,311</u>
NET POSITION			
Investment in capital assets, net of related debt	26,085,923	14,766,925	40,852,848
Nonspendable Fund Balance		-	-
Restricted for:			
Capital Projects	4,275,578	2,183,121	6,458,699
Unrestricted	<u>619,210</u>	<u>984,017</u>	<u>1,603,227</u>
Total Net Position	<u>30,980,711</u>	<u>17,934,063</u>	<u>48,914,774</u>
Total Liabilities and Net Position	<u>\$ 56,276,595</u>	<u>\$ 23,543,490</u>	<u>\$ 79,820,085</u>

TOWN OF HUNTINGTON
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year ended December 31, 2014

	South Huntington Water District	Greenlawn Water District	Totals
REVENUES			
Charges for services	\$ 4,014,449	\$ 2,709,832	\$ 6,724,281
Real property taxes	3,862,889	2,302,500	6,165,389
Interest and investment income	443,087	33,714	476,801
Miscellaneous	546,181	(85,869)	460,312
Total Revenues	<u>8,866,606</u>	<u>4,960,177</u>	<u>13,826,783</u>
EXPENDITURES			
Current:			
Home and community services	<u>8,145,060</u>	<u>5,325,221</u>	<u>13,470,281</u>
Total Expenditures	<u>8,145,060</u>	<u>5,325,221</u>	<u>13,470,281</u>
Changes in Net Position	721,546	(365,044)	356,502
Net Position at Beginning of Year (as restated)	<u>30,259,165</u>	<u>18,299,107</u>	<u>48,558,272</u>
Net Position at End of Year	<u>\$ 30,980,711</u>	<u>\$ 17,934,063</u>	<u>\$ 48,914,774</u>

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STATISTICAL SECTION

The comprehensive statistical data for the Town includes, in some cases, statistical information for the villages, school districts, and special districts which are not part of the Town reporting entity. It is intended to provide readers of this report with a broader and more complete understanding of the Town and its financial affairs than is possible from the financial statements and schedules included in the Financial Section. Many tables in this section cover several years for comparison purposes, and may present data from outside of the Town's accounting records. This part of the Town of Huntington's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	<u>Page</u>
Financial Trends These schedules contain information to help the reader understand how the government's financial performance and well-being have changed over time.	120-127
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	128-133
Debt Capacity These schedules present information to help the reader assess the Affordability of the government's current level s of outstanding debt and the government's ability to issue additional debt in the future.	134-137
Demographic and Economic Information These schedules offer demographic and economic indicators to help the Reader understand the environment within which the government's Financial activities take place.	138-139
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	140-145

TOWN OF HUNTINGTON
NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

<u>Year Ended December 31,</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Primary government				
Governmental activities				
Net Assets				
Invested in capital assets, net of related debt	\$ 254,011,721	\$ 259,663,495	\$ 245,737,404	\$ 245,685,682
Restricted	5,753,873	10,027,863	15,237,323	16,229,038
Unrestricted	<u>(49,984,024)</u>	<u>(39,339,613)</u>	<u>(26,378,032)</u>	<u>(22,650,385)</u>
Total primary governmental net position	<u>\$ 209,781,570</u>	<u>\$ 230,351,745</u>	<u>\$ 234,596,695</u>	<u>\$ 239,264,335</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Huntington

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 242,979,302	\$ 223,896,536	\$ 206,681,526	\$ 196,497,063	\$ 176,353,725	\$ 162,352,975
22,238,564	31,253,835	28,468,496	35,100,108	29,249,213	25,303,973
<u>(18,948,323)</u>	<u>(11,169,761)</u>	<u>13,048,556</u>	<u>18,812,542</u>	<u>29,542,899</u>	<u>25,817,346</u>
<u>\$ 246,269,543</u>	<u>\$ 243,980,610</u>	<u>\$ 248,198,578</u>	<u>\$ 250,409,713</u>	<u>\$ 235,145,837</u>	<u>\$ 213,474,294</u>

TOWN OF HUNTINGTON
CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

Year Ended December 31,	2014	2013	2012
Expenses			
Governmental activities:			
General government support	\$41,719,964	\$ 38,235,587	\$ 41,391,051
Public safety	14,465,259	13,568,077	13,800,053
Health	3,526,646	3,440,004	3,302,681
Transportation	52,657,107	50,671,798	59,810,512
Economic assistance and opportunity	3,395,864	3,288,214	3,394,231
Culture and recreation	21,483,238	23,333,531	20,374,655
Home and community service	50,666,829	52,238,856	40,672,616
Interest on long-term debt	2,983,178	2,683,833	3,193,082
Total governmental activities expenses	<u>190,898,085</u>	<u>187,459,900</u>	<u>185,938,882</u>
Total primary government expenses	<u>\$ 190,898,085</u>	<u>\$ 187,459,900</u>	<u>\$ 185,938,882</u>
Program Revenues			
Governmental activities:			
Charges for services:			
General government support	\$4,926,059	\$ 4,815,610	\$ 4,428,836
Public safety	2,012,936	1,803,881	1,317,625
Health	219,720	219,180	208,700
Transportation	738,867	601,018	462,488
Economic assistance and opportunity	335,082	304,172	309,956
Culture and recreation	8,064,953	8,124,066	8,205,323
Home and community service	17,963,084	18,085,563	14,700,673
Operating grants and contributions	5,923,624	16,123,065	21,469,143
Capital grants and contributions	1,680,112	3,102,784	1,407,987
Total governmental activities program revenues	<u>41,864,437</u>	<u>53,179,339</u>	<u>52,510,731</u>
Total primary government program revenues	<u>\$ 41,864,437</u>	<u>\$ 53,179,339</u>	<u>\$ 52,510,731</u>
Net (Expense)/Revenue			
Governmental activities	<u>\$ (149,033,648)</u>	<u>\$ (134,280,561)</u>	<u>\$ (133,428,151)</u>
Total primary government net expense	<u>\$ (149,033,648)</u>	<u>\$ (134,280,561)</u>	<u>\$ (133,428,151)</u>
General Revenues and Other Changes in Net Assets			
Governmental Activities			
Real property taxes	\$109,929,165	\$ 109,889,320	\$ 113,181,079
Mortgage tax	6,423,492	7,988,336	6,742,019
Refunded Debt			
Other taxes	4,822,112	4,513,225	390,204
Unrestricted grants and contributions	-		-
Interest earnings	1,351,384	1,390,584	2,014,266
State aid-unrestricted	1,067,256	1,067,256	1,067,256
Special Item	(19,781)		3,948,106
Miscellaneous	3,628,523	6,163,186	
Total governmental activities	<u>127,202,151</u>	<u>131,011,907</u>	<u>127,342,930</u>
Total primary government	<u>\$ 127,202,151</u>	<u>\$ 131,011,907</u>	<u>\$ 127,342,930</u>
Change in Net Position			
Governmental Activities	<u>\$ (21,831,497)</u>	<u>\$ (3,268,654)</u>	<u>\$ (6,085,221)</u>
Total primary government	<u>\$ (21,831,497)</u>	<u>\$ (3,268,654)</u>	<u>\$ (6,085,221)</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Huntington

	2011	2010	2009	2008	2007	2006	2005
\$	39,036,309	\$ 39,790,531	\$ 38,857,392	\$ 38,494,761	\$ 37,510,058	\$ 29,032,433	\$ 25,749,083
	12,123,722	11,476,179	11,038,050	11,066,396	10,827,569	8,977,952	7,261,650
	3,052,675	3,222,943	3,148,777	3,003,556	2,957,496	3,704,774	2,750,317
	50,963,397	42,082,298	39,357,751	38,092,747	35,401,854	31,821,414	33,141,746
	3,335,597	3,319,996	2,977,427	2,850,847	2,720,148	2,482,726	2,433,841
	18,824,298	18,219,053	18,292,698	18,226,501	16,454,187	18,543,175	18,152,031
	46,382,915	52,609,247	53,781,830	49,874,168	55,433,797	49,478,528	56,314,042
	3,903,598	4,025,756	3,717,197	3,900,344	3,795,661	3,662,193	3,693,437
	<u>177,622,512</u>	<u>174,746,002</u>	<u>171,171,122</u>	<u>165,509,320</u>	<u>165,100,770</u>	<u>147,703,195</u>	<u>149,496,147</u>
\$	<u>177,622,512</u>	<u>\$ 174,746,002</u>	<u>\$ 171,171,122</u>	<u>\$ 165,509,320</u>	<u>\$ 165,100,770</u>	<u>\$ 147,703,195</u>	<u>\$ 149,496,147</u>
\$	8,177,246	\$ 5,149,354	\$ 4,313,478	\$ 4,390,671	\$ 4,460,228	\$ 4,767,764	\$ 5,308,062
	1,230,831	1,148,705	1,169,492	1,121,825	1,251,949	1,261,930	864,919
	210,970	203,810	193,270	203,200	219,040	201,090	185,680
	736,177	500,861	690,742	490,646	361,563	337,082	365,648
	276,643	259,887	276,579	329,830	304,113	260,312	249,661
	7,620,757	7,222,427	7,202,512	7,105,367	7,107,158	6,850,466	6,710,947
	18,212,053	18,518,355	19,722,791	19,793,208	18,979,836	17,959,144	19,742,420
	8,869,297	6,159,015	4,427,799	5,355,625	4,797,541	4,375,487	4,705,274
	8,009,856	8,076,450	3,121,355	337,856	8,949,883	973,950	
	<u>53,343,830</u>	<u>47,238,864</u>	<u>41,118,018</u>	<u>39,128,228</u>	<u>46,431,311</u>	<u>36,987,225</u>	<u>38,132,611</u>
\$	<u>53,343,830</u>	<u>\$ 47,238,864</u>	<u>\$ 41,118,018</u>	<u>\$ 39,128,228</u>	<u>\$ 46,431,311</u>	<u>\$ 36,987,225</u>	<u>\$ 38,132,611</u>
\$	<u>(124,278,682)</u>	<u>\$ (127,507,138)</u>	<u>\$ (130,053,104)</u>	<u>\$ (126,381,092)</u>	<u>\$ (118,669,459)</u>	<u>\$ (110,715,970)</u>	<u>\$ (111,363,536)</u>
\$	<u>(124,278,682)</u>	<u>\$ (127,507,138)</u>	<u>\$ (130,053,104)</u>	<u>\$ (126,381,092)</u>	<u>\$ (118,669,459)</u>	<u>\$ (110,715,970)</u>	<u>\$ (111,363,536)</u>
\$	107,674,455	\$ 108,462,698	\$ 108,148,199	\$ 104,553,579	\$ 104,268,372	\$ 102,076,056	\$ 99,760,934
	6,678,915	6,948,509	310,923	8,440,815	15,242,969	17,244,476	19,465,088
		99,571	8,493,498				
	484,626	442,311	12,975	462,913	508,273	562,643	437,805
	9,176	26,126	2,462,846	35,815	36,869	28,622	1,437
	949,519	1,464,479	1,159,105	4,790,462	7,741,662	7,132,133	4,012,657
	1,067,256	1,089,037	5,089,592	1,201,356	1,247,213	1,157,444	910,743
		(979,724)					
	5,705,282	6,474,156		4,843,015	4,887,977	4,186,139	4,622,937
	<u>122,569,229</u>	<u>124,027,163</u>	<u>125,677,138</u>	<u>124,327,955</u>	<u>133,933,335</u>	<u>132,387,513</u>	<u>129,211,601</u>
\$	<u>122,569,229</u>	<u>\$ 124,027,163</u>	<u>\$ 125,677,138</u>	<u>\$ 124,327,955</u>	<u>\$ 133,933,335</u>	<u>\$ 132,387,513</u>	<u>\$ 129,211,601</u>
\$	<u>(1,709,453)</u>	<u>\$ (3,479,975)</u>	<u>\$ (4,375,966)</u>	<u>\$ (2,053,137)</u>	<u>\$ 15,263,876</u>	<u>\$ 21,671,543</u>	<u>\$ 17,848,065</u>
\$	<u>(1,709,453)</u>	<u>\$ (3,479,975)</u>	<u>\$ (4,375,966)</u>	<u>\$ (2,053,137)</u>	<u>\$ 15,263,876</u>	<u>\$ 21,671,543</u>	<u>\$ 17,848,065</u>

TOWN OF HUNTINGTON
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

<u>Year Ended December 31,</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund				
Nonspendable	\$ 1,065,926	\$ 1,037,161	\$ 1,038,259	\$ 970,613
Restricted	16,722,415	18,464,541	23,756,924	20,461,112
Assigned	1,389,557	1,696,483	2,640,211	3,018,000
Reserved				
Unassigned	4,756,176	7,148,985	11,435,795	11,221,787
Total General Fund	<u>\$ 23,934,074</u>	<u>\$ 28,347,170</u>	<u>\$ 38,871,189</u>	<u>\$ 35,671,512</u>
All other governmental funds				
Nonspendable	\$ 826,253	\$ 805,303	\$ 464,581	\$ 746,844
Restricted	15,613,620	18,544,847	12,617,074	18,362,285
Assigned	18,483,023	22,423,802	16,913,749	17,170,751
Reserved				
Unassigned, reported in:				
Special Revenue Funds	(947,800)			
Capital Projects funds				
Total all other governmental funds	<u>\$ 33,975,096</u>	<u>\$ 41,773,952</u>	<u>\$ 29,995,404</u>	<u>\$ 36,279,880</u>

Source: Office of the Comptroller and audited financial statements of the Town of Huntington

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 793,306					
19,616,680					
5,237,708					
7,663,441	\$ 7,121,674	\$ 9,389,555	\$ 6,878,603	\$ 6,937,753	\$ 5,553,453
<u>7,663,441</u>	<u>39,728,891</u>	<u>52,273,416</u>	<u>48,572,651</u>	<u>46,995,197</u>	<u>48,856,764</u>
<u>\$ 33,311,135</u>	<u>\$ 46,850,565</u>	<u>\$ 61,662,971</u>	<u>\$ 55,451,254</u>	<u>\$ 53,932,950</u>	<u>\$ 54,410,217</u>
\$ 672,765					
18,266,637					
24,344,963					
	\$ 17,120,920	\$ 17,120,920	\$ 15,765,468	\$ 5,726,455	\$ 5,512,492
	19,281,358	4,468,952	22,455,232	18,245,579	16,434,551
	21,259,956	21,259,956	26,753,294	18,465,620	18,388,898
<u>\$ 43,284,365</u>	<u>\$ 57,662,234</u>	<u>\$ 42,849,828</u>	<u>\$ 64,973,994</u>	<u>\$ 42,437,654</u>	<u>\$ 40,335,941</u>

TOWN OF HUNTINGTON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

Year Ended December 31,	2014	2013	2012	2011
Revenues				
Real property taxes	\$ 109,929,165	\$ 109,889,320	\$ 109,054,601	\$ 107,552,908
Other real property tax items	451,627	412,497	360,204	334,396
Non-property taxes	4,370,485	4,100,728	3,962,886	3,885,051
Departmental income	38,859,896	38,686,154	34,801,298	35,902,822
Intergovernmental charges	205,545	143,594	232,158	235,671
Use of money and property	1,351,384	1,390,584	2,014,267	1,854,711
License and permits	1,910,407	1,918,531	1,594,776	1,754,907
Fines and forfeitures	1,101,734	1,135,462	760,548	646,834
Sale of property and compensation for loss	1,065,514	1,364,545	840,836	4,708,647
Miscellaneous and local sources	2,563,009	4,774,920	2,291,436	1,888,592
Interfund revenues	4,138,963	4,051,494	4,279,359	5,657,187
State aid	11,452,087	12,423,562	13,441,235	14,505,595
Federal aid	3,674,689	14,933,074	17,246,580	10,017,200
Total Revenues	181,074,505	195,224,465	190,880,184	188,944,521
Expenditures				
Current:				
General government support	30,649,115	29,590,411	30,090,454	30,374,952
Public safety	8,614,910	8,080,611	8,034,402	7,385,006
Health	3,363,719	3,281,771	3,136,480	3,086,042
Transportation	29,286,713	32,264,244	38,949,298	28,737,380
Economic assistance and opportunity	2,101,653	2,071,285	2,112,812	2,043,773
Culture and recreation	14,057,894	14,048,065	13,850,124	13,644,237
Home and community service	50,325,062	49,571,193	41,707,028	47,267,179
Employee benefits	33,842,793	36,012,603	34,421,468	30,302,386
Capital outlay	16,534,234	21,583,565	10,814,930	22,550,436
Debt Service:				
Principal	11,007,429	10,704,821	10,654,320	11,049,744
Interest	3,049,258	3,171,256	3,264,926	3,666,929
Total Expenditures	202,832,780	210,379,825	197,036,242	200,108,064
Excess of revenues over (under) expenditures	(21,758,275)	(15,155,360)	(6,156,058)	(11,163,543)
Other financing sources (uses)				
Amortization of retirement system contribution			3,905,184	
Bonds issued	8,285,000	7,430,000	7,600,000	6,380,000
Capital leases	-0-	-0-	18,987	139,431
Transfers in	17,877,295	26,283,066	14,841,544	17,660,108
Transfers out	(17,877,295)	(26,283,066)	(14,841,544)	(17,660,108)
Refunding bonds issued			15,481,635	
Premium on bonds issued			(15,481,635)	
Total other financing sources (uses)	8,285,000	7,430,000	11,524,171	6,519,431
Net change in fund balances	\$ (13,473,275)	\$ (7,725,360)	\$ 5,368,113	\$ (4,644,112)
Debt service as a percentage of noncapital expenditures	7.55%	7.35%	7.47%	8.29%

Source: Office of the Comptroller and the audited financial statements of the Town of Huntington

Note: Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

	2010	2009	2008	2007	2006	2005
\$	108,375,068	\$ 108,050,206	\$ 104,482,088	\$ 104,268,372	\$ 102,076,056	\$ 99,760,934
	362,430	302,597	342,356	363,569	337,132	293,105
	3,732,931	3,418,102	3,219,166	2,977,294	2,684,496	2,607,474
	36,371,423	37,091,352	37,932,147	37,550,785	37,291,254	38,233,441
	212,017	230,523	198,017	182,185	349,191	184,947
	2,208,584	3,187,399	5,457,339	8,387,194	7,661,795	4,432,647
	1,550,543	1,588,318	1,412,228	1,447,023	1,421,451	1,668,268
	655,849	748,601	676,093	755,113	710,146	454,641
	2,359,773	1,616,146	1,747,098	1,761,072	707,995	1,030,197
	2,379,497	2,418,825	1,235,762	1,003,358	1,309,444	1,479,274
	5,609,839	5,531,969	5,573,344	5,826,953	5,419,337	8,918,045
	12,032,056	13,371,366	13,277,833	29,785,313	22,256,489	21,577,180
	8,819,217	1,394,175	2,763,613	2,124,246	1,806,370	2,377,250
	<u>184,669,227</u>	<u>178,949,579</u>	<u>178,317,084</u>	<u>196,432,477</u>	<u>184,031,156</u>	<u>183,017,403</u>
	31,541,339	31,324,727	30,989,879	30,845,576	30,471,034	31,683,885
	7,685,737	7,458,446	7,066,827	7,091,650	6,710,902	6,170,010
	3,097,626	3,043,546	2,890,720	2,829,372	2,808,167	2,657,621
	25,945,124	26,380,638	24,702,035	23,725,720	22,460,334	23,555,508
	2,127,168	2,108,791	2,071,199	1,902,587	1,936,096	1,890,491
	13,424,653	13,312,110	12,574,292	12,717,401	12,776,569	12,360,638
	52,114,208	53,747,108	55,486,780	54,935,602	52,060,539	54,824,903
	28,084,741	24,303,462	24,581,780	23,398,787	21,467,337	23,113,747
	33,582,051	25,462,611	23,117,859	22,138,606	26,283,625	20,677,779
	10,707,885	11,292,923	10,962,502	10,434,124	11,203,370	10,712,578
	3,750,762	3,965,197	3,964,601	3,848,293	3,724,456	3,718,941
	<u>212,061,294</u>	<u>202,399,559</u>	<u>198,408,474</u>	<u>193,867,718</u>	<u>191,902,429</u>	<u>191,366,101</u>
	(27,392,067)	(23,449,980)	(20,091,390)	2,564,759	(7,871,273)	(8,348,698)
	11,160,000	11,443,000	10,900,000	14,565,000	14,935,000	10,495,000
	15,752	313,082	157,544	46,282	101,006	114,022
	20,443,890	28,859,469	20,050,066	24,072,181	24,458,333	26,678,218
	(20,443,890)	(28,859,469)	(20,050,066)	(24,072,181)	(24,458,333)	(26,678,218)
					13,166	2,380
	<u>11,175,752</u>	<u>11,756,082</u>	<u>11,057,544</u>	<u>14,611,282</u>	<u>15,049,172</u>	<u>10,611,402</u>
\$	<u>(16,216,315)</u>	<u>\$ (11,693,898)</u>	<u>\$ (9,033,846)</u>	<u>\$ 17,176,041</u>	<u>\$ 7,177,899</u>	<u>\$ 2,262,704</u>
	8.10%	8.62%	8.52%	8.32%	9.01%	8.45%

TOWN OF HUNTINGTON
 ASSESSED VALUE, STATE EQUALIZATION RATE, AND ESTIMATED FULL VALUE OF REAL PROPERTY
 LAST TEN YEARS

Year Ended December 31,	Residential Property	Commercial Property	Vacant Property	Other	Less: Tax Exempt Real Property
2014	\$ 255,652,884	\$ 42,396,208	\$ 2,340,531	\$ 71,359,816	\$ 44,543,941
2013	257,584,341	42,433,561	2,517,806	71,492,560	45,303,795
2012	259,638,035	43,874,382	2,211,427	71,437,375	45,495,271
2011	261,810,983	45,198,563	2,204,842	71,544,679	46,445,869
2010	263,770,555	46,357,047	2,387,307	71,183,911	46,975,939
2009	265,575,827	46,286,235	2,354,454	71,118,730	47,455,305
2008	266,664,631	46,281,700	2,354,454	71,118,730	47,455,305
2007	266,185,449	46,901,830	2,825,488	70,878,314	48,261,051
2006	265,339,030	47,690,042	3,103,276	70,968,877	48,716,481
2005	264,079,140	48,466,141	3,012,788	70,944,975	49,171,601

Source: Town of Huntington Assessors Office

(a) - Town of Huntington's Refuse District Tax Rate is based on a flat fee, not assessed valuation.

N/A - Information not available

Total Net Assessed Value	Total Direct Tax Rate (a)	State Equalization Rate	Full Valuation	Assessed Value as a Percentage of Full Value
327,205,498	26.34	0.90%	\$ 36,356,166,444	1.02%
328,724,473	26.34	0.90%	\$ 36,524,941,444	1.02%
331,665,948	25.92	0.88%	\$ 37,689,312,273	1.00%
334,313,198	25.18	0.88%	\$ 37,990,136,136	1.00%
336,722,881	25.18	0.82%	\$ 41,063,765,976	0.93%
337,879,941	25.18	0.76%	\$ 44,457,886,974	0.87%
338,964,210	25.18	0.77%	\$ 44,021,325,974	0.88%
338,530,030	23.84	0.80%	\$ 42,316,253,750	0.91%
338,384,744	23.27	0.87%	\$ 38,894,798,161	1.00%
337,331,443	22.64	0.94%	\$ 35,886,323,723	1.08%

TOWN OF HUNTINGTON
PROPERTY TAX RATES, DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS

Town Direct Rates

Years Ended December 31,	Full Valuation	State Equalization Rate	Total Taxable Assessed Value	Tax Levy For Town	Total Town Direct Tax Rate ¹
2014	36,356,166,444	0.90%	\$ 327,205,498	\$ 109,686,705	26.34
2013	36,524,941,444	0.90%	328,724,473	109,686,705	26.34
2012	37,689,312,273	0.88%	331,665,948	109,413,864	25.92
2011	37,990,136,136	0.88%	334,313,198	107,692,484	25.18
2010	41,063,765,975	0.82%	336,722,881	108,503,547	25.18
2009	44,457,886,973	0.76%	337,879,941	108,186,064	25.18
2008	44,021,325,974	0.77%	338,964,210	104,582,829	25.18
2007	42,316,253,750	0.80%	338,530,030	104,383,431	23.84
2006	38,894,798,161	0.87%	338,384,744	102,237,678	23.27
2005	35,886,323,723	0.94%	337,331,443	99,835,921	22.64

Source: Town of Huntington Department of Information Technology

¹ Per \$100 of assessed value

Overlapping Rates

County Tax Levy For Town	Total County Direct Rate ¹	School Levy	Total School Direct Rate ¹	Total Direct & Overlapping Rates
\$ 132,626,977	40.53	\$ 677,469,063	207.05	273.92
131,965,873	40.14	659,657,285	200.67	267.16
127,337,090	38.39	643,809,830	194.11	258.43
118,888,782	35.56	579,387,049	173.31	234.05
114,639,824	34.05	566,610,386	168.27	227.50
113,772,335	33.67	595,186,877	176.15	235.01
104,451,179	30.81	572,110,308	168.78	224.78
109,948,191	32.48	547,479,443	161.72	218.04
106,354,217	31.43	519,189,924	153.43	208.13
109,177,519	32.37	480,304,965	142.38	197.39

TOWN OF HUNTINGTON
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

2014

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation (a)
1	LIPA/Keyspan Energy Corporation	Utility	\$ 37,321,818	11.41%
2	The Retail Property Trust	Real Estate	2,000,000	0.61%
3	Huntington Quadrangle	Real Estate	1,100,000	0.34%
4	Melville Industrial Associates	Office Building	842,000	0.26%
5	Reckson FS Limited Partnership	Commercial	801,465	0.24%
6	Avalon Bay Communities	Real Estate	774,375	0.24%
7	Verizon	Utility	718,849	0.22%
8	CKL-HP	Office Building	585,000	0.18%
9	Estee Lauder	Cosmetics	469,700	0.14%
10	Grandview Hotel Limit	Hotel	425,000	0.13%
	Total		<u>\$ 45,038,207</u>	<u>13.76%</u>

2005

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation (b)
1	Keyspan Energy Corp.	Utility	\$35,883,006	10.64%
2	The Retail Property Trust	Real Estate	\$2,500,000	0.74%
3	Verizon New York Inc.	Utility	\$1,311,379	0.39%
4	Melville Industrial Associates	Office Buildings	\$1,305,000	0.39%
5	Estee Lauder Inc.	Cosmetic Manufacturer	\$709,750	0.21%
6	Reckson FS Limited Partnership	Commercial	\$700,000	0.21%
7	TMCT, LLC (Newsday)	Newspaper	\$688,000	0.20%
8	Grandview Hotel Limited	Hotel	\$550,000	0.16%
9	Huntington Quadrangle #1 Co.	Real Estate	\$550,000	0.16%
10	Avalon Bay Communities	Real Estate	\$532,400	0.16%
	Total		<u>\$ 44,729,535</u>	<u>13.26%</u>

Source: Town of Huntington Department of Information Technology

(a) Total taxable assessed valuations per the Town's 2013 assessment roll for taxes levied in fiscal 2014 are \$326,050,633

(b) Total taxable assessed valuations per the Town's 2004 assessment roll for taxes levied in fiscal 2005 are \$335,165,214

TOWN OF HUNTINGTON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Year Ended	Tax Levy	Total	Amount	Percent	Amount	Percent
December 31,	For Town ^(a)	Tax Levy ^(b)	Collected ^(c)	Collected for Town ^(d)	Uncollected ^(c)	Uncollected ^(d)
2014	\$ 109,686,705	\$ 960,878,249	\$ 109,686,705	100.00%	\$ -	0.00%
2013	109,686,705	941,140,645	109,686,705	100.00%	-	0.00%
2012	109,413,864	918,665,388	109,413,864	100.00%	-	0.00%
2011	107,692,484	879,997,364	107,692,484	100.00%	-	0.00%
2010	108,503,547	862,046,658	108,503,547	100.00%	-	0.00%
2009	108,186,064	851,271,257	108,186,064	100.00%	-	0.00%
2008	104,582,829	812,218,796	104,582,829	100.00%	-	0.00%
2007	104,383,431	792,607,515	104,383,431	100.00%	-	0.00%
2006	102,237,678	757,314,066	102,237,678	100.00%	-	0.00%
2005	99,835,921	716,834,156	99,835,921	100.00%	-	0.00%
	<u>\$ 1,064,209,227</u>	<u>\$ 8,492,974,094</u>	<u>\$ 1,064,209,227</u>		<u>\$ -</u>	

Source: The most recent official statement of the Town of Huntington

- (a) Gross levy for Town purposes. (Includes all Town controlled funds)
- (b) Includes all Town and County taxes.
- (c) At end of the lvy year.
- (d) Uncollected taxes are returned to the County for collection.
 The Town retains 100% of its levy. See "Tax Collection Procedures".
 All subsequent year tax collections are collected by the County.

TOWN OF HUNTINGTON
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Year Ended	Governmental Activities				Total Primary Government	Percentage of Personal Income¹	Per Capita¹
	General Obligation Bonds	BANs	Capital Leases				
2014	\$ 84,020,659	3,585,000	\$ 2,634	\$ 87,608,293	0.88%	431	
2013	86,743,093	-0-	63,435	86,806,528	0.88%	426	
2012	90,017,918	-0-	214,296	90,232,214	0.94%	444	
2011	94,334,163	-0-	295,678	94,629,841	0.97%	466	
2010	99,003,914	-0-	284,950	99,288,864	1.05%	488	
2009	98,551,800	-0-	394,220	98,946,020	0.97%	483	
2008	98,712,647	-0-	392,650	99,105,297	1.01%	486	
2007	98,775,151	-0-	437,107	99,212,258	1.04%	487	
2006	94,644,275	-0-	599,041	95,243,316	1.04%	470	
2005	90,912,645	-0-	693,754	91,606,399	1.04%	454	

Source: Details regarding the outstanding debt can be found in the notes to the financial statements

¹ See the schedule of Demographic and Economic Statistics for personal income and population.

TOWN OF HUNTINGTON
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Year Ended	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Full Taxable Value¹ of Property	Per Capita²
2014	\$ 84,020,659	(1,106,604)	\$ 82,914,055	0.23%	408
2013	86,743,093	(772,229)	85,970,864	0.24%	422
2012	90,017,918	(663,624)	89,354,294	0.24%	440
2011	94,334,163	(1,156,839)	93,177,324	0.25%	459
2010	99,003,914	(263,178)	98,740,736	0.24%	486
2009	98,551,800	(620,781)	97,931,019	0.22%	478
2008	98,712,647	(980,083)	97,732,564	0.22%	479
2007	98,775,151	(1,312,215)	97,462,936	0.23%	478
2006	94,644,275	(1,605,005)	93,039,270	0.24%	459
2005	90,912,645	(1,890,127)	89,022,518	0.25%	441

Note: Details regarding outstanding debt can be found in the notes to the financial statements

¹ See the Schedule of Assessed Value, Equalization Rate and Estimated Full Value of Real Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics

TOWN OF HUNTINGTON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2014

<u>Governmental Unit</u>	<u>Net Long-Term Debt</u>	<u>Percentage Applicable to the Town of Huntington</u>	<u>Town of Huntington Share of Debt</u>
Direct:			
Town of Huntington	\$ 84,020,659	100.00%	\$ 84,020,659
Component Units	24,024,334	100.00%	24,024,334
Total direct Debt			<u>108,044,993</u>
Overlapping:			
County	\$ 2,265,488,472	14.10%	319,433,875
Villages	7,437,005	100.00%	7,437,005
School Districts	369,507,679	68.19%	251,964,522
Fire Districts	5,533,774	100.00%	5,533,773
Total overlapping debt			<u>584,369,175</u>
Total direct and overlapping debt			<u>\$ 692,414,168</u>

Source: Official Statement of the Town of Huntington

Note: Amounts are inclusive of component unit debt.

TOWN OF HUNTINGTON
DEBT LIMIT MARGIN INFORMATION
December 31, 2014

Year Ended December 31,	Net Assessed Valuation	State Equalization Rate	Full Valuation
2014	\$ 327,205,498	0.90%	\$ 36,356,166,444
2013	\$ 328,724,473	0.90%	\$ 36,524,941,444
2012	\$ 331,665,948	0.88%	\$ 37,689,312,272
2011	\$ 334,313,198	0.88%	\$ 37,990,136,136
2010	\$ 336,722,881	0.82%	\$ 41,063,765,976
Total Five Year Full Valuation			\$ 189,624,322,272
Five Year Average Full Valuation of Taxable Real Property			\$ 37,924,864,454
Constitutional Debt Limit (7% of Average Full Valuation)			\$ 2,654,740,512
Outstanding Indebtedness at December 31st			\$ 108,044,993
Less: Water Bonds			24,024,334
Net Indebtedness Subject to Debt Limit			\$ 84,020,659
Net Debt Contracting Margin			\$ 2,570,719,853
Percentage of Net Debt Contracting Margin Available			96.84%
Percentage of Net Debt Contracting Power Exhausted			3.16%

Last Ten Years

Year	Constitutional Debt Limit	Outstanding Indebtedness December 31	Less: Appropriations for Debt Principal	Indebtedness Subject to Debt Limit	Net Debt Contracting Margin	Percentage of Net Debt Contracting Margin Available
2014	\$ 2,654,740,512	\$ 108,044,993	\$ 24,024,334	\$ 84,020,659	\$ 2,570,719,853	96.84%
2013	2,768,164,599	\$ 113,114,998	\$ 26,371,905	\$ 86,743,093	\$ 2,681,421,506	96.87%
2012	2,873,113,983	112,540,000	22,522,082	90,017,918	2,783,096,065	96.87%
2011	2,937,891,163	119,250,000	24,915,837	94,334,163	2,843,557,000	96.79%
2010	2,950,556,432	99,003,913	29,238,675	69,765,238	2,880,791,194	97.64%
2009	2,878,072,240	118,345,005	25,769,146	92,575,859	2,785,496,381	96.78%
2008	2,698,332,860	118,335,002	27,383,430	90,951,572	2,607,381,288	96.63%
2007	2,470,958,115	117,165,002	27,089,502	90,075,500	2,380,882,615	96.35%
2006	2,207,535,665	114,100,000	27,695,108	86,404,892	2,121,130,773	96.09%
2005	1,957,877,458	111,972,231	29,521,954	82,450,277	1,875,427,181	95.79%

TOWN OF HUNTINGTON
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year Ended December 31,	Population¹	Personal Income (millions of dollars)	Per Capita Income³	Unemployment Rate²	Year-Round Households Estimate⁴	Average Household Size Estimates⁴	Population Density Per Square Mile⁴
2014	203,447	9,957	48,943	4.4%	69,311	2.91	2,164
2013	203,731	9,843	48,315	4.5%	69,311	2.89	2,167
2012	203,055	9,649	47,519	6.2%	69,311	2.89	2,160
2011	203,055	9,735	47,944	6.3%	69,311	2.89	2,160
2010	203,264	9,480	46,638	6.2%	69,165	2.93	2,162
2009	204,784	10,154	49,582	6.3%	68,896	2.92	2,179
2008	203,977	9,819	48,138	5.3%	68,696	2.92	2,170
2007	203,834	9,526	46,736	3.5%	68,713	2.92	2,168
2006	202,767	9,201	45,375	2.8%	68,528	2.91	2,157
2005	201,679	8,819	43,730	3.5%	68,164	2.91	2,145

Sources:

- ¹ Bureau of the Census/Long Island Regional Planning Board/Long Island Almanac LIPA Survey
- ² Bureau of Economic Analysis/State Department of Labor
- ³ Factfinder.census.gov and Suffolk County Planner (Peter Lambert)
- ⁴ Long Island Business News - Doing Business on Long Island/LIPA Survey

TOWN OF HUNTINGTON
PRINCIPAL EMPLOYERS
CURRENT YEAR

2014

Rank	Name	Headquarters	Type of Business	Number of Employees	% of Total Town Employees
1	Huntington Hospital	Huntington	Hospital	2,000	2.0%
2	Northport Veterans Affairs Medical Center	Northport	Healthcare	2,000	2.0%
3	Estee Lauder, Inc.	Melville	Cosmetics	1,629	1.6%
4	Canon	Melville	Imaging Products	1,400	1.4%
5	Newsday	Melville	Newspaper	1,228	1.2%
6	Western Suffolk Boces	Dix Hills	Education	1,207	1.2%
7	Marchon Eyewear	Melville	Healthcare	994	1.0%
8	Town of Huntington	Huntington	Government	703	0.7%
9	Henry Schein, Inc	Melville	Medical & Dental Supplies	700	0.7%
10	BAE	Greenlawn	Technology	650	0.6%

Source: Audit & Control

TOWN OF HUNTINGTON
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTIONS
LAST TEN YEARS

Full-time Equivalent Employees as of December 31,

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Function										
General government support	249	248	253	270	263	275	288	295	309	296
Public safety	82	81	78	82	79	78	80	84	80	77
Health	4	4	5	5	5	5	4	4	5	4
Transportation	224	215	218	230	230	230	235	237	230	227
Economic assistance and opportunity	27	27	27	28	30	26	29	33	29	27
Culture and recreation	148	151	149	167	160	145	136	150	158	159
Home and community services	<u>145</u>	<u>146</u>	<u>142</u>	<u>150</u>	<u>157</u>	<u>163</u>	<u>178</u>	<u>173</u>	<u>181</u>	<u>169</u>
Total	<u><u>879</u></u>	<u><u>872</u></u>	<u><u>872</u></u>	<u><u>932</u></u>	<u><u>924</u></u>	<u><u>923</u></u>	<u><u>950</u></u>	<u><u>976</u></u>	<u><u>992</u></u>	<u><u>959</u></u>

Source: Department of Information Technology

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TOWN OF HUNTINGTON
OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS

Year Ended December 31,	2014	2013	2012	2011
Function				
Public Safety				
Building				
Residential building permits issued	2,615	2,325	1,756	2,170
Commercial building permits issued	352	330	767	353
Building inspections	7,967	11,871	11,405	11,388
Fire Prevention				
Fire inspections*	1,086		1,225	1,203
Transportation				
Public Transportation				
Average daily ridership	698	966	870	869
Streetlighting				
Energy Efficient Streetlights	12,913	10,886	9,000	
Public Safety				
Parking violations	12,876	24,879	14,000	9,104
Accessory apartment permits	2,205	1,689	1,667	1,555
Highways and streets				
Street resurfacing (miles)	19	30	35	28
Number of trees planted	158	160	450	340
Number of trees removed	729	858	2,400	1,900
Culture and Recreation				
Beach permits issued	11,429	10,708	10,529	10,453
Rounds of golf	67,147	71,120	73,299	66,242
Recreation program registrations	9,898	10,892	11,109	10,906
Home and Community Services				
Sanitation				
Refuse collected (tons/day)	266.5	271.3	302.0	273.0
Recyclables collected (tons/yr)	36,983	39,360	35,520	39,528
Water				
Water main breaks	15	13	13	8
Average daily consumption (thousands of gallons)	5,529	5,940	5,496	5,512
Sewer Usage				
Average daily sewage treatment (millions of gallons)	1.9	1.9	2.5	2.5
Wastewater				
Average daily sewage treatment (thousands of gallons)	48	50	53	44

Source: Various government departments of the Town of Huntington

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
2,100	2,312	2,506	2,436	3,130	3,100
225	213	301	572	246	270
10,558	11,670	14,621	15,470	16,812	16,304
1,835	3,820	4,309	4,216	4,739	4,869
880	912	929	880	863	803
9,801	10,065	13,087	13,262	15,905	7,708
1,494	1,827	1,747	1,958	1,978	1,969
32	30	40	49	50	45
456	445	312	154	438	-0-
750	710	800	676	610	670
10,922	10,479	10,846	7,877	8,405	9,135
72,223	73,350	79,030	79,654	81,422	82,927
10,818	15,116	13,673	14,467	11,323	11,083
263.5	268.7	283.8	301.0	311.2	314.3
40,518	40,542	40,351	39,252	47,133	47,712
10	8	10	16	4	11
6,504	4,648	5,247	6,259	5,366	5,876
2.4	2.1	2.0	2.0	2.0	1.9
45	46	47	50	45	54

TOWN OF HUNTINGTON
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS

Year Ended December 31,	2014	2013	2012	2011
Function				
General Government				
Municipal Building	1	1	1	1
Maintenance Buildings	5	5	5	5
Vehicles	470	470	470	470
Public safety				
Animal Shelter	1	1	1	1
Vehicles	38	37	37	37
Transportation				
Public Transportation				
Buses	24	24	24	24
Highways and streets				
Streets (miles)	788.5	788.5	788.5	788.5
Streetlighting				
Traffic signals	253	239	239	239
Culture and recreation				
Parks	42	40	40	40
Beaches	9	9	9	9
Boat launch ramps	5	5	5	5
Golf Courses	2	2	2	2
Ice Rinks	2	1	1	1
Marinas	3	3	3	3
Rifle Ranges	0	0	0	-0-
Rollerblading Parks	4	3	3	3
Skateboarding Parks	2	2	2	2
Swimming pools	1	1	1	1
Home and Community Services				
Building	1	1	1	1
Sanitation				
Collection trucks	26	26	26	26
Resource Recovery Plants	1	1	1	1
Maximum daily capacity (tons burned per day)	750	750	750	750
Water				
Fire hydrants	1,284	1285	1285	1,284
Water mains (miles)	170	169	169	169
Maximum daily capacity (millions of gallons)	33.1	33.3	33.3	33.3
Sewer				
Sewer Treatment Plant	1	1	1	1
Sanitary sewers (miles)	26.0	26	26	26.0
Maximum daily treatment capacity (millions of gallons)	2.6	2.5	2.5	2.5

Source: Various government departments of the Town of Huntington

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
1	1	1	1	1	1
5	5	5	5	5	5
470	470	470	470	470	470
1	1	1	1	1	1
38	45	42	42	41	40
20	20	21	23	23	23
788.5	788.5	788.5	788.5	788.5	788.5
238	236	233	234	223	219
40	40	40	40	40	40
9	9	9	9	9	9
5	5	5	5	5	5
2	2	2	2	2	2
1	1	1	1	1	1
3	3	3	3	3	3
-0-	-0-	-0-	-0-	1	1
3	3	3	3	3	3
2	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
26	26	25	26	26	27
1	1	1	1	1	1
750	750	750	750	750	750
1,284	1,284	1,284	1,284	1,284	1,284
169	169	169	169	169	169
33.3	33.3	33.3	33.3	33.3	33.3
1	1	1	1	1	1
26.0	26.0	26.0	26.0	26.0	26.0
2.5	2.5	2.5	2.5	2.5	2.5