

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF HUNTINGTON
HUNTINGTON COUNTY, INDIANA

January 1, 2013 to December 31, 2013



FILED
06/06/2014

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Christi A. Scher	01-01-12 to 12-31-15
Mayor	Brooks L. Fetters	01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Brooks L. Fetters	01-01-12 to 12-31-15
President Pro Tempore of the Common Council	Joseph E. Blomeke	01-01-13 to 12-31-14
Utilities Coordinator	Marilyn K. Ratliff	01-01-13 to 12-31-14



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF HUNTINGTON, HUNTINGTON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Huntington (City), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

As discussed in Note 1 of the financial statement, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2013.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2013, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 22, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 City's internal control over financial reporting and compliance.

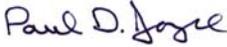
Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.


Paul D. Joyce, CPA
State Examiner

April 22, 2014



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE CITY OF HUNTINGTON, HUNTINGTON COUNTY, INDIANA

We have audited, 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, the financial statement of the City of Huntington (City), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement, and have issued our report thereon dated April 22, 2014, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

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

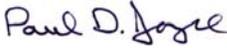
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

April 22, 2014

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the City. The financial statement and notes are presented as intended by the City.

CITY OF HUNTINGTON
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
General	\$ 3,793,945	\$ 8,369,764	\$ 8,318,027	\$ 3,845,682
Motor Vehicle Highway	778,413	712,865	433,036	1,058,242
Local Road and Street	160,780	80,511	117,825	123,466
Aviation	180,012	289,367	161,527	307,852
Park Rec Center	24,111	47,972	38,084	33,999
Health Insurance Claim	491,471	2,959,948	2,773,072	678,347
Solid Waste	503,510	1,017,257	684,719	836,048
Refuse Container Replace	12,750	3,100	100	15,750
Parking Lot	6,101	17,609	3,916	19,794
Indiana Housing Grant	-	5,000	5,000	-
LLECE	21,773	19,920	7,594	34,099
Building Demo Repair and Construction	39,132	19,892	44,894	14,130
Park and Recreation	417,596	819,603	438,554	798,645
Rainy Day	268,910	600,000	14,703	854,207
K-9 Training	552	2,251	956	1,847
CEDIT	122,199	1,762,078	1,878,383	5,894
Levy Excess	105,423	-	105,423	-
Aviation Rev Gas and Oil	43,088	217,805	218,827	42,066
Aviation - Federal Grant	2,485	155,662	155,770	2,377
Cum Capital Development	734,023	81,123	231,629	583,517
Park Capital	20,914	-	9,675	11,239
RDC Debt Reserve - Northside	61,093	-	-	61,093
General Improvement	145,893	2,490	68,669	79,714
Cum Capital Improvement	146,485	46,686	69,727	123,444
TIF 2008 Consolidated	4,543,116	1,769,857	2,431,065	3,881,908
Airport Capital #1	16,362	-	5,000	11,362
Airport Capital #2	-	7,258	5,238	2,020
Police Pension	216,495	985,836	903,641	298,690
Fire Pension	250,605	972,808	923,493	299,920
Riverboat	412,466	103,023	82,587	432,902
Public Safety LOIT	259,481	777,355	794,410	242,426
GO Bond Debt Service	77,121	144,576	221,696	1
Mayor Prayer Breakfast	-	840	825	15
Street Vending	68	-	-	68
Park Building Deposit	5,418	7,772	8,233	4,957
No-Revert No-Ref Bldg Dep	850	-	-	850
HUD	33,385	1,428	-	34,813
Park Donation	40,504	10,431	6,000	44,935
Revolving Loan	340,091	36,036	-	376,127
Police Reserve Donations	2,523	1,340	435	3,428
Police - LACE	190	1,775	1,777	188
Healthcare Assurant/Claim	1	-	1	-
GO Bond	77,640	-	-	77,640
City Revital Grant	2,558	-	-	2,558

The notes to the financial statement are an integral part of this statement.

CITY OF HUNTINGTON
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013
(Continued)

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
Fire Dept Grant	1	-	1	-
Fire Dept Donations	11,496	10,544	13,537	8,503
Storm Water Bond	73,717	330,691	372,449	31,959
Federal Drug Seizure	15,650	-	-	15,650
Payroll	-	412,444	412,444	-
Payroll Federal W/H	-	866,561	866,561	-
Payroll FICA W/H	-	390,578	390,578	-
Payroll Medicare W/H	-	170,782	170,782	-
Payroll State Tax	-	270,470	270,470	-
Payroll County Tax	-	117,647	117,647	-
Payroll PERF	-	420,003	420,003	-
Payroll Police PERF	-	78,853	78,853	-
Payroll Fire PERF	-	97,755	97,755	-
Payroll Boston Life	-	2,408	2,408	-
Payroll Vision Insurance	-	16,268	16,268	-
Payroll Health Insurance	-	2,471,319	2,471,319	-
Payroll Life Insurance	-	19,038	19,038	-
Payroll Accident In - AFLAC	-	14,027	14,027	-
Payroll Fire Dues	-	20,559	20,559	-
Payroll 457 - AUL	-	216,491	216,491	-
Payroll Union Dues	-	18,641	18,641	-
Payroll Garnishments	-	47,017	47,017	-
Section 125	-	32,306	32,306	-
Payroll AUL Life	-	20,151	20,151	-
Fire PAC	-	753	753	-
Payroll Direct Deposit	-	5,357,831	5,357,831	-
Payroll 457- Am	-	31,013	31,013	-
Payroll - Liberty National	-	2,187	2,187	-
Payroll - Continental Am	-	7,096	7,096	-
Sewage Operating	524,611	4,673,752	5,146,169	52,194
Sewage Plant Depreciation	736,497	396,500	882,146	250,851
Sewage Plant Bond and Interest	1,563,892	1,919,189	1,495,100	1,987,981
Sewage Debt Reserve	1,102,340	206,956	-	1,309,296
2011 WPC SRF	-	8,988,704	8,988,704	-
2013 SRF - Frederick Street	-	2,127,794	2,127,794	-
2013B WW - Rabbit Run	-	14,260,000	77,443	14,182,557
Water Operating	569,528	3,419,245	3,842,756	146,017
Water Construction	342,921	75,525	44,566	373,880
Water Depreciation	304,035	239,000	326,511	216,524
2011 SRF Water B & I	352,955	705,708	705,859	352,804
2011 SRF Water Debt Reserve	211,887	141,258	-	353,145
2011 SRF Water Construction	1,101,996	-	1,095,169	6,827
Totals	<u>\$ 21,271,059</u>	<u>\$ 70,648,302</u>	<u>\$ 57,384,913</u>	<u>\$ 34,534,448</u>

The notes to the financial statement are an integral part of this statement.

CITY OF HUNTINGTON
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF HUNTINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF HUNTINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The City may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the City. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF HUNTINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

CITY OF HUNTINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

CITY OF HUNTINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

D. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the City which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the City. It is presented as intended by the City.

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013

	General	Motor Vehicle Highway	Local Road and Street	Aviation	Park Rec Center	Health Insurance Claim	Solid Waste
Cash and investments - beginning	\$ 3,793,945	\$ 778,413	\$ 160,780	\$ 180,012	\$ 24,111	\$ 491,471	\$ 503,510
Receipts:							
Taxes	4,851,120	192,331	-	215,399	-	-	382,265
Licenses and permits	2,749	-	-	-	-	-	-
Intergovernmental	3,078,873	515,651	78,438	19,782	-	-	35,106
Charges for services	76,139	-	-	42,872	47,972	-	579,718
Fines and forfeits	13,765	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	347,118	4,883	2,073	11,314	-	2,959,948	20,168
Total receipts	<u>8,369,764</u>	<u>712,865</u>	<u>80,511</u>	<u>289,367</u>	<u>47,972</u>	<u>2,959,948</u>	<u>1,017,257</u>
Disbursements:							
Personal services	5,669,299	189,279	-	16,654	-	-	286,640
Supplies	228,027	85,577	-	6,750	-	-	71,514
Other services and charges	1,043,126	120,228	-	138,123	38,084	-	170,850
Debt service - principal and interest	-	-	-	-	-	-	70,036
Capital outlay	340,468	15,295	117,825	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,037,107	22,657	-	-	-	2,773,072	85,679
Total disbursements	<u>8,318,027</u>	<u>433,036</u>	<u>117,825</u>	<u>161,527</u>	<u>38,084</u>	<u>2,773,072</u>	<u>684,719</u>
Excess (deficiency) of receipts over disbursements	<u>51,737</u>	<u>279,829</u>	<u>(37,314)</u>	<u>127,840</u>	<u>9,888</u>	<u>186,876</u>	<u>332,538</u>
Cash and investments - ending	<u>\$ 3,845,682</u>	<u>\$ 1,058,242</u>	<u>\$ 123,466</u>	<u>\$ 307,852</u>	<u>\$ 33,999</u>	<u>\$ 678,347</u>	<u>\$ 836,048</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Refuse Container Replace	Parking Lot	Indiana Housing Grant	LLECE	Building Demo Repair and Construction	Park and Recreation	Rainy Day
Cash and investments - beginning	\$ 12,750	\$ 6,101	\$ -	\$ 21,773	\$ 39,132	\$ 417,596	\$ 268,910
Receipts:							
Taxes	-	-	-	-	-	733,674	-
Licenses and permits	-	-	-	7,210	-	-	-
Intergovernmental	-	-	5,000	-	-	67,379	-
Charges for services	3,100	17,609	-	3,431	-	14,785	-
Fines and forfeits	-	-	-	28	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	9,251	19,892	3,765	600,000
Total receipts	<u>3,100</u>	<u>17,609</u>	<u>5,000</u>	<u>19,920</u>	<u>19,892</u>	<u>819,603</u>	<u>600,000</u>
Disbursements:							
Personal services	-	-	-	2,001	-	266,074	-
Supplies	-	-	-	-	-	44,415	-
Other services and charges	-	-	5,000	-	44,894	93,541	14,703
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	3,590	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	100	326	-	5,593	-	34,524	-
Total disbursements	<u>100</u>	<u>3,916</u>	<u>5,000</u>	<u>7,594</u>	<u>44,894</u>	<u>438,554</u>	<u>14,703</u>
Excess (deficiency) of receipts over disbursements	<u>3,000</u>	<u>13,693</u>	<u>-</u>	<u>12,326</u>	<u>(25,002)</u>	<u>381,049</u>	<u>585,297</u>
Cash and investments - ending	<u>\$ 15,750</u>	<u>\$ 19,794</u>	<u>\$ -</u>	<u>\$ 34,099</u>	<u>\$ 14,130</u>	<u>\$ 798,645</u>	<u>\$ 854,207</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	K-9 Training	CEDIT	Levy Excess	Aviation Rev Gas and Oil	Aviation - Federal Grant	Cum Capital Development	Park Capital
Cash and investments - beginning	\$ 552	\$ 122,199	\$ 105,423	\$ 43,088	\$ 2,485	\$ 734,023	\$ 20,914
Receipts:							
Taxes	-	-	-	-	-	67,705	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	745,258	-	-	155,662	6,218	-
Charges for services	-	-	-	217,805	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,251	1,016,820	-	-	-	7,200	-
Total receipts	2,251	1,762,078	-	217,805	155,662	81,123	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	956	-	-	-	-	-	-
Other services and charges	-	1,878,383	-	208,827	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	155,770	231,629	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	105,423	10,000	-	-	9,675
Total disbursements	956	1,878,383	105,423	218,827	155,770	231,629	9,675
Excess (deficiency) of receipts over disbursements	1,295	(116,305)	(105,423)	(1,022)	(108)	(150,506)	(9,675)
Cash and investments - ending	<u>\$ 1,847</u>	<u>\$ 5,894</u>	<u>\$ -</u>	<u>\$ 42,066</u>	<u>\$ 2,377</u>	<u>\$ 583,517</u>	<u>\$ 11,239</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	RDC Debt Reserve - Northside	General Improvement	Cum Capital Improvement	TIF 2008 Consolidated	Airport Capital #1	Airport Capital #2
Cash and investments - beginning	\$ 61,093	\$ 145,893	\$ 146,485	\$ 4,543,116	\$ 16,362	\$ -
Receipts:						
Taxes	-	-	-	1,769,857	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	46,686	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	2,490	-	-	-	7,258
Total receipts	-	2,490	46,686	1,769,857	-	7,258
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	571	-	459,531	-	-
Debt service - principal and interest	-	-	-	393,586	-	-
Capital outlay	-	14,609	69,727	1,577,948	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	53,489	-	-	5,000	5,238
Total disbursements	-	68,669	69,727	2,431,065	5,000	5,238
Excess (deficiency) of receipts over disbursements	-	(66,179)	(23,041)	(661,208)	(5,000)	2,020
Cash and investments - ending	<u>\$ 61,093</u>	<u>\$ 79,714</u>	<u>\$ 123,444</u>	<u>\$ 3,881,908</u>	<u>\$ 11,362</u>	<u>\$ 2,020</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Police Pension	Fire Pension	Riverboat	Public Safety LOIT	GO Bond Debt Service	Mayor Prayer Breakfast
Cash and investments - beginning	\$ 216,495	\$ 250,605	\$ 412,466	\$ 259,481	\$ 77,121	\$ -
Receipts:						
Taxes	100,659	-	-	-	132,415	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	884,660	972,290	103,023	777,355	12,161	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	517	518	-	-	-	840
Total receipts	<u>985,836</u>	<u>972,808</u>	<u>103,023</u>	<u>777,355</u>	<u>144,576</u>	<u>840</u>
Disbursements:						
Personal services	903,163	923,329	-	-	-	-
Supplies	-	64	-	-	-	-
Other services and charges	478	100	82,587	16,387	-	-
Debt service - principal and interest	-	-	-	171,489	221,696	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	606,534	-	825
Total disbursements	<u>903,641</u>	<u>923,493</u>	<u>82,587</u>	<u>794,410</u>	<u>221,696</u>	<u>825</u>
Excess (deficiency) of receipts over disbursements	<u>82,195</u>	<u>49,315</u>	<u>20,436</u>	<u>(17,055)</u>	<u>(77,120)</u>	<u>15</u>
Cash and investments - ending	<u>\$ 298,690</u>	<u>\$ 299,920</u>	<u>\$ 432,902</u>	<u>\$ 242,426</u>	<u>\$ 1</u>	<u>\$ 15</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Street Vending	Park Building Deposit	No-Revert No-Ref Bldg Dep	HUD	Park Donation	Revolving Loan
Cash and investments - beginning	\$ 68	\$ 5,418	\$ 850	\$ 33,385	\$ 40,504	\$ 340,091
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	7,772	-	1,428	10,431	36,036
Total receipts	-	7,772	-	1,428	10,431	36,036
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	6,000	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	8,233	-	-	-	-
Total disbursements	-	8,233	-	-	6,000	-
Excess (deficiency) of receipts over disbursements	-	(461)	-	1,428	4,431	36,036
Cash and investments - ending	\$ 68	\$ 4,957	\$ 850	\$ 34,813	\$ 44,935	\$ 376,127

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Police Reserve Donations	Police - LACE	Healthcare Assurant/ Claim	GO Bond	City Revital Grant	Fire Dept Grant
Cash and investments - beginning	\$ 2,523	\$ 190	\$ 1	\$ 77,640	\$ 2,558	\$ 1
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,340	1,775	-	-	-	-
Total receipts	<u>1,340</u>	<u>1,775</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	435	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	1,777	-	-	-	1
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	1	-	-	-
Total disbursements	<u>435</u>	<u>1,777</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Excess (deficiency) of receipts over disbursements	<u>905</u>	<u>(2)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Cash and investments - ending	<u>\$ 3,428</u>	<u>\$ 188</u>	<u>\$ -</u>	<u>\$ 77,640</u>	<u>\$ 2,558</u>	<u>\$ -</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Fire Dept Donations	Storm Water Bond	Federal Drug Seizure	Payroll	Payroll Federal W/H	Payroll FICA W/H
Cash and investments - beginning	\$ 11,496	\$ 73,717	\$ 15,650	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	302,876	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	27,815	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	10,544	-	-	412,444	866,561	390,578
Total receipts	<u>10,544</u>	<u>330,691</u>	<u>-</u>	<u>412,444</u>	<u>866,561</u>	<u>390,578</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	5,020	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	372,449	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	8,517	-	-	412,444	866,561	390,578
Total disbursements	<u>13,537</u>	<u>372,449</u>	<u>-</u>	<u>412,444</u>	<u>866,561</u>	<u>390,578</u>
Excess (deficiency) of receipts over disbursements	<u>(2,993)</u>	<u>(41,758)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 8,503</u>	<u>\$ 31,959</u>	<u>\$ 15,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Payroll Medicare W/H	Payroll State Tax	Payroll County Tax	Payroll PERF	Payroll Police PERF	Payroll Fire PERF
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	170,782	270,470	117,647	420,003	78,853	97,755
Total receipts	<u>170,782</u>	<u>270,470</u>	<u>117,647</u>	<u>420,003</u>	<u>78,853</u>	<u>97,755</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	170,782	270,470	117,647	420,003	78,853	97,755
Total disbursements	<u>170,782</u>	<u>270,470</u>	<u>117,647</u>	<u>420,003</u>	<u>78,853</u>	<u>97,755</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Payroll Boston Life	Payroll Vision Insurance	Payroll Health Insurance	Payroll Life Insurance	Payroll Accident In - AFLAC	Payroll Fire Dues
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,408	16,268	2,471,319	19,038	14,027	20,559
Total receipts	<u>2,408</u>	<u>16,268</u>	<u>2,471,319</u>	<u>19,038</u>	<u>14,027</u>	<u>20,559</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,408	16,268	2,471,319	19,038	14,027	20,559
Total disbursements	<u>2,408</u>	<u>16,268</u>	<u>2,471,319</u>	<u>19,038</u>	<u>14,027</u>	<u>20,559</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Payroll 457 - AUL	Payroll Union Dues	Payroll Garnishments	Section 125	Payroll AUL Life	Fire PAC
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	216,491	18,641	47,017	32,306	20,151	753
Total receipts	<u>216,491</u>	<u>18,641</u>	<u>47,017</u>	<u>32,306</u>	<u>20,151</u>	<u>753</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	216,491	18,641	47,017	32,306	20,151	753
Total disbursements	<u>216,491</u>	<u>18,641</u>	<u>47,017</u>	<u>32,306</u>	<u>20,151</u>	<u>753</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Payroll Direct Deposit	Payroll 457 - Am	Payroll - Liberty National	Payroll - Continental Am	Sewage Operating	Sewage Plant Depreciation
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 524,611	\$ 736,497
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	4,472,407	-
Other receipts	5,357,831	31,013	2,187	7,096	201,345	396,500
Total receipts	<u>5,357,831</u>	<u>31,013</u>	<u>2,187</u>	<u>7,096</u>	<u>4,673,752</u>	<u>396,500</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	671,692
Utility operating expenses	-	-	-	-	2,632,777	-
Other disbursements	5,357,831	31,013	2,187	7,096	2,513,392	210,454
Total disbursements	<u>5,357,831</u>	<u>31,013</u>	<u>2,187</u>	<u>7,096</u>	<u>5,146,169</u>	<u>882,146</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	(472,417)	(485,646)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,194</u>	<u>\$ 250,851</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Sewage Plant Bond and Interest	Sewage Debt Reserve	2011 WPC SRF	2013 SRF - Frederick Street	2013B WW - Rabbit Run	Water Operating
Cash and investments - beginning	\$ 1,563,892	\$ 1,102,340	\$ -	\$ -	\$ -	\$ 569,528
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	3,419,100
Other receipts	1,919,189	206,956	8,988,704	2,127,794	14,260,000	145
Total receipts	1,919,189	206,956	8,988,704	2,127,794	14,260,000	3,419,245
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	1,495,100	-	-	-	-	-
Capital outlay	-	-	8,988,704	517,083	77,443	-
Utility operating expenses	-	-	-	-	-	2,756,789
Other disbursements	-	-	-	1,610,711	-	1,085,967
Total disbursements	1,495,100	-	8,988,704	2,127,794	77,443	3,842,756
Excess (deficiency) of receipts over disbursements	424,089	206,956	-	-	14,182,557	(423,511)
Cash and investments - ending	<u>\$ 1,987,981</u>	<u>\$ 1,309,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,182,557</u>	<u>\$ 146,017</u>

CITY OF HUNTINGTON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Water Construction	Water Depreciation	2011 SRF Water B and I	2011 SRF Water Debt Reserve	2011 SRF Water Construction	Totals
Cash and investments - beginning	\$ 342,921	\$ 304,035	\$ 352,955	\$ 211,887	\$ 1,101,996	\$ 21,271,059
Receipts:						
Taxes	-	-	-	-	-	8,748,301
Licenses and permits	-	-	-	-	-	9,959
Intergovernmental	-	-	-	-	-	7,531,357
Charges for services	-	-	-	-	-	1,003,431
Fines and forfeits	-	-	-	-	-	13,793
Utility fees	-	-	-	-	-	7,891,507
Other receipts	75,525	239,000	705,708	141,258	-	45,449,954
Total receipts	<u>75,525</u>	<u>239,000</u>	<u>705,708</u>	<u>141,258</u>	<u>-</u>	<u>70,648,302</u>
Disbursements:						
Personal services	-	-	-	-	-	8,256,439
Supplies	-	-	-	-	-	442,758
Other services and charges	-	-	-	-	-	4,315,413
Debt service - principal and interest	-	-	705,859	-	-	3,430,215
Capital outlay	-	326,511	-	-	921,835	14,037,907
Utility operating expenses	-	-	-	-	-	5,389,566
Other disbursements	44,566	-	-	-	173,334	21,512,615
Total disbursements	<u>44,566</u>	<u>326,511</u>	<u>705,859</u>	<u>-</u>	<u>1,095,169</u>	<u>57,384,913</u>
Excess (deficiency) of receipts over disbursements	<u>30,959</u>	<u>(87,511)</u>	<u>(151)</u>	<u>141,258</u>	<u>(1,095,169)</u>	<u>13,263,389</u>
Cash and investments - ending	<u>\$ 373,880</u>	<u>\$ 216,524</u>	<u>\$ 352,804</u>	<u>\$ 353,145</u>	<u>\$ 6,827</u>	<u>\$ 34,534,448</u>

CITY OF HUNTINGTON
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2013

<u>Governmental or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Wastewater	\$ 138,255	\$ 487,263
Water	159,627	399,406
Governmental activities	<u>165,967</u>	<u>263,100</u>
Totals	<u>\$ 463,849</u>	<u>\$ 1,149,769</u>

CITY OF HUNTINGTON
SCHEDULE OF LEASES AND DEBT
December 31, 2013

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	Kroger TIF	\$ 526,010	\$ 43,393
General obligation bonds	Equipment purchase street dept	725,000	162,118
General obligation bonds	Storm Water Project refinance	1,090,000	159,082
General obligation bonds	Cinergy Metronet TIF	1,500,000	-
Notes and loans payable	Storm Water Bond SRF	<u>1,459,000</u>	<u>209,247</u>
Total governmental activities		<u>5,300,010</u>	<u>573,840</u>
Wastewater:			
Revenue bonds	Wastewater Improvements 2003	635,000	121,914
Revenue bonds	Wastewater Improvements 2008	3,685,000	785,353
Notes and loans payable	Sewer Separation SRF 2008	3,466,000	119,865
Notes and loans payable	Waste Water Plant Improvements SRF 2011	11,592,087	696,240
Notes and loans payable	Sewage Separation SRF 2013 Frederick St	2,127,794	399,463
Notes and loans payable	Sewage Separation SRF 2013B Rabbit Run	<u>14,260,000</u>	<u>180,420</u>
Total Wastewater		<u>35,765,881</u>	<u>2,303,255</u>
Water:			
Notes and loans payable	Water Plant SRF	<u>9,840,000</u>	<u>705,457</u>
Totals		<u>\$ 50,905,891</u>	<u>\$ 3,582,552</u>

CITY OF HUNTINGTON
SCHEDULE OF CAPITAL ASSETS
December 31, 2013

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 234,527
Infrastructure	2,176,481
Buildings	8,591,690
Improvements other than buildings	2,463,209
Machinery, equipment, and vehicles	7,637,221
Total governmental activities	21,103,128
Wastewater:	
Land	142,120
Buildings	9,245,836
Improvements other than buildings	28,591,114
Machinery, equipment, and vehicles	2,440,468
Construction in progress	17,651,111
Total Wastewater	58,070,649
Water:	
Land	539,979
Buildings	8,334,900
Improvements other than buildings	16,987,170
Machinery, equipment, and vehicles	2,666,581
Construction in progress	1,360,144
Total Water	29,888,774
Total capital assets	\$ 109,062,551

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
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Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF HUNTINGTON, HUNTINGTON COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the City of Huntington's (City) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2013. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for its major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

April 22, 2014

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the City. The schedule and notes are presented as intended by the City.

CITY OF HUNTINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Indiana Housing and Community Development Authority	14.228		
CDBG Homeowner Repair			HD-011-001	\$ 5,000
Total - CDBG - State-Administered CDBG Cluster				5,000
Total - Department of Housing and Urban Development				5,000
<u>Department of Justice</u>				
Bulletproof Vest Partnership Program	Direct grant	16.607		
Bulletproof Vest Partnership Program			FY2013	2,205
Total - Department of Justice				2,205
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction Sign Project	Indiana Department of Transportation	20.205		
			1173493	1,342
Total - Highway Planning and Construction Cluster				1,342
Highway Safety Cluster				
Alcohol Impaired Driving Countermeasures Incentive Grants I Operation Pull Over	Indiana Criminal Justice Institute	20.601		
			D3-14-8164	6,800
Total - Highway Safety Cluster				6,800
Airport Improvement Program				
Airport Improvement	Direct grant	20.106		
Airport Improvement			3-18-0036-08	41,040
			3-18-0036-12	110,218
Total - Airport Improvement Program				151,258
Total - Department of Transportation				159,400
<u>Environmental Protection Agency</u>				
Capitalization Grants for Clean Water State Revolving Funds				
2011 SRF Waste Water	Indiana Finance Authority	66.458		
2013 SRF WW Frederick St			WW10013503	3,037,065
2013B SRF WW Rabbit Run			WW12352104	708,981
			WW12352105	25,804
Total - Capitalization Grants for Clean Water State Revolving Funds				3,771,850
Capitalization Grants for Drinking Water State Revolving Funds				
2011 SRF Water	Indiana Finance Authority	66.468		
			DW09473502	470,349
Total - Environmental Protection Agency				4,242,199
<u>Department of Homeland Security</u>				
Staffing for Adequate Fire and Emergency Response (SAFER) Fire Safer Grant	Direct grant	97.083		
			EMW-2009-FH-00102	79,977
Total - Department of Homeland Security				79,977
Total federal awards expended				\$ 4,488,781

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards

CITY OF HUNTINGTON
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Huntington (City) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows for the year ended December 31, 2013:

Program Title	Federal CFDA Number	2013
Community Development Block Grants/State's Program And Non-Entitlement Grants in Hawaii	14.228	\$ <u>5,000</u>

CITY OF HUNTINGTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	no
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Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the City. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.