



COMPREHENSIVE
ANNUAL FINANCIAL REPORT
Year Ended December 31, 2018



Town Board
Chad A. Lupinacci, Supervisor

Joan Cergol, Councilwoman
Eugene Cook, Councilman
Mark A. Cuthbertson, Councilman
Edmund J. Smyth, Councilman



Town of Huntington, New York
Comprehensive Annual Financial Report
Year Ended December 31, 2018

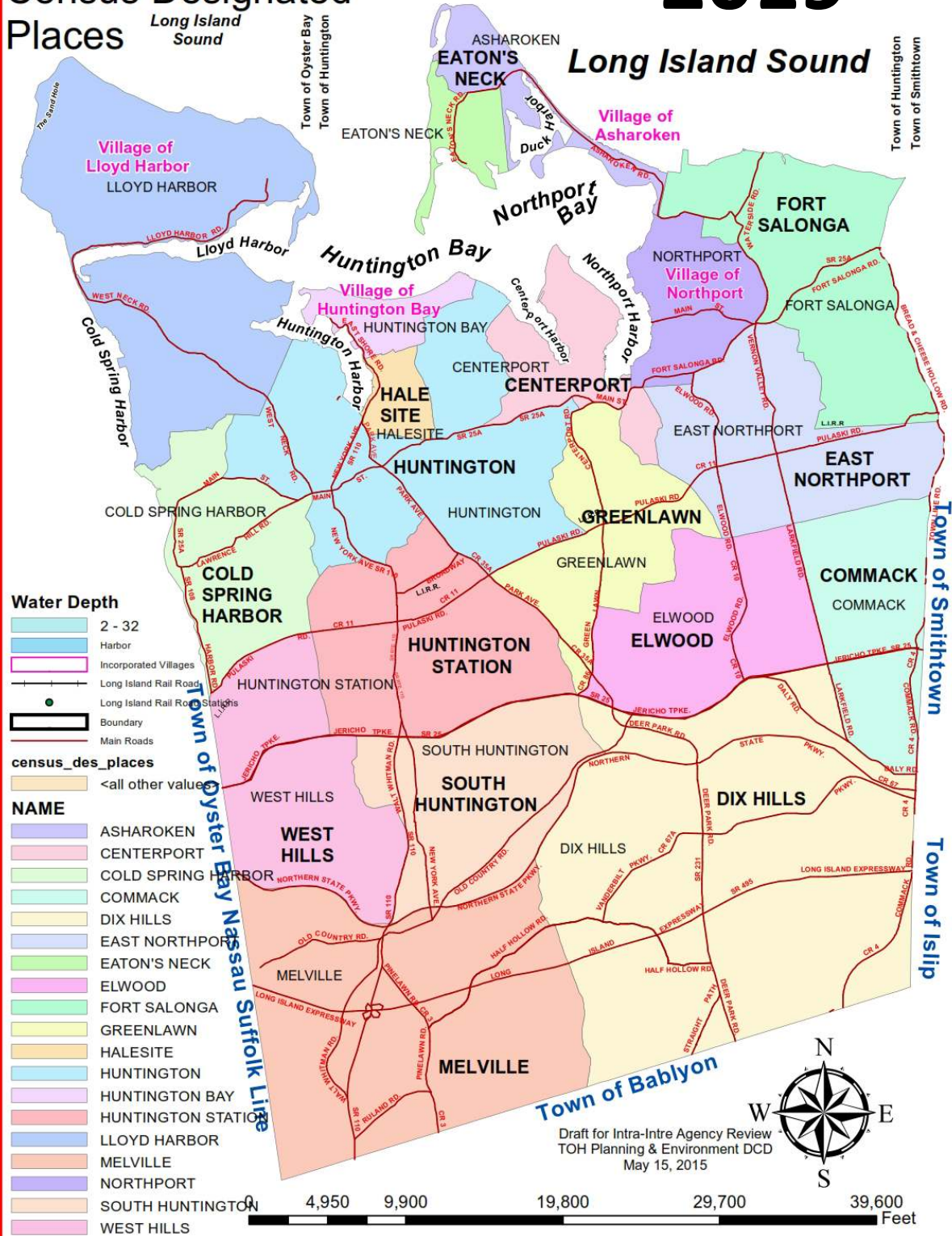
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Director of Audit & Control

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Town of Huntington Census Designated Places

2019



TOWN OF HUNTINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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**INTRODUCTORY
SECTION**



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CHAD A. LUPINACCI
Supervisor

June 27, 2019

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, 2018. The financial statements have been audited by the accounting firm selected by the Town Board, Albrecht, Viggiano, Zureck & Company, P.C. The independent auditors' unqualified opinion is included in this report.

In each of the past twenty 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, 2018 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 efforts of the entire staff of the Comptroller's Office.

Fiscal Year 2018 presented many challenges, however, through sound fiscal management, operating results were better than anticipated. We will continue to monitor the Town's 2019 budget closely and exercise financial discipline as economic conditions warrant.

Sincerely,

Chad A. Lupinacci
Supervisor



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AUDIT & CONTROL
Peggy Karayianakis, CPA
Director

June 27, 2019

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, 2018. 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 Albrecht, Viggiano, Zureck & Company, P.C. was selected by the Town Board to perform an independent audit of the Town’s financial statements as of December 31, 2018, and to provide reasonable assurance that the financial statements are free from material misstatement. The auditors’ unmodified opinion on the basic financial statements and combining 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 and the United States Office of Management and Budget’s issuance of Subpart F: *Audit Requirements, contained in 2 CFR Part 200, of the Uniform Administrative Requirement, Cost Principle and Audit Requirements for Federal Awards (“Uniform Guidance”)*. 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 a three term 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. The Town Clerk, the Receiver of Taxes and the Superintendent of Highways are elected for four-year terms and have a three term limitation.

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 and hybrid vehicles; installed energy saving light fixtures, solar energy at Town Hall and municipal parking lots, progressed with the continued partnership with 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 and 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 (\$131,896) and housing values (\$520,600) exceed figures for other Suffolk County towns as well as New York City suburban averages. Income within the Town is significantly higher than the state and county averages. Recent economic indicators demonstrate that the Town continues to be an economically vibrant community.

Long Island has shown signs of economic improvement in 2018. Job growth continued in 2018 mainly in education and health services, construction, natural resources and mining. Housing demand continued to strengthen in 2018. Home prices have increased in 2018 with a continued tight lending market.

Local Economy (continued)

Huntington's unemployment rate has remained low at 3.1% as of December of 2018, below the Suffolk County rate of 3.4%, New York State of 3.9% and the nation's rate of 3.9%.

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, as mixed-use residential projects in commercial districts, 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.

Interest in redeveloping land with new uses is increasing in the Town. From 2015 through 2018 the Town received thirty-two (32) zone change applications, with the total applications exceeding that of the previous four years combined. Assisted living facilities and senior housing condominium developments have been popular application types, representing six (6) of the active zone change applications under review.

The strength of the local housing market is evidenced by projects either currently under Planning Department review, recently approved, under construction or completed. Since 2013, the Town has approved the construction of over 1,500 housing units of various building types and densities. Several major multi-family housing projects approved recently that are under construction or completed include the Seasons at Elwood, a planned two-hundred and sixty-three (263) unit retirement community; the Club at Melville with two hundred and sixty-one (261) age-restricted units; Avalon Huntington Station/Country Pointe, a three hundred seventy nine (379) rental project with seventy-six (76) for-sale condos; Northridge, a 16-unit mixed-use project by the LIRR; Gateway Plaza, a 66-unit project also located within walking distance to the LIRR, and Sunrise Senior Living, an assisted-living facility with 90 units. Pricing starts at \$499,000 for condos at Avalon/Country Pointe and \$318,000 at Club at Melville for income-restricted units. With respect to single-family residential subdivisions, the Town Planning Department is currently processing over 90 subdivision applications that will ultimately result in the development of approximately 318 new single-family homes. Currently under construction is Harborfields Estates, a forty-seven (47) lot subdivision with homes priced from \$799,000 and Tuscany Estates, a thirty (30) lot subdivision approved in 2010 located in Dix Hills. It is also important to note that there are a number of significant residential projects not included within the town wide housing unit total that have received zone changes and are in various stages of site plan review. Included within this category is the Oheka Castle condominium project, totaling one hundred ninety (190) luxury housing units, the Manors at Commack with eighty-eight (88) age-restricted units, Valencia Tavern with twenty-four (24) units and Creekside Apartments II with fourteen (14) units. Downtown Huntington Village including the surrounding area by the LIRR also has a total of 344 potential apartments and condos in the pipeline or under construction.

Commercial and industrial development expansion and improvement remains steady. Over the past ten (10) 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). The MEC is home to major corporations including Canon USA, Rubies Corporation, Air Techniques, Henry Schein, Honeywell Corporation, Leviton Corporation and the Capital One Bank Corporate Center. A second phase of the Canon project is projected in the near future, providing an additional 200,000 square feet of research and development space and 260 more employees, bringing the total employees to 2,060. Numerous proposals are being submitted for the Newsday site in Melville, which will be redeveloped into an over 600,000 square foot manufacturing or warehousing facility. Estee Lauder is also proposing to open a multi-million dollar engineering center in the MEC, next door to their current factory and research lab.

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 is nearing final approval 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)

As noted, continuing the success of attracting new corporations to the MEC over the past thirty (30) years is a major goal of the Town. The Town recognizes the importance of the MEC to the Long Island region as a major economic generator and is taking the necessary steps to enable its continued growth. In 2015 the Town funded a \$200,000 plan and hired the consultant firm of Buckhurst, Fish & Jacquemart headquartered in Manhattan, to prepare an integrated land use, circulation and infrastructure plan which will ensure that the MEC has the necessary land use policies and infrastructure to meet the future needs of corporate development. Following an 18-month planning process which included several public workshops, a DRAFT MEC Plan was completed in 2016 and is being reviewed by the Town Board. It includes recommendations to add a mix of uses, including retail and housing, to this important area.

In addition to Melville, significant 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 a proposal for cluster housing at the Indian Hills Country Club, a 100 acre site in Northport now home to a golf course. There is also an application under review at the former VA site in Northport called Freedoms Point, which would result in an 113,343 square foot assisted living facility on 10.09 acres.

Another important project happening in the Town is the Huntington Station revitalization. The Town has been working in partnership with the community and a master developer, Renaissance Downtowns. Over the last three years, Renaissance Downtowns has developed concept plans for four project sites on New York Avenue north of the Long Island Railroad (LIRR) tracks, which include the following uses: a boutique hotel, office space, retail space, apartments over storefronts, and potential artist residences. Two projects; Northridge (completed and fully occupied) and Gateway Plaza Development (under construction) will result in a total of 82 new housing units within a half-mile of the Huntington LIRR Station. Another known as Northridge Square is under review which will add mixed-use retail space and fourteen (14) apartments along New York Avenue. Suffolk County has recently approved funding for a sewer study to consider the connection of the portion of Huntington Station south of the railroad tracks to the County's Southwest Sewer District. This would be a great assistance to potential Renaissance projects south of the tracks, where the lack of sewer availability is the most significant obstacle to redevelopment. Renaissance is looking at underutilized parcels in the area, including the underutilized Town-owned railroad parking lot on the west side of New York Avenue, which is currently generating no property tax revenue. A bus company also occupies a large property within walking distance of the train station and is a prime candidate for redevelopment.

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. Other significant remodeling and upgrading projects underway throughout the Town include the "Big H" shopping center located between the Huntington Station LIRR and Huntington Village, which is under construction and will involve the removal of large retaining walls to develop the lower level basement into retail. Trader Joe's in Commack recently invested in a move to a newly-renovated site nearby to increase square footage and parking availability. 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 with numerous projects underway for mixed use construction within downtown Huntington Village.

The Town of Huntington expects to receive benefits from two major capital projects underway by the LIRR. One is the East Side Access project, which will allow LIRR trains direct access to Grand Central Station in Manhattan for the first time. This will reduce the time and the hassle to reach many employment centers on the east side of Manhattan, such as the United Nations complex. The other project is the Third Track project, which will add a third railroad track between Floral Park and Hicksville, allowing for both additional trains to New York City for the conventional commute (which will also support the East Side Access project), and will make it easier for reverse commutes from the city to the Town of Huntington. Additional railroad capacity will be combined with two other local transit projects in the planning stages, the reopening of Republic Station on the LIRR's Ronkonkoma line and a bus rapid transit (BRT) system planned for the Route 110 corridor. Both of these projects are designed to serve the businesses and employees in the Melville Employment Center area, an area currently with limited transit options. The BRT service would also connect the LIRR Ronkonkoma line with the LIRR Babylon line at the Amityville station, providing the only express connection between the two railroad lines east of the Jamaica station, and allowing both railroad lines to provide a connection to Melville.

Local Economy (continued)

Finally, Huntington is home to several thriving downtown business districts, including Huntington Village, Cold Spring Harbor, Greenlawn and Northport Village. Huntington Village is one of Long Island's premier destinations, boasting a 1,573-capacity live entertainment theater, an art museum, a park with free concerts and events year-round, an active historical society, an independent cinema arts theater, a commercial movie theater and over 50 restaurants and 200 retail stores. The Paramount Theater opened its doors in 2011 and offers live performances, attracting many to the downtown area. Other important developments in Huntington Village are a planned boutique hotel that will provide first class lodging to visitors to the region and an 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 also features a considerable stock of rental units and smaller single-family homes located within walking distance to the downtown.

Major Initiatives

Through sound fiscal management, the Town has been able to fund and complete various major projects in 2018 including \$15.1 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, as well as its active and well-represented chambers of commerce, including Huntington Chamber, East Northport Chamber and Melville Chamber, continue to work cooperatively with the Town to enhance the Town's downtown business districts and corridors. These combined efforts are tied to stimulating economic activity through community events, business networking, ribbon cuttings of new businesses, recognition of the growth and enhancement of existing business and more. Events include street fairs, parades, sidewalk sales, tree and candle lightings, antique car shows and jazz festivals. The Huntington Chamber's annual Long Island Fall Festival that takes place over the 4-day Columbus Day weekend is a regional event that is attended by tens of thousands per day. The Huntington Community Development Agency (CDA) also submits the applications to Suffolk County for the Downtown Revitalization Grants on behalf of community organizations, and oversees the projects and required documentation.
- Further, as a member of the Huntington Village Parking Consortium the Town continues to take the lead in developing a plan 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. A phase one economic feasibility study was undertaken by the Town in partnership with its Economic Development Corporation, with initial findings very encouraging in that the projected parking program revenues are projected to be more than sufficient to meet the annual debt service to bond a future parking structure at the New Street/Green Street municipal parking lot. Through the Huntington Local Development Corporation (LDC), the Town was able to secure \$1.7 million in grant funding from NY State for use toward the cost of construction.
- The Town of Huntington, through the Huntington Community Development Agency (CDA), administers over \$800,000 in program funding annually. This includes a Home Rehabilitation program designed to assist elderly and limited-income residents to remain in their homes, an emergency grant program for heating, septic and appliance repair, and a deferred loan program for home improvements. Construction was started in November of 2018 on a 14-unit condominium project in Huntington Station known as Columbia Terrace. This development will offer preference to U.S. military veterans and serve to uplift the area currently under revitalization. CDA also spearheads development programs to stimulate economic development and job growth in low-income areas through the Huntington Opportunity Resource Center, and serves as the HUD contract agency for the disbursement of Huntington's federal Community Development Block Grant (CDBG). Further, CDA administers the Town of Huntington's affordable housing program as provided under public policy.
- The Town of Huntington, the Town of Huntington Economic Development Corporation, and Renaissance Downtowns, LLC public-private partnership saw construction completed in early 2018 on the Northridge Project, a mixed used development in downtown Huntington Station that includes 6,200 square feet of commercial space and 16 one-bedroom apartments. Among the many benefits of this development are access to small retail, restaurants and public transportation for surrounding residents and commuters that will capture local spending and build the economy. The project anticipated 170+ construction jobs, 12.6 indirect full time jobs and 13.5 full time jobs.

Major Initiatives (continued)

Construction has also begun on the Gateway Plaza Development project with 16,000 square feet of ground floor commercial and 66 rental apartments, including 45 studios and 21 one and two-bedrooms.

- 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. As a result of the Town's success with the EECBG, 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 2023. As a BBC partner, the Town has benchmarked the 40 largest energy consuming facilities, equivalent to 1,000,000 sq. ft. of facility building square footage, on EPA's Energy Star Portfolio Manager. The Town has adopted the NYSDEC Climate Smart Communities (CSC) Pledge for localities to improve energy efficiency and reduce greenhouse gas emissions, and developed a Climate Action Plan (CAP) that was adopted by the Town Board in June, 2015. In 2018, the Town applied for and was awarded a NYSDEC CSC grant in the amount of \$62,500 with the Town providing a \$62,500 match to complete CSC Certification Project to inventory Government Operations and Community-wide Greenhouse Gas (GHG) emissions, 100% Renewable Energy Feasibility Study, amend and update the CAP including a Capital Phase-In Plan to set and meet the Town's GHG reduction goals. Huntington is in the process of converting its public transit bus fleet to hybrids 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 six month Solarize Huntington campaign succeeded in lowering the cost per watt of solar PV compared to the Suffolk County average for homeowners, had 516 applications and 56 contracted installations totaling 496 kW, almost half a megawatt, of contracted solar PV installed in the Town. Working with Sustainable CUNY the Town was designated a USDOE SolSmart Community at the Bronze level. The Town is a collaborative partner, along with other Long Island Towns and community-based organizations, with Sustainability Institute at Molloy College under their NYSERDA CGC grant, to provide education and outreach for the Long Island Green Homes Initiative helping Long Island homeowners save money by undertaking energy efficient improvements to their homes.

- The Town was awarded \$100,000 grant under NYSERDA's RFP 3044 NY Prize Stage 1, and having successfully completed the Feasibility Assessment, applied for and was awarded the \$1,000,000 Stage 2 grant for detailed engineering design and business plans for the Town of Huntington Community Microgrid located in Huntington, NY. Stage 2 will be completed by September, 2019. The proposed microgrid will provide energy service to several critical facilities including: Town Hall, the Flanagan Senior Center, the Wastewater Treatment Plant, Huntington Hospital and the Huntington YMCA which serve a critical community need and have suffered from historic reliability issues in the past during Hurricane Sandy and Irene.

- The Town of Huntington earned a Clean Energy Community (CEC) designation from NYSERDA by completing the following four high-impact action items: 1) Establishing the Solarize Huntington program, a group purchasing and community education program that leveraged the collective buying power of Huntington homeowners to significantly reduce the cost of residential solar installations. 2) Amending the Town Code to fast-track approval of solar installation permits and to adopt the NYS Unified Solar Permit Initiative to reduce costs and delays for solar projects. 3) Energy Code Enforcement Training for Town code compliance officers and other Town officials. 4) Leased a 2017 Chevy Volt Plug-In Hybrid Electric vehicle. The Town also purchased a Level 2 Electric Charging Station Double Pedestal for charging electric vehicles at Town Hall which is available free to employees and the public, and applied for and received a \$5,000 grant for the Chevy Volt and a \$5,000 grant for the electric vehicle charging station from NYSDEC's Clean Vehicles & Infrastructure rebates.

Major Initiatives (continued)

- With the CEC designation the Town was able to apply for and was awarded a \$250,000 grant toward implementing the energy efficiency measures recommended in NYPA's ASHRAE Level 2+ Investment Grade Audit Reports completed at the Town Microgrid facilities including LED lighting retrofits at Town Hall, Flanagan Senior Center, and steam trap repairs and replacement at Town Hall and Flanagan Senior Center, and retro-commissioning at Town Hall, and includes working with PSEG Long Island to obtain any available PSEG rebates by retrofitting the LED lights at Town Hall, Flanagan Senior Center, and the Wastewater Treatment Plant, and replacing HPS and metal halide lighting for outdoor lighting at various Town Facilities and Parks. Working with NYPA, the 30% design for a geothermal system at the Dix Hills Ice Rink, which is the Town's highest energy consuming Town facility should be completed in 2019.

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, continues to finalize its development programs for a series of new buildings on the west side of New York Avenue. These projects include a boutique hotel, office building, potential dine-in theatre and artists' lofts. Because the aforementioned projects involve some state-owned land Renaissance and The Town are in discussions with New York State DOT Region 10 to convey the land. Of the two projects on the east side of New York Avenue, Northridge has recently been completed and Gateway Plaza is well on the way to construction.
- Discussions continue regarding the possibility of developing 49 artist lofts on the west side of New York Avenue in Huntington Station's downtown and transportation hub.
- 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. Gateway Park is made up of six land acquisitions totaling \$1.3 million under the Town's Open Space program. The goal is to create a destination to feed the nearby downtown shopping area in Huntington Station. Gateway Park includes a 1900s farmhouse that has been 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 nearly completed renovations to the farmhouse are being funded by a \$370,000 grant from the State of New York and CDBG funds.
- The Huntington Opportunity Resource Center (HORC) was opened in June 2014 at 1264-1268 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 CDA has received a \$25,000 grant from NYS Empire State Development for the purpose of conducting a feasibility study and planning.

Long-range Financial Planning

The Town's capital budget program is a long-range financial 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.

Long-range Financial Planning (continued)

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.

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 2019 final budget was adopted on November 20, 2018.

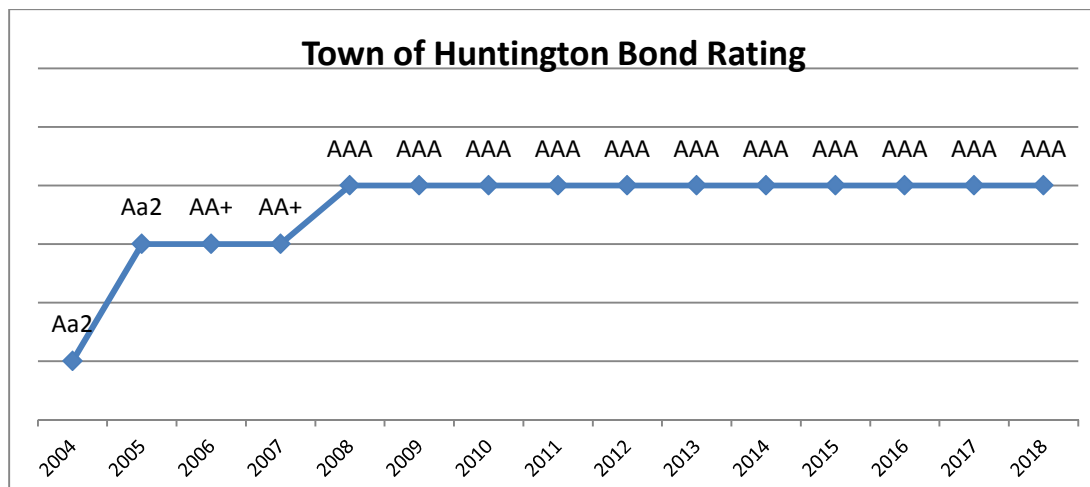
The Town establishes budgetary controls to ensure compliance with legal provisions in the annual appropriated budgets approved by the Town Board. The Supervisor submits a proposed operating budget for the General, Debt and Special Revenue Funds for the fiscal year commencing on January 1st. The operating 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.

Debt Administration

The Town has achieved the highest bond rating of AAA from two rating agencies, Standard & Poor’s, and Moody’s Investor’s Service from 2010 to 2018, placing Huntington among the best fiscally managed Towns in New York State. 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 Timekeeping 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, 2017. This was the twentieth 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, 2018. This was the seventh 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 are submitting the 2018 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, Albrecht, Viggiano, Zureck & Company PC. I would like to extend my appreciation to all members of the department who assisted and contributed to its preparation.

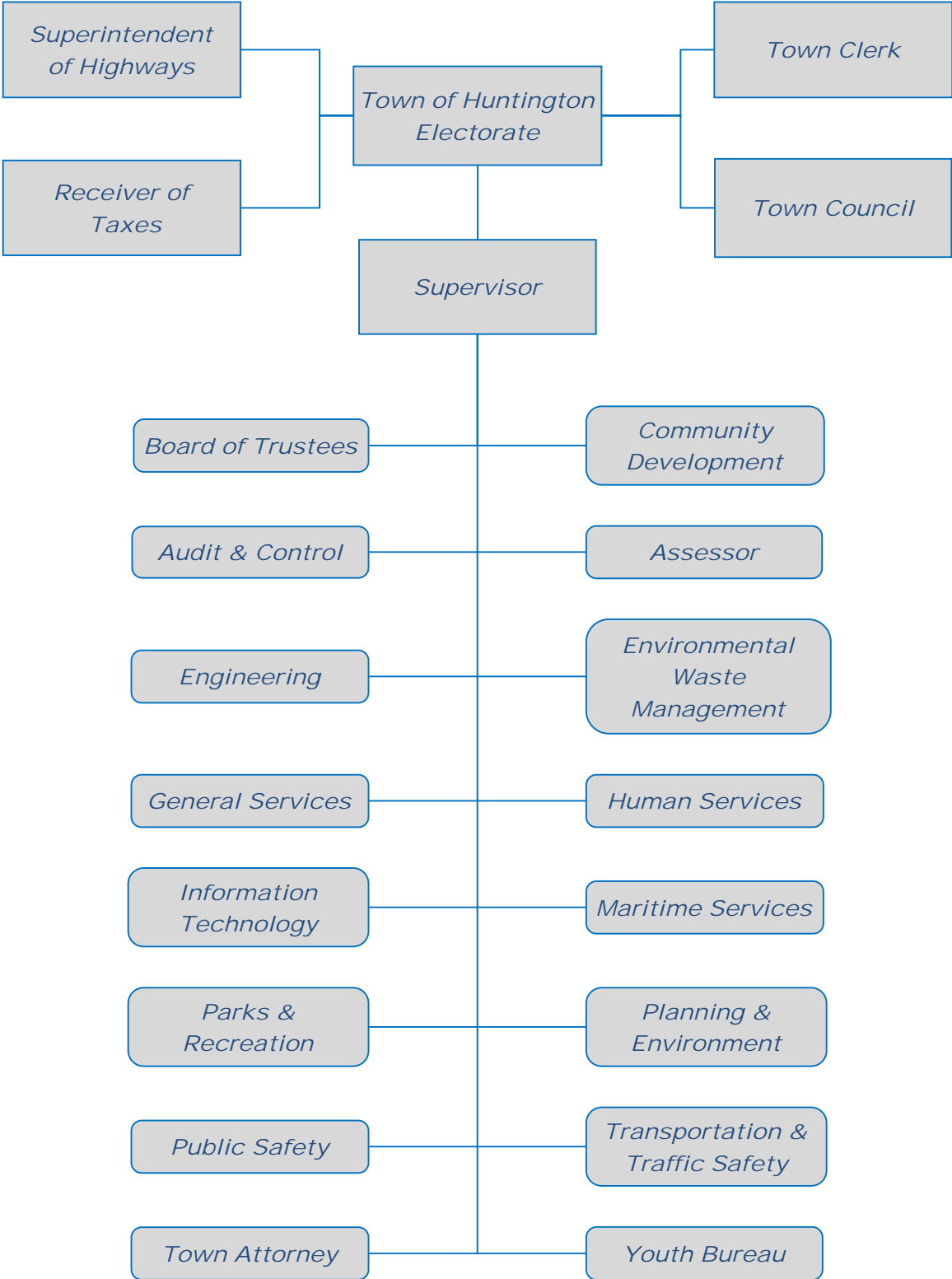
Finally, I would like to thank the Supervisor and the members of the Town Board for continued interest and support in planning and conducting the financial operations of the Town of Huntington in a responsible and progressive manner.

Respectfully submitted,



Peggy Karayianakis CPA
Town of Huntington
Comptroller

Town of Huntington Organizational Chart



Town of Huntington Town Officials

Town Board



Chad A. Lupinacci
Town Supervisor



Joan Cergol
Councilwoman



Eugene Cook
Councilman



Mark A. Cuthbertson
Councilman



Edmund J. Smyth
Councilman

Town Clerk:

Jo-Ann Raia

Receiver of Taxes:

Jillian Guthman

Superintendent of Highways:

Kevin S. Orelli

Assessor:

Roger Ramme

Director of Audit and Control:

Peggy Karayianakis

Director of Engineering:

Daniel Martin

Director of Environmental Control:

John Clark

Director of General Services:

Andre Sorrentino

Director of Human Services:

Carmen Kasper

Deputy Director of Information Technology:

Indranie Sanichar

Acting Director of Maritime:

Dom Spada

Director of Parks & Recreation:

Greg Wagner

Director of Planning:

Anthony J. Aloisio

Director of Public Safety:

Peter Sammis

Director of Transportation & Traffic Safety:

Scott R. Spittal

Director of Youth Bureau:

Maria E. Georgiou

Town Attorney:

Nicholas Ciappetta

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, 2017

Christopher P. Morvill

Executive Director/CEO

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**FINANCIAL
SECTION**



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

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

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 (the "Town"), as of and for the year ended December 31, 2018 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.

Auditors' 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 discretely presented 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 discretely presented 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 basic financial statements are free from material misstatement. The financial statements of Greenlawn Water District and South Huntington Water District, 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 auditors' 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 Town'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 Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

BEYOND THE NUMBERS...

ALBRECHT, VIGGIANO, ZURECK & COMPANY, P.C.

245 PARK AVENUE, 39TH FLOOR
NEW YORK, NY 10167
T: 212.792.4075

25 SUFFOLK COURT
HAUPPAUGE, NY 11788-3715
T: 631.434.9500 F: 631.434.9518

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

Opinions

In our opinion, based on our audit and the reports of the 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, 2018 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.

Emphasis of Matter

New Accounting Guidance

As described in Note A and Note C to the basic financial statements, the Town of Huntington, New York adopted the provisions of Governmental Accounting Standards Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions". Accordingly, the unrestricted net position and the governmental funds fund balances as of January 1, 2018 have been restated. Our opinions are not modified with respect to these matters.

Correction of a Material Misstatement

As discussed in Note C to the financial statements, the 2018 financial statements have been restated to correct a misstatement. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of revenues, expenditures and changes in fund balances – budget and actual, schedule of changes in the Town's total other postemployment benefits liability and related ratios, schedule of Town's contributions, schedule of Town's proportionate share of the net pension liability, schedule of changes in the Town's total length of service award program pension liability, schedule of Town's length of service award program pension liability, schedule of the District's contributions and schedule of the District's proportionate share of the net pension liability on pages 22-35 and 98-112 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 and the other auditors 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 118-139 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.

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

Other Matters (continued)

Other Information (continued)

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 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 as described above and the reports of other auditors', the other supplementary information on pages 118-139 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 27, 2019 on our consideration of the Town of Huntington, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Huntington, New York's internal control over financial reporting and compliance.

Alunt, Virginia, Zeb & Conny P.C.

Hauppauge, New York
June 27, 2019

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

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, 2018. 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.

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, liabilities, and deferred outflows and inflows of resources. Net position is the difference between the Town's assets and deferred outflows and liabilities and, deferred inflows 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.

Primary Government

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 for services, and federal and state aid finance most of these activities.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

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, 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 Town of Huntington Community Development Agency and Town of Huntington 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.

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.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements.

Other Information

In addition to the basic financial statements this report contains required supplementary information other than management's discussion and analysis and other supplementary information immediately following the notes to the financial statements.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Net Position

Primarily as a result from implementing GASB-75, the December 31, 2018 net position has decreased by \$158.1 million and has been restated in the Condensed Statement of Net Position. Total assets and deferred outflows of the Town on December 31, 2018, were \$468.8 million, an increase of \$5.7 million over the prior year. Total liabilities and deferred inflows were \$432.6 million, a decrease of \$2.1 million over the prior year. This results in a net position balance of \$36.2 million, an increase of \$7.8 million over the prior year. Of the Town's net position, \$262.8 million was net investment in capital assets, while \$30.5 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 (\$257) million, which is a decrease in the deficit of \$5.1 million. The Town's bonded indebtedness was \$85.2 million, which included issuances in 2018 for \$10.5 million in Town bonds to finance road construction, improvements to Town facilities, parking and infrastructure and refunding of old outstanding bonds. See Note C.4 for more detail.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Net Position (continued)

Condensed Statement of Net Position		
Primary Government		
As of December 31st		
	<u>2018</u>	<u>As Restated 2017</u>
<u>Assets and Deferred outflows</u>		
Current and other assets	\$ 113,057,073	\$ 112,867,852
Capital assets	<u>329,444,025</u>	<u>329,492,134</u> *
Total assets	442,501,098	442,359,986
Deferred outflow of resources	<u>26,269,145</u>	<u>20,703,914</u>
Total deferred outflows	26,269,145	20,703,914
Total assets and deferred outflows	<u>\$ 468,770,243</u>	<u>\$ 463,063,900</u>
<u>Liabilities and Deferred inflows</u>		
Current and other liabilities	\$ 37,549,033	\$ 36,884,279
Non-current liabilities	<u>342,487,980</u>	<u>377,691,511</u> *
Total liabilities	380,037,013	414,575,790
Deferred inflow of resources	<u>52,523,130</u>	<u>20,063,317</u>
Total deferred inflows	52,523,130	20,063,317
Total liabilities and deferred inflows	<u>\$ 432,560,143</u>	<u>\$ 434,639,107</u>
<u>Net Position</u>		
Net investment in capital assets	\$ 262,758,314	\$ 258,943,999
Restricted	30,455,610	31,609,488
Unrestricted (deficit)	<u>(257,003,824)</u>	<u>(262,128,694)</u> *
Total net position	<u>\$ 36,210,100</u>	<u>\$ 28,424,793</u>

*Certain reclassifications and adjustments have been made to the December 31, 2017 presentation of net position to conform to the December 31, 2018 presentation, because of the adoption of GASB 75 and the other adjustments, See Note F for more detail.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Changes in Net Position

The Town's program revenues for the year ended December 31, 2018 remained stable at \$44 million, an increase of \$.1 million from the prior year. General revenues were \$148.1 million, an increase of \$4.7 million over the prior year, for total revenues of \$192.1 million, an increase of \$4.9 million. The general revenue increases were primarily from property taxes, and miscellaneous sources. The expenses for the year ended December 31, 2018 of the Town were \$184.3 million, a decrease of \$8.5 million. Total net position for the year ended December 31, 2018 in an increase of \$7.8 million over the restated opening net position.

Governmental Activities

During the current fiscal year, net position for governmental activities increased by \$7.8 million from the prior fiscal year for an ending balance of \$36.2 million. The increase in overall net position of governmental activities is due primarily to reduction in transportation expenses of \$5.6 million and property tax revenue increased \$2.1 from the previous year.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Condensed Statement of Net Position
Primary Government
For the Years Ended December 31st

	<u>2018</u>	<u>2017</u>
<u>Revenues</u>		
Program Revenues:		
Charges for Services	\$ 37,669,526	\$ 37,440,871
Operating grants & contributions	6,107,210	5,732,689
Capital grants & contributions	222,510	704,291
General Revenues:		
Property taxes	119,860,004	117,761,111
Mortgage taxes	8,758,732	9,269,448
Other taxes	5,501,430	5,602,118
Interest and investment income	2,872,950	2,767,823
State aid - unrestricted	1,067,256	1,067,256
Miscellaneous	10,055,290	6,904,063
Total revenues	<u>192,114,908</u>	<u>187,249,670</u>
<u>Expenses</u>		
General government support	\$45,651,907	\$ 46,687,794
Public safety	14,921,644	15,770,788
Health	4,539,907	3,234,732
Transportation	41,765,421	47,394,507
Economic assistance & opportunity	3,565,391	3,791,487
Culture & recreation	18,082,148	20,324,215
Home & community services	53,525,765	53,692,809
Interest & debt	2,277,418	1,956,904
Total expenses	<u>184,329,601</u>	<u>192,853,236</u>
Increase (decrease) in net position	7,785,307	(5,603,566)
Net position, January 1st (as restated)*	28,424,793	200,198,039
Net position, December 31st	<u><u>\$ 36,210,100</u></u>	<u><u>\$ 194,594,473</u></u>

*The cumulative effect of applying Government Accounting Standards Board Statement ("GASB") No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", and other restatements, is shown as an adjustment to the beginning net position of 2018. The condensed information for the year ended December 31, 2017 was not restated as the information was not available.

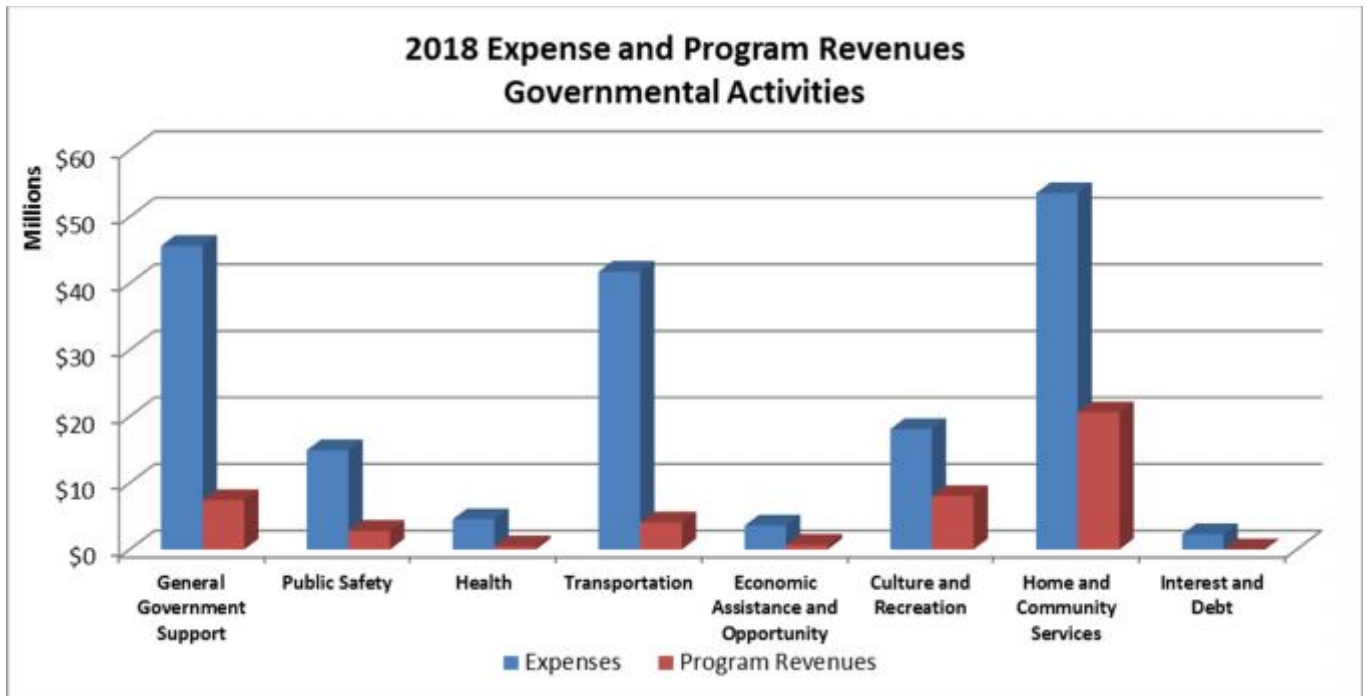
TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2018

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,

	Total Cost of Services		Net Costs of Services	
	2018	2017	2018	2017
General government support	\$ 45,651,907	\$ 46,687,794	\$ 38,239,409	\$ 39,873,913
Public safety	14,921,644	15,770,788	12,139,303	13,051,098
Health	4,539,907	3,234,732	4,089,170	2,784,882
Transportation	41,765,421	47,394,507	37,734,709	42,693,153
Economic assistance and opportunity	3,565,391	3,791,487	2,859,985	3,093,544
Culture and recreation	18,082,148	20,324,215	10,061,631	11,951,422
Home and community services	53,525,765	53,692,809	32,928,730	33,570,469
Interest on debt	2,277,418	1,956,904	2,277,418	1,956,904
Total	\$ 184,329,601	\$ 192,853,236	\$ 140,330,355	\$ 148,975,385



TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE (continued)

Governmental Funds

Total assets in the Town's General Fund were \$43.5 million. Receivables reported were \$3.6 million, consisting of \$1.9 million in waste management fees, \$1.2 million in franchise fees and \$.5 million of various other miscellaneous receivables. Due from federal, state and other governments were \$2.9 million of which \$2.1 million is due from intermunicipal agreement for services provided by the resource recovery facility and \$.8 million from federal and state granting agencies.

Total liabilities and deferred inflow of resources in the Town's General fund was \$10.0 million. Accrued liabilities of \$6.3 million were the result of payroll accruals and waste management fees. Accounts payable was \$2.6 million. Deferred inflows of \$1.1 million relates to the 2019 fiscal year property taxes collected in advance.

In addition to the General Fund, all Town Special Revenue funds exclusive of the Fire Protection District, the Ambulance Districts, 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 in advance for the 2018-2019 tax warrant.

As of December 31, 2018 governmental funds reported an overall fund balance of \$88.3 million. The unassigned fund balances in the General Fund is \$13.9 million. Fund balances in the Highway, Refuse and Garbage, Capital Projects and other non-major funds are recorded as assigned funds, with the exception of those funds with deficit fund balances, in accordance with Governmental Accounting Standards Board Statement No. 54.

In the General Fund, the fund balance has increased by \$3.3 million. The increase in the General Fund was primarily due to increases in real property taxes of \$.8 million, departmental income of \$.9 million, use of money of \$.6 and miscellaneous local sources of \$.6 million, and decrease in transfers to other governmental funds of \$.3 million was primarily for capital project related expenses.

In the Highway Fund, the 2018 fund balance increased by \$2.5 million. This increase was due to increases in real property taxes of \$.2 million, state aid of \$.3 million, miscellaneous local sources of \$.3 million, and departmental income of \$.2 million. In addition, there were decreases in general government support expenditures of \$1.7 million, due to settlement of a lawsuit in 2017, and transportation expenditures of \$.7 million.

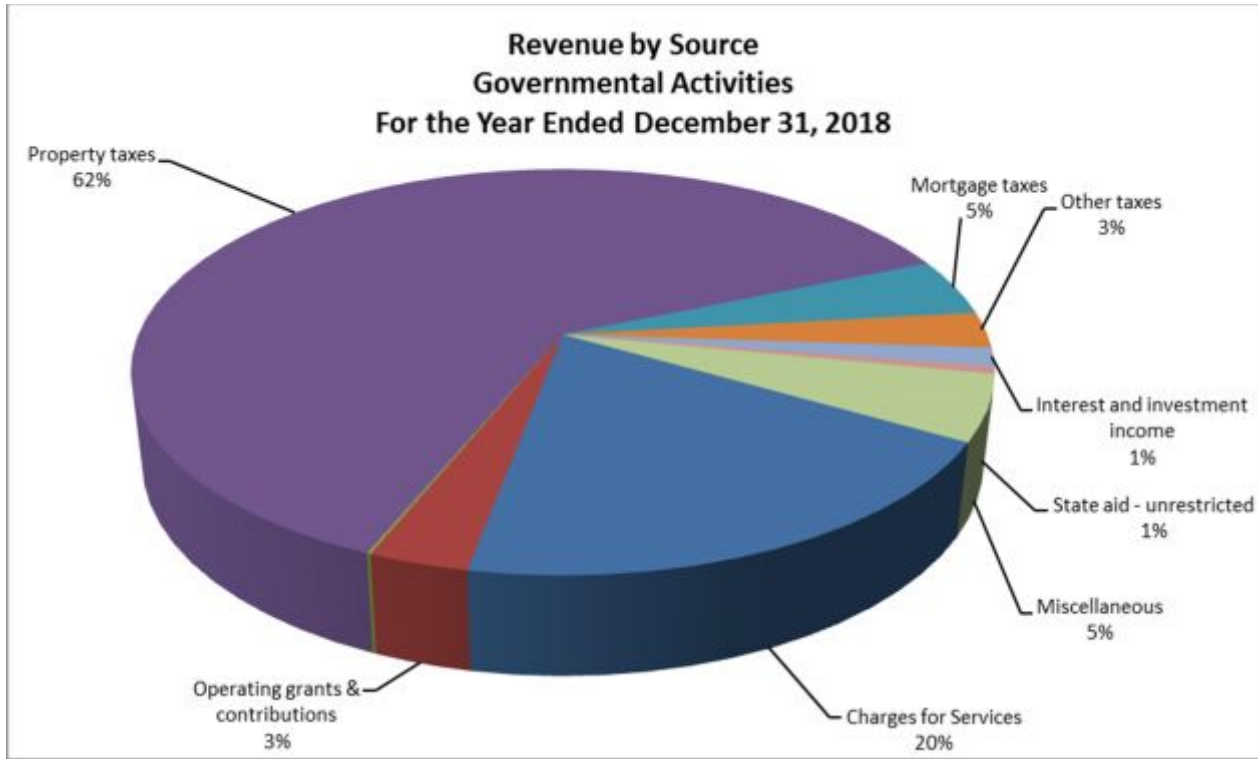
In the Refuse and Garbage Fund, the fund balance increased \$.8 million, which is comparable to the change in fund balance of the prior year. Revenue and expenditures in this fund remained stable, both with increases of \$.1 million.

The Capital Projects fund had an increase in fund balance of \$.6 million. This is due primarily 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, 2018

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 amounts showed an increase of \$.6 million. This increase was due primarily to an expected increase in state aid revenues and departmental revenues from what was originally budgeted. The actual revenue exceeded the final revenue budget by \$2.1 million. This was due to actual state aid revenues exceeding the final revenue budget amount by \$1 million, use of money and property increase of \$.8 million and franchise fee revenue increase of \$.4 million.

The final expenditure budget compared to the original expenditure budget showed an increase of \$1.5 million. These budget amendments were due primarily to expected increases in judgement and claims, workers' compensation, refuse and garbage charges and general government support. The actual expenditures as compared to the final budget expenditures showed a favorable variance of \$3.1 million. This variance was due to stringent monitoring of expenses.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2018

CAPITAL ASSETS AND DEBT ADMINISTRATION

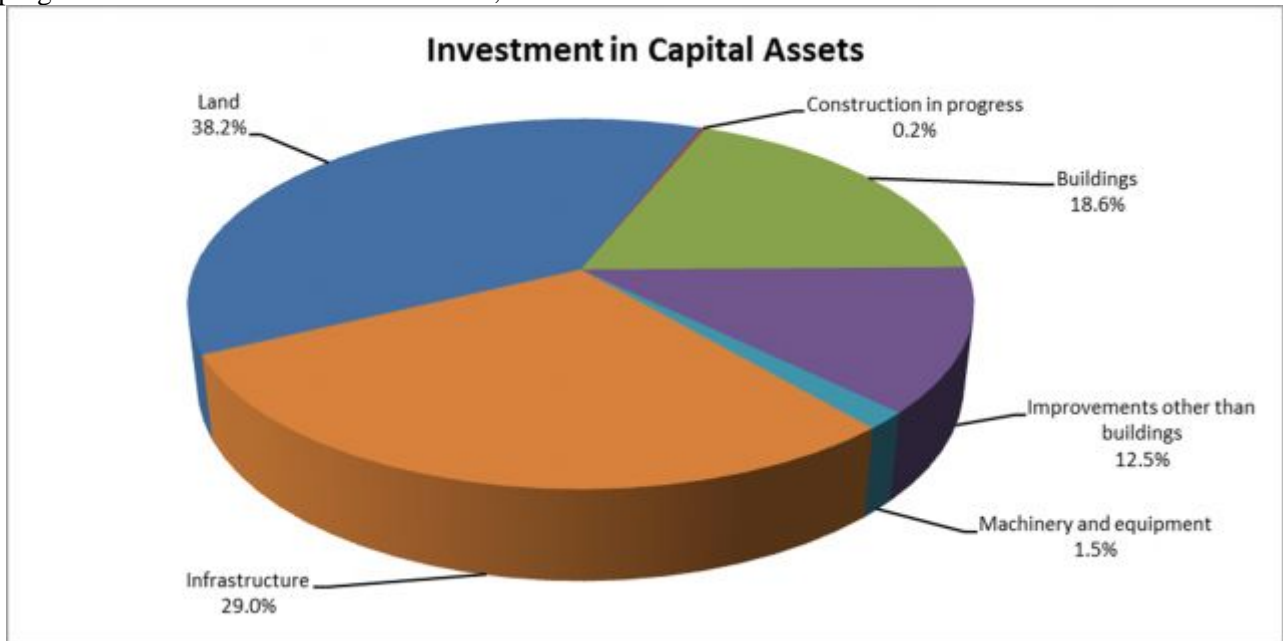
Capital Assets

As of December 31, 2018, the Town had \$329.4 million in net capital assets, of which \$95.8 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 31st

	2018	As Restated 2017
Land	\$ 125,803,627	\$ 125,631,203
Construction in progress	640,218	-
Buildings	61,279,966	63,163,473
Improvements other than buildings	41,018,908	40,808,653
Machinery and equipment	4,887,339	5,546,105
Infrastructure	95,813,967	94,753,345
Total net capital assets	\$ 329,444,025	\$ 329,902,779

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, 2018

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 affirmed the Town's 'AAA', 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 2018, the Town of Huntington, including discretely presented component units, issued \$10.5 million in general obligation bonds to finance the following: road reconstruction; improvements to Sewer District; improvements to the Water District; acquisition of highway equipment, technology upgrades for Greenlawn Water District; 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. In addition, the Town of Huntington, including discretely presented component units, issued \$5.5 million in general obligation bonds to refund \$5.9 million of outstanding serial bonds resulting in a present value savings on the transaction of \$258,275.

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.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt Administration (continued)

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.

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, 2018 the total outstanding indebtedness for the Town of Huntington (including component units) aggregated \$104.5 million. Of this amount \$80.3 million was subject to the constitutional debt limit and represented approximately 3.1% of the statutory debt limit.

FACTORS AND NEXT YEAR'S BUDGET AND RATES

Union Contracts

The Town employs approximately 676 full-time employees as of December 31, 2018. The Civil Service Employees Association covers approximately 195 employees. Local 342, Long Island Service Employees, United Marine Division, and International Longshoremen's Association, covers approximately 400 of the Town's employees and is divided into two units. The supervisory unit covers 75 employees and the labor unit covers 325 employees. The Civil Service Employees Association contract expires on December 31, 2022 and all other contracts expire on December 31, 2021.

State Aid

The Town receives state aid from the State of New York. Operating revenues in the General Fund Budget include approximately 10.8% to be derived from State Aid. The largest allotment of State Aid is derived from Mortgage Tax Collections. Mortgage tax revenue exceeded expectations in 2018 by \$.9 million and the real estate market remains steady. Revenues from mortgage tax collections are expected to meet the budget projection for 2019.

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.

Bond Rating

In September 2018, Standard & Poor's ("S&P") and Moody's maintained its underlying rating of AAA and Aaa respectively.

TOWN OF HUNTINGTON
MANAGEMENT’S DISCUSSION AND ANALYSIS
 December 31, 2018

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

Property Tax

Chapter 97 of the Laws of 2011 (“Tax Cap Law”) was enacted on June 24, 2011 and took effect for the 2012 budget year. The Tax Cap Law limits annual increases of the Town’s overall real property tax to no more than the lesser of 2.00% or the rate of inflation. Certain increases to the tax levy are excluded from the limitations imposed by the Tax Cap Law including exclusions for certain expenditures for retirement system contributions and tort judgments payable by the Town. In addition, the Town Board may override the limitations if the Town Board enacts, by vote of at least sixty percent of the voting power of the Town Board, a local law to override such limit for the upcoming budget year. The Tax Cap Law does not provide exclusion for debt service on general obligations issued by the Town.

The Town has adopted a budget for 2019, which factors in inflation and other adjustments to revenues and expenditures as well as prior year positive and negative fund balances. The 2019 budget includes an overall increase in real property tax revenue from the prior year of 2.53% for the Town’s overall governmental activities.

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.

Tax Collection

<u>As of May 31st</u>	<u>Total Tax Levy</u>	<u>To Town Supervisor</u>	<u>To County Treasurer</u>	<u>Uncollected/ Returned</u>
2018	\$ 1,042,572,431	\$ 895,604,546	\$ 123,088,691	\$ 23,879,194
2017	1,022,937,520	878,328,523	119,108,559	25,500,438
2016	1,005,781,356	863,060,764	118,165,210	24,555,382
2015	990,124,518	849,582,079	114,683,377	25,859,062
2014	960,878,249	828,251,272	108,118,404	24,508,573
2013	941,140,645	809,174,772	109,679,576	22,286,297

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.

TOWN OF HUNTINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

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, 2018

	Primary Governmental Activities	Component Units
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 45,357,090	\$ 11,743,445
Cash - Restricted	49,381,989	3,268,613
Accounts receivable	5,118,216	2,160,985
Due from federal, state and other governments	8,539,482	25,544
Inventory of material and supplies	-	180,766
Prepays	4,660,296	219,468
Total Current Assets	113,057,073	17,598,821
Non-Current Assets		
Non-depreciable capital assets	126,443,845	3,106,394
Depreciable capital assets, net of depreciation	203,000,180	58,927,650
Total Non-Current Assets	329,444,025	62,034,044
Total Assets	442,501,098	79,632,865
DEFERRED OUTFLOW OF RESOURCES		
Pensions	25,002,983	1,079,615
Length of Service Award Program	1,266,162	-
Deferred charges, net of accumulated amortization	-	43,181
Total Deferred Outflow of Resources	26,269,145	1,122,796
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable and other current liabilities	\$ 6,865,179	\$ 764,888
Accrued liabilities	7,741,384	674,597
Accrued interest payable	614,556	32,746
Due to other governments	1,300,106	-
Non-current liabilities due within one year	21,027,808	2,749,542
Total Current Liabilities	37,549,033	4,221,773
Non-Current Liabilities:		
Due in more than one year	342,487,980	32,213,647
Total Non-Current Liabilities	342,487,980	32,213,647
Total Liabilities	\$ 380,037,013	\$ 36,435,420
DEFERRED INFLOW OF RESOURCES		
Deferred revenues	4,041,919	-
Pensions	20,526,112	944,140
Length of Service Award Program	906,832	-
Other Post Employment Benefits (OPEB)	27,048,267	1,888,272
Total Deferred Inflow of Resources	52,523,130	2,832,412
NET POSITION		
Net Investment in capital assets	262,758,314	44,311,983
Restricted for:		
Open space land preservation	12,844,188	-
Length of service award program	7,386,438	-
Other purposes	10,224,984	5,501,739
Unrestricted (deficit)	(257,003,824)	(8,325,893)
Total Net Position	\$ 36,210,100	\$ 41,487,829

See notes to the financial statements.

TOWN OF HUNTINGTON
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

Governmental Functions/Programs	Expenses	Program Revenues			Net Cost and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
Primary Government:						
Governmental Activities:						
General government support	\$ 45,651,907	\$ 6,180,100	\$ 1,112,389	\$ 120,009	\$ (38,239,409)	
Public safety	14,921,644	2,782,341	-	-	(12,139,303)	
Health	4,539,907	237,070	213,667	-	(4,089,170)	
Transportation	41,765,421	1,202,052	2,726,159	102,501	(37,734,709)	
Economic assistance and opportunity	3,565,391	376,781	328,625	-	(2,859,985)	
Culture and recreation	18,082,148	7,103,584	916,933	-	(10,061,631)	
Home and community services	53,525,765	19,787,598	809,437	-	(32,928,730)	
Interest on debt	2,277,418	-	-	-	(2,277,418)	
Total Primary Government	\$184,329,601	\$ 37,669,526	\$ 6,107,210	\$ 222,510	\$(140,330,355)	
Component Units:						
Home and community services	\$ 13,885,089	\$ 6,789,281			\$ (7,095,808)	

General Revenues

Property taxes	\$ 119,860,004	\$ 6,502,373
Mortgage tax	8,758,732	-
Other taxes	5,501,430	-
Interest and investment income	2,872,950	1,103,710
State aid - unrestricted	1,067,256	-
Miscellaneous	10,055,290	401,696
Total General Revenues	148,115,662	8,007,779
Change in net position	7,785,307	911,971
Net position - Beginning of year (as restated)	28,424,793	40,575,858
Net position - Ending of year	\$ 36,210,100	\$ 41,487,829

See notes to the financial statements.

TOWN OF HUNTINGTON
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	Major Governmental Funds					Nonmajor	Total
	General	Highway	Debt Service	Refuse and Garbage	Capital Projects	Governmental Funds	
Assets							
Cash and cash equivalents	\$ 17,923,806	\$ 3,155,867	\$ -	\$ 7,067,132	\$ 4,745,668	\$ 12,464,617	\$ 45,357,090
Cash - Restricted	17,402,400	1,913,049	-	76,325	18,926,379	11,063,836	49,381,989
Accounts receivable, net	3,557,911	268,924	-	40,277	195,000	1,056,104	5,118,216
Due from federal, state and other governments	2,924,136	2,482,171	-	-	298,878	268,413	5,973,598
Due from other funds	277,983	-	-	11,474	146,664	24,569	460,690
Prepays	1,456,969	463,742	-	159,944	-	386,675	2,467,330
Total Assets	\$ 43,543,205	\$ 8,283,753	\$ -	\$ 7,355,152	\$ 24,312,589	\$ 25,264,214	\$ 108,758,913
Liabilities, Deferred Inflows and Fund Balances							
Liabilities							
Accounts payable and other current liabilities	\$ 2,622,494	\$ 423,603	\$ -	\$ 941,530	\$ 1,902,190	\$ 975,362	\$ 6,865,179
Accrued liabilities	6,333,673	339,021	-	766,808	-	301,882	7,741,384
Due to other governments	-	-	-	-	-	1,300,106	1,300,106
Due to other funds	20,607	326,823	-	32,710	16,373	64,177	460,690
Total Liabilities	8,976,774	1,089,447	-	1,741,048	1,918,563	2,641,527	16,367,359
Deferred Inflows of Resources							
Deferred revenue	1,065,528	494	-	-	-	2,975,897	4,041,919
Total Deferred Inflows	1,065,528	494	-	-	-	2,975,897	4,041,919
Fund Balances							
Non-Spendable							
Prepays	1,456,969	463,742	-	159,944	-	386,675	2,467,330
Restricted for:							
Open space land preservation	12,844,188	-	-	-	-	-	12,844,188
Debt service	344,929	199,969	-	21,724	-	41,645	608,267
Unspent bond proceeds	-	-	-	-	18,926,379	-	18,926,379
Snow and ice removal/road repair	481,998	932,134	-	-	-	-	1,414,132
Workers' compensation	317,207	-	-	-	-	-	317,207
Judgments and claims	1,168,249	-	-	-	-	-	1,168,249
Retirement contribution	822	98,996	-	25,760	-	60,599	186,177
General Capital reserve	1,626,140	547,480	-	-	-	1,053,037	3,226,657
Employee Benefit Accrual Liability Reserve	618,867	134,470	-	28,841	-	435,162	1,217,340
Community Development	-	-	-	-	-	2,086,955	2,086,955
Length of service award program	-	-	-	-	-	7,386,438	7,386,438
Assigned:							
Highway	-	4,644,435	-	-	-	-	4,644,435
Refuse District	-	-	-	5,024,046	-	-	5,024,046
Capital projects fund balance	-	-	-	-	3,467,647	-	3,467,647
Town Outside Village	-	-	-	-	-	1,879,528	1,879,528
Community Development	-	-	-	-	-	-	-
Local Development Corporation	-	-	-	-	-	277,886	277,886
Fire Protection	-	-	-	-	-	30,313	30,313
Streetlighting	-	-	-	-	-	2,213,472	2,213,472
Ambulance Services	-	-	-	-	-	1,610,745	1,610,745
Sewer Services	-	-	-	-	-	1,922,078	1,922,078
Water Services	-	-	-	-	-	221,717	221,717
Subsequent year's budget	60,000	40,000	-	250,000	-	500,000	850,000
Purchases on order	650,955	132,586	-	103,789	-	660,174	1,547,504
Unassigned:							
General fund	13,930,579	-	-	-	-	-	13,930,579
Nonmajor Governmental Funds	-	-	-	-	-	(1,119,634)	(1,119,634)
Total Fund Balances	33,500,903	7,193,812	-	5,614,104	22,394,026	19,646,790	88,349,635
Total Liabilities, Deferred Inflows and Fund Balances	\$ 43,543,205	\$ 8,283,753	\$ -	\$ 7,355,152	\$ 24,312,589	\$ 25,264,214	\$ 108,758,913

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, 2018

Total Fund Balances - Governmental Funds \$ 88,349,635

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	\$ 126,443,845	
Capital Assets - Depreciable	709,309,907	
Accumulated Depreciation	(506,309,727)	329,444,025

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. 2,192,966

Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds. 2,565,884

Deferred outflows and inflows associated with participation in the state retirement systems, OPEB, and LOSAP are not current financial resources or uses and are not reported in the funds:

Deferred outflows of resources - employee's retirement system	25,002,983	
Deferred outflows of resources - length of service award program	1,266,162	
Deferred inflows of resources - employees' retirement system	(20,526,112)	
Deferred inflows of resources - length of service award program	(906,832)	
Deferred inflows of resources - other postemployment benefits	(27,048,267)	(22,212,066)

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 Position:

General obligation bonds, net	(85,190,600)	
Premiums on refundings	(1,170,156)	
Net pension liability	(6,308,071)	
Due to Employee Retirement System	(1,702,231)	
Other post-employment benefits payable	(229,879,541)	
Net pension liability- LOSAP	(11,925,167)	
Compensated absences	(13,105,518)	
Claims and judgments	(13,542,355)	
Estimated liability for landfill closure and post-closure care costs	(270,659)	
Capital leases	(421,490)	(363,515,788)

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. (614,556)

Net Position of Governmental Activities \$ 36,210,100

See notes to the financial statements.

TOWN OF HUNTINGTON
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year ended December 31, 2018

	Major Governmental Funds					Nonmajor Governmental Funds	Total
	General	Highway	Debt Service	Refuse and Garbage	Capital Projects		
REVENUES							
Real property taxes	\$ 43,033,219	\$ 32,839,462	\$ -	\$ 24,548,321	\$ -	\$ 19,439,002	\$ 119,860,004
Other real property tax items	365,518	106,528	-	806	-	31,462	504,314
Non-property tax items	4,852,415	-	-	-	-	144,701	4,997,116
Departmental income	32,296,260	364,220	-	12,815	-	9,356,833	42,030,128
Intergovernmental charges	142,415	126,742	-	11,474	-	-	280,631
Use of money and property	1,735,020	311,753	-	244,742	151	581,284	2,872,950
Licenses and permits	1,050,988	229,425	-	-	-	851,461	2,131,874
Fines and forfeitures	1,163,599	-	-	-	-	-	1,163,599
Sale of property and compensation for loss	470,177	186,681	-	153,319	-	2,677,588	3,487,765
Miscellaneous local sources	1,660,233	593,014	-	112,489	351,891	3,847,951	6,565,578
Interfund revenues	4,482,286	-	-	-	-	-	4,482,286
State aid	11,836,886	2,756,699	-	-	131,413	-	14,724,998
Federal aid	788,881	-	-	-	91,096	636,632	1,516,609
Total Revenues	103,877,897	37,514,524	-	25,083,966	574,551	37,566,914	204,617,852
EXPENDITURES							
Current:							
General government support	26,080,545	187,106	50,063	2,117,106	-	4,628,312	33,063,132
Public safety	5,292,953	-	-	-	-	4,014,152	9,307,105
Health	738,268	-	-	-	-	3,147,439	3,885,707
Transportation	4,967,828	19,454,126	-	-	-	2,143,909	26,565,863
Economic assistance and opportunity	2,278,756	-	-	-	-	18,609	2,297,365
Culture and recreation	12,392,839	-	-	-	-	-	12,392,839
Home and community services	22,564,073	-	-	19,337,620	-	10,787,125	52,688,818
Employee benefits	21,267,404	8,653,816	-	2,613,782	-	6,060,776	38,595,778
Capital outlay	-	-	-	-	11,552,152	-	11,552,152
Debt service:							
Principal	-	-	10,047,853	-	-	-	10,047,853
Interest	-	-	2,618,852	-	-	-	2,618,852
Total Expenditures	95,582,666	28,295,048	12,716,768	24,068,508	11,552,152	30,800,322	203,015,464
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,295,231	9,219,476	(12,716,768)	1,015,458	(10,977,601)	6,766,592	1,602,388
Other Financing Sources (Uses)							
Debt issued	-	-	-	-	10,000,000	-	10,000,000
Transfers in	92,178	189,558	12,601,154	-	1,819,754	3,192	14,705,836
Transfer Out	(1,103,508)	(364,192)	-	-	(216,982)	(420,000)	(2,104,682)
Transfers out (Debt Service)	(3,973,272)	(6,520,146)	-	(217,931)	-	(1,889,805)	(12,601,154)
Refunding bonds issued	-	-	4,086,165	-	-	-	4,086,165
Premiums on obligations	-	-	422,170	-	-	-	422,170
Debt service - Principal	-	-	(4,392,721)	-	-	-	(4,392,721)
Total Other Financing Sources (Uses)	(4,984,602)	(6,694,780)	12,716,768	(217,931)	11,602,772	(2,306,613)	10,115,614
Net Change in Fund Balances	3,310,629	2,524,696	-	797,527	625,171	4,459,979	11,718,002
Fund Balances at Beginning of Year	30,190,274	4,669,116	-	4,816,577	21,768,855	15,186,811	76,631,633
Fund Balances at End of Year	\$ 33,500,903	\$ 7,193,812	\$ -	\$ 5,614,104	\$ 22,394,026	\$ 19,646,790	\$ 88,349,635

See notes to the financial statements.

TOWN OF HUNTINGTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Net Change in Fund Balance \$ 11,718,002

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	\$ 14,850,212	
Depreciation Expense	<u>(15,310,913)</u>	(460,701)

Gains and losses on disposals of equipment are not reported by the governmental funds, but are included in the Statement of Activities. 1,947

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		1,731
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In the Statement of Activities, amortization of premiums related to advanced refunding of bonds exceeded the amortization of deferred charges. 348,969

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (85,899)

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 position.

Debt issued	(14,086,165)	
Capital lease issuance	(169,942)	
Repayment of bond principal	14,440,576	
Premium on bonds	(422,170)	
Pension Liability	448,223	
Due to Employee Retirement System	394,924	
Other post-employment benefits payable	488,490	
Other Agency Liabilities- LOSAP	(584,216)	
Compensated absences	48,873	
Claims and judgments	(4,416,448)	
Estimated liability for landfill closure and post-closure care costs	(32,447)	
Repayment of capital lease	159,097	
Accrued interest payable	<u>(7,537)</u>	<u>(3,738,742)</u>

Change in Net Position of Governmental Activities \$ 7,785,307

See notes to the financial statements.

TOWN OF HUNTINGTON
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2018

	Total Agency Funds
ASSETS	
Cash	\$ 244,752,442
Other assets	1,609,263
Total Assets	\$ 246,361,705
 LIABILITIES	
Liabilities:	
Due to school districts	\$ 118,891,400
Due to other governments	118,891,400
Other liabilities	8,578,905
Total Liabilities	\$ 246,361,705

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TOWN OF HUNTINGTON
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December 31, 2018

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TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

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 Superintendent of Highways, Town Clerk and Receiver of Taxes are elected and serve four year terms. The Town Board appoints Town Attorney and the following Directors: General Services, Community Services, Youth Services, Human Services, Engineering Services, Parks and Recreation, Planning and Environmental Services, Audit and Control, Maritime, Assessor, Information Technology, Traffic and Transportation 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, fiscal accountability, or management’s professional judgement on the nature and significance of a potential component units’ relationship with the Town. 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. 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, the Town provides support services, operating space and funds HCDA payroll, therefore HCDA 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. 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, the Town provides support services and operating space, therefore HLDC is a blended unit of the Town and is reported in the special revenue fund.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

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 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. 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, 2018

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 and 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, deferred inflows/outflows, 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, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. BASIS OF PRESENTATION (continued)

Fund Financial Statements (continued)

Additionally, the Town reports the following non-major 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.

Because governmental funds statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements' primary governmental activities column, reconciliations are presented that briefly explain the adjustments necessary to reconcile ending net position and the change in net position.

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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. BASIS OF ACCOUNTING/MEASUREMENT FOCUS (continued)

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 and deferred outflows and inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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 for ERS 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.

Because governmental funds statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements’ primary governmental activities column, reconciliations are presented that briefly explain the adjustments necessary to reconcile ending net position and the change in net position.

4. ASSETS, DEFERRED OUTLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

LENGTH OF SERVICE AWARD PROGRAM PLAN ASSETS

The Town sponsors length of service award program (“LOSAP”) to provide retirement like benefits for those volunteering time and services pertaining to ambulance services, in accordance with the plan documents. LOSAP plans have been established for each ambulance company providing services by taxing district. The Town is the sole sponsor of the LOSAP plans. The assets set-aside to fund the retirement like benefits have been invested in an external investment pool for all New York State ambulance LOSAP plans and the investments are managed by the New York State Comptroller and an administrative agency. The assets in the external investment pool are reported at fair value. The underlying assets of the investment pool includes money market funds, corporate and foreign bonds, common equity securities, equity mutual funds and fixed income mutual funds.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (continued)

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 various 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.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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 has three items that qualify for reporting in this category. The first item represents the effect of the net change in the Town's proportion of the collective net pension liability and difference during the measurement period between the Town's contributions and its proportionate share of total contributions to the pension system not included in pension expense and the Town's contributions to the pension system subsequent to the measurement date and changes of assumptions. The second item is the recording of length of service award payments made subsequent to the measurement date. The third item relates to the amortization of deferred charges relating to advance refunding on bonds.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has four items that are reported as deferred inflow of resources. First item relates to deferred revenue that represents collections of the 2018 tax warrant. The property taxes collected are applicable to the 2019 fiscal and thus are not available for use at year end. In the government-wide financial statements, the other items deferred inflows of resources are associated with are other postemployment benefits, pensions and length of service award programs which consists of differences between the pension plan's expected and actual experience, changes in assumptions, net difference between projected and actual investment earnings and the changes in proportion and differences between the Town's contributions and proportionate share of contributions.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. ASSETS, DEFERRED OUTLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (continued)

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.

PREMIUMS OF DEBT ISSUANCE

Premiums related to the issuance of long-term debt are amortized on a straight-line basis over the life of the issue and are presented as part of the general obligation bonds payable in the non-current liabilities.

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, capitalized lease obligations, proportionate share of LOSAP and net pension liability 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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. ASSETS, DEFERRED OUTLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (continued)

NET POSITION AND 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 position 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 position that does not meet the definition of “restricted” or “net investment in capital assets.”

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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. REVENUES AND EXPENDITURES (continued)

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)

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. LENGTH OF SERVICE AWARD PROGRAM PENSION LIABILITIES

The Town sponsors a length of service award program ("LOSAP"), a defined benefit service award program, for its volunteer ambulance workers of two different ambulance district companies. Both are single-employer plans and the Town reports the total LOSAP service award liability.

The LOSAP service award liability and proportionate share of the LOSAP service award liability have been measured as the actuarial present value of projected benefit payments. The contributions to the Plan are administered through a granter/rabbi trust and, as such, the assets are subject to the claims of the Town's creditors, the LOSAP pension liability/proportionate share has not been reduced by the LOSAP plan assets set-aside for benefit payments.

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, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded for budgetary control purposes in order to reflect the unexpended 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 are re-appropriated in the ensuing year. Encumbrances are reported as restricted, committed or assigned 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.

All encumbrances are classified as assigned fund balance at December 31, 2018.

9. NEW ACCOUNTING PRINCIPLES

Effective with the financial report for the year ended December 31, 2018, the Town has adopted Governmental Accounting Standards Board GAS Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Plans Other Than Pensions*, replacing Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB, No. 74, *Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans*, establishing new accounting and financial reporting requirements for OPEB plans. This statement is effective for financial statements for fiscal years beginning after June 15, 2017.

Statement No. 82, "*Pension Issues - An Amendment of GASB Statements No. 67, 68 and 73*", which outlines the selections of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes. The implementation of this Statement had no impact on the Town's financial statements.

Effective with the financial report for the year ended December 31, 2018, the Town has adopted Governmental Accounting Standards Board GAS Statement No. 85 *Omnibus 2017*. The objective of this statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement specifically addresses issues related to blending component units, goodwill, fair value measurement and application of postemployment benefits (pensions and OPEB). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

Effective with the financial report for the year ended December 31, 2018, the Town has adopted Governmental Accounting Standards Board GAS Statement No. 86 *Certain Debt Extinguishment Issues*. The objective of this statement is to address improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt . This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date of the independent auditors' report, which is the date the financial statements were available to be issued

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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

1. BUDGETARY DATA (continued)

- 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, 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.

The 2019 budget reflects a 2.53% 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 these 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, including deficits in other funds.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

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 2019 Preliminary Budget submitted by the Town Supervisor became the Adopted Budget on November 20, 2018. The 2019 adopted budget contained a projected use of \$850,000 of fund balance.

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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

1. CASH AND INVESTMENTS (continued)

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.

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

Cash with the Town Supervisor	\$ 91,676,840
Cash with the Town Receiver of Taxes	237,783,109
Cash with HCDA and HLDC	2,645,134
LOSAP Investments	7,386,438
	\$ 339,491,521

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, 2018 the Town’s bank deposit balances were \$264,994,892. Of these balances, \$3,863,925 was covered by the Federal Deposit Insurance Corporation; \$261,130,967 was covered by collateral held by the Town’s agent, a third-party financial institution, in the Town’s name. No funds were uncollateralized.

At December 31, 2018, the Town’s blended units’ bank balances were \$2,819,257. Of these balances, \$957,067 was covered by the Federal Deposit Insurance Corporation and \$1,862,190 was covered by collateral held by the Town’s component units’ agent, a third-party financial institution, in the Town’s component units’ name. No funds were uncollateralized.

At December 31, 2018, the Town’s discretely presented units’ bank balances were \$15,185,964. Of these balances, \$750,000 was covered by the Federal Deposit Insurance Corporation and \$14,435,964 was covered by collateral held by the Town’s component units’ agent, a third-party financial institution, in the Town’s component units’ name. 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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

1. CASH AND INVESTMENTS (continued)

Interest-Rate Risk – The Town manages its interest rate risk by limiting the its investments to demand deposits. 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.

LOSAP

Length of Service Award Program Plan Investments - External Investment Pool

The Town invests monies which are set-a-side for LOSAP retirement-like benefits in a multi-municipal cooperative investment pool consisting of money market funds, corporate and foreign bonds, common equity securities, equity mutual funds and fixed income mutual funds. Investments are stated at market value. The pool is not registered with the SEC and is overseen by the New York State Comptroller and an administrative agency hired by the New York State Comptroller.

Allocations of gains, losses and investment income are accounted for by the State Comptroller and third-party administrative agency. The Town’s fair value of its position in the pool is the same as the value of pool shares.

In accordance with FASB guidance, the LOSAP pooled assets utilizes ASC 820 “Fair Value Measurement and Disclosure” to define fair value, establish a framework for measuring fair value, and expand disclosure requirements regarding fair value measurements. ASC 820 does not require new fair value measurements, but is applied to the extent that other accounting pronouncements require or permit fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability. Various inputs are used in determining the value of LOSAP portfolio investments defined pursuant to this standard.

Securities are valued at the most recent market bid price as obtained from one or more market makers for such securities. There have been no significant changes in valuation techniques used in valuing any such positions held by LOSAP pool since the beginning of their fiscal year. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The Town’s investment in the LOSAP pool of investments totals \$7,386,438 at December 31, 2018. The assets are subject to custodial risk in the event of the failure of the custodian holding the investments.

The Length of Service Award Program Plan assets are not required to be collateralized.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

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, 2018 represent primarily the payment of debt service and operating expenditures that will be reimbursed subsequent to year end and are stated as follows:

<u>Major Funds</u>	<u>Amount Receivable</u>	<u>Amount Payable</u>
General Fund	\$ 277,983	\$ 20,607
Highway Fund	-	326,823
Refuse and Garbage Fund	11,474	32,710
Capital Projects Fund	146,664	16,373
<u>Nonmajor Funds</u>		
Town Outside Village	16,401	17,292
Street Lighting District	-	3,800
Sewer Districts	-	20,201
Water Districts	8,168	22,884
	<u>\$ 460,690</u>	<u>\$ 460,690</u>

Interfund transfer balances for the primary government at December 31, 2018 represent primarily the receipt and payment of general obligation bond principal and interest and funding of capital project expenditures and are stated as follows:

<u>Major Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 92,178	\$ 5,076,780
Highway Fund	189,558	6,884,338
Refuse and Garbage Fund	-	217,931
Capital Projects Fund	1,819,754	216,982
Debt Service	12,601,154	-
<u>Nonmajor Funds</u>		
Town Outside Village		222,946
Street Lighting District		10,577
Sewer Districts	3,192	1,345,441
Water Districts		730,841
	<u>\$ 14,705,836</u>	<u>\$ 14,705,836</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

Primary government	Restated Balance			Balance
	1/1/18	Additions	Deletions	12/31/18
Capital assets not being depreciated				
Land	\$ 125,631,203	\$ 172,424	\$ -	\$ 125,803,627
Construction in progress	-	640,218	-	640,218
Total capital assets not being depreciated	125,631,203	812,642	-	126,443,845
Other capital assets:				
Buildings	111,222,862	1,002,941	68,700	112,157,103
Improvements other than buildings	94,648,451	3,258,106	-	97,906,557
Machinery and equipment	46,279,187	2,018,227	748,711	47,548,703
Infrastructure	443,939,248	7,758,296	-	451,697,544
Total depreciable capital assets	696,089,748	14,037,570	817,411	709,309,907
Total assets Primary Government	821,720,951	14,850,212	817,411	835,753,752
Less accumulated depreciation				
Buildings	48,059,389	2,817,748	-	50,877,137
Improvements other than buildings	53,839,798	3,094,347	46,496	56,887,649
Machinery and equipment	40,733,082	2,701,144	772,862	42,661,364
Infrastructure	349,185,903	6,697,674	-	355,883,577
Total accumulated depreciation	\$ 491,818,172	\$ 15,310,913	\$ 819,358	506,309,727
Total net depreciable capital assets				203,000,180
Total net capital assets				\$ 329,444,025

Depreciation expense was charged to governmental functions as follows:

General government support	\$ 1,501,905
Public safety	991,721
Transportation	6,680,586
Economic assistance and opportunity	108,146
Culture and recreation	3,057,147
Home and community services	2,971,408
Total governmental activities depreciation expense	\$ 15,310,913

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, 2018, the Town has not recorded any such impairment losses.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

3. CAPITAL ASSETS (continued)

<u>Discretely presented component units</u>	<u>Balance</u> 1/1/18	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/18
Capital assets not being depreciated				
Land	\$ 1,306,746	\$ -	\$ -	\$ 1,306,746
Construction in progress	6,692,132	1,753,781	6,646,265	1,799,648
Total capital assets not being depreciated	<u>7,998,878</u>	<u>1,753,781</u>	<u>6,646,265</u>	<u>3,106,394</u>
Depreciable capital assets				
Buildings and improvements	50,895,019	5,753,350	-	56,648,369
Machinery and equipment	17,598,651	1,040,720	24,212	18,615,159
Infrastructure	53,911,822	103,067	-	54,014,889
Total depreciable capital assets	<u>122,405,492</u>	<u>6,897,137</u>	<u>24,212</u>	<u>129,278,417</u>
Total Assets - Component Units	<u>130,404,370</u>	<u>8,650,918</u>	<u>6,670,477</u>	<u>132,384,811</u>
Less accumulated depreciation				
Buildings and improvements	17,882,331	1,509,990	-	19,392,321
Machinery and equipment	10,824,365	759,187	24,212	11,559,340
Infrastructure	38,362,757	1,036,349	-	39,399,106
Total accumulated depreciation	<u>\$ 67,069,453</u>	<u>\$ 3,305,526</u>	<u>\$ 24,212</u>	<u>70,350,767</u>
Total net depreciable capital assets				<u>58,927,650</u>
Total net capital assets				<u>\$ 62,034,044</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS

LONG TERM DEBT

Summary of changes in long term debt transactions for the year ended December 31, 2018 is as follows:

	(Restated)			Non-current		
	Balance			Balance	liabilities due	Non-current
	1/1/2018*	Increases	Reductions	12/31/18	within one year	liabilities
Primary Government:						
General obligation bonds	\$ 85,545,011	\$ 14,086,165	\$ 14,440,576	\$ 85,190,600	\$ 10,099,474	\$ 75,091,126
Premium on Advanced Refunding	1,303,743	422,170	555,757	1,170,156	452,608	717,548
Net Pension Liability	19,244,466	12,693,994	25,630,389	6,308,071	-	6,308,071
Due to Employee Retirement System	2,097,155	-	394,924	1,702,231	406,815	1,295,416
Other Postemployment Benefits	257,416,298	15,154,184	42,690,941	229,879,541	-	229,879,541
Net Pension Obligation-LOSAP	10,413,276	1,858,433	346,542	11,925,167	-	11,925,167
Compensated absences	13,154,391	6,745,660	6,794,533	13,105,518	6,794,533	6,310,985
Claims and judgments	9,125,907	9,304,211	4,887,763	13,542,355	3,070,000	10,472,355
Estimated liability for landfill closure and post-closure care costs	238,212	32,447	-	270,659	37,800	232,859
Capital Lease Payable	410,645	169,942	159,097	421,490	166,578	254,912
	<u>\$ 398,949,104</u>	<u>\$ 60,467,206</u>	<u>\$ 95,900,522</u>	<u>\$ 363,515,788</u>	<u>\$ 21,027,808</u>	<u>\$ 342,487,980</u>
Component Units:						
General obligation bonds	\$ 21,754,990	\$ 1,878,835	\$ 4,374,424	\$ 19,259,401	\$ 2,630,528	\$ 16,628,873
Premiums on Issuance	418,895	167,381	98,902	487,374	119,014	368,360
Other Postemployment Benefits	15,995,260	1,037,104	2,749,212	14,283,152	-	14,283,152
Net Pension Liability	853,308	-	561,465	291,843	-	291,843
Compensated absences	589,652	51,767	-	641,419	-	641,419
	<u>\$ 39,612,105</u>	<u>\$ 3,135,087</u>	<u>\$ 7,784,003</u>	<u>\$ 34,963,189</u>	<u>\$ 2,749,542</u>	<u>\$ 32,213,647</u>

* The beginning balance of the other postemployment benefits (OPEB) payable was increased by \$164,878,082 and \$9,991,885 for the Town and Component units, respectively, as of January 1, 2018 in accordance with GASB Statement No. 75. See Notes C.6 and F. The beginning balances of capital leases payable was restated by \$410,645 for the Town as of January 1, 2018.

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 5.00% and have maturity dates in 2019 through 2033. The outstanding debt, including component units, as of December 31, 2018 is \$104,450,001.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS (continued)

LONG TERM DEBT (continued)

	<u>Beg Bal 1/1/18</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance @ 12/31/18</u>
Principal Government				
General Fund	\$32,926,195	\$6,291,547	\$5,153,114	\$34,064,628
Town Outside Village	2,017,625	170,648	355,736	1,832,537
Highway Fund	39,599,100	5,513,970	7,400,246	37,712,824
Sewer Districts	5,469,697	560,000	750,686	5,279,011
Street Lighting District	37,454	-	8,704	28,750
Refuse and Garbage Fund	1,561,648	-	172,240	1,389,408
Water District	3,933,292	1,550,000	599,850	4,883,442
	<u>85,545,011</u>	<u>14,086,165</u>	<u>14,440,576</u>	<u>85,190,600</u>
Component Units				
Greenlawn Water District	4,898,658	500,000	623,028	4,775,630
South Huntington Water District	16,856,332	1,378,835	3,751,396	14,483,771
	<u>21,754,990</u>	<u>1,878,835</u>	<u>4,374,424</u>	<u>19,259,401</u>
Total General Obligation Bonds	<u>\$107,300,001</u>	<u>\$15,965,000</u>	<u>\$18,815,000</u>	<u>\$104,450,001</u>

Principal Government:

Year Ending

<u>December, 31</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2019	\$ 10,099,474	\$ 2,654,110	\$ 12,753,584
2020	9,794,604	2,302,686	12,097,290
2021	9,263,514	1,940,819	11,204,333
2022	8,336,160	1,607,474	9,943,634
2023	7,419,070	1,323,121	8,742,191
2024-2028	27,612,138	3,699,105	31,311,243
2029-2033	12,665,638	759,315	13,424,953
	<u>\$ 85,190,598</u>	<u>\$ 14,286,630</u>	<u>\$ 99,477,228</u>

Component Units:

Year Ending

<u>December, 31</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2019	\$ 2,630,528	\$ 645,537	\$ 3,276,065
2020	2,435,396	548,245	2,983,641
2021	2,271,483	458,836	2,730,319
2022	2,173,842	377,566	2,551,408
2023	2,205,930	300,791	2,506,721
2024-2028	6,287,859	666,165	6,954,024
2029-2033	1,254,364	61,977	1,316,341
	<u>\$ 19,259,402</u>	<u>\$ 3,059,117</u>	<u>\$ 22,318,519</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS (continued)

LONG TERM DEBT (continued)

Liabilities for claims and judgments payable and landfill closure and post-closure care costs are liquidated through future budgetary appropriations in the General Fund. The liabilities for due to Employee's Retirement System, compensated absences, other postemployment benefits payable, length of service award program liability – proportionate share and net pension liability – proportionate share are liquidated through future budgetary appropriations in the funds that gave rise to the liability.

CURRENT REFUNDING OF BONDS

On October 17, 2018, the Town issued \$5,465,000 in Public Improvement Refunding Bonds for the Town and its discretely presented component unit with an interest rate of 3.69% and annual maturities through December 2024. Of the \$5,465,000 issued, \$4,086,165 was for the refunding of general Town debt and \$1,378,835 was for the refunding of component unit debt.

The net proceeds of \$6,029,627 (the par amount of the bonds plus a premium of \$564,627 less underwriter's fees, insurance and other issuance costs of \$66,955) were used to current refund \$5,875,000 of outstanding 2009 Public Improvement Serial Bonds, with interest rates ranging from 3.0% - 4.0%. Of the net proceeds, \$4,508,335 was related to general Town purposes and \$1,521,292 was related to the discretely presented component unit.

The net proceeds were used to pay \$5,875,000 of outstanding principal and \$154,627 of accrued interest.

The current refunding was done in order to reduce debt payments in the short-term. The refunding decreased total debt service payments by \$276,450, of which \$206,700 related to the Town and \$69,750 related to component unit. The overall transaction resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of \$258,274, of which \$193,112 related to the Town and \$65,162 related to component unit.

ADVANCED REFUNDING OF BONDS

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, 2018, the amount of prior-year defeased bonds outstanding was approximately \$3.3 million, of which approximately \$2.5 million was for general Town purposes and approximately \$.8 million was for the component units.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

4. INDEBTEDNESS (continued)

LONG TERM DEBT (continued)

CAPITAL LEASES

In 2015 the Town entered into a fleet management master equity lease agreement with Enterprise. As of December 31, 2018 the Town has 36 vehicles under this lease agreement with monthly lease payments of approximately \$17,000 for a 5-year period with various commencement dates in ranging from 2015 to 2018. At December 31, 2018, the principal amount outstanding was \$421,490. The interest rate on these vehicles varies based on the interest rate in effect of the time of acquisition.

Future minimum lease payments for the Town under these capital leases are as follows:

<u>Year Ending Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 166,578	\$ 40,427	\$ 207,005
2020	148,804	36,221	185,025
2021	64,638	16,767	81,405
2022	33,989	9,487	43,476
2023	7,481	2,128	9,609
Total	<u>\$ 421,490</u>	<u>\$ 105,030</u>	<u>\$ 526,520</u>

Equipment under these capital leases have been reported in the capital assets at December 31, 2018 as follows:

	<u>Asset</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Machinery and equipment	\$ 818,637	\$ 397,147	\$421,490

5. RETIREMENT SYSTEM

The Town of Huntington participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the ERS. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term.

The external advisory committees appointed by the Comptroller meet periodically throughout the year and provide independent, expert assistance in guiding the Fund. These committees include: the Advisory Council for the Retirement System; the Investment Advisory Committee; the Real Estate Advisory Committee; the Actuarial Advisory Committee and the Audit Advisory Committee.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

ERS benefits are established under the provisions of the New York State Retirement and Social Security Law (“RSSL”). Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Generally, members of the ERS are employees of the State and its municipalities, other than New York City. The Town also participates in the Public Employees’ Group Life Insurance Plan (“GLIP”), which provides death benefits in the form of life insurance. In the Fund statements, GLIP amounts are apportioned to and included in ERS. The ERS is included in the State’s financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244-0001.

Obligation of employers and employees to contribute and benefits to employees are governed by the RSSL. 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.

Vesting

Members who joined the ERS prior to January 1, 2010 need five years of service to be 100 percent vested. Members who joined on or after January 1, 2010 require ten years of service credit to be 100 percent vested.

Benefits Provided

The ERS provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 and Tier 2, is 55 and 62, respectively.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2% of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year’s compensation used in the final average salary calculation is limited to no more than 20% greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% greater than the average of the previous two years.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 3, 4, and 5 members, each year's compensation used in the final average salary calculation is limited to no more than 10% greater than the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 members is age 63 for System members.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years of employment. For Tier 6 members, each year's compensation used in the final average salary calculation is limited to no more than 10% greater than the average of the previous four years.

Disability Retirement Benefits

Disability retirement benefits are available to members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as any offsets of other benefits depend on a member's tier, years of service, and plan.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all retirees who have attained age 62 and have been retired for five years; (ii) all retirees who have attained age 55 and have been retired for ten years; (iii) all disability retirees, regardless of age, who have been retired for five years; (iv) recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50% of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1% or exceed 3%.

Contributions

Generally, Tier 3, 4 and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the RSSL, the Comptroller shall certify annually the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's year ended March 31. The actual contribution was \$8,771,865.

Retirement Amortizations and Incentives

Pursuant to Chapter 57 of the Laws of 2010, the New York State Legislature authorized local governments to amortize a portion of their retirement bill for 10 years. This law requires participating governments to make payments on a current basis, while amortizing existing unpaid amounts relating to the New York State and Local Employees' Retirement System's fiscal years when the local employer opts to participate in the program. Chapter 57 further provides that when contribution rates fall below legally specified levels and all outstanding amortizations have been paid, the Town will be required to pay additional moneys into a specific reserve fund which will be used to offset their contributions in the future. These reserve funds will be invested separately from pension assets. The Town's total deferred amount related to the 2013 fiscal year was \$3,905,184 and will be billed and paid over ten years beginning in 2014 and will include interest at 3.0%. During 2018, the Town paid \$394,924 toward this program and has a remaining liability at December 31, 2018 of \$1,702,231.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

Future principal and interest payments to maturity for the Chapter 57 amortizations are as follows:

	Principal	Interest	Total Payment
Years Ending December 31, 2019	\$ 406,815	\$ 52,686	\$ 459,501
2020	419,062	40,439	459,501
2021	431,679	27,823	459,502
2022	444,675	14,827	459,502
	\$ 1,702,231	\$ 135,775	\$ 1,838,006

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO PENSIONS

At December 31, 2018, the Town reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as March 31, 2018. The total pension liability used to calculate the net pension (liability was determined by an actuarial valuation. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS System in reports provided to the Town.

Actuarial valuation date	April 1, 2017
Net pension liability	\$ 6,308,071
Town's portion of the Plan's total net pension liability	0.1954509%
Change in the allocation of the System's total net pension liability since the prior measurement date	0.0093598%

There was no significant change in the Town's proportionate from March 31, 2017 to March 31, 2018.

For the year ended December 31, 2018, the Town recognized pension expense of \$7,862,409 in the Statement of Activities. The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$2,249,884	\$1,859,220
Net difference between projected and actual investment earnings on pension plan investments	9,161,973	18,084,815
Changes of assumptions	4,182,772	
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,215,109	582,077
Town's contribution subsequent to measurement date	8,193,245	
Total	\$25,002,983	\$20,526,112

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

Deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date in the amount of \$8,193,245 will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts will be recognized in pension expense as follows:

December 31:	
2019	\$ 1,586,642
2020	1,324,875
2021	(4,519,468)
2022	(2,108,423)
2023	-
Thereafter	-
Total	\$ (3,716,374)

ACTUARIAL ASSUMPTIONS

The total pension liability as of the measurement date of March 31, 2018 was determined using an actuarial valuation as of April 1, 2017, with update procedures used to roll forward the total pension liability to the measurement date.

Significant actuarial assumptions used in the valuations were as follows:

	ERS
Measurement Date	March 31, 2018
Actuarial Valuation Date	April 1, 2017
Interest Rate	7.0%
Salary Scale	3.8%
Decrement Tables	Developed from Plan's 2015 experience study for period April 1, 2010 through March 31, 2015
Cost of Living Adjustment	1.3%
Inflation Rate	2.5%

Annuity mortality rates are based on April 1, 2010-March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries MP-2014.

The actuarial assumptions used in the April 1, 2017 valuation are based on the results of an actuarial experience study for the period April 1, 2010-March 31, 2015.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

ACTUARIAL ASSUMPTIONS (continued)

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2018 are summarized below:

	ERS	
Asset Class	Target Allocation	Long-term Expected Rate of Return
Domestic equity	36.0%	4.55%
International equity	14.0%	6.35%
Private equity	10.0%	7.50%
Real estate	10.0%	5.55%
Absolute return strategies	2.0%	3.75%
Opportunistic portfolio	3.0%	5.68%
Real assets	3.0%	5.29%
Bonds and mortgages	17.0%	1.31%
Cash	1.0%	-0.25%
Inflation indexed bonds	4.0%	1.25%
	100.0%	

DISCOUNT RATE

The discount rate used to calculate the total pension liability was 7.0% for the System. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

SENSITIVITY OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET) TO THE DISCOUNT RATE ASSUMPTION

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Town's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1% point lower (6.0%) or 1% higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension liability (asset)	\$47,728,562	\$6,308,071	(\$28,732,010)

PENSION PLAN FIDUCIARY NET POSITION

The components of the current-year pension liability of the employers in the System as of the March 31, 2018 were as follows:

	ERS (Dollars in thousands)
Measurement Date	March 31, 2018
Employer's total pension liability	\$ 183,400,590
Fiduciary net position	(180,173,145)
Employer's net pension liability	\$ 3,227,445
 Ratio of fiduciary net position to the employers' total pension liability	 98.24%

Detailed information about the pension plan's fiduciary net position is available in the ERS separately issued financial statements.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

5. RETIREMENT SYSTEM (continued)

New York State Voluntary Defined Contribution Plan

On March 16, 2012, Chapter 18 of the Laws of 2012 was signed into law, which amended portions of the Retirement and Social Security Law, Education Law and the Administrative Code of the City of New York. This legislation affected the contributions and benefits of employees who joined a New York State public retirement system on or after April 1, 2012. Beginning July 1, 2013, a Voluntary Defined Contribution (VDC) plan option was made available to all unrepresented employees of the NYS public employers hired on or after July 1, 2013, and earning at a full-time rate of \$75,000 or more on an annual basis.

The SUNY Optional Retirement Plan (ORP) was selected as the vehicle to offer eligible employees the alternative defined contribution option, and Education Law was modified accordingly to permit this newly eligible class of employees. Vesting, investment providers, and plan rules follow the SUNY ORP Plan Document and policies.

Employer Contribution

An employer contribution of 8% of salary is made for the duration of employment. An employee contribution is required for the duration of employment based upon estimated gross annual wages in a given calendar year, as follows:

Wages of \$45,000 or less	3.00%
Wages of \$45,000.01 to \$55,000	3.50%
Wages of \$55,000.01 to \$75,000	4.50%
Wages of \$75,000.01 to \$100,000	5.75%
Wages of more than \$100,000	6.00%

*Salary rates will be considered in reaching the \$75,000 threshold for part-time employees.

VDC employee contributions are made through payroll deduction on a pre-tax basis. Contributions are not subject to Federal income tax until withdrawn but are subject to state and local income taxes in the year in which they are made. All earnings on contributions are tax deferred until they are withdrawn. All contributions are made based upon IRS compensation and contribution limits, which are determined annually.

Vesting

Upon completion of 366 days of service (waived for employees who enter service with employer-funded retirement contracts from any of the VDC investment providers), the participant has full and immediate vesting in all retirement and death benefits provided by the retirement annuities purchased through employee and employer contributions. Contributions will begin upon plan entry, but are held by the employer until completion of the vesting period. Once vested, the employer will make a single lump sum contribution of applicable employer and employee contributions plus interest to the investment provider(s) selected by the participant. A participant who does not complete the vesting period is entitled to a refund of his or her own contributions plus interest.

Contributions made to the VDC program by the Town were \$8,938 for the year ended December 31, 2018.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

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

Plan Description:

In the government-wide financial statements, the cost of other postemployment benefits (OPEB), like the cost of pension benefits, generally should be associated with the period in which the cost occurs, rather than in the future years when it will be paid. The Town recognizes the costs of other postemployment benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. The Town established and administers a single-employer defined benefit OPEB plan for its employees. Amendments to the plan are authorized by the union contract. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

Medical coverage, including prescription drugs as part of the medical plan, is offered to retirees on a fully insured basis through the New York State Health Insurance Program (NYSHIP and HIP). Retirement is available for exempt employees who separate from service, are at least 50 years old and have 15 consecutive years of full time service with the Town. Also, based on collective bargaining agreements, the Town provides continuation of medical insurance to employees who are at least 55 years old and have 20 consecutive years of service with the Town. 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 Town will also reimburse the full premium costs for Medicare part B payments. These contracts will be renegotiated at various times in the future. Upon death of a retiree, the Town will continue the Medicare part B reimbursement for the non-married spouse. For all other employees who separate from service with the Town and have 10 consecutive years of full time service, the Town will pay 75% of premiums for employees and 35% of spouse's premium. The Town, as Administrator of the Plan, does not issue a separate report.

Employees Covered by Benefit Terms

The number of participants as of January 1, 2017, the effective date of the most recent actuarial valuation, are as follows:

	Total	Town	Component Units
Active Employees	621	589	32
Retirees	620	595	25
Spouses of Retired Employees	299	282	17
Total	1,540	1,466	74

There have been no significant changes in the number of participants or the type of coverage since that date.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

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

Total OPEB Liability

The Town's total OPEB liability of \$229,879,541 was measured as of December 31, 2018 and was determined by an actuarial valuation of January 1, 2017, with updated procedures used to roll forward the OPEB liability to the measurement date. The component units' total OPEB liability of \$14,283,153 was measured as of December 31, 2018 and was determined by an actuarial valuation of January 1, 2017, with updated procedures used to roll forward the OPEB liability to the measurement date.

Funding Policy:

The Town contributes to the plan to satisfy obligations on a pay-as-you-go basis.

Actuarial Assumptions and other Inputs

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 total OPEB liability in the January 1, 2017 valuation was determined using the following actuarial assumptions and other input:

Salary increases	2.50%
Discount rate	4.10%
Healthcare cost trend rates	9.0% in 2017, grading down 1.0% per annum to an ultimate rate of 5.0% in years 2021 and later.

The discount rate was based on the December 31, 2018 Bond Buyers 20 Bond Index .

Mortality rates were based on the RPH-2014.

The demographic assumptions used for this valuation are based on the New York State Employees' Retirement System ("ERS"). The actuarial assumptions used in the January 1, 2018 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

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

The following table shows the components of the Town's other postemployment benefits liability:

Changes in Total OPEB Liability

	Town of Huntington
Balance at December 31, 2017-as restated	\$ 257,416,298
Changes for the year	
Service Cost	6,880,370
Interest	8,273,814
Changes in assumptions and other inputs	(34,398,340)
Benefit Payments	(8,292,601)
Net Changes	(27,536,757)
Balance at December 31, 2018	\$ 229,879,541

Changes in assumptions and other inputs reflect a change in the discount rate from 3.18% in 2017 to 4.10% in 2018.

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current rate:

Sensitivity of the total OPEB liability to changes in the discount rate.

1% Decrease (3.10%)	Discount Rate (4.1%)	1% Increase (5.10%)
\$267,362,627	\$229,879,541	\$199,751,928

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate.

1% Decrease (7.00%) decreasing to 4.00%)	Healthcare Cost Trend Rates (8.00% decreasing to 5.00%)	1% Increase (9.00%) decreasing to 6.00%)
\$195,600,062	\$229,879,541	\$273,789,204

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

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

At December 31, 2018, the Town reported deferred inflows of resources related to other postemployment benefits from the following source:

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

		Deferred Inflows of Resources
Changes of assumptions		<u>\$ (27,048,267)</u>
	Total	<u>\$ (27,048,267)</u>

The amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

December 31:		
2019		\$ (7,350,073)
2020		(7,350,073)
2021		(7,350,073)
2022		(4,998,048)
2023		-
Thereafter		-
	Total	<u>\$ (27,048,267)</u>

The Town's discretely presented component units had an ending total other postemployment benefit liability of \$14,283,152 as of December 31, 2018.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

7. 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. 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 amount calculated by the actuary retained by the State Comptroller. The Town pays the contribution from the Town's respective Ambulance District Fund. This program is a single-employer defined benefit plan with contributions and program assets in a grantor/rabbi trust and, as such, the assets are subject to the claims of the Town's general creditors. The trustee of the Ambulance Program, which has been designated by the State Comptroller, is authorized to invest the funds in authorized investment vehicle. Administrative costs are paid from the Trust Fund and added to the required contribution calculated by the actuary and paid by the Town.

Benefits Provided

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. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. The Ambulance Program also provides disability and death benefits.

Participants covered by the benefit terms, At the December 31, 2017 measurement date, the following participants were covered by the benefit terms.

Commack Volunteer Ambulance Corps

Inactive participants currently receiving benefit payments	11
Inactive participants entitled to but not yet receiving benefit payments	42
Active participants	<u>97</u>
Total	<u>150</u>

Huntington Community First Aid Squad

Inactive participants currently receiving benefit payments	60
Inactive participants entitled to but not yet receiving benefit payments	111
Active participants	<u>228</u>
Total	<u>399</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

7. LENGTH OF SERVICE AWARD PROGRAM-LOSAP(continued)

Contributions

New York State General Municipal Law §219-o (1) requires the Town Board to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Town Board.

Measurement of Total Pension Liability

The total pension liability at the December 31, 2017 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	None assumed

Mortality rates were based on the RP-2014 Mortality Table (60/40 male/female blend) projected for mortality improvement to the year 2020 with scale MP2016.

Discount Rate: The discount rate used to measure the total pension liability was 3.16%. This was the yield to maturity of the S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch , or AA by Standard & Poor's Rating Services

Trust Assets: Although assets have been accumulated in an irrevocable trust such that the assets dedicated to providing pensions to the plan members in accordance with benefit term, the trust assets are not legally protected from creditors of the Town. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

7. LENGTH OF SERVICE AWARD PROGRAM-LOSAP (continued)

Changes in the Total Pension Liability

Commack Volunteer Ambulance Corps

Balance as of 12/31/16 measurement date	<u>\$ 1,767,014</u>
Service Cost	112,498
Interest	69,239
Changes of assumptions or other inputs	188,282
Differences between expected and actual experience	(77,588)
Benefit Payments	<u>(26,484)</u>
Net Changes	<u>265,947</u>
Balance as of 12/31/17 measurement date	<u><u>\$ 2,032,961</u></u>

Sensitivity of the Total Pension Liability to changes in the discount rate. The following presents the total pension liability of the Town as of December 31, 2017 measurement date, calculated using the discount rate of 3.16 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.16 percent) or one percentage point higher (4.16 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	2.16%	3.16%	4.16%
Total pension liability	\$2,476,744	\$2,032,961	\$1,689,872

Huntington Community First Aid Squad

Balance as of 12/31/16 measurement date	<u>\$ 8,646,262</u>
Service Cost	367,462
Interest	329,911
Changes of assumptions or other inputs	716,772
Differences between expected and actual experience	74,269
Benefit Payments	<u>(242,470)</u>
Net Changes	<u>1,245,944</u>
Balance as of 12/31/17 measurement date	<u><u>\$ 9,892,206</u></u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

7. LENGTH OF SERVICE AWARD PROGRAM-LOSAP (continued)

Sensitivity of the Total Pension Liability to changes in the discount rate. The following presents the total pension liability of the Town as of December 31, 2017 measurement date, calculated using the discount rate of 3.16 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.16 percent) or one percentage point higher (4.16 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	2.16%	3.16%	4.16%
Total pension liability	\$11,560,018	\$9,892,206	\$8,547,213

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

Commack Volunteer Ambulance Corps

For the year ended December 31, 2018, the Town recognized pension expense of \$179,563.

Components of Pension Expense

Service Cost	\$ 112,498
Interest on total pension liability	69,239
Changes of assumptions or other inputs	2,243
Differences between expected and actual experience	(9,392)
Pension plan administrative expenses	4,975
Total pension expense	\$ 179,563

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

7. LENGTH OF SERVICE AWARD PROGRAM-LOSAP (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 159,857
Changes of assumptions or other inputs	177,075	163,145
Benefit payments & administrative expenses subsequent to the measurement date	35,322	-
Total	\$ 212,397	\$ 323,002

Deferred outflows of resources related to pensions resulting from Town transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ended December 31, 2019.

Year ended December 31:

2019	(\$7,149)
2020	(7,149)
2021	(7,149)
2022	(7,149)
2023	(7,149)
Thereafter	(110,182)
total	(\$145,927)

Huntington Community First Aid Squad

For the year ended December 31, 2018, The Town recognized pension expense of \$724,787.

Components of Pension Expense

Service Cost	\$ 367,462
Interest on total pension liability	329,911
Changes of assumptions or other inputs	8,065
Differences between expected and actual experience	10,068
Pension plan administrative expenses	9,280
Total pension expense	\$ 724,786

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

7. LENGTH OF SERVICE AWARD PROGRAM-LOSAP (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At December 31, 2018, The Town reported deferred outflows and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 111,914	\$ -
Changes of assumptions or other inputs	657,041	583,830
Benefit payments & administrative expenses subsequent to the measurement date	284,810	-
Total	\$ 1,053,765	\$ 583,830

Deferred outflows of resources related to pensions resulting from Town transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ended December 31, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

December 31:	
2019	\$ 18,133
2020	18,133
2021	18,133
2022	18,133
2023	18,133
Thereafter	94,460
Total	\$ 185,125

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

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, 2018, the value of the accumulated vacation time and sick leave was \$13,105,518 for the Town and \$641,419 for the Component Units.

Primary Government	Balance			Balance
	1/1/2018	Additions	Deletions	12/31/2018
General Fund	\$ 7,870,043	3,724,301.87	3,947,749.36	\$ 7,646,596
Part Town Fund	956,062	587,133.57	589,111.57	954,084
Highway	2,441,911	1,540,928.25	1,441,068.74	2,541,771
Street Lighting	134,152	95,652.02	72,050.82	157,753
Refuse District	962,142	445,049.67	427,534.74	979,657
Sewer Districts	269,487	152,902.25	164,786.84	257,602
Water District	365,141	146,133.71	105,533.87	405,741
CDA	155,452	53,558.97	46,696.95	162,314
Total Primary Government	\$ 13,154,390	\$ 6,745,660	\$ 6,794,533	\$ 13,105,517
Component Units				
Greenlawn Water District	\$ 271,933	\$ 19,640		\$ 291,573
South Huntington Water District	317,719	32,127		349,846
Total Components	\$ 589,652	\$ 51,767	\$ -	\$ 641,419

9. TAX ABATEMENTS

The Town of Huntington has two real property tax abatement agreements with housing development and redevelopment companies organized pursuant to Article V or Article XI of the Private Housing Finance Law of the State of New York (“PHFL”) for the purpose of creating or preserving affordable housing in the Town.

Generally, these agreements, which are eligible for tax exemption under Section 52 of Public Housing Laws, and Section 577 of PHFL, provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) based either on a percentage of shelter rents or an agreed upon per unit basis, and shall continue until the property no longer provides the required affordable housing or no longer complies with the requirements of the PHFL.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

C. DETAILED NOTES ON ALL FUNDS (continued)

9. TAX ABATEMENTS (continued)

Information relevant to disclosure of these agreements for the year ended December 31, 2018 is as follows:

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Valuation</u>	<u>Tax Rate</u>	<u>Tax Value</u>	<u>PILOT Received</u>	<u>Terms of the Agreement</u>	<u>Taxes Abated</u>
3/1/1999	Huntington Housing Authority 40 Units	\$ 50,700	26.37	\$ 13,371	\$ 2,019	49 Years	\$ 11,352
12/1/2015	HG Housing Development Fund Company, Inc. & Highland Green Residence, LLC	\$ 82,600	26.81	\$ 22,148	\$ 10,648	30 Years	\$ 11,500
				\$ 35,519	\$ 12,667		\$ 22,852

In addition, the Suffolk County Industrial Development Agency (SCIDA) has entered into PILOT agreements on ten properties located within the Town of Huntington in lieu of Real Property Taxes. The PILOT agreements are eligible and authorized under Title I of Article 18-A of General Municipal Law Section 874 of the State of New York. The purpose of these agreements fall within the scope of the SCIDA mission statement which is to promote the economic welfare, employment opportunities and quality of life of the residents of Suffolk. The SCIDA accomplishes this mission by providing financial assistance to businesses in order to help them flourish and grow in Suffolk County. The Town's tax value and the PILOTs on these properties as of December 31, 2018 were \$389,331 and \$244,335 respectively. The abated taxes are comprised of General Fund, Highway Fund, Part-Town Fund, Street-Lighting and various non-major funds and totaled \$145,038.

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 \$13,542,355. 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.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

D. COMMITMENTS AND CONTINGENCIES (continued)

1. RISK RETENTION (continued)

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.

	Workers' Compensation		General Liability	
	2018	2017	2018	2017
Unpaid claims and claim adjustment expenditures at beginning of year	\$5,660,407	\$5,208,723	\$3,465,500	\$4,377,935
Incurred claims and claim adjustment expenditures: Provision for insured events of the current year and increases in provision for insured events of prior years	5,576,803	4,172,476	3,727,408	1,927,503
Less Payments:				
Claims and claim adjustment expenditures attributable to insured events and of the current and prior years	4,193,410	3,720,792	694,353	2,839,938
Total unpaid claims and claim adjustment expenditures at the end of year	<u>\$7,043,800</u>	<u>\$5,660,407</u>	<u>\$6,498,555</u>	<u>\$3,465,500</u>

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 September 2018, the Town exercised their option to extend this Service Agreement until the year 2024 and amended the financial provisions in the extension.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

D. COMMITMENTS AND CONTINGENCIES (continued)

2. RESOURCE RECOVERY FACILITY (continued)

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 2018 amounted to \$15,009,651 of which \$5,613,610 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, 2018, the Town has recorded a liability of \$270,659 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.

4. CONSTRUCTION AND OTHER CAPITAL ACQUISITION COMMITMENTS

Construction in progress, commitments for equipment purchases and other capital acquisition commitments amounting to \$7,127,720 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. GRANTS

The Town has received grants that are subject to review and approval, and subject to audit by agencies of the State and Federal government. Such reviews or audits may result in disallowances or a request for a return of funds. Based on prior years, the Town does not believe that any disallowance would be material.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

D. COMMITMENTS AND CONTINGENCIES (continued)

7. LEASE COMMITMENTS

The Town leases office equipment under an operating lease. The total rental expenditures on such lease for the year ended December 31, 2018 was approximately \$175,445. The maximum future operating lease payments are as follows:

Year ended December 31:	Amount
2019	\$ 203,984
2020	203,984
Total	<u>\$ 407,968</u>

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, 2018:

Condensed Statement of Net Position:

	South Huntington <u>Water District</u>	Greenlawn Water District <u>Water District</u>	<u>Totals</u>
Assets			
Current assets and other assets	10,016,549	7,582,272	17,598,821
Capital assets net of depreciati	43,471,499	18,562,545	62,034,044
Deferred outflow of resources	<u>595,937</u>	<u>526,859</u>	<u>1,122,796</u>
Total Assets	<u>54,083,985</u>	<u>26,671,676</u>	<u>80,755,661</u>
Liabilities and Net Position			
Current liabilities	2,953,541	1,268,232	4,221,773
Other long term liabilities	20,870,783	11,342,864	32,213,647
Deferred inflow of resources	1,480,271	1,352,141	2,832,412
Investment in capital assets	29,542,710	14,769,273	44,311,983
Restricted	3,988,091	1,513,648	5,501,739
Unrestricted	<u>(4,751,411)</u>	<u>(3,574,482)</u>	<u>(8,325,893)</u>
Total Liabilities and Net Position	<u>54,083,985</u>	<u>26,671,676</u>	<u>80,755,661</u>

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

E. CONDENSED FINANCIAL STATEMENTS FOR THE DISCRETELY PRESENTED COMPONENT UNITS (continued)

Condensed Statement of Activities:

	Program		General Revenue		Net Position			
	Expenses	Charges for Services	Net (Expense) Revenue	Property Tax	Other	Change	1/1/18	12/31/18
South Huntington Water District	\$ 8,108,788	\$ 4,113,049	\$ (3,995,739)	\$ 4,068,455	\$ 800,944	\$ 873,660	\$ 27,905,730	\$ 28,779,390
Greenlawn Water District	5,776,301	2,676,232	(3,100,069)	2,433,918	704,462	38,311	12,670,128	12,708,439
	<u>\$ 13,885,089</u>	<u>\$ 6,789,281</u>	<u>\$ (7,095,808)</u>	<u>\$ 6,502,373</u>	<u>\$ 1,505,406</u>	<u>\$ 911,971</u>	<u>\$ 40,575,858</u>	<u>\$ 41,487,829</u>

F. CHANGE IN ACCOUNTING PRINCIPLE/RESTATEMENT

Change in accounting principal

For the year ended December 31, 2018, the Town implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions". The implementation of the Statement resulted in the retroactive reporting of the total other postemployment benefits (OPEB) liabilities and the reporting of current year OPEB expenses and deferred inflows of resources in the Town's government-wide statements. As of January 1, 2018, the Town's net position was decreased \$164,878,082 for the increase in the total OPEB liability.

The Town's net position has been restated as of December 31, 2017 in the amount of \$6,771,979 based on various expenditures not being included as capital assets or depreciated.

	<u>Net Position</u>
Beginning of year, as reported	\$ 186,530,896
GASB Statement No. 75 implementation	\$ (164,878,082)
Restatement of capital assets	\$ 6,771,979
Beginning of year, as restated	<u>\$ 28,424,793</u>

G. SUBSEQUENT EVENTS

There were no reportable subsequent events.

TOWN OF HUNTINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

H. NEW PRONOUNCEMENTS

Governmental Accounting Standards Board (GASB) 83 issued authoritative guidance GAS Statement No. 83) *Certain Asset Retirement Obligations*,” the objective of which is to establish criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations.

Governmental Accounting Standards Board (GASB) 84 issued authoritative guidance GAS Statement No. 84) *Fiduciary Activities*. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Town is required to implement this authoritative guidance for reporting periods beginning after June 15, 2018.

Governmental Accounting Standards Board (GASB) 87 issued authoritative guidance GAS Statement No. 87) *Leases*. The objective of this statement is to improve accounting and financial reporting for leases by governments. This Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor to recognize a lease receivable and a deferred inflow of resources. The Town is required to implement this authoritative guidance for reporting periods beginning after December 15, 2019

Governmental Accounting Standards Board (GASB) 88 issued authoritative guidance GAS Statement No. 88) *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*. The primary objective of this statement is to improve the information that is disclosed in notes to government financials related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Town is required to implement this authoritative guidance for reporting periods beginning after June 15, 2018.

Governmental Accounting Standards Board (GASB) 89 issued authoritative guidance GAS Statement No. 89) *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The Town is required to implement this authoritative guidance for reporting periods beginning after December 15, 2019.

Governmental Accounting Standards Board (GASB) 90 issued authoritative guidance GAS Statement No. 90) *Majority Equity Interests*, an amendment of GASB Statements No.14 and No. 61. The primary objectives of this statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Town is required to implement this authoritative guidance for reporting periods beginning after December 15, 2019.

The Town is currently evaluating the impact of the aforementioned GASB Statements on its financial statements.

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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, 2018

	Budgetary Amounts		Actual	Variance with
	Original	Final		Final Budget
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 42,986,157	\$ 43,029,157	\$ 43,033,219	\$ 4,062
Total Real Property Taxes	42,986,157	43,029,157	43,033,219	4,062
OTHER REAL PROPERTY TAXES				
Payment In lieu of taxes	110,000	110,000	123,817	13,817
Interest and penalty on taxes	280,000	280,000	241,701	(38,299)
Total Other Real Property Taxes	390,000	390,000	365,518	(24,482)
NON-PROPERTY TAX ITEMS				
Franchises - cable TV	4,407,954	4,407,954	4,852,415	444,461
Total Non-Property Tax Items	4,407,954	4,407,954	4,852,415	444,461
DEPARTMENTAL INCOME				
Town clerk fees	375,000	375,000	427,829	52,829
Other general departmental income	165,000	190,000	195,627	5,627
Parking meter fees	750,000	750,000	850,512	100,512
Transportation	480,000	480,000	481,691	1,691
Charges - programs for the aging	332,000	332,000	384,345	52,345
Park and recreational charges	2,056,000	2,065,740	1,890,369	(175,371)
Recreational concessions	80,000	80,000	77,850	(2,150)
Special recreational facility charges	5,439,000	5,439,000	5,134,293	(304,707)
Refuse and garbage charges	22,917,481	22,917,481	22,853,744	(63,737)
Total Departmental Income	32,594,481	32,629,221	32,296,260	(332,961)
INTERGOVERNMENTAL CHARGES				
Miscellaneous Revenue	27,000	27,000	51,695	24,695
Refuse and Garbage Service	101,357	101,357	90,720	(10,637)
Total Intergovernmental Charges	128,357	128,357	142,415	14,058
USE OF MONEY AND PROPERTY				
Interest and earnings	202,000	202,000	905,361	703,361
Rental of real property	721,911	721,911	829,659	107,748
Total Use of Money and Property	923,911	923,911	1,735,020	811,109
LICENSES AND PERMITS				
Bingo licenses	14,000	14,000	20,350	6,350
Dog licenses	37,000	37,000	32,734	(4,266)
Parking Permits	975,000	975,000	972,975	(2,025)
Other permits	45,000	45,000	24,929	(20,071)
Total Licenses and Permits	1,071,000	1,071,000	1,050,988	(20,012)
FINES AND FORFEITURES				
Fines	1,305,000	1,305,000	1,163,599	(141,401)
Total Fines and Forfeitures	1,305,000	1,305,000	1,163,599	(141,401)

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2018

	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	42,451	17,451
Sales of refuse for recycling	9,000	9,000	10,226	1,226
Sales other	8,000	8,000	4,141	(3,859)
Sales of equipment	5,000	103,645	115,880	12,235
Insurance recoveries	220,000	220,000	297,479	77,479
Total Sale of Property & Compensation for Loss	267,000	365,645	470,177	104,532
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	-	-	15,217	15,217
Gifts and donations	-	23,500	27,483	3,983
Miscellaneous revenue	1,033,750	1,239,537	1,617,533	377,996
Total Miscellaneous Local Sources	1,033,750	1,263,037	1,660,233	397,196
INTERFUND REVENUES				
	4,482,286	4,482,286	4,482,286	-
STATE AID				
State Aid - revenue sharing	1,067,256	1,067,256	1,067,256	-
State Aid - mortgage tax	8,000,000	8,000,000	8,844,632	844,632
State Aid - other	-	103,500	103,500	-
State Aid - bus and other mass transit	789,085	789,085	870,850	81,765
State Aid - programs for aging	206,000	206,000	312,165	106,165
State Aid - youth program	448,112	533,070	448,613	(84,457)
State Aid - other culture and recreation	50,000	50,000	17,667	(32,333)
State Aid - other home and community services	50,000	50,000	172,203	122,203
Total State Aid	10,610,453	10,798,911	11,836,886	1,037,975
FEDERAL AID				
Federal Aid - programs for the aging	217,000	217,000	136,266	(80,734)
Federal Aid - bud and other mass transit	-	-	100,000	100,000
Federal Aid - youth program	775,462	775,462	552,013	(223,449)
Federal Aid - other home and community services	-	-	602	602
Total Federal Aid	992,462	992,462	788,881	(203,581)
Total Revenues	\$ 101,192,811	\$ 101,786,941	\$ 103,877,897	\$ 2,090,956

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2018

Function	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Town board	\$ 759,595	\$ 693,321	\$ 691,093	\$ -	\$ 2,228
Traffic violations bureau	151,099	146,099	119,830	-	26,269
Supervisor	769,077	950,947	950,605	-	342
Comptroller	1,239,776	1,289,861	1,277,102	11,123	1,636
Tax collection	679,337	732,774	731,625	671	478
Purchasing	302,808	281,105	274,496	-	6,609
Assessment	1,228,480	1,171,547	1,133,243	16,620	21,684
Fiscal agent fees	35,000	30,000	28,358	-	1,642
Town clerk	1,139,844	1,202,782	1,093,294	50,007	59,481
Town attorney	2,836,625	3,107,914	3,051,684	26,135	30,095
Personnel	712,747	805,691	800,050	500	5,141
Engineer	1,107,725	1,165,069	1,107,850	26,530	30,689
General services	624,179	555,623	534,921	-	20,702
Operation of plant	10,049,579	10,671,876	10,576,034	5,613	90,229
Central storeroom	436,764	418,931	415,126	712	3,093
Central printing and mailing	251,000	288,780	262,594	-	26,186
Information Technology	2,248,848	2,456,531	2,159,821	276,584	20,126
Unallocated insurance	395,500	340,441	340,201	-	240
Municipal assessment dues	9,000	9,000	5,304	-	3,696
Judgments and claims	300,000	492,043	492,042	-	1
Purchase of land and right of way	1,500,000	1,500,000	-	-	1,500,000
Taxes and assessment on municipal property	66,926	34,048	21,372	-	12,676
Contractual	20,000	28,000	13,900	-	14,100
Total General Government Support	26,863,909	28,372,383	26,080,545	414,495	1,877,343
PUBLIC SAFETY					
Administration	3,224,475	3,127,133	3,093,076	13,055	21,002
Harbors and waterways	730,779	812,598	807,809	880	3,909
Control of dogs	972,088	1,051,710	1,043,723	-	7,987
Safety inspection	281,734	284,938	280,762	-	4,176
Civil defense	75,089	71,882	67,583	-	4,299
Total Public Safety	5,284,165	5,348,261	5,292,953	13,935	41,373
HEALTH					
Substance Abuse	861,070	738,269	738,268	-	1
Total Health	861,070	738,269	738,268	-	1
TRANSPORTATION					
Highway and street administration	829,408	772,304	744,167	1,982	26,155
Public transportation	4,156,200	4,182,583	4,155,927	4,731	21,925
Waterways Navigation	61,895	67,863	67,734	2	127
Total Transportation	5,047,503	5,022,750	4,967,828	6,715	48,207
ECONOMIC ASSISTANCE AND OPPORTUNITY					
Community action administration	18,250	18,250	13,935	-	4,315
Public Information	165,250	145,823	145,821	-	2
Veterans service	8,500	9,000	8,675	-	325
Family Assistance Program	163,270	163,270	146,979	-	16,291
Programs for the aging	2,041,050	2,041,351	1,963,346	9,267	68,738
Total Economic Assistance And Opportunity	2,396,320	2,377,694	2,278,756	9,267	89,671

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year ended December 31, 2018

Function	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
CULTURE AND RECREATION					
Council on the arts	147,500	147,500	147,500	-	-
Recreation administration	3,756,827	3,960,958	3,913,850	15,706	31,402
Playgrounds and recreation centers	1,402,584	1,171,081	1,066,724	1,185	103,172
Special recreation facility charges	2,826,065	2,914,849	2,683,019	145,773	86,057
Band concerts	143,811	154,538	142,574	-	11,964
Youth programs	614,181	628,926	628,328	-	598
Joint youth programs	2,811,360	2,600,333	2,600,333	-	-
Museums	731,832	702,681	695,154	-	7,527
Historian	54,161	54,161	42,965	-	11,196
Celebrations	10,000	9,219	9,219	-	-
Adult recreation	635,810	471,479	463,173	-	8,306
Total Culture and Recreation	13,134,131	12,815,725	12,392,839	162,664	260,222
HOME AND COMMUNITY SERVICES					
Refuse and garbage	20,274,691	21,020,995	21,016,355	-	4,640
Landfill Post Closure	51,500	54,628	50,880	-	3,748
Recycling	629,873	666,743	613,764	4,122	48,857
General natural resources	885,234	891,791	868,643	-	23,148
Miscellaneous	45,799	49,730	14,431	8,507	26,792
Total Home and Community Services	21,887,097	22,683,887	22,564,073	12,629	107,185
EMPLOYEE BENEFITS					
State employee retirement system	5,977,554	4,696,051	4,696,050	-	1
Social security	93,062	111,261	111,260	-	1
Workers' compensation	1,400,000	2,007,671	1,976,420	31,250	1
Life insurance	50,000	46,450	30,080	-	16,370
Unemployment insurance	130,000	107,595	97,597	-	9,998
Disability benefits	90,000	46,538	46,537	-	1
Hospital, medical and dental	12,870,000	12,608,431	12,601,160	-	7,271
Union welfare benefits	270,000	270,000	253,557	-	16,443
Other employee benefits	798,000	1,454,743	1,454,743	-	-
Total Employee Benefits	21,678,616	21,348,740	21,267,404	31,250	50,086
Total Expenditures	97,152,811	98,707,709	95,582,666	650,955	2,474,088
Excess (Deficiency) of Revenues					
Over Expenditures	4,040,000	3,079,232	8,295,231	(650,955)	4,565,044
Other Financing Sources (Uses)					
Transfers In		92,178	92,178	-	-
Transfers out	-	(1,103,508)	(1,103,508)	-	-
Transfers out (Debt Service)	(4,100,000)	(4,100,000)	(3,973,272)	-	126,728
Total Other Financing Sources (Uses)	(4,100,000)	(5,111,330)	(4,984,602)		126,728
Net Change in Fund Balance	\$ (60,000)	\$ (2,032,098)	3,310,629	\$ (650,955)	\$ 4,691,772
Fund Balance at Beginning of Year			30,190,274		
Fund Balance at End of Year			\$ 33,500,903		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HIGHWAY FUND
For the Year ended December 31, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 32,839,462	\$ 32,839,462	\$ 32,839,462	\$ -
Total Real Property Taxes	32,839,462	32,839,462	32,839,462	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	90,000	90,000	105,449	15,449
Interest and penalties on taxes	-	-	1,079	1,079
Total Other Real Property Taxes	90,000	90,000	106,528	16,528
DEPARTMENTAL INCOME				
Other general departmental income	-	364,192	364,220	28
Total Departmental Income	-		364,220	28
INTERGOVERNMENT CHARGE				
Transportation Services, Other Government	-	-	126,742	126,742
Total Departmental Income	-		126,742	126,742
USE OF MONEY AND PROPERTY				
Interest and earnings	100,000	100,000	311,753	211,753
Total Use of Money and Property	100,000	100,000	311,753	211,753
LICENSES AND PERMITS				
Licenses and permits	200,000	200,000	229,425	29,425
Total Licenses and Permits	200,000	200,000	229,425	29,425
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sales of scrap materials/equipment	8,000	8,000	8,232	232
Insurance recoveries	5,000	5,000	178,449	173,449
Total Sale of Property and Compensation for Loss	13,000	13,000	186,681	173,681
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue	400,000	404,154	593,014	188,860
Total Miscellaneous Local Sources	400,000	404,154	593,014	188,860
STATE AID				
State aid - Consolidated highway aid	1,706,000	1,706,000	1,705,941	(59)
State Aid - Other	-	-	1,050,758	1,050,758
Total State Aid	1,706,000	1,706,000	2,756,699	1,050,699
Total Revenues	\$ 35,348,462	\$ 35,352,616	\$ 37,514,524	\$ 1,797,716

(Continued)

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HIGHWAY FUND
For the Year ended December 31, 2018

	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 112,000	\$ 112,000	\$ 100,332	\$ -	\$ 11,668
Bond and note issue expense	45,000	45,000	21,539	-	23,461
Other Government Support	82,200	82,200	65,235	-	16,965
Total General Government Support	<u>239,200</u>	<u>239,200</u>	<u>187,106</u>	<u>-</u>	<u>52,094</u>
TRANSPORTATION					
Highway repairs	12,887,134	12,556,012	12,339,604	112,986	103,422
Capital highway improvements	1,706,000	1,706,000	1,705,941	-	59
Highway and machinery	2,155,761	1,963,353	1,850,390	19,600	93,363
Brush and weeds	380,000	369,471	364,656	-	4,815
Snow removal	2,188,908	3,238,952	3,193,535	-	45,417
Total Transportation	<u>19,317,803</u>	<u>19,833,788</u>	<u>19,454,126</u>	<u>132,586</u>	<u>247,076</u>
EMPLOYEE BENEFITS					
State employee retirement system	2,322,659	2,000,073	2,000,073	-	-
Social security	48,000	48,000	16,988	-	31,012
Workers Compensation	1,100,000	1,416,061	1,416,060	-	1
Life insurance	400	610	550	-	60
Unemployment insurance	75,000	7,431	7,430	-	1
Disability benefits	1,000	1,034	1,033	-	1
Hospital, medical and dental	5,040,500	4,812,433	4,812,286	-	147
Union welfare benefits	200,000	191,651	177,100	-	14,551
Other employee benefits	224,000	282,296	222,296	-	60,000
Total Employee Benefits	<u>9,011,559</u>	<u>8,759,589</u>	<u>8,653,816</u>	<u>-</u>	<u>105,773</u>
Total Expenditures	<u>28,568,562</u>	<u>28,832,577</u>	<u>28,295,048</u>	<u>132,586</u>	<u>404,943</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>6,779,900</u>	<u>6,520,039</u>	<u>9,219,476</u>	<u>(132,586)</u>	<u>2,202,659</u>
Other Financing Sources (Uses)					
Transfer Out		(364,192)	(364,192)	-	-
Transfers in	-	189,558	189,558	-	-
Transfers out (Debt Service)	(6,800,000)	(6,800,000)	(6,520,146)	-	279,854
Total Other Financing Sources (Uses)	<u>(6,800,000)</u>	<u>(6,974,634)</u>	<u>(6,694,780)</u>	<u>-</u>	<u>279,854</u>
Net Change in Fund Balance	<u>\$ (20,100)</u>	<u>\$ (454,595)</u>	<u>\$ 2,524,696</u>	<u>\$ (132,586)</u>	<u>\$ 2,482,513</u>
Fund Balance at Beginning of Year			<u>4,669,116</u>		
Fund Balance at End of Year			<u>\$ 7,193,812</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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 24,548,321	\$ 24,548,321	\$ 24,548,321	\$ -
Total Real Property Taxes	24,548,321	24,548,321	24,548,321	-
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	1,000	1,000	806	(194)
Total Other Real Property Tax Items	1,000	1,000	806	(194)
DEPARTMENTAL INCOME				
Refuse and garbage charges	9,040	9,040	12,815	3,775
Total Departmental Income	9,040	9,040	12,815	3,775
INTERGOVERNMENT CHARGE				
Refuse & Garbage Service, Other Government	9,658	9,658	11,474	1,816
Total Intergovernment Charge	9,658	9,658	11,474	1,816
USE OF MONEY AND PROPERTY				
Interest and earnings	70,000	70,000	244,742	174,742
Total Use of Money and Property	70,000	70,000	244,742	174,742
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sales of recycled materials	120,000	120,000	102,443	(17,557)
Insurance recoveries	-	-	50,876	50,876
Total Sale of Property and Compensation for Loss	120,000	120,000	153,319	33,319
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	100,000	101,089	112,489	11,400
Total Miscellaneous Local Sources	100,000	101,089	112,489	11,400
Total Revenues	\$ 24,858,019	\$ 24,859,108	\$ 25,083,966	\$ 224,858

(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, 2018

	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 80,000	\$ 78,724	\$ 71,517	\$ -	\$ 7,207
Other government support	2,049,785	2,136,399	2,045,589	-	90,810
Total General Government Support	<u>2,129,785</u>	<u>2,215,123</u>	<u>2,117,106</u>	<u>-</u>	<u>98,017</u>
HOME AND COMMUNITY SERVICES					
Refuse and garbage	19,899,060	19,736,488	19,337,620	103,789	295,079
Total Home and Community Services	<u>19,899,060</u>	<u>19,736,488</u>	<u>19,337,620</u>	<u>103,789</u>	<u>295,079</u>
EMPLOYEE BENEFITS					
State employee retirement system	740,174	740,174	585,522	-	154,652
Social security	23,000	23,000	1,478	-	21,522
Workers Compensation	300,000	447,960	447,960	-	-
Life insurance	500	500	115	-	385
Unemployment insurance	20,000	20,000	2,115	-	17,885
Disability insurance	500	500	83	-	417
Hospital, medical and dental	1,593,000	1,594,693	1,498,783	-	95,910
Union welfare benefits	68,000	68,000	58,410	-	9,590
Other employee benefits	104,000	104,000	19,316	-	84,684
Total Employee Benefits	<u>2,849,174</u>	<u>2,998,827</u>	<u>2,613,782</u>	<u>-</u>	<u>385,045</u>
Total Expenditures	<u>24,878,019</u>	<u>24,950,438</u>	<u>24,068,508</u>	<u>103,789</u>	<u>778,141</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>(20,000)</u>	<u>(91,330)</u>	<u>1,015,458</u>	<u>(103,789)</u>	<u>1,002,999</u>
Other Financing Sources (Uses)					
Transfers out (Debt Service)	<u>(230,000)</u>	<u>(230,000)</u>	<u>(217,931)</u>	<u>-</u>	<u>12,069</u>
Total Other Financing Sources (Uses)	<u>(230,000)</u>	<u>(230,000)</u>	<u>(217,931)</u>	<u>-</u>	<u>12,069</u>
Net Change in Fund Balance	<u>\$ (250,000)</u>	<u>\$ (321,330)</u>	<u>797,527</u>	<u>\$ (103,789)</u>	<u>\$ 1,015,068</u>
Fund Balance at Beginning of Year			<u>4,816,577</u>		
Fund Balance at End of Year			<u>\$ 5,614,104</u>		

TOWN OF HUNTINGTON
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OTHER POSTEMPLOYMENT BENEFIT (OPEB)
LIABILITY AND RELATED RATIOS
December 31, 2018

Period	Total OPEB Liability - Beginning of the Period	Service cost	Interest on Total OPEB Liability	Differences between expected and actual experience
January 1, 2018 - December 31, 2018	\$ 257,416,298	\$ 6,880,370	\$ 8,273,814	\$ -0-

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4, to pay other postemployment benefits (OPEB).

The Town currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Changes of assumptions.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

2018	4.10%
2017	3.18%

Change in actuarial cost method.

The Town adopted GASB Statement No. 75 in the year-ended December 31, 2018 and continues to use the entry age normal as a percentage of payroll, the prescribed method under GASB 75.

Changes in benefit terms	Changes of assumptions or other inputs	Benefit payments	Total OPEB Liability - End of the Period	Covered-employee payroll	Total OPEB Liability as a Percentage of Covered-employee Payroll
\$ -0-	\$ (34,398,340)	\$ (8,292,601)	\$ 229,879,541	\$ 49,148,186	467.73%

TOWN OF HUNTINGTON
SCHEDULE OF TOWN'S CONTRIBUTIONS
LAST TEN YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 8,771,865	\$ 8,764,939	\$ 9,045,917
Contributions in relation to the contractually required contribution	<u>8,771,865</u>	<u>8,764,939</u>	<u>9,045,917</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Town's covered employee payroll	57,431,878	54,953,769	54,676,490
Contributions as a percentage of covered employee payroll	15%	16%	17%

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 11,317,997	\$ 10,790,971	\$ 12,736,105	\$ 10,760,219	\$ 8,010,413	\$ 5,777,432	\$ 3,675,479
<u>11,317,997</u>	<u>10,790,971</u>	<u>12,736,105</u>	<u>6,855,035</u>	<u>8,010,413</u>	<u>5,777,432</u>	<u>3,675,479</u>
\$ -	\$ -	\$ -	\$ 3,905,184	\$ -	\$ -	\$ -
55,099,418	53,285,268	51,630,809	52,095,461	49,396,373	51,110,066	50,805,977
21%	20%	25%	13%	16%	11%	7%

TOWN OF HUNTINGTON
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 December 31, 2018
 Last Four Fiscal Years

Employees' Retirement System

	As of March 31st			
	2018	2017	2016	2015
Town's proportion of the net pension liability	0.1954509%	0.2048107%	0.2085953%	0.2062962%
Town's proportionate share of the net pension liability	\$ 6,308,071	\$ 19,244,466	\$ 33,480,134	\$ 6,969,189
Town's covered employee payroll	\$ 56,617,483	\$ 52,103,438	\$ 53,342,327	\$ 55,263,873
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	11.14 %	36.94 %	62.76 %	12.61 %
Plan fiduciary net position as a percentage of the total pension liability	98.24%	94.70%	90.68%	97.95%

TOWN OF HUNTINGTON

SCHEDULE OF CHANGES IN THE TOWN'S TOTAL LENGTH OF SERVICE AWARD PROGRAM PENSION LIABILITY

December 31, 2018

Last Two Fiscal Years

Length of Service Award Program

Commack Volunteer Ambulance Corps

Measurement date as of December 31,	2017	2016
Service cost	\$ 112,498	139,147
Interest	69,239	63,742
Changes of assumptions or other inputs	188,282	(181,073)
Differences between expected and actual experience	(77,588)	(96,437)
Benefit payments	(26,484)	(22,284)
Net change in total pension liability	265,947	(96,905)
Total pension liability - beginning	1,767,014	1,863,919
Total pension liability - ending	2,032,961	1,767,014
 Covered employee payroll	 N/A	 N/A
 Total pension liability as a percentage of covered-employee payroll	 N/A	 N/A

Huntington Community First Aid Squad, Inc.

Measurement date as of December 31,	2017	2016
Service cost	\$ 367,462	423,133
Interest	329,911	291,125
Changes of assumptions or other inputs	716,772	(687,163)
Differences between expected and actual experience	74,269	51,593
Benefit payments	(242,470)	(213,905)
Net change in total pension liability	1,245,944	(135,217)
Total pension liability - beginning	8,646,262	8,781,479
Total pension liability - ending	9,892,206	8,646,262
 Covered employee payroll	 N/A	 N/A
 Total pension liability as a percentage of covered-employee payroll	 N/A	 N/A

Notes to Required Supplementary Information:

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

December 31, 2016	3.71%
December 31, 2017	3.16%

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement No. 73 to pay related benefits

TOWN OF HUNTINGTON

SCHEDULE OF TOWN'S LENGTH OF SERVICE AWARD PROGRAM PENSION LIABILITY

December 31, 2018

Last Three Fiscal Years

Commack Volunteer Ambulance Corps

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Length of Service Award Program Pension Liability	\$ 2,032,961	\$ 1,767,014	\$ 1,863,919
Town's covered employee payroll	Not Applicable	Not Applicable	Not Applicable
Contributions as a percentage of covered employee payroll	Not Applicable	Not Applicable	Not Applicable

Huntington Community First Aid Squad, Inc.

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Length of Service Award Program Pension Liability	\$ 9,892,206	\$ 8,646,262	\$ 8,781,479
Town's covered employee payroll	Not Applicable	Not Applicable	Not Applicable
Contributions as a percentage of covered employee payroll	Not Applicable	Not Applicable	Not Applicable

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COMPONENT UNITS
SCHEDULE OF DISTRICTS' CONTRIBUTIONS
LAST TEN YEARS

Greenlawn Water District

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 187,488	\$ 185,667	\$ 204,112
Contributions in relation to the contractually required contribution	<u>187,488</u>	<u>185,667</u>	<u>204,112</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered employee payroll	1,213,360	1,212,152	1,160,988
Contributions as a percentage of covered employee payroll	15%	15%	18%

South Huntington Water District

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 202,948	\$ 189,105	\$ 193,255
Contributions in relation to the contractually required contribution	<u>202,948</u>	<u>189,105</u>	<u>193,255</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered employee payroll	1,291,865	1,329,652	1,228,683
Contributions as a percentage of covered employee payroll	16%	14%	16%

2015	2014	2013	2012	2011	2010	2009
\$ 241,020	\$ 253,554	\$ 286,409	\$ 181,359	\$ 215,544	\$ 136,735	\$ 72,345
<u>241,020</u>	<u>253,554</u>	<u>286,409</u>	<u>181,359</u>	<u>215,544</u>	<u>136,735</u>	<u>72,345</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,232,499	1,315,312	1,271,843	1,198,977	1,117,345	1,185,214	1,009,692
20%	19%	23%	15%	19%	12%	7%

2015	2014	2013	2012	2011	2010	2009
\$ 205,756	\$ 326,700	\$ 215,311	\$ 255,066	\$ 166,737	\$ 144,068	\$ 75,202
<u>205,756</u>	<u>326,700</u>	<u>215,311</u>	<u>255,066</u>	<u>166,737</u>	<u>144,068</u>	<u>75,202</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,316,312	1,373,704	1,352,331	1,204,400	1,265,077	1,203,485	1,108,048
16%	24%	16%	21%	13%	12%	7%

COMPONENT UNITS

SCHEDULE OF THE DISTRICTS' PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

December 31, 2018

Last Four Years

Employees' Retirement System

	2018	2017	2016	2015
	Greenlawn	Greenlawn	Greenlawn	Greenlawn
	Water District	Water District	Water District	Water District
	<hr/>	<hr/>	<hr/>	<hr/>
District's proportion of the net pension liability	0.0047076%	0.0048558%	0.0050102%	0.0052609%
District's proportionate share of the net pension liability	\$ 151,934	\$ 456,262	\$ 804,147	\$ 237,283
District's covered employee payroll	\$ 1,221,669	\$ 1,162,078	\$ 1,243,616	\$ 1,245,786
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	12.44 %	39.26 %	64.66 %	19.05 %
Plan fiduciary net position as a percentage of the total pension liability	98.24%	94.70%	90.68%	97.95%
	2018	2017	2016	2015
	South	South	South	South
	Huntington	Huntington	Huntington	Huntington
	Water District	Water District	Water District	Water District
	<hr/>	<hr/>	<hr/>	<hr/>
District's proportion of the net pension liability	0.0043350%	0.0042256%	0.0043830%	0.0044837%
District's proportionate share of the net pension liability	\$ 139,909	\$ 397,046	\$ 703,477	\$ 151,472
District's covered employee payroll	\$ 1,371,833	\$ 1,256,412	\$ 1,184,360	\$ 1,358,006
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	10.20 %	31.60 %	59.40 %	11.15 %
Plan fiduciary net position as a percentage of the total pension liability	98.24%	94.70%	90.68%	97.95%

OTHER SUPPLEMENTARY INFORMATION

Combining Fund Statements

TOWN OF HUNTINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2018

	Special Revenue Funds					
	Town Outside Village	Special Grant (HCDA)	Local	Town Business	Special Districts	Total
			Development Corp (LDC)	Improvement Districts		
Assets						
Cash and cash equivalents	\$ 1,998,271	\$ 280,293	\$ 277,886	\$ -	\$ 9,908,167	\$12,464,617
Cash-Restricted	1,426,184	2,086,955	-	-	7,550,697	11,063,836
Prepays	215,864	12,132	-	-	158,679	386,675
Accounts receivable, net	106,967	23,826	-	-	925,311	1,056,104
Due from federal, state & other governments	83,029	12,317	-	-	173,067	268,413
Due from other funds	16,401	-	-	-	8,168	24,569
Total Assets	<u>\$3,846,716</u>	<u>\$2,415,523</u>	<u>\$ 277,886</u>	<u>\$ -</u>	<u>\$18,724,089</u>	<u>\$25,264,214</u>
Liabilities						
Accounts payable & other current liabilities	\$ 151,669	\$ 93,333	\$ -	\$ -	\$ 730,360	\$ 975,362
Accrued liabilities	154,440	19,677	-	-	127,765	301,882
Due to other governments	-	1,300,106	-	-	-	1,300,106
Due to other funds	17,292	-	-	-	46,885	64,177
Total Liabilities	<u>\$ 323,401</u>	<u>\$1,413,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 905,010</u>	<u>\$ 2,641,527</u>
Deferred Inflows						
Deferred revenue	-	22,954	-	-	2,952,943	2,975,897
Total Deferred Inflows	<u>-</u>	<u>22,954</u>	<u>-</u>	<u>-</u>	<u>2,952,943</u>	<u>2,975,897</u>
Fund Balance						
Non-Spendable						
Prepays	215,864	12,132	-	-	158,679	386,675
Restricted for:						
Debt service	-	-	-	-	41,645	41,645
Capital projects	-	-	-	-	-	-
Retirement contribution	247	-	-	-	60,352	60,599
Capital reserve	1,053,037	-	-	-	-	1,053,037
Employee Benefit Accrual Liability	372,900	-	-	-	62,262	435,162
Community Development	-	2,086,955	-	-	-	2,086,955
Length of service award program	-	-	-	-	7,386,438	7,386,438
Assigned to:						
Town Outside Village	1,879,528	-	-	-	-	1,879,528
Community Development	-	-	-	-	-	-
Local Development Corporation	-	-	277,886	-	-	277,886
Fire Protection	-	-	-	-	30,313	30,313
Street Lighting	-	-	-	-	2,213,472	2,213,472
Ambulance Services	-	-	-	-	1,610,745	1,610,745
Sewer Services	-	-	-	-	1,922,078	1,922,078
Water Services	-	-	-	-	221,717	221,717
Subsequent year's budget	-	-	-	-	500,000	500,000
Purchases on order	1,739	-	-	-	658,435	660,174
Unassigned Fund Balance/(Deficit)	-	(1,119,634)	-	-	-	(1,119,634)
Total Fund Balance/(Deficit)	<u>3,523,315</u>	<u>979,453</u>	<u>277,886</u>	<u>-</u>	<u>14,866,136</u>	<u>19,646,790</u>
Total Liabilities, Deferred Inflows & Fund Balance	<u>\$3,846,716</u>	<u>\$2,415,523</u>	<u>\$ 277,886</u>	<u>\$ -</u>	<u>\$18,724,089</u>	<u>\$25,264,214</u>

TOWN OF HUNTINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	Special Revenue Funds					Total
	Town Outside Village	Special Grant (HCDA)	Local	Town Business		
			Development Corp (LDC)	Improvement Districts	Special Districts	
REVENUES						
Real property taxes	\$4,757,979	\$ -	\$ -	\$ 186,500	\$14,494,523	\$19,439,002
Other real property tax items	15,276	-	-	6	16,180	31,462
Non-property tax items	-	-	-	-	144,701	144,701
Departmental income	5,623,027	-	3,000	-	3,730,806	9,356,833
Use of money and property	89,474	851	933	-	490,026	581,284
Licenses and permits	851,461	-	-	-	-	851,461
Sale of property and Compensation for loss	33,425	-	-	-	2,644,163	2,677,588
Miscellaneous local sources	239,468	3,358,261	-	-	250,222	3,847,951
Federal aid	-	636,632	-	-	-	636,632
Total Revenues	<u>11,610,110</u>	<u>3,995,744</u>	<u>3,933</u>	<u>186,506</u>	<u>21,770,621</u>	<u>37,566,914</u>
EXPENDITURES						
Current:						
General government support	2,039,132	-	-	-	2,589,180	4,628,312
Public safety	2,509,291	-	-	-	1,504,861	4,014,152
Health	104,831	-	-	-	3,042,608	3,147,439
Transportation	-	-	-	-	2,143,909	2,143,909
Economic assistance and opportunity	-	-	18,609	-	-	18,609
Home and community services	1,905,240	2,018,202	-	186,506	6,677,177	10,787,125
Employee benefits	3,611,281	-	-	-	2,449,495	6,060,776
Total Expenditures	<u>10,169,775</u>	<u>2,018,202</u>	<u>18,609</u>	<u>186,506</u>	<u>18,407,230</u>	<u>30,800,322</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>1,440,335</u>	<u>1,977,542</u>	<u>(14,676)</u>	<u>-</u>	<u>3,363,391</u>	<u>6,766,592</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	3,192	3,192
Transfers out	-	-	-	-	(420,000)	(420,000)
Transfers out (Debt Service)	(222,946)	-	-	-	(1,666,859)	(1,889,805)
Total Other Financing Sources (Uses)	<u>(222,946)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,083,667)</u>	<u>(2,306,613)</u>
Net Change in Fund Balance	1,217,389	1,977,542	(14,676)	-	1,279,724	4,459,979
Fund Balances/(Deficit) at Beginning of Year	<u>2,305,926</u>	<u>(998,089)</u>	<u>292,562</u>	<u>-</u>	<u>13,586,412</u>	<u>15,186,811</u>
Fund Balances at End of Year	<u>\$3,523,315</u>	<u>\$ 979,453</u>	<u>\$ 277,886</u>	<u>\$ -</u>	<u>\$14,866,136</u>	<u>\$19,646,790</u>

TOWN OF HUNTINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL DISTRICT FUNDS
December 31, 2018

	Special Revenue Funds					Total
	Fire	Street	Ambulance	Sewer	Water	
	Protection District	Lighting District				
ASSETS						
Cash and cash equivalents	\$ 45,792	\$ 2,760,965	\$ 1,137,057	\$ 2,913,834	\$ 3,050,519	\$ 9,908,167
Cash-Restricted	-	25,667	7,386,438	45,909	92,683	7,550,697
Prepays	-	29,983	-	78,959	49,737	158,679
Accounts receivable, net	-	1,615	516,223	6,559	400,914	925,311
Due from federal, state and other governments	-	-	2,090	144,701	26,276	173,067
Due from other funds	-	-	-	-	8,168	8,168
Total Assets	<u>\$ 45,792</u>	<u>\$ 2,818,230</u>	<u>\$ 9,041,808</u>	<u>\$ 3,189,962</u>	<u>\$ 3,628,297</u>	<u>\$ 18,724,089</u>
LIABILITIES						
Accounts payable and other current liabilities	\$ 15,479	\$ 169,116	\$ -	\$ 331,925	\$ 213,840	\$ 730,360
Accrued liabilities	-	31,881	-	43,914	51,970	127,765
Due to other funds	-	3,800	-	20,201	22,884	46,885
Total Liabilities	<u>\$ 15,479</u>	<u>\$ 204,797</u>	<u>\$ -</u>	<u>\$ 396,040</u>	<u>\$ 288,694</u>	<u>\$ 905,010</u>
DEFERRED INFLOWS						
Deferred revenues	-	-	-	-	2,952,943	2,952,943
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,952,943</u>	<u>2,952,943</u>
FUND BALANCE						
Non-Spendable						
Prepays	-	29,983	-	78,959	49,737	158,679
Restricted for:						
Debt service	-	-	-	35,749	5,896	41,645
Retirement contribution	-	4,649	-	3,450	52,253	60,352
Employee Benefit Accrual Liability	-	21,018	-	6,710	34,534	62,262
Length of service award program	-	-	7,386,438	-	-	7,386,438
Assigned to:						
Fire Protection	30,313	-	-	-	-	30,313
Street Lighting	-	2,213,472	-	-	-	2,213,472
Ambulance Services	-	-	1,610,745	-	-	1,610,745
Sewer Services	-	-	-	1,922,078	-	1,922,078
Water Services	-	-	-	-	221,717	221,717
Subsequent year's budget	-	250,000	-	250,000	-	500,000
Purchases on order	-	94,311	44,625	496,976	22,523	658,435
Total Fund Balance	<u>30,313</u>	<u>2,613,433</u>	<u>9,041,808</u>	<u>2,793,922</u>	<u>386,660</u>	<u>14,866,136</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 45,792</u>	<u>\$ 2,818,230</u>	<u>\$ 9,041,808</u>	<u>\$ 3,189,962</u>	<u>\$ 3,628,297</u>	<u>\$ 18,724,089</u>

TOWN OF HUNTINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL DISTRICT FUNDS
Year Ended December 31, 2018

	Special Revenue Funds					Total
	Fire	Street	Ambulance	Sewer	Water	
	Protection	Lighting				
	District	District	Districts	Districts	District	
REVENUES						
Real property taxes	\$ 1,606,776	\$ 3,634,024	\$ 1,142,870	\$ 5,303,708	\$ 2,807,145	\$14,494,523
Other real property tax items	53	11,433	3,433	1,163	98	16,180
Non-property tax items	-	-	-	144,701	-	144,701
Departmental income	-	-	-	1,951,756	1,779,050	3,730,806
Use of money and property	11,235	58,578	19,433	107,142	293,638	490,026
Sale of Property and Compensation for loss	-	5,442	2,596,758	8,169	33,794	2,644,163
Miscellaneous local sources	-	25,880	42,161	77,137	105,044	250,222
Total Revenues	<u>1,618,064</u>	<u>3,735,357</u>	<u>3,804,655</u>	<u>7,593,776</u>	<u>5,018,769</u>	<u>21,770,621</u>
EXPENDITURES						
Current:						
General government support	105,125	511,760	277,201	971,282	723,812	2,589,180
Public safety	1,504,861	-	-	-	-	1,504,861
Health	-	-	3,042,608	-	-	3,042,608
Transportation	-	2,143,909	-	-	-	2,143,909
Home and community services	-	-	-	3,465,544	3,211,633	6,677,177
Employee benefits	-	448,855	-	1,232,221	768,419	2,449,495
Total Expenditures	<u>1,609,986</u>	<u>3,104,524</u>	<u>3,319,809</u>	<u>5,669,047</u>	<u>4,703,864</u>	<u>18,407,230</u>
Excess (Deficiency) of Revenues Over						
Expenditures	<u>8,078</u>	<u>630,833</u>	<u>484,846</u>	<u>1,924,729</u>	<u>314,905</u>	<u>3,363,391</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	3,192	-	3,192
Transfers out	-	-	-	(420,000)	-	(420,000)
Transfers out (Debt Service)	-	(10,577)	-	(925,441)	(730,841)	(1,666,859)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(10,577)</u>	<u>-</u>	<u>(1,342,249)</u>	<u>(730,841)</u>	<u>(2,083,667)</u>
Net Change in Fund Balance	8,078	620,256	484,846	582,480	(415,936)	1,279,724
Fund Balances at Beginning of Year	<u>22,235</u>	<u>1,993,177</u>	<u>8,556,962</u>	<u>2,211,442</u>	<u>802,596</u>	<u>13,586,412</u>
Fund Balances at End of Year	<u>\$ 30,313</u>	<u>\$ 2,613,433</u>	<u>\$ 9,041,808</u>	<u>\$ 2,793,922</u>	<u>\$ 386,660</u>	<u>\$14,866,136</u>

TOWN OF HUNTINGTON
FIDUCIARY FUND
STATEMENT OF CHANGES IN AGENCY ASSETS AND LIABILITIES
Year ended December 31, 2018

	Balance January 1, 2018	Additions	Deductions	Balance December 31, 2018
ASSETS				
Town Agency Fund				
Cash	\$ 9,775,341	\$ 220,814,594	\$ 223,620,602	\$ 6,969,333
Other assets	1,363,620	184,607,019	184,361,376	1,609,263
Total Assets - Town Agency Fund	<u>11,138,961</u>	<u>405,421,613</u>	<u>407,981,978</u>	<u>8,578,596</u>
Town Receiver of Taxes Agency Fund				
Cash	253,558,372	1,109,804,101	1,125,579,364	237,783,109
Total Assets - Town Receiver of Taxes Agency Fund	<u>253,558,372</u>	<u>1,109,804,101</u>	<u>1,125,579,364</u>	<u>237,783,109</u>
Total Assets	<u>\$ 264,697,333</u>	<u>\$ 1,515,225,714</u>	<u>\$ 1,533,561,342</u>	<u>\$ 246,361,705</u>
LIABILITIES				
Town Agency Fund				
Other liabilities	\$ 11,140,005	\$ 831,618,176	\$ 834,179,276	\$ 8,578,905
Total Liabilities - Town Agency Fund	<u>11,140,005</u>	<u>831,618,176</u>	<u>834,179,276</u>	<u>8,578,905</u>
Town Receiver of Taxes Agency Fund				
Due to school districts	126,778,664	118,891,400	126,778,664	118,891,400
Due to other governments	126,778,664	990,931,686	998,818,950	118,891,400
Total Liabilities - Town Receiver Agency Fund	<u>253,557,328</u>	<u>1,109,823,086</u>	<u>1,125,597,614</u>	<u>237,782,800</u>
Total Liabilities	<u>\$ 264,697,333</u>	<u>\$ 1,941,441,262</u>	<u>\$ 1,959,776,890</u>	<u>\$ 246,361,705</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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 4,757,979	\$ 4,757,979	\$ 4,757,979	\$ -
Total Real Property Taxes	4,757,979	4,757,979	4,757,979	-
OTHER REAL PROPERTY TAXES				
Payment in lieu of taxes	13,000	13,000	15,120	2,120
Interest and penalties on taxes	1,000	1,000	156	(844)
Total Other Real Property Taxes	14,000	14,000	15,276	1,276
DEPARTMENTAL INCOME				
Building fees	4,650,000	4,650,000	5,024,429	374,429
Zoning board fees	138,000	138,000	105,626	(32,374)
Planning fees	300,000	300,000	234,029	(65,971)
Other fees	252,500	252,500	258,943	6,443
Total Departmental Income	5,340,500	5,340,500	5,623,027	282,527
USE OF MONEY AND PROPERTY				
Interest and earnings	15,000	15,000	89,474	74,474
Total Use of Money and Property	15,000	15,000	89,474	74,474
LICENSES AND PERMITS				
Building permits	825,000	825,000	851,461	26,461
Total Licenses and Permits	825,000	825,000	851,461	26,461
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries	-	-	33,425	33,425
Total Sale of Property and Compensation for Loss	-	-	33,425	33,425
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue	150,000	235,414	239,468	4,054
Total Miscellaneous Local Sources	150,000	235,414	239,468	4,054
Total Revenues	\$ 11,102,479	\$ 11,187,893	\$ 11,610,110	\$ 422,217

(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, 2018

	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Government Support Administration	\$ 1,973,170	\$ 2,116,318	\$ 2,007,641	\$ -	\$ 108,677
Insurance	35,000	35,000	31,491	-	3,509
Total General Government Support	2,008,170	2,151,318	2,039,132	-	112,186
PUBLIC SAFETY					
Traffic control	666,758	716,361	703,188	-	13,173
Safety inspection	1,772,826	1,821,460	1,806,103	-	15,357
Total Public Safety	2,439,584	2,537,821	2,509,291	-	28,530
HEALTH					
Registrar of vital statistics	141,875	112,007	104,831	-	7,176
Total Health	141,875	112,007	104,831	-	7,176
HOME AND COMMUNITY SERVICES					
Zoning	163,449	159,095	149,776	1,739	7,580
Planning	1,516,298	1,475,812	1,473,268	-	2,544
Joint planning board	128,949	129,232	126,346	-	2,886
Accessory Apartment	208,928	148,009	134,745	-	13,264
Conservation	16,199	21,111	21,105	-	6
Total Home and Community Services	2,033,823	1,933,259	1,905,240	1,739	26,280
EMPLOYEE BENEFITS					
State employee retirement system	1,087,027	1,087,027	823,341	-	263,686
Social security	26,500	26,500	8,004	-	18,496
Workers Compensation	120,000	164,712	164,712	-	-
Life insurance	11,000	7,630	7,463	-	167
Unemployment insurance	8,000	4,800	4,404	-	396
Disability benefits	20,000	20,000	7,895	-	12,105
Hospital, medical and dental	2,631,500	2,573,802	2,320,843	-	252,959
Other employee benefits	344,000	350,275	274,619	-	75,656
Total Employee Benefits	4,248,027	4,234,746	3,611,281	-	623,465
Total Expenditures	10,871,479	10,969,151	10,169,775	1,739	797,637
Excess (Deficiency) of Revenues					
Over Expenditures	231,000	218,742	1,440,335	(1,739)	1,219,854
Other Financing Uses					
Transfers out (Debt Service)	(231,000)	(231,000)	(222,946)	-	8,054
Total Other Financing Uses	(231,000)	(231,000)	(222,946)	-	8,054
Net Change in Fund Balance	\$ -	\$ (12,258)	1,217,389	\$ (1,739)	\$ 1,227,908
Fund Balance at Beginning of Year			2,305,926		
Fund Balance at End of Year			\$ 3,523,315		

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, 2018

	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	6	1
Total Other Real Property Tax Items	5	5	6	1
Total Revenues	186,505	186,505	186,506	1
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Contractual expenditures	186,505	186,505	186,506	(1)
Total Home and Community Services	186,505	186,505	186,506	(1)
Total Expenditures	186,505	186,505	186,506	(1)
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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 1,606,776	\$ 1,606,776	\$ 1,606,776	\$ -
Total Real Property Taxes	<u>1,606,776</u>	<u>1,606,776</u>	<u>1,606,776</u>	<u>-</u>
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	-	-	53	53
Total Other Real Property Tax Items	<u>-</u>	<u>-</u>	<u>53</u>	<u>53</u>
USE OF MONEY AND PROPERTY				
Interest and earnings	5,000	5,000	11,235	6,235
Total Use of Money and Property	<u>5,000</u>	<u>5,000</u>	<u>11,235</u>	<u>6,235</u>
Total Revenues	<u>1,611,776</u>	<u>1,611,776</u>	<u>1,618,064</u>	<u>6,288</u>
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Other government support	105,125	105,125	105,125	-
Total General Government Support	<u>105,125</u>	<u>105,125</u>	<u>105,125</u>	<u>-</u>
PUBLIC SAFETY				
Fire protection	1,506,651	1,506,651	1,504,861	1,790
Total Public Safety	<u>1,506,651</u>	<u>1,506,651</u>	<u>1,504,861</u>	<u>1,790</u>
Total Expenditures	<u>1,611,776</u>	<u>1,611,776</u>	<u>1,609,986</u>	<u>1,790</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	8,078	<u>\$ 8,078</u>
Fund Balance at Beginning of Year			<u>22,235</u>	
Fund Balance at End of Year			<u>\$ 30,313</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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 3,634,024	\$ 3,634,024	\$ 3,634,024	\$ -
Total Real Property Taxes	3,634,024	3,634,024	3,634,024	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	10,000	10,000	11,314	1,314
Interest and penalties on taxes	-	-	119	119
Total Other Real Property Tax Items	10,000	10,000	11,433	1,433
USE OF MONEY AND PROPERTY				
Interest and earnings	22,000	22,000	58,578	36,578
Total Use of Money and Property	22,000	22,000	58,578	36,578
SALE OF PROPERTY/COMPENSATION FOR LOSS				
Insurance Recoveries	-	-	5,442	5,442
Total Sale of Property/Compensation for Loss	-	-	5,442	5,442
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	21,000	24,268	25,880	1,612
Total Miscellaneous Local Sources	21,000	24,268	25,880	1,612
Total Revenues	\$ 3,687,024	\$ 3,690,292	\$ 3,735,357	\$ 45,065

(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, 2018

	Budgetary Amounts		Actual	Encumbrances	Variance with
	Original	Final			Final Budget
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 14,000	\$ 14,000	\$ 11,363	\$ -	\$ 2,637
Other government support	502,697	586,692	500,397	-	86,295
Total General Government Support	<u>516,697</u>	<u>600,692</u>	<u>511,760</u>	<u>-</u>	<u>88,932</u>
TRANSPORTATION					
Lighting	2,852,476	2,861,647	2,143,909	94,311	623,427
Total Transportation	<u>2,852,476</u>	<u>2,861,647</u>	<u>2,143,909</u>	<u>94,311</u>	<u>623,427</u>
EMPLOYEE BENEFITS					
State employee retirement system	148,301	148,301	119,473	-	28,828
Social security	7,250	7,250	-	-	7,250
Workers Compensation	10,000	31,789	31,789	-	-
Life insurance	300	300	66	-	234
Unemployment insurance	5,000	-	-	-	-
Disability insurance	1,000	1,000	83	-	917
Hospital, medical and dental	306,200	324,490	289,414	-	35,076
Union welfare benefits	11,000	11,000	8,030	-	2,970
Other employee benefits	67,000	67,000	-	-	67,000
Total Employee Benefits	<u>556,051</u>	<u>591,130</u>	<u>448,855</u>	<u>-</u>	<u>142,275</u>
Total Expenditures	<u>3,925,224</u>	<u>4,053,469</u>	<u>3,104,524</u>	<u>94,311</u>	<u>854,634</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>(238,200)</u>	<u>(363,177)</u>	<u>630,833</u>	<u>(94,311)</u>	<u>899,699</u>
Other Financing Uses					
Transfers out (Debt Service)	(11,800)	(11,800)	(10,577)	-	1,223
Total Other Financing (Uses)	<u>(11,800)</u>	<u>(11,800)</u>	<u>(10,577)</u>	<u>-</u>	<u>1,223</u>
Net Change in Fund Balance	<u>\$ (250,000)</u>	<u>\$ (374,977)</u>	<u>620,256</u>	<u>(94,311)</u>	<u>\$ 900,922</u>
Fund Balance at Beginning of Year			<u>1,993,177</u>		
Fund Balance at End of Year			<u>\$ 2,613,433</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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 1,142,870	\$ 1,142,870	\$ 1,142,870	\$ -
Total Real Property Taxes	1,142,870	1,142,870	1,142,870	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	150	150	3,396	3,246
Interest and penalties on taxes	20	20	37	17
Total Other Real Property Tax Items	170	170	3,433	3,263
USE OF MONEY AND PROPERTY				
Interest and earnings	7,000	7,000	19,433	12,433
Total Use of Money and Property	7,000	7,000	19,433	12,433
SALE OF PROPERTY/COMPENSATION FOR LOSS				
Insurance Recoveries	2,000,000	2,037,450	2,596,758	559,308
Total Sale of Property/Compensation for Loss	2,000,000	2,037,450	2,596,758	559,308
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	61,085	61,085	42,161	(18,924)
Total Miscellaneous Local Sources	61,085	61,085	42,161	(18,924)
Total Revenues	3,211,125	3,248,575	3,804,655	556,080
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Insurance				
Other government support	174,037	174,037	277,201	(103,164)
Total General Government Support	174,037	174,037	277,201	(103,164)
HEALTH				
Ambulance	3,037,088	3,119,163	3,042,608	76,555
Total Health	3,037,088	3,119,163	3,042,608	76,555
Total Expenditures	3,211,125	3,293,200	3,319,809	(26,609)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (44,625)</u>	484,846	<u>\$ 529,471</u>
Fund Balance at Beginning of Year (as restated)			<u>8,556,962</u>	
Fund Balance at End of Year			<u>\$ 9,041,808</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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 5,303,708	\$ 5,303,708	\$ 5,303,708	\$ -
Total Real Property Taxes	5,303,708	5,303,708	5,303,708	-
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	1,700	1,700	989	(711)
Interest and penalties on taxes	500	500	174	(326)
Total Other Real Property Tax Items	2,200	2,200	1,163	(1,037)
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	1,479,213	1,719,213	1,951,756	232,543
Total Departmental Income	1,479,213	1,719,213	1,951,756	232,543
USE OF MONEY AND PROPERTY				
Interest and earnings	15,500	15,500	107,142	91,642
Total Use of Money and Property	15,500	15,500	107,142	91,642
SALE OF PROPERTY/COMPENSATION FOR LOSS				
Insurance Recoveries	-	-	8,169	8,169
Total Sale of Property/Compensation for Loss	-	-	8,169	8,169
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	48,500	48,500	77,137	28,637
Total Miscellaneous Local Sources	48,500	48,500	77,137	28,637
Total Revenues	\$ 6,993,822	\$ 7,233,822	\$ 7,593,776	\$ 359,954

(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, 2018

	Budgetary Amounts		Actual	Encumbrances	Variance with Final Budget
	Original	Final			
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 22,500	\$ 22,319	\$ 19,559	\$ -	\$ 2,760
Other government support	952,363	1,068,193	951,723	-	116,470
Total General Government Support	<u>974,863</u>	<u>1,090,512</u>	<u>971,282</u>	<u>-</u>	<u>119,230</u>
HOME AND COMMUNITY SERVICES					
Sewer	3,723,395	4,187,924	3,465,544	496,976	225,404
Total Home and Community Services	<u>3,723,395</u>	<u>4,187,924</u>	<u>3,465,544</u>	<u>496,976</u>	<u>225,404</u>
EMPLOYEE BENEFITS					
State employee retirement system	343,769	290,708	285,963	-	4,745
Social security	10,445	5,445	2,540	-	2,905
Workers Compensation	80,000	85,911	83,302	-	2,609
Life insurance	1,000	1,000	-	-	1,000
Unemployment insurance	8,000	3,000	-	-	3,000
Disability benefits	750	750	-	-	750
Hospital, medical and dental	815,600	840,199	803,014	-	37,185
Union welfare benefits	30,000	27,401	24,200	-	3,201
Other employee benefits	75,000	76,877	33,202	-	43,675
Total Employee Benefits	<u>1,364,564</u>	<u>1,331,291</u>	<u>1,232,221</u>	<u>-</u>	<u>99,070</u>
Total Current	<u>6,062,822</u>	<u>6,609,727</u>	<u>5,669,047</u>	<u>496,976</u>	<u>443,704</u>
Total Expenditures	<u>6,062,822</u>	<u>6,609,727</u>	<u>5,669,047</u>	<u>496,976</u>	<u>443,704</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>931,000</u>	<u>624,095</u>	<u>1,924,729</u>	<u>(496,976)</u>	<u>803,658</u>
Other Financing Sources (Uses)					
Transfers in		3,192	3,192	-	-
Transfers out		(420,000)	(420,000)	-	-
Transfers out (Debt Service)	(951,000)	(951,000)	(925,441)	-	25,559
Total Other Financing Sources (Uses)	<u>(951,000)</u>	<u>(1,367,808)</u>	<u>(1,342,249)</u>	<u>-</u>	<u>25,559</u>
Net Change in Fund Balance	<u>\$ (20,000)</u>	<u>\$ (743,713)</u>	582,480	<u>\$ (496,976)</u>	<u>\$ 829,217</u>
Fund Balance at Beginning of Year			<u>2,211,442</u>		
Fund Balance at End of Year			<u>\$ 2,793,922</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, 2018

	Budgetary Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 2,807,145	\$ 2,807,145	\$ 2,807,145	\$ -
Total Real Property Taxes	2,807,145	2,807,145	2,807,145	-
OTHER REAL PROPERTY TAX ITEMS				
Interest and penalties on taxes	-	-	98	98
Total Other Real Property Tax Items	-	-	98	98
DEPARTMENTAL INCOME				
Metered water sales	2,000,250	2,000,250	1,609,036	(391,214)
Water rental arrears	100,000	100,000	170,014	70,014
Total Departmental Income	2,100,250	2,100,250	1,779,050	(321,200)
USE OF MONEY AND PROPERTY				
Interest and earnings	12,061	12,061	33,711	21,650
Tower rental	256,500	256,500	259,927	3,427
Total Use of Money and Property	268,561	268,561	293,638	25,077
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries	-	-	33,794	33,794
Total Sale of Property and Compensation for Loss	-	-	33,794	33,794
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous	26,000	27,625	105,044	77,419
Total Miscellaneous Local Sources	26,000	27,625	105,044	77,419
Total Revenues	\$ 5,201,956	\$ 5,203,581	\$ 5,018,769	\$ (184,812)

(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, 2018

	Budgetary Amounts		Actual	Encumbrances	Variance with
	Original	Final			Final Budget
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Insurance	\$ 20,000	\$ 15,456	\$ 15,456	\$ -	\$ -
Other government support	704,155	708,858	708,356	-	502
Total General Government Support	<u>724,155</u>	<u>724,314</u>	<u>723,812</u>	<u>-</u>	<u>502</u>
HOME AND COMMUNITY SERVICES					
Water	3,088,126	3,372,819	3,211,633	22,523	138,663
Total Home and Community Services	<u>3,088,126</u>	<u>3,372,819</u>	<u>3,211,633</u>	<u>22,523</u>	<u>138,663</u>
EMPLOYEE BENEFITS					
State employee retirement system	212,975	212,975	187,806	-	25,169
Social security	12,000	12,000	2,676	-	9,324
Workers' Compensation	60,000	60,000	46,971	-	13,029
Life insurance	300	300	181	-	119
Unemployment benefits	5,000	75	-	-	75
Disability benefits	500	500	146	-	354
Hospital, medical and dental	508,900	511,195	481,134	-	30,061
Union welfare benefits	17,000	17,000	14,520	-	2,480
Other employee benefits	83,000	47,644	34,985	-	12,659
Total Employee Benefits	<u>899,675</u>	<u>861,689</u>	<u>768,419</u>	<u>-</u>	<u>93,270</u>
Total Expenditures	<u>4,711,956</u>	<u>4,958,822</u>	<u>4,703,864</u>	<u>22,523</u>	<u>232,435</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>490,000</u>	<u>244,759</u>	<u>314,905</u>	<u>(22,523)</u>	<u>47,623</u>
Other Financing Sources (Uses)					
Transfers out (Debt Service)	(740,000)	(740,000)	(730,841)	-	9,159
Total Other Financing Sources (Uses)	<u>(740,000)</u>	<u>(740,000)</u>	<u>(730,841)</u>	<u>-</u>	<u>9,159</u>
Net Change in Fund Balance	<u>\$ (250,000)</u>	<u>\$ (495,241)</u>	(415,936)	<u>\$ (22,523)</u>	<u>\$ 56,782</u>
Fund Balance at Beginning of Year			<u>802,596</u>		
Fund Balance at End of Year			<u>\$ 386,660</u>		

TOWN OF HUNTINGTON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year ended December 31, 2018

	Budgetary Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Issuance cost	-	-	50,063	(50,063)
Total General Government Support	-	-	50,063	(50,063)
DEBT SERVICE				
Principal	\$ -	\$ 10,047,853	\$ 10,047,853	\$ -
Interest	-	2,553,301	2,618,852	(65,551)
Total Debt Service	-	12,601,154	12,666,705	(65,551)
Total Expenditures	-	12,601,154	12,716,768	(115,614)
Deficiency of Revenues				
Over Expenditures	-	(12,601,154)	(12,716,768)	(115,614)
Other Financing Sources				
Transfers In	-	12,601,154	12,601,154	-
Premiums on obligations	-	0	422,170	422,170
Refunding bonds issued	-	-	4,086,165	4,086,165
Payments to refunded bond escrow agent	-	-	(4,392,721)	(4,392,721)
Total Other Financing Sources	-	12,601,154	12,716,768	115,614
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>	

**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, 2018

	South Huntington Water District	Greenlawn Water District	Totals
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 8,570,930	\$ 3,172,515	\$ 11,743,445
Cash Restricted	-	3,268,613	3,268,613
Accounts receivable, net	1,205,813	955,172	2,160,985
Due from federal, state and other governments	25,544	-	25,544
Inventory of materials and supplies	117,845	62,921	180,766
Prepays	96,417	123,051	219,468
Total Current Assets	<u>10,016,549</u>	<u>7,582,272</u>	<u>17,598,821</u>
Non-Current Assets			
Non-depreciable capital assets	2,503,289	603,105	3,106,394
Depreciable capital assets, net of depreciation	40,968,210	17,959,440	58,927,650
Total Non-Current Assets	<u>43,471,499</u>	<u>18,562,545</u>	<u>62,034,044</u>
Total Assets	<u>53,488,048</u>	<u>26,144,817</u>	<u>79,632,865</u>
Deferred Outflow of Resources			
Deferred charges, net of accumulated amortization	43,181	-	43,181
Pensions	552,756	526,859	1,079,615
Total Deferred Outflow of Resources	<u>595,937</u>	<u>526,859</u>	<u>1,122,796</u>
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable and other current liabilities	587,301	177,587	764,888
Accrued liabilities	-	674,597	674,597
Accrued interest payable	-	32,746	32,746
Non-current liabilities due within one year	2,366,240	383,302	2,749,542
Total Current Liabilities	<u>2,953,541</u>	<u>1,268,232</u>	<u>4,221,773</u>
Non-Current Liabilities			
Due in more than one year	20,870,783	11,342,864	32,213,647
Total Non-Current Liabilities	<u>20,870,783</u>	<u>11,342,864</u>	<u>32,213,647</u>
Total Liabilities	<u>23,824,324</u>	<u>12,611,096</u>	<u>36,435,420</u>
Deferred Inflow of Resources			
Pensions	447,270	496,870	944,140
Other postemployment benefits	1,033,001	855,271	1,888,272
Total Deferred inflow of Resources	<u>1,480,271</u>	<u>1,352,141</u>	<u>2,832,412</u>
NET POSITION			
Investment in capital assets, net of related debt	29,542,710	14,769,273	44,311,983
Restricted for:			
Capital Projects	3,988,091	1,412,154	5,400,245
Employee benefit accrued liability		101,494	101,494
Unrestricted	(4,751,411)	(3,574,482)	(8,325,893)
Total Net Position	<u>\$ 28,779,390</u>	<u>\$ 12,708,439</u>	<u>\$ 41,487,829</u>

TOWN OF HUNTINGTON
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year ended December 31, 2018

	South Huntington Water District	Greenlawn Water District	Totals
REVENUES			
Charges for services	\$ 4,113,049	\$ 2,676,232	\$ 6,789,281
Real property taxes	4,068,455	2,433,918	6,502,373
Interest and investment income	535,798	567,912	1,103,710
Miscellaneous	265,146	136,550	401,696
Total Revenues	<u>8,982,448</u>	<u>5,814,612</u>	<u>14,797,060</u>
EXPENSES			
Current:			
Home and community services	8,108,788	5,776,301	13,885,089
Total Expenditures	<u>8,108,788</u>	<u>5,776,301</u>	<u>13,885,089</u>
Changes in Net Position	873,660	38,311	911,971
Net Position at Beginning of Year (as restated)	<u>27,905,730</u>	<u>12,670,128</u>	<u>40,575,858</u>
Net Position at End of Year	<u>\$ 28,779,390</u>	<u>\$ 12,708,439</u>	<u>\$ 41,487,829</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.	142-149
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	150-155
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.	156-159
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.	160-161
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.	162-167

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

<u>Year Ended December 31,</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Primary government				
Governmental activities				
Net investment in capital assets	\$ 262,758,314	\$ 258,943,999	\$ 260,114,664	\$ 259,128,388
Restricted	49,381,989	24,837,509	16,587,022	18,576,649
Unrestricted	<u>(275,930,203)</u>	<u>(97,250,612)</u>	<u>(80,941,563)</u>	<u>(71,915,560)</u>
Total primary governmental net position	<u>\$ 36,210,100</u>	<u>\$ 186,530,896</u>	<u>\$ 195,760,123</u>	<u>\$ 205,789,477</u>

* Excludes restatement of net pension liability of \$2.3 million.

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

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 254,011,721	\$ 259,663,495	\$ 245,737,404	\$ 245,685,682	\$ 242,979,302	\$ 223,896,536
20,407,556	22,649,980	15,237,323	16,229,038	22,238,564	31,253,835
<u>(64,637,706)</u>	<u>(51,961,730)</u>	<u>(26,378,032)</u>	<u>(22,650,385)</u>	<u>(18,948,323)</u>	<u>(11,169,761)</u>
<u>\$ 209,781,571</u> *	<u>\$ 230,351,745</u>	<u>\$ 234,596,695</u>	<u>\$ 239,264,335</u>	<u>\$ 246,269,543</u>	<u>\$ 243,980,610</u>

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

Year Ended December 31,	2018	2017	2016
Expenses			
Governmental activities:			
General government support	\$45,651,907	\$46,687,794	\$44,950,816
Public safety	14,921,644	15,770,788	15,420,172
Health	4,539,907	3,234,732	2,958,022
Transportation	41,765,421	47,394,507	45,629,853
Economic assistance and opportunity	3,565,391	3,791,487	3,565,307
Culture and recreation	18,082,148	20,324,215	19,208,972
Home and community service	53,525,765	53,692,809	54,307,903
Interest on long-term debt	2,277,418	1,956,904	2,700,334
Total governmental activities expenses	<u>184,329,601</u>	<u>192,853,236</u>	<u>188,741,379</u>
Total primary government expenses	<u>\$ 184,329,601</u>	<u>\$ 192,853,236</u>	<u>\$ 188,741,379</u>
Program Revenues			
Governmental activities:			
Charges for services:			
General government support	\$6,180,100	\$6,400,496	\$5,948,409
Public safety	2,782,341	2,719,690	2,563,607
Health	237,070	229,310	232,950
Transportation	1,202,052	893,228	1,337,183
Economic assistance and opportunity	376,781	376,293	383,472
Culture and recreation	7,103,584	7,381,399	7,472,694
Home and community service	19,787,598	19,440,455	19,081,789
Operating grants and contributions	6,107,210	5,732,689	5,298,821
Capital grants and contributions	222,510	704,291	457,168
Total governmental activities program revenues	<u>43,999,246</u>	<u>43,877,851</u>	<u>42,776,093</u>
Total primary government program revenues	<u>\$ 43,999,246</u>	<u>\$ 43,877,851</u>	<u>\$ 42,776,093</u>
Net (Expense)/Revenue			
Governmental activities	<u>\$ (140,330,355)</u>	<u>\$ (148,975,385)</u>	<u>\$ (145,965,286)</u>
Total primary government net expense	<u>\$ (140,330,355)</u>	<u>\$ (148,975,385)</u>	<u>\$ (145,965,286)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities			
Real property taxes	\$119,860,004	\$117,761,111	\$114,486,165
Mortgage tax	8,758,732	9,269,448	8,695,368
Refunded Debt	-	-	-
Other taxes	5,501,430	5,602,118	5,298,960
Unrestricted grants and contributions	-	-	-
Interest earnings	2,872,950	2,767,823	1,738,647
State aid-unrestricted	1,067,256	1,067,256	1,067,256
Special Item	-	-	-
Miscellaneous	10,055,290	6,904,063	4,649,536
Total governmental activities	<u>148,115,662</u>	<u>143,371,819</u>	<u>135,935,932</u>
Total primary government	<u>\$ 148,115,662</u>	<u>\$ 143,371,819</u>	<u>\$ 135,935,932</u>
Change in Net Position			
Governmental Activities	<u>\$ 7,785,307</u>	<u>\$ (5,603,566)</u>	<u>\$ (10,029,354)</u>
Total primary government	<u>\$ 7,785,307</u>	<u>\$ (5,603,566)</u>	<u>\$ (10,029,354)</u>

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

2015	2014	2013	2012	2011	2010	2009
\$40,273,049	\$41,719,964	\$ 38,235,587	\$ 41,391,051	\$ 39,036,309	\$ 39,790,531	\$ 38,857,392
13,902,197	14,465,259	13,568,077	13,800,053	12,123,722	11,476,179	11,038,050
3,366,426	3,526,646	3,440,004	3,302,681	3,052,675	3,222,943	3,148,777
47,669,222	52,657,107	50,671,798	59,810,512	50,963,397	42,082,298	39,357,751
3,188,292	3,395,864	3,288,214	3,394,231	3,335,597	3,319,996	2,977,427
18,496,883	21,483,238	23,333,531	20,374,655	18,824,298	18,219,053	18,292,698
50,030,197	50,666,829	52,238,856	40,672,616	46,382,915	52,609,247	53,781,830
2,833,326	2,983,178	2,683,833	3,193,082	3,903,598	4,025,756	3,717,197
<u>179,759,592</u>	<u>190,898,085</u>	<u>187,459,900</u>	<u>185,938,882</u>	<u>177,622,512</u>	<u>174,746,002</u>	<u>171,171,122</u>
<u>\$ 179,759,592</u>	<u>\$ 190,898,085</u>	<u>\$ 187,459,900</u>	<u>\$ 185,938,882</u>	<u>\$ 177,622,512</u>	<u>\$ 174,746,002</u>	<u>\$ 171,171,122</u>
\$ 5,692,858	\$ 4,926,059	\$ 4,815,610	\$ 4,428,836	\$ 8,177,246	\$ 5,149,354	\$ 4,313,478
2,324,327	2,012,936	1,803,881	1,317,625	1,230,831	1,148,705	1,169,492
227,660	219,720	219,180	208,700	210,970	203,810	193,270
1,098,912	738,867	601,018	462,488	736,177	500,861	690,742
312,380	335,082	304,172	309,956	276,643	259,887	276,579
7,167,157	8,064,953	8,124,066	8,205,323	7,620,757	7,222,427	7,202,512
19,292,953	17,963,084	18,085,563	14,700,673	18,212,053	18,518,355	19,722,791
6,682,848	5,923,624	16,123,065	21,469,143	8,869,297	6,159,015	4,427,799
2,994,958	1,680,112	3,102,784	1,407,987	8,009,856	8,076,450	3,121,355
<u>45,794,053</u>	<u>41,864,437</u>	<u>53,179,339</u>	<u>52,510,731</u>	<u>53,343,830</u>	<u>47,238,864</u>	<u>41,118,018</u>
<u>\$ 45,794,053</u>	<u>\$ 41,864,437</u>	<u>\$ 53,179,339</u>	<u>\$ 52,510,731</u>	<u>\$ 53,343,830</u>	<u>\$ 47,238,864</u>	<u>\$ 41,118,018</u>
<u>\$ (133,965,539)</u>	<u>\$ (149,033,648)</u>	<u>\$ (134,280,561)</u>	<u>\$ (133,428,151)</u>	<u>\$ (124,278,682)</u>	<u>\$ (127,507,138)</u>	<u>\$ (130,053,104)</u>
<u>\$ (133,965,539)</u>	<u>\$ (149,033,648)</u>	<u>\$ (134,280,561)</u>	<u>\$ (133,428,151)</u>	<u>\$ (124,278,682)</u>	<u>\$ (127,507,138)</u>	<u>\$ (130,053,104)</u>
\$112,993,330	\$ 109,929,165	\$ 109,889,320	\$ 113,181,079	\$ 107,674,455	\$ 108,462,698	\$ 108,148,199
7,896,508	6,423,492	7,988,336	6,742,019	6,678,915	6,948,509	310,923
-	-	-	-	-	99,571	8,493,498
5,032,462	4,822,112	4,513,225	390,204	484,626	442,311	12,975
(72,710)	-	-	-	9,176	26,126	2,462,846
1,557,627	1,351,384	1,390,584	2,014,266	949,519	1,464,479	1,159,105
1,067,256	1,067,256	1,067,256	1,067,256	1,067,256	1,089,037	5,089,592
-	(19,781)	-	3,948,106	-	(979,724)	-
3,814,070	3,628,523	6,163,186	-	5,705,282	6,474,156	-
<u>132,288,543</u>	<u>127,202,151</u>	<u>131,011,907</u>	<u>127,342,930</u>	<u>122,569,229</u>	<u>124,027,163</u>	<u>125,677,138</u>
<u>\$ 132,288,543</u>	<u>\$ 127,202,151</u>	<u>\$ 131,011,907</u>	<u>\$ 127,342,930</u>	<u>\$ 122,569,229</u>	<u>\$ 124,027,163</u>	<u>\$ 125,677,138</u>
<u>\$ (1,676,996)</u>	<u>\$ (21,831,497)</u>	<u>\$ (3,268,654)</u>	<u>\$ (6,085,221)</u>	<u>\$ (1,709,453)</u>	<u>\$ (3,479,975)</u>	<u>\$ (4,375,966)</u>
<u>\$ (1,676,996)</u>	<u>\$ (21,831,497)</u>	<u>\$ (3,268,654)</u>	<u>\$ (6,085,221)</u>	<u>\$ (1,709,453)</u>	<u>\$ (3,479,975)</u>	<u>\$ (4,375,966)</u>

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

<u>Year Ended December 31,</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund				
Nonspendable	\$ 1,456,969	\$ 1,393,075	\$ 1,298,983	\$ 1,145,091
Restricted	17,402,400	14,891,362	14,146,148	15,941,518
Assigned	710,955	507,041	1,108,339	1,107,420
Unassigned	13,930,579	13,398,796	8,773,094	5,572,413
Total General Fund	<u>\$ 33,500,903</u>	<u>\$ 30,190,274</u>	<u>\$ 25,326,564</u>	<u>\$ 23,766,442</u>
All other governmental funds				
Nonspendable	\$ 1,010,361	\$ 1,006,813	\$ 944,370	\$ 836,989
Restricted	31,979,589	9,946,147	2,440,874	2,635,131
Assigned	22,978,416	36,498,027	31,535,017	26,857,735
Unassigned, reported in:				
Special Revenue Funds	(1,119,634)	(1,009,628)	(1,083,201)	(922,289)
Total all other governmental funds	<u>\$ 54,848,732</u>	<u>\$ 46,441,359</u>	<u>\$ 33,837,060</u>	<u>\$ 29,407,566</u>

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

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 1,065,926	\$ 1,037,161	\$ 1,038,259	\$ 970,613	\$ 793,306	\$ 742,453
16,722,415	18,464,541	23,756,924	20,461,112	19,616,680	22,171,472
1,389,557	1,696,483	2,640,211	3,018,000	5,237,708	7,453,051
4,756,176	7,148,985	11,435,795	11,221,787	7,663,441	9,361,915
<u>\$ 23,934,074</u>	<u>\$ 28,347,170</u>	<u>\$ 38,871,189</u>	<u>\$ 35,671,512</u>	<u>\$ 33,311,135</u>	<u>\$ 39,728,891</u>
\$ 826,253	\$ 805,303	\$ 464,581	\$ 746,844	\$ 672,765	\$ 649,493
3,685,141	4,990,742	12,617,074	18,362,285	18,266,637	10,940,268
30,411,502	35,977,907	16,913,749	17,170,751	24,344,963	41,493,165
(947,800)	-	-	-	-	-
<u>\$ 33,975,096</u>	<u>\$ 41,773,952</u>	<u>\$ 29,995,404</u>	<u>\$ 36,279,880</u>	<u>\$ 43,284,365</u>	<u>\$ 53,082,926</u>

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

Year Ended December 31,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues				
Real property taxes	\$ 119,860,004	\$ 117,761,111	\$ 114,486,165	\$ 112,993,330
Other real property tax items	504,314	569,652	438,480	479,802
Non-property taxes	4,997,116	5,032,466	4,860,480	4,552,660
Departmental income	42,030,128	41,306,556	41,421,297	40,601,800
Intergovernmental charges	280,631	237,318	154,677	168,872
Use of money and property	2,872,950	2,767,823	1,738,647	1,557,627
License and permits	2,131,874	2,030,194	2,155,291	2,132,672
Fines and forfeitures	1,163,599	1,204,294	1,160,476	1,136,862
Sale of property & compensation for loss	3,487,765	3,412,729	1,418,185	1,006,267
Miscellaneous and local sources	6,565,578	3,500,143	3,250,372	2,807,805
Interfund revenues	4,482,286	4,763,246	4,469,548	4,150,647
State aid	14,724,998	14,604,907	13,728,025	13,472,502
Federal aid	1,516,609	1,933,929	1,808,501	4,649,441
Total Revenues	<u>204,617,852</u>	<u>199,124,368</u>	<u>191,090,144</u>	<u>189,710,287</u>
Expenditures				
Current:				
General government support	33,063,132	34,391,892	31,215,315	30,883,557
Public safety	9,307,105	9,276,598	8,881,996	8,802,980
Health	3,885,707	3,142,219	2,860,544	3,246,213
Transportation	26,565,863	27,458,278	26,333,036	30,872,783
Economic assistance and opportunity	2,297,365	2,265,452	2,206,822	2,132,736
Culture and recreation	12,392,839	12,790,979	12,436,746	12,795,662
Home and community service	52,688,818	50,155,058	50,998,414	50,679,893
Employee benefits	38,595,778	36,519,512	35,274,274	36,572,602
Capital outlay	11,552,152	12,416,379	14,030,043	13,983,820
Debt Service:				
Principal	10,047,853	10,123,109	11,110,913	10,881,634
Interest	2,618,852	2,375,430	2,677,425	3,178,569
Total Expenditures	<u>203,015,464</u>	<u>200,914,906</u>	<u>198,025,528</u>	<u>204,030,449</u>
Excess of revenues over (under) expenditures	1,602,388	(1,790,538)	(6,935,384)	(14,320,162)
Other financing sources (uses)				
Amortization of retirement system contribution	-	-	-	-
Bonds issued	10,000,000	12,840,000	12,925,000	9,585,000
Capital leases	-	-	-	-
Transfers in	14,705,836	14,486,862	17,367,855	18,213,138
Transfers out	(14,705,836)	(14,486,862)	(17,367,855)	(18,213,138)
Refunding bonds issued	4,086,165	17,430,000	-	-
Premium on bonds issued	422,170	1,855,536	-	-
Payments to refund bond escrow agent	(4,392,721)	(19,149,308)	-	-
Total other financing sources (uses)	<u>10,115,614</u>	<u>12,976,228</u>	<u>12,925,000</u>	<u>9,585,000</u>
Net change in fund balances	<u>\$ 11,718,002</u>	<u>\$ 11,185,690</u>	<u>\$ 5,989,616</u>	<u>\$ (4,735,162)</u>
Debt service as a percentage of noncapital expenditures	6.73%	6.64%	7.47%	7.52%

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.*

	2014	2013	2012	2011	2010	2009
\$	109,929,165	\$ 109,889,320	\$ 109,054,601	\$ 107,552,908	\$ 108,375,068	\$ 108,050,206
	451,627	412,497	360,204	334,396	362,430	302,597
	4,370,485	4,100,728	3,962,886	3,885,051	3,732,931	3,418,102
	38,859,896	38,686,154	34,801,298	35,902,822	36,371,423	37,091,352
	205,545	143,594	232,158	235,671	212,017	230,523
	1,351,384	1,390,584	2,014,267	1,854,711	2,208,584	3,187,399
	1,910,407	1,918,531	1,594,776	1,754,907	1,550,543	1,588,318
	1,101,734	1,135,462	760,548	646,834	655,849	748,601
	1,065,514	1,364,545	840,836	4,708,647	2,359,773	1,616,146
	2,563,009	4,774,920	2,291,436	1,888,592	2,379,497	2,418,825
	4,138,963	4,051,494	4,279,359	5,657,187	5,609,839	5,531,969
	11,452,087	12,423,562	13,441,235	14,505,595	12,032,056	13,371,366
	3,674,689	14,933,074	17,246,580	10,017,200	8,819,217	1,394,175
	<u>181,074,505</u>	<u>195,224,465</u>	<u>190,880,184</u>	<u>188,944,521</u>	<u>184,669,227</u>	<u>178,949,579</u>
	30,649,115	29,590,411	30,090,454	30,374,952	31,541,339	31,324,727
	8,614,910	8,080,611	8,034,402	7,385,006	7,685,737	7,458,446
	3,363,719	3,281,771	3,136,480	3,086,042	3,097,626	3,043,546
	29,286,713	32,264,244	38,949,298	28,737,380	25,945,124	26,380,638
	2,101,653	2,071,285	2,112,812	2,043,773	2,127,168	2,108,791
	14,057,894	14,048,065	13,850,124	13,644,237	13,424,653	13,312,110
	50,325,062	49,571,193	41,707,028	47,267,179	52,114,208	53,747,108
	33,842,793	36,012,603	34,421,468	30,302,386	28,084,741	24,303,462
	16,534,234	21,583,565	10,814,930	22,550,436	33,582,051	25,462,611
	11,007,429	10,704,821	10,654,320	11,049,744	10,707,885	11,292,923
	3,049,258	3,171,256	3,264,926	3,666,929	3,750,762	3,965,197
	<u>202,832,780</u>	<u>210,379,825</u>	<u>197,036,242</u>	<u>200,108,064</u>	<u>212,061,294</u>	<u>202,399,559</u>
	(21,758,275)	(15,155,360)	(6,156,058)	(11,163,543)	(27,392,067)	(23,449,980)
	-	-	3,905,184	-	-	-
	8,285,000	7,430,000	7,600,000	6,380,000	11,160,000	11,443,000
	-	-	18,987	139,431	15,752	313,082
	17,877,295	26,283,066	14,841,544	17,660,108	20,443,890	28,859,469
	(17,877,295)	(26,283,066)	(14,841,544)	(17,660,108)	(20,443,890)	(28,859,469)
	-	-	15,481,635	-	-	-
	-	-	(15,481,635)	-	-	-
	-	-	-	-	-	-
	<u>8,285,000</u>	<u>7,430,000</u>	<u>11,524,171</u>	<u>6,519,431</u>	<u>11,175,752</u>	<u>11,756,082</u>
\$	<u>(13,473,275)</u>	<u>(7,725,360)</u>	<u>5,368,113</u>	<u>(4,644,112)</u>	<u>(16,216,315)</u>	<u>(11,693,898)</u>
	7.30%	7.35%	7.47%	8.29%	8.10%	8.62%

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
2018	\$ 251,229,345	\$ 40,878,678	\$ 2,262,725	\$ 71,818,431	\$ 42,673,696
2017	251,731,395	41,331,708	2,348,216	71,327,163	42,712,594
2016	253,364,853	41,435,946	2,345,781	71,452,714	43,391,168
2015	253,773,579	41,962,696	2,373,696	71,265,542	43,618,401
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

Source: Town of Huntington Assessors Office, Town of Huntington IT Department

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

Total Net Assessed Value	Total Direct Tax Rate (a)	State Equalization Rate	Full Valuation	Assessed Value as a Percentage of Full Value
\$ 323,515,483	29.50	0.84%	\$ 38,513,747,976	0.95%
324,025,888	29.50	0.85%	38,120,692,706	0.96%
325,208,126	29.50	0.86%	37,677,428,837	0.98%
325,757,112	27.35	0.89%	36,601,922,697	1.01%
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%

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
2018	\$ 38,513,747,976	0.84%	\$ 323,515,483	\$ 119,772,942	29.50
2017	38,120,692,706	0.85%	324,025,888	117,652,051	29.50
2016	37,814,898,372	0.86%	325,208,126	114,391,393	29.50
2015	36,601,922,697	0.89%	325,757,112	112,860,928	27.35
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

Source: Town of Huntington Tax Warrant & IT Department

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
\$ 146,967,884	45.43	\$ 730,226,559	225.72	300.64
144,608,997	44.63	716,219,155	221.04	295.17
142,720,593	43.89	704,944,597	216.77	290.15
140,542,439	43.14	694,180,118	213.10	283.59
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

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

2018				
Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation (a)
1	LIPA/Keyspan Energy Corporation	Utility	\$ 37,548,753	11.66%
2	The Retail Property Trust	Real Estate	2,000,000	0.62%
3	58/68 S. Service Road SPE LLC	Commercial	801,465	0.25%
4	Avalon Bay Communities	Real Estate	764,975	0.24%
5	Huntington Quadrangle	Real Estate	675,000	0.21%
6	Verizon	Utility	475,809	0.15%
7	Estee Lauder	Cosmetics	469,700	0.15%
8	Avalon Huntington Former S Corp	Real Estate	455,000	0.14%
9	Grandview Hotel Limited	Hotel	425,000	0.13%
10	3 HQ Owner LLC	Real Estate	425,000	0.13%
	Total		<u>\$ 44,040,702</u>	<u>13.68%</u>

2009				
Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation (b)
1	LIPA/Keyspan Energy Corp.	Utility	\$36,386,692	10.77%
2	The Retail Property Trust	Real Estate	2,050,000	0.61%
3	Verizon	Utility	\$961,197	0.28%
4	Melville Industrila Associates	Office Building	\$922,000	0.27%
5	Huntington Quadrangle #1 Co.	Real Estate	\$850,000	0.25%
6	Reckson FS Limited Partnership	Commercial	\$801,465	0.24%
7	Tribune, LLC(Newsday)	Newspaper	\$571,000	0.17%
8	Grandview Hotel Limited	Hotel	\$550,000	0.16%
9	Avalon Bay Communities	Real Estate	\$532,400	0.16%
10	Hines Reit Three Huntington Quadrangle	Real Estate	\$500,000	0.15%
	Total		<u>\$ 44,124,754</u>	<u>13.06%</u>

Source: Town of Huntington Department of Information Technology

(a) Total taxable assessed valuations per the Town's 2017 assessment roll for taxes levied in fiscal 2018 are \$321,952,843

(b) Total taxable assessed valuations per the Town's 2008 assessment roll for taxes levied in fiscal 2009 are \$337,879,941

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)
2018	\$ 119,772,942	\$ 1,042,572,431	\$ 119,772,942	100.00%	\$ -	0.00%
2017	117,652,051	1,022,937,519	117,652,051	100.00%	-	0.00%
2016	114,391,393	1,005,781,356	114,391,393	100.00%	-	0.00%
2015	112,860,928	990,124,518	112,860,928	100.00%	-	0.00%
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%
	<u>\$ 1,117,846,682</u>	<u>\$ 9,475,415,384</u>	<u>\$ 1,117,846,682</u>		<u>\$ -</u>	

Source: The most recent official statement of the Town of Huntington and Town of Huntington 2018 Adopted Budget

- (a) Gross levy for Town purposes. (Includes all Town controlled funds)
- (b) Includes all Town and County taxes.
- (c) At end of the levy 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			Percentage of Personal Income¹	Per Capita¹
	General Obligation Bonds	Capital Leases	Total Primary Government		
2018	\$ 85,190,599	\$ 407,968	\$ 85,598,567	0.80%	420
2017	85,545,010	-	85,545,010	0.82%	419
2016	84,253,119	-	84,253,119	0.84%	412
2015	82,439,032	-	82,439,032	0.82%	404
2014	84,020,659	2,634	84,023,293	0.84%	412
2013	86,743,093	63,435	86,806,528	0.88%	427
2012	90,017,918	214,296	90,232,214	0.93%	444
2011	94,334,163	295,678	94,629,841	0.97%	467
2010	99,003,914	284,950	99,288,864	1.05%	491
2009	98,551,800	394,220	98,946,020	N/A	483

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
2018	\$ 85,190,599	\$ (608,268)	\$ 84,582,331	0.22%	415
2017	85,545,010	(484,685)	85,060,325	0.22%	417
2016	84,253,119	(536,854)	83,716,265	0.22%	410
2015	82,439,035	(873,067)	81,565,968	0.22%	400
2014	84,020,659	(1,106,604)	82,914,055	0.23%	406
2013	86,743,093	(772,229)	85,970,864	0.24%	423
2012	90,017,918	(663,624)	89,354,294	0.24%	440
2011	94,334,163	(1,156,839)	93,177,324	0.25%	460
2010	99,003,914	(263,178)	98,740,736	0.24%	488
2009	98,551,800	(620,781)	97,931,019	0.22%	478

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, 2018

<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	\$ 85,190,606	100.00%	\$ 85,190,606
Component Units	19,259,394	100.00%	19,259,394
Total direct Debt			<u>\$ 104,450,000</u>
Overlapping:			
County	\$ 1,490,098,201	15.63%	\$ 232,902,349
Villages	8,718,313	100.00%	8,718,313
School Districts	221,104,168	71.78%	158,713,114
Library Districts	17,370,000	94.24%	16,370,088
Fire Districts	12,757,989	100.00%	12,757,989
Total overlapping debt			<u>429,461,853</u>
Total direct and overlapping debt			<u>\$ 533,911,853</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, 2018

	<u>Year Ended December 31,</u>	<u>Net Assessed Valuation</u>	<u>State Equalization Rate</u>	<u>Full Valuation</u>
	2018	\$ 323,515,483	0.84%	\$ 38,513,747,976
	2017	324,025,888	0.85%	38,120,692,706
	2016	325,208,126	0.86%	37,814,898,372
	2015	325,757,112	0.89%	36,601,922,697
	2014	327,205,498	0.90%	36,356,166,444
Total Five Year Full Valuation				<u>\$ 187,407,428,195</u>
Five Year Average Full Valuation of Taxable Real Property				<u>37,481,485,639</u>
Constitutional Debt Limit (7% of Average Full Valuation)				<u>2,623,703,995</u>
Outstanding Indebtedness at December 31st				104,450,000
Less: Water Bonds				<u>24,142,844</u>
Net Indebtedness Subject to Debt Limit				<u>80,307,156</u>
Net Debt Contracting Margin				<u>\$ 2,543,396,839</u>
Percentage of Net Debt Contracting Margin Available				96.94%
Percentage of Net Debt Contracting Power Exhausted				3.06%

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
2018	\$ 2,623,703,995	\$ 104,450,000	\$ 24,142,844	\$ 80,307,156	\$ 2,543,396,839	96.94%
2017	2,595,860,703	107,300,000	25,688,284	81,611,716	2,514,248,987	96.86%
2016	2,589,821,377	108,460,000	24,206,877	84,253,123	2,505,568,254	96.75%
2015	2,079,847,788	107,770,000	25,330,965	82,439,035	1,997,408,753	96.04%
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%

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
2018	204,011	10,715	52,523	2.9%	68,694	2.93	2,170
2017	203,974	10,470	51,332	3.8%	68,521	2.94	2,170
2016	204,398	10,029	49,067	3.5%	69,000	2.92	2,174
2015	204,088	10,072	49,349	3.5%	69,026	2.96	2,171
2014	204,088	9,989	48,943	4.4%	69,026	2.91	2,171
2013	203,447	9,830	48,315	4.5%	69,311	2.89	2,164
2012	203,138	9,653	47,519	6.2%	69,311	2.89	2,161
2011	202,633	9,715	47,944	6.3%	69,311	2.89	2,156
2010	202,185	9,430	46,638	6.2%	69,165	2.93	2,151
2009	204,784	0	-	6.3%	68,896	2.92	2,179

Sources:

- ¹ Bureau of the Census (factfinder.census.gov) 2013-2017 American Community Survey 5 year estimates
- ² Bureau of Economic Analysis/State Department of Labor
- ³ Factfinder.census.gov and Suffolk County Planner (Peter Lambert)
- ⁴ Factfinder.census.gov)

TOWN OF HUNTINGTON
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2018

Rank	Name	Headquarters	Type of Business	Number of Employees	% of Total Town Employees
1	Northport Veterans Affairs Medical Center	Northport	Healthcare	2,000	1.9%
2	Huntington Hospital	Huntington	Hospital	2,000	1.9%
3	Half Hollow Hills School District	Dix Hills	Education	1,722	1.7%
4	Canon	Melville	Imaging Products	1,509	1.4%
5	Estee Lauder, Inc.	Melville	Cosmetics	1,450	1.4%
6	Commack School District	Commack	Education	1,439	1.4%
7	Henry Schein, Inc.	Melville	Medical & Dental Supplies	1,400	1.3%
8	Northport-East Northport School District	Northport	Education	1,300	1.2%
9	Newsday	Melville	Newspaper	1,228	1.2%
10	Western Suffolk Boces	Dix Hills	Education	1,176	1.1%

2009

Rank	Name	Headquarters	Type of Business	Number of Employees	% of Total Town Employees
1	Estee Lauder	Melville	Cosmetics	2,400	2.4%
2	Newsday	Melville	Newspaper	2,000	2.0%
3	Huntington Hospital	Huntington	Hospital	1,980	2.0%
4	Northport Veterans Affairs Medical Center	Northport	Healthcare	1,561	1.6%
5	Henry Schein	Huntington	Medical Supplies	1,320	1.3%
6	Training Source through Western Suffolk Boces	Huntington	Education	1,000	1.0%
7	Accretive Solutions, Inc.	Melville	Consulting	1,000	1.0%
8	Marchon Eyewear, Inc.	Melville	Healthcare	994	1.0%
9	Arrow Electronics	Melville	Electronics	865	0.9%
10	Town of Huntington	Huntington	Government	767	0.8%

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Function										
General government support	272	258	251	264	249	248	253	270	263	275
Public safety	89	86	90	99	82	81	78	82	79	78
Health	2	2	3	5	4	4	5	5	5	5
Transportation	233	219	222	228	224	215	218	230	230	230
Economic assistance and opportunity	27	28	26	25	27	27	27	28	30	26
Culture and recreation	141	143	142	151	148	151	149	167	160	145
Home and community services	<u>146</u>	<u>143</u>	<u>148</u>	<u>152</u>	<u>145</u>	<u>146</u>	<u>142</u>	<u>150</u>	<u>157</u>	<u>163</u>
Total	<u><u>910</u></u>	<u><u>879</u></u>	<u><u>882</u></u>	<u><u>924</u></u>	<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>

Source: Department of Information Technology

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TOWN OF HUNTINGTON
OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS

Year Ended December 31,	2018	2017	2016	2015
Function				
Public Safety				
Building				
Residential building permits issued	2,439	2,767	2,533	2,881
Commercial building permits issued	619	642	604	497
Building inspections	12,609	13,035	13,394	9,773
Fire Prevention				
Fire inspections*	2,219	2,143	1,593	1,631
Transportation				
Public Transportation				
Average daily ridership	567	663	725	716
Streetlighting				
Energy Efficient Streetlights	20,710	18,010	16,975	12,913
Public Safety				
Parking violations	14,664	15,615	17,762	14,256
Accessory apartment permits	1,783	1,781	1,749	1,661
Highways and streets				
Street resurfacing (miles)	38	34	30	20
Number of trees planted	90	125	90	158
Number of trees removed	688	700	789	646
Culture and Recreation				
Beach permits issued	10,898	11,411	12,754	13,297
Rounds of golf	58,058	62,661	72,136	73,163
Recreation program registrations	9,521	10,193	10,441	11,678
Home and Community Services				
Sanitation				
Refuse collected (tons/day)	270.0	268.4	268.4	261.2
Recyclables collected (tons/yr)	38,308	36,174	39,521	37,730
Water				
Water main breaks	19	10	17	12
Average daily consumption (thousands of gallons)	5,175	5,183	6,011	6,089
Sewer Usage				
Average daily sewage treatment (millions of gallons)	1.9	1.7	1.6	1.8
Wastewater				
Average daily sewage treatment (thousands of gallons)	60	61	59	47

Source: Various government departments of the Town of Huntington

2014	2013	2012	2011	2010	2009
2,615	2,325	1,756	2,170	2,100	2,312
352	330	767	353	225	213
7,967	11,871	11,405	11,388	10,558	11,670
1,086	1139	1,225	1,203	1,835	3,820
698	966	870	869	880	912
12,913	10,886	9,000			
12,876	24,879	14,000	9,104	9,801	10,065
2,205	1,689	1,667	1,555	1,494	1,827
19	30	35	28	32	30
158	160	450	340	456	445
729	858	2,400	1,900	750	710
11,429	10,708	10,529	10,453	10,922	10,479
67,147	71,120	73,299	66,242	72,223	73,350
9,898	10,892	11,109	10,906	10,818	15,116
266.5	271.3	302.0	273.0	263.5	268.7
36,983	39,360	35,520	39,528	40,518	40,542
15	13	13	8	10	8
5,529	5,940	5,496	5,512	6,504	4,648
1.9	1.9	2.5	2.5	2.4	2.1
48	50	53	44	45	46

TOWN OF HUNTINGTON
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS

Year Ended December 31,	2018	2017	2016	2015
Function				
General Government				
Municipal Building	1	1	1	1
Maintenance Buildings	5	5	5	5
Vehicles	470	463	444	460
Public safety				
Animal Shelter	1	1	1	1
Vehicles	41	39	38	36
Transportation				
Public Transportation				
Buses	29	27	26	24
Highways and streets				
Streets (miles)	829	816	816	789
Streetlighting				
Traffic signals	279	271	266	257
Culture and recreation				
Parks	44	44	43	43
Beaches	9	9	9	9
Boat launch ramps	5	5	5	5
Golf Courses	2	2	2	2
Ice Rinks	2	2	2	2
Marinas	3	3	3	3
Rifle Ranges	0	0	0	0
Rollerblading Parks	2	2	2	1
Skateboarding Parks	2	2	2	2
Swimming pools	1	1	1	1
Home and Community Services				
Building	1	1	1	1
Sanitation				
Collection trucks	24	26	25	26
Resource Recovery Plants	1	1	1	1
Maximum daily capacity (tons burned per day)	750	750	750	750
Water				
Fire hydrants	1290	1290	1290	1288
Water mains (miles)	170	170	170	170
Maximum daily capacity (millions of gallons)	33	33	33	33
Sewer				
Sewer Treatment Plant	1	1	1	1
Sanitary sewers (miles)	26	26	26	26
Maximum daily treatment capacity (millions of gallons)	3	3	3	3

Source: Various government departments of the Town of Huntington

2014	2013	2012	2011	2010	2009
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	37	37	37	38	45
24	24	24	24	20	20
789	789	789	789	789	789
253	239	239	239	238	236
42	40	40	40	40	40
9	9	9	9	9	9
5	5	5	5	5	5
2	2	2	2	2	2
2	1	1	1	1	1
3	3	3	3	3	3
0	0	0	0	0	0
4	3	3	3	3	3
2	2	2	2	2	1
1	1	1	1	1	1
1	1	1	1	1	1
26	26	26	26	26	26
1	1	1	1	1	1
750	750	750	750	750	750
1284	1285	1285	1284	1284	1284
170	169	169	169	169	169
33	33	33	33	33	33
1	1	1	1	1	1
26	26	26	26	26	26
3	3	3	3	3	3