FY 2027 Budget Message

Vision for a Safer, More Resilient, and Thriving Huntington: A Budget to Drive Growth and Prosperity

Mayor Patrick Farrell

March 7, 2026

City Charter Requirements

Section 10.2 Submission of Budget and Budget Message

On or before the fifteenth day of February of each year, the Mayor shall *submit* to Council the budget for the next fiscal year and an accompanying message.

Section 10.3 Budget Message

The Mayor's budget message shall *explain* the budget, both in fiscal terms and in terms of work programs. It shall *outline* proposed financial policies of the City for the next fiscal year, *describe* important features of the budget, *indicate* major changes from the current year in financial policies, expenditures and revenues together with the reason for the changes, *summarize* the City's debt position and include such other material as the Mayor deems desirable.

Section 10.5 Capital Program

The Mayor shall *prepare and submit* to Council a five-year capital program concurrently with the submission of the annual budget.

FY 2027 Budget Executive Summary

Balanced & Disciplined : $87,454,313 structurally balanced budget with conservative revenue assumptions

Year-Over-Year Context: Overall increase primarily reflects an increase in grant-funded projects, with General Fund operations remaining stable

Financial Position: Projected ~$10 million unassigned fund balance while moving toward the 2-month ($11.5 million) resiliency benchmark

Operational Improvements: Insurance risk adjustments and department allocations improve cost control

Long-Term Stewardship: Pension, OPEB, and environmental obligations disclosed and managed

FY 2027 Focus: Prioritizing Public Safety, Infrastructure, and Economic Growth

The City Means the Entire City

City of Huntington

Revenue Producing

General Fund

Coal Severance Special Revenue Fund

Water Quality Board (Sanitary Board, Stormwater Utility)

Huntington Municipal Development Authority (Huntington in Bloom, Downtown Investment LLC)

Huntington Municipal Parking Board

Opioid Settlement Special Revenue Fund

Sanitation and Trash (Enterprise Fund)

Marshall Health Network Arena (Enterprise Fund)

Non-Revenue Producing

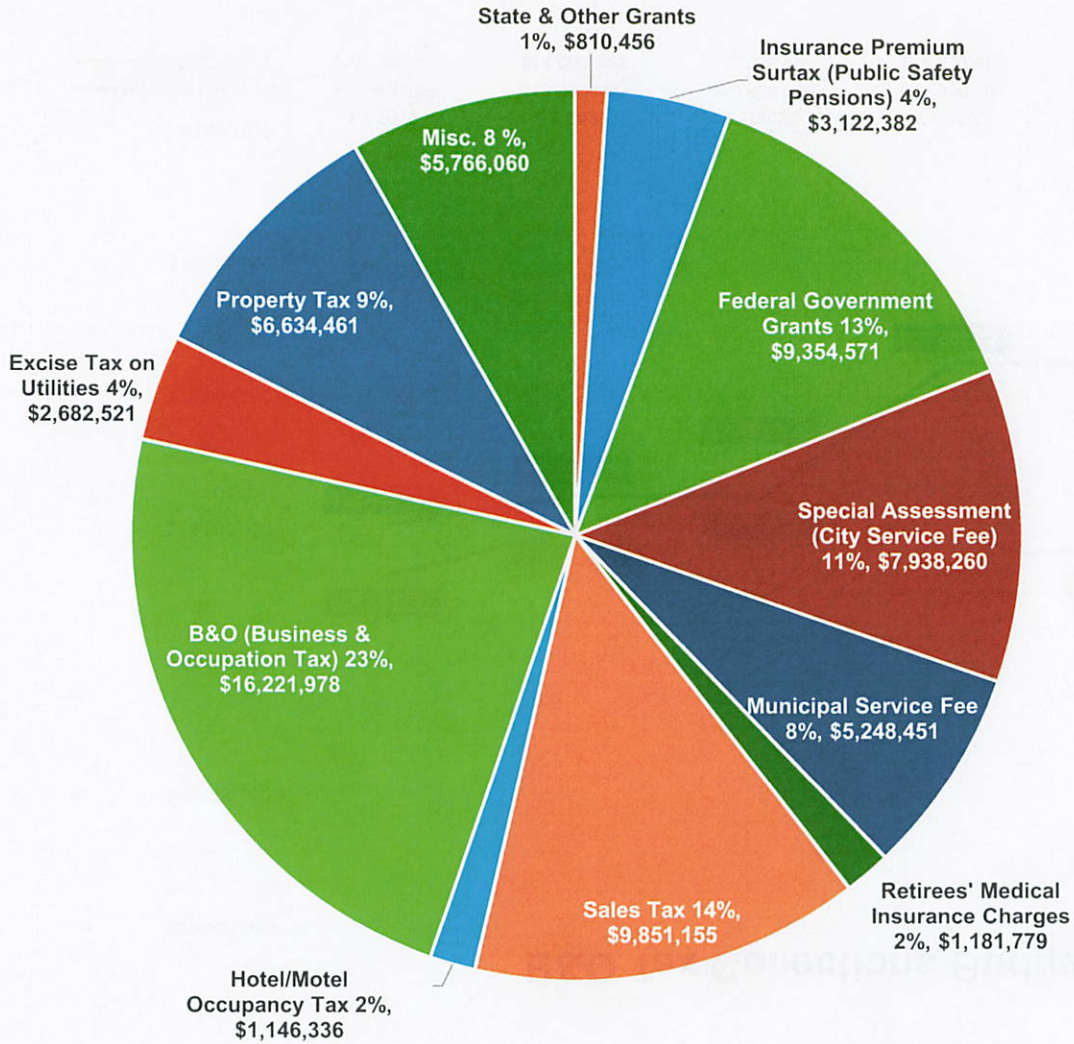
Huntington Building Commission

Huntington Urban Renewal Agency/Land Reuse Agency

Community Development Block Grant/HOME Investment Partnership Program/Emergency Solutions Grant

AD Lewis Community Center

2025 Actual General Fund Revenue



Taxes

- B&O (Business & Occupation) Tax makes up 23%
- Sales Tax makes up 14%

Fees

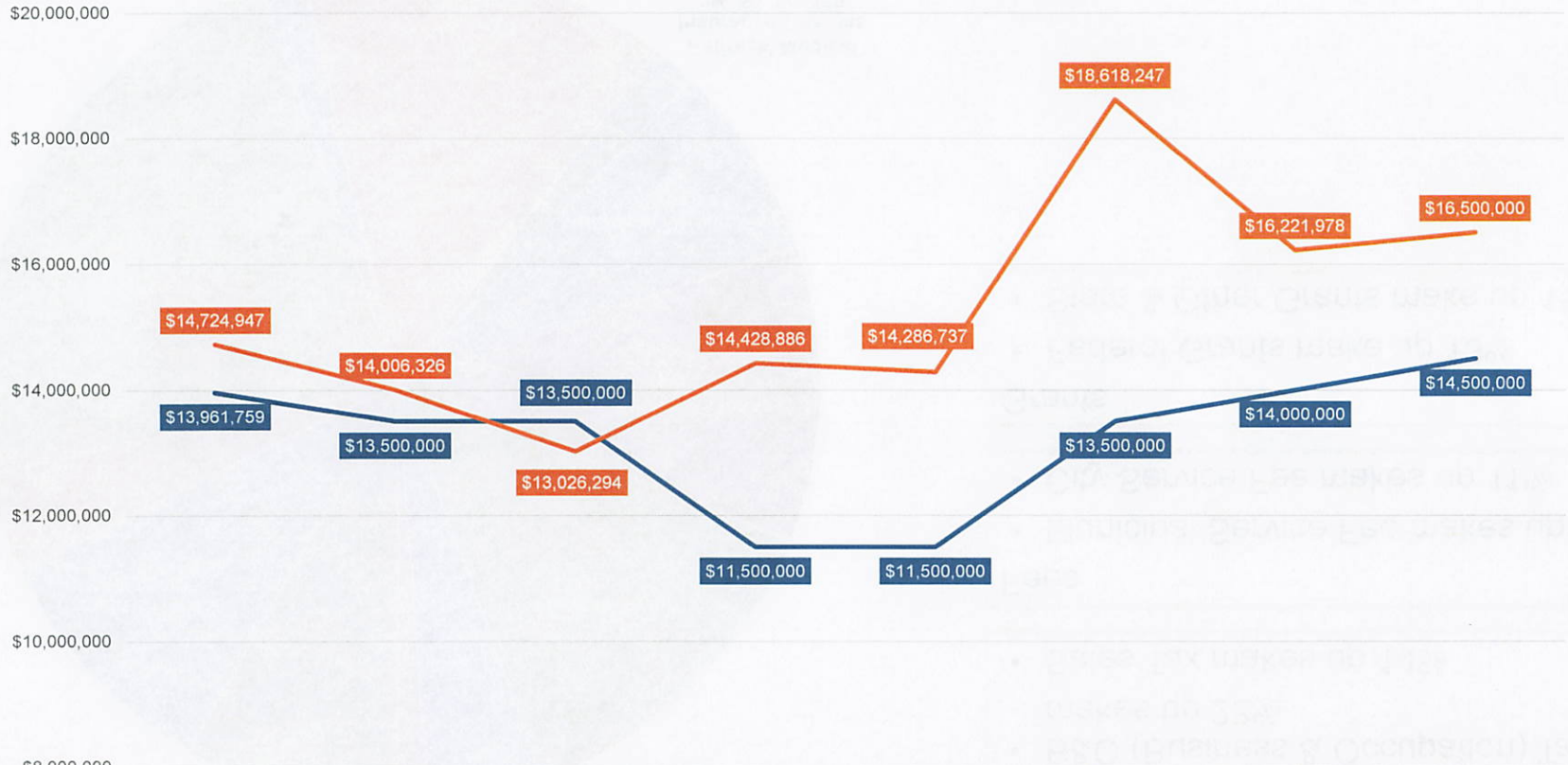
- Municipal Service Fee makes up 8%
- City Service Fee makes up 11%

Grants

- Federal Grants make up 13%
- State & Other Grants make up 1%

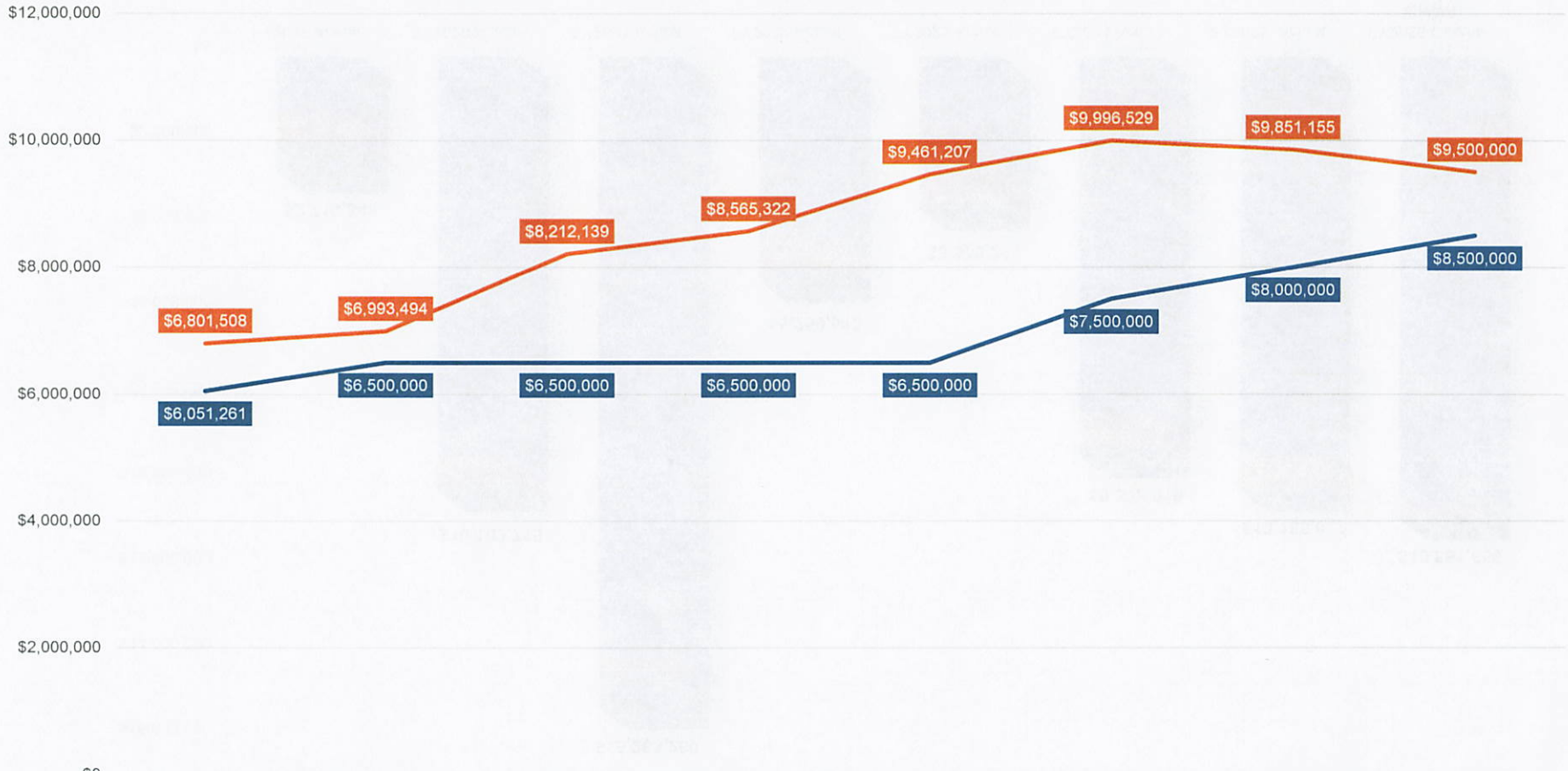
Note: Fund Balance Not Included

B&O Tax Collections Budgeted vs Actual



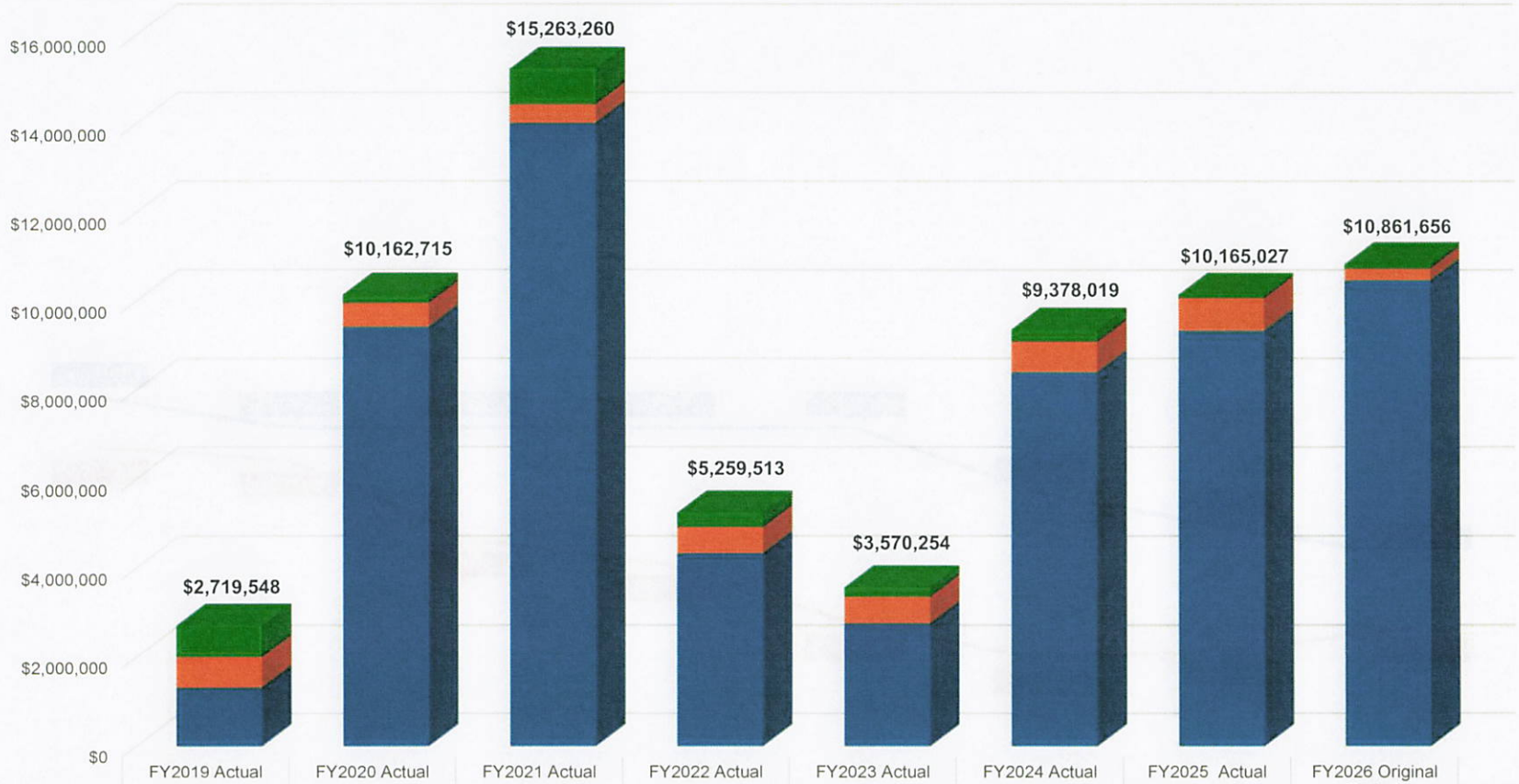
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 (est)
Budgeted B&O Tax	$13,961,759	$13,500,000	$13,500,000	$11,500,000	$11,500,000	$13,500,000	$14,000,000	$14,500,000
Actual B&O Tax	$14,724,947	$14,006,326	$13,026,294	$14,428,886	$14,286,737	$18,618,247	$16,221,978	$16,500,000

Sales Tax Collections Budgeted vs Actual



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 (est)
Budgeted Sales Tax	$6,051,261	$6,500,000	$6,500,000	$6,500,000	$6,500,000	$7,500,000	$8,000,000	$8,500,000
Actual Sales Tax	$6,801,508	$6,993,494	$8,212,139	$8,565,322	$9,461,207	$9,996,529	$9,851,155	$9,500,000

Total Grant Revenue



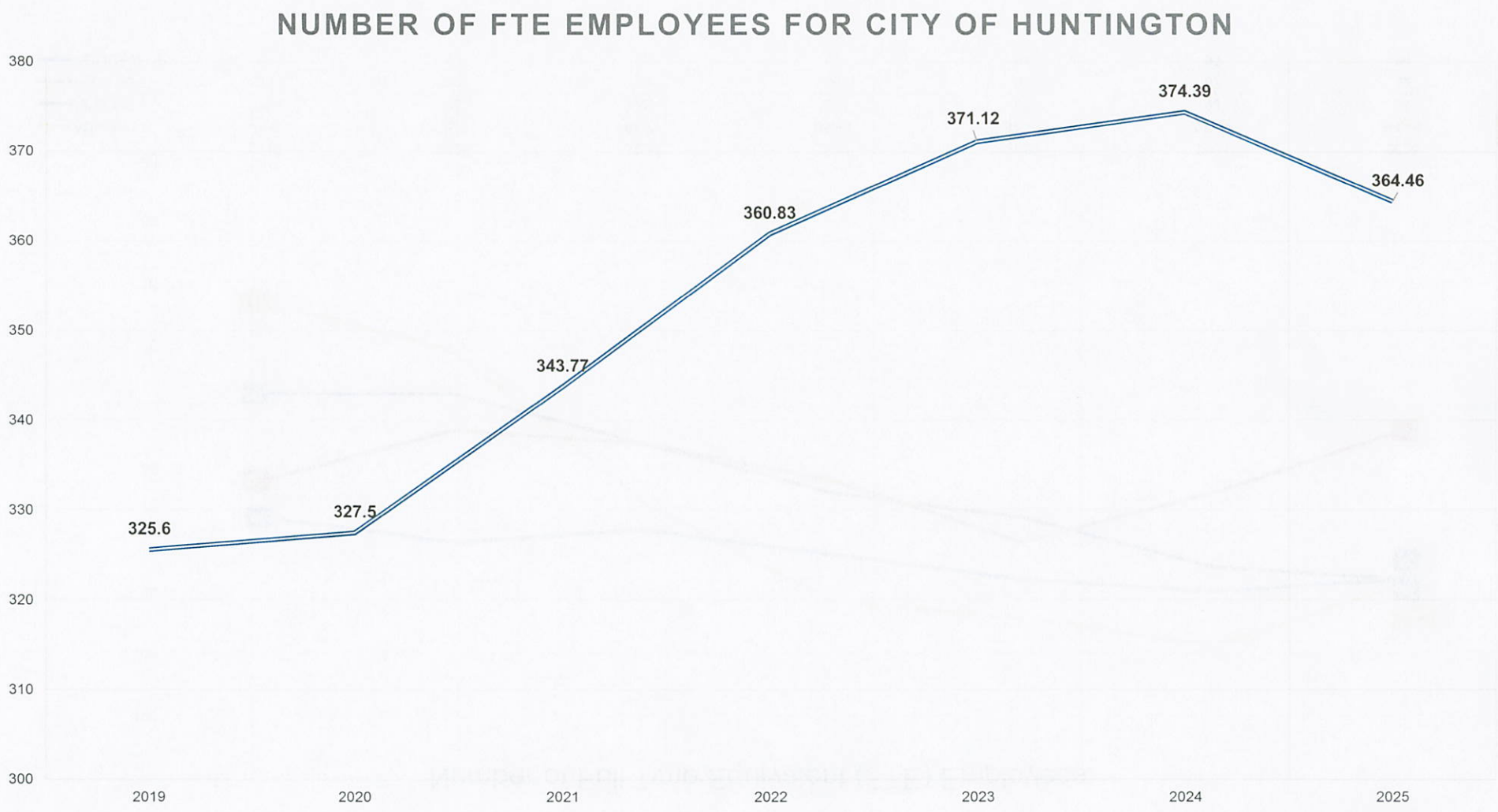
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Original Budget
OTHER GRANTS	$717,984	$189,149	$805,982	$332,238	$214,682	$275,341	$77,476	$100,000
STATE GOVERNMENT GRANTS	$685,487	$535,171	$417,039	$586,915	$587,393	$678,818	$732,980	$270,000
FEDERAL GOVERNMENT GRANTS	$1,316,077	$9,438,395	$14,040,239	$4,340,360	$2,768,179	$8,423,860	$9,354,571	$10,491,656

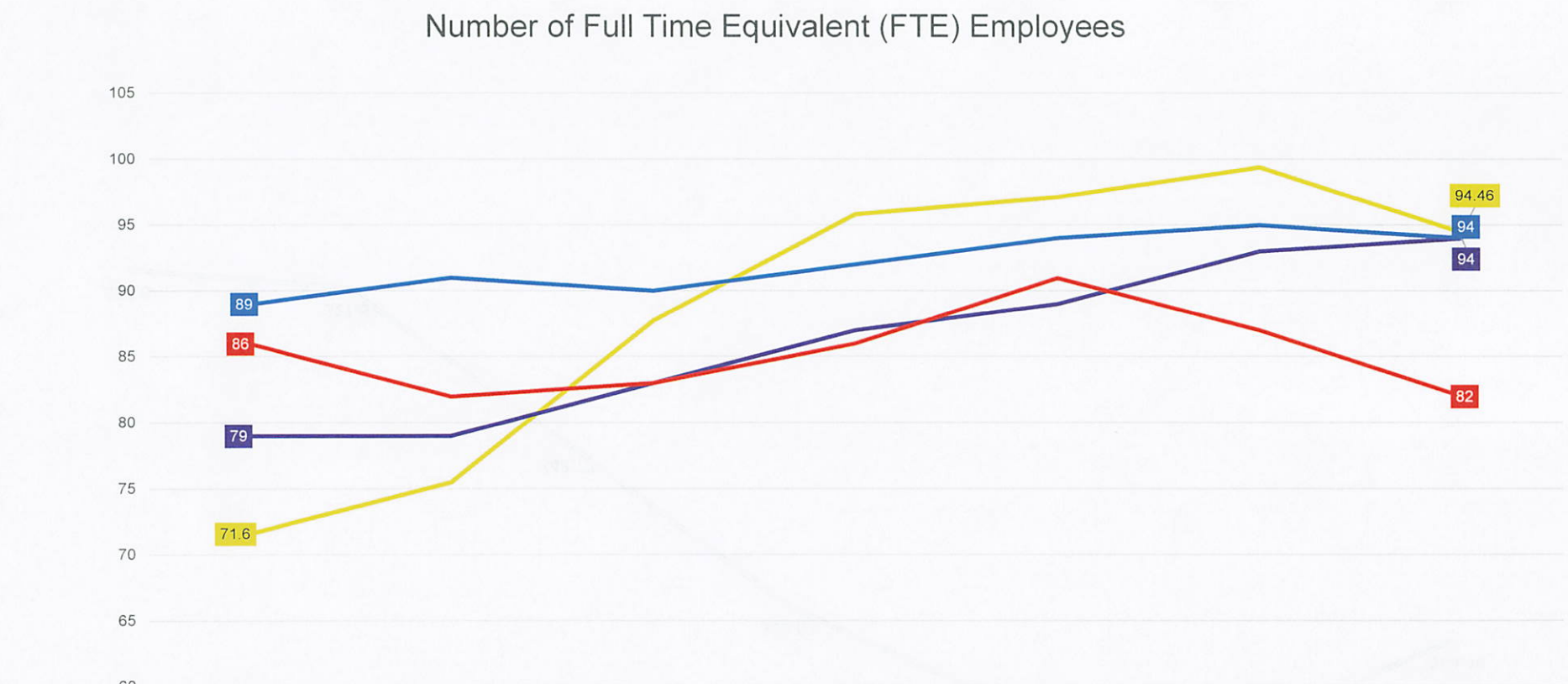
All Revenue - Budgeted vs Actual

	2019	2020	2021	2022	2023	2024	2025	2026 (Est)
Budgeted Revenue	$59,211,157	$60,670,538	$58,315,812	$68,364,971	$65,710,815	$70,269,644	$77,788,482	$78,045,814
Actual Revenue	$64,074,017	$72,379,364	$83,112,558	$106,042,513	$88,225,022	$86,416,471	$85,025,279	$78,045,814

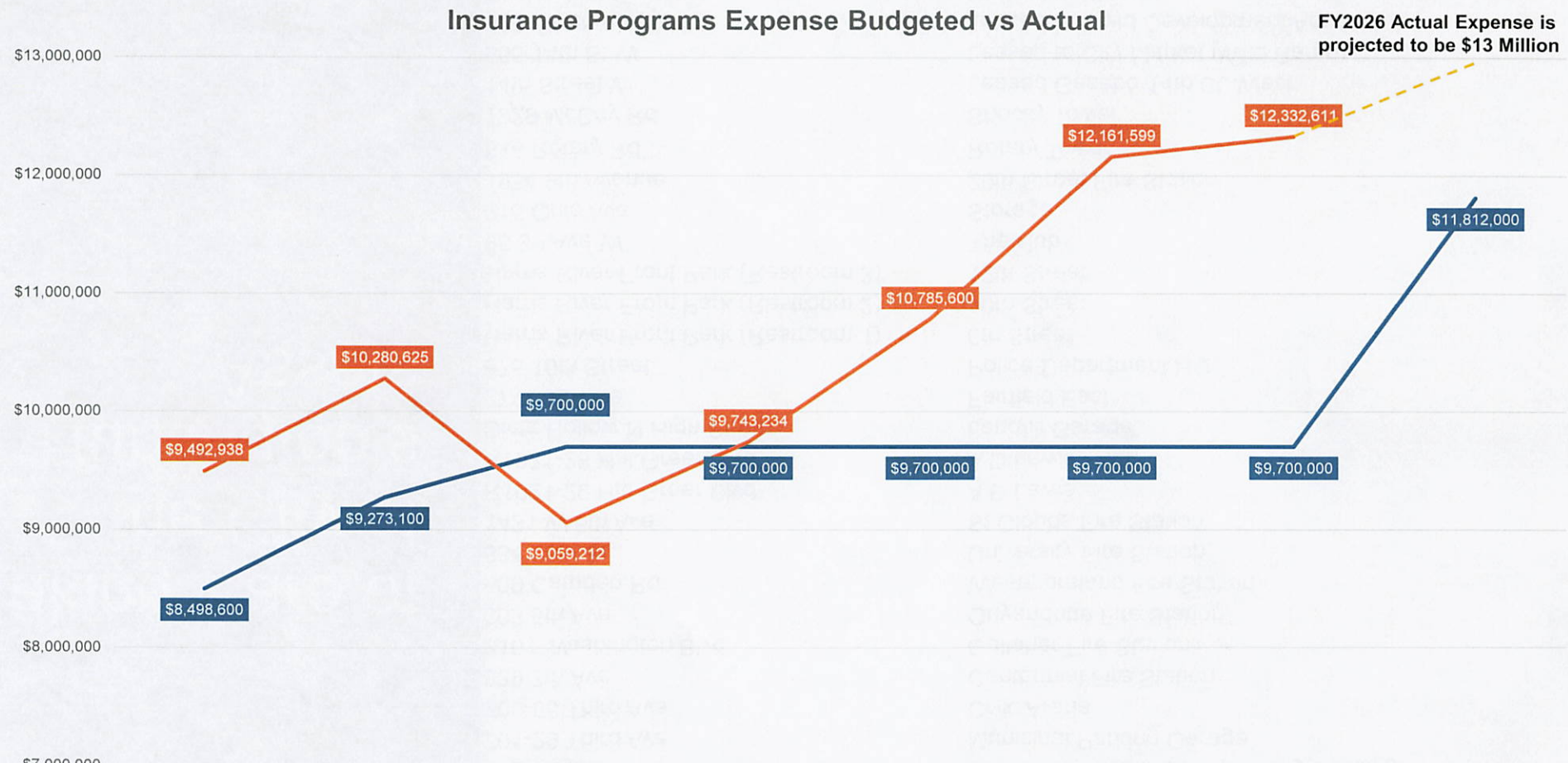
All Expenses - Budgeted vs Actual Including Proposed 2026

	2019	2020	2021	2022	2023	2024	2025	2026 (est)
Budgeted Revenue	$59,211,157	$60,670,538	$58,315,812	$68,364,971	$65,710,815	$70,269,644	$77,788,482	$78,045,814
Actual Revenue	$58,923,479	$63,564,251	$73,897,541	$91,650,433	$74,281,037	$70,736,789	$72,708,637	$78,045,814


NUMBER OF FTE EMPLOYEES FOR CITY OF HUNTINGTON
380
370
360
350
340
330
320
310
300
325.6
327.5
343.77
360.83
371.12
374.39
364.46
2019
2020
2021
2022
2023
2024
2025



	2019	2020	2021	2022	2023	2024	2025
ADMIN	71.6	75.5	87.77	95.83	97.12	99.39	94.46
AFSCME	79	79	83	87	89	93	94
FIRE/ IAFF	86	82	83	86	91	87	82
POLICE /FOP	89	91	90	92	94	95	94



	2019	2020	2021	2022	2023	2024	2025	2026
Budgeted	$8,498,600	$9,273,100	$9,700,000	$9,700,000	$9,700,000	$9,700,000	$9,700,000	$11,812,000
Actual	$9,492,938	$10,280,625	$9,059,212	$9,743,234	$10,785,600	$12,161,599	$12,332,611	

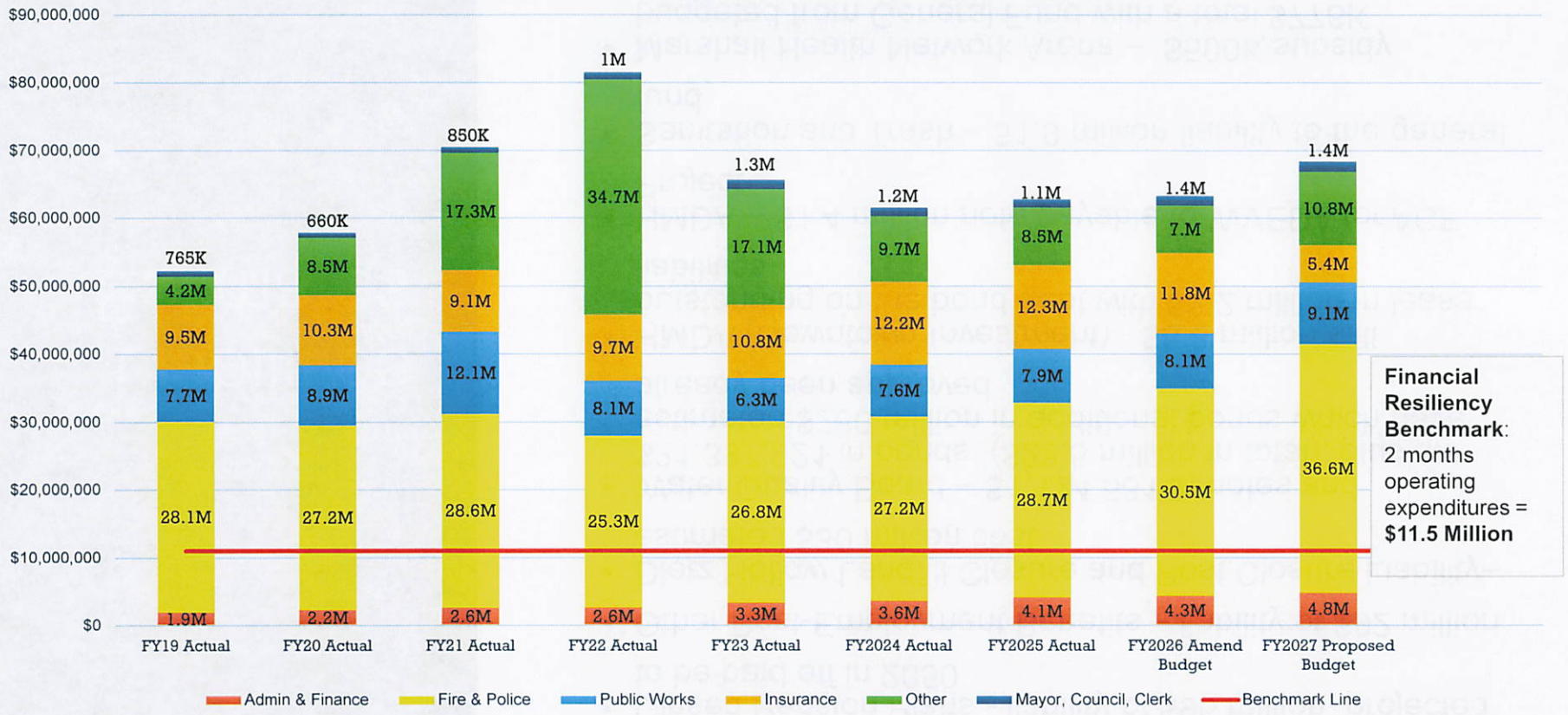
Taking Care of the City of Huntington's Assets

Location	Description
800 Fifth Avenue	City Hall
423-29 Second Ave	Repair Garage
800 Virginia Ave	Public Works Complex (Armory Building)
701-29 Third Ave	Municipal Parking Garage
700-56 Third Ave	Civic Arena
839 7th Ave	Centennial Fire Station
3101 Washington Blvd	Gallaher Fire Station
303 5th Ave	Guyandotte Fire Station
509 Camden Rd	Westmoreland Fire Station
534 20th St	University Fire Station
1431 W 5th Ave	St Clouds Fire Station
R1021-29 Hal Greer Blvd	A D Lewis
R1021-29 Hal Greer Blvd	A D Lewis Pool
Dietz Hollow N High Street	Landfill Garage
2711 8th Ave	Fairfield East
675 10th Street	Police Department HQ
Harris River Front Park (Restroom 1)	6th Street
Harris River Front Park (Restroom 2)	10th Street
Harris River Front Park (Restroom 3)	12th Street
96 3rd Ave W	The Hub
215 Ohio Ave	Storage
1954 9th Avenue	20th Street Fire Station
518 Rotary Rd	Rotary Tower
1929 McCoy Rd	Shocky Tower
14th Street W	Leased Gazebo 14th St. West
555 14th St W	Leased to City Market (Wild Ramp)
625A Richmond St	Leased to Child Development Academy
71 Washington Ave	Leased to Kiwanis
307 5th Avenue	Leased to Valley Health

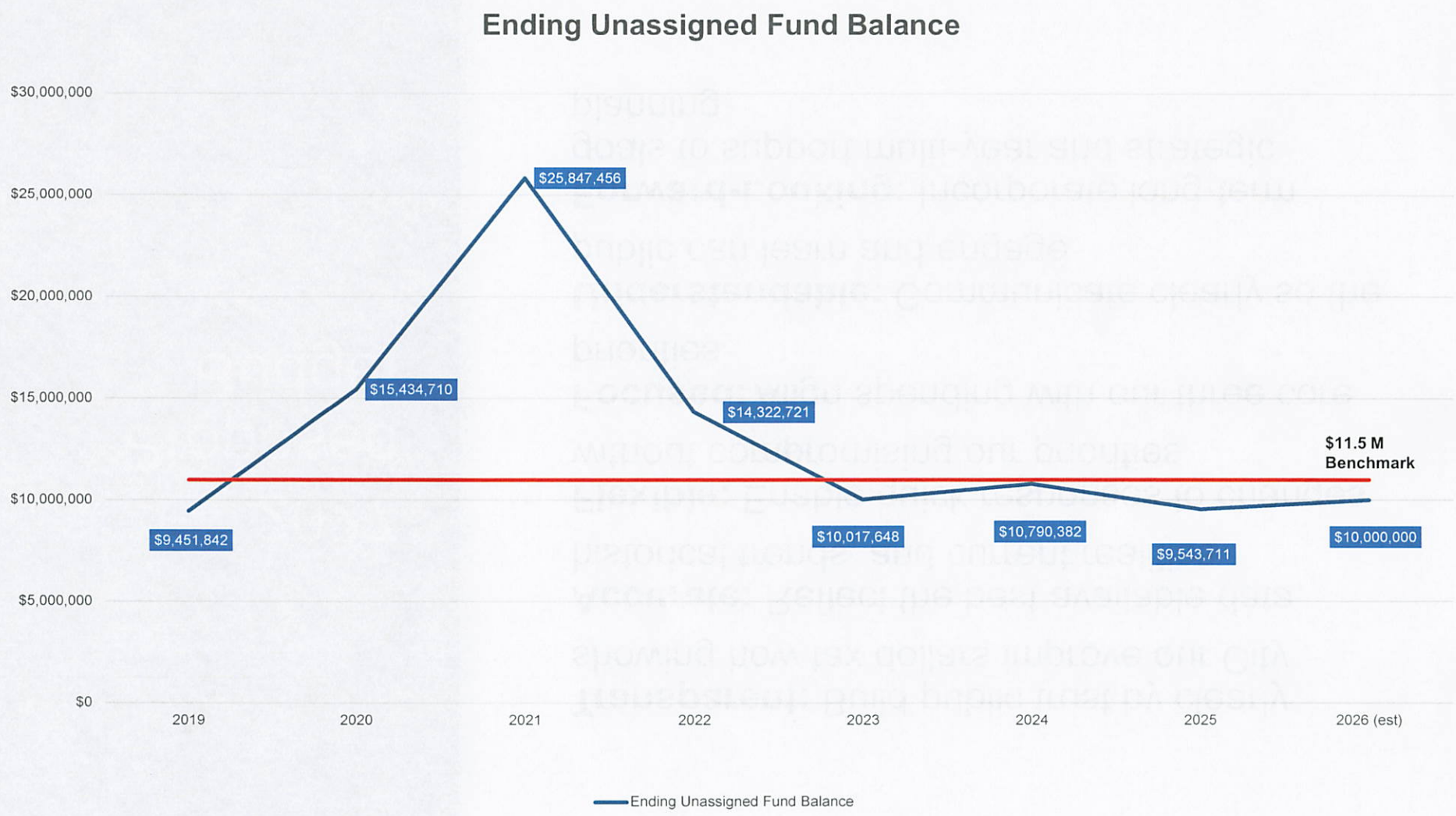
Liabilities Estimates

- Closed Pension Plans - liability of $96 million, projected to be paid off in 2050
- Other Post-Employment Benefits – liability of $92 million
- Dietz Hollow Landfill Closure and Post Closure Liability– estimated $30 million cost
- Water Quality Board – $1,124,561 in notes and $21,397,921 in bonds ($22.5 million in total), plus an estimated $260 million in additional bonds which have already been approved
- HMDA (Downtown Investment) - $5.8 million still outstanding on the bond debt with $2.2 million in lease liabilities
- HMDA – $1.4 million note payable to WVEDA for ACF Project
- Sanitation and Trash – $1.9 million liability to the general fund
- Marshall Health Network Arena – $500K subsidy budgeted from General Fund with a total $776K operating deficit last year (FY 2025)
- HURA/Land Reuse Agency – $460K due to General Fund

Defining Financial Resiliency



Financial Resiliency Benchmark: 2 months operating expenditures = **$11.5 Million**


Ending Unassigned Fund Balance
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
$25,847,456
$15,434,710
$14,322,721
$11.5 M
Benchmark
$9,451,842
$10,017,648
$10,790,382
$9,543,711
$10,000,000
2019
2020
2021
2022
2023
2024
2025
2026 (est)
Ending Unassigned Fund Balance

FY 2027 Proposed Budget

Transparent: Build public trust by clearly showing how tax dollars improve our City

Accurate: Reflect the best available data, historical trends, and current realities

Flexible: Enable quick responses to changes without compromising our priorities

Focused: Align spending with our three core priorities

Understandable: Communicate clearly so the public can learn and engage

Forward-Looking: Incorporate long-term goals to support multi-year and strategic planning

Financial Principles

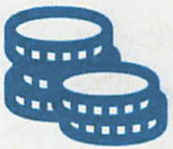
FINANCIAL RESILIENCY

- Ensure that the City has resources to last **two months** for operating expenditures in case of emergency
- Plan for quarterly **cash flow** issues

ALLOCATING RESOURCES BASED ON OUR PRIORITIES

- Prioritize **Public Safety** so people want to come to Huntington
- Invest in **Infrastructure** essential to our vision
- **Economic Growth** driving business to Huntington

KEEPING SPENDING WITHIN OUR MEANS



- **Budget conservatively** to deal with fluctuations in economic trends
- **Grow the population,** not taxes and fees

All Revenue - Budgeted vs Actual Including Proposed 2027

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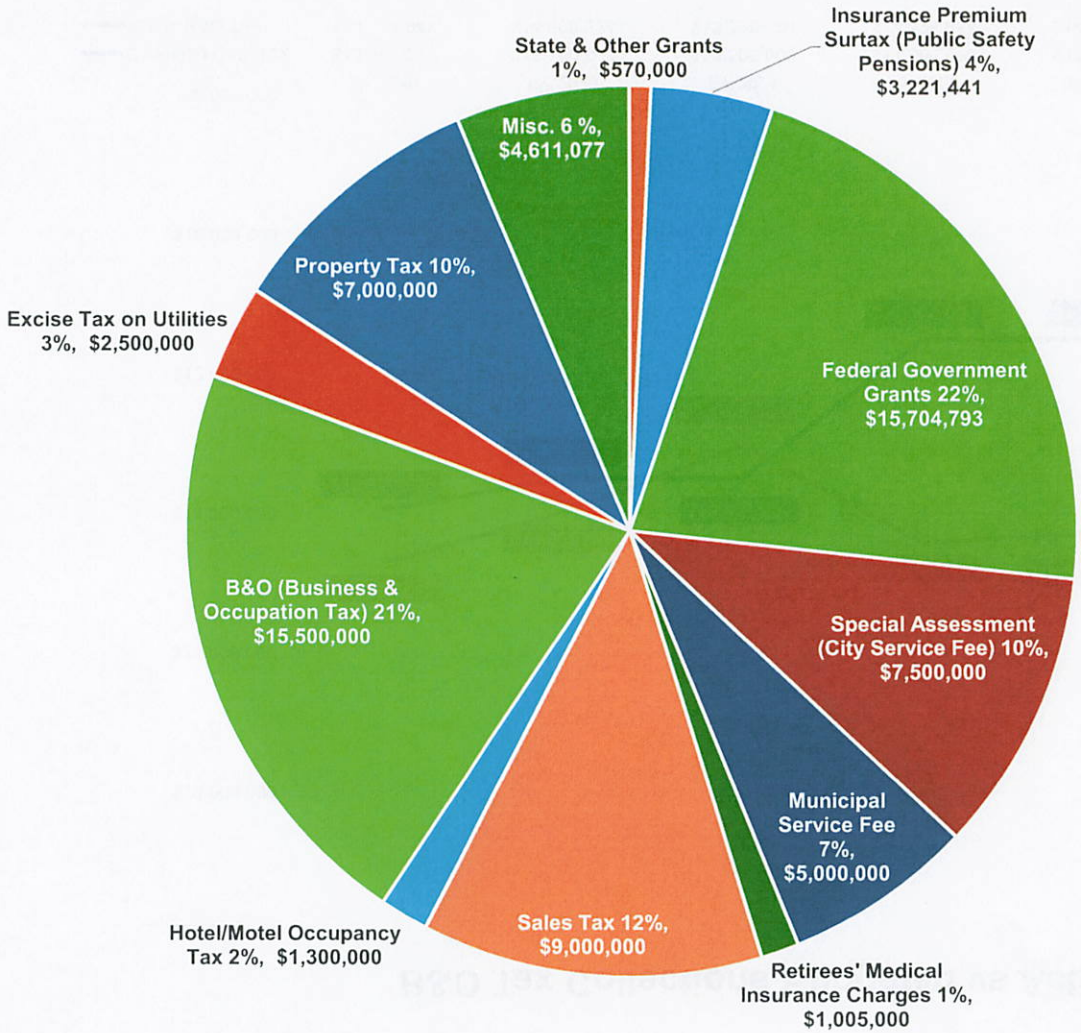
FY 2027 Proposed General Fund Operating Revenue



Taxes

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Fees

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- City Service Fee makes up 10%

Grants

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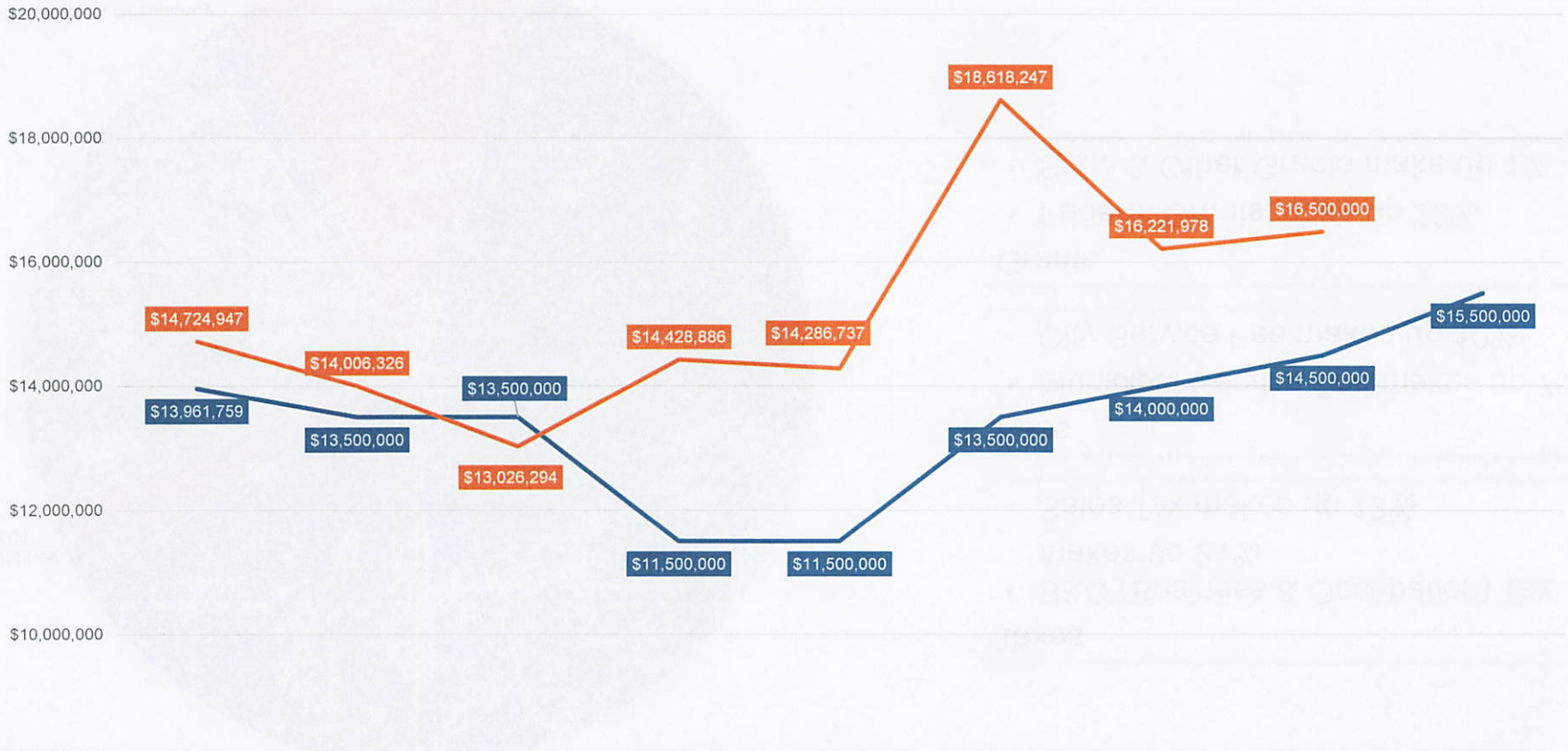
B&O Tax Collections Budgeted vs Actual Including Proposed 2027



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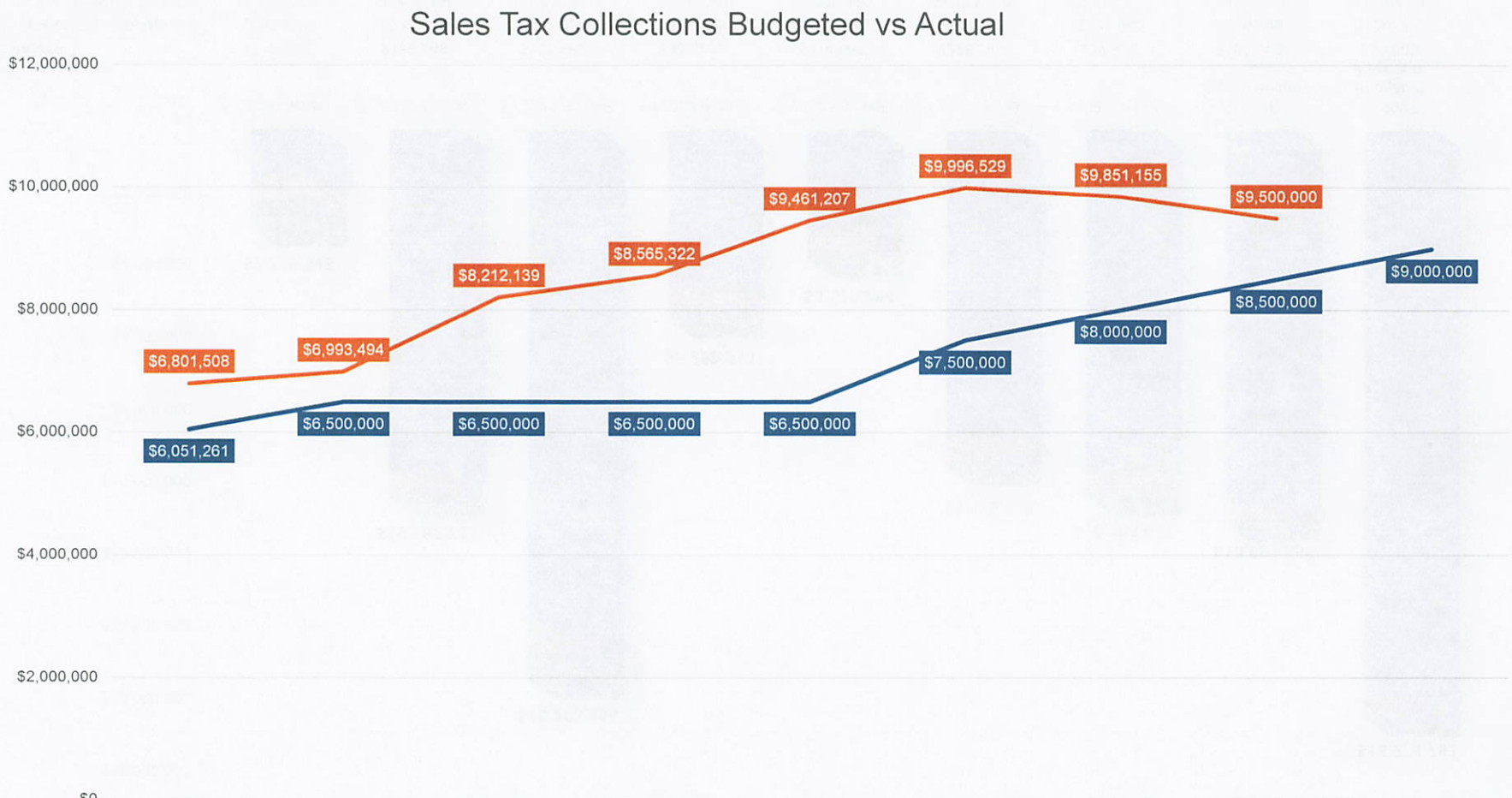

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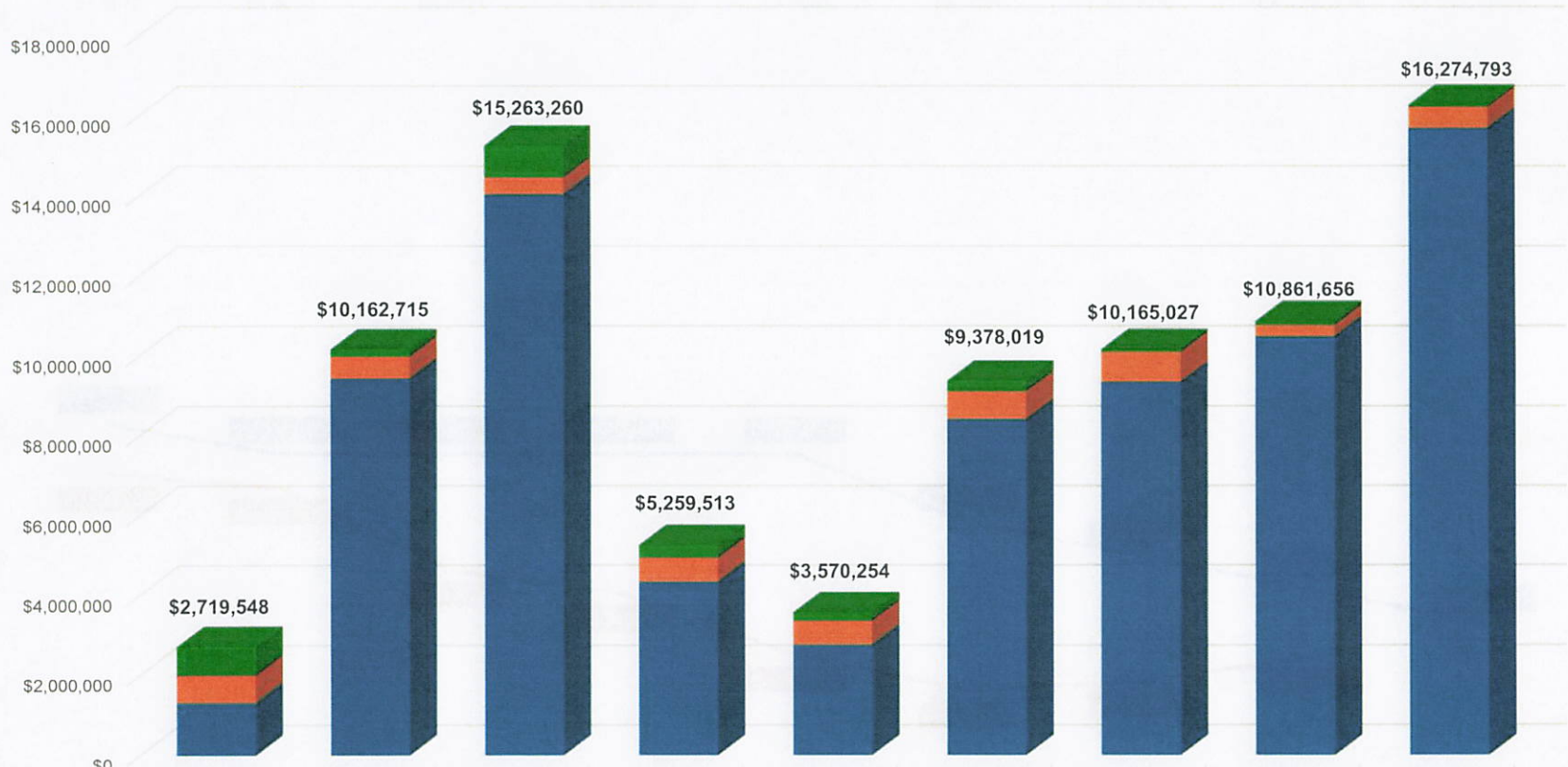
Total Grant Revenue



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Priorities for Huntington

Public Safety	Infrastructure	Economic Growth
Make Huntington Safer	Invest in Infrastructure	Create an Environment that Grows the Economy

Public Safety Highlights

FY27 continues patrol presence, investments in training and equipment, and capital projects.

- Support for the Huntington Homeless Services Hub
- Additional HPD training funds for a new polygraph examiner
- HPD vehicles, drones, and rifles
- Expansion of fire marshal's office
- Westmoreland Fire Station on schedule to be completed by the end of summer
- Replacement of HFD Station 1 roof
- Emergency generators at Fire Stations 1, 4, and 5.

Infrastructure Highlights

FY27 sustains flood mitigation, street construction, and bridge replacement

- Enslow Park/Harveytown: State-funded Fourpole Creek bridge replacements will continue
- Guyandotte: Dietz Hollow Landfill Closure
- Highlawn: Street construction along the 24th Street corridor
- Westmoreland: $260+ million Wastewater Treatment Plant expansion underway to protect public health and support future development
- Downtown: Roof replacement and elevators repair/replacement at the HMPB garage

Economic Growth Highlights

Growing Opportunity Without Raising Fees or Taxes

Leveraging housing, redevelopment, and university partnership to reverse long-term population decline

- Fairfield: Northcott/Marshall Med School Project
- Highlawn: $50M redevelopment advancing
- Downtown: Cybersecurity building is on schedule
- HTS Airport project update
- Housing: Live Huntington tax relief supporting new construction and existing homes renovations

"My vision for our great City is for Huntington to be the vibrant Jewel City that is the catalyst for growth and prosperity throughout our region. I want us to be a safe, healthy, and welcoming community for everybody who calls this place home.

To do that, we don't need to do anything extraordinary. We just need to do ordinary things extraordinarily well. That begins with providing the essential services needed to ensure public safety, maintain the infrastructure, and enhance the quality of life for our residents.

My administration will do that by focusing our resources, your taxpayer dollars, on our greatest challenges. You'll be able to see evidence of these priorities in the next budget."

- Mayor Farrell's Inaugural Address, January 2, 2025

CITY OF HUNTINGTON

West Virginia 1871