

PERRY

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PASSION *Beyond the Numbers*

**CITY OF HUNTINGTON,
WEST VIRGINIA
- A CLASS II MUNICIPALITY -
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
RFP #24-075
CABELL COUNTY**

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**CITY OF HUNTINGTON, WEST VIRGINIA
MUNICIPAL OFFICIALS
JUNE 30, 2025**

<u>Office</u>	<u>Name</u>	<u>Term</u>
Mayor:	Patrick Farrell	01/01/25-12/31/28
Council Members:	Mike Shockley	01/01/25-12/31/28
	Sarah Walling	01/01/25-12/31/28
	Holly Smith Mount	01/01/25-12/31/28
	Jason Arthur	01/01/25-12/31/28
	Todd Sweeney	01/01/25-12/31/28
	Tia Rumbaugh	01/01/25-12/31/28
	Teresa Johnson	01/01/25-12/31/28
	Linda Blough	01/01/25-12/31/28
	Stacy Jo Holley	01/01/25-12/31/28
	Ally Layman	01/01/25-12/31/28
	Rob Archer	01/01/25-12/31/28

Appointive

Finance Director:	Kathy Burks-Sullivan
City Attorney:	Scott Damron
City Clerk:	Barbara Miller

**CITY OF HUNTINGTON, WEST VIRGINIA
SCHEDULE OF FUNDS
YEAR ENDED JUNE 30, 2025**

GOVERNMENTAL FUND TYPES

Major Governmental Funds

*General Fund
Coal Severance Tax
Community Development Block Grant
American Rescue Plan Act*

Nonmajor Governmental Funds

Special Revenue Funds

Safety Town
Federal Drug
Westmoreland Fire Protection
Jean Dean Public Safety
Opioid Settlement
Urban Renewal/Land Reuse Agency

Capital Projects Funds

Capital Improvements
Landfill Reserve

Debt Service Funds

Tax Increment Financing 1 – Downtown
Tax Increment Financing 2 – Kinetic Park
Tax Increment Financing 3 – Highlawn

PROPRIETARY FUND TYPES

Major Proprietary Funds

Sanitation and Trash
Civic Arena

**CITY OF HUNTINGTON, WEST VIRGINIA
SCHEDULE OF FUNDS
YEAR ENDED JUNE 30, 2025**

FIDUCIARY FUND TYPES

Pension Funds

Policemen's Pension and Relief
Firemen's Pension and Relief

Custodial Fund

Asset Seizure

COMPONENT UNITS

Blended

Huntington Building Commission

Discretely Presented

Municipal Development Authority
Municipal Parking Board
Huntington Broadband Board
Huntington Water Quality Board



INDEPENDENT AUDITOR'S REPORT

City of Huntington
800 Fifth Avenue
Huntington, WV 25717

To the Members of Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Huntington**, West Virginia (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Huntington, West Virginia as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Coal Severance Tax Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note III. L. to the financial statements, during 2025, the Capital Improvements Fund was reclassified from major to nonmajor. Also, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Finally, an error correction was made for Huntington Municipal Development Authority for capital assets disposed of in the prior year that remained recorded in the accounting records. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Other Post-Employment Liability and Related Ratios, Schedule of Contributions – Multiyear for Other Post-Employment Benefits, Schedule of Proportionate Share of the Net OPEB Liability, Schedule of OPEB Contributions, Schedules of Changes in the Net Pension Liability and Related Ratios, Schedules of Investment Returns and the Schedules of Contributions Multiyear for the Police and Fire Pension Relief Funds, Schedules of the Government's Proportionate Share of the Net Pension Liability and the Schedule of Government Contributions on pages 96 - 107 listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, the discretely presented component unit fund financial statements, the Schedule of State Grant Receipts and Expenditures and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2026, 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 and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

March 23, 2026

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Management's discussion and analysis of the City of Huntington's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2025. This information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) 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. Please read this discussion and analysis in conjunction with the City's basic financial statements, which immediately follow this section.

Financial Highlights

The City of Huntington's liabilities plus deferred inflows of resources exceeded assets plus deferred outflows of resources by \$(183,926,776) (net position deficit) at the close of fiscal 2025. For fiscal year 2025, net position increased by \$26,636,916 and decreased by \$3,242,736 in the governmental activities and the business-type activities, respectively.

As of the close of the current fiscal year, governmental funds reported combined ending fund balance of \$34,650,358, an increase of \$2,936,773 from the prior year. As of the close of the current fiscal year, business-type activities reported combined net position deficit of \$(5,416,882), a decrease of \$3,242,736 from the prior year.

Overview of the Financial Statements

This discussion and analysis introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund level financial statements, and (3) notes to the financial statements. The City also includes additional information in this report to supplement the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the latter are excluded from the government-wide financial statements.

As noted previously, for fiscal year 2025, net position increased by \$26,636,916 and decreased by \$3,242,736 in the governmental activities and the business-type activities, respectively. Total primary government revenues were \$86,558,149 with total expenses of \$63,163,969.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. GASB 75 takes an earnings approach to OPEB accounting; however, the nature of West Virginia's statewide OPEB systems and state law governing that system requires additional explanation in order to properly understand the information presented in these statements.

Under GASB 75, the net OPEB asset/liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future OPEB benefits attributable to active and inactive employee's past service.
2. Minus plan assets available to pay these benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net OPEB liability. Changes in OPEB benefits, contribution rates, and return on investments affect the balance of the net OPEB liability but are outside the control of the local government. Due to the unique nature of how the net OPEB liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 75, the City's statements prepared on an accrual basis of accounting include an annual OPEB expense for their proportionate share of each plan's *change* in net OPEB asset/liability not accounted for as deferred inflows/outflows of resources.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities. The City uses funds to demonstrate and ensure compliance and fiscal accountability. All of the funds of the government can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. In governmental and proprietary fund financial statements, major funds are discretely reported while others are combined into a single aggregated presentation.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Also, certain taxpayer-assessed revenues such as business and occupation and utility taxes are accrued as revenue at year end. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Proprietary Funds

The City charges fees to customers to help cover the cost of certain services it provides. The City's Civic Arena, Building Commission, and Sanitation and Trash funds are included here.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Fiduciary funds

Fiduciary funds such as employee pension plans and custodial funds are reported as fiduciary in the fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to City programs.

The pension trust funds account for the resources that are required to be held in trust for the members and beneficiaries of defined benefit plans. These funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting.

The custodial funds are used to account for assets that the City of Huntington holds for others in a custodial capacity.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential for a full understanding of the government-wide and fund level financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's progress in funding its obligations to provided pension benefits and other post-employment benefits (OPEB) to its employees.

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual schedules for non-major and fiduciary funds are presented in a subsequent section of this report.

Government-wide financial analysis

The City's net position at June 30, 2025 is \$(183,926,776), an increase of \$23,394,180 compared to June 30, 2024 net position. Net position increased by \$26,636,916 for governmental activities and decreased by \$3,242,736 for business-type activities.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Summary of Net Position

	Governmental Activities		Business Activities		Total Primary Government		Amount of Change
	2025	2024	2025	2024	2025	2024	
Assets							
Current assets	\$ 40,504,227	\$ 44,682,327	\$ (509,391)	\$ 1,383,196	39,994,836	\$ 46,065,523	\$ (6,070,687)
Capital assets, net	31,487,604	38,272,737	7,190,477	3,789,423	38,678,081	42,062,160	(3,384,079)
Other non-current assets	<u>2,616,643</u>	<u>1,614,406</u>	<u>3,449,699</u>	<u>829,953</u>	<u>6,066,342</u>	<u>2,444,359</u>	<u>3,621,983</u>
Total assets	<u>74,608,474</u>	<u>84,569,470</u>	<u>10,130,785</u>	<u>6,002,572</u>	<u>84,739,259</u>	<u>90,572,042</u>	<u>(5,832,783)</u>
Deferred outflows of resources	<u>6,771,213</u>	<u>7,741,003</u>	<u>403,373</u>	<u>324,067</u>	<u>7,174,586</u>	<u>8,065,070</u>	<u>(890,484)</u>
Liabilities							
Current liabilities	\$ 5,344,743	\$ 12,519,496	\$ 1,504,655	\$ 1,574,165	6,849,398	\$ 14,093,661	\$ (7,244,263)
Non-current liabilities	<u>232,244,736</u>	<u>259,068,818</u>	<u>14,013,384</u>	<u>4,095,876</u>	<u>246,258,120</u>	<u>263,164,694</u>	<u>(16,906,574)</u>
Total liabilities	<u>237,589,479</u>	<u>271,588,314</u>	<u>15,518,039</u>	<u>5,670,041</u>	<u>253,107,518</u>	<u>277,258,355</u>	<u>(24,150,837)</u>
Deferred inflows of resources	<u>22,300,102</u>	<u>24,495,241</u>	<u>433,001</u>	<u>2,722,730</u>	<u>22,733,103</u>	<u>27,217,971</u>	<u>(4,484,868)</u>
Net position							
Net investment in capital assets	\$ 29,615,127	\$ 29,755,803	\$ (1,827,020)	\$ 2,215,095	27,788,107	\$ 31,970,898	\$ (4,182,791)
Restricted	17,104,415	11,278,514	142,436	3,921	17,246,851	11,282,435	5,964,416
Unrestricted (deficit)	<u>(225,229,436)</u>	<u>(244,807,399)</u>	<u>(3,732,298)</u>	<u>(4,285,148)</u>	<u>(228,961,734)</u>	<u>(249,092,547)</u>	<u>20,130,813</u>
Total net position	<u>\$ (178,509,894)</u>	<u>\$ (203,773,082)</u>	<u>\$ (5,416,882)</u>	<u>\$ (2,066,132)</u>	<u>\$ (183,926,776)</u>	<u>\$ (205,839,214)</u>	<u>21,912,438</u>

Total assets decreased 6.4% or \$5,832,783 during the year. Current assets in governmental activities decreased \$4,178,100 and decreased \$1,892,587 in business-type activities.

Total liabilities decreased 8.7% or \$24,150,837 during the year. Current liabilities in governmental activities decreased by \$7,174,753 and decreased by \$69,510 in business-type activities.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Summary of Changes in Net Position

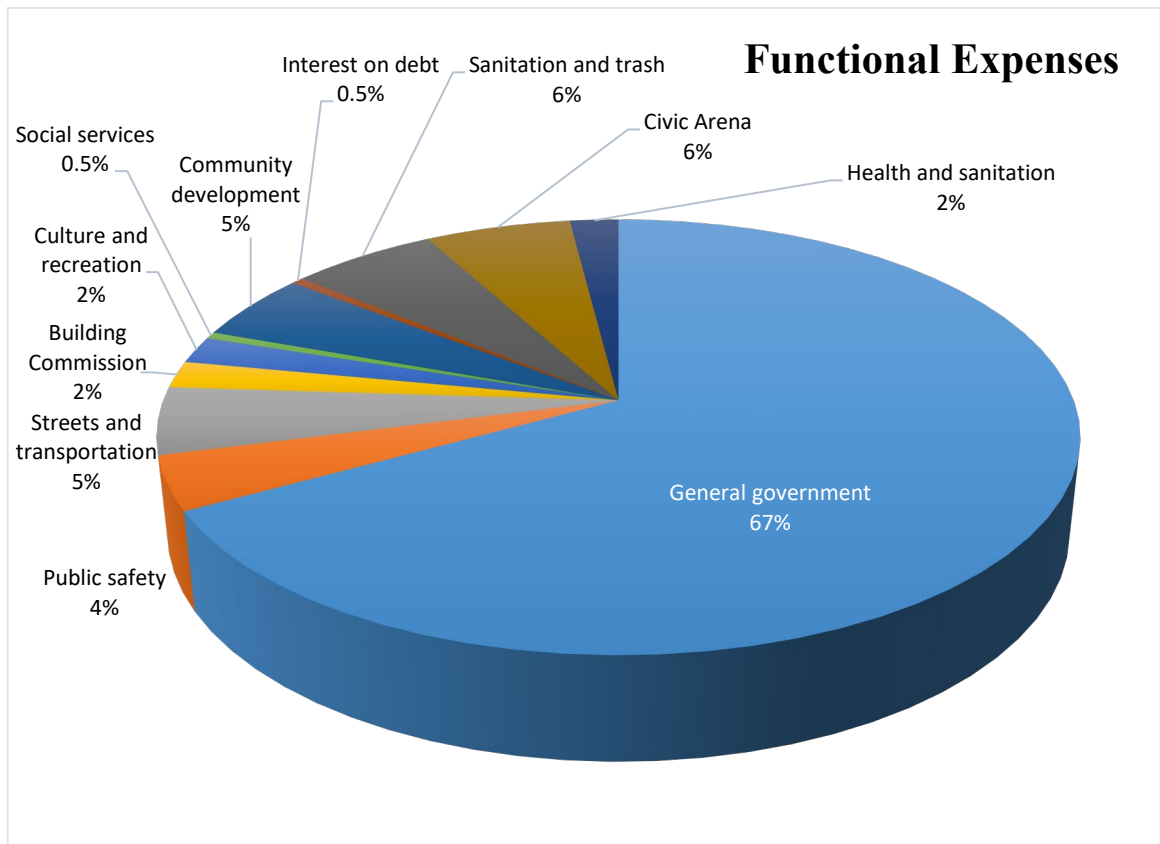
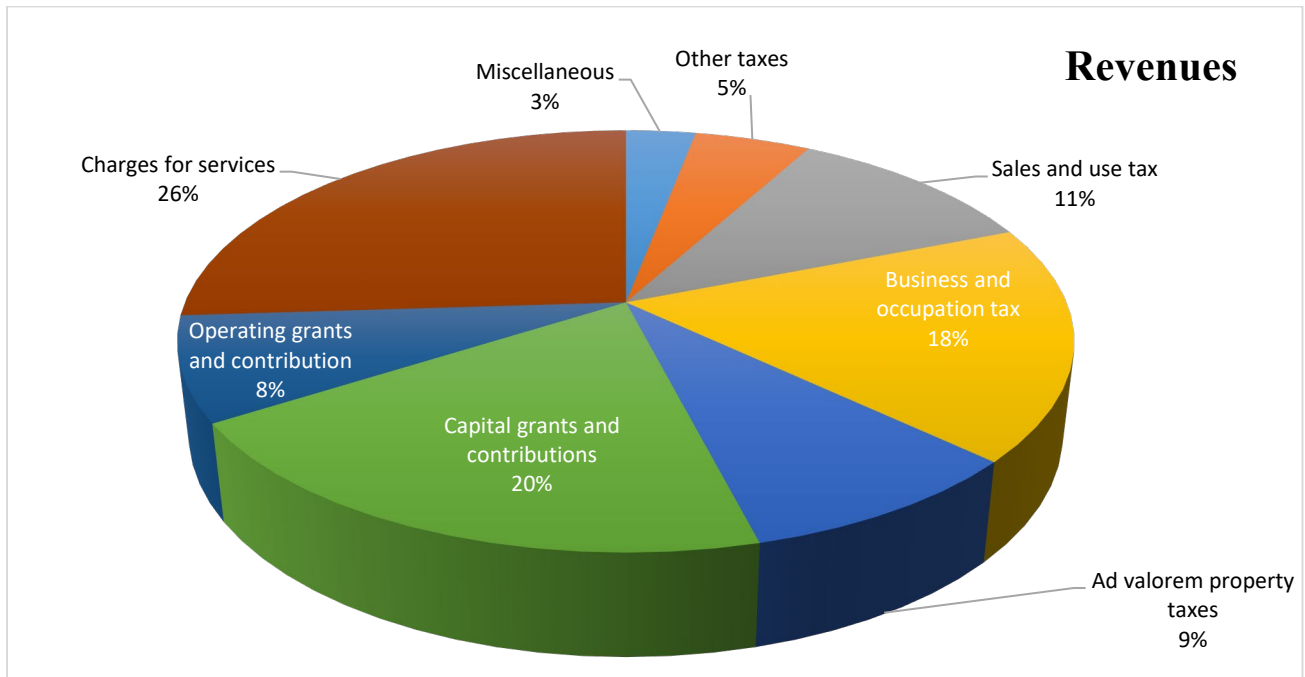
	Governmental Activities		Business Activities		Totals		Amount of Change
	2025	2024	2025	2024	2025	2024	
Revenues							
Program revenues							
Charges for services	\$ 17,458,315	\$ 17,289,236	\$ 5,285,961	\$ 4,961,829	\$ 22,744,276	\$ 22,251,065	\$ 493,211
Operating grants and contributions	6,824,802	5,685,513	58,500	77,866	6,883,302	5,763,379	1,119,923
Capital grants and contributions	18,056,619	13,463,297	-	-	18,056,619	13,463,297	4,593,322
General revenues							
Ad valorem property taxes	7,861,657	7,181,662	-	-	7,861,657	7,181,662	679,995
Business and Occupation tax	16,221,978	18,612,996	-	-	16,221,978	18,612,996	(2,391,018)
Alcohol beverages tax	615,814	627,053	-	-	615,814	627,053	(11,239)
Utility services tax	2,682,521	2,545,437	-	-	2,682,521	2,545,437	137,084
Hotel occupancy tax	1,146,336	1,102,614	-	-	1,146,336	1,102,614	43,722
Animal tax	1,718	1,736	-	-	1,718	1,736	(18)
Gas and oil severance tax	172,436	478,831	-	-	172,436	478,831	(306,395)
Amusement tax	16,882	24,676	-	-	16,882	24,676	(7,794)
Sales and use tax	9,851,155	9,996,529	-	-	9,851,155	9,996,529	(145,374)
Coal severance tax	152,314	202,041	-	-	152,314	202,041	(49,727)
Interest revenue	951,502	1,292,315	128,569	29,452	1,080,071	1,321,767	(241,696)
(Loss) Gain on disposals of capital assets	(56,871)	(995,973)	-	-	(56,871)	(995,973)	939,102
Miscellaneous	998,734	1,721,188	1,755,057	875,677	2,753,791	2,596,865	156,926
Total revenues	82,955,912	79,229,151	7,228,087	5,944,824	90,183,999	85,173,975	5,010,024
Expenses							
General government	42,471,511	34,272,197	-	-	42,471,511	34,272,197	8,199,314
Public safety	2,141,480	30,216,863	-	-	2,141,480	30,216,863	(28,075,383)
Streets and transportation	3,375,431	4,801,644	-	-	3,375,431	4,801,644	(1,426,213)
Health and sanitation	917,060	875,166	-	-	917,060	875,166	41,894
Culture and recreation	1,564,714	1,722,806	-	-	1,564,714	1,722,806	(158,092)
Social services	283,091	396,653	-	-	283,091	396,653	(113,562)
Community development	2,857,153	8,689,041	-	-	2,857,153	8,689,041	(5,831,888)
Interest on long-term debt	428,894	210,792	-	-	428,894	210,792	218,102
Sanitation and trash	-	-	3,878,533	3,929,726	3,878,533	3,929,726	(51,193)
Civic Arena	-	-	3,919,071	3,126,668	3,919,071	3,126,668	792,403
Building Commission	-	-	1,327,031	536,405	1,327,031	536,405	790,626
Total expenses	54,039,334	81,185,162	9,124,635	7,592,799	63,163,969	88,777,961	(25,613,992)
Increase in net position before transfers	28,916,578	(1,956,011)	(1,896,548)	(1,647,975)	27,020,030	(3,603,986)	30,624,016
Transfers	(2,279,662)	(1,988,045)	(1,346,188)	1,115,292	(3,625,850)	(872,753)	(2,753,097)
Change in net position	26,636,916	(3,944,056)	(3,242,736)	(532,683)	23,394,180	(4,476,739)	27,870,919
Net position—beginning, restated	(205,146,810)	(199,829,026)	(2,174,146)	(1,533,449)	(207,320,956)	(201,362,475)	(5,958,481)
Net position—ending	\$ (178,509,894)	\$ (203,773,082)	\$ (5,416,882)	\$ (2,066,132)	\$ (183,926,776)	\$ (205,839,214)	\$ 21,912,438

Total revenues increased by \$5,010,024 in comparison to prior year.

Overall expenses and transfers decreased by \$22,860,895 in comparison to prior year.

Graphic presentations of the Summary of Changes in Net Position for the primary government follow to assist in the analysis of the City's activities for fiscal year 2025.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**



**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT’S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Financial Analysis of the Government’s Funds

The City reports the following major governmental funds:

General Fund — The General fund is the government’s primary operating fund. It accounts for all financial sources of the general government, except those required to be accounted for in another fund. At the end of the current fiscal year, fund balance for the General fund was \$14,044,010, a decrease of \$1,079,939 during the year. See General fund budgetary highlights for more information.

Coal Severance Fund — The Coal Severance Tax fund, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia municipalities. The City has dedicated these revenues to culture and recreation expenditures. The fund balance of the Coal Severance fund increased by \$8,325 to \$48,591 during fiscal year 2025.

Community Development Block Grant (CDBG) Fund — The Community Development Block Grant fund (CDBG), a special revenue fund, accounts for the CDBG Entitlement Program. The CDBG Entitlement Program provides grants to metropolitan areas and urban counties for community development. The CDBG fund balance decreased \$95,708 to \$7,124,194 during the year.

The American Rescue Plan Act–2021 Fund — The American Rescue Plan Act–2021 Fund, a special revenue fund, accounts for any federal financial assistance received pursuant to the American Rescue Plan Act (ARPA) of 2021. During fiscal year 2025, there was \$7,216,131 of ARPA revenues and \$7,777,741 of ARPA expenditures and transfers. The June 30, 2025, fund balance was \$245.

The City’s governmental funds reported a combined ending fund balance of \$34,650,358 this year. This compares to the prior year combined ending fund balance of \$31,713,585 for an increase of \$2,936,773. Total unassigned governmental fund balance is \$9,099,841 for fiscal year 2025.

Proprietary Funds

The government reports the following major proprietary funds:

Sanitation and Trash Fund — The Sanitation and Trash fund serves the City by providing garbage collection and disposal services to the public. Net position in the Sanitation and Trash fund increased \$86,374 during the year.

Civic Arena Fund — The Civic Arena fund accounts for operating activities of the Civic Arena. Net position in the Civic Arena fund decreased by \$15,925 during the year.

Blended Component Unit

The entity below is legally separate from the City and meets GAAP criteria for component units. This entity is blended with the primary government because it provides services entirely or almost entirely to the City.

The *Building Commission* serves the City of Huntington, West Virginia, and is governed by a board comprising three members appointed by the City for a term of five years each. The Building Commission acquires property and debt on behalf of the City. The Huntington Building Commission is reported as a proprietary fund. Net position in the Building Commission decreased by \$3,313,185 during the year.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Discretely Presented Component Units

In addition to the primary government, the City reports discretely presented components units. Discretely presented component units are entities which are legally separate from the City, but are financially accountable to the City, or whose relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. Because of the nature of services they provide the City's ability to impose its will on them, or a financial benefit/burden relationship exists, the following component units are discretely presented. The discretely presented component units are presented on the government-wide statements.

The *Huntington Municipal Development Authority* serves the City of Huntington, West Virginia, and is governed by a Board comprised of fifteen members appointed by the City that includes three business representatives, three industry representatives, three labor representatives, one member of the council and five additional representatives. The Municipal Development Authority develops property on behalf of the City and also provides services to external parties. The rates for user charges and bond issuance authorization are approved by the government's elected council.

The *Municipal Parking Board* serves all citizens of the City by providing parking services and is governed by a seven-member board appointed by the City. The rates for user charges and bond issuance authorization are provided by the government's elected council.

The *Water Quality Board* serves all citizens of the City of Huntington and is governed by a three-member board comprised of the Mayor and two members appointed by the City. The rates for user charges and bond issuance authorizations are approved by the government's elected council.

The *Huntington Broadband Utility* was created with the specific purpose of construction of a broadband system. The utility is managed by the Huntington Broadband Board comprised of the Mayor and two members appointed by the City.

Complete financial statements for the Huntington Municipal Development Authority and the Water Quality Board can be obtained at the entity's administrative offices.

General Fund Budgetary Highlights

During the year, the City revised the General Fund budget. Differences in expenditures and other financing uses between the original and the final amended budget are primarily due to mid-year supplements for unanticipated expenditures and unspent amounts carried forward from prior years. The difference between the original budget and the final amended budget was an increase of approximately \$2.8 million or 3.6% of the final budgeted general fund expenditures.

Capital asset and debt administration

Capital assets, which include property, plant, and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**CITY OF HUNTINGTON, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Governmental Activities		Business Activities		Total Primary Government		Amount of Change
	2025	2024	2025	2024	2025	2024	
Non-Depreciable Assets							
Land	\$ 1,106,166	\$ 1,106,166	\$ -	\$ -	\$ 1,106,166	\$ 1,106,166	\$ -
Construction in progress	7,331,270	11,397,979	2,945,951	-	10,277,221	11,397,979	(1,120,758)
Total non-depreciable assets	8,437,436	12,504,145	2,945,951	-	11,383,387	12,504,145	(1,120,758)
Depreciable assets							
Structures and improvements	18,225,281	17,762,385	12,810,380	2,887,204	31,035,661	20,649,589	10,386,072
Infrastructure	21,125,062	21,098,867	-	-	21,125,062	21,098,867	26,195
Vehicles	12,418,387	13,840,407	3,046,711	3,046,711	15,465,098	16,887,118	(1,422,020)
Machinery and equipment	9,609,843	9,354,575	550,194	550,194	10,160,037	9,904,769	255,268
Leased assets	256,782	8,425,982	-	-	256,782	8,425,982	(8,169,200)
Subscription assets	1,161,314	477,027	-	-	1,161,314	477,027	684,287
Less: accumulated depreciation/amortization	(39,746,501)	(45,190,651)	(12,162,759)	(2,694,686)	(51,909,260)	(47,885,337)	(4,023,923)
Total depreciable assets	23,050,168	25,768,592	4,244,526	3,789,423	27,294,694	29,558,015	(2,263,321)
Total	\$ 31,487,604	\$ 38,272,737	\$ 7,190,477	\$ 3,789,423	\$ 38,678,081	\$ 42,062,160	\$ (3,384,079)

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

	Governmental Activities		Business Activities		Total Primary Government		Amount of Change
	2025	2024	2025	2024	2025	2024	
Bonds and notes payable	\$ 1,035,247	\$ 1,464,258	\$ 12,082,621	\$ 2,400,360	\$ 13,117,868	\$ 3,864,618	\$ 9,253,250
Bond premiums	-	-	128,294	-	128,294	-	128,294
Tax increment financing	10,620,000	5,134,000	-	-	10,620,000	5,134,000	5,486,000
Leases payable	183,170	6,753,274	-	-	183,170	6,753,274	(6,570,104)
SBITA's	654,060	299,392	-	-	654,060	299,392	354,668
Net pension liability – DBP	96,631,516	123,163,931	-	-	96,631,516	123,163,931	(26,532,415)
Other post-employment benefits	90,372,277	91,421,170	1,548,620	1,545,120	91,920,897	92,966,290	(1,045,393)
Compensated absences	3,230,795	2,054,757	208,377	150,396	3,439,172	2,205,153	1,234,019
Accrued interest payable	51,716	78,142	45,472	-	97,188	78,142	19,046
Landfill closure and post-closure costs	29,465,955	28,699,894	-	-	29,465,955	28,699,894	766,061
Total	\$ 232,244,736	\$ 259,068,818	\$ 14,013,384	\$ 4,095,876	\$ 246,258,120	\$ 263,164,694	\$ (16,906,574)

Economic factors

The Governing Council and Administration consider many factors each year while preparing the City's operating budget. The budget for the 2026 fiscal year reflects a balanced budget. Approved budgets for the 2026 fiscal year, as well as other documents, are available at www.cityofhuntington.com.

Requests for information

This financial report is designed to provide a general overview of finances for our citizens, taxpayers and those with an interest in the City's finances. Requests for additional information should be addressed to the Finance Director, City of Huntington, P.O. Box 1659, Huntington, West Virginia, 25717-1659.

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government			Component Units			
	Governmental Activities	Business- type Activities	Total	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 17,061,375	\$ 1,494,416	\$ 18,555,791	\$ 3,809,105	\$ 122,315	\$ 121,499	\$ 28,654,351
Investments	3,629,599	-	3,629,599	-	-	-	-
Receivables:							
Accounts	2,320,516	289,018	2,609,534	194,855	11,362	-	2,365,433
Taxes	6,665,884	-	6,665,884	-	-	-	-
Loans	5,876,327	-	5,876,327	-	-	-	-
Assets held for resale	543,792	-	543,792	3,506,297	-	-	-
Internal balances	2,449,333	(2,449,333)	-	-	-	-	-
Due from:							
Primary government	-	-	-	-	87	-	-
Component units	72,425	-	72,425	-	-	-	-
Other governments	1,343,274	-	1,343,274	312,807	-	-	29,864
Fiduciary funds	232	-	232	-	-	-	-
Inventory, at cost	-	114,428	114,428	-	-	-	9,301
Prepaid expenses	297,462	42,080	339,542	86,558	573	-	50,833
Leases Receivable	244,008	-	244,008	-	106,055	-	-
Total current assets	40,504,227	(509,391)	39,994,836	7,909,622	240,392	121,499	31,109,782
Noncurrent assets:							
Regular account	-	-	-	-	-	-	404,741
Reserve account	-	-	-	-	-	-	11,229,661
Restricted account	-	3,307,263	3,307,263	1,835,880	-	-	-
Customer deposits	-	-	-	-	-	-	706,956
Capital assets:							
Nondepreciable:							
Land	1,106,166	-	1,106,166	5,559,678	942,877	-	402,220
CIP	7,331,270	2,945,951	10,277,221	-	-	-	20,349,099
Depreciable:							
Buildings	18,225,281	12,810,380	31,035,661	17,643,528	4,789,751	-	114,434,807
Structures and improvements	-	-	-	6,369,198	490,173	-	-
System infrastructure	21,125,062	-	21,125,062	-	-	-	-
Vehicles	12,418,387	3,046,711	15,465,098	-	-	-	2,761,037
Machinery and equipment	9,609,843	550,194	10,160,037	2,051,351	788,455	-	3,425,588
Furniture and fixtures	-	-	-	3,150,056	-	-	-
Intangible assets – lease use	256,782	-	256,782	2,789,032	-	-	-
Intangible assets – subscription assets	1,161,314	-	1,161,314	-	-	-	-
Less: accumulated depreciation and amortization	(39,746,501)	(12,162,759)	(51,909,260)	(18,803,476)	(5,597,020)	-	(75,200,571)
Other debits:							
Net pension asset (MPFRS)	1,897,539	-	1,897,539	-	-	-	-
Net pension asset (PERS)	628,387	142,436	770,823	19,134	34,805	-	463,681
Net OPEB asset	2,038	-	2,038	-	-	-	13,469
Lease commission, net	-	-	-	8,608	-	-	-
Unamortized bond discounts	88,679	-	88,679	-	-	-	-
Total noncurrent assets	34,104,247	10,640,176	44,744,423	20,622,989	1,449,041	-	78,990,688
Total assets	74,608,474	10,130,785	84,739,259	28,532,611	1,689,433	121,499	110,100,470
DEFERRED OUTFLOWS							
Public Employees Retirement System (PERS):							
Contributions made after measurement date	693,817	143,402	837,219	20,060	30,533	-	537,529
Changes in contributions	2,361	535	2,896	72	131	-	13,889
Difference between expected and actual experience	853,719	193,513	1,047,232	25,996	47,286	-	629,953
Municipal Police Officers and Firefighters Retirement System (MPFRS):							
Contributions made after measurement date	626,340	-	626,340	-	-	-	-
Changes in contributions	280,165	-	280,165	-	-	-	-
Changes in assumptions	94,113	-	94,113	-	-	-	-
Difference between expected and actual experience	357,107	-	357,107	-	-	-	-
Subtotal deferred outflows of resources	2,907,622	337,450	3,245,072	46,128	77,950	-	1,181,371

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION (Continued)
JUNE 30, 2025

	Primary Government			Component Units			
	Governmental Activities	Business- type Activities	Total	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
DEFERRED OUTFLOWS (CONTINUED)							
Other postemployment benefits	\$ 3,863,591	\$ 65,923	\$ 3,929,514	\$ 2,402	\$ 1,274	\$ -	\$ 101,220
Deferred charges	-	-	-	81,106	-	-	-
Deferred amortization of investment loss	-	-	-	3,920,606	-	-	-
Total deferred outflows of resources	<u>6,771,213</u>	<u>403,373</u>	<u>7,174,586</u>	<u>4,050,242</u>	<u>79,224</u>	<u>-</u>	<u>1,282,591</u>
LIABILITIES							
Current liabilities payable from current assets:							
Accounts payable	2,302,473	771,748	3,074,221	134,393	13,517	-	1,589,374
Refunds payable	-	-	-	-	-	-	29,831
Payroll payable	1,406,855	96,023	1,502,878	12,282	24,483	-	85,035
Unclaimed property	98,613	-	98,613	-	-	-	-
Reserve for health claims	916,807	75,304	992,111	5,738	8,844	-	-
Deposits	-	-	-	29,372	-	-	635,962
Other accrued expenses	-	-	-	47,542	-	-	67,725
Due to:							
Primary government	-	-	-	14,453	57,972	-	-
Component units	37,116	18,704	55,820	-	-	-	-
Other governments	1,215	-	1,215	-	-	-	-
Unearned revenues:							
Sponsorship	-	6,000	6,000	-	-	-	-
Charges for services	-	231,074	231,074	9,477	12,105	-	-
Customer advances	-	13,835	13,835	-	-	-	-
Ticket sales	-	254,886	254,886	-	-	-	-
Other unearned revenue	581,664	37,081	618,745	-	-	-	-
Total current liabilities	<u>5,344,743</u>	<u>1,504,655</u>	<u>6,849,398</u>	<u>253,257</u>	<u>116,921</u>	<u>-</u>	<u>2,407,927</u>
Noncurrent liabilities due within one year:							
Bonds and notes payable (including financed purchases)	315,762	564,237	879,999	1,935,133	-	-	4,996,226
Bond premiums payable	-	8,060	8,060	-	-	-	-
Accrued interest payable	51,716	45,472	97,188	15,804	-	-	62,644
Lease payable	63,597	-	63,597	-	-	-	-
Tax increment financing bonds payable	115,000	-	115,000	-	-	-	-
SBITA's payable	229,810	-	229,810	-	-	-	-
Compensated absences payable	3,230,795	208,377	3,439,172	33,816	61,837	-	-
Noncurrent liabilities due in more than one year:							
Bonds and notes payable (including financed purchases)	719,485	11,518,384	12,237,869	8,524,624	-	-	15,488,052
Bond premiums payable	-	120,234	120,234	-	-	-	-
Lease payable	119,573	-	119,573	-	-	-	-
Tax increment financing bonds payable	10,505,000	-	10,505,000	-	-	-	-
SBITA's payable	424,250	-	424,250	-	-	-	-
Other postemployment benefits liability	90,372,277	1,548,620	91,920,897	56,435	29,924	-	25,200
Net pension liability – PERS	-	-	-	-	-	-	23,400
Net pension liability – DBP	96,631,516	-	96,631,516	-	-	-	-
Compensated absences payable	-	-	-	-	-	-	1,618,550
Estimated landfill closure and post-closure liability	29,465,955	-	29,465,955	-	-	-	-
Total noncurrent liabilities	<u>232,244,736</u>	<u>14,013,384</u>	<u>246,258,120</u>	<u>10,565,812</u>	<u>91,761</u>	<u>-</u>	<u>22,214,072</u>
Total liabilities	<u>237,589,479</u>	<u>15,518,039</u>	<u>253,107,518</u>	<u>10,819,069</u>	<u>208,682</u>	<u>-</u>	<u>24,621,999</u>

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION (Continued)
JUNE 30, 2025

	Primary Government			Component Units			
	Governmental Activities	Business- type Activities	Total	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
DEFERRED INFLOWS							
Public Employees Retirement System (PERS):							
Changes in contributions	\$ 1,728	\$ 391	\$ 2,119	\$ 53	\$ 96	-	\$ 12,833
Difference in assumptions	57,534	13,041	70,575	1,752	3,187	-	42,453
Difference between expected and actual investment earnings	731,525	165,815	897,340	22,275	40,518	-	539,787
Municipal Police and Firefighters Retirement System (MPFRS):							
Changes in contributions	63,074	-	63,074	-	-	-	-
Difference between expected and actual experience	10,619	-	10,619	-	-	-	-
Difference between expected and actual investment earnings	112,441	-	112,441	-	-	-	-
Defined Benefit Plans (DBP):							
Difference between expected and actual investment earnings	6,259,915	-	6,259,915	-	-	-	-
Other postemployment benefits	14,819,392	253,754	15,073,146	9,247	4,903	-	53,271
Lease deferred inflows	243,874	-	243,874	-	106,055	-	-
Total deferred inflows of resources	22,300,102	433,001	22,733,103	33,327	154,759	-	648,344
NET POSITION							
Net investment in capital assets	29,615,127	(1,827,020)	27,788,107	8,329,699	1,414,236	-	45,687,902
Restricted for:							
Economic development	406,766	-	406,766	1,835,880	-	-	-
Community development	5,592,757	-	5,592,757	-	-	-	-
Net pension/OPEB asset	2,527,964	142,436	2,670,400	19,134	34,805	-	-
Retiree insurance	1,910,915	-	1,910,915	-	-	-	-
Customer deposits	-	-	-	-	-	-	87,472
Construction	5,590,310	-	5,590,310	-	-	-	9,751,635
Insurance claims	-	-	-	-	-	-	377,698
Debt service	1,075,703	-	1,075,703	-	-	-	1,505,069
Unrestricted	(225,229,436)	(3,732,298)	(228,961,734)	11,545,744	(43,825)	121,499	28,702,942
Total net position	\$ (178,509,894)	\$ (5,416,882)	\$ (183,926,776)	\$ 21,730,457	\$ 1,405,216	\$ 121,499	\$ 86,112,718

SEE ACCOMPANYING NOTES

**CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Program Revenues				Net (Expense) Revenues and Changes in Net Position							
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units				
					Governmental Activities	Business-type Activities	Total	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board	
Functions/Programs												
Primary government:												
Governmental activities:												
General government	\$ 42,471,511	\$ 2,359,120	\$ 25,000	\$ 11,098,972	\$ (28,988,419)	\$ -	\$ (28,988,419)	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	2,141,480	13,250,859	4,214,067	1,074,402	16,397,848	-	16,397,848	-	-	-	-	-
Streets and transportation	3,375,431	1,618,356	-	113,524	(1,643,551)	-	(1,643,551)	-	-	-	-	-
Health and sanitation	917,060	63,938	-	289,376	(563,746)	-	(563,746)	-	-	-	-	-
Culture and recreation	1,564,714	166,042	-	500,000	(898,672)	-	(898,672)	-	-	-	-	-
Social services	283,091	-	735,366	20,702	472,977	-	472,977	-	-	-	-	-
Community development	2,857,153	-	1,850,369	4,959,643	3,952,859	-	3,952,859	-	-	-	-	-
Interest on long-term debt	428,894	-	-	-	(428,894)	-	(428,894)	-	-	-	-	-
Total governmental activities	54,039,334	17,458,315	6,824,802	18,056,619	(11,699,598)	-	(11,699,598)	-	-	-	-	-
Business-type activities:												
Sanitation and trash	3,878,533	3,845,525	-	-	-	(33,008)	(33,008)	-	-	-	-	-
Civic arena	3,919,071	1,440,436	58,500	-	-	(2,420,135)	(2,420,135)	-	-	-	-	-
Building Commission	1,327,031	-	-	-	-	(1,327,031)	(1,327,031)	-	-	-	-	-
Total business-type activities	9,124,635	5,285,961	58,500	-	-	(3,780,174)	(3,780,174)	-	-	-	-	-
Total primary government	\$ 63,163,969	\$ 22,744,276	\$ 6,883,302	\$ 18,056,619	(11,699,598)	(3,780,174)	(15,479,772)	-	-	-	-	-
Component units:												
Municipal Development Authority	\$ 4,257,955	\$ 1,811,776	\$ 321,543	\$ 290,595	-	-	-	(1,834,041)	-	-	-	-
Municipal Parking Board	840,371	775,152	-	-	-	-	-	-	(65,219)	-	-	-
Huntington Broadband Utility	66,000	-	-	-	-	-	-	-	-	(66,000)	-	-
Huntington Water Quality Board	19,525,101	25,902,810	-	12,269,592	-	-	-	-	-	-	-	18,647,301
Total component units	\$ 24,689,427	\$ 28,489,738	\$ 321,543	\$ 12,560,187	-	-	-	(1,834,041)	(65,219)	(66,000)	18,647,301	-

SEE ACCOMPANYING NOTES

**CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF ACTIVITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Net (Expense) Revenues and Changes in Net Position						
	Primary Government			Component Units			
	Governmental Activities	Business- type Activities	Total	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
General revenues:							
Ad valorem property taxes	\$ 7,861,657	\$ -	\$ 7,861,657	\$ -	\$ -	\$ -	\$ -
Business & occupation tax	16,221,978	-	16,221,978	-	-	-	-
Alcoholic beverages tax	615,814	-	615,814	-	-	-	-
Utility services tax	2,682,521	-	2,682,521	-	-	-	-
Hotel occupancy tax	1,146,336	-	1,146,336	-	-	-	-
Animal tax	1,718	-	1,718	-	-	-	-
Gas & oil severance tax	172,436	-	172,436	-	-	-	-
Amusement tax	16,882	-	16,882	-	-	-	-
Sales and use tax	9,851,155	-	9,851,155	-	-	-	-
Coal severance tax	152,314	-	152,314	-	-	-	-
Interest revenue	951,502	128,569	1,080,071	231,085	4,540	5,051	1,373,810
Insurance proceeds	195,000	-	195,000	-	-	-	-
Gains (loss) on disposal of capital assets	(56,871)	-	(56,871)	-	-	-	-
Miscellaneous	803,734	1,755,057	2,558,791	44,489	8,978	-	1,729,951
Transfers	(2,279,662)	(1,346,188)	(3,625,850)	3,625,850	-	-	-
Total general revenues and transfers	<u>38,336,514</u>	<u>537,438</u>	<u>38,873,952</u>	<u>3,901,424</u>	<u>13,518</u>	<u>5,051</u>	<u>3,103,761</u>
Change in net position	26,636,916	(3,242,736)	23,394,180	2,067,383	(51,701)	(60,949)	21,751,062
Net position – beginning, as previously reported	(203,773,082)	(2,066,132)	(205,839,214)	19,892,190	1,530,904	182,448	65,410,700
Change in accounting principles	(1,373,728)	(108,014)	(1,481,742)	(4,201)	(73,987)	-	(1,049,044)
Restatement	-	-	-	(224,915)	-	-	-
Net position – beginning, as adjusted or restated	<u>(205,146,810)</u>	<u>(2,174,146)</u>	<u>(207,320,956)</u>	<u>19,663,074</u>	<u>1,456,917</u>	<u>182,448</u>	<u>64,361,656</u>
Net position – ending	<u>\$ (178,509,894)</u>	<u>\$ (5,416,882)</u>	<u>\$ (183,926,776)</u>	<u>\$ 21,730,457</u>	<u>\$ 1,405,216</u>	<u>\$ 121,499</u>	<u>\$ 86,112,718</u>

SEE ACCOMPANYING NOTES

**CITY OF HUNTINGTON, WEST VIRGINIA
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2025**

	General	Coal Severance Tax	Community Development Block Grant	American Rescue Plan (ARPA)	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Current:						
Cash and cash equivalents	\$ 5,604,444	\$ 2,595	\$ 59,160	\$ 245	\$ 11,394,931	\$ 17,061,375
Investments	1,641,362	-	-	-	1,988,237	3,629,599
Receivables:						
Taxes	6,635,133	-	-	-	30,751	6,665,884
Accounts	578,456	-	1,739,733	-	2,327	2,320,516
Loans	283,570	-	5,592,757	-	-	5,876,327
Assets held for resale	-	-	-	-	543,792	543,792
Other	244,008	-	-	-	-	244,008
Due from:						
Component units	72,425	-	-	-	-	72,425
Other funds	2,984,358	-	45	-	30,290	3,014,693
Other governments	1,297,278	45,996	-	-	-	1,343,274
Fiduciary funds	232	-	-	-	-	232
Prepaid expenses	297,462	-	-	-	-	297,462
Total assets	19,638,728	48,591	7,391,695	245	13,990,328	41,069,587
Deferred Outflows:						
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 19,638,728	\$ 48,591	\$ 7,391,695	\$ 245	\$ 13,990,328	\$ 41,069,587
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 2,034,223	\$ -	\$ 207,598	\$ -	\$ 60,652	\$ 2,302,473
Payroll payable	1,383,086	-	23,769	-	-	1,406,855
Reserve for health claims	902,941	-	13,866	-	-	916,807
Due to:						
Component units	37,116	-	-	-	-	37,116
Other funds	77,417	-	22,268	-	465,675	565,360
Other governments	1,215	-	-	-	-	1,215
Unearned revenue:						
Other	581,664	-	-	-	-	581,664
Unclaimed property	96,671	-	-	-	1,942	98,613
Total liabilities	5,114,333	-	267,501	-	528,269	5,910,103

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
BALANCE SHEET – GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2025

	General	Coal Severance Tax	Community Development Block Grant	American Rescue Plan (ARPA)	Other Nonmajor Governmental Funds	Total Governmental Funds
Deferred Inflows:						
Unavailable revenue – lease receivables	243,874	-	-	-	-	243,874
Unavailable revenue – property taxes	236,511	-	-	-	28,741	265,252
Total deferred inflows of resources	480,385	-	-	-	28,741	509,126
Total liabilities and deferred inflows of resources	5,594,718	-	267,501	-	557,010	6,419,229
Fund balances:						
Nonspendable	505,754	-	-	-	543,792	1,049,546
Restricted	406,766	-	5,592,757	-	6,666,013	12,665,536
Committed	2,489,800	-	-	-	-	2,489,800
Assigned	1,097,979	48,591	1,531,437	245	6,667,383	9,345,635
Unassigned	9,543,711	-	-	-	(443,870)	9,099,841
Total fund balances	14,044,010	48,591	7,124,194	245	13,433,318	34,650,358
Total liabilities, deferred inflows and fund balances	\$ 19,638,728	\$ 48,591	\$ 7,391,695	\$ 245	\$ 13,990,328	\$ 41,069,587

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balances on the governmental fund's balance sheet	\$ 34,650,358
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds.	31,487,604
Other long-term assets that are not available to pay for current-year expenditures.	
This is the net pension asset for the Municipal Police Officers and Firefighters Retirement System (MPFRS).	1,897,539
This is the net pension asset (PERS).	628,387
This is the net OPEB asset (RHBT).	2,038
Certain revenues are not available to fund current year expenditures and, therefore, are deferred in the funds.	265,252
Deferred inflows and outflows related to pension activities are not required to be reported in the funds, but are required to be reported at the government-wide level.	
<i>Other Postemployment Benefits:</i>	
Deferred outflows	3,863,591
Deferred inflows	(14,819,392)
<i>Public Employees Retirement System (PERS):</i>	
Deferred outflows:	
Contributions made after measurement date	693,817
Changes in contributions	2,361
Difference between expected and actual experience	853,719
Deferred inflows:	
Changes in contributions	(1,728)
Changes in assumptions	(57,534)
Difference between expected and actual investment earnings	(731,525)
<i>Municipal Police Officers and Firefighters retirement System (MPFRS):</i>	
Deferred outflows:	
Contributions made after measurement date	626,340
Changes in contributions	280,165
Changes in assumptions	94,113
Difference between expected and actual experience	357,107
Deferred inflows:	
Changes in contributions	(63,074)
Difference between expected and actual experience	(10,619)
Changes in investment earnings	(112,441)
<i>Defined Benefits Plans (DBP):</i>	
Deferred inflows:	
Difference between expected and actual investment earnings	(6,259,915)

CITY OF HUNTINGTON, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION (Continued)
JUNE 30, 2025

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and notes payable (including financed purchases)	\$	(1,035,247)
Unamortized bond discounts		88,679
Leases payable		(183,170)
Tax increment financing revenue bonds		(10,620,000)
SBITA's payable		(654,060)
Accrued interest payable on long-term liabilities		(51,716)
Compensated absences		(3,230,795)
Net Pension Liability – DBP		(96,631,516)
Other postemployment benefits payable		(90,372,277)
Estimated landfill closure and post-closure liability		<u>(29,465,955)</u>
Net position of governmental activities (deficit)	\$	<u><u>(178,509,894)</u></u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General	Coal Severance Tax	Community Development Block Grant	(Formerly Major Fund) Capital Improvements	American Rescue Plan (ARPA)	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Ad valorem property taxes	\$ 6,634,461	\$ -	\$ -	\$ -	\$ -	1,127,700	\$ 7,762,161
Business & occupation tax	16,221,978	-	-	-	-	-	16,221,978
Alcoholic beverages tax	615,814	-	-	-	-	-	615,814
Utility services tax	2,682,521	-	-	-	-	-	2,682,521
Hotel occupancy tax	1,146,336	-	-	-	-	-	1,146,336
Animal tax	1,718	-	-	-	-	-	1,718
Gas and oil severance tax	172,436	-	-	-	-	-	172,436
Amusement tax	16,882	-	-	-	-	-	16,882
Sales and use tax	9,851,155	-	-	-	-	-	9,851,155
Coal severance tax	-	152,314	-	-	-	-	152,314
Licenses and permits, and fees	1,128,993	-	-	-	-	-	1,128,993
Intergovernmental:							
Federal	9,930,435	-	2,856,640	-	7,078,727	-	19,865,802
State	3,279,497	-	-	-	-	-	3,279,497
Charges for services	13,875,920	-	-	-	-	63,938	13,939,858
Fines and forfeits	503,671	-	-	-	-	72,857	576,528
Interest and investment earnings	398,454	1,711	6,650	-	137,404	407,283	951,502
Franchise fees	307,092	-	-	-	-	-	307,092
Employee/retirees health insurance	1,812,936	-	-	-	-	-	1,812,936
Contributions and donations	654,512	-	-	-	-	1,081,610	1,736,122
Miscellaneous	484,642	-	-	-	-	12,000	496,642
Total revenues	69,719,453	154,025	2,863,290	-	7,216,131	2,765,388	82,718,287
EXPENDITURES							
Current:							
General government	31,922,484	700	-	-	7,648,760	478,277	40,050,221
Public safety	30,229,598	-	-	-	-	287,226	30,516,824
Streets and transportation	3,459,326	-	-	-	-	-	3,459,326
Health and sanitation	-	-	-	-	-	111,943	111,943
Culture and recreation	1,394,334	-	-	-	-	-	1,394,334
Social services	98,239	-	184,852	-	-	-	283,091
Capital outlay	2,865,698	-	-	-	-	1,895,866	4,761,564
Community development	-	-	2,774,146	-	-	-	2,774,146
Debt service:							
Principal	-	-	-	-	-	5,494,000	5,494,000
Interest	-	-	-	-	-	397,452	397,452
Total expenditures	69,969,679	700	2,958,998	-	7,648,760	8,664,764	89,242,901
Excess (deficiency) of revenues over expenditures	(250,226)	153,325	(95,708)	-	(432,629)	(5,899,376)	(6,524,614)

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General	Coal Severance Tax	Community Development Block Grant	(Formerly Major Fund) Capital Improvements	American Rescue Plan (ARPA)	Other Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)							
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	128,981	\$ 128,981
Transfers (out)	(1,760,361)	(145,000)	-	-	(128,981)	-	(2,034,342)
Insurance proceeds	-	-	-	-	-	195,000	195,000
Proceeds from sale of bonds	-	-	-	-	-	10,888,893	10,888,893
Bond issuance costs	-	-	-	-	-	(647,793)	(647,793)
Proceeds from the sales of assets	15,634	-	-	-	-	-	15,634
Proceeds from SBITA's	874,214	-	-	-	-	-	874,214
Proceeds from leases/financial purchases	40,800	-	-	-	-	-	40,800
Total other financing sources (uses)	<u>(829,713)</u>	<u>(145,000)</u>	<u>-</u>	<u>-</u>	<u>(128,981)</u>	<u>10,565,081</u>	<u>9,461,387</u>
Net change in fund balances	(1,079,939)	8,325	(95,708)	-	(561,610)	4,665,705	2,936,773
Fund balances – beginning, as previously reported	15,123,949	40,266	7,219,902	1,637,945	561,855	7,129,668	31,713,585
Change within financial reporting entity (major to nonmajor fund)	-	-	-	(1,637,945)	-	1,637,945	-
Fund balances – beginning, as adjusted or restated	<u>15,123,949</u>	<u>40,266</u>	<u>7,219,902</u>	<u>-</u>	<u>561,855</u>	<u>8,767,613</u>	<u>31,713,585</u>
Fund balances – ending	<u>\$ 14,044,010</u>	<u>\$ 48,591</u>	<u>\$ 7,124,194</u>	<u>\$ -</u>	<u>\$ 245</u>	<u>\$ 13,433,318</u>	<u>\$ 34,650,358</u>

SEE ACCOMPANYING NOTES

**CITY OF HUNTINGTON, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds	\$ 2,936,773
Capital outlays are reported as an expenditure in the governmental funds, but are considered an asset at the government-wide level. This is the amount of capital assets increased during the fiscal year.	8,467,210
Capital outlays are reported as an expenditure in the governmental funds. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount of depreciation expense charged during the year.	(2,722,916)
Loss on disposal/transfer of capital assets	(446,806)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between prior and current year unavailable unearned revenues.	
Prior year deferred taxes	(165,756)
Current year deferred taxes	265,252
Certain pension expenses in the statement of activities are recognized on the accrual basis of accounting in accordance with GASB 68.	
<i>Public Employees Retirement System (PERS):</i>	
Contributions made after measurement date	693,817
Amount of pension expenses recognized at government-wide level	(324,111)
<i>Municipal Police Officers and Firefighters retirement System (MPFRS):</i>	
Contributions made after measurement date	626,340
Amount of pension expenses recognized at government-wide level	(363,530)
<i>Defined Benefits Plans (DBP):</i>	
Amount of pension expenses recognized at government-wide level	25,405,334

**CITY OF HUNTINGTON, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of long-term debt uses financial resources of governmental funds. Neither transaction affects net position of the government-wide financial statements.

Proceeds from tax increment financing bond	(10,980,000)
Tax increment financing bond principal refundings/payments	5,494,000
Bond premiums and discounts are recognized in fund statements during the current period whereas they are amortized over the life of the bonds in the government-wide statements. This is the net increase in bond discounts during the year.	88,679
Financed purchases principal payments	429,011
Proceeds from leases	(9,850,800)
Lease payments	4,338,283
SBITA proceeds	(874,214)
SBITA payments	519,546
Accrued interest is required to be reported as a liability in the statement of net position of the government-wide financial statements. The following represents the change in accrued interest payable for the year.	26,426
The estimated landfill closure and post-closure liability requires annual reevaluation for the effects of inflation or deflation. The following represents the increase to the liability for inflation.	(766,061)
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability are reported as OPEB expense in the Statement of Activities.	3,642,749
Change in compensated absences payable	<u>197,690</u>
Change in net position of governmental activities	<u>\$ 26,636,916</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		Actual Modified Accrual Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Ad valorem property taxes	\$ 6,000,000	\$ 6,000,000	\$ 6,634,461	\$ 634,461
Business & occupation tax	14,000,000	16,000,000	16,221,978	221,978
Alcoholic beverages tax	400,000	400,000	615,814	215,814
Utility services tax	2,050,000	2,050,000	2,682,521	632,521
Hotel occupancy tax	1,000,000	1,121,264	1,146,336	25,072
Animal tax	2,200	2,200	1,718	(482)
Gas and oil severance tax	103,000	103,000	172,436	69,436
Amusement tax	10,000	10,000	16,882	6,882
Sales and use tax	8,000,000	9,000,000	9,851,155	851,155
Licenses and permits	935,000	935,000	1,128,993	193,993
Intergovernmental:				
Federal	10,989,035	10,989,035	9,930,435	(1,058,600)
State	2,516,450	2,736,574	3,279,497	542,923
Charges for services	12,964,000	12,964,000	13,875,920	911,920
Fines and forfeits	171,000	171,000	503,671	332,671
Interest earnings	20,000	20,000	398,454	378,454
Franchise fees	500,000	500,000	307,092	(192,908)
Employees & retiree health insurance	1,555,000	1,555,000	1,812,936	257,936
Contributions and donations	70,000	97,500	654,512	557,012
Miscellaneous	523,000	523,000	484,642	(38,358)
Total revenues	61,808,685	65,177,573	69,719,453	4,541,880
EXPENDITURES				
Current:				
General government	34,859,309	37,420,494	31,922,484	5,498,010
Public safety	31,675,002	31,683,510	30,229,598	1,453,912
Streets and transportation	6,357,462	6,497,462	3,459,326	3,038,136
Health and sanitation	400,000	-	-	-
Culture and recreation	1,908,000	2,475,695	1,394,334	1,081,361
Social services	133,709	133,709	98,239	35,470
Capital outlay	2,455,000	2,341,521	2,865,698	(524,177)
Total expenditures	77,788,482	80,552,391	69,969,679	10,582,712
Excess (deficiency) of revenues over expenditures	(15,979,797)	(15,374,818)	(250,226)	15,124,592

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		Actual Modified Accrual Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers (out)	\$ -	\$ -	\$ (1,760,361)	\$ (1,760,361)
Proceeds from the sale of assets	5,000	5,000	15,634	10,634
Proceeds from SBITA's	-	245,869	874,214	628,345
Proceeds from leases/financed purchases	-	-	40,800	40,800
Total other financing sources (uses)	<u>5,000</u>	<u>250,869</u>	<u>(829,713)</u>	<u>(1,080,582)</u>
Net change in fund balance	(15,974,797)	(15,123,949)	(1,079,939)	14,044,010
Fund balance – beginning	<u>15,974,797</u>	<u>15,123,949</u>	<u>15,123,949</u>	<u>-</u>
Fund balance – ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,044,010</u>	<u>\$ 14,044,010</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – COAL SEVERANCE TAX FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		Actual Modified Accrual Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Coal severance tax	\$ 140,000	\$ 140,000	\$ 152,314	\$ 12,314
Interest earnings	<u>2,000</u>	<u>2,000</u>	<u>1,711</u>	<u>(289)</u>
Total revenues	<u>142,000</u>	<u>142,000</u>	<u>154,025</u>	<u>12,025</u>
EXPENDITURES				
General government	-	-	700	(700)
Culture and recreation	<u>282,000</u>	<u>182,266</u>	<u>-</u>	<u>182,266</u>
Total expenditures	<u>282,000</u>	<u>182,266</u>	<u>700</u>	<u>181,566</u>
Excess (deficiency) of revenues over expenditures	<u>(140,000)</u>	<u>(40,266)</u>	<u>153,325</u>	<u>193,591</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>-</u>	<u>-</u>	<u>(145,000)</u>	<u>(145,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(145,000)</u>	<u>(145,000)</u>
Net change in fund balance	(140,000)	(40,266)	8,325	48,591
Fund balance – beginning	<u>140,000</u>	<u>40,266</u>	<u>40,266</u>	<u>-</u>
Fund balance – ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,591</u>	<u>\$ 48,591</u>

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2025

	Business-type Activities – Enterprise Funds			Total
	Sanitation and Trash	Civic Arena	Building Commission	
ASSETS				
Current:				
Cash and cash equivalents	\$ 420,383	\$ 1,074,033	\$ -	\$ 1,494,416
Receivables:				
Accounts	125,001	164,017	-	289,018
Due from:				
Other funds	23,425	27,129	18,641	69,195
Inventory, at cost	-	114,428	-	114,428
Prepaid expenses	18,514	23,566	-	42,080
Leases receivable	-	-	12,082,621	12,082,621
Total current assets	<u>587,323</u>	<u>1,403,173</u>	<u>12,101,262</u>	<u>14,091,758</u>
Non-current assets:				
Restricted account	-	-	3,307,263	3,307,263
Capital assets:				
Non-depreciable:				
Construction in process	-	-	2,945,951	2,945,951
Depreciable:				
Structures and improvements	75,140	-	12,735,240	12,810,380
Vehicles	3,046,711	-	-	3,046,711
Machinery and equipment	550,194	-	-	550,194
Less: accumulated depreciation	<u>(2,846,754)</u>	<u>-</u>	<u>(9,316,005)</u>	<u>(12,162,759)</u>
Total capital assets (net of accumulated depreciation)	<u>825,291</u>	<u>-</u>	<u>6,365,186</u>	<u>7,190,477</u>
Other debits:				
Net pension asset (PERS)	<u>142,436</u>	<u>-</u>	<u>-</u>	<u>142,436</u>
Total noncurrent assets	<u>967,727</u>	<u>-</u>	<u>9,672,449</u>	<u>10,640,176</u>
Total assets	<u>1,555,050</u>	<u>1,403,173</u>	<u>21,773,711</u>	<u>24,731,934</u>
DEFERRED OUTFLOWS OF RESOURCES				
Contributions made after measurement date	143,402	-	-	143,402
Changes in contributions	535	-	-	535
Difference between expected and actual experience	193,513	-	-	193,513
Other post employment benefits	<u>65,923</u>	<u>-</u>	<u>-</u>	<u>65,923</u>
Total deferred outflows of resources	<u>403,373</u>	<u>-</u>	<u>-</u>	<u>403,373</u>

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
JUNE 30, 2025

	Business-type Activities – Enterprise Funds			
	Sanitation and Trash	Civic Arena	Building Commission	Total
LIABILITIES				
Current liabilities payable from current assets:				
Accounts payable	\$ 72,825	\$ 638,770	\$ 60,153	\$ 771,748
Reserve for health claims	75,304	-	-	75,304
Payroll payable	-	96,023	-	96,023
Accrued interest payable	-	-	45,472	45,472
Due to:				
Other funds	2,385,263	133,265	-	2,518,528
Component units	18,704	-	-	18,704
Revenue bonds payable	-	-	564,237	564,237
	<u>2,552,096</u>	<u>868,058</u>	<u>669,862</u>	<u>4,090,016</u>
Total current liabilities payable from current assets				
Unearned revenues:				
Sponsorship	-	6,000	-	6,000
Charges for services	231,074	-	-	231,074
Ticket sales	-	254,886	-	254,886
Customer advances	-	13,835	-	13,835
Other unearned revenue	-	37,081	-	37,081
	<u>231,074</u>	<u>311,802</u>	<u>-</u>	<u>542,876</u>
Total unearned revenues				
Noncurrent liabilities:				
Other postemployment benefits liability	1,548,620	-	-	1,548,620
Compensated absences payable	208,377	-	-	208,377
Revenue bonds payable	-	-	11,518,384	11,518,384
Bond premiums payable	-	-	128,294	128,294
	<u>1,756,997</u>	<u>-</u>	<u>11,646,678</u>	<u>13,403,675</u>
Total noncurrent liabilities				
Total liabilities				
	<u>4,540,167</u>	<u>1,179,860</u>	<u>12,316,540</u>	<u>18,036,567</u>
DEFERRED INFLOWS OF RESOURCES				
Changes in contributions	391	-	-	391
Difference in assumptions	13,041	-	-	13,041
Difference between expected and actual investment earnings				
	165,815	-	-	165,815
Other post employment benefits	253,754	-	-	253,754
Lease deferred inflows	-	-	12,082,621	12,082,621
	<u>433,001</u>	<u>-</u>	<u>12,082,621</u>	<u>12,515,622</u>
Total deferred inflows of resources				
NET POSITION				
Net investment in capital assets	825,291	-	(2,652,311)	(1,827,020)
Restricted for: Net pension/OPEB asset	142,436	-	-	142,436
Unrestricted	(3,982,472)	223,313	26,861	(3,732,298)
	<u>(3,014,745)</u>	<u>223,313</u>	<u>(2,625,450)</u>	<u>(5,416,882)</u>
Total net position				
	<u>\$ (3,014,745)</u>	<u>\$ 223,313</u>	<u>\$ (2,625,450)</u>	<u>\$ (5,416,882)</u>

SEE ACCOMPANYING NOTES

**CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION – PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Business-type Activities –			
	Enterprise Funds			
	Sanitation and Trash	Civic Arena	Building Commission	Total
Operating revenues:				
Sales and services to customers	\$ 3,845,525	\$ 1,039,996	\$ -	\$ 4,885,521
Grants and contributions	-	58,500	-	58,500
Rebates and reimbursements	-	1,640,442	-	1,640,442
Rental fees	-	400,440	-	400,440
Miscellaneous	108,733	5,882	-	114,615
Total revenues	3,954,258	3,145,260	-	7,099,518
Operating expenses:				
Personal services	2,463,862	1,306,059	-	3,769,921
Contractual services	459,493	258,409	800,242	1,518,144
Administrative and general	236,273	1,679,911	-	1,916,184
Miscellaneous	-	73,803	-	73,803
Liability insurance	108,918	129,252	-	238,170
Materials and supplies	133,754	14,581	-	148,335
Utilities	74,975	302,793	-	377,768
Depreciation	209,828	-	161,915	371,743
Maintenance	191,430	154,263	-	345,693
Total operating expenses	3,878,533	3,919,071	962,157	8,759,761
Operating income (loss)	75,725	(773,811)	(962,157)	(1,660,243)
Nonoperating revenues (expenses):				
Interest revenue	10,649	6,037	111,883	128,569
Interest and fiscal charges	-	-	(364,874)	(364,874)
Total nonoperating revenues (expenses)	10,649	6,037	(252,991)	(236,305)
Income (loss) before transfers	86,374	(767,774)	(1,215,148)	(1,896,548)
Transfers in (out)	-	751,849	(2,098,037)	(1,346,188)
Change in net position	86,374	(15,925)	(3,313,185)	(3,242,736)
Net position at beginning, restated	(3,101,119)	239,238	687,735	(2,174,146)
Net position at end of year	\$ (3,014,745)	\$ 223,313	\$ (2,625,450)	\$ (5,416,882)

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities – Enterprise Funds			Total
	Sanitation and Trash	Civic Arena	Building Commission	
Cash flows from operating activities				
Cash received from customers	\$ 3,808,668	\$ 2,467,438	\$ -	\$ 6,276,106
Cash paid for goods and services	(1,166,117)	(2,250,628)	(847,329)	(4,264,074)
Other cash receipts	98,672	425,490	-	524,162
Cash paid to employees	(2,631,998)	(1,265,716)	-	(3,897,714)
Other cash payments	(253,663)	(46,873)	(403,641)	(704,177)
Net cash provided (used) by operating activities	(144,438)	(670,289)	(1,250,970)	(2,065,697)
Cash flows from noncapital financing activities:				
Transfers in	-	751,849	465,930	1,217,779
Net cash provided by noncapital financing activities	-	751,849	465,930	1,217,779
Cash flows from capital and related financing activities				
Purchases of capital assets	-	-	(2,687,049)	(2,687,049)
Proceeds from sale of bonds	-	-	9,943,331	9,943,331
Principal paid on capital debt	-	-	(3,767,739)	(3,767,739)
Interest paid on capital debt	-	-	(334,155)	(334,155)
Net cash (used) by capital and related financing activities	-	-	3,154,388	3,154,388
Cash flows from investing activities:				
Interest and investment earnings	10,650	6,037	111,883	128,570
Net cash provided by investing activities	10,650	6,037	111,883	128,570
Net (decrease) in cash and cash equivalents	(133,788)	87,597	2,481,231	2,435,040
Cash and cash equivalents at beginning year	554,171	986,436	826,032	2,366,639
Cash and cash equivalents at end of year (Including \$3,307,263 in restricted accounts)	\$ 420,383	\$ 1,074,033	\$ 3,307,263	\$ 4,801,679

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities – Enterprise Funds			
	Sanitation and Trash	Civic Arena	Building Commission	Total
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 75,725	\$ (773,811)	\$ (962,157)	\$ (1,660,243)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	209,828	-	161,915	371,743
Decrease (increase) in accounts receivable	(39,703)	(96,782)	-	(136,485)
Increase (decrease) in unearned revenues	2,846	(516,658)	-	(513,812)
Decrease (increase) in deferred outflows	(79,306)	-	-	(79,306)
Decrease (increase) in net pension asset	(138,515)	-	-	(138,515)
Decrease (increase) in due from other funds	(10,061)	361,108	(18,641)	332,406
Decrease (increase) in inventory	-	(36,415)	-	(36,415)
Decrease (increase) in prepaid expenses	(76)	(9,151)	-	(9,227)
Increase (decrease) in accounts payable	38,802	407,950	(47,087)	399,665
Increase (decrease) in other postemployment benefits liability	3,500	-	-	3,500
Increase (decrease) in payroll payable	-	40,343	-	40,343
Increase (decrease) in compensated absences payable	(50,033)	-	-	(50,033)
Increase (decrease) in deferred inflows	110,631	-	-	110,631
Increase (decrease) in due to other funds	(253,663)	(46,873)	(385,000)	(685,536)
Increase (decrease) in health care claims payable	(14,413)	-	-	(14,413)
Net cash provided (used) by operations	\$ (144,438)	\$ (670,289)	(1,250,970)	\$ (2,065,697)

SEE ACCOMPANYING NOTES

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2025

	<u>Pension Trust Funds</u>	<u>Custodial Fund–Asset Seizure</u>
ASSETS		
Non-pooled cash	\$ 985,177	\$ 1,546,107
Total cash	<u>985,177</u>	<u>1,546,107</u>
Investments, at fair value:		
Money market funds	1,192,761	-
Fixed income securities	33,950,004	-
Equities	<u>69,368,135</u>	<u>-</u>
Total investments	<u>104,510,900</u>	<u>-</u>
Receivables:		
Accrued income	306,077	-
Due from other governments	<u>240,368</u>	<u>-</u>
Total receivables	<u>546,445</u>	<u>-</u>
Total assets	<u>106,042,522</u>	<u>1,546,107</u>
DEFERRED OUTFLOWS		
Deferred outflows	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	\$ <u>106,042,522</u>	\$ <u>1,546,107</u>

(1) A schedule of changes in net pension liability and related ratios for each plan is presented in the Required Supplementary Information section of this report.

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS (Continued)
JUNE 30, 2025

	<u>Pension Trust Funds</u>	<u>Custodial Fund–Asset Seizure</u>
LIABILITIES		
Accounts payable	\$ 8,516	\$ -
Due to primary government	<u>232</u>	<u>-</u>
Total liabilities	<u>8,748</u>	<u>-</u>
DEFERRED INFLOWS		
Deferred inflows	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>8,748</u>	<u>-</u>
NET POSITION		
Net position restricted for pension benefits	106,033,774	-
Individuals, organizations, and other governments	<u>-</u>	<u>1,546,107</u>
	<u>\$ 106,033,774</u>	<u>\$ 1,546,107</u>

(1) A schedule of changes in net pension liability and related ratios for each plan is presented in the Required Supplementary Information section of this report.

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Pension Trust Funds	Custodial Fund–Asset Seizure
ADDITIONS		
Contributions		
Employer	\$ 7,326,651	\$ -
Plan members	446,937	-
Insurance premium surtax	2,920,332	-
Asset seizures	-	122,848
	10,693,920	122,848
Investment income:		
Net increase (decrease) in fair value of investments	7,249,433	-
Interest and dividends	2,448,151	63,882
	9,697,584	63,882
Net investment income	9,697,584	63,882
	20,391,504	186,730
DEDUCTIONS		
Benefits	13,038,937	-
Administrative expenses	334,033	-
Refunds of contributions	-	40,470
Other	-	311,268
	13,372,970	351,738
Total deductions	13,372,970	351,738
Change in net position	7,018,534	(165,008)
Net position:		
Beginning of year	99,015,240	1,711,115
End of year	\$ 106,033,774	\$ 1,546,107

(1) A schedule of changes in net pension liability and related ratios for each plan is presented in the Required Supplementary Information section of this report.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Huntington, West Virginia (the City), conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of significant accounting policies:

A. Reporting Entity

The City of Huntington is a municipal corporation governed by an elected mayor and eleven-member council. The accompanying financial statements present the government and its component units as required by generally accepted accounting principles.

The services provided by the government and accounted for within these financial statements include law enforcement for the City, fire protection, health and sanitation services, cultural and recreational programs, and other governmental services.

The accompanying financial statements present the government and its component units as required by the accounting principles generally accepted in the United States. In determining whether to include a governmental department agency, commission or organization as a component unit, the government must evaluate each entity as to whether they are legally separate and financially accountable based on the criteria set for the by the Governmental Account Standards Board (GASB). Legal separateness is evaluated on the basis of (1) its corporate name, (2) the right to sue and be sued and (3) the right to buy, sell or lease and mortgage property. Financial accountability based on (1) the appointment of the government authority and (2) the ability to impose will or (3) the providing of specific financial benefit or imposition of specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the City.

Discretely Presented Component Units

Discretely presented component units are legally separate from the City, but are financially accountable to the City, or whose relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. Because of the nature of services they provide and the City's ability to impose its will on them or a financial benefit/burden relationship exists, the following component units are discretely presented in accordance with GASB Statement No. 61. The discretely presented component units are presented on the government-wide statements.

The *Huntington Municipal Development Authority* serves the City of Huntington, West Virginia, and is governed by a board comprised of fifteen members appointed by the City and is comprised of three business representatives, three industry representatives, three labor representatives, one member of the council and five additional representatives. The Municipal Development Authority develops property on behalf of the City and also provides services to external parties. The rates for user charges and bond issuance authorization are approved by the government's elected council.

The *Municipal Parking Board* serves all citizens of the City by providing parking services and is governed by a seven-member Board appointed by the City. The rates for user charges and bond issuance authorization are approved by the government's elected council.

The *Huntington Broadband Utility* serves the City of Huntington and is governed by a board comprised of three members appointed by the City. The Utility was created in October 2022, by ordinance of Huntington City Council, which also established a Broadband Board which is charged with the oversight, management, direction, governance, and supervision of all aspects of the design,

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

development, acquisition, construction, equipping, addition, extension, improvement, betterment, operation, maintenance, and collection of broadband revenues of the Huntington Broadband Utility.

The *Water Quality Board* serves all citizens of the City and is governed by a three-member board comprised of the Mayor and two members appointed by the City. The rates for user charges and bond issuance authorizations are approved by the City's elected council. Complete financial statements for the Water Quality Board can be obtained at the entity's administrative offices.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by grants and contributions that are restricted to meeting a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Combining financial statements for the nonmajor governmental funds and for the discretely presented component units are included as supplementary information.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and collectible. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collectible within 60 days of the end of the current fiscal period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Also, certain taxpayer-assessed revenues such as business and occupation and utility taxes are accrued as revenue at year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Sanitation and Trash and the Civic Arena Fund (enterprise funds), Huntington Building Commission (a blended component unit), Municipal Development Authority, Municipal Parking Board, and Water Quality Board (discretely presented component units) are charges to customers for services. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

The government reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial services of the general government, except those required to be accounted for in another fund.

The *Coal Severance Tax Fund*, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia municipalities.

The *Community Development Block Grant Fund*, a special revenue fund, accounts for the CDBG Entitlement Program. The CDBG Entitlement Program provides grants to metropolitan areas and urban counties for community development.

The *American Rescue Plan Act-2021 Fund*, a special revenue fund, accounts for any federal financial assistance received pursuant to the American Rescue Plan Act (ARPA).

The government reports the following major proprietary funds:

The *Sanitation and Trash Fund* serves the City by providing garbage collection and disposal services to the public.

The *Civic Arena Fund* accounts for operating activities of the City's civic arena.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Blended Component Unit

The entity below is legally separate from the City and meets GAAP criteria for component units. The entity is blended with the primary government because it provides services entirely or almost entirely to the City.

The *Huntington Building Commission* serves the City of Huntington, West Virginia, and is governed by a board comprised of three members appointed by the City for a term of five years each. The Building Commission acquires property and debt on behalf of the City. The Huntington Building Commission is reported as a proprietary fund.

Additionally, the government reports the following fund types:

The *Pension (and other employee benefit) Trust Funds* account for the resources that are required to be held in trust for the members and beneficiaries of defined benefit plans or other employee benefit plans. These funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting.

The *Custodial Funds* are used to account for assets that the City of Huntington, West Virginia holds for others in a custodial capacity.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Deposits and Investments

The City of Huntington, West Virginia's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than three months from the date of acquisition. For purposes of the Statements of Cash Flows, restricted assets may be considered cash equivalents based on liquidity.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the City reports its investments at fair value, except for non-participating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in fair value of investments, are recognized as revenue in the operating statement. Fair value is determined by quoted market prices.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds related to the retirement system not listed on an established market are reported as estimated fair value as determined by the respective fund managers based on quoted sales prices of underlying securities. Cash investments and fair values are presented in Note III.A.

State statutes authorize the government to invest in the State Investment Pool or the Municipal Bond Commission or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit (which mature in less than one year), general and direct obligations of the State of West Virginia; obligations of the Federal Mortgage Association; indebtedness secured by first lien deeds of trust for property situated within this State if the payment is substantially insured or guaranteed by the Federal government; pooled mortgage trusts (subject to limitations); indebtedness of any private corporation that is properly graded in the top three ratings, at the time of acquisition; interest earning deposits which are fully insured or collateralized; and mutual funds registered with the S.E.C. which have fund assets over three hundred million dollars.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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State statute §8-13-22c placed limitations on the aforementioned investments include the following: at no time can investment portfolios consist of more than seventy-five percent of the indebtedness of any private corporation nor can the portfolio have over twenty-five percent of its portfolio consisting of the indebtedness of a private corporation's debt which matures in less than one year; at no time may more than five percent of the portfolio be invested in securities issued by a single private corporation or association; and at no time can more than sixty percent of the portfolio be invested in equity mutual funds.

Municipal pension funds are governed as to type of investment by *West Virginia Code §8-22-22*. Pension funds are permitted to invest in all of the above-mentioned types of investments with the exception of (1) direct and general obligations of the State and (2) pooled mortgage trusts. Additionally, pension funds are permitted to invest funds in the following categories of investments: (1) repurchase agreements and (2) common stock, securities convertible into common stocks, or warrants and rights to purchase such securities. Pension funds have different rules concerning the purchase of marketable debt securities.

The following restrictions apply only to pension portfolios and are separate and distinct from the limitations mentioned above: (1) fixed income securities which are issued by one issuer (with the exception of the United States government) are not to exceed five percent of the total pension fund assets; and (2) at no time can the non-real estate equity portion of the portfolio exceed seventy-five percent of the total portfolio.

2. Receivables and Payables

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables or payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balance outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Trade Receivables

All trade receivables are shown at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Property Tax Receivable

All current taxes assessed on real and personal property may be paid in two installments; the first installment is payable on September first of the year for which the assessment is made, and becomes delinquent on October first; the second installment is payable on the first day the following March and becomes delinquent on April first. Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If the taxes are not paid on or before the date in which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until the date they are paid.

**CITY OF HUNTINGTON, WEST VIRGINIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

3. Inventories and Prepaid Items

The Civic Center inventories are valued at cost using the first-in/first-out (FIFO) method.

The cost of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Restricted Assets

Restricted assets include resources in which the City is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or imposed by law or enabling legislation.

Certain proceeds of the discretely presented component units revenue bonds, as well as certain proceeds set aside for the repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

The “regular” account is used to segregate resources accumulated for debt service payments over the next twelve months.

The “reserve” account is used to report resources set aside to make up potential future deficiencies in the regular account.

The “renewal and replacement” account is used to report resources set aside to meet unexpected contingencies or fund asset renewals and replacements.

“The “reserve for construction” account is used to report those proceeds of revenue bond that are restricted for use in construction.

5. Capital Assets and Depreciation

Capital assets, which include property, plant, and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds during the same period.

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Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Structures and improvements	40-50
Infrastructure	40-50
Machinery and equipment	5-10
Vehicles	5-10
Furniture and fixtures	5-10

6. Compensated Absences

Full-time, permanent employees are granted and may accumulate vacation, other paid time off and compensatory time benefits in varying amounts to specified maximums depending on tenure and benefit group with the City. Employees are entitled to their accrued vacation, personal time and compensatory time upon termination. All vacation pay is accrued when incurred. A liability is calculated for unpaid accumulated sick leave to the extent that the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

When a permanent employee retires, the employee may elect to have a portion of accrued sick leave converted to accrued vacation and/or insurance benefits depending upon which benefit group the employee belongs. Compensated absences are reported as accrued when incurred in the government-wide and proprietary financial statements in accordance with GASB Statement No. 101, *Compensated Absences*.

7. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the case of intra-entity leases where the lessee or lessor is included as a blended component unit of the primary government, eliminations are required before the financial statements of the blended component units are aggregated with those of the primary government.

8. Deferred Outflow/Inflows of Resources/ Unearned Revenue

Under both accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete those assets must be offset by a corresponding liability for unearned revenue. Property tax collections, leases, and other receivables that are not received soon enough after year end to pay liabilities of the current period, are required to be presented as unavailable revenue. For fiscal year ended June 30, 2025, the City reported unavailable revenues totaling \$509,126.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources which 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. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pensions and other post-employment benefits (OPEB). In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include pension and other post-employment benefits inflows.

9. Net Position/Fund Balances

Net position is classified into four categories according to external donor restrictions or availability of assets for satisfaction of obligations. The City's net position is classified as follows:

Net investment in capital assets	This represents the City's total investment in capital assets, net of accumulated depreciation and reduced by the balances of any outstanding debt obligations related to those capital assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
Restricted net position, expendable	This includes resources in which the City is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties including grantors, donors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
Restricted net position, nonexpendable	This includes endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to the principal. The City does not have any restricted nonexpendable assets as of June 30, 2025.
Unrestricted net position	This represents resources derived from other than capital assets or restricted net position. These resources are used for transactions relating to the general operation of the City, and may be used at the discretion of the City to meet current expenses for any lawful purpose.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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In the governmental fund financial statements, fund balance is reported in five classifications.

Nonspendable	Inventories, non-current leases receivable, and prepaid amounts represent fund balance amounts that are not in spendable form.
Restricted	The restricted category is the portion of fund balance that is externally imposed by creditors, grantors, contributors or laws or regulations. It also is imposed by law through constitutional provisions or enabling legislation.
Committed	The committed category is the portion of fund balance whose use is constrained by limitations that have been approved by an ordinance (the highest level of formal action) of the City Council, and that remain binding unless removed in the same manner. The approval does not automatically lapse at the end of the fiscal year.
Assigned	The assigned category is the portion of the fund balance that has been approved by formal action of the City Council, or other official authorized to assign amounts, for any amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
Unassigned	The unassigned category is the portion of fund balance that has not been reported in any other classification. Only the general fund can report a positive amount of unassigned fund balance. However, any governmental fund in a deficit position could report a negative amount of unassigned fund balance.

The City Council is the government's highest level of decision-making authority. The Council would take formal action to establish, and modify or rescind, a fund balance commitment or to assign fund balance amounts to a specific purpose. The government has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The government has the authority to deviate from this policy if it is in the best interest of the City.

E. Property Taxes

All municipalities within the State are authorized to levy taxes not in excess of the following maximum levies per \$100 of assessed valuation: on Class I property, twelve and five-tenths cents (12.5 cents); on Class II property, twenty-five cents (25 cents); on Class IV property, fifty cents (50 cents). In addition, municipalities may provide for an election to lay an excess levy; the rates not to exceed statutory limitations, provided at least sixty percent of the voters cast ballots in favor of the excess levy.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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The rate levied by the City per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2025, were as follows:

Class of Property	Assessed Valuation for Tax Purposes	Current Expense
Class II	\$ 615,480,266	22.00 cents
Class IV	\$ 1,198,236,506	44.00 cents

Tax Incentive Programs

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, the City is required to disclose certain information about tax abatement as defined in the statement. For purposes of GASB No.77, a tax abatement is a reduction in tax revenues that result from an agreement between one or more governments and an individual or entity in which one or more governments promise to forgo tax revenues to which they are otherwise entitled and the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the City or the citizens of the City.

The purpose of the tax incentive program is to attract new and existing firms and to promote expansion of existing businesses and industry. It is the intent of the City to provide and create jobs for local and area residents; to create long-term tax base growth through the replacement reconstruction and expansion of existing business and technological facilities, where appropriate, and environmentally sound; to encourage the construction of new facilities, when necessary; and to create the potential for generating new demands for existing local businesses. It is further the intent of the City to encourage substantial investment in new equipment and other personal and real property subject to taxation.

F. Pension and Other Postemployment Benefit Liabilities

For purposes of measuring the pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pension/OPEB, and pension/OPEB expense, information about the fiduciary net position of the State OPEB Plan and additions to/deductions from the pension/OPEB plan’s fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for certain pooled investments, money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at amortized cost.

Other Post-Employment Benefits (OPEB)

It is the City’s policy to permit employees to accumulate earned but unused sick pay benefits. Sick benefits can be accumulated for unlimited days and carried forward to the subsequent fiscal year. When separated from employment, employees’ sick leave benefits are considered ended and no reimbursement is provided. However, upon retirement, an employee’s accumulated annual sick leave may be converted to a greater retirement benefit or payment of the retired employee’s health insurance premiums. The greater retirement benefit is only applicable to a Tier I Member of PERS who was hired for the first time prior to July 1, 2015. The cost of the increased retirement option is the liability of the West Virginia Consolidated Public Retirement Board. The payment of health insurance premiums must be absorbed by the last agency employing the retiree and is included as part of the OPEB liability.

**CITY OF HUNTINGTON, WEST VIRGINIA
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For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by West Virginia Retiree Health Benefit Trust Fund (RHBT). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for certain pooled investments, money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at amortized cost. See Note VI for further discussion.

G. Recent Statements Issued by Government Accounting Standards Board

The Government Accounting Standards Board has issued Statement No. 101, *Compensated Absences*, effective for fiscal years beginning after December 15, 2023. The objective of this Statement is to better meet the needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement establishes guidance for measuring a liability for leave that has not been used.

Statement No. 101 amends the requirement to disclose the gross increase and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change).

The Government Accounting Standards Board has issued Statement No. 102, *Certain Risk Disclosures*, effective for fiscal years beginning after July 15, 2024. The objective of this Statement is to provide users of governmental financial statements with essential information about risks related to governments' vulnerabilities due to certain concentrations or constraints.

The Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority.

Statement No. 102 requires a government to assess whether a concentration or constraint makes the primary government or other reporting units that report a liability for revenue debt vulnerable to the risk of substantial impact. If the government determines that the criteria have been met it should disclose information in the notes to the financial statements in sufficient detail to enable users to understand the nature of the circumstances and the government's vulnerability to the risk of a substantial impact.

Disclosure should include descriptions of the concentration or constraint and actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Coal Severance Tax Special Revenue Fund. All annual appropriations lapse at fiscal year-end.

City of Huntington, West Virginia prepares its budget on the modified accrual basis of accounting. The governing body of the City is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain the financial condition of the city and to prepare the levy estimate (budget) for the fiscal year commencing July 1. The budget is then forthwith submitted to the State Auditor for approval. The governing body then reconvenes on the third Tuesday in April to hear objections from the public and formally lay the levy.

The appropriated budget is prepared by fund, function and department. Transfers of appropriations between departments and revenue related revisions to the budget require approval from the governing council and then are submitted to the State Auditor for approval. Revisions become effective when approved by the State Auditor and budgeted amounts in the financial statements reflect only such approved amounts.

The governing body made the following supplementary budgetary appropriations throughout the year:

General Fund:

Amount	Description
\$ 2,561,185	General Government Expenditure Increase
8,508	Public Safety Expenditure Increase
140,000	Streets and Transportation Expenditure Increase
(400,000)	Health and Sanitation
567,695	Culture and Recreation
(113,479)	Capital Outlay

Coal Severance Fund:

Amount	Description
\$ (99,734)	Culture and Recreation Expenditure Decrease

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the funds listed at the function level:

Function	Amount
General Fund – Capital outlay	\$ 524,177
General Fund – Transfers out	1,760,361
Coal Severance Tax Fund – General government	700
Coal Severance Tax Fund – Transfers out	145,000

The over expenditures in these functions were funded by other sources within each fund and had no impact on the financial results of the funds.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

C. Deficiencies in Net Changes in Fund Balances

The following funds had deficiencies in net changes in fund balances for the year ended June 30, 2025:

Fund	Amount
General Fund	\$ 1,079,939
Community Development Block Grant	95,708
American Rescue Plan (ARPA)	561,610
Non-major Governmental Fund – Safety Town	138,467
Non-major Governmental Fund – HURA/LRA	7,401
Non-major Capital Projects Fund – Capital Improvements	1,191,607
Enterprise Fund – Civic Arena	15,925
Blended Component Unit – Building Commission	3,313,185

Funds sufficient to provide for the excess expenditures were made available from other sources within each fund and the deficiencies had no impact on the financial results of the funds.

D. Deficit Net Position

The Governmental and Business-Type Activities had deficit net position of \$(178,509,894) and \$(5,416,882), respectively, as of June 30, 2025. The City has incurred significant debt for the Net Pension Liability and Other Post-employment Benefits obligation as estimated within the actuarial valuations. The City has affected funding strategies to reduce these debts in the future.

Sanitation and Trash Fund had a net position deficit of \$(3,014,745) at June 30, 2025. Building Commission had a net position deficit of \$(2,625,450) at June 30, 2025.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

At year end, the government had the following investments:

	<u>Fair Value</u>	<u>Credit Risk Rating</u>
		<u>Standard & Poor's</u>
Primary Government		
Money market – General Fund	\$ 373,356	Not Rated
Money market – Landfill Reserve	1,988,237	Not Rated
Money market – Police Retiree Insurance	2,449	Not Rated
Fixed income – Police Retiree Insurance	142,020	AAA-AA
Equities – Police Retiree Insurance	1,123,537	Not Rated
Total	<u>\$ 3,629,599</u>	

	<u>Interest Rate Risk</u>	
	<u>0-1 Year</u>	<u>5-10 Years</u>
Money market – General Fund	\$ 373,356	\$ -
Money market – Landfill Reserve	1,988,237	-
Money market – Police Retiree Insurance	2,449	-
Fixed income – Police Retiree Insurance	-	142,020
Equities – Police Retiree Insurance	1,123,537	-
Total	<u>\$ 3,487,579</u>	<u>\$ 142,020</u>

	<u>Fair Value</u>	<u>Credit Risk Rating</u>
		<u>Standard & Poor's</u>
Fiduciary Funds		
Policemen's Pension and Relief		
Money market funds	\$ 497,267	Not Rated
U.S. Government agency notes	6,552,483	AA+
Municipal obligations	2,902,387	AAA-Not Rated
Mutual funds – fixed income	1,673,897	Not Rated
Corporate bonds	6,508,868	AAA-BB+
Preferred stock	343,560	Not Rated
Certificate of deposit	255,735	Not Rated
Equities	37,488,796	Not Rated
Total	<u>\$ 56,222,993</u>	

	<u>Interest Rate Risk</u>			
	<u>0-1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>	<u>Over 10 Years</u>
Money market funds	\$ 497,267	\$ -	\$ -	\$ -
U.S. Government agency notes	314,795	1,268,549	-	4,969,138
Municipal obligations	-	1,539,824	1,362,564	-
Mutual funds – fixed income	1,673,897	-	-	-
Corporate bonds	253,854	2,265,855	3,518,431	470,728
Preferred stock	343,560	-	-	-
Certificate of deposit	-	255,735	-	-
Equities	37,488,796	-	-	-
Total	<u>\$ 40,572,169</u>	<u>\$ 5,329,963</u>	<u>\$ 4,880,995</u>	<u>\$ 5,439,866</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
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Firemen's Pension and Relief	Fair Value	Credit Risk Rating
		Standard & Poor's
Money market funds	\$ 695,494	Not Rated
U.S. Government agency notes	6,271,670	AA+ to Not Rated
Municipal obligations	897,105	AA+ to Not Rated
Mutual funds – fixed income	1,497,846	Not Rated
Corporate bonds	6,520,778	AAA to Not Rated
Preferred stock	269,940	Not Rated
Certificate of deposit	255,735	Not Rated
Equities	31,879,339	Not Rated
Total	\$ 48,287,907	

Interest Rate Risk

	0-1 Year	1-5 Years	5-10 Years	Over 10 Years
Money market funds	\$ 695,494	\$ -	\$ -	\$ -
U.S. Government agency notes	929,003	117,400	27,796	5,197,471
Municipal obligations	-	897,105	-	-
Mutual funds – fixed income	1,497,846	-	-	-
Corporate bonds	447,038	2,586,514	3,223,822	263,404
Preferred stock	269,940	-	-	-
Certificate of deposit	-	255,735	-	-
Equities	31,879,339	-	-	-
Total	\$ 35,718,660	\$ 3,856,754	\$ 3,251,618	\$ 5,460,875

Investments Measured at Fair Value

Investments are reported at fair value on a recurring basis determined by reference to quoted market prices and other relevant information generated by market transactions.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2025 are as follows:

Fiduciary Funds	Fair Value	Quoted Prices in		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Policemen's Pension and Relief				
U.S. Government agency notes	\$ 6,552,483	\$ 6,552,483	\$ 0	\$ 0
Municipal obligations	2,902,387	2,902,387	0	0
Mutual funds – fixed income	1,673,897	1,673,897	0	0
Corporate bonds	6,508,868	6,508,868	0	0
Preferred stock	343,560	343,560	0	0
Equities	37,488,796	37,488,796	0	0
Total	\$ 55,469,991	\$ 55,469,991	\$ 0	\$ 0

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Fiduciary Funds		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Firemen's Pension and Relief	Fair Value			
U.S. Government agency notes	\$ 6,271,670	\$ 6,271,670	\$ 0	\$ 0
Municipal obligations	897,105	897,105	0	0
Mutual funds – fixed income	1,497,846	1,497,846	0	0
Corporate bonds	6,520,778	6,520,778	0	0
Preferred stock	269,940	269,940	0	0
Equities	31,879,339	31,879,339	0	0
Total	<u>\$ 47,336,678</u>	<u>\$ 47,336,678</u>	<u>\$ 0</u>	<u>\$ 0</u>

The funds recognize transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2025. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted on active markets for those securities.

Interest Rate Risk

The government does not have a policy for interest rate risk.

Credit Risk

State law limits investments as described in Note I.D.1. It's the government's policy to limit its investments. The government does not have a policy for credit risk in addition to state regulations. As of June 30, 2025, the government's investments were rated using Standard & Poor's and Fitch and Moody's Investment Services.

Concentration of Credit Risks

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires disclosure when the investment in any one issuer equals or exceeds 5% of the total amount of investments. At year end, the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund had no investments in any one issuer equal or in excess of 5%.

Custodial Credit Risk

For deposits, the government could be exposed to risk in the event of a bank failure where the government's deposits may not be returned. The government does not have a deposit policy for custodial credit risk. At year end, the primary government's and fiduciary funds' reconciled bank balances were \$18,555,791 and \$2,531,284, respectively, which were collateralized with securities held by the pledging financial institution's trust department in the government's name.

For investments, the government could be exposed to risk in the event of the failure of the counterparty where the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The government does not have a deposit policy for custodial credit risk. At year end, the primary government's and fiduciary funds' investment balances were \$3,629,599 and \$104,510,900. The investments were collateralized by related securities held by the government's brokerage firm.

**CITY OF HUNTINGTON, WEST VIRGINIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

A reconciliation of cash and investments as shown on the Statement of Net Position of the primary government and Statement of Net Position of the Fiduciary Funds is as follows:

	Primary Government
Cash and cash equivalents	\$ 18,555,791
Investments	3,629,599
Total	\$ 22,185,390
	Fiduciary Funds
Cash and cash equivalents	\$ 2,531,284
Investments	104,510,900
Total	\$ 107,042,184

For deposits, the Municipal Development Authority could be exposed to risk in the event of a bank failure where the Authority's deposits may not be returned. The Authority does not have a deposit policy for custodial credit risk. At year end, the Authority's reconciled bank balances of \$5,644,985 were collateralized with securities held by the pledging financial institution's trust department in the authority's name.

For deposits, the Municipal Parking Board could be exposed to risk in the event of a bank failure where the Board's deposits may not be returned. The Board does not have a deposit policy for custodial credit risk. At year end, the Board's reconciled bank balances of \$122,315 were collateralized with securities held by the pledging financial institution's trust department in the Board's name.

For deposits, the Huntington Broadband Utility could be exposed to risk in the event of a bank failure where the utility's deposits may not be returned. The utility does not have a deposit policy for custodial credit risk. At year end, the utility's reconciled bank balances of \$121,499 were collateralized with securities held by the pledging financial institution's trust department in the utility's name.

For deposits, the Water Quality Board could be exposed to risk in the event of a bank failure where the Board's deposits may not be returned. The Board does not have a deposit policy for custodial credit risk. At year end, the Board's reconciled bank balances of \$40,995,709 were collateralized with securities held by the pledging financial institution's trust department in the Board's name.

The reconciliation of cash and investments as shown on the Statement of Net Position of the discretely presented component units are as follows:

	Municipal Development Authority	Municipal Parking Board	Broadband Board	Water Quality Board
Cash and cash equivalents	\$ 5,644,985	\$ 122,315	\$ 121,499	\$ 40,995,709
Total	5,644,985	122,315	121,499	40,995,709
	Municipal Development Authority	Municipal Parking Board	Broadband Board	Water Quality Board
Cash and cash equivalents	3,809,105	122,315	121,499	29,361,307
Cash and cash equivalents--restricted	1,835,880	-	-	11,634,402
Total	\$ 5,644,985	\$ 122,315	\$ 121,499	\$ 40,995,709

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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B. Receivables

Receivables at year end for the primary government's individual major funds and nonmajor funds in the aggregate, are as follows:

	General	CDBG	TIF #1	TIF #2	TIF #3	Sanitation & Trash	Civic Arena	Building Commission	Nonmajor	Total
Receivables:										
Accounts	\$ 2,577,066	\$ 1,739,733	\$ -	\$ -	\$ -	\$ 443,622	\$ 164,017	\$ -	\$ 2,327	\$ 4,926,765
Taxes	6,966,455	-	39,834	28,291	21,231	-	-	-	-	7,055,811
Loans	283,570	7,376,765	-	-	-	-	-	-	-	7,660,335
Leases	244,008	-	-	-	-	-	-	12,082,621	-	12,326,629
Gross receivables	<u>10,071,099</u>	<u>9,116,498</u>	<u>39,834</u>	<u>28,291</u>	<u>21,231</u>	<u>443,622</u>	<u>164,017</u>	<u>12,082,621</u>	<u>2,327</u>	<u>31,969,540</u>
Less: allowance for uncollectible	<u>(2,329,932)</u>	<u>(1,784,008)</u>	<u>(24,852)</u>	<u>(19,132)</u>	<u>(14,621)</u>	<u>(318,621)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,491,166)</u>
Net total receivables	<u>\$ 7,741,167</u>	<u>\$ 7,332,490</u>	<u>\$ 14,982</u>	<u>\$ 9,159</u>	<u>\$ 6,610</u>	<u>\$ 125,001</u>	<u>\$ 164,017</u>	<u>\$ 12,082,621</u>	<u>\$ 2,327</u>	<u>\$ 27,478,374</u>

Governmental funds report unavailable revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, unavailable revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>
Property taxes receivable (General fund)	\$ 236,511
Property taxes receivable (TIF #1)	13,028
Property taxes receivable (TIF #2)	9,135
Property taxes receivable (TIF #3)	6,578
Leases receivable (General fund)	243,874
Total	<u>\$ 509,126</u>

Receivables at year end for the component units (HMDA, HMPB and HWQB) are as follows:

	HMDA	HMPB	HWQB	Total
Receivables:				
Accounts	\$ 179,895	\$ 11,362	\$ 3,231,389	\$ 3,422,646
Other	14,960	-	-	14,960
Loans	3,198,875	-	-	3,198,875
Leases	-	106,055	-	106,055
Gross receivables	<u>3,393,730</u>	<u>117,417</u>	<u>3,231,389</u>	<u>6,742,536</u>
Less: Allowance for uncollectible	<u>(3,198,875)</u>	<u>-</u>	<u>(865,956)</u>	<u>(4,064,831)</u>
Net total receivables	<u>\$ 194,855</u>	<u>\$ 117,417</u>	<u>\$ 2,365,433</u>	<u>\$ 2,677,705</u>

The amount reported for allowance for uncollectible accounts of the HMDA at June 30, 2025, was determined based upon the City's lien position on certain assets associated with the Ebenezer Medical Outreach, Inc./Douglass Centre Limited Partnership and the Huntington High L.P. loans. It was determined that the assets of the borrowers are not sufficient to make payments on the outstanding loans, and it is doubtful that the payments will be made in the future.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	Primary Government					
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Totals Before Eliminations*</u>	<u>Eliminations</u>	<u>Ending Balance</u>
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 1,106,166	\$ -	\$ -	\$ 1,106,166	\$ -	\$ 1,106,166
Construction in progress	11,397,979	681,285	4,747,994	7,331,270	-	7,331,270
Total capital assets not being depreciated	<u>12,504,145</u>	<u>681,285</u>	<u>4,747,994</u>	<u>8,437,436</u>	<u>-</u>	<u>8,437,436</u>
Capital assets being depreciated:						
Buildings and improvements	17,762,385	5,050,535	4,587,639	18,225,281	-	18,225,281
Leased buildings (intangible asset)*	8,210,000	9,810,000	5,610,000	12,410,000	(12,410,000)	-
Machinery and equipment	9,354,575	255,268	-	9,609,843	-	9,609,843
Vehicles	13,840,407	373,716	1,795,736	12,418,387	-	12,418,387
Subscription assets	477,027	874,214	189,927	1,161,314	-	1,161,314
Leased assets (intangible asset)	215,982	40,800	-	256,782	-	256,782
Infrastructure	21,098,867	26,195	-	21,125,062	-	21,125,062
Total accumulated depreciation and amortization	<u>(45,190,651)</u>	<u>(2,722,916)</u>	<u>(7,839,687)</u>	<u>(40,073,880)</u>	<u>327,379</u>	<u>(39,746,501)</u>
Total capital assets being depreciated, net	<u>25,768,592</u>	<u>13,707,812</u>	<u>4,343,615</u>	<u>35,132,789</u>	<u>(12,082,621)</u>	<u>23,050,168</u>
Governmental activities capital assets, net	<u>\$ 38,272,737</u>	<u>\$ 14,389,097</u>	<u>\$ 9,091,609</u>	<u>\$ 43,570,225</u>	<u>\$ (12,082,621)</u>	<u>\$ 31,487,604</u>

*Intra-entity leases with blended component units of the primary government are eliminated in the government-wide financial statements.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not beginning depreciated:				
Construction in progress	\$ -	\$ 2,945,951	\$ -	\$ 2,945,951
Capital assets beginning depreciated:				
Structures and improvements	2,887,204	9,923,176	-	12,810,380
Machinery and equipment	550,194	-	-	550,194
Vehicles	3,046,711	-	-	3,046,711
Less: accumulated depreciation	<u>(2,694,686)</u>	<u>(9,468,073)</u>	<u>-</u>	<u>(12,162,759)</u>
Total capital assets being depreciated, net	<u>3,789,423</u>	<u>455,103</u>	<u>-</u>	<u>4,244,526</u>
Business-type activities capital assets, net	<u>\$ 3,789,423</u>	<u>\$ 3,401,054</u>	<u>\$ -</u>	<u>\$ 7,190,477</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government (including leased buildings)	\$ 818,370
Public safety	1,173,643
Highways and streets, (including infrastructure assets)	408,265
Health and sanitation	39,056
Community development	113,202
Culture and recreation	170,380
Total depreciation expense-governmental activities	\$ 2,722,916
Business-type activities:	
Sanitation and Trash	\$ 209,828
Huntington Building Commission	161,915
Total depreciation expense-business-type activities	\$ 371,743

Discretely Presented Component Units

Activity related to capital assets for the Municipal Development Authority for the fiscal year ended June 30, 2025, was as follows:

Municipal Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 5,342,410	\$ -	\$ -	\$ 5,342,410
Construction in process	-	-	-	-
Total capital assets not being depreciated	5,342,410	-	-	5,342,410
Capital assets, being depreciated:				
Buildings and improvements	14,444,327	-	5,331,248	9,113,079
Structures and improvements	2,029,025	-	-	2,029,025
Furniture and fixtures	2,893,878	-	-	2,893,878
Machinery and equipment	2,051,351	-	-	2,051,351
Less: accumulated depreciation	(16,816,805)	(214,282)	(4,620,413)	(12,410,674)
Total capital assets being depreciated	4,601,776	(214,282)	710,835	3,676,659
Total capital assets, net	\$ 9,944,186	\$ (214,282)	\$ 710,835	\$ 9,019,069

Downtown Investment, LLC (a component unit of the Municipal Development Authority)

	Beginning of year (date of acquisition)	Restatement (see Note L)	Additions	Deletions	End of year
Nondepreciable:					
Land	\$ 217,268	\$ -	\$ -	\$ -	\$ 217,268
Construction in process	-	-	-	-	-
Depreciable:					
Buildings	8,530,449	-	-	-	8,530,449
Structures and improvements	4,782,392	(451,043)	25,357	(16,533)	4,340,173
Machinery and equipment	291,595	3,094	6,322	(44,833)	256,178
Less: accumulated depreciation	(6,305,033)	223,033	(372,168)	61,366	(6,392,802)
Total capital assets (net of accumulated depreciation)	\$ 7,516,671	\$ (224,916)	\$ (340,489)	\$ -	\$ 6,951,266

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Activity related to capital assets for the Municipal Parking Board for the fiscal year ended June 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:	\$ 942,877	\$ -	\$ -	\$ 942,877
Land	-	-	-	-
Total capital assets not being depreciated	<u>942,877</u>	<u>-</u>	<u>-</u>	<u>942,877</u>
Capital assets, being depreciated:				
Buildings	4,792,439	-	2,688	4,789,751
Structures and improvements	490,173	-	-	490,173
Machinery and equipment	788,455	-	-	788,455
Less: accumulated depreciation	<u>(5,564,160)</u>	<u>(35,549)</u>	<u>(2,689)</u>	<u>(5,597,020)</u>
Total capital assets being depreciated	<u>506,907</u>	<u>(35,549)</u>	<u>(1)</u>	<u>471,359</u>
Total capital assets, net	<u>\$ 1,449,784</u>	<u>\$ (35,549)</u>	<u>\$ (1)</u>	<u>\$ 1,414,236</u>

Activity related to capital assets for the Water Quality Board for the fiscal year ended June 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 402,220	\$ -	\$ -	\$ 402,220
Construction in progress	<u>17,293,451</u>	<u>11,185,374</u>	<u>(8,129,726)</u>	<u>20,349,099</u>
Total capital assets, not being depreciated	<u>17,695,671</u>	<u>11,185,374</u>	<u>(8,129,726)</u>	<u>20,751,319</u>
Capital assets, being depreciated:				
Buildings	105,509,570	8,925,237	-	114,434,807
Vehicles	3,420,223	92,570	(751,756)	2,761,037
Machinery and equipment	3,284,385	141,203	-	3,425,588
Less: accumulated depreciation	<u>(74,111,272)</u>	<u>(1,842,316)</u>	<u>753,017</u>	<u>(75,200,571)</u>
Total capital assets being depreciated, net	<u>38,102,906</u>	<u>7,316,694</u>	<u>1,261</u>	<u>45,420,861</u>
Business-type activities capital assets, net	<u>\$ 55,798,577</u>	<u>\$ 18,502,068</u>	<u>\$ (8,128,465)</u>	<u>\$ 66,172,180</u>

Depreciation expense was charged to the funds of the Board as follows:

Business-type activities	
Water Quality Board	\$ 8,091
Sanitary Board	1,650,668
Stormwater Utility Board	<u>183,557</u>
Total depreciation expense – business-type activities	<u>\$ 1,842,316</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2025, is as follows:

Interfund receivables/payables:

Receivable Fund	Payable Fund	Purpose	Amount
General Fund	Safety Town	Reimbursement	\$ 4,086
General Fund	Sanitation and Trash	Reimbursement	2,363,148
General Fund	Federal Drug	Reimbursement	1,394
Landfill Reserve	Sanitation and Trash	Reimbursement	22,115
Community Development Block Grant	General Fund	Reimbursement	45
General Fund	Community Development Block Grant	Reimbursement	22,268
General Fund	Civic Arena	Reimbursement	133,266
Jean Dean Public Safety	General Fund	Reimbursement	8,175
General Fund	HURA	Reimbursement	460,198
Civic Arena	General Fund	Reimbursement	27,129
Sanitation and Trash	General Fund	Reimbursement	23,425
Total \$			<u><u>3,065,249</u></u>

Interfund receivables/payables for the primary government and component units:

Receivable Fund	Payable Fund	Purpose	Amount
General Fund	Municipal Parking Board	Reimbursement	\$ 57,972
Municipal Parking Board	General Fund	Reimbursement	88
General Fund	Building Commission	Reimbursement	18,641
Water Quality Board	General Fund	Reimbursement	37,028
General Fund	Municipal Development Authority	Reimbursement	14,453
Water Quality Board	Sanitation and Trash	Reimbursement	18,704
Total \$			<u><u>146,886</u></u>

Interfund receivables/payables for the primary government and fiduciary funds:

Receivable Fund	Payable Fund	Purpose	Amount
General Fund	Fire Pension and Relief	Reimbursement	\$ 226
General Fund	Police Pension and Relief	Reimbursement	6
Total \$			<u><u>232</u></u>

Interfund transfers:

	Transfers In				Total Transfers
	Capital Improvements	Building Commission	HMDA	Civic Arena Fund	
Transfers Out:					
General Fund	\$ -	\$ 470,478	\$ 683,034	\$ 606,849	\$ 1,760,361
Coal Severance Fund	-	-	-	145,000	145,000
ARPA	128,981	-	-	-	128,981
Total Transfers	<u><u>\$ 128,981</u></u>	<u><u>\$ 470,478</u></u>	<u><u>\$ 683,034</u></u>	<u><u>\$ 751,849</u></u>	<u><u>\$ 2,034,342</u></u>

Interfund transfers provide appropriations to subsidize the funds to support the programs and activities of the government.

Additionally, capital assets of \$374,301 and \$710,835 net of depreciation were transferred from the primary government and Huntington Municipal Development Authority (HMDA), respectively, to Huntington Building Commission (HBC). HBC refinanced the series 2010 B bonds formerly issued by HMDA by issuing series 2024 lease revenue refunding bonds to finance improvements to the Mountain Health Network Arena, including roof replacement, exhaust systems, and structural rigging. The refinancing resulted in a transfer of \$3,653,651 from HBC to HMDA to pay off the series 2010 bonds.

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E. Fund Balance Detail

At year-end, the detail of the government's fund balances is as follows:

	General Fund	Coal Severance	Community Development Block Grant	ARPA	Nonmajor Funds	Total
Nonspendable:						
Prepays	\$ 297,462	\$ -	\$ -	\$ -	\$ -	\$ 297,462
Lease receivables	208,292	-	-	-	-	208,292
Assets held for resale	-	-	-	-	543,792	543,792
Restricted:						
Community development	-	-	5,592,757	-	-	5,592,757
Debt service	-	-	-	-	1,075,703	1,075,703
Capital projects	-	-	-	-	5,590,310	5,590,310
Revolving loan fund	406,766	-	-	-	-	406,766
Committed:						
Landfill closures	578,885	-	-	-	-	578,885
Retiree insurance	1,910,915	-	-	-	-	1,910,915
Assigned:						
General Government	1,097,979	-	-	-	3,050,099	4,148,078
Public safety	-	-	-	-	986,936	986,936
Culture and recreation	-	48,591	-	-	-	48,591
Community development	-	-	1,531,437	245	-	1,531,682
Capital projects	-	-	-	-	446,338	446,338
Public safety building	-	-	-	-	88,393	88,393
Landfill closures	-	-	-	-	2,095,617	2,095,617
Unassigned	9,543,711	-	-	-	(443,870)	9,099,841
Total fund balances	\$ 14,044,010	\$ 48,591	\$ 7,124,194	\$ 245	\$ 13,433,318	\$ 34,650,358

**CITY OF HUNTINGTON, WEST VIRGINIA
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F. Leases

Lease expense and liability consisted of the following at June 30, 2025:

Primary Government

	Fiscal 2025 Lease Expense	Remaining Lease Liability
On May 1, 2024, the City entered into a lease agreement for the use of 1 copier for the Planning and Development Department. The lease is payable in 60 monthly payments of \$548.45 including interest. The final lease payment is due April 2029 with a fair market purchase option.	\$ 6,581	25,229
On May 1, 2024, the City entered into a lease agreement for the use of 4 copiers at Huntington Police Department. The lease is payable in 60 monthly payments of \$698.80. The final lease payment is due April 2029 with a fair market purchase option.	8,386	32,145
On May 1, 2024, the City entered into a lease agreement for the use of 1 copier at Huntington Fire Department. The lease is payable in 60 monthly payments of \$174.70 including interest at 3.0% per annum. The final lease payment is due April 2029 with a fair market purchase option.	2,096	8,036
On May 1, 2024, the City entered into a lease agreement for the use of 9 copiers at Huntington City Hall. The lease is payable in 60 monthly payments of \$1,674.25 including interest at 3.0% per annum. The final lease payment is due April 2029 with a fair market purchase option.	20,091	77,015
On June 24, 2021, the City entered into a lease agreement for the use of 1 copier at Huntington City Hall Legal Department. The lease is payable in 60 monthly payments of \$185.91 including interest at 3.0% per annum. The final lease payment is due June 2026 with a fair market purchase option.	2,231	2,417
On July 22, 2021, the City entered into a lease agreement for the use of a postage machine for the Planning and Development Department. The lease is payable in 15 quarterly payments of \$234.69. The final lease payment is due June 2026 with a fair market purchase option.	939	1,152
On December 22, 2021, the City entered into a lease agreement for the use of a postage machine at City Hall. The lease is payable in 15 quarterly payments of \$718.08. The final lease payment is due December 2026.	2,872	4,828
On August 8, 2023, the City entered into a lease agreement for the use of dock space at Adams Landing Marina. The lease is payable in 20 annual payments of \$1.00 each.	1	18
On May 1, 2025, the City entered into a lease agreement with Hetzer Realty for space to be used for evidence storage by the Huntington Police Department. The lease is payable in 24 monthly payments of \$1,700.00	3,400	37,400
 Total minimum lease payments	 \$ 46,597	 188,240
Less amount representing interest		(5,070)
Present value of minimum lease payments		\$ 183,170

Component Unit—HMPB

	Lease Expense	Remaining Lease Liability
The component unit Huntington Municipal Parking Board has entered into a lease with the Huntington Municipal Development Authority for the use of three municipal parking lots (#14, #48 and #86), which are owned by HMDA. The lease is payable in monthly payments of \$2,500 per lot with no interest. The agreement is month to month until each lot is sold by HMDA.	\$ 90,000	\$ 0
The component unit Huntington Municipal Parking Board has entered into a lease with Capital Ventures for the use of 29 metered parking spaces on Lot #36. The lease is payable in monthly payments of \$1,000 with no interest. The agreement is month to month and allows either party to cancel with 90 days' notice.	12,000	0
Present value of minimum lease payments	\$ 102,000	\$ 0

**CITY OF HUNTINGTON, WEST VIRGINIA
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The total remaining lease obligations and the net present value of these minimum lease payments as of June 30, 2025 under non-cancelable lease agreements were as follows:

Year Ending June 30	Governmental Activities
2026	\$ 63,597
2027	55,978
2028	37,686
2029	30,965
2030	1
Thereafter	13
Total financed purchase payments	188,240
Less: amount representing interest	(5,070)
Present value of minimum lease	\$ 183,170

G. Financed Purchases

The general government has entered into financed purchase agreements whereby energy conservation equipment has been installed in several buildings. At the end of the contract period, the government will have ownership of the equipment.

The general government has entered into a financed purchase agreement to purchase a new Spartan ER Star Series Pumper Firetruck for the Huntington Fire Department. At the end of the contract period, the government will have ownership of the equipment.

Following is a summary of property held under financed purchases:

Asset	Governmental Activities
Buildings, machinery and equipment	\$ 3,589,366
Less: accumulated depreciation	(2,224,347)
Total	\$ 1,365,019

The total remaining financed purchase obligations as of June 30, 2025 were as follows:

Year Ending June 30	Governmental Activities
2026	\$ 347,050
2027	438,437
2028	107,763
2029	107,763
2030	107,763
Total financed purchase payments	1,108,776
Less: amount representing interest	(73,529)
Present value of minimum lease	\$ 1,035,247

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H. Subscription-Based Information Technology Arrangements

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITA's) by a government end user. A SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets as specified in the contract for a period of time in an exchange or exchange-like transaction. During the year, the government was party SBITA's for the following functions:

SBITA	Contract Term	Function	FY 2025 Expense	Remaining Liability 6/20/2025
APA Memberships	12/1/22–11/30/23	Public Safety	\$ 88	\$ 88
Covertrack Group Inc.	4/1/25–3/31/26	Public Safety	150	450
Covertrack Group Inc.	4/1/25–3/31/26	Public Safety	150	450
ESRI Mapping Software	10/14/20–10/13/23	General Government	39,700	39,700
Leads Online	7/15/24–7/14/25	Public Safety	1,019	11,211
Motorola Solutions/ELC Hosting	9/21/24–9/20/25	Public Safety	12,390	4,130
NCIC CCERC-911	7/1/24–6/30/25	Public Safety	17,429	0
PLX Software-Task Force	9/30/24–8/31/25	Public Safety	1,383	4,149
Digital Management Software	8/24/24–8/23/25	Public Safety	6,223	2,074
Power DMS 360	7/1/24–6/30/25	Public Safety	5,992	1,198
Tritech Software Systems	12/15/24–12/14/25	Public Safety	37,685	37,685
Whooster WLPA	12/7/24–12/6/25	Public Safety	2,042	1,458
RMT Passive Road Survey Software	1/1/24-12/31/28	Highway & Street	42,000	84,000
Social Media-Compass Prog.	7/1/24–6/30/25	Public Safety	24,000	0
City Website Maintenance	7/1/24–6/30/25	Public Safety	11,400	0
Click Fix Annual License	3/26/24-3/25/25	General Government	7,190	21,570
Law Enforcement Software	2/20/25–1/31/27	Public Safety	3,600	18,000
SonicWall Licenses	11/7/24–11/6/27	General Government	269	1,672
SonicWall Network Advanced	8/7/24–8/6/27	General Government	1,875	4,276
Tyler Technologies	4/1/25–3/31/28	General Government	<u>210,974</u>	<u>421,948</u>
Total Minimum SBITA Payments			425,555	\$ <u>654,060</u>
Amount Representing Interest			<u>4,834</u>	
Present Value of Minimum SBITA Payments			\$ <u>430,389</u>	

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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I. Long-term Debt

Tax Increment Financing Revenue Bonds

The City has issued bonds where the government pledges income derived from ad valorem property taxes from a specific district to pay debt service. These bonds are payable solely from the ad valorem property tax collected from the specified tax district. These bonds do not constitute a general obligation of the City and are payable only if the tax revenue is collected from the specified tax district. If the tax revenues are not collected, the City is not required to pay off the debt.

On December 30, 2019, the City issued \$3,058,000 of Tax Increment and Refunding Bonds-Series 2019 through Wesbanco Bank, Inc. bearing an interest rate of 2.69%. Bond proceeds are being used for infrastructure improvements to the Downtown Tax Increment Financing District (TIF #1), predominately to the Civic Arena plaza area. These bonds were refinanced on October 31, 2024, by series 2024A bonds. Principal and interest paid for the current year was \$2,289,000 and \$25,656, respectively.

One June 26, 2020, the City issued \$3,639,000 of Tax Increment Financing (TIF) Revenue Bonds-Series 2020 through the Ohio Valley Bank Company bearing an interest rate of 2.25%. Bond proceeds were used by the Huntington Municipal Development Authority for infrastructure improvements in the Kinetic Park Tax Increment Financing District (TIF #2). These bonds were refinanced on October 31, 2024, by series 2024 bonds. Principal and interest paid for the current year was \$2,845,000 and \$26,672 respectively.

On October 31, 2024, the City issued \$5,730,000 of Tax Increment and Refunding Bonds-Series 2024A bearing interest rates of 5.00% and 5.50%. Bond proceeds are being used to refund the Tax Increment and Refunding Bonds-Series 2019 bonds and for infrastructure improvements within the Downtown Tax Increment Financing District (TIF #1). The series 2024A bonds mature June 1, 2049. Principal and interest paid for the current year was \$220,000 and \$177,636 respectively.

On October 31, 2024, the City issued \$5,250,000 of Tax Increment and Refunding Bonds-Series 2024 bearing interest rates of 5.125% and 5.625%. Bond proceeds are being used to refund the Tax Increment Financing Revenue Bonds-Series 2020 and for infrastructure improvements in the Kinetic Park Tax Increment Financing District (TIF #2). Series 2024 TIF bonds mature May 1, 2050. Principal and interest paid for the current year was \$140,000 and \$167,489 respectively.

Tax increment financing bonds outstanding at the end of the year are as follows:

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2025
Primary Government:					
Series 2024A	06/01/2049	5.00-5.50%	\$ 5,730,000	\$ 220,000	\$ 5,510,000
Series 2024	05/01/2050	5.125-5.625%	5,250,000	140,000	5,110,000
			<u>\$ 10,980,000</u>	<u>\$ 360,000</u>	<u>\$ 10,620,000</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
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Debt service requirements to maturity for Tax Increment Financing Revenue Bonds are as follows:

Year Ending June 30	Principal	Interest
2026	\$ 115,000	\$ 570,663
2027	130,000	564,888
2028	195,000	558,350
2029	245,000	548,513
2030	260,000	536,119
2031 – 2035	1,515,000	2,468,650
2036 – 2040	1,930,000	2,046,006
2041 – 2045	2,515,000	1,468,556
Thereafter	3,715,000	660,930
Present value of minimum bond payments	\$ <u>10,620,000</u>	\$ <u>9,422,675</u>

Revenue Bonds – Component Units – HMDA

The Municipal Development Authority, a discretely presented component unit of the City, has issued bonds where the government pledges income derived from acquired or constructed assets to pay debt service.

The proceeds of these bonds are being used for the development of the City. These bonds were refinanced November 14, 2024, by Huntington Building Commission lease revenue refunding bonds – Series 2024.

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2025
HMDA					
Municipal Development Authority Series 2010-B	12/29/2031	6.5%	\$ 5,255,000	5,255,000	-
Less Bond Discount			(145,087)	(145,087)	-
Total HMDA			\$ <u>5,109,913</u>	\$ <u>5,109,913</u>	\$ -

Revenue Bonds – Component Units – Huntington Building Commission

The Huntington Building Commission, a blended component unit of the City, has issued bonds where the government pledges income derived from acquired or constructed assets to any debt service.

On December 29, 2022, the Huntington Building Commission issued lease revenue bonds – Series 2022. The proceeds of these bonds provided financing for renovations to the Municipal Garage Building. The bonds are secured by lease revenues of the Huntington Building Commission, which are required to be in sufficient amount to pay principal and interest on the bonds when due.

On November 14, 2024, the Huntington Building Commission issued \$9,810,000 Lease Revenue Refunding Bonds–Series 2024 bearing interest rates of 4.25%-5.00%. The bonds were issued at a premium of \$133,331, resulting in cash proceeds of \$9,943,331. The premium is being amortized over the life of the bonds. The carrying value of the bonds at June 30, 2025, was \$9,938,294. Bond proceeds were used to refund the HMDA Taxable Refunding and Improvement Revenue Bonds–Series 2010-B and to finance renovations to the Marshall Health Network Arena. The bonds are payable from lease net revenues and mature on June 30, 2041. Interest paid for the current year totaled \$247,132.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Revenue bonds outstanding of \$12,082,621 at year end are as follows:

Purpose	Maturity Date	Interest Rate	Issued	Retired	Balance June 30, 2025
Huntington Building Commission – Series 2022	2/1/2038	3.60%	\$ 2,600,000	\$ 327,379	\$ 2,272,621
Huntington Building Commission – Series 2024	6/30/2041	4.25%-5.00%	9,810,000	-	9,810,000
			<u>\$ 12,410,000</u>	<u>\$ 327,379</u>	<u>\$ 12,082,621</u>

Revenue Bonds – Component Units – Water Quality Board

The Water Quality Board issues bonds where the government pledges income derived from acquired or constructed assets to pay debt service.

The proceeds of these bonds are being used on Sanitary facility operating, construction, and maintenance. The bonds are secured by the revenues of the Sanitary Board fund, which are required to be in sufficient amount to pay principal and interest on the bonds when due. Revenues bonds outstanding at year end are as follows:

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2025
Series 2010-A	3/1/2030	2.00%	\$ 4,022,945	\$ 2,917,448	\$ 1,105,497
Series 2010-B	12/1/2031	2.00%	2,622,055	1,652,805	969,250
Series 2015 A	11/1/2035	3.28%	5,630,000	1,855,000	3,775,000
Series 2022 A	2/1/2038	4.39%	6,170,000	715,406	5,454,594
Series 2024 A	9/1/2064	0.25%	128,782	-	128,782
Series 2024 C	9/1/2064	0.25%	50,650	-	50,650
Less Discount			(622,914)	(611,639)	(11,275)
Total revenue bonds			<u>\$ 18,001,518</u>	<u>\$ 6,529,020</u>	<u>\$ 11,472,498</u>

Series 2024A and 2024 C Revenue Bonds issued amount will increase as additional draws occur.

The blended and discretely presented component unit’s revenue bond debt service requirements to maturity are as follows:

Year Ended	Huntington Building Commission		Water Quality Board	
	Principal	Interest	Principal	Interest
2026	564,237	531,062	984,446	390,757
2027	589,516	504,783	1,121,326	370,201
2028	619,989	477,311	1,124,131	334,485
2029	645,661	448,388	1,083,230	294,524
2030	676,542	418,258	1,056,728	259,728
2031 – 2035	3,883,725	1,586,774	4,296,670	805,497
2036 – 2040	4,267,950	690,436	1,817,242	93,942
2041 – 2045	835,001	35,487	-	-
Bond Premium (Discount)	128,294	-	(11,275)	-
Totals	<u>\$ 12,210,915</u>	<u>\$ 4,692,499</u>	<u>\$ 11,472,498</u>	<u>\$ 2,549,134</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
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Pledged Revenues

The Huntington Building Commission has pledged future lease revenues, net of specified operating expenses, to repay \$2,600,000 in lease revenue bonds issued in December 2022. Proceeds from the bonds is providing financing for renovations to the Municipal Garage (formerly Barbour Armory). The bonds are payable from lease net revenues and are payable through 2038. The total principal and interest remaining to be paid on the bonds is \$2,833,321. Principal and interest paid for the current year totaled \$205,047.

The Huntington Building Commission has pledged future lease revenues, net of specified operating expenses, to repay \$9,810,000 in lease revenue bonds issued in November 2024. Proceeds from the bonds is providing financing for renovations to the Marshall Health Network Arena. The bonds are payable from lease net revenues and are payable through 2041. The total principal and interest remaining to be paid on the bonds is \$13,941,800. Principal and interest paid for the current year totaled \$247,132.

Utility Pledged Revenues

The Sanitary Board has pledged future sewer customer revenues, net of specified operating expenses, to repay \$6,170,000 in sewer system revenue bonds issued in November, 2022. Proceeds from the bonds provided financing for the maintenance and system upgrades of the treatment facility. The bonds are payable solely from sewer customer net revenues and are payable through February 2038. Annual principal and interest payments on the bonds are expected to require less than four percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$7,120,705. Principal and interest paid for the current year and total customer net revenues were \$562,161 and \$9,882,112, respectively.

The Sanitary Board has pledged future sewer customer revenues, net of specified operating expenses, to repay \$4,022,945 in sewer system revenue bonds issued in January, 2010. Proceeds from the bonds provided financing for the maintenance and system upgrades of the treatment facility. The bonds are payable solely from sewer customer net revenues and are payable through March, 2030. Annual principal and interest payments on the bonds are expected to require less than eight percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,161,599. Principal and interest paid for the current year and total customer net revenues were \$244,547 and \$9,882,112, respectively.

The Sanitary Board has pledged future sewer customer revenues, net of specified operating expenses, to repay \$2,622,055 in sewer system revenue bonds issued in November, 2010. Proceeds from the bonds provided financing for the maintenance and system upgrades of the treatment facility. The bonds are payable solely from sewer customer net revenues and are payable through December, 2031. Annual principal and interest payments on the bonds are expected to require less than five percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,036,034. Principal and interest paid for the current year and total customer net revenues were \$159,389 and \$9,882,112, respectively.

The Sanitary Board has pledged future sewer customer revenues, net of specified operating expenses, to repay \$5,630,000 in sewer system revenue bonds issued in November, 2015. Proceeds from the bonds provided financing for the maintenance and system upgrades of the treatment facility. The bonds are payable solely from sewer customer net revenues and are payable through 2036. Annual principal and interest payments on the bonds are expected to require less than five percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$4,517,985. Principal and interest paid for the current year and total customer net revenues were \$412,731 and \$9,882,112, respectively.

**CITY OF HUNTINGTON, WEST VIRGINIA
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The 2024A and 2024C Revenue Bonds were issued to finance ongoing capital projects. As of June 30, 2025, only a portion of the authorized principal has been drawn. The debt service schedule reflects the full authorized amount; however, actual amortization will be adjusted as additional draws occur. The outstanding principal as of June 30, 2025 is \$128,782 for 2024A and \$50,650 for 2024C.

Notes Payable – Component Units

<u>Purpose</u>	<u>Maturity Dates</u>	<u>Interest Rates</u>	<u>Issued</u>	<u>Retired</u>	<u>June 30, 2025</u>
Stormwater:					
2023 Stormwater BAN	5/1/2026	3.99%	\$ 4,000,000	\$ -	\$ 4,000,000
Vehicle Loan	1/10/2026	5.25%	56,866	45,086	11,780
Sanitary Board:					
24 Sanitary BAN	12/20/2027	3.94%	5,000,000	-	5,000,000
Totals			<u>\$ 9,056,866</u>	<u>\$ 45,086</u>	<u>\$ 9,011,780</u>

Debt service requirements to maturity are as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 4,011,780	\$ 343,511
2027	-	197,000
2028	5,000,000	108,350
Totals	<u>\$ 9,011,780</u>	<u>\$ 648,861</u>

The Stormwater Utility Board entered into a loan agreement with the Municipal Bond Commission as the paying agent and United Bank appointed as registrar, to temporarily finance the expansion and maintenance project in anticipation of receiving a bond. The Stormwater Utility Board entered into an agreement to finance \$4,000,000, bearing interest at 3.99%, with a maturity date of May 1, 2026. The note contains provisions that in the event of default the repayment of outstanding amounts may become immediately due, the lender may accelerate indebtedness, assemble and sell the collateral, appoint receiver, and other remedies of a secured creditor under the provision of the Uniform Commercial Code. Events that cause default include; the Board does not make payments when due, the Board makes false or misleading statements, insolvency of the Board, creditor or forfeiture proceedings, and failure to comply with or perform any other term, obligation, covenant or condition within the note agreement or any other agreement between the lender and the borrower's, agreements or conditions contained in the note agreement, or the issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable of the United States of America.

The Stormwater Utility Board entered into a loan agreement with United Bank to finance the purchase of two (2) 2022 Ford Ranger Pickup Trucks. The Stormwater Utility Board entered into an agreement to finance \$56,866 at an interest rate of 5.25% with a maturity date of January 10, 2026. This note is secured by the two (2) 2022 Ford Ranger Pickup Trucks. This note contains a provision that in the event of default the repayment outstanding amounts become immediately due.

The Sanitary Board entered into a loan agreement with the Municipal Bond Commission as the paying agent and Ohio Valley Bank appointed as registrar, to temporarily finance the acquisition and construction of certain additions, improvements and betterments to the existing public sewerage system, including the acquisition of certain real property and improvements thereon necessary for operation of the system and future construction projects for the system. The note is issued as a single note in the aggregate principal amount of \$5,000,000, bearing an interest rate of 3.94%, with a maturity date of December 20, 2027. In the event of a default any registered owner of any note may exercise any available remedy and bring any appropriate action, suit or proceeding

**CITY OF HUNTINGTON, WEST VIRGINIA
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to enforce his rights. Events that cause default include; the Board does not make due and punctual payment of the principal of or interest on any bond or the Series 2024 Note, if default occurs in the issuer's observance of any of the covenants, agreements or conditions on its part, and if the issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Changes to Long-term Liabilities

	Governmental Activities						Due Within One Year
	Beginning Balance	Additions	Reductions	Totals Before Eliminations*	Eliminations	End Balance	
Bonds and notes payable	\$ 1,464,258	\$ -	\$ 429,011	\$ 1,035,247	\$ -	\$ 1,035,247	\$ 315,762
Tax increment financing	5,134,000	10,980,000	5,494,000	10,620,000	-	10,620,000	115,000
Leases*	6,753,274	9,850,800	4,338,283	12,265,791	(12,082,621)	183,170	63,597
SBITA's	299,392	874,214	519,546	654,060	-	654,060	229,810
Net pension liability – DBP	123,163,931	-	26,532,415	96,631,516	-	96,631,516	-
Other post-employment benefits	91,421,170	-	1,048,893	90,372,277	-	90,372,277	-
Compensated absences	3,428,485	3,230,795	3,428,485	3,230,795	-	3,230,795	3,230,795
Accrued interest payable	78,142	51,716	78,142	51,716	-	51,716	51,716
Liability for landfill closure and post-closure costs	28,699,894	766,061	-	29,465,955	-	29,465,955	-
Governmental activities long-term liabilities	\$ 260,442,546	\$ 25,753,586	\$ 41,868,775	\$ 244,327,357	\$ (12,082,621)	\$ 232,244,736	\$ 4,006,680

*Intra-entity leases with blended component units of the primary government are eliminated in the government-wide financial statements.

	Business-Type Activities				
	Beginning Balance	Additions	Reductions	End Balance	Due Within One Year
Revenue bonds payable	\$ 2,400,360	\$ 9,810,000	\$ 127,739	\$ 12,082,621	\$ 564,237
Bond premium	-	133,331	5,037	128,294	8,060
Total bonds payable	2,400,360	9,943,331	132,776	12,210,915	572,297
Other post-employment benefits	1,545,120	3,500	-	1,548,620	-
Compensated absences	258,410	208,377	258,410	208,377	208,377
Accrued interest payable	-	45,472	-	45,472	45,472
Business-Type activities long-term liabilities	\$ 4,203,890	\$ 10,200,680	\$ 391,186	\$ 14,013,384	\$ 826,146

	Component Units – HMDA				
	Beginning Balance	Additions	Reductions	End Balance	Due Within One Year
Revenue bonds payable	\$ 4,160,000	\$ -	\$ 4,160,000	\$ -	\$ -
Less: bond discounts	(26,822)	-	(26,822)	-	-
Total bonds payable	4,133,178	-	4,133,178	-	-
Note Payable – RLF	283,570	-	-	283,570	283,570
Note Payable – WVEDA	1,412,170	-	-	1,412,170	1,412,170
Other post-employment benefits	50,419	6,016	-	56,435	-
Compensated absences	28,659	33,816	28,659	33,816	33,816
Accrued interest payable	54,383	74,642	129,025	-	-
Component unit long-term liabilities	\$ 5,962,379	\$ 114,474	\$ 4,290,862	\$ 1,785,991	\$ 1,729,556

	Downtown Investment (Component of HMDA)				
	Beginning Balance	Additions	Reductions	End Balance	Due Within One Year
Notes payable	\$ 6,100,771	\$ -	\$ 155,874	\$ 5,944,897	\$ 166,524
Lease liabilities	2,890,120	-	71,000	2,819,120	72,869
	\$ 8,990,891	\$ -	\$ 226,874	\$ 8,764,017	\$ 239,393

**CITY OF HUNTINGTON, WEST VIRGINIA
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Component Units – HMPB					
	Beginning Balance	Additions	Reductions	End Balance	Due Within One Year
Other post-employment benefits	\$ 23,459	\$ 6,465	\$ -	\$ 29,924	\$ -
Compensated absences	106,713	61,837	106,713	61,837	61,837
Component unit long-term liabilities	\$ 130,172	\$ 68,302	\$ 106,713	\$ 91,761	\$ 61,837

Component Units – QCB					
	Beginning Balance	Additions	Reductions	End Balance	Due Within One Year
Revenue bonds payable	\$ 12,262,457	\$ 179,432	\$ 958,116	\$ 11,483,773	\$ 984,446
Less: Bond Discount	(13,775)	-	(2,500)	(11,275)	-
Total bonds payable	12,248,682	179,432	955,616	11,472,498	984,446
Notes payable	4,381,136	5,000,000	369,356	9,011,780	4,011,780
Compensated absences	1,302,029	316,521	-	1,618,550	-
Accrued interest payable	48,868	62,644	48,868	62,644	62,644
Component unit long-term liabilities	\$ 17,980,715	\$ 5,558,597	\$ 1,373,840	\$ 22,165,472	\$ 5,058,870

On January 28, 2020, Huntington Municipal Development Authority signed a \$2,756,250 Note payable to West Virginia Economic Development Authority to partially finance the acquisition of property. The loan bears interest at 2.66% per annum. Monthly interest-only payments were deferred until July 28, 2021. Final payment of all principal and accrued interest is due on January 30, 2035, unless the property is sold or leased, at which time the principal shall be due.

On March 11, 2020, HMDA signed \$300,000 promissory note for a City of Huntington Brownfield Revolving Loan Fund (RLF) Loan. The loan bears 0.0% interest through March 11, 2025 and 1.0% thereafter. An additional \$100,000 promissory note was signed in fiscal 2023, bringing the loan total to \$400,000 at June 30, 2023. Principal payments of \$116,430 were made in fiscal 2024, bringing the balance due to \$283,570. Final payment of all principal and accrued interests is due March 31, 2050.

Downtown Investment, LLC (a component unit of the Huntington Municipal Development Authority) reports its interest in a loan payable with Community Trust related to its equitable share of Metropolitan Huntington. As of June 30, 2025, this share is \$5,944,897. The LLC also reports its interest in a lease payable related to its equitable share of Metropolitan Huntington. As of June 30, 2025, this share is \$2,819,120.

J. Restricted Assets

The balances of the restricted asset accounts for the component units are as follows:

	Huntington Building Commission	Municipal Development Authority	Water Quality Board
Revenue bond operations and maintenance accounts	\$ -	\$ -	\$ 1,505,069
Restricted economic development	-	1,835,880	-
Reserve for insurance claims	-	-	377,698
Reserve for construction	3,307,263	-	9,751,635
Total restricted assets	\$ 3,307,263	\$ 1,835,880	\$ 11,634,402

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K. Benefits Funded by the State of West Virginia

For the year ended June 30, 2025, the State of West Virginia contributed estimated payments on behalf of the government’s public safety employees as follows:

Plan	Amount
Policemen’s Pension and Relief Fund	\$ 1,453,473
Firemen’s Pension and Relief Fund	1,466,859
Total	<u>\$ 2,920,332</u>

State contributions are funded by allocations of the State’s insurance premium tax.

L. Restatement of Net Position

During fiscal year 2025, the Capital Improvement fund was reclassified from major to a nonmajor fund due to significant decreases in liabilities. Additionally, the implementation of GASB Statement No.101 requires retroactive reporting by restating beginning net position, fund balance, or fund net position as applicable.

During fiscal year ended June 30, 2025, it was determined that certain capital assets of Metropolitan Huntington, LLC had been disposed of in prior periods but remained recorded in the accounting records. This resulted in a decrease to beginning net assets of Downtown Investment LLC (a component unit of Huntington Municipal Development Authority) of \$224,915.

	6/30/2024 Previously Reported	Error Correction	Change to or within the Financial Reporting Entity	Change in Accounting Principle (GASB 101)	6/30/2024 Restated
Government-Wide					
Governmental Activities	\$ (203,773,082)	\$ -	\$ -	\$ (1,373,728)	\$ (205,146,810)
Business-Type Activities	(2,066,132)	-	-	(108,014)	(2,174,146)
Total Primary Government	<u>(205,839,214)</u>	<u>-</u>	<u>-</u>	<u>(1,481,742)</u>	<u>(207,320,956)</u>
Governmental Funds:					
Major Fund-Capital Improvements	1,637,945	-	(1,637,945)	-	-
Nonmajor Funds	7,129,668	-	1,637,945	-	8,767,613
Proprietary Funds:					
Sanitation and Trash	(2,993,104)	-	-	(108,015)	(3,101,119)
Discretely Presented Component Units:					
Huntington Municipal Development Authority	19,892,190	(224,915)	-	(4,201)	19,663,074
Huntington Municipal Parking Board	1,530,904	-	-	(73,987)	1,456,917
Huntington Water Quality Board	65,410,700	-	-	(1,049,044)	64,361,656

IV. OTHER INFORMATION

A. Risk Management

The government is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance with Insurance Systems, Inc. for these various risks.

**CITY OF HUNTINGTON, WEST VIRGINIA
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Workers' Compensation Fund (WCF): Private insurance companies could begin to offer workers compensation coverage to government employers beginning July 1, 2010. Workers compensation coverage is self-insured for this entity by the Self Insurance Unit through Risk Management Services Company. The discretely presented component unit (Huntington Municipal Parking Board) has coverage through Encova Insurance. The discretely presented component unit (Huntington Water Quality Board) has coverage through City insurance.

Liabilities are reported when it is probable a loss has occurred and the amount of the loss can be reasonably estimated.

B. Commitments and Contingencies and Subsequent Events

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government's management expects such amounts, if any, to be immaterial.

On November 6, 2025, the City of Huntington issued its \$4,625,000 Tax Increment Revenue Bonds Series 2025 A (Highlawn Redevelopment District No. 3 Project). Proceeds of the bond issues will be used to fund public improvement projects in the Highlawn Redevelopment District.

The Department of Environmental Protection forced the City to close its landfill in 1994 because it did not have an underlying liner. Some procedures which are required for closure have been completed, however, additional procedures are still required to complete the closure. After reevaluation for annual inflation or deflation, costs to complete the closure and subsequent post-closure costs have been estimated at approximately \$29,465,955. The actual cost incurred may differ due to inflation, changes in regulations or changes in technology. As of June 30, 2024, the Landfill Reserve Fund balance was \$2,095,617 and the General Fund contains \$578,885 in committed funds for landfill closure.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's management that resolution of these matters will not have a material effect on the financial condition of the government.

All other commitments, contingencies and subsequent events have been evaluated by management and have been properly disclosed through the date of this report.

C. Deferred Compensation Plan

City employees are eligible to contribute to a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary via voluntary payroll deductions until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held for the exclusive benefit of the participants and their beneficiaries.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

V. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

A. Policemen’s and Firemen’s Pension and Relief Funds (PPRF and FPRF)

Plan Descriptions, Contribution Information, and Funding Policies

The City of Huntington, West Virginia participates in two single employer, public employee retirement systems. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans, as follows:

The Policemen’s Pension and Relief Fund (PPRF) provides retirement benefits for substantially all full-time police employees. The PPRF’s Board consists of a chair, who is the elected mayor, and four members, one of which is the pension secretary, from the municipal police department. The City is authorized in accordance with State Code §8-22 to establish and maintain this plan. Unless otherwise indicated, PPRF information in this Note is provided as of the latest actuarial valuation, July 1, 2024.

The Firemen’s Pension and Relief Fund (FPRF) provides retirement benefits for substantially all full-time fire employees. The FPRF’s Board consists of a president, who is the elected mayor, and four members, one of which is the pension secretary, from the municipal fire department. The City is authorized in accordance with State Code §8-22 to establish and maintain this plan. Unless otherwise indicated, FPRF information in this Note is provided as of the latest actuarial valuation, July 1, 2024.

Actuarial valuations are required to be performed once every three years per state statute. However, the actuarial valuations can be performed in shorter intervals at the discretion of the PPRF and FPRF’s Board.

The investment policies of the PPRF and the FPRF are restricted by State Code and may be restricted further as determined by the Boards. For additional information relating to the basis of accounting and reported investment values, see Notes I.C., I.D.1., and III.A.

Memberships of the plans are as follows:

Group	PPRF	FPRF	Totals
Active Employees	28	42	70
Inactive employees entitled to but not yet receiving benefits	1	3	4
Inactive employees or beneficiaries currently receiving benefits	152	161	313
Total	181	206	387

**CITY OF HUNTINGTON, WEST VIRGINIA
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These plans are defined benefit plans. The following is a summary of funding policies, contribution methods and benefit provisions.

	PPRF	FPRF
Determination of contribution requirements	Actuarially determined	Actuarially determined
Employer	Contributes annually an amount which, together with contributions from the members and the allocable portion of the State premium tax fund, will be sufficient to meet the normal cost of the fund and amortize any actuarial deficiency over a period of not more than forty years in accordance with West Virginia State Code §8-22-10, commencing on January 1, 2010, with level dollar payments. The sponsor finances benefits using the Optional funding policy as defined in state statutes. Sponsor contributions are equal to the normal cost, net of employee contributions, plus an amortization of the unfunded actuarial liability net of the premium tax allocation applicable to the plan year.	
Plan Members	7% of covered payroll, 9.5% if hired after January 1, 2010	7% of covered payroll, 9.5% if hired after January 1, 2010
Period Required to Vest	No vesting occurs. If separation from employment occurs the member is entitled to a refund of his/her contributions only.	
Post-Retirement Benefit Increases	Cost of living adjustments after two years of retirement. Adjustment calculated on the first \$15,000 of the total annual benefit in the first year and then the cumulative index for the preceding year. The supplemental pension benefit shall not exceed four percent.	
Eligibility for Distribution	Members are eligible at the earlier of age 50 with 20 years of credited service or age 65.	
Provision for:		
Disability Benefits	Yes	Yes
Death Benefits	Yes	Yes
Experience Study	July 1, 2017 - July 1, 2020	July 1, 2017 - July 1, 2020

Net Pension Liability

The net pension liabilities were measured as of June 30, 2025 for both plans, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024, projected to the measurement date of June 30, 2025.

**CITY OF HUNTINGTON, WEST VIRGINIA
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Actuarial Assumptions and Rate of Return

The total pension liability was determined by an actuarial valuation as of July 1, 2024, rolled forward to June 30, 2025 for both plans, using the following actuarial assumptions, applied to all periods included in the measurement. The actuarial assumptions used in the values were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020. Additional actuarial assumptions are disclosed in the Required Supplementary Information.

Actuarial assumptions	<u>Policemen's Pension & Relief Fund</u>	<u>Firemen's Pension & Relief Fund</u>
General Inflation Rate	2.50%	2.50%
Salary Increases	Rates vary by years of service	Rates vary by years of service
Investment Rate of Return	6.50%	6.50%

Mortality rates were based on the SOA PubS-2010(B) Mortality Table with generational projection using Scale MP-2019.

Rate of return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 8.15 percent for the PPRF and 8.15 percent for the FPRF. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on pension plan investments were determined using a building-block method in which best-estimate rates of expected future real rates of returns (expected returns, net of pension plan 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 the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2025, are summarized in the following chart:

<u>Investment</u>	<u>PPRF</u>		<u>FPRF</u>	
	<u>Long-term Expected Real Rate of Return</u>	<u>Target Asset Allocations</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Target Asset Allocations</u>
Money Market	0.00%	0.00%	0.00%	0.00%
Equities	10.00%	65.00%	10.00%	65.00%
Fixed Income	4.80%	33.00%	4.80%	33.00%
Cash	3.50%	2.00%	3.50%	2.00%

Net Pension Liability, Reserves and Discount Rate

Current year net pension liability for the PPRF and FPRF are shown below. The annual required contributions were made by the PPRF or the FPRF.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan.

Net Pension Liability

The City's net pension liability for the Policemen's and Firemen's Pension and Relief funds are as follows:

	<u>PPRF</u>	<u>FPRF</u>
Total pension liability	\$ 103,414,919	\$ 99,250,370
Plan fiduciary net position	<u>57,018,502</u>	<u>49,015,271</u>
Net pension liability	<u>\$ 46,396,417</u>	<u>\$ 50,235,099</u>
 Plan fiduciary net position as a percentage of the total pension liability	 55.14%	 49.39%

Discount Rate

The discount rate used to measure the total pension liability was 6.50% for the PPRF and 6.50% for the FPRF, and the municipal bond rate was 4.81% for both plans. The projection of cash flows used to determine the discount rate assumed that the plan sponsor would make the statutory required contributions as defined by the funding policy. Based on those assumptions, the pension plans' fiduciary net positions were projected to be available to make all projected future benefit payments, on the behalf of current plan members, for all future plan years. Therefore, the long-term expected rate of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
PPRF's net pension liability	\$ 58,331,539	\$ 46,396,417	\$ 36,496,517
FPRF's net pension liability	\$ 61,724,371	\$ 50,235,099	\$ 40,692,085

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Changes in the Net Pension Liability – Policemen’s Pension and Relief Fund

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Liability (b)	Net Pension Liability (a-b)
Balance at June 30, 2024	\$ 110,501,155	\$ 53,298,998	\$ 57,202,157
Changes for the year:			
Service Cost	\$ 734,312	-	734,312
Interest	6,162,395	-	6,162,395
Difference between expected and actual experience	1,406,517	-	1,406,517
Changes of assumptions	(8,731,337)	-	(8,731,337)
Contributions – employer	-	4,891,165	(4,891,165)
Contributions – employee	-	214,826	(214,826)
Net investment income	-	5,280,023	(5,280,023)
Benefit payments, including refunds of employee contributions	(6,658,123)	(6,658,123)	-
Administrative expense	-	(8,387)	8,387
Net changes	<u>(7,086,236)</u>	<u>3,719,504</u>	<u>(10,805,740)</u>
Balance at June 30, 2025	<u>\$ 103,414,919</u>	<u>\$ 57,018,502</u>	<u>\$ 46,396,417</u>

Changes in the Net Pension Liability – Firemen’s Pension and Relief Fund

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Liability (b)	Net Pension Liability (a-b)
Balance at June 30, 2024	\$ 111,678,015	\$ 45,716,241	\$ 65,961,774
Changes for the year:			
Service Cost	1,071,688	-	1,071,688
Interest	5,966,819	-	5,966,819
Difference between expected and actual experience	(1,596,066)	-	(1,596,066)
Changes of assumptions	(11,489,272)	-	(11,489,272)
Contributions – employer	-	5,355,818	(5,355,818)
Contributions – employee	-	232,111	(232,111)
Net investment income	-	4,102,784	(4,102,784)
Benefit payments, including refunds of employee contributions	(6,380,814)	(6,380,814)	-
Administrative expense	-	(10,869)	10,869
Net changes	<u>(12,427,645)</u>	<u>3,299,030</u>	<u>(15,726,675)</u>
Balance at June 30, 2025	<u>\$ 99,250,370</u>	<u>\$ 49,015,271</u>	<u>\$ 50,235,099</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

For the year ended June 30, 2025, the government recognized the following pension expenses.

	PPRF	FPRF
Pension Expense	\$ 5,069,273	\$ 10,089,078

The government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Policemen’s Pension and Relief Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ -	\$ 3,219,604
Total	\$ -	\$ 3,219,604

Firemen’s Pension and Relief Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ -	\$ 3,040,311
Total	\$ -	\$ 3,040,311

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

Year Ended June 30:	PPRF	FPRF
2026	\$ 185,911	\$ (208,398)
2027	(1,666,396)	(1,395,687)
2028	(1,287,079)	(1,114,128)
2029	(452,040)	(322,098)
Total	\$ (3,219,604)	\$ (3,040,311)

Payables to the pension plan

At June 30, 2025, all contributions were current, and the City had no liabilities payable to the Policemen’s and Firemen’s Pension and Relief Funds.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Pension Trust Funds Financial Statements

	<u>Policemen's Pension and Relief</u>	<u>Firemen's Pension and Relief</u>
ASSETS		
Non-pooled cash	\$ 506,262	\$ 478,915
Total cash	<u>506,262</u>	<u>478,915</u>
Investments, at fair value		
Money market	497,267	695,494
Fixed income securities	18,236,930	15,713,074
Equities	<u>37,488,796</u>	<u>31,879,339</u>
Total investments	<u>56,222,993</u>	<u>48,287,907</u>
Receivables:		
Accrued income	169,636	136,441
Due from other governments	<u>119,618</u>	<u>120,750</u>
Total receivables	<u>289,254</u>	<u>257,191</u>
Total assets	<u>57,018,509</u>	<u>49,024,013</u>
LIABILITIES		
Accounts payable	-	8,516
Due to other funds	<u>6</u>	<u>226</u>
Total liabilities	<u>6</u>	<u>8,742</u>
NET POSITION		
Net position held in trust for pension benefits	<u>\$ 57,018,503</u>	<u>\$ 49,015,271</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
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	Policemen's Pension and Relief	Firemen's Pension and Relief
	<u> </u>	<u> </u>
ADDITIONS		
Contributions:		
Employer	\$ 3,437,692	\$ 3,888,959
Plan members	214,826	232,111
Insurance premium surtax	<u>1,453,473</u>	<u>1,466,859</u>
 Total contributions	 <u>5,105,991</u>	 <u>5,587,929</u>
Investment and other income:		
Net increase in fair value	4,216,627	3,032,806
Interest and dividends	<u>1,251,061</u>	<u>1,197,090</u>
 Total investment and other income	 <u>5,467,688</u>	 <u>4,229,896</u>
 Total additions	 <u>10,573,679</u>	 <u>9,817,825</u>
DEDUCTIONS		
Benefits	6,658,123	6,380,814
Administrative expenses	<u>196,052</u>	<u>137,981</u>
 Total deductions	 <u>6,854,175</u>	 <u>6,518,795</u>
 Change in net position	 3,719,504	 3,299,030
Net position held in trust for pension benefits:		
Beginning of year	<u>53,298,999</u>	<u>45,716,241</u>
End of year	<u>\$ 57,018,503</u>	<u>\$ 49,015,271</u>

B. Public Employees Retirement System (PERS)

General Information about the Pension Plans

The City of Huntington, West Virginia participates in a state-wide, cost-sharing, multiple-employer defined benefit plan on behalf of civilian city employees. The system is administered by agencies of the state of West Virginia and funded by contributions from participants, employers, and state appropriations, as necessary.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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The following is a summary of eligibility factors, contribution methods, and benefit provisions:

Public Employees Retirement System (PERS)

Eligibility to participate	All full-time employees, except those covered by other pension plans.
Authority establishing contribution obligations and benefits	West Virginia State Code 5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the state of West Virginia.
Plan member's contribution rate hired before 7/1/2015	4.50%
City's contribution rate hired before 7/1/2015	9.00%
Plan member's contribution rate hired after 7/1/2015	6.00%
City's contribution rate hired after 7/1/2015	9.00%
Period required to vest	Five years for plan members hired before 7/1/2015. Ten years for plan members hired on or after 7/1/2015.
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80 (age 62 and ten years of service for plan members hired on or after July 1, 2015). The final average salary (three highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit. For those hired after July 1, 2015, the average salary is the average of the five consecutive highest annual earnings out of the last fifteen years.
Deferred retirement portion	No
Provision for:	
Cost of living	No
Death benefits	Yes

Trend Information

Public Employees Retirement System (PERS)

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2025	\$ 887,812	100%
2024	835,167	100%
2023	797,128	100%

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PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, 4101 MacCorkle Ave S.E., Charleston, WV 25304.

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

At fiscal year-end, the City reported an asset of \$824,762 for its proportionate share of the net pension asset. The net pension liability was measured as of June 30, 2024, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to that date. The government's proportion of the net pension liability was based on a projection of the government's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2025, the government's proportion was 0.501019%, which was an increase of 0.001659% from its proportion measured as of the prior period.

For the year ended June 30, 2025, the government recognized the following pension expense.

	Governmental Activities	Business-type Activities	Development Authority	Parking Board	Total
Pension expense	\$ 327,463	\$ 74,226	\$ 9,971	\$ 18,137	\$ 429,797

The primary government and the Municipal Development Authority and the Parking Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Public Employees Retirement System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 960,133
Difference between expected and actual experience	1,120,514	-
Changes in assumptions	-	75,514
Changes in proportion and differences between government contributions and proportionate share of contributions	3,099	2,268
Contributions subsequent to the measurement date	887,812	-
Total	\$ 2,011,425	\$ 1,037,915

**CITY OF HUNTINGTON, WEST VIRGINIA
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The amount reported as deferred outflows of resources related to pensions resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2026	\$ (416,420)
2027	1,198,131
2028	(353,231)
2029	(342,782)
Total	<u>\$ 85,698</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial assumptions

Inflation rate	2.75%
Salary increases	2.75% – 7.37%
Investment Rate of Return	7.25%

Mortality rates were based on the Pub-2010 general employees table, below median, head count weighted, projected with scale MP-2018.

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the five-year period ended July 1, 2021.

The long-term expected rate of return on pension plan investments were determined using a building block method in which best-estimate rates of expected future real rates of returns (expected returns, net of pension plan 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 the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class included are summarized in the following chart:

<u>Investment</u>	Long-term Expected	
	<u>Real Rate of Return</u>	<u>Target Asset Allocation</u>
Domestic Equity	6.50%	22.50%
International Equity	9.10%	22.50%
Fixed Income	4.30%	15.00%
Real Estate	5.80%	12.00%
Private Equity	9.20%	12.00%
Private Credit	9.80%	6.00%
Hedge Funds	4.60%	10.00%
		<u>100.00%</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
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Discount rate. The discount rate used to measure the total pension liability was 7.25 percent for PERS. The projection of cash flows used to determine the discount rate assumed that employer contributions will be the current funding policies. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage-point higher than the current rate:

	1% Decrease	Discount Rate	1% Increase
City's proportionate share of PERS pension liability/(asset)	\$ 4,197,222	\$ (824,762)	\$ (5,065,753)

Pension plans' fiduciary net position. Detailed information about the pension plans' fiduciary net position is available in the separately issued financial report.

C. Municipal Police Officers & Firefighters Retirement system (MPFRS)

The City of Huntington, West Virginia participates in a state-wide, cost-sharing, multiple-employer defined benefit plan on behalf of hired Municipal public safety employees after January 1, 2010. The system is administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and State appropriations, as necessary.

The following is a summary of eligibility factors, contribution methods, and benefit provisions:

Municipal Police Officers and Firefighters Retirement System

Eligibility to participate	City public safety employees not covered under other pension plans.
Authority establishing contribution obligations and benefit provisions	Chapter 8, Article 22A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan to the State Legislature.
Plan member's contribution rate	8.50%
City's contribution rate	8.50%
Period required to vest	Five years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 10 years or more of contributing service or age 50 if the sum of his/her age plus years of credited service is equal to or greater than 70 or age 62 with 5 years of service. The final average salary (five highest consecutive years in the last 10) times the years of service times applicable benefit percentage (2.6%, 2%, or 1%) equals the annual retirement benefit.
Deferred retirement portion	No
Provisions for:	
Cost of Living	No
Death Benefits	Yes

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Trend Information

Fiscal Year	Annual Pension Cost	Percentage Contributed
2025	\$ 626,340	100%
2024	541,769	100%
2023	462,988	100%

MPFRS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, 4101 MacCorkle Ave S.E., Charleston, WV 25304.

Pension Assets, Pension Expense, and Deferred outflows of Resources and Deferred Inflows of Resources Related to Pensions

At fiscal year-end, the government reported an asset of \$1,897,539 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024 rolled forward to June 30, 2025, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2023. The government's proportion of the net pension asset was based on a projection of the government's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2025, the government's proportion was 14.546102%, which was an increase of 0.092483% from its proportion measured as of the prior period.

For the year ended June 30, 2025, the government recognized the following pension expense.

	MPFRS
	Governmental Activities
Pension expense	\$ 363,530

The government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Municipal Police Officers & Firefighters Retirement System (MPFRS)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 112,441
Difference between expected and actual experience	357,107	10,619
Changes in proportion and differences between contributions and proportionate share of contributions	280,165	63,074
Changes in assumptions	94,113	-
Contributions subsequent to measurement date	626,340	-
Total	\$ 1,357,725	\$ 186,134

The amount reported as deferred outflows of resources related to pensions resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2026	\$ 86,787
2027	179,873
2028	68,831
2029	64,286
2030	82,805
Thereafter	62,669
	\$ 545,251

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2024 rolled forward to June 30, 2025 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial assumptions

Inflation rate	2.75%
Salary increases	3.25% - 4.75%
Investment Rate of Return	7.25%

Mortality rates:

- Active – 100% of Pub-2010 Safety Employee Table, Amount weighted, projected generationally with Scale MP-2020;
- Healthy Male Retirees – 98% of Pub-2010 Safety Retiree Male Table, Amount weighted, projected generationally with Scale MP-2020;
- Healthy Female Retirees – 99% of Pub-2010 Safety Retiree Female Table, Amount weighted, projected generationally with Scale MP-2020;
- Disabled Males – 124% of Pub-2010 Safety Disabled Male Table, Amount weighted, projected generationally with Scale MP-2020;
- Disabled Females – 100% of Pub-2010 Safety Disabled Female Table, Amount-weighted, projected generationally with Scale MP-2020.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2023.

The long-term expected rate of return on pension plan investments were determined using a building-block method in which best-estimate rates of expected future real rates of returns (expected returns, net of pension plan 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 the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class included are summarized in the following chart:

<u>Investment</u>	Long-term Expected Real Rate fo Return	Target Asset Allocation
US Equity	6.50%	22.50%
International Equity	9.10%	22.50%
Fixed Income	4.30%	15.00%
Real Estate	5.80%	12.00%
Private Equity	9.20%	12.00%
Private Credit	9.80%	6.00%
Hedge Funds	4.60%	10.00%
		<u>100.00%</u>

Discount rate. The discount rate used to measure the total pension asset was 7.25 percent for MPFRS. The projection of cash flows used to determine the discount rate assumed that the employer contributions will continue to follow the current funding policies. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension asset.

The following chart presents the sensitivity of the net pension asset to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of MPFRS pension liability	\$ (582,135)	\$ (1,897,539)	\$ (2,891,620)

Pension plans' fiduciary net position. Detailed information about the pension plans' fiduciary net position is available in the separately issued financial report.

VI. OTHER POST-EMPLOYMENT BENEFIT PLAN

In addition to the pension benefits described in Note V, the government provides post-retirement health and vision benefits for certain retirees and their dependents. The benefits vary depending on the years of service and sick leave accumulated by the retiree.

A. Plan Descriptions, Contribution Information, and Funding Policies

The City of Huntington, West Virginia provides continuation of medical insurance to employees that retire under the WV Public Employees Retirement System and the City of Huntington's Policemen's Pension & Relief Fund and the Firemen's Pension & Relief Fund. The City maintains

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

a single employer self-insured defined benefit health plan administered by Highmark, a third-party administrator. The plan benefits, benefit levels, employee contributions and employer contributions were authorized by the City Council and any amendments to the plan must be approved and authorized by the Council. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the General Fund, Sanitation and Trash Fund, Community Development Block Grant Fund, Municipal Parking Board and the Municipal Development Authority.⁽¹⁾

Non-uniform employees that were members of PERS prior to 7/1/2015 (Tier I) are eligible to receive full retiree health coverage at the earlier of age 55 with 25 years of service; or age 60 with 5 years of service. Non-uniform employees that were members of PERS on or after 7/1/2015 (Tier II) are eligible to receive full retiree health coverage at age 62 with 10 years of service.

Police and fire uniform employees are eligible to receive retiree health care coverage at the earlier of age 50 with 20 years of service or age 60 with 10 years of service.

Upon the death of the retiree or active employee, the surviving spouse may continue coverage by paying the full COBRA rate.

The City does not have a practice of increasing the retiree contributions for employees hired prior to July 1, 2000. For GASB 75 purposes, it was assumed these rates remain level in future years.

Employees who retire under the WV Public Employees Retirement System have the option of maintaining the City’s OPEB Plan or electing P.E.I.A. insurance. To date, only a few retirees have chosen the P.E.I.A. insurance coverage.

The City’s current funding policy for post-employment health care benefits is on a pay-as-you-go basis.

B. Actuarial Methods and Assumptions

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 includes the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to most recent valuation date:

Measurement Date	For fiscal year ending June 30, 2025, a June 30, 2024 measurement date was used.
Actuarial Valuation Date	July 1, 2023 with results actuarially projected on a “no gain/no loss” basis to get to the June 30, 2024 measurement date. Liabilities as of July 1, 2025 are based on an actuarial valuation date of July 1, 2022 projected to July 1, 2023 with no adjustments.
Discount Rate	4.21% as of June 30, 2024 and 5.20% as of June 30, 2025.
Inflation Rate	3.00% per year

⁽¹⁾Amounts reported for Other Post-Employment Benefit cost and liabilities do not include those amounts for Huntington Water Quality Board.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Employer	Pay-as-you-go cash basis																																																
Funding Policy	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.																																																
Cost Method																																																	
Experience Study	The actuarial assumptions for the City were updated during the 2025 experience study. This change resulted in a decrease in liabilities.																																																
Census Data	Census information was provided by the City as of June 2025.																																																
Mortality	General Participants: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021; Public Safety Participants: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021; Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021; Disabled Participants: SOA Pub-2010 Disabled Headcount Weighted Mortality Table fully generational using Scale MP-2021																																																
Health Care Trend Rates	<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="border-bottom: 1px solid black;"></th> <th style="border-bottom: 1px solid black;">FYE</th> <th style="border-bottom: 1px solid black;">Pre-65</th> <th style="border-bottom: 1px solid black;">Post-65</th> <th style="border-bottom: 1px solid black;"></th> <th style="border-bottom: 1px solid black;">FYE</th> <th style="border-bottom: 1px solid black;">Pre-65</th> <th style="border-bottom: 1px solid black;">Post-65</th> </tr> </thead> <tbody> <tr> <td></td> <td>2026</td> <td>8.00%</td> <td>6.50%</td> <td></td> <td>2033</td> <td>6.25%</td> <td>4.75%</td> </tr> <tr> <td></td> <td>2027</td> <td>7.75%</td> <td>6.25%</td> <td></td> <td>2034</td> <td>6.00%</td> <td>4.50%</td> </tr> <tr> <td></td> <td>2028</td> <td>7.50%</td> <td>6.00%</td> <td></td> <td>2035</td> <td>5.75%</td> <td>4.50%</td> </tr> <tr> <td></td> <td>2029</td> <td>7.25%</td> <td>5.75%</td> <td></td> <td>2036</td> <td>5.50%</td> <td>4.50%</td> </tr> <tr> <td></td> <td>2030</td> <td>7.00%</td> <td>5.50%</td> <td></td> <td>2037</td> <td>5.25%</td> <td>4.50%</td> </tr> </tbody> </table>		FYE	Pre-65	Post-65		FYE	Pre-65	Post-65		2026	8.00%	6.50%		2033	6.25%	4.75%		2027	7.75%	6.25%		2034	6.00%	4.50%		2028	7.50%	6.00%		2035	5.75%	4.50%		2029	7.25%	5.75%		2036	5.50%	4.50%		2030	7.00%	5.50%		2037	5.25%	4.50%
	FYE	Pre-65	Post-65		FYE	Pre-65	Post-65																																										
	2026	8.00%	6.50%		2033	6.25%	4.75%																																										
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C. OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

At fiscal year-end, the City reported \$92,007,256 for its net OPEB liability related to its single employer self-insured defined benefit health plan. The net OPEB liability was measured as of June 30, 2025 for the City's fiscal year ended June 30, 2025, using the actuarial assumptions and methods described in the appropriate section of this note.

For the year ended June 30, 2025, the City recognized OPEB expense of \$381,460 related to its single employer self-insured defined benefit health plan.

The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources for the year ended June 30, 2025:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 2,625,370	\$ 5,573,803
Change in assumptions	1,291,258	9,502,312
	\$ 3,916,628	\$ 15,076,115

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability on June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2026	\$ (4,693,764)
2027	(5,717,839)
2028	(747,884)
2029	-
Total	<u>\$ (11,159,487)</u>

Discount Rate

The discount rate used to measure the OPEB liability was 5.2 percent. The projection of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position for each defined benefit pension plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

Sensitivity of Net OPEB Liability to the Single Discount Rate

1% Decrease 4.20%	Current Single Discount Rate Assumption 5.20%	1% Increase 6.20%
<u>\$ 102,632,129</u>	<u>\$ 92,007,256</u>	<u>\$ 83,104,357</u>

Healthcare Cost Trend Rate

The following table presents the City's proportionate share of its net OPEB liability calculated using the healthcare cost trend rate of 8 percent decreasing to an ultimate rate of 4.5 percent.

Sensitivity of Net OPEB Liability to the Health Care Trend Rate

1% Decrease 7.00% to 3.50%	Current Single Discount Rate Assumption 8.00% to 4.50%	1% Increase 9.00% to 5.50%
<u>\$ 82,388,213</u>	<u>\$ 92,007,256</u>	<u>\$ 103,412,844</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

West Virginia Retiree Health Benefit Trust Fund (RHBT)

Plan description:

The City participates in the West Virginia Other Postemployment Benefit Plan (the Plan) a cost-sharing, multiple employer, defined benefit other post-employment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code Section 5-16D-2 (the Code). The Plan is administered by a combination of the West Virginia Public Employees Insurance Agency (PEIA) and the RHBT staff. Plan benefits are established and revised by PEIA and the RHBT management with approval of the Finance Board.

The Finance Board is comprised of nine members. Finance Board members are appointed by the Governor, serve a term of four years and are eligible for reappointment. The State Department of Administration cabinet secretary serves as the Chairman of the Board. Four members represent labor, education, public employees and public retirees. Four remaining members represent the public-at-large.

RHBT issues publicly available reports that include a full description of the other post-employment benefit plan regarding benefit provisions, assumptions and membership information that can be obtained by contacting Public Employees Insurance Agency, 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, by calling (888) 680-7342 or can be found on the PEIA website at www.peia.wv.gov.

Benefits Provided:

The City's employees who retire are eligible for PEIA health and life benefits, provided they meet the minimum eligibility requirements of the PERS or meet certain other eligibility requirements of other CPRB sponsored retirement plans. RHBT provides medical and prescription drug insurance and life insurance benefits to those qualified participants. Life insurance is provided through a vendor and is fully funded by member contributions. The medical and prescription drug insurance is provided through two options; Self-Insured Preferred Provider Benefit Plan – primarily for non-Medicare-eligible retirees and spouses or External Managed Care Organizations – primarily for Medicare-eligible retirees and spouses.

The RHBT Medicare-eligible retired employees and their Medicare-eligible dependents receive medical and drug coverage from a Medicare Advantage Plan. Under this arrangement, the vendor assumes the financial risk of providing comprehensive medical and drug coverage with limited copayments. Non-Medicare retirees continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option. The RHBT collects employer contributions for Managed Care Organization (MCO) participants and remits capitation payments to the MCO. Survivors of retirees have the option of purchasing the medical and prescription drug coverage.

Eligible participants hired after June 30, 2010, will be required to fully fund premium contributions upon retirement. The Plan is a closed plan to new entrants.

Contribution requirements:

Employer contributions consist of pay as you go premiums, commonly referred to as paygo, and retiree leave conversion billings. Employees are not required to contribute to the OPEB plan.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Paygo premiums are established by the Finance Board annually. All participating employers are required by statute to contribute to the RHBT this premium at the established rate for every active policyholder per month. In fiscal year 2024, there was no subsidization of the retirees' healthcare from paygo premiums. RHBT had significant savings with the Humana contract renewal beginning fiscal years 2022 through 2025. In addition to the Humana contract savings, RHBT experienced favorable investment returns in fiscal year 2021, resulting in an excess in the premium stabilization reserve. RHBT passed on these savings to PEIA active employers by not billing paygo in fiscal year 2024. The 5-year financial plan, which was passed by the Board in December 2021, originally had paygo to be billed at \$20M for fiscal year 2024. The prior year paygo rate for fiscal year 2023 was \$70 per active health policy per month.

The City's contributions to the West Virginia Retiree Health Benefit Trust Fund for the year ended June 30, 2025 was \$931. No amount was payable at year-end.

Members retired before July 1, 1997, pay retiree healthcare contributions at the highest sponsor subsidized rate, regardless of their actual years of service. Members retired between July 1, 1997 and June 30, 2010, pay a subsidized rate depending on the member's years of service. Members hired on or after July 1, 2010, pay retiree healthcare contributions with no sponsor provided implicit or explicit subsidy.

The State of West Virginia (the State) is a nonemployer contributing entity that provides funding through Senate Bill 419, effective July 1, 2012 and amended by West Virginia Code §11-21-96. For fiscal years beginning on and after July 1, 2016, this Senate Bill and corresponding State Code section requires that an annual amount of \$30 million from the State shall be dedicated for payment of the unfunded liability of the RHBT fund. The \$30 million annual contribution is to continue through July 1, 2037, or until the unfunded liability has been eliminated, whichever comes first.

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

At fiscal year-end, the City reported the following liability/(asset) for its proportionate share of the net OPEB liability/(asset). The net OPEB liability/(asset) was measured as of June 30, 2024 for the City's fiscal year ended June 30, 2025, using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net OPEB liability/(asset) was based on a projection of the government's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating governments, actuarially determined. The City reported the following proportions and increase/decreases from its proportion as of June 30, 2025:

	2025
City's proportionate share of the net OPEB liability/(asset)	\$ (2,038)
States proportional share of the net OPEB liability/(asset) associated with the City	(3,078)
Total Portion of the net OPEB liability/(asset) associated with the City	\$ (5,116)

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

For the year ended June 30, 2025, the City recognized the following OPEB expense and support provided by the State:

	2025
OPEB expense/(offset) City	\$ 6,825
OPEB expense/(offset) State support	1,659
Total OPEB expense/(offset)	\$ 8,484
State support revenue	\$ 1,659

The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources for the year ended June 30, 2025:

	Deferred Outflows of	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ -	\$ 2,322
Differences between projected and actual experiences	7,099	2,049
Changes in assumptions	778	2,410
Changes in proportion and differences between contributions and proportionate share of contributions	7,754	4,400
Contributions subsequent to measurement date	931	-
Totals	\$ 16,562	\$ 11,181

The amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/(asset) on June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	2025
2026	\$ 3,936
2027	884
2028	322
2029	(692)
Total	\$ 4,450

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The long-term rates of return on OPEB plan investments are determined using a building block method in which estimates of expected future real rates of return (expected returns, net of OPEB plan 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 the target asset allocation percentage. Target asset allocations, capital market assumptions (“CMA”), and forecast returns were provided by the Plan’s investment advisors, including West Virginia Investment Management Board (“WV-IMB”). The projected return for the Money Market Pool held with the West Virginia Board of Treasury Investments (“WV-BTI”) was estimated based on WV-IMB assumed inflation of 2.50% plus a 25-basis point spread. The best estimates of long-term geometric rates of return for each asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Equity	7.4%
Fixed Income	3.9%
Real Estate	7.7%
Hedge Fund	4.5%
Private Equity	10.0%
Private Credit and Income	7.4%

Real returns by asset class, shown in the above table, were estimated using a static inflation assumption of 2.25%. Consequently, real returns may not reflect the potential volatility of inflation by asset class.

Discount Rate

The discount rate used to measure the OPEB liability/(asset) was 7.4 percent. The projection of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position for each defined benefit pension plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability/(asset).

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.4%	Current Discount Rate 7.4%	1% Increase 8.4%
Proportionate share of OPEBs			
Net OPEB liability/(asset)	\$ 8,910	\$ (2,038)	\$ (11,156)

Healthcare Cost Trend Rate

The following table presents the City’s proportionate share of its net OPEB liability/(asset) calculated using the healthcare cost trend rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Proportionate share of OPEB's			
Net OPEB liability/(asset)	\$ (16,024)	\$ (2,038)	\$ 14,946

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

I. SCHEDULE OF CHANGES IN THE OTHER POST-EMPLOYMENT LIABILITY AND RELATED RATIOS

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Cost	\$ 1,192,527	\$ 2,569,959	\$ 2,629,007	\$ 4,687,369	\$ 4,104,643	\$ 3,608,679	\$ 2,965,426	\$ 3,024,313
Interest	3,882,698	3,589,180	3,622,131	2,601,175	2,880,070	3,461,730	3,216,444	2,964,542
Difference between Expected and Actual Experience	901,016	4,049,387	(4,090,532)	(10,110,871)	(949,480)	(2,714,624)	6,689,550	-
Assumption Changes	(2,953,181)	217,882	(396,757)	(22,005,442)	7,093,913	7,708,616	4,552,183	(3,374,344)
Benefit Payments	(4,055,972)	(3,408,269)	(3,313,740)	(3,357,881)	(3,060,388)	(2,759,589)	(2,350,525)	(2,156,446)
Net Change in OPEB Liability	(1,032,912)	7,018,139	(1,549,891)	(28,185,650)	10,068,758	9,304,812	15,073,078	458,065
Total OPEB Liability - Beginning	93,040,168	86,022,029	87,571,920	115,757,570	105,688,812	96,384,000	81,310,922	80,852,857
Total OPEB Liability - Ending	<u>\$ 92,007,256</u>	<u>\$ 93,040,168</u>	<u>\$ 86,022,029</u>	<u>\$ 87,571,920</u>	<u>\$ 115,757,570</u>	<u>\$ 105,688,812</u>	<u>\$ 96,384,000</u>	<u>\$ 81,310,922</u>
Plan Fiduciary Net Position								
Employer Contributions	\$ 4,055,972	\$ 3,408,269	\$ 3,313,740	\$ 3,357,881	\$ 3,060,388	\$ 2,759,589	\$ 2,350,525	\$ 2,156,446
Benefit Payments	(4,055,972)	(3,408,269)	(3,313,740)	(3,357,881)	(3,060,388)	(2,759,589)	(2,350,525)	(2,156,446)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	\$ 92,007,256	\$ 93,040,168	\$ 86,022,029	\$ 87,571,920	\$ 115,757,570	\$ 105,688,812	\$ 96,384,000	\$ 81,310,922
Plan Fiduciary Net Position as a Percentage								
of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 21,812,916	\$ 20,190,535	\$ 19,294,147	\$ 18,638,543	\$ 15,155,628	\$ 14,714,202	\$ 11,028,839	\$ 10,707,611
Net OPEB Liability as a Percentage								
of Covered Employee Payroll	421.80%	460.81%	445.85%	469.84%	763.79%	718.28%	873.93%	759.38%

Notes to Schedule:

Only eight years are presented due to the availability of the information in the application of the reporting requirements prospectively.

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULE OF CONTRIBUTIONS – MULTIYEAR FOR OTHER POST-EMPLOYMENT BENEFITS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution (a)	\$ 4,055,972	\$ 3,408,269	\$ 3,313,740	\$ 3,357,881	\$ 3,060,388	\$ 2,759,589	\$ 2,350,525	\$ 2,156,446
Employer contribution (b)	(4,055,972)	(3,408,269)	(3,313,740)	(3,357,881)	(3,060,388)	(2,759,589)	(2,350,525)	(2,156,446)
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage contributed	100%	100%	100%	100%	100%	100%	100%	100%
Covered payroll (f)	\$ 21,812,916	\$ 20,190,535	\$ 19,294,147	\$ 18,638,543	\$ 15,155,628	\$ 14,714,202	\$ 11,028,839	\$ 10,707,611
Actual contribution as a percent of covered payroll [(b)+(c)]/f	19%	17%	17%	18%	20%	19%	21%	20%

Notes to Schedules of Contributions:

Only eight years are presented due to the availability of the information in the application of the reporting requirements prospectively.

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

II. SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Retiree Health Benefit Trust

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
City's proportionate percentage of the net OPEB liability (asset)	0.004894884%	0.005659852%	0.007851121%	0.003112554%	0.004106304%	0.004304265%	0.004339626%	0.005094491%	0.006116921%
City's proportionate share of the net OPEB liability (asset)	\$ (2,038)	\$ (8,957)	\$ 8,738	\$ (926)	\$ 18,137	\$ 71,413	\$ 93,104	\$ 125,273	\$ 151,903
State's proportionate share of the net OPEB liability (asset) associated with the City	<u>(3,078)</u>	<u>(1,304)</u>	<u>1,841</u>	<u>(296)</u>	<u>4,011</u>	<u>14,614</u>	<u>19,242</u>	<u>37,931</u>	<u>-</u>
Total	<u>\$ (5,116)</u>	<u>\$ (10,261)</u>	<u>\$ 10,579</u>	<u>\$ (1,222)</u>	<u>\$ 22,148</u>	<u>\$ 86,027</u>	<u>\$ 112,346</u>	<u>\$ 163,204</u>	<u>\$ 151,903</u>
City's covered-employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	102.19%	109.66%	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%	21.64%

Information prior to 2016 is not available.

This schedule will be built prospectively.

**CITY OF HUNTINGTON, WEST VIRGINIA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULE OF OPEB CONTRIBUTIONS

Retiree Health Benefit Trust

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 931	\$ 1,936	\$ 5,676	\$ 9,231	\$ 5,676	\$ 7,937	\$ 8,868	\$ 8,868	\$ 10,464	\$ 10,464
Contributions in relation to the contractually required contribution	<u>(931)</u>	<u>(1,936)</u>	<u>(5,676)</u>	<u>(9,231)</u>	<u>(5,676)</u>	<u>(7,937)</u>	<u>(8,868)</u>	<u>(8,868)</u>	<u>(10,464)</u>	<u>(10,464)</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

III. SCHEDULES OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Policemen's Pension and Relief Fund (PPRF)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 734,312	\$ 832,313	\$ 872,782	\$ 960,545	\$ 1,314,602	\$ 1,479,995	\$ 1,600,345	\$ 1,677,226	\$ 1,766,856	\$ 1,327,865
Interest	6,162,395	6,022,574	5,817,829	5,694,266	5,802,509	5,633,626	5,342,286	5,265,220	5,168,503	4,995,831
Difference between expected and actual experience	1,406,517	2,655,968	3,312,623	1,641,967	1,101,389	1,399,681	3,455,363	(639,606)	(1,547,354)	2,053,752
Changes in assumptions	(8,731,337)	(444,237)	-	-	(8,892,309)	-	-	-	-	10,127,518
Benefits payments	(6,658,123)	(6,611,757)	(6,273,169)	(6,022,540)	(5,568,701)	(5,316,734)	(4,885,081)	(4,520,158)	(4,435,120)	(4,316,567)
Refunds	-	-	-	-	-	-	-	-	(29,643)	(47,520)
Net change in total pension liability	(7,086,236)	2,454,861	3,730,065	2,274,238	(6,242,510)	3,196,568	5,512,913	1,782,682	923,242	14,140,879
Total pension liability – beginning	110,501,155	108,046,294	104,316,229	102,041,991	108,284,501	105,087,933	99,575,020	97,792,338	96,869,096	82,728,217
Total pension liability – ending (a)	<u>\$ 103,414,919</u>	<u>\$ 110,501,155</u>	<u>\$ 108,046,294</u>	<u>\$ 104,316,229</u>	<u>\$ 102,041,991</u>	<u>\$ 108,284,501</u>	<u>\$ 105,087,933</u>	<u>\$ 99,575,020</u>	<u>\$ 97,792,338</u>	<u>\$ 96,869,096</u>
Plan fiduciary net position										
Contributions – employer	\$ 4,891,165	\$ 4,717,613	\$ 4,371,588	\$ 4,428,631	\$ 5,657,305	\$ 5,607,224	\$ 5,540,993	\$ 5,777,937	\$ 5,685,075	\$ 4,822,623
Contributions – members	214,826	211,358	230,778	247,237	244,427	277,648	283,815	297,125	335,264	313,939
Net investment income	5,280,023	6,892,243	4,454,520	(6,256,306)	10,338,534	1,394,132	2,239,135	2,203,504	1,997,497	852,569
Benefits payments	(6,658,123)	(6,611,757)	(6,273,169)	(6,022,540)	(5,568,701)	(5,316,734)	(4,885,081)	(4,520,158)	(4,435,120)	(4,316,567)
Refunds	-	-	-	-	-	-	-	-	(29,643)	(47,520)
Administrative expenses	(8,387)	(9,251)	(12,656)	(15,261)	(9,205)	(9,210)	(134,958)	(8,517)	(9,095)	(176,416)
Other	-	-	-	-	41	2,917	-	-	-	(5,381)
Net change in plan fiduciary net position	3,719,504	5,200,206	2,771,061	(7,618,239)	10,662,401	1,955,977	3,043,904	3,749,891	3,543,978	1,443,247
Plan fiduciary net position – beginning	53,298,998	48,098,792	45,327,731	52,945,970	42,283,569	40,327,592	37,283,688	33,533,797	29,989,819	28,546,572
Plan fiduciary net position – ending (b)	<u>\$ 57,018,502</u>	<u>\$ 53,298,998</u>	<u>\$ 48,098,792</u>	<u>\$ 45,327,731</u>	<u>\$ 52,945,970</u>	<u>\$ 42,283,569</u>	<u>\$ 40,327,592</u>	<u>\$ 37,283,688</u>	<u>\$ 33,533,797</u>	<u>\$ 29,989,819</u>
Net pension liability – ending (a) – (b)	<u>\$ 46,396,417</u>	<u>\$ 57,202,157</u>	<u>\$ 59,947,502</u>	<u>\$ 58,988,498</u>	<u>\$ 49,096,021</u>	<u>\$ 66,000,932</u>	<u>\$ 64,760,341</u>	<u>\$ 62,291,332</u>	<u>\$ 64,258,541</u>	<u>\$ 66,879,277</u>
Plan fiduciary net position as a percentage of the total pension liability	55.14%	48.23%	44.52%	43.45%	51.89%	39.05%	38.38%	37.44%	34.29%	30.96%
Covered employee payroll	\$ 2,568,966	\$ 2,836,741	\$ 2,965,981	\$ 3,240,023	\$ 3,303,872	\$ 3,783,881	\$ 4,046,524	\$ 4,225,541	\$ 4,483,206	\$ 4,573,783
Net pension liability as a percentage of covered employee payroll	1806.03%	2016.47%	2021.17%	1820.62%	1486.01%	1744.27%	1600.47%	1474.16%	1433.32%	1462.11%

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

III. SCHEDULES OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)

Firemen's Pension and Relief Fund (FPRF)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 1,071,688	\$ 1,284,700	\$ 1,283,780	\$ 1,383,095	\$ 1,414,053	\$ 1,556,769	\$ 1,630,487	\$ 2,012,547	\$ 1,921,250	\$ 1,570,937
Interest	5,966,819	5,781,592	5,632,958	5,419,188	5,804,386	5,656,769	5,562,251	5,334,849	5,241,817	5,082,040
Difference between expected and actual experience	(1,596,066)	3,121,024	1,563,947	(562,531)	(361,805)	1,508,438	457,926	562,398	(188,766)	2,571,967
Change in assumptions	(11,489,272)	(664,314)	-	(6,595,321)	(8,880,845)	(5,730,252)	(5,746,321)	(7,901,702)	-	13,787,848
Benefits payments	(6,380,814)	(5,929,651)	(5,626,902)	(5,594,617)	(5,764,904)	-	-	(5,696,306)	(5,660,582)	(5,474,416)
Refunds	-	-	-	-	-	(44,073)	-	(50,573)	-	(31,367)
Net change in total pension liability	(12,427,645)	3,593,351	2,853,783	(5,950,186)	(7,789,115)	2,947,651	1,904,343	(5,738,787)	1,313,719	17,507,009
Total pension liability – beginning	111,678,015	108,084,664	105,230,881	111,181,067	118,970,182	116,022,531	114,118,188	119,856,975	118,543,256	101,036,247
Total pension liability – ending (a)	\$ 99,250,370	\$ 111,678,015	\$ 108,084,664	\$ 105,230,881	\$ 111,181,067	\$ 118,970,182	\$ 116,022,531	\$ 114,118,188	\$ 119,856,975	\$ 118,543,256
Plan fiduciary net position										
Contributions – employer	\$ 5,355,818	\$ 5,223,371	\$ 5,050,807	\$ 5,775,354	\$ 6,809,065	\$ 6,838,651	\$ 6,860,009	\$ 7,389,517	\$ 7,401,751	\$ 6,355,707
Contributions – members	232,111	226,882	256,303	243,669	216,101	236,773	251,044	246,681	273,029	283,660
Net investment income	4,102,784	6,149,756	3,431,227	(3,903,909)	7,231,031	737,037	1,623,796	1,439,198	1,207,975	815,748
Benefits payments	(6,380,814)	(5,929,651)	(5,626,902)	(5,594,617)	(5,764,904)	(5,774,325)	(5,746,321)	(5,696,306)	(5,660,582)	(5,474,416)
Refunds	-	-	-	-	-	-	-	(50,573)	-	(31,367)
Administrative expenses	(10,869)	(9,971)	(9,996)	(9,354)	(13,303)	(26,999)	(3,736)	(68,224)	(9,208)	(58,928)
Other	-	-	-	-	-	484	(7,625)	-	-	585
Net change in plan fiduciary net position	3,299,030	5,660,387	3,101,439	(3,488,857)	8,477,990	2,011,621	2,977,167	3,260,293	3,212,965	1,890,989
Plan fiduciary net position – beginning	45,716,241	40,055,854	36,954,415	40,443,272	31,965,282	26,976,494	26,976,494	23,716,201	20,503,236	18,612,247
Plan fiduciary net position – ending (b)	\$ 49,015,271	\$ 45,716,241	\$ 40,055,854	\$ 36,954,415	\$ 40,443,272	\$ 28,988,115	\$ 29,953,661	\$ 26,976,494	\$ 23,716,201	\$ 20,503,236
Net pension liability – ending (a) – (b)	\$ 50,235,099	\$ 65,961,774	\$ 68,028,810	\$ 68,276,466	\$ 70,737,795	\$ 89,982,067	\$ 86,068,870	\$ 87,141,694	\$ 96,140,774	\$ 98,040,020
Plan fiduciary net position as a percentage of the total pension liability	49.39%	40.94%	37.06%	35.12%	36.38%	26.87%	25.82%	23.64%	19.79%	17.30%
Covered employee payroll	\$ 2,876,510	\$ 3,342,779	\$ 3,314,860	\$ 3,094,186	\$ 3,054,751	\$ 3,402,515	\$ 3,488,570	\$ 3,782,913	\$ 3,623,803	\$ 4,135,510
Net pension liability as a percentage of covered employee payroll	1746.39%	1973.26%	2052.24%	2206.61%	2315.66%	2557.08%	2467.20%	2303.56%	2653.04%	2370.69%

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

IV. SCHEDULES OF INVESTMENT RETURNS

Policemen's Pension and Relief Fund (PPRF)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money – weighted rate of return, net of investment	8.15%	8.30%	7.21%	7.02%	6.27%	5.83%	6.22%	8.72%	8.32%	2.91%

Firemen's Pension and Relief Fund (FPRF)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money – weighted rate of return, net of investment	8.15%	8.21%	7.21%	7.02%	6.27%	5.83%	7.07%	9.06%	7.59%	5.29%

V. SCHEDULES OF CONTRIBUTIONS – MULTIYEAR

Policemen's Pension and Relief Fund (PPRF)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution (a)	\$ 4,855,885	\$ 4,649,780	\$ 4,313,300	\$ 4,388,464	\$ 5,599,399	\$ 5,605,198	\$ 5,533,885	\$ 4,706,545	\$ 4,757,747	\$ 4,666,572
Employer contribution (b)	(3,437,692)	(3,526,616)	(3,329,769)	(3,307,224)	(4,527,758)	(4,515,894)	(4,487,498)	(4,679,161)	(4,590,520)	(3,775,581)
State contribution (c)	(1,453,473)	(1,190,997)	(1,041,819)	(1,121,407)	(1,129,547)	(1,091,330)	(1,053,495)	(1,098,776)	(1,094,555)	(1,047,042)
Contribution (excess) deficiency	\$ (35,280)	\$ (67,833)	\$ (58,288)	\$ (40,167)	\$ (57,906)	\$ (2,026)	\$ (7,108)	\$ (1,071,392)	\$ (927,328)	\$ (156,051)
Percentage contributed	100%	100%	100%	100%	100%	100%	100%	123%	119%	103%
Covered payroll (f)	2,568,966	2,836,741	2,965,981	3,240,023	3,303,872	3,783,881	4,046,524	4,225,541	4,483,206	4,771,286
Actual contribution as a percent of covered payroll [(b)+(c)]/f	190%	166%	147%	137%	171%	148%	137%	137%	127%	105%

Firemen's Pension and Relief Fund (PPRF)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution (a)	\$ 5,382,677	\$ 5,121,140	\$ 4,919,242	\$ 5,761,384	\$ 6,816,641	\$ 6,800,972	\$ 6,958,630	\$ 5,899,587	\$ 6,100,163	\$ 6,111,224
Employer contribution (b)	(3,888,959)	(3,997,918)	(4,051,331)	(4,643,596)	(5,633,481)	(5,658,818)	(5,750,203)	(6,282,284)	(6,266,667)	(5,233,536)
State contribution (c)	(1,466,859)	(1,225,453)	(999,476)	(1,131,758)	(1,175,584)	(1,179,833)	(1,109,806)	(1,107,233)	(1,135,084)	(1,122,171)
Contribution (excess) deficiency	\$ 26,859	\$ (102,231)	\$ (131,565)	\$ (13,970)	\$ 7,576	\$ (37,679)	\$ 98,621	\$ (1,489,930)	\$ (1,301,588)	\$ (244,483)
Percentage contributed	100%	100%	100%	100%	100%	101%	99%	125%	121%	104%
Covered payroll (f)	\$ 2,876,510	\$ 3,342,779	\$ 3,314,860	\$ 3,094,186	\$ 3,054,751	\$ 3,402,515	\$ 3,488,570	\$ 3,782,913	\$ 3,623,803	\$ 4,135,510
Actual contribution as a percent of covered payroll [(b)+(c)]/f	186%	156%	152%	187%	223%	201%	197%	195%	204%	154%

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULES OF THE GOVERNMENT’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITIES

Public Employees Retirement System

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Government’s proportion of the net pension liability (asset) (Percentage)	0.50%	0.50%	0.51%	0.40%	0.37%	0.37%	0.36%	0.39%	0.37%	0.39%
Government’s proportionate share of the net pension liability (asset)	\$ (824,762)	\$ (22,381)	\$ 756,075	\$ (3,542,691)	\$ 1,982,130	\$ 793,314	\$ 933,910	\$ 1,688,871	\$ 3,364,705	\$ 2,214,475
Government’s covered-employee payroll	\$ 9,279,624	\$ 8,856,978	\$ 8,054,570	\$ 6,344,281	\$ 5,739,558	\$ 5,559,160	\$ 5,938,282	\$ 5,183,025	\$ 5,430,050	\$ 5,380,616
Government’s proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-8.89%	-0.25%	9.39%	55.84%	34.53%	14.29%	15.73%	32.58%	61.96%	41.16%
Plan fiduciary net position as a percentage of the total pension liability	101.85%	100.05%	98.24%	111.07%	92.89%	96.99%	96.33%	93.67%	86.11%	91.29%

Municipal Police Officers & Firefighters Retirement System (MPFRS)

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Government’s proportion of the net pension asset (Percentage)	14.55%	14.45%	15.97%	16.84%	17.14%	18.60%	20.59%	26.72%	30.31%	40.72%
Government’s proportionate share of the net pension asset	\$ (1,897,539)	\$ 1,588,453	\$ 1,560,905	\$ 1,837,429	\$ 1,071,922	\$ 853,135	\$ 761,363	\$ 750,274	\$ 428,554	\$ 392,648
Government’s covered-employee payroll	\$ 6,373,748	\$ 5,446,918	\$ 5,025,612	\$ 4,325,435	\$ 3,792,612	\$ 3,147,329	\$ 2,458,024	\$ 2,364,541	\$ 2,297,375	\$ 1,998,916
Government’s proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-29.77%	29.16%	31.06%	42.48%	28.26%	27.10%	30.97%	31.73%	18.65%	19.64%
Plan fiduciary net position as a percentage of the total pension liability	138.69%	144.88%	156.08%	182.78%	172.43%	168.31%	184.45%	200.46%	174.30%	189.27%

**CITY OF HUNTINGTON, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULE OF THE GOVERNMENTAL CONTRIBUTIONS

Public Employees Retirement System

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 887,812	\$ 835,167	\$ 797,128	\$ 805,457	\$ 634,428	\$ 573,956	\$ 555,916	\$ 653,211	\$ 621,963	\$ 733,057
Contributions in relation to the contractually required contribution	(887,812)	(835,167)	(797,128)	(805,457)	(634,428)	(573,956)	(555,916)	(653,211)	(621,963)	(733,057)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government's covered-employee payroll	\$ 9,864,573	\$ 9,279,624	\$ 8,856,978	\$ 8,054,570	\$ 6,344,281	\$ 5,739,558	\$ 5,559,156	\$ 5,938,282	\$ 5,183,025	\$ 5,430,050
Actual contribution as a percentage of covered-employee payroll	9.00%	9.00%	9.00%	10.00%	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%

Municipal Police Officers & Firefighters Retirement System (MPFRS)

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 626,340	\$ 541,769	\$ 462,988	\$ 427,177	\$ 367,662	\$ 322,372	\$ 267,523	\$ 208,932	\$ 200,986	\$ 195,277
Contributions in relation to the contractually required contribution	(626,340)	(541,769)	(462,988)	(427,177)	(367,662)	(322,372)	(267,523)	(208,932)	(200,986)	(195,277)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government's covered-employee payroll	\$ 7,368,700	\$ 6,373,748	\$ 5,446,918	\$ 5,025,612	\$ 4,325,435	\$ 3,792,612	\$ 3,147,329	\$ 2,458,024	\$ 2,364,541	\$ 2,297,375
Actual contribution as a percentage of covered-employee payroll	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%

CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Note 1 – Changes in Assumptions/Benefit Terms PERS

There were no changes in the assumptions between the 2023 and 2024 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

There were no changes in the assumptions between the 2022 and 2023 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

There were no changes in the assumptions between the 2021 and 2022 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

Changes in the assumptions between the 2021 and 2020 valuations:

Projected salary increases went from 3.1-5.3% (state) and 3.35-6.5% (nonstate) in 2020 to 2.75-5.55% (state) and 3.60-6.75% (nonstate) in 2021; the inflation rate dropped from 3% in 2020 to 2.75% in 2021. These changes in assumptions lead to deferred outflows of \$236,067,000 in 2021.

Changes in the assumptions between the 2018 and 2019 valuations:

Mortality, withdrawal rates, disability rates, retirement rates, salary scales, and non-contributory service loads were changed to reflect the most recent experience study for June 1, 2013 through June 30, 2018.

Changes in the assumptions between the 2015 and 2014 valuations:

Projected salary increases went from 4.25-6% in 2014 to 3-6% in 2015; the inflation rate went from 2.2% in 2014 to 1.9% in 2015; mortality rates changed due to from the Gam model to RP-2000 model; withdrawal rates went from 1-31.2% in 2014 to 1.75-35.8% in 2015; disability rates went from 0-.8% in 2014 to 0-.675% in 2015;. The range of the experience study was 2004-2009 in 2014 and 2009-2014 in 2015. These changes in assumptions lead to deferred inflows of \$89,556,000 in 2015.

Changes in benefit terms between the 2018 and 2019 valuations:

Under HB 3095, a minimum monthly benefit of \$750 was established for current pensioners as of June 3, 2019 who had completed at least 25 years of service. A corresponding minimum of \$375 was set for beneficiaries in pay status under the 50% joint-and-survivor annuity options were the original member had completed at least 25 years of services.

Note 2 – Changes in Assumptions OPEB – West Virginia RHBT

Changes in assumptions between the 2023 and 2024 valuations:

The healthcare cost trend rates increased from 9.0% and 9.5% for medical and drug, respectively to 7.0% for medical and 9.5% for drugs over four years.

The actuarial valuation as of June 30, 2022, reflects changes to the following healthcare-related assumptions which include:

- Per capita claim costs;
- Healthcare trend rates;
- Aging factors;
- Participation rates

The long-term expected rate of return of 7.40% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.60% for long-term assets invested with the WV Investment Management Board (WVIMB) and an expected short-term rate of return of 2.75% for assets invested with the West Virginia Board of Treasury Investments.

CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Long-term pre-funding assets are invested with the WVIMB. The strategic asset allocation consists of 45% equity, 15% fixed income, 6% private credit and income, 12% private equity, 10% hedge fund and 12% real estate invested. Short-term assets used to pay current year benefits and expenses are invested with the WVBTI. The long-term rates of return on OPEB plan investments are determined using a building block method in which best estimate ranges of expected future rates of return 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 rates of return by the target asset allocation percentage. Target asset allocations, capital market assumptions (CMA), and forecast returns were provided by the Plan's investment advisors, including West Virginia Investment Management Board (WVIMB). The projected return for the Money Market Pool held with the West Virginia Board of Treasury Investments (WVBTI) was estimated.

Changes in the assumptions between the 2021 and 2022 valuations:

The revisions encompass key assumptions: projected capped subsidies, per capita claim costs, healthcare trend rates, coverage and continuance, percentage eligible for tobacco-free premium discounts, and retired employee assistance program participation.

Changes in the assumptions between the 2020 and 2018 valuations:

Certain assumptions have been changed since the prior actuarial valuation as of June 30, 2018 and a measurement date of June 30, 2020. The net effect of the assumption changes was approximately \$1,147 million. The major changes include:

- General/Price inflation – Decrease price inflation rate from 2.75% to 2.25%.
- Discount Rate – Decrease discount rate from 7.15% to 6.65%.
- Wage inflation – Decrease wage inflation rate from 4.00% to 2.75% for PERS.
- Salary increase – Develop salary increase assumptions based on experience specific to the OPEB covered group.

Changes in the assumptions between the 2019 and 2018 valuations:

Certain assumptions have been changed since the prior measurement date. The net effect of assumption changes was approximately \$236 million. The assumption changes that most significantly impacted the Total OPEB Liability was an approximate \$11.8 million decrease in the per capita claims cost for Pre-Medicare and Medicare, as well as an approximate \$224.2 million decrease due to capped subsidy costs implemented in December 2019. Certain other assumption changes were noted but did not materially impact the Total OPEB Liability.

Changes in the assumptions between the 2018 and 2017 valuations:

Certain assumptions have been changed since the prior measurement date. The assumption changes that most significantly impacted the Net OPEB Liability are as follows: the inclusion of waived annuitants increased the liability by approximately \$17 million; a 15% reduction in the retirement rate assumption decreased the liability by approximately \$68 million; a change in certain healthcare-related assumptions decreased the liability by approximately \$232 million; and an update to the mortality tables increased the liability by approximately \$25 million. Certain other assumption changes were noted but did not materially impact the Net OPEB Liability.

Changes in the assumptions between the 2016 and 2015 valuations:

Certain economic and behavioral assumptions are unique to healthcare benefits. These assumptions include the healthcare trend, per capita claims costs, the likelihood that a member selects healthcare coverage and the likelihood that a retiree selects one-person, two person or family coverage. These assumptions were updated based on a recent experience study performed by the RHBT actuaries using five-year experience data through June 30, 2015. The updated per capita claims costs were also based on recent claims, enrollment and premium information as of the valuation date.

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

For the June 30, 2016 valuation, the retiree healthcare participation assumption for each retirement plan is slightly higher than the previous assumption used in the June 30, 2015 OPEB valuation. More members who were covered as actives will be assumed to participate as retirees.

The 2016 and 2015 valuations include consideration of the \$30 million annual appropriations under Senate Bill 419, through July 1, 2037, or if earlier, the year the benefit obligation is fully funded. Additionally, the presentation of covered payroll was changed for the June 30, 2015, actuarial valuation. Participating employees hired before July 1, 2010, pay retiree premiums that are subsidized based on years of service at retirement. Participating employees hired on or after July 1, 2010, are required to fully fund premium contributions upon retirement. Consequently, beginning June 30, 2015, actuarial valuation covered payroll represents only the payroll for those OPEB eligible participating employees that were hired before July 1, 2010, allowing a better representation of the UAAL as a percentage of covered payroll, whereas, for the prior years, covered payroll is in total for all participating employees.

Note 3 – Changes in Assumptions Policemen’s Pension Plan

Changes in the assumptions between the 2021 and 2020 valuations: The discount rate changed from 5.50% to 5.75%. Changes were made to salary scale assumptions, pay spiking assumptions, inflation, cost-of-living increases, mortality rates, retirement rates, termination rates, disability rates marital status, and non-spouse beneficiary loads.

Note 4 – Changes in Assumptions Firemen’s Pension Plan

Changes in the assumptions between the 2021 and 2020 valuations: Changes were made to salary scale assumptions, pay spiking assumptions, inflation, cost-of-living increases, mortality rates, retirement rates, termination rates, disability rates marital status, and non-spouse beneficiary loads.

Note 5 – Changes in Assumptions City of Huntington OPEB

The following assumptions have been updated:

1. The discount rate has been updated from 4.13% as of June 30, 2023 to 4.21% as of June 30, 2024 based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). This change caused a slight decrease in the City’s liabilities.
2. Health care trend rates have been set to an annual trend of 8.00% decreasing by 0.50% to an ultimate rate of 4.50% for pre-65 and 6.50% decreasing by 0.25% to an ultimate rate of 4.50% for post-65. This is according to the schedule in the Health Care Trend Rates section of the Actuarial Methods and Assumptions. The impact of this change is an increase in liabilities.
3. The termination rates have been updated to follow the 2022 Experience Study report that was performed by Nyhart in 2024. This change resulted in a decrease in liabilities.
4. The retirement rates have been updated to follow the 2022 Experience Study report that was performed by Nyhart in 2024. This change resulted in an increase in liabilities.
5. The health care election rates for each group have been updated to follow the 2022 Experience Study report that was performed by Nyhart in 2024. This change resulted in a decrease in liabilities. Additionally, claims costs and premiums were updated for 2024 which caused an increase in liabilities. The updated census data resulted in an increase in liabilities.

Changes in the assumptions between the 2022 and 2021 valuations: The discount rate increased from 2.19% to 4.09%.

SUPPLEMENTARY INFORMATION

**CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service Tax Increment Financing</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS AND DEFERRED OUTFLOWS				
Assets:				
Current:				
Cash and cash equivalents	\$ 4,196,930	\$ 533,998	\$ 6,664,003	\$ 11,394,931
Accounts receivable	2,327	-	-	2,327
Taxes receivable	-	-	30,751	30,751
Investments	-	1,988,237	-	1,988,237
Due from:				
Other funds	8,175	22,115	-	30,290
Assets held for sale	543,792	-	-	543,792
Total assets	<u>4,751,224</u>	<u>2,544,350</u>	<u>6,694,754</u>	<u>13,990,328</u>
Deferred Outflows:				
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 4,751,224</u>	<u>\$ 2,544,350</u>	<u>\$ 6,694,754</u>	<u>\$ 13,990,328</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 58,257	\$ 2,395	\$ -	\$ 60,652
Due to:				
Other funds	465,675	-	-	465,675
Unclaimed property	1,942	-	-	1,942
Total liabilities	<u>525,874</u>	<u>2,395</u>	<u>-</u>	<u>528,269</u>
Deferred Inflows:				
Total deferred inflows of resources	-	-	28,741	28,741
Total liabilities and deferred inflows of resources	<u>525,874</u>	<u>2,395</u>	<u>28,741</u>	<u>557,010</u>
Fund Balances:				
Nonspendable	543,792	-	-	543,792
Restricted	-	-	6,666,013	6,666,013
Assigned	4,125,428	2,541,955	-	6,667,383
Unassigned	(443,870)	-	-	(443,870)
Total fund balances	<u>4,225,350</u>	<u>2,541,955</u>	<u>6,666,013</u>	<u>13,433,318</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,751,224</u>	<u>\$ 2,544,350</u>	<u>\$ 6,694,754</u>	<u>\$ 13,990,328</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service Tax Increment Financing</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES				
Taxes:				
Ad valorem property taxes	\$ -	\$ -	\$ 1,127,700	\$ 1,127,700
Charges for services	-	63,938	-	63,938
Fines and forfeits	72,857	-	-	72,857
Interest and investment earnings	91,711	105,062	210,510	407,283
Contributions and donations	1,081,610	-	-	1,081,610
Other	12,000	-	-	12,000
Total revenues	<u>1,258,178</u>	<u>169,000</u>	<u>1,338,210</u>	<u>2,765,388</u>
EXPENDITURES				
Current:				
General government	465,877	400	12,000	478,277
Public safety	287,226	-	-	287,226
Health and sanitation	-	111,943	-	111,943
Capital outlay	183,834	1,354,032	358,000	1,895,866
Debt service:				
Principal	-	-	5,494,000	5,494,000
Interest	-	-	397,452	397,452
Total expenditures	<u>936,937</u>	<u>1,466,375</u>	<u>6,261,452</u>	<u>8,664,764</u>
Excess (deficiency) of revenues over expenditures	<u>321,241</u>	<u>(1,297,375)</u>	<u>(4,923,242)</u>	<u>(5,899,376)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	128,981	-	128,981
Insurance proceeds	-	195,000	-	195,000
Original issue discount	-	-	(91,107)	(91,107)
Proceeds from sale of bonds	-	-	10,980,000	10,980,000
Bond issuance costs	-	-	(647,793)	(647,793)
Total other financing sources (uses)	<u>-</u>	<u>323,981</u>	<u>10,241,100</u>	<u>10,565,081</u>
Net change in fund balance	321,241	(973,394)	5,317,858	4,665,705
Fund balances – beginning	3,904,109	3,515,349	1,348,155	8,767,613
Fund balances – ending	<u>\$ 4,225,350</u>	<u>\$ 2,541,955</u>	<u>\$ 6,666,013</u>	<u>\$ 13,433,318</u>

CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	<u>Safety Town</u>	<u>Federal Drug</u>	<u>Westmoreland Fire Protection</u>	<u>Jean Dean Public Safety</u>	<u>HURA/LRA</u>	<u>Opioid Settlement</u>	<u>Total Nonmajor Special Revenue Fund</u>
ASSETS AND DEFERRED OUTFLOWS							
Assets Current:							
Cash and cash equivalents	\$ 78,315	\$ 319,261	\$ 597,082	\$ 87,470	\$ 14,001	\$ 3,100,801	\$ 4,196,930
Accounts receivable	-	-	-	-	2,327	-	2,327
Due from:							
Other funds	-	-	-	8,175	-	-	8,175
Assets held for resale	-	-	-	-	543,792	-	543,792
Total assets	<u>78,315</u>	<u>319,261</u>	<u>597,082</u>	<u>95,645</u>	<u>560,120</u>	<u>3,100,801</u>	<u>4,751,224</u>
Deferred Outflows:							
Deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 78,315</u>	<u>\$ 319,261</u>	<u>\$ 597,082</u>	<u>\$ 95,645</u>	<u>\$ 560,120</u>	<u>\$ 3,100,801</u>	<u>\$ 4,751,224</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 303	\$ -	\$ -	\$ 7,252	\$ -	\$ 50,702	\$ 58,257
Due to:							
Other funds	4,086	1,391	-	-	460,198	-	465,675
Unclaimed property	-	1,942	-	-	-	-	1,942
Total liabilities	<u>4,389</u>	<u>3,333</u>	<u>-</u>	<u>7,252</u>	<u>460,198</u>	<u>50,702</u>	<u>525,874</u>
Deferred Inflows:							
Deferred inflows of resources	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	<u>4,389</u>	<u>3,333</u>	<u>-</u>	<u>7,252</u>	<u>460,198</u>	<u>50,702</u>	<u>525,874</u>
Fund balances:							
Nonspendable	-	-	-	-	543,792	-	543,792
Assigned	73,926	315,928	597,082	88,393	-	3,050,099	4,125,428
Unassigned	-	-	-	-	(443,870)	-	(443,870)
Total fund balances	<u>73,926</u>	<u>315,928</u>	<u>597,082</u>	<u>88,393</u>	<u>99,922</u>	<u>3,050,099</u>	<u>4,225,350</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 78,315</u>	<u>\$ 319,261</u>	<u>\$ 597,082</u>	<u>\$ 95,645</u>	<u>\$ 560,120</u>	<u>\$ 3,100,801</u>	<u>\$ 4,751,224</u>

CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Safety Town	Federal Drug	Westmoreland Fire Protection	Jean Dean Public Safety	HURA/LRA	Opioid Settlement	Total Nonmajor Special Revenue Fund
REVENUES							
Fines and forfeits	\$ -	\$ -	\$ -	72,857	\$ -	\$ -	72,857
Interest and investment earnings	5,978	5,183	21,128	2,740	774	55,908	91,711
Grants and contributions	37,170	346,280	-	-	-	698,160	1,081,610
Other	-	-	-	-	12,000	-	12,000
Total revenues	<u>43,148</u>	<u>351,463</u>	<u>21,128</u>	<u>75,597</u>	<u>12,774</u>	<u>754,068</u>	<u>1,258,178</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	20,175	445,702	465,877
Public safety	181,615	69,388	400	35,823	-	-	287,226
Capital projects	-	183,834	-	-	-	-	183,834
Total expenditures	<u>181,615</u>	<u>253,222</u>	<u>400</u>	<u>35,823</u>	<u>20,175</u>	<u>445,702</u>	<u>936,937</u>
Net change in fund balance	<u>(138,467)</u>	<u>98,241</u>	<u>20,728</u>	<u>39,774</u>	<u>(7,401)</u>	<u>308,366</u>	<u>321,241</u>
Fund balances – beginning	212,393	217,687	576,354	48,619	107,323	2,741,733	3,904,109
Fund balances – ending	<u>\$ 73,926</u>	<u>\$ 315,928</u>	<u>\$ 597,082</u>	<u>\$ 88,393</u>	<u>\$ 99,922</u>	<u>\$ 3,050,099</u>	<u>\$ 4,225,350</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2025**

	<u>Capital Improvements</u>	<u>Landfill Reserve</u>	<u>Total Nonmajor Capital Project Funds</u>
ASSETS AND DEFERRED OUTFLOWS			
Assets:			
Current:			
Cash and cash equivalents	\$ 446,338	\$ 87,660	\$ 533,998
Investments	-	1,988,237	1,988,237
Due from:			
Other funds	-	22,115	22,115
Total assets	<u>446,338</u>	<u>2,098,012</u>	<u>2,544,350</u>
Deferred Outflows:			
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 446,338</u>	<u>\$ 2,098,012</u>	<u>\$ 2,544,350</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Total liabilities	<u>\$ -</u>	<u>\$ 2,395</u>	<u>\$ 2,395</u>
Deferred Inflows:			
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Assigned	<u>446,338</u>	<u>2,095,617</u>	<u>2,541,955</u>
Total fund balances	<u>446,338</u>	<u>2,095,617</u>	<u>2,541,955</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 446,338</u>	<u>\$ 2,098,012</u>	<u>\$ 2,544,350</u>

CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Capital</u>	<u>Landfill</u>	<u>Total Nonmajor</u>
	<u>Improvements</u>	<u>Reserve</u>	<u>Capital Projects</u>
			<u>Funds</u>
REVENUES			
Charges for Services	\$ -	\$ 63,938	\$ 63,938
Interest and investment earnings	<u>33,844</u>	<u>71,218</u>	<u>105,062</u>
Total revenues	<u>33,844</u>	<u>135,156</u>	<u>169,000</u>
EXPENDITURES			
Current:			
General government	400	-	400
Health and sanitation	-	111,943	111,943
Capital outlay	<u>1,354,032</u>	<u>-</u>	<u>1,354,032</u>
Total expenditures	<u>1,354,432</u>	<u>111,943</u>	<u>1,466,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,320,588)</u>	<u>23,213</u>	<u>(1,297,375)</u>
Other financing sources (uses)			
Insurance proceeds	-	195,000	195,000
Transfers	<u>128,981</u>	<u>-</u>	<u>128,981</u>
Total other financing sources (uses)	<u>128,981</u>	<u>195,000</u>	<u>323,981</u>
Net change in fund balance	(1,191,607)	218,213	(973,394)
Fund balances – beginning	<u>1,637,945</u>	<u>1,877,404</u>	<u>3,515,349</u>
Fund balances – ending	<u>\$ 446,338</u>	<u>\$ 2,095,617</u>	<u>\$ 2,541,955</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2025**

	Downtown Tax Increment Financing (TIF #1)	Kinetic Park Tax Increment Financing (TIF #2)	Highlawn Tax Increment Financing (TIF #3)	Total Debt Service Funds
ASSETS AND DEFERRED OUTFLOWS				
Assets				
Cash and cash equivalents	\$ 3,603,964	\$ 2,609,555	\$ 450,484	\$ 6,664,003
Taxes receivable	14,982	9,159	6,610	30,751
Total assets	<u>3,618,946</u>	<u>2,618,714</u>	<u>457,094</u>	<u>6,694,754</u>
Deferred Outflows				
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 3,618,946</u>	<u>\$ 2,618,714</u>	<u>\$ 457,094</u>	<u>\$ 6,694,754</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred Inflows				
Total deferred inflows of resources – property taxes	<u>13,028</u>	<u>9,135</u>	<u>6,578</u>	<u>28,741</u>
FUND BALANCE				
Restricted for debt service	554,631	521,072	-	1,075,703
Restricted for capital projects	3,051,287	2,088,507	450,516	5,590,310
Total fund balance	<u>3,605,918</u>	<u>2,609,579</u>	<u>450,516</u>	<u>6,666,013</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 3,618,946</u>	<u>\$ 2,618,714</u>	<u>\$ 457,094</u>	<u>\$ 6,694,754</u>

CITY OF HUNTINGTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Downtown Tax Increment Financing <u>(TIF #1)</u>	Kinetic Park Tax Increment Financing <u>(TIF #2)</u>	Highlawn Tax Increment Financing <u>(TIF #3)</u>	<u>Total Debt Service Funds</u>
REVENUES				
Taxes:				
Ad valorem property taxes	\$ 480,598	\$ 379,675	\$ 267,427	\$ 1,127,700
Interest and investment earnings	<u>116,648</u>	<u>82,160</u>	<u>11,702</u>	<u>210,510</u>
Total revenues	<u>597,246</u>	<u>461,835</u>	<u>279,129</u>	<u>1,338,210</u>
EXPENDITURES				
Current:				
General government	6,000	6,000	-	12,000
Capital outlay	358,000	-	-	358,000
Debt service:				
Principal	2,509,000	2,985,000	-	5,494,000
Interest	<u>203,292</u>	<u>194,160</u>	<u>-</u>	<u>397,452</u>
Total expenditures	<u>3,076,292</u>	<u>3,185,160</u>	<u>-</u>	<u>6,261,452</u>
Excess (deficiency) revenues over expenditures	<u>(2,479,046)</u>	<u>(2,723,325)</u>	<u>279,129</u>	<u>(4,923,242)</u>
Other financing sources (uses)				
Proceeds from sale of bonds	5,730,000	5,250,000	-	10,980,000
Original issue discount	(39,171)	(51,936)	-	(91,107)
Bond issuance costs	<u>(330,638)</u>	<u>(317,155)</u>	<u>-</u>	<u>(647,793)</u>
Total other financing sources (uses)	<u>5,360,191</u>	<u>4,880,909</u>	<u>-</u>	<u>10,241,100</u>
Net change in fund balance	2,881,145	2,157,584	279,129	5,317,858
Fund balance – beginning	<u>724,773</u>	<u>451,995</u>	<u>171,387</u>	<u>1,348,155</u>
Fund balance – ending	<u>\$ 3,605,918</u>	<u>\$ 2,609,579</u>	<u>\$ 450,516</u>	<u>\$ 6,666,013</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION – COMPONENT UNITS
JUNE 30, 2025

	Business-type Activities – Enterprise Funds			
	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
ASSETS				
Current:				
Cash and cash equivalents	\$ 3,809,105	\$ 122,315	\$ 121,499	\$ 28,654,351
Receivables:				
Accounts	179,895	11,362	-	2,365,433
Other	14,960	-	-	-
Assets held for resale	3,506,297	-	-	-
Inventory, at cost	-	-	-	9,301
Prepaid expenses	86,558	573	-	50,833
Due from other funds	-	87	-	-
Due from other governments	312,807	-	-	29,864
Leases receivable	-	106,055	-	-
Total current assets	<u>7,909,622</u>	<u>240,392</u>	<u>121,499</u>	<u>31,109,782</u>
Noncurrent assets:				
Regular account	-	-	-	404,741
Reserve account	-	-	-	11,229,661
Restricted account	1,835,880	-	-	-
Customer deposits	-	-	-	706,956
Total restricted assets	<u>1,835,880</u>	<u>-</u>	<u>-</u>	<u>12,341,358</u>
Capital assets:				
Nondepreciable:				
Land	5,559,678	942,877	-	402,220
Construction in process	-	-	-	20,349,099
Depreciable:				
Buildings	17,643,528	4,789,751	-	114,434,807
Structures and improvements	6,369,198	490,173	-	-
Vehicles	-	-	-	2,761,037
Machinery and equipment	2,051,351	788,455	-	3,425,588
Furniture and fixtures	3,150,056	-	-	-
Less: accumulated depreciation	<u>(18,803,476)</u>	<u>(5,597,020)</u>	<u>-</u>	<u>(75,200,571)</u>
Total capital assets (net of accumulated depreciation)	<u>15,970,335</u>	<u>1,414,236</u>	<u>-</u>	<u>66,172,180</u>
Other debits:				
Net pension asset (PERS)	19,134	34,805	-	463,681
Net OPEB asset (RHBT)	-	-	-	13,469
Lease commission net of amortization	8,608	-	-	-
Operational lease right to use assets	<u>2,789,032</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>20,622,989</u>	<u>1,449,041</u>	<u>-</u>	<u>78,990,688</u>
Total assets	<u>28,532,611</u>	<u>1,689,433</u>	<u>121,499</u>	<u>110,100,470</u>
DEFERRED OUTFLOWS				
Contributions made after measurement date	20,060	30,533	-	537,529
Changes in contributions	72	131	-	13,889
Difference between expected and actual experience	25,996	47,286	-	629,953
Other post employment benefits	2,402	1,274	-	101,220
Deferred charges	81,106	-	-	-
Deferred amortization of investment loss	<u>3,920,606</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>4,050,242</u>	<u>79,224</u>	<u>-</u>	<u>1,282,591</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF NET POSITION – COMPONENT UNITS (CONTINUED)
JUNE 30, 2025

	Business-Type Activities – Enterprise Funds			
	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
LIABILITIES				
Current liabilities payable from current assets:				
Accounts payable	\$ 134,393	\$ 13,517	\$ -	\$ 1,589,374
Refunds payable	-	-	-	29,831
Reserve for health claims	5,738	8,844	-	-
Accrued payroll	12,282	24,483	-	85,035
Accrued revenue bond/note interest payable	15,804	-	-	62,644
Other accrued expenses	47,542	-	-	67,725
Due to:				
Primary government	14,453	57,972	-	-
Commercial/customer deposits	29,372	-	-	635,962
Revenue bonds payable and notes payable	1,935,133	-	-	4,996,226
Total current liabilities payable from current assets	<u>2,194,717</u>	<u>104,816</u>	<u>-</u>	<u>7,466,797</u>
Unearned revenues:				
Charges for services	9,477	12,105	-	-
Total unearned revenues	<u>9,477</u>	<u>12,105</u>	<u>-</u>	<u>-</u>
Noncurrent liabilities				
Bonds and notes payable	8,524,624	-	-	15,488,052
Other postemployment benefits liability	56,435	29,924	-	25,200
Net pension obligation payable	-	-	-	23,400
Compensated absences payable	33,816	61,837	-	1,618,550
Total noncurrent liabilities	<u>8,614,875</u>	<u>91,761</u>	<u>-</u>	<u>17,155,202</u>
Total liabilities	<u>10,819,069</u>	<u>208,682</u>	<u>-</u>	<u>24,621,999</u>
DEFERRED INFLOWS				
Changes in contributions	53	96	-	12,833
Difference in assumptions	1,752	3,187	-	42,453
Difference between expected and actual investment earnings	22,275	40,518	-	539,787
Other post employment benefits	9,247	4,903	-	53,271
Lease deferred inflows	-	106,055	-	-
Total deferred inflows of resources	<u>33,327</u>	<u>154,759</u>	<u>-</u>	<u>648,344</u>
NET POSITION				
Net investment in capital assets	8,329,699	1,414,236	-	45,687,902
Restricted for economic development	1,835,880	-	-	-
Restricted for net pension/OPEB asset	19,134	34,805	-	-
Restricted for customer deposits	-	-	-	87,472
Restricted for construction	-	-	-	9,751,635
Restricted for insurance claims	-	-	-	377,698
Restricted for debt service	-	-	-	1,505,069
Unrestricted	11,545,744	(43,825)	121,499	28,702,942
Total net position	<u>\$ 21,730,457</u>	<u>\$ 1,405,216</u>	<u>\$ 121,499</u>	<u>\$ 86,112,718</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION – COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities – Enterprise Funds			
	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
Operating revenues:				
Sales and services to customers	\$ 412,419	\$ 624,625	\$ -	\$ 25,440,559
Fines and forfeits	-	72,386	-	462,251
Rental fees	1,394,779	78,141	-	-
Repairs and maintenance fees	4,578	-	-	-
Miscellaneous	44,489	8,978	-	1,728,319
Total revenues	<u>1,856,265</u>	<u>784,130</u>	<u>-</u>	<u>27,631,129</u>
Operating expenses:				
Personal services	321,320	559,244	-	9,443,649
Contractual services	894,725	35,718	66,000	1,341,612
Administrative and general	748,479	92,580	-	1,035,561
Rents	131,759	-	-	234,097
Taxes	124,103	-	-	521,116
Fuel and oil	-	-	-	103,612
Liability insurance	88,417	22,558	-	352,246
Materials and supplies	48,322	22,305	-	2,184,985
Utilities	189,184	36,344	-	1,167,366
Depreciation	586,450	35,549	-	1,842,316
Amortization	47,708	-	-	-
Maintenance	65,451	36,073	-	597,280
Miscellaneous	29,558	-	-	6,080
Total operating expenses	<u>3,275,476</u>	<u>840,371</u>	<u>66,000</u>	<u>18,829,920</u>
Operating income (loss)	<u>(1,419,211)</u>	<u>(56,241)</u>	<u>(66,000)</u>	<u>8,801,209</u>
Non-operating revenues (expenses):				
Amortization of intangible assets	(560,087)	-	-	-
Contributions	291,263	-	-	-
Investment earnings	231,085	4,540	5,051	1,373,810
Interest and fiscal charges	(392,112)	-	-	(695,181)
Grant Revenue	290,595	-	-	12,269,592
Miscellaneous	-	-	-	1,632
Transfers	3,625,850	-	-	-
Total non-operating revenues (expenses)	<u>3,486,594</u>	<u>4,540</u>	<u>5,051</u>	<u>12,949,853</u>
Income (loss)	2,067,383	(51,701)	(60,949)	21,751,062
Net position – beginning, as previously reported	19,892,190	1,530,904	182,448	65,410,700
Change in accounting principle	(4,201)	(73,987)	-	(1,049,044)
Restatement	(224,915)	-	-	-
Net position – beginning, as adjusted or restated	<u>19,663,074</u>	<u>1,456,917</u>	<u>182,448</u>	<u>64,361,656</u>
Net position at end of year	<u>\$ 21,730,457</u>	<u>\$ 1,405,216</u>	<u>\$ 121,499</u>	<u>\$ 86,112,718</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS – COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities – Enterprise Funds			
	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
Cash flows from operating activities:				
Cash received from customers	\$ 1,754,368	\$ 779,943	\$ -	\$ 27,452,468
Cash paid for goods and services	(2,277,767)	(240,834)	(77,000)	(15,776,946)
Cash paid to employees	(310,383)	(584,179)	-	-
Other cash receipts	94,489	13,400	-	-
Other cash payments	(16,603)	-	-	-
Net cash (used) provided by operating activities	<u>(755,896)</u>	<u>(31,670)</u>	<u>(77,000)</u>	<u>11,675,522</u>
Cash flows from noncapital financing activities:				
Grants and contributions	581,858	-	-	-
Transfers	4,336,685	-	-	-
Net cash provided by noncapital financing activities	<u>4,918,543</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Leasing activity, net	43,428	-	-	-
Proceeds from capital debt	-	-	-	5,000,000
Purchases of capital assets	(31,679)	-	-	(346,869)
Acquisition and construction of capital assets	-	-	-	(11,695,462)
Amortization of intangible assets	(47,708)	-	-	-
Principal paid on capital debt	(4,289,052)	-	-	(1,327,472)
Interest paid on capital debt	(446,909)	-	-	(695,181)
Net cash provided by capital and related financing activities	<u>(4,771,920)</u>	<u>-</u>	<u>-</u>	<u>(9,064,984)</u>
Cash flows from investing activities:				
Capital grant	-	-	-	12,269,592
Miscellaneous	-	-	-	1,632
Interest received	231,085	4,540	5,051	1,373,810
Net cash provided by investing activities	<u>231,085</u>	<u>4,540</u>	<u>5,051</u>	<u>13,645,034</u>
Net increase (decrease) in cash and cash equivalents	(378,188)	(27,130)	(71,949)	16,255,572
Cash and cash equivalents, July 1, 2024 (including \$5,313,954 in restricted accounts)	<u>6,023,173</u>	<u>149,445</u>	<u>193,448</u>	<u>24,740,137</u>
Cash and cash equivalents, June 30, 2025 (including \$14,177,238 in restricted accounts)	<u>\$ 5,644,985</u>	<u>\$ 122,315</u>	<u>\$ 121,499</u>	<u>\$ 40,995,709</u>

CITY OF HUNTINGTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS – COMPONENT UNITS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities – Enterprise Funds			
	Municipal Development Authority	Municipal Parking Board	Huntington Broadband Utility	Huntington Water Quality Board
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating (loss) income	\$ (1,419,211)	\$ (56,241)	\$ (66,000)	\$ 8,801,209
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	586,450	35,549	-	1,842,316
Amortization expense	47,708	-	-	-
Decrease (increase) in accounts receivable	(66,595)	(2,429)	-	(178,661)
Decrease (increase) in leases receivable	4,160,000	73,680	-	-
Decrease (increase) in other receivable	9,188	-	-	-
Decrease (increase) due from other funds	50,000	(88)	-	178,022
Decrease (increase) due from other governments	-	-	-	(20,061)
Decrease (increase) in inventory	-	-	-	11,535
Decrease (increase) in prepaid expense	19,044	(36)	-	28,935
Decrease (increase) in commercial/customer deposits	3,208	-	-	19,553
Decrease (increase) in net pension asset	(18,628)	(33,847)	-	(451,862)
Decrease (increase) in net OPEB asset	-	-	-	118,009
Decrease (increase) in deferred outflows	(15,631)	(21,231)	-	(459,948)
Decrease (increase) in grants receivable	(6,007)	-	-	-
Increase (decrease) in other postemployment benefits	6,016	6,465	-	8,349
Increase (decrease) in accounts payable	25,048	4,780	(11,000)	1,080,109
Increase (decrease) in accrued payroll	12,282	24,483	-	35,752
Increase (decrease) in refunds payable	-	-	-	15,673
Increase (decrease) in other accrued expenses	(1,861)	-	-	20,464
Increase (decrease) in accrued interest payable	-	-	-	13,776
Increase (decrease) in due to primary government	(10,596)	4,510	-	-
Increase (decrease) in due to other funds	-	-	-	(178,022)
Increase (decrease) in compensated absences	5,157	(44,876)	-	316,521
Increase (decrease) in unearned revenue	(3,209)	7,220	-	-
Increase (decrease) in health care claims payable	(991)	435	-	-
Increase (decrease) in deferred inflows	(4,137,268)	(30,044)	-	473,853
Net cash (used) provided by operations	\$ <u>(755,896)</u>	\$ <u>(31,670)</u>	\$ <u>(77,000)</u>	\$ <u>11,675,522</u>

ACCOMPANYING INFORMATION

**CITY OF HUNTINGTON, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing #	Pass-Through Entity Identity Number	Expenditures	Passed Through to Subrecipients
Primary Government				
U.S. Department of Housing and Urban Development				
<i>Direct Programs:</i>				
FY23 EDI – CFD – Technology Center Building	14.251	N/A	\$ 602,488	\$ -
FY24 EDI – CFP – Westmoreland Fire Station	14.251	N/A	7,831	-
Total – Economic Development Initiative			610,319	-
CDBG – Entitlement Grants Cluster:				
Community Development Block Grant	14.218	N/A	1,322,859	161,525
COVID-19 Community Development Block Grant-CV	14.218	N/A	57,709	5,278
Cluster Total			1,380,568	166,803
Emergency Solutions Grant Program	14.231	N/A	154,931	144,032
Home Investment Partnerships Program	14.239	N/A	1,285,357	1,226,995
COVID-19 Home Investment Partnerships Program-CV	14.239	N/A	23,925	-
Total – Home Investment Partnerships Program			1,309,282	1,226,995
Pass-Through WV Department of Economic Development				
COVID-19 Community Development Block Grant-CV	14.228	CV-CDBG0026	1,402,922	-
Total U.S. Department of Housing and Urban Development			4,858,022	1,537,830
U.S. Environmental Protection Agency				
<i>Direct Programs:</i>				
Brownfields Assessments and Cleanup Cooperative Agreements	66.818	N/A	190,214	-
Brownfields Assessments and Cleanup Cooperative Agreements	66.818	N/A	15,288	-
Total U.S. Environmental Protection Agency			205,502	-
U.S. Department of Justice – Bureau of Justice Assistance				
<i>Direct Programs:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	46,508	-
BJA FY24 Congressionally Recommended Awards	16.753	N/A	366,027	-
BJA FY24 Congressionally Recommended Awards	16.753	N/A	70,358	-
BJA FY23 Congressionally Recommended Awards	16.753	N/A	199,094	-
Total – Congressionally Recommended Awards			635,479	-
Public Safety Partnership and Community Policing Grants	16.710	N/A	8,820	-
FY22 Microgrants-Community Policing Developments	16.710	N/A	34,907	-
Total – Public Safety Partnership and Community Policing Grants			43,727	-
Second Chance Act Reentry Initiative	16.812	N/A	103,703	-
Pass-Through WV Division of Administrative Services				
Project Safe Neighborhoods Grant	16.609	22-PSN-001	31,479	-
Total U.S. Department of Justice – Bureau of Justice Assistance			860,896	-
U. S. Department of Homeland Security				
<i>Direct Programs:</i>				
FY22 Fire Prevention & Safety Grant	97.044	N/A	22,915	-
Pass-Through WV Department of Homeland Security and Emergency Management				
Hazard Mitigation Grant	97.039	FEMA-4273-DR-WV-0037	289,376	289,376
Total U. S. Department of Homeland Security			312,291	289,376
U.S. Department of Agriculture				
Pass-Through WV Department of Education				
Child and Adult Care Food Program	10.558	51105	36,037	-
Total U.S. Department of Agriculture			36,037	-
U.S. Department of the Treasury				
<i>Direct Programs:</i>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	N/A	7,079,427	7,078,725
Pass -Through West Virginia Water Development Authority				
COVID-19 WVWDA EEGF Grant	21.027	UDC# 2022S-2245	2,630,000	2,630,000
COVID-19 WVWDA EEGF Grant	21.027	UDC# 2022S-2302	411,300	411,300
COVID-19 WVWDA EEGF Grant	21.027	UDC# 2022S-2303	503,600	503,600
COVID-19 WVWDA EEGF Grant	21.027	UDC# 2022S-2304	715,224	715,224
Pass -Through West Virginia Department of Environmental Protection				
Dilapidated Properties Program (DLAP)	21.027	DLAP24-17	213,000	-
Total U.S. Department of the Treasury			11,552,551	11,338,849
U.S. Office of National Drug Control Policy				
Pass-Through Financial Commission for Appalachia				
High Intensity Drug Trafficking Area Programs	95.001	G24AP0001A	48,659	-
High Intensity Drug Trafficking Area Programs	95.001	G25AP0001A	84,242	-
Total U.S. Office of National Drug Control Policy			132,901	-

**CITY OF HUNTINGTON, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing #	Pass-Through Entity Identity Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation				
Pass-Through KYOVA Interstate Planning Commission				
Surface Transportation Block Grant-14th St West	20.205	STBG-2019(191)D	30,869	-
Surface Transportation Block Grant-3rd Avenue	20.205	STBG-2018(200)D	49,521	-
Total – Surface Transportation Block Grant			<u>80,390</u>	<u>-</u>
Pass-Through West Virginia Department of Transportation				
DOH Work Zone Grant Program	20.205	F24-HS-02-DOHWZ	9,719	9,719
DOH Work Zone Grant Program	20.205	F25-HS-02-DOHWZ	5,125	3,983
Total – DOH Work Zone Grant Program			<u>14,844</u>	<u>13,702</u>
Total – Highway Planning and Construction			<u>95,234</u>	<u>13,702</u>
Highway Safety Cluster:				
Safe Communities Grant Program	20.600	F24-HS-02-402	47,278	12,237
Safe Communities Grant Program	20.600	F25-HS-02-402	138,541	41,555
Total – State and Community Highway Safety			<u>185,819</u>	<u>53,792</u>
Occupant Protection Grant Program	20.616	F24-HS-02-405b	16,579	9,994
Traffic Records Grant Program	20.616	F24-HS-02-405c	1,650	-
Impaired Driving Grant Program	20.616	F24-HS-02-405d	69,962	7,749
Distracted Driving Grant Program	20.616	F24-HS-02-405e	9,491	6,073
Occupant Protection Grant Program	20.616	F25-HS-02-405b	39,550	26,294
Traffic Records Grant Program	20.616	F25-HS-02-405c	42,948	-
Impaired Driving Grant Program	20.616	F25-HS-02-405d	92,101	15,922
Distracted Driving Grant Program	20.616	F25-HS-02-405e	32,443	19,021
Total – National Priority Safety Programs			<u>304,724</u>	<u>85,053</u>
Cluster Total			<u>490,543</u>	<u>138,845</u>
Total U.S. Department of Transportation			<u>585,777</u>	<u>152,547</u>
U.S. Economic Development Administration				
<i>Direct Programs:</i>				
Huntington Brownfields Innovation Zone (H-BIZ)	11.307	N/A	284,588	284,588
Total Economic Development Administration			<u>284,588</u>	<u>284,588</u>
U.S. Department of Health and Human Services				
<i>Direct Programs:</i>				
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243	N/A	529,503	334,402
Community Project Funding – HRSA	93.493	N/A	470,804	470,804
Total U.S. Department of Health and Human Services			<u>1,000,307</u>	<u>805,206</u>
Total Federal Assistance			<u>\$ 19,828,872</u>	<u>\$ 14,408,396</u>

**CITY OF HUNTINGTON, WEST VIRGINIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2 – LOANS OUTSTANDING

The loan programs listed below are administered directly by the City of Huntington and balances and transactions relating to these programs are included in the City of Huntington’s Community Development Block Grant (CDBG) and General Fund financial statements. Loans made during the year are included in the federal expenditures presented in the Schedule of Federal Awards. The balances of loans outstanding, net of estimated allowances for uncollectible amounts at June 30, 2025, consist of:

Program Title	Assistance Listing Number	Amount Outstanding
Community Development Block Grants/Entitlement Grant	14.218	\$ 3,596,721
Home Investment Partnerships Program	14.239	1,996,037
Brownfield Revolving Loan Fund	66.818	283,570

NOTE 3 – MATCHING REQUIREMENTS

Certain federal programs require the City to contribute Federal (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE 4 – FEDERAL SUBSIDIES

Federal interest rate subsidies related to the City’s Build America Bonds totaling \$75,827 are included in revenues in the General Fund, but are not subject to the Single Audit Act nor reportable on the Schedule of Expenditures of Federal Awards.

NOTE 5 – INDIRECT COST RATE

In those instances where indirect costs are allowable, the City has elected to use the 10-percent de minimus indirect cost rate (15-percent for awards executed on or after October 1, 2024) allowed under Uniform Guidance.

**CITY OF HUNTINGTON, WEST VIRGINIA
SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Name of State Grant	Grant Number	D-Direct/ P-Pass Through	Grant Provided to a sub- recipient	Award Amount	Under (Over) Expended Beginning of Year	Total Current Year Revenues	Total Current Year Expenditures	Under (Over) Expended End of Year
Affordable Housing Fund Program-Permanent Gap Homeownership Loan	N/A	D	No	\$ 120,000	\$ -	\$ 18,452	\$ 18,452	\$ -
FEMA Public Assistance (4603-PA-WV) State Share	DR-4603-WV	D	No	61,236	(15,309)	(15,309)	-	-
WV Commission on Drunk Driving Prevention (CDDP)-Highway Safety	FY25-CCDP-COH-25-03	P	No	60,000	-	35,108	35,108	-
WV Commission on Drunk Driving Prevention (CDDP)-Highway Safety	FY25-CCDP-COH-25-03	P	No	26,524	-	14,663	14,663	-
WV Commission on Drunk Driving Prevention (CDDP)-SFST Courses	FY25-CCDP-COH-25-24	P	No	15,600	-	9,039	9,039	-
WV Commission on Drunk Driving Prevention (CDDP)-DRE Instructor Vehicle	FY25-CCDP-COH-25-24	P	No	88,000	-	79,900	79,900	-
WV Commission on Drunk Driving Prevention (CDDP)-Magistrate Training	FY25-CCDP-COH-25-24B	P	No	20,000	-	13,405	13,405	-
LEDA-Huntington's Kitchen	N/A	P	Yes	5,000	-	5,000	5,000	-
Totals				<u>\$ 396,360</u>	<u>\$ (15,309)</u>	<u>\$ 160,258</u>	<u>\$ 175,567</u>	<u>\$ -</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

City of Huntington
800 Fifth Avenue
Huntington, WV 25717

To the Members of Council:

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Huntington**, West Virginia (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 23, 2026 wherein we noted the Capital Improvements Fund was reclassified from major to nonmajor, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, and an error correction was made for Huntington Municipal Development Authority for capital assets disposed of in the prior year that remained recorded in the accounting records.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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 financial statements. 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

March 23, 2026

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

City of Huntington
800 Fifth Avenue
Huntington, WV 25717

To the Members of Council:

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited the **City of Huntington’s**, West Virginia (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended June 30, 2025. The City’s major federal programs are identified in the *Summary of Auditor’s Results* section of the accompanying schedule of audit findings.

In our opinion, the City of Huntington complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor’s Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City’s Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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.

Report on Internal Control Over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

March 23, 2026

City of Huntington, West Virginia
Schedule of Audit Findings
2 CFR § 200.515
For the Year Ended June 30, 2025

1. SUMMARY OF AUDITOR’S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs’ Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CDBG – Entitlement Grants Cluster (AL #14.218) Coronavirus State and Local Fiscal Recovery Funds (AL #21.027)
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS FOR FEDERAL AWARDS

None.