

**CITY OF JAMESTOWN,  
NEW YORK**

*Basic Financial Statements and Required Supplementary  
Information for the Year Ended December 31, 2024 and  
Independent Auditors' Reports*

**CITY OF JAMESTOWN, NEW YORK**  
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**Year Ended December 31, 2024**

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### INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council  
City of Jamestown, New York:

#### Report on the Audit of the Financial Statements

##### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Jamestown, New York (the "City"), as of and for the year ended December 31, 2024, 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, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Jamestown Board of Public Utilities (the "Board"), which represents 97.9% and 92.8% of the assets and operating revenues, respectively, of the business-type activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board, is based solely on the report of the other auditors.

##### *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* ("GAS"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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 2 to the financial statements, during the year ended December 31, 2024, the City restated net position as of January 1, 2024 for the implementation of Governmental Accounting Standards Board ("GASB") Statement No. 101, *Compensated Absences*, and for a correction of error to capital assets. Our opinions are 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 issuance date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' 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 GAS 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 GAS, 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 and other Required Supplementary Information, as 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 and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Governmental Auditing Standards*, we have also issued our report dated December 22, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

*Drescher & Malecki LLP*

December 22, 2025

**CITY OF JAMESTOWN, NEW YORK**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2024**

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As management of the City of Jamestown, New York (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the City's financial statements and notes to the financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

**Financial Highlights**

- The assets and deferred outflows of resources of the City's primary government exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended December 31, 2024 by \$77,566,759 (net position). This consists of \$186,531,526 net investment in capital assets, \$10,351,024 restricted for specific purposes, and unrestricted net position of \$(119,315,791).
- The City's primary government total net position increased by \$13,585,427 during the year ended December 31, 2024. Governmental activities increased the City's net position by \$8,782,061 and business-type activities increased net position by \$4,803,366.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,544,128, an increase of \$214,760 in comparison with the prior year's fund balance of \$2,544,128.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$4,996,955, or approximately 10.8 percent of General Fund expenditures and transfers out. This amount is *available for spending* at the City's discretion and constitutes approximately 67.8 percent of the General Fund's total fund balance of \$7,365,440 at December 31, 2024.
- The City's primary government total bonded indebtedness decreased by \$2,143,814 as a result of scheduled principal payments.

**Overview of the Financial Statements**

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements**—The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government support, public safety, transportation, economic assistance and opportunity, culture and recreation, home and community services, and interest and fiscal charges. The business-type activities of the City include the Jamestown Board of Public Utilities, the Jamestown Urban Renewal Agency, and the Jamestown Local Development Corporation blended component units.

The government-wide financial statements can be found on pages 14-15 of this report.

**Fund financial statements**—A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds**—*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Grant Fund, and Capital Projects Fund, which are considered major funds.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

**Proprietary funds**—The City maintains one type of proprietary funds. An *enterprise fund* is used report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the Jamestown Board of Public Utilities, Jamestown Urban Renewal Agency, and Jamestown Local Development Corporation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Jamestown Board of Public Utilities, Jamestown Urban Renewal Agency, and Jamestown Local Development Corporation, which are considered to be major funds.

The proprietary fund financial statements can be found on pages 20-22 of this report.

***Fiduciary funds***—Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The fiduciary fund is not reflected in the government-wide financial statements because the resources of the funds are not available to support the City’s own programs. The City maintains one fiduciary fund, the Custodial Fund.

The fiduciary fund financial statements can be found on pages 23-24 of this report.

**Notes to the financial statements**—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-60 of this report.

**Other information**—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City’s net pension liabilities, changes in the City’s total other postemployment benefits (“OPEB”) obligation, and the City’s budgetary comparison for the General Fund. Required Supplementary Information and the related notes to the required supplementary information can be found on pages 61-68 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government’s financial position. In the case of the City’s primary government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$77,566,759 at the close of the most recent fiscal year, as compared to \$63,981,332 at the close of the fiscal year ended December 31, 2023, as restated.

Table 1, shown on the following page, presents a condensed statement of net position compared to the prior year.

**Table 1—Condensed Statements of Net Position—Primary Government**

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2024	2023 (as restated)	2024	2023 (as restated)	2024	2023 (as restated)
Current and other assets	\$ 20,427,112	\$ 24,496,473	\$ 59,737,144	\$ 59,514,852	\$ 80,164,256	\$ 84,011,325
Noncurrent assets	64,213,395	64,997,090	146,829,506	142,839,574	211,042,901	207,836,664
Total assets	84,640,507	89,493,563	206,566,650	202,354,426	291,207,157	291,847,989
Deferred outflows of resources	31,370,544	19,422,266	7,461,010	8,510,243	38,831,554	27,932,509
Current and other liabilities	17,980,213	22,083,785	9,082,659	9,062,148	27,062,872	31,145,933
Noncurrent liabilities	162,869,282	149,780,194	15,968,408	20,335,507	178,837,690	170,115,701
Total liabilities	180,849,495	171,863,979	25,051,067	29,397,655	205,900,562	201,261,634
Deferred inflows of resources	39,983,770	50,656,125	6,587,620	3,881,407	46,571,390	54,537,532
Net position:						
Net investment in capital assets	48,231,724	48,893,056	138,299,802	137,857,603	186,531,526	186,750,659
Restricted	91,973	15,209	10,259,051	7,389,788	10,351,024	7,404,997
Unrestricted	(153,145,911)	(162,512,540)	33,830,120	32,338,216	(119,315,791)	(130,174,324)
Total net position	\$ (104,822,214)	\$ (113,604,275)	\$ 182,388,973	\$ 177,585,607	\$ 77,566,759	\$ 63,981,332

The largest portion of the City's net position, \$186,531,526, reflects its investment in capital assets (e.g. land, buildings and building improvements, infrastructure and machinery and equipment), net of accumulated depreciation and less any related debt used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The next largest positive portion, \$10,351,024, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining balance of the City's net position, \$(119,315,791), is considered to be an unrestricted deficit. This deficit does not mean that the City does not have resources available to meet its obligations in the ensuing year. Rather, it reflects liabilities not related to the City's capital assets and are not expected to be repaid from current resources. These long-term liabilities including compensated absences, the net pension liability, and OPEB obligation, are funded annually within the funds.

Table 2, shown on the following page, presents the changes in net position for the years ended December 31, 2024 and December 31, 2023.

**Table 2—Condensed Statements of Changes in Net Position—Primary Government**

	Governmental Activities		Business-type Activities		Total Primary Government	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 1,603,063	\$ 1,635,052	\$ 56,712,033	\$ 54,657,546	\$ 58,315,096	\$ 56,292,598
Operating grants and contributions	6,754,691	7,314,557	-	-	6,754,691	7,314,557
Capital grants and contributions	6,524,940	8,190,936	2,933,642	6,084,487	9,458,582	14,275,423
General revenues	<u>35,758,810</u>	<u>35,427,372</u>	<u>977,918</u>	<u>565,700</u>	<u>36,736,728</u>	<u>35,993,072</u>
Total revenues	<u>50,641,504</u>	<u>52,567,917</u>	<u>60,623,593</u>	<u>61,307,733</u>	<u>111,265,097</u>	<u>113,875,650</u>
Program expenses	<u>41,859,443</u>	<u>43,815,136</u>	<u>55,820,227</u>	<u>55,107,388</u>	<u>97,679,670</u>	<u>98,922,524</u>
Change in net position	8,782,061	8,752,781	4,803,366	6,200,345	13,585,427	14,953,126
Net position—beginning	(113,604,275)	(118,011,757)	177,585,607	169,116,591	63,981,332	51,104,834
Restatement	-	(4,345,299)	-	2,268,671	-	(2,076,628)
Net position—ending	<u>\$ (104,822,214)</u>	<u>\$ (113,604,275)</u>	<u>\$ 182,388,973</u>	<u>\$ 177,585,607</u>	<u>\$ 77,566,759</u>	<u>\$ 63,981,332</u>

**Governmental activities**—Governmental activities increased the City’s net position by \$8,782,061. Overall revenues for governmental activities decreased 3.7 percent from the prior year largely due to a decrease in operating and capital grants and contributions related to the use of Coronavirus State and Local Fiscal Recovery Funds (“CSLFRF”). Total governmental activities expenses decreased 4.5 percent from the prior year due primarily to decreases in CSLFRF expenses in economic assistance and opportunity and health.

A summary of sources of revenues for the years ended December 31, 2024 and December 31, 2023 is presented below in Table 3:

**Table 3—Summary of Sources of Revenues—Governmental Activities**

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
Charges for services	\$ 1,603,063	\$ 1,635,052	\$ (31,989)	(2.0)
Operating grants and contributions	6,754,691	7,314,557	(559,866)	(7.7)
Capital grants and contributions	6,524,940	8,190,936	(1,665,996)	(20.3)
Real property taxes and tax items	16,337,687	16,458,873	(121,186)	(0.7)
Nonproperty tax items	8,893,175	9,007,230	(114,055)	(1.3)
Board of Public Utilities - PILOT	4,220,200	4,081,535	138,665	3.4
State aid—unrestricted	5,292,238	4,798,850	493,388	10.3
Other	<u>1,015,510</u>	<u>1,080,884</u>	<u>(65,374)</u>	<u>(6.0)</u>
Total revenues	<u>\$ 50,641,504</u>	<u>\$ 52,567,917</u>	<u>\$ (1,926,413)</u>	<u>(3.7)</u>

The most significant source of revenues for governmental activities for the year ended December 31, 2024 was real property taxes and tax items, which accounts for \$16,337,687, or 32.3 percent of total revenues. The other significant sources of revenue included nonproperty tax items of \$8,893,175, or 17.6 of total revenues, and operating grants and contributions of \$6,754,691, or 13.3 percent of total revenues. For the year ended December 31, 2023, the City’s most significant source of revenues for governmental activities was real property taxes and tax items, which accounts for \$16,458,873, or 31.3 percent of total revenues. The other significant sources of revenue included nonproperty tax items of \$9,007,230, or 17.1 of total revenues, and capital grants and contributions of \$8,190,936, or 15.6 percent of total revenues.

A summary of program expenses for the year ended December 31, 2024 and December 31, 2023 is presented below in Table 4.

**Table 4—Summary of Program Expenses—Governmental Activities**

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
General government support	\$ 6,459,883	\$ 6,807,762	\$ (347,879)	(5.1)
Public safety	18,269,288	15,363,833	2,905,455	18.9
Health	-	1,407,463	(1,407,463)	(100.0)
Transportation	7,176,804	4,522,324	2,654,480	58.7
Economic assistance and opportunity	2,141,026	6,402,521	(4,261,495)	(66.6)
Culture and recreation	2,739,808	3,404,977	(665,169)	(19.5)
Home and community services	4,505,416	5,398,110	(892,694)	(16.5)
Interest and fiscal charges	567,218	508,146	59,072	11.6
Total program expenses	<u>\$ 41,859,443</u>	<u>\$ 43,815,136</u>	<u>\$ (1,955,693)</u>	(4.5)

The most significant expense for governmental activities for the year ended December 31, 2024 was public safety, which accounts for \$18,269,288, or 43.6 percent of total expenses. The other significant expenses included transportation of \$7,176,804, or 17.1 percent of total expenses, general government support of \$6,459,883, or 15.4 percent of total expenses, and home and community services of \$4,505,416, or 10.8 percent of total expenses. For the year ended December 31, 2023, the City’s most significant expense for governmental activities was public safety, which accounts for \$15,363,833, or 35.1 percent of total expenses. The other significant expenses included general government support of \$6,807,762, or 15.5 percent of total expenses, economic assistance and opportunity of \$6,402,521, or 14.6 percent of total expenses, and home and community services of \$5,398,110, or 12.3 percent of total expenses.

**Business-type activities**—The business-type activities increased the City’s net position by \$4,803,366. For the year ended December 31, 2024, revenues decreased 1.8 percent and expenses increased by 0.5 percent. The decrease in revenues is primarily due to decreased operating grants. The increase in expenses is primarily due to increased contractual costs.

A summary of revenues and expenses for the City’s business-type activities for the years ended December 31, 2024 and December 31, 2023 is presented in Table 5 on the following page.

**Table 5—Summary of Revenues and Expenses—Business-type Activities**

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
<b>Revenues:</b>				
Utility charges	\$ 55,298,411	\$ 53,801,574	\$ 1,496,837	2.8
Operating grants	2,883,341	5,867,665	(2,984,324)	(50.9)
Program income and administrative fees	1,413,622	855,972	557,650	65.1
Miscellaneous	-	3,869	(3,869)	(100.0)
Nonoperating	999,077	1,186,680	(187,603)	(15.8)
Total revenues	<u>\$ 60,594,451</u>	<u>\$ 61,715,760</u>	<u>\$ (1,121,309)</u>	(1.8)
<b>Expenses:</b>				
Contractual, landfill tipping fees, taxes	\$ 30,046,849	\$ 26,489,662	\$ 3,557,187	13.4
Depreciation and amortization	8,397,836	7,962,745	435,091	5.5
Administrative and general	10,285,966	14,156,546	(3,870,580)	(27.3)
Contributions in lieu of taxes	5,850,241	5,670,309	179,932	3.2
Repairs and maintenance	1,064,728	1,127,128	(62,400)	(5.5)
Nonoperating	145,465	109,025	36,440	33.4
Total expenses	<u>\$ 55,791,085</u>	<u>\$ 55,515,415</u>	<u>\$ 275,670</u>	0.5

As detailed above, the most significant source of revenue for the business-type activities for the year ended December 31, 2024 was utility charges of \$55,298,411, or 91.3 percent of total revenues. Similarly, for the year ended December 31, 2023, the most significant source of revenue was utility charges of \$53,801,574, or 87.2 percent of total revenues.

The most significant expense item for the business-type activities for the year ended December 31, 2024 was contractual, landfill tipping fees, and taxes expenses of \$30,046,849, or 53.9 percent of total expenses. Similarly, for the year ended December 31, 2023, the most significant expenses were contractual, landfill tipping fees, and taxes expenses of \$26,489,662, or 47.7 percent of total expenses.

### Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental funds**—The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the City Council.

At December 31, 2024, the City's governmental funds reported combined ending fund balances of \$2,544,128, an increase of \$214,760 in comparison with the prior year's fund balance of \$2,329,368. Approximately 3.3 percent of this amount, \$83,670, constitutes *unassigned fund balance*. The remainder of fund balance is either (1) not in spendable form, \$1,543,485, (2) restricted for particular purposes, \$91,973, or (3) assigned for subsequent year's expenditures, \$825,000.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, *unassigned fund balance* of the General Fund was \$4,996,955, while total fund balance decreased to \$7,365,440. The General Fund fund balance decrease of \$944,138 from the prior year was largely due to an increase in employee benefits. As a measure of the General Fund’s liquidity, it may be useful to compare both *unassigned fund balance* and total fund balance to total expenditures and transfers out. *Unassigned fund balance* represents 12.6 percent of General Fund expenditures and transfers out, while total fund balance represents 15.9 percent of that same amount.

During the year ended December 31, 2024, the City’s Special Grant Fund fund balance increased by \$76,764 from the prior year, resulting in ending fund balance of \$91,973. The increase in fund balance is attributable to current year revenue exceeding expenditures.

Due to capital outlay supported primarily by short-term debt and interfund borrowings, the Capital Projects Fund reported a fund balance deficit of \$4,913,285 at December 31, 2024, as compared to fund balance deficit of \$5,995,419 at the close of the previous year. The change in fund balance from the prior year was primarily due grants and transfers in exceeding capital outlay. The remaining deficit is anticipated to be remedied with the conversion of the outstanding short-term debt to long-term debt and transfers from the General Fund.

**Proprietary funds**—The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Overall net position of the proprietary funds increased \$4,803,366. The Board of Public Utilities net position increased \$4,053,472, primarily as a result of utility charges exceeding the cost of delivering services to customers. The Jamestown Urban Renewal Agency’s net position increased \$87,320, primarily due to program income and administrative fees exceeding operating costs. The Jamestown Local Development Corporation’s net position increased \$662,574, primarily due to grant revenue exceeding current year program expenses.

**General Fund Budgetary Highlights**

The City’s General Fund budget generally contains budget transfers during the year. Furthermore, the budget is allowed to be amended upward (increased) for additional current year appropriations supported by an increase in budgeted revenues or appropriation of fund balance. A budgetary comparison schedule for the General Fund has been provided in the Required Supplementary Information section of this report to demonstrate compliance with the budget.

A summary of the General Fund results of operations for the year ended December 31, 2024 is presented in Table 6 below.

**Table 6—Summary of General Fund Results of Operations**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues	\$ 39,902,921	\$ 45,157,165	\$ 45,264,370	\$ 107,205
Expenditures and other financing uses	40,491,992	45,746,236	46,208,508	(462,272)
Excess (deficiency) of revenues over expenditures and other financing uses	\$ (589,071)	\$ (589,071)	\$ (944,138)	\$ (355,067)

**Original budget compared to final budget**—At the close of the fiscal year, the overall budgeted appropriations increased \$5,254,244 as a result of approved use of Coronavirus State and Local Fiscal Recovery Funds and state aid.

**Final budget compared to actual results**—The General Fund has a variance from final budgetary appropriations of \$462,272. The largest variance was realized in employee benefits, primarily due to higher than anticipated health care costs.

### Capital Assets and Debt Administration

**Capital assets**—The City’s investment in capital assets for its governmental activities and business-type activities as of December 31, 2024 amounted to \$64,213,395 and \$142,628,230, respectively (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, infrastructure, buildings and building improvements, and machinery and equipment. All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the City’s capital asset policy.

Capital assets net of depreciation for the primary government at the years ended December 31, 2024 and December 31, 2023 are presented in Table 7 below:

**Table 7—Summary of Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2024	2023	2024	2023 (as restated)	2024	2023 (as restated)
Land	\$ 1,159,025	\$ 1,159,025	\$ 2,197,817	\$ 2,047,447	\$ 3,356,842	\$ 3,206,472
Construction in progress	1,459,531	7,391,955	2,219,224	1,747,890	3,678,755	9,139,845
Infrastructure	33,254,934	33,407,875	-	-	33,254,934	33,407,875
Buildings and building improvements	20,238,114	15,357,745	-	-	20,238,114	15,357,745
Machinery and equipment	5,259,652	4,742,635	-	-	5,259,652	4,742,635
Vehicles	2,693,961	2,674,577	-	-	2,693,961	2,674,577
SBITA assets	148,178	263,278	-	-	148,178	263,278
Electric division	-	-	84,950,973	87,859,364	84,950,973	87,859,364
Wastewater division	-	-	16,282,898	16,014,541	16,282,898	16,014,541
Water division	-	-	32,273,210	30,496,236	32,273,210	30,496,236
Solidwaste division	-	-	2,771,262	2,719,258	2,771,262	2,719,258
District heat division	-	-	1,875,693	1,883,093	1,875,693	1,883,093
JURA	-	-	57,153	71,745	57,153	71,745
Total	<u>\$ 64,213,395</u>	<u>\$ 64,997,090</u>	<u>\$ 142,628,230</u>	<u>\$ 142,839,574</u>	<u>\$ 206,841,625</u>	<u>\$ 207,836,664</u>

Additional information on the City’s capital assets can be found in Note 5 to the financial statements.

**Long-term liabilities**—The City currently has approximately \$14.3 million in total bonded debt for functions of the primary government. This includes serial bonds issued by the Jamestown Board of Public Utilities.

The City carries an A- rating from Standard & Poor’s.

A summary of the City’s long-term liabilities at December 31, 2024 and December 31, 2023 is presented in Table 8 below:

**Table 8—Summary of Long-Term Liabilities**

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2024	2023 (as restated)	2024	2023	2024	2023 (as restated)
Serial bonds payable	\$ 10,227,000	\$ 11,764,456	\$ 4,069,186	\$ 4,675,544	\$ 14,296,186	\$ 16,440,000
Premium on serial bonds	320,137	384,116	207,244	235,224	527,381	619,340
Net serial bonds payable	10,547,137	12,148,572	4,276,430	4,910,768	14,823,567	17,059,340
SBITA liability	130,337	227,819	-	-	130,337	227,819
Notes payable	-	-	48,886	71,203	48,886	71,203
Compensated absences	6,166,183	6,167,774	125,523	141,734	6,291,706	6,309,508
Retirement payable	-	58,406	-	-	-	58,406
Net pension liability	16,665,699	22,575,946	5,149,910	7,992,078	21,815,609	30,568,024
OPEB obligation	129,359,926	108,601,677	6,367,659	7,219,724	135,727,585	115,821,401
Total	<u>\$ 162,869,282</u>	<u>\$ 149,780,194</u>	<u>\$ 15,968,408</u>	<u>\$ 20,335,507</u>	<u>\$ 178,837,690</u>	<u>\$ 170,115,701</u>

Additional information on the City’s long-term liabilities can be found in Note 12 to the financial statements.

**Economic Factors and Next Year’s Budget**

The unemployment rate, not seasonally adjusted, for the County of Chautauqua during December 2024 was 4.2 percent, which compares to New York State’s unemployment rate of 4.2 percent.

The City considered current operational expenses and estimated increases based on economic factors when establishing the 2025 budget. The City’s General Fund total tax levy in the 2025 budget is \$16,713,289, which is an approximate increase of 3.6 percent as compared to \$16,130,327 levied during the 2024 fiscal year.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Ericka Thomas, Comptroller, City of Jamestown, 200 East 3<sup>rd</sup> Street, Jamestown, New York 14701.

# BASIC FINANCIAL STATEMENTS

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Net Position**  
**December 31, 2024**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,162,606	\$ 26,807,012	\$ 28,969,618
Restricted cash and cash equivalents	10,118,811	547,092	10,665,903
Investments	-	18,773,932	18,773,932
Accounts receivable	91,648	7,024,276	7,115,924
Lease receivable	324,178	-	324,178
Intergovernmental receivables	6,055,408	5,831	6,061,239
Due from Custodial Fund	130,976	-	130,976
Prepaid items	1,443,437	4,073,908	5,517,345
Inventories	100,048	2,029,430	2,129,478
Other current and accrued assets	-	45,406	45,406
Non-utility property	-	430,257	430,257
Capital assets not being depreciated	2,618,556	4,368,020	6,986,576
Capital assets, net of accumulated depreciation	61,594,839	138,260,210	199,855,049
Real estate held for sale	-	212,047	212,047
Loans receivable, net of allowance	-	1,245,217	1,245,217
Charges for future benefits	-	2,744,012	2,744,012
Total assets	<u>84,640,507</u>	<u>206,566,650</u>	<u>291,207,157</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows—relating to pensions	16,732,630	6,763,139	23,495,769
Deferred outflows—relating to OPEB	14,637,914	697,871	15,335,785
Total deferred outflows of resources	<u>31,370,544</u>	<u>7,461,010</u>	<u>38,831,554</u>
<b>LIABILITIES</b>			
Accounts payable	765,792	2,147,268	2,913,060
Accrued liabilities	1,834,161	33,316	1,867,477
Intergovernmental payables	26,439	-	26,439
Bond anticipation notes payable	6,260,081	-	6,260,081
Unearned revenue	9,093,740	498,265	9,592,005
Customer deposits	-	394,796	394,796
Other current and accrued liabilities	-	6,009,014	6,009,014
Noncurrent liabilities:			
Due within one year	2,435,719	659,829	3,095,548
Due in more than one year	160,433,563	15,308,579	175,742,142
Total liabilities	<u>180,849,495</u>	<u>25,051,067</u>	<u>205,900,562</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows—relating to pensions	8,975,300	4,873,126	13,848,426
Deferred inflows—relating to OPEB	30,808,727	1,711,382	32,520,109
Deferred inflows—relating to leases	199,743	-	199,743
Deferred gain on refunding	-	3,112	3,112
Total deferred inflows of resources	<u>39,983,770</u>	<u>6,587,620</u>	<u>46,571,390</u>
<b>NET POSITION</b>			
Net investment in capital assets	48,231,724	138,299,802	186,531,526
Restricted for:			
Economic development	91,973	-	91,973
Plant dismantling	-	2,715,135	2,715,135
Overhaul	-	6,660,920	6,660,920
Energy conservation	-	882,996	882,996
Unrestricted	<u>(153,145,911)</u>	<u>33,830,120</u>	<u>(119,315,791)</u>
Total net position	<u>\$ (104,822,214)</u>	<u>\$ 182,388,973</u>	<u>\$ 77,566,759</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Activities**  
**Year Ended December 31, 2024**

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government support	\$ 6,459,883	\$ 632,085	\$ 886,029	\$ 524,960	\$ (4,416,809)	\$ -	\$ (4,416,809)
Public safety	18,269,288	750,062	1,542,558	1,262,812	(14,713,856)	-	(14,713,856)
Transportation	7,176,804	55,970	-	3,945,217	(3,175,617)	-	(3,175,617)
Economic assistance and opportunity	2,141,026	-	1,656,407	45,343	(439,276)	-	(439,276)
Culture and recreation	2,739,808	64,323	32,116	529,230	(2,114,139)	-	(2,114,139)
Home and community services	4,505,416	100,623	2,637,581	217,378	(1,549,834)	-	(1,549,834)
Interest and other fiscal charges	567,218	-	-	-	(567,218)	-	(567,218)
Total governmental activities	<u>41,859,443</u>	<u>1,603,063</u>	<u>6,754,691</u>	<u>6,524,940</u>	<u>(26,976,749)</u>	<u>-</u>	<u>(26,976,749)</u>
Business-type activities:							
Jamestown Board of Public Utilities	52,175,798	55,298,411	-	50,301	-	3,172,914	3,172,914
Jamestown Urban Renewal Agency	1,355,294	1,413,472	-	-	-	58,178	58,178
Jamestown Local Development Corporation	2,289,135	150	-	2,883,341	-	594,356	594,356
Total business-type activities	<u>55,820,227</u>	<u>56,712,033</u>	<u>-</u>	<u>2,933,642</u>	<u>-</u>	<u>3,825,448</u>	<u>3,825,448</u>
Total primary government	<u>\$ 97,679,670</u>	<u>\$ 58,315,096</u>	<u>\$ 6,754,691</u>	<u>\$ 9,458,582</u>	<u>\$ (26,976,749)</u>	<u>3,825,448</u>	<u>(23,151,301)</u>
General revenues:							
Real property taxes and tax items					16,337,687	-	16,337,687
Nonproperty tax items					8,893,175	-	8,893,175
Board of Public Utilities - PILOT					4,220,200	-	4,220,200
Use of money and property					621,411	948,776	1,570,187
Sale of property and compensation for loss					1,000	29,142	30,142
State aid—unrestricted					5,292,238	-	5,292,238
Miscellaneous					393,099	-	393,099
Total general revenues					<u>35,758,810</u>	<u>977,918</u>	<u>36,736,728</u>
Change in net position					8,782,061	4,803,366	13,585,427
Net position—beginning, as previously stated					(109,258,976)	175,316,936	66,057,960
Restatement for GASB Statement No. 101 implementation					(4,345,299)	-	(4,345,299)
Restatement for correction of error					-	2,268,671	2,268,671
Net position—beginning, as restated					<u>(113,604,275)</u>	<u>177,585,607</u>	<u>63,981,332</u>
Net position—ending					<u>\$ (104,822,214)</u>	<u>\$ 182,388,973</u>	<u>\$ 77,566,759</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Balance Sheet—Governmental Funds**  
**December 31, 2024**

	<u>General</u>	<u>Special Grant</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,162,606	\$ -	\$ -	\$ 2,162,606
Restricted cash and cash equivalents	8,367,193	657,647	1,093,971	10,118,811
Receivables	71,358	-	20,290	91,648
Lease receivable	324,178	-	-	324,178
Intergovernmental receivables	4,781,057	274,351	1,000,000	6,055,408
Due from other funds	826,771	-	-	826,771
Prepaid items	1,443,437	-	-	1,443,437
Inventories	100,048	-	-	100,048
Total assets	<u>\$ 18,076,648</u>	<u>\$ 931,998</u>	<u>\$ 2,114,261</u>	<u>\$ 21,122,907</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 580,644	\$ 47,061	\$ 138,087	\$ 765,792
Accrued liabilities	1,537,189	-	-	1,537,189
Intergovernmental payables	26,439	-	-	26,439
Due to other funds	-	66,417	629,378	695,795
Bond anticipation notes payable	-	-	6,260,081	6,260,081
Unearned revenue	8,367,193	726,547	-	9,093,740
Total liabilities	<u>10,511,465</u>	<u>840,025</u>	<u>7,027,546</u>	<u>18,379,036</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows—relating to leases	199,743	-	-	199,743
Total deferred inflows of resources	<u>199,743</u>	<u>-</u>	<u>-</u>	<u>199,743</u>
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable	1,543,485	-	-	1,543,485
Restricted	-	91,973	-	91,973
Assigned	825,000	-	-	825,000
Unassigned	4,996,955	-	(4,913,285)	83,670
Total fund balances (deficit)	<u>7,365,440</u>	<u>91,973</u>	<u>(4,913,285)</u>	<u>2,544,128</u>
Total liabilities and fund balances (deficit)	<u>\$ 18,076,648</u>	<u>\$ 931,998</u>	<u>\$ 2,114,261</u>	<u>\$ 21,122,907</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Reconciliation of the Balance Sheet—Governmental Funds**  
**to the Government-wide Statement of Net Position**  
**December 31, 2024**

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Amounts reported for governmental activities in the statement of net position (page 14) are different because:

Total fund balances (deficit)—governmental funds (page 16)	\$	2,544,128
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of these assets is \$126,189,811 and the accumulated depreciation is \$61,976,416.		64,213,395
Deferred outflows and inflows of resources related to pensions and other postemployment benefits ("OPEB") are applicable to future periods and, therefore, are not reported in the fund statements:		
Deferred outflows of resources related to employer contributions	\$	3,172,231
Deferred outflows related to experience, change of assumptions, and investment earnings		13,560,399
Deferred inflows related to pension plans		(8,975,300)
Deferred outflows of resources related to OPEB		14,637,914
Deferred inflows of resources related to OPEB		<u>(30,808,727)</u>
		(8,413,483)
Net accrued interest expense for serial bonds and bond anticipation notes is not reported in the fund statements.		(296,972)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
Serial bonds	\$	(10,227,000)
Unamortized bond premiums		(320,137)
SBITA liability		(130,337)
Compensated absences		(6,166,183)
Net pension liability		(16,665,699)
OPEB obligation		<u>(129,359,926)</u>
		<u>(162,869,282)</u>
Net position of governmental activities	\$	<u>(104,822,214)</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds**  
**Year Ended December 31, 2024**

	<u>General</u>	<u>Special Grant</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Real property taxes	\$ 16,034,951	\$ -	\$ -	\$ 16,034,951
Real property tax items	302,736	-	-	302,736
Board of Public Utilities - PILOT	4,220,200	-	-	4,220,200
Nonproperty tax items	8,893,175	-	-	8,893,175
Departmental income	1,029,348	-	-	1,029,348
Intergovernmental charges	308,894	-	-	308,894
Use of money and property	621,411	-	-	621,411
Licenses and permits	226,339	-	-	226,339
Fines and forfeitures	38,482	-	-	38,482
Sale of property and compensation for loss	1,000	-	-	1,000
Miscellaneous	68,789	52,701	271,609	393,099
State aid	8,239,801	660,694	1,000,000	9,900,495
Federal aid	5,279,244	3,392,130	-	8,671,374
Total revenues	<u>45,264,370</u>	<u>4,105,525</u>	<u>1,271,609</u>	<u>50,641,504</u>
<b>EXPENDITURES</b>				
Current:				
General government support	4,644,942	63,785	-	4,708,727
Public safety	13,891,124	848,594	-	14,739,718
Transportation	4,616,871	-	-	4,616,871
Economic assistance and opportunity	1,656,407	207,270	-	1,863,677
Culture and recreation	2,560,446	-	-	2,560,446
Home and community services	853,199	2,909,112	-	3,762,311
Employee benefits	12,512,390	-	-	12,512,390
Debt service:				
Principal	1,638,440	-	-	1,638,440
Interest and other fiscal charges	567,028	-	-	567,028
Capital outlay	-	-	3,457,136	3,457,136
Total expenditures	<u>42,940,847</u>	<u>4,028,761</u>	<u>3,457,136</u>	<u>50,426,744</u>
Excess (deficiency) of revenues over expenditures	<u>2,323,523</u>	<u>76,764</u>	<u>(2,185,527)</u>	<u>214,760</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	3,267,661	3,267,661
Transfers out	<u>(3,267,661)</u>	<u>-</u>	<u>-</u>	<u>(3,267,661)</u>
Total other financing sources (uses)	<u>(3,267,661)</u>	<u>-</u>	<u>3,267,661</u>	<u>-</u>
Net change in fund balances	(944,138)	76,764	1,082,134	214,760
Fund balances (deficit)—beginning	<u>8,309,578</u>	<u>15,209</u>	<u>(5,995,419)</u>	<u>2,329,368</u>
Fund balances (deficit)—ending	<u>\$ 7,365,440</u>	<u>\$ 91,973</u>	<u>\$ (4,913,285)</u>	<u>\$ 2,544,128</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances (Deficit)—Governmental Funds to the Government-wide Statement of Activities**  
**Year Ended December 31, 2024**

Amounts reported for governmental activities in the statement of activities (page 15) are different because:

Net change in fund balances (deficit)—total governmental funds (page 18) \$ 214,760

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which loss on disposal of assets and depreciation expense exceeded capital outlays in the current period.

Capital asset additions, net	\$ 5,558,318	
Loss on disposal of assets	(1,596,205)	
Depreciation expense	<u>(4,745,808)</u>	(783,695)

Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:

Direct pension contributions	\$ 4,235,014	
Cost of benefits earned net of employee contributions	<u>(5,912,889)</u>	(1,677,875)

Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are different than expected healthcare cost trend rates, and changes in assumptions and other inputs. These amounts are shown net of current year amortization.

Deferred outflows relating to OPEB	\$ 13,708,044	
Deferred inflows relating to OPEB	<u>16,380,829</u>	30,088,873

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid. (64,169)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Additionally, in the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The net effect of these differences in the treatment of long-term debt and other related items is as follows:

Repayment of notes payable	\$ 3,502	
Repayment of serial bonds	1,537,456	
Repayment of SBITAs	97,482	
Amortization of premiums on serial bonds	63,979	
Change in compensated absences	1,591	
Repayment of retirement payable	58,406	
Change in OPEB obligation	<u>(20,758,249)</u>	<u>(18,995,833)</u>

Change in net position of governmental activities \$ 8,782,061

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Net Position—Proprietary Funds**  
**December 31, 2024**

	Business-type Activities			Total Enterprise Funds
	Board of Public Utilities	Urban Renewal Agency	Local Development Corporation	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 25,104,123	\$ 127,573	\$ 1,575,316	\$ 26,807,012
Restricted cash and cash equivalents	-	-	547,092	547,092
Investments	17,118,632	-	-	17,118,632
Investments—derivative instrument	1,655,300	-	-	1,655,300
Receivables	6,472,154	-	552,122	7,024,276
Intergovernmental receivables	-	5,831	-	5,831
Prepaid items	4,052,411	21,497	-	4,073,908
Inventories	2,029,430	-	-	2,029,430
Other current and accrued assets	45,406	-	-	45,406
Loans receivable, current portion	-	-	142,788	142,788
Total current assets	<u>56,477,456</u>	<u>154,901</u>	<u>2,817,318</u>	<u>59,449,675</u>
Noncurrent assets:				
Non-utility property	430,257	-	-	430,257
Capital assets not being depreciated	4,368,020	-	-	4,368,020
Capital assets, net of accumulated depreciation	138,203,057	57,153	-	138,260,210
Real estate held for sale	-	212,047	-	212,047
Loans receivable, net of allowance	-	-	1,102,429	1,102,429
Charges for future benefits	2,744,012	-	-	2,744,012
Total noncurrent assets	<u>145,745,346</u>	<u>269,200</u>	<u>1,102,429</u>	<u>147,116,975</u>
Total assets	<u>202,222,802</u>	<u>424,101</u>	<u>3,919,747</u>	<u>206,566,650</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows—relating to pensions	6,493,486	269,653	-	6,763,139
Deferred outflows—relating to OPEB	471,305	226,566	-	697,871
Total deferred outflows of resources	<u>6,964,791</u>	<u>496,219</u>	<u>-</u>	<u>7,461,010</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	1,993,965	104,476	48,827	2,147,268
Accrued interest	29,241	-	-	29,241
Due to other divisions	4,075	-	-	4,075
Unearned revenue	-	-	498,265	498,265
Consumer deposits	394,796	-	-	394,796
Other current and accrued liabilities	5,990,133	18,881	-	6,009,014
Notes payable, current portion	-	13,465	-	13,465
Current maturities of bonds payable	633,080	-	-	633,080
Compensated absences, current portion	-	13,284	-	13,284
Total current liabilities	<u>9,045,290</u>	<u>150,106</u>	<u>547,092</u>	<u>9,742,488</u>
Noncurrent liabilities:				
Notes payable	-	35,421	-	35,421
Bonds payable, less current maturities	3,643,350	-	-	3,643,350
Compensated absences	-	112,239	-	112,239
OPEB obligation	3,779,655	2,588,004	-	6,367,659
Net pension liability	4,905,914	243,996	-	5,149,910
Total noncurrent liabilities	<u>12,328,919</u>	<u>2,979,660</u>	<u>-</u>	<u>15,308,579</u>
Total liabilities	<u>21,374,209</u>	<u>3,129,766</u>	<u>547,092</u>	<u>25,051,067</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows—relating to pensions	4,738,320	134,806	-	4,873,126
Deferred inflows—relating to OPEB	1,158,904	552,478	-	1,711,382
Deferred gain on refunding	3,112	-	-	3,112
Total deferred inflows of resources	<u>5,900,336</u>	<u>687,284</u>	<u>-</u>	<u>6,587,620</u>
<b>NET POSITION (DEFICIT)</b>				
Net investment in capital assets	138,291,535	8,267	-	138,299,802
Restricted for:				
Plant dismantling	2,715,135	-	-	2,715,135
Overhaul	6,660,920	-	-	6,660,920
Energy conservation	882,996	-	-	882,996
Unrestricted	33,362,462	(2,904,997)	3,372,655	33,830,120
Total net position (deficit)	<u>\$ 181,913,048</u>	<u>\$ (2,896,730)</u>	<u>\$ 3,372,655</u>	<u>\$ 182,388,973</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Revenues, Expenses and Changes in Net Position—Proprietary Funds**  
**Year Ended December 31, 2024**

	<b>Business-type Activities</b>			<b>Total Enterprise Funds</b>
	<b>Board of Public Utilities</b>	<b>Urban Renewal Agency</b>	<b>Local Development Corporation</b>	
Operating revenues:				
Utility charges	\$ 55,298,411	\$ -	\$ -	\$ 55,298,411
Grants	-	-	2,883,341	2,883,341
Program income and administrative fees	-	1,413,472	150	1,413,622
Total operating revenues	<u>55,298,411</u>	<u>1,413,472</u>	<u>2,883,491</u>	<u>59,595,374</u>
Operating expenses:				
Contractual	27,664,348	1,187,009	5,772	28,857,129
Depreciation and amortization	8,383,244	14,592	-	8,397,836
Administrative and general	7,854,100	148,503	2,283,363	10,285,966
Landfill tipping fees	346,567	-	-	346,567
Taxes	843,153	-	-	843,153
Contributions in lieu of taxes	5,850,241	-	-	5,850,241
Repairs and maintenance	1,064,728	-	-	1,064,728
Total operating expenses	<u>52,006,381</u>	<u>1,350,104</u>	<u>2,289,135</u>	<u>55,645,620</u>
Operating income (loss)	<u>3,292,030</u>	<u>63,368</u>	<u>594,356</u>	<u>3,949,754</u>
Nonoperating revenues (expenses):				
Other grants	50,301	-	-	50,301
Interest income	454,680	-	68,218	522,898
Interest expense	(127,115)	(5,190)	-	(132,305)
Change in fair value of investments	425,878	-	-	425,878
(Loss) gain on sale of assets	(42,302)	29,142	-	(13,160)
Total nonoperating revenues (expenses)	<u>761,442</u>	<u>23,952</u>	<u>68,218</u>	<u>853,612</u>
Change in net position	4,053,472	87,320	662,574	4,803,366
Net position—beginning, as previously stated	175,590,905	(2,984,050)	2,710,081	175,316,936
Restatement for correction of error	2,268,671	-	-	2,268,671
Net position—beginning, as restated	<u>177,859,576</u>	<u>(2,984,050)</u>	<u>2,710,081</u>	<u>177,585,607</u>
Net position—ending	<u>\$ 181,913,048</u>	<u>\$ (2,896,730)</u>	<u>\$ 3,372,655</u>	<u>\$ 182,388,973</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Cash Flows—Proprietary Funds**  
**Year Ended December 31, 2024**

	<u>Business-type Activities</u>			<b>Total Enterprise Funds</b>
	<b>Board of Public Utilities</b>	<b>Urban Renewal Agency</b>	<b>Local Development Corporation</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from services provided	\$ 54,423,559	\$ 1,407,641	\$ 872,297	\$ 56,703,497
Cash payments for contractual expenses	(37,427,874)	(1,332,502)	(2,438,671)	(41,199,047)
Cash paid for payments in lieu of taxes	(6,693,394)	-	-	(6,693,394)
Net cash provided by (used for) operating activities	<u>10,302,291</u>	<u>75,139</u>	<u>(1,566,374)</u>	<u>8,811,056</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of assets	(8,246,179)	-	-	(8,246,179)
Proceeds from sale of capital assets	17,382	29,130	-	46,512
Principal payments on long-term debt	(610,896)	(22,317)	-	(633,213)
Interest paid on long-term debt	(154,437)	(5,190)	-	(159,627)
Proceeds from grant funding	50,301	-	-	50,301
Net cash (used for) provided by capital and related financing activities	<u>(8,943,829)</u>	<u>1,623</u>	<u>-</u>	<u>(8,942,206)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Change in derivative	452,322	-	-	452,322
Interest income	-	-	68,218	68,218
Net cash provided by investing activities	<u>452,322</u>	<u>-</u>	<u>68,218</u>	<u>520,540</u>
Net increase (decrease) in cash and equivalents	1,810,784	76,762	(1,498,156)	389,390
Cash and equivalents—beginning	<u>23,293,339</u>	<u>50,811</u>	<u>3,620,564</u>	<u>26,964,714</u>
Cash and equivalents—ending	<u>\$ 25,104,123</u>	<u>\$ 127,573</u>	<u>\$ 2,122,408</u>	<u>\$ 27,354,104</u>
<b>Reconciliation from operating income to net cash provided by (used for) operating activities:</b>				
Operating income	\$ 3,292,030	\$ 63,368	\$ 594,356	\$ 3,949,754
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation and amortization	8,383,244	14,592	-	8,397,836
(Increase) in accounts receivable	(800,669)	(5,831)	(88,235)	(894,735)
(Increase) in prepaids	(298,298)	(6,037)	-	(304,335)
(Increase) in loans receivable	-	-	(531,602)	(531,602)
(Increase) in other current and accrued assets	(2,102)	-	-	(2,102)
(Increase) in charges for future benefits	(1,642,078)	-	-	(1,642,078)
(Increase) in inventory	(375,113)	-	-	(375,113)
Decrease (increase) in deferred outflows of resources	1,248,221	(198,988)	-	1,049,233
Increase (decrease) in accounts payable	416,278	98,458	(149,536)	365,200
(Decrease) in customer deposits	(34,147)	-	-	(34,147)
Increase in other current and accrued liabilities	1,088,059	4,454	-	1,092,513
(Decrease) in unearned revenue	-	-	(1,391,357)	(1,391,357)
(Decrease) in compensated absences	-	(16,211)	-	(16,211)
(Decrease) in economic development liability	(30,636)	-	-	(30,636)
(Decrease) increase in OPEB liability	(972,453)	283,791	-	(688,662)
(Decrease) in net pension liability	(2,762,314)	(79,854)	-	(2,842,168)
Increase (decrease) in deferred inflows of resources	2,789,413	(82,603)	-	2,706,810
Increase in due to other divisions	2,856	-	-	2,856
Total adjustments	<u>7,010,261</u>	<u>11,771</u>	<u>(2,160,730)</u>	<u>4,861,302</u>
Net cash provided by (used for) operating activities	<u>\$ 10,302,291</u>	<u>\$ 75,139</u>	<u>\$ (1,566,374)</u>	<u>\$ 8,811,056</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Fiduciary Net Position—Fiduciary Fund**  
**December 31, 2024**

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	<b><u>Custodial Fund</u></b>
<b>ASSETS</b>	
Restricted cash and cash equivalents	\$ 244,311
Total assets	<u>244,311</u>
<b>LIABILITIES</b>	
Due to other funds	130,976
Intergovernmental payables	<u>689</u>
Total liabilities	<u>130,976</u>
<b>NET POSITION</b>	
Restricted for asset forfeiture	<u>113,335</u>
Total net position	<u>\$ 113,335</u>

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

**CITY OF JAMESTOWN, NEW YORK**  
**Statement of Changes in Fiduciary Net Position—Fiduciary Fund**  
**Year Ended December 31, 2024**

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	<b>Custodial Fund</b>
<b>ADDITIONS</b>	
Funds received on behalf of others	\$ 24,990
Total additions	24,990
 <b>DEDUCTIONS</b>	
Funds distributed on behalf of others	31,607
Total deductions	31,607
Change in net position	(6,617)
Net position—beginning	119,952
Net position—ending	\$ 113,335

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

**CITY OF JAMESTOWN, NEW YORK**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Jamestown, New York (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting principles are described below.

***Description of Government-wide Financial Statements***

The government-wide financial statements (i.e. statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

***Reporting Entity***

The City, which was established in 1886, is governed by City Law and other general laws of the State of New York and various local laws. The City Council is the legislative body responsible for overall operations and the Mayor serves as chief fiscal officer. The City is located in the County of Chautauqua, New York.

The City provides the following basic services: general government support, police and fire protection, safety inspection, highway maintenance, recreation programs, water service, street lighting, garbage collection, electric and district heating services.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary governments’ operations, even though they are legally separate entities. Thus, the blended component units are appropriately presented as business-type activities funds within the primary government.

***Blended Component Units***—The following blended component units are legally separate entities from the City, but are, in substance, part of the City’s operations and therefore data from these units are combined with data of the primary government.

**Jamestown Board of Public Utilities**—The Jamestown Board of Public Utilities (the “JBPU”) was established under Section 50 of the Jamestown City Charter to supply the Jamestown area, as well as other municipalities, with electricity, water, sewer, sanitation, and district heating services. The JBPU is included as a blended component unit because the City Council appoints a voting majority of JBPU’s governing board and is obligated to provide for any deficiency in sinking fund requirements for the JBPU’s bonds outstanding. Separate financial statements for the JBPU may be obtained by contacting Jamestown Board of Public Utilities, PO Box 700, 92 Steele Street, Jamestown, NY 14702.

**Jamestown Urban Renewal Agency**—The Jamestown Urban Renewal Agency (the “JURA”) is an independent public benefit corporation established by New York State Legislature on June 21, 1966. The responsibilities of JURA include housing, building, and zoning code enforcement, housing rehabilitation and development, public infrastructure improvement, industrial and commercial site preparation, downtown development, land banking activities, community and economic development planning activities, alternative energy sources, historic preservation and annual administration of the City’s Community Development Block Grants and Home Investment Partnership Program. JURA is included as a blended component unit because the City Council appoints a majority of JURA’s governing board and can impose its will on JURA through personnel administration. Separate financial statements for JURA may be obtained by contacting Jamestown Urban Renewal Agency, Third Floor, Municipal Building, 200 East Third Street, Jamestown, NY 14701.

**Jamestown Local Development Corporation**—The Jamestown Local Development Corporation (the “JLDC”) was incorporated under Section 805 of the Not-for-Profit Corporation Law of the State of New York on May 22, 1981. JLDC is a not-for-profit corporation that was formed to further the development and financing of related infrastructure of the City. JLDC offers fixed, low interest rate loans for a variety of purposes including business startup, real estate acquisition and renovation, machinery and equipment purchases, local artisan development, downtown restaurant development, technology based business development, and energy efficiency improvements to commercial and industrial buildings. JLDC is included as a blended component unit because the City Council appoints a majority of JLDC’s governing board and can impose its will on JLDC through personnel administration. Separate financial statements for JLDC may be obtained by contacting Jamestown Local Development Corporation, Third Floor, Municipal Building, 200 East Third Street, Jamestown, NY 14701.

***Excluded from the Financial Reporting Entity***—Although the following are related to the City, they are not included in the City’s reporting entity.

**Jamestown Community College**—Jamestown Community College (the “College”) is a locally sponsored, two-year community college founded in 1950. The College is part of a statewide system of two-year institutions designed to provide technical, para-professional, and university parallel education. The College is one of thirty community colleges within the State University of New York (“SUNY”). SUNY Community Colleges are financed by New York State, student tuition, and sponsor contributions. In 1996, the State of New York amended Article 126 of the Education Law through Chapter 144 of the Laws of 1996. The law changed sponsorship of the College from the City of Jamestown to the Jamestown Community College Region, effective September 1, 1996. This region is made up of the City, Chautauqua County, and Cattaraugus County. The College is excluded from the financial reporting entity because the City does not appoint a voting majority of the Board of Trustees and the College is not fiscally dependent on the City. Further information can be obtained by writing Jamestown Community College, Administration Office, 525 Falconer Street, Jamestown, New York 14701.

**Jamestown Housing Authority**—Jamestown Housing Authority (the “Authority”) was established pursuant to the laws of the State of New York to provide low rent housing for qualified individuals in accordance with rules and regulations prescribed by the Department of Housing and Urban Development and other Federal Agencies. The Authority is excluded from the financial reporting entity because the City does not appoint a voting majority of the Authority’s board and the Authority is not fiscally dependent on the City. Further information can be obtained by writing Jamestown Housing Authority, 110 West Third Street, Jamestown, New York 14701.

### ***Basis of Presentation—Government-wide Financial Statements***

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while the business-type activity incorporates data from the City's blended component unit enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and various other functions of the government. Elimination of these changes would distort the direct costs and program revenues reported for the various functions concerned.

### ***Basis of Presentation—Fund Financial Statements***

The fund financial statements provide information about the City's funds. Separate statements for each fund category—governmental and proprietary—are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column.

The City reports the following major governmental funds:

- *General Fund*—This fund is the principal operating fund of the City and is used to account for all financial resources except those required to be accounted for in other funds.
- *Special Grant Fund*—This fund is used to account for various grants and the associated expenditures related to those grants.
- *Capital Projects Fund*—This fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

The City reports the following major enterprise funds:

- *Jamestown Board of Public Utilities*—The JBPU supplies the Jamestown area with electricity, water, sewer, sanitation, and district heating services.
- *Jamestown Urban Renewal Agency*—JURA has responsibilities that include code enforcement, housing rehabilitation, public infrastructure improvement, site preparation, downtown development, land banking services, historic preservation and administration of grants.
- *Jamestown Local Development Corporation*—JLDC was formed to further the development and financing of related infrastructure of the City by offering low interest loans for a variety of purposes.

Additionally, the City reports the following fund type:

*Fiduciary Funds*—These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Trust funds account for resources received and disbursements made in accordance with trust agreements or applicable legislative enactments for each particular fund. Fiduciary funds include the *Custodial Fund*. Activities reported in the fiduciary fund include monies from outside entities, controlled and administered by the City for the benefit of others.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are recorded at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

### ***Measurement Focus and Basis of Accounting***

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal 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, pensions, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period of availability (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements are met and the amount is received during the period of availability for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary and fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

***Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance***

***Cash, Cash Equivalents and Investments***—The City’s cash and cash equivalents include cash on hand, demand deposits, time deposits, and short-term, highly liquid investments with original maturities of three months or less from the date of acquisition. Investments are recorded at fair value in accordance with GASB.

***Restricted Cash and Cash Equivalents***—Restricted cash and cash equivalents represent amounts to support fund balance restrictions, unspent proceeds of debt, resources received in advance relating to unearned revenue, and amounts held on behalf of others.

***Receivables***—Receivables are stated net of estimated allowances for uncollectible amounts. Amounts due from state and federal governments represent amounts owed to the City to reimburse it for expenditures incurred pursuant to state and federally funded programs.

***Prepaid Items***—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

***Inventory***—Inventory associated with the governmental activities is valued using the first-in first out (“FIFO”) method.

***Loans Receivable***—Represent amounts owed to the City for economic development loans. Management evaluates an allowance for doubtful accounts and will make adjustments as necessary.

***Real Estate Held for Sale***—In the course of conducting its urban renewal activities, JURA acquires real property for use in future urban renewal projects. The value recorded for this property is established by its acquisition cost and additional cost of improvements made on the property until the asset is ready for sale. When the property is ready for sale, market value can be established. During the year ended December 31, 2024, JURA sold 4 properties, 3 of which were purchased in the same year.

***Capital Assets***—The City’s buildings, building improvements, land improvements, infrastructure, machinery and equipment, and vehicles with estimated useful lives of more than two years are stated at historical cost and comprehensively reported in the applicable governmental or business-type activities column in the government-wide financial statements and proprietary fund financial statements. The City maintains infrastructure asset records consistent with all other capital assets. The City generally capitalizes assets with costs of \$5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are incurred. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The remaining capital assets being depreciated using the straight-line method over the useful lives presented on the following page.

Assets	Years
Buildings	40
Building improvements	20
Maintenance equipment	15
Land improvements	20
Infrastructure:	
Streets	20-40
Sidewalks	20-40
Storm sewers	50
Machinery and equipment:	
Furniture	10
Heavy equipment	15
Vehicles	5
SBITAs	5

The *capital outlays* character classification is employed only for expenditures reported in the Capital Projects Fund. Routine capital expenditures in the General Fund and other governmental funds are included in the appropriate functional category (for example, the purchase of a new highway vehicle included as part of *expenditures—transportation*). The amount reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

***Deferred Outflows/Inflows of Resources***—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, 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. At December 31, 2024, the City has two items that qualify for reporting in this category, which are reported in the government-wide financial statements as well as within individual proprietary funds. The first item is related to pensions and represents the effect of the net change in the City’s proportion of the collective net pension liability, and the difference during the measurement period between the City’s contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense and any contributions to the pension systems made subsequent to the measurement date. The second item is related to OPEB and represents the effects of the change in the City’s proportion of the collective net OPEB liability and difference during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability.

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. At December 31, 2024, the City has four items that qualify for reporting in this category. The first item represents the effect of the net change in the City’s proportion of the collective net pension liability and the difference during the measurement periods between the City’s contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide statements. The second item represents the effects of the change in the City’s proportion of the collective net OPEB liability and difference during the measurement period between

certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability and is reported on the government-wide financial statements. The third item is related to leases receivable and reported on the government-wide statements and on the balance sheet of governmental funds, is recognized at the commencement of the City's lease receivable and amortized over the life of the lease. The final item is related to a deferred gain on refunding, which the City reports within its business-type activities.

***Leases and Subscription-Based Information Technology Arrangements ("SBITAs")***—The City recognizes SBITA liabilities when they are considered significant, individually or in the aggregate, to the financial statements. At the commencement of a SBITA, the City initially measures the SBITA liability at the present value of any remaining payments expected to be made during the lease term. Subsequently, the SBITA liability is reduced by the principal portion of the SBITA payments made, as applicable.

The City is a lessor for a noncancellable leases of buildings. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

***Net Position Flow Assumption***—Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted—net position and unrestricted—net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's position to consider restricted—net position to have been depleted before unrestricted—net position is applied.

***Fund Balance Flow Assumptions***—Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balances in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

***Fund Balance Policies***—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes, but do not meet the criteria to be classified as committed. The City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

### ***Revenues and Expenses/Expenditures***

***Program Revenues***—Amounts reported as *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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***Real Property Taxes***—The City's real property taxes are levied annually on January 1, and are due January 31. In addition, the City collects real property taxes on behalf of the County of Chautauqua, New York (the "County"). The City maintains a real property tax collection and enforcement agreement with the County. Pursuant to the terms of the agreement, on or about April 1 of each year, all City and County taxes which remain unpaid are submitted to the County for collection and enforcement.

On April 1 of each year, the City is required to remit to the County all taxes collected by the City on behalf of the County minus any deficiency in the collection of City taxes up to 100% of the City's tax levy. The real property tax collection and enforcement agreement with the County guarantees the City 100% of its tax levy.

Real property taxes and similar items collected within 60 days following December 31 are recognized as revenue. Unearned revenues include real property taxes and similar items not collected within this period.

***Miscellaneous Revenue***—Represent various gifts and donations related and grants from outside entities.

***Unearned Revenue***—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial statement purposes. At December 31, 2024, the City reported unearned revenues of \$9,093,740 and \$498,265 within the General Fund and Special Grant Fund. Of these amounts, \$8,359,645 represents unspent American Rescue Plan Act funds which has been obligated as of December 31, 2024.

***Constitutional Tax Limit***—The amount that may be raised by the City-wide tax levy on real estate in any fiscal year (for purposes other than debt service on City indebtedness and budgetary appropriations for capital expenditures) is limited to two percent of the five-year average full valuation of taxable real estate of the City.

The City constitutional tax limit for the fiscal year ended December 31, 2024 is computed as presented on the following page.

Five-year average full valuation of taxable real estate (2019-2023)	\$ 768,420,745
Tax limit at 2.0%	15,368,415
Exclusions from tax limit	<u>3,843,054</u>
Total taxing power	19,211,469
Tax levy	<u>16,130,327</u>
Constitutional tax margin	<u>\$ 3,081,142</u>

**Compensated Absences**—City employees are granted vacation, personal and sick leave and compensatory time in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation, sick leave and unused compensatory absences at various rates subject to certain conditions, maximum limitations and union affiliations. Compensated absences are reported as accrued in the government-wide financial statements. Governmental funds report only matured compensated absences payable to terminating employees and are included in wages and benefits. Refer to Note 2 for more information regarding the City’s restatement of the compensated absences liability as a result of the implementation of GASB Statement No. 101, *Compensated Absences*.

Payment of compensated absences recorded in the general government long-term debt in the government-wide financial statements is dependent upon many factors; therefore, timing of future payment is not readily determinable. However management believes that sufficient resources will be made available for the future payment of compensated absences when such payments become due. More information regarding compensated absences is included in Note 12.

**Proprietary Fund Operating and Nonoperating Revenues and Expenses**—Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the business-type activities are utility charges. Operating expenses for the business-type activities include utility delivery, administration, and contributions in lieu of taxes. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Pension Plans**—The City is mandated by New York State law to participate in the New York State Local Employees’ Retirement System (“ERS”) and the New York State Police and Fire Retirement System (“PFRS”). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 7.

**Other Postemployment Benefits**—In addition to providing pension benefits, the City provides health insurance coverage and/or payments for fractional values of unused sick leave for certain retired employees at the time of retirement as discussed in Note 8.

## ***Other***

***Estimates***—The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenditures, assets, and liabilities, deferred outflows/inflows of resources, and disclosures of contingent liabilities at the date of the financial statements and during the reported period. Actual results could differ from those estimates.

***Adoption of New Accounting Pronouncements***—During the year ended December 31, 2024, the City implemented GASB Statement No. 99, *Omnibus 2022*; GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 99 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53. GASB Statement No. 100 improves financial reporting by enhancing accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB Statement No. 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. Except for the matter discussed in Note 2, the implementation of GASB Statements No. 99, 100, and 101 did not have a material impact on the City’s financial position or results from operations.

***Future Impacts of Accounting Pronouncements***—The City has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 102, *Certain Risk Disclosures*, effective for the year ending December 31, 2025; and No. 103, *Financial Reporting Model Improvements*; and No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending December 31, 2026. The City is, therefore, unable to disclose the impact that adopting GASB Statements No. 102, 103, and 104 will have on its financial position and results of operations when such statements are adopted.

## ***Stewardship, Compliance and Accountability***

### ***Legal Compliance—Budgets***

No later than September 30, the City Comptroller submits a tentative budget to the City for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds. After public hearings are conducted to obtain taxpayer comments, no later than December 1<sup>st</sup>, the City Council adopts the budget. All modifications of the budget must be approved by the City Council.

The appropriated budget for each fund is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfers appropriations without Council approval. Revisions to the budget were made throughout the year.

***Deficit Fund Balances***—At December 31, 2024, the Capital Projects Fund reported a fund balance deficit of \$4,913,285. The deficit is primarily caused by the City’s issued bond anticipation notes (“BANs”), which do not qualify for treatment as a long-term liability. Accordingly, the BANs are

reported as a fund liability in the Capital Projects Fund balance sheet (rather than an inflow on the statement of revenues, expenditures, and changes in fund balances). When the cash from the BAN is spent, expenditures are reported and fund balance is reduced. Because the BANs are the main source of resources for the fund, the result is an overall fund deficit. This deficit will be eliminated as resources are obtained (e.g., from revenues, long-term debt issuances, and transfers in) to make the scheduled debt service principal and interest payments on the BANs.

**2. RESTATEMENT OF NET POSITION**

During the year ended December 31, 2024, the City implemented GASB Statement No. 101, *Compensated Absences*. As a result of this implementation, the City restated its compensated absences liability as of December 31, 2023 by \$4,345,299 for governmental activities. Accordingly, the County’s governmental activities net position as of December 31, 2023 has been restated from \$(109,258,976) to \$(113,604,275).

Additionally, during the year ended December 31, 2024, the BPU restated net position to write-down certain accumulated depreciation accounts which were overstated in error. As a result, the BPU’s net position increased by \$2,268,671. Accordingly, the County’s business-type activities net position as of December 31, 2023 has been restated from \$175,316,936 to \$177,585,607.

**3. CASH, CASH EQUIVALENTS AND INVESTMENTS**

The City’s investment policies are governed by New York State statutes. The City also has its own written investment guidelines which have been established by the City Council. City monies must be deposited in Federal Deposit Insurance Corporation (“FDIC”) insured commercial banks or trust companies located within the State. The City Comptroller is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, contractual repurchase agreements, and obligations of New York State or its localities. Investments with maturities of less than three months are considered to be cash equivalents.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The City has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligation that may be pledged as collateral. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Total cash and cash equivalents including restricted amounts reported by the City at December 31, 2024 are as follows:

	Governmental Activities	Business-type Activities	Fiduciary Fund	Total
Petty cash (uncollateralized)	\$ 10,000	\$ -	\$ -	\$ 10,000
Deposits	12,271,417	27,354,104	244,311	39,869,832
Total	<u>\$ 12,281,417</u>	<u>\$ 27,354,104</u>	<u>\$ 244,311</u>	<u>\$ 39,879,832</u>

**Deposits**—All deposits are carried at fair value and are classified by custodial credit risk at December 31, 2024 are presented on the following page.

	<u>Bank Balance</u>	<u>Carrying Amount</u>
FDIC insured	\$ 500,000	\$ 500,000
Uninsured:		
Collateral held by pledging bank's agent in the City's name	<u>39,373,805</u>	<u>39,369,832</u>
Total deposits	<u>\$ 39,873,805</u>	<u>\$ 39,869,832</u>

***Custodial Credit Risk—Deposits***—Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. As noted above, by New York State statute all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2024, the City’s deposits were either FDIC insured or collateralized with securities held by the pledging bank’s agent in the City’s name.

***Restricted Cash and Cash Equivalents***—The City reports fund balance restrictions, unearned revenue related to cash received in advance, unspent debt proceeds, and amounts held on behalf of others as restricted cash and cash equivalents. At December 31, 2024, the City reports restricted cash of \$8,367,193 within the General Fund, \$657,647 within the Special Grant Fund, \$1,093,971 within the Capital Projects Fund, \$547,092 within business-type activities, and \$244,311 within the Custodial Fund.

***Investments***—All investments are reporting using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as presented below:

- Level 1. Quoted prices for identical assets or liabilities in active markets to which the City has access at the measurement date.
- Level 2. Inputs other than quote prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets in markets that are not active;
  - Observable inputs other than quoted prices for the asset or liability (for example, interest rate yield curves); and
  - Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value to the extent that observable inputs are not available.

Investments reported within business-type activities at December 31, 2024 are as follows:

	12/31/2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury notes	\$ 17,118,632	\$ 17,118,632	\$ -	\$ -
Derivative instrument	1,655,300	-	1,655,300	-
Total	<u>\$ 18,773,932</u>	<u>\$ 17,118,632</u>	<u>\$ 1,655,300</u>	<u>\$ -</u>

**Interest Rate Risk**—Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of deposits and investments. In accordance with its investment policy, the City manages this exposure by limiting investments to low risk type investments governed by New York State statute.

**Custodial Credit Risk—Investments**—Credit risk is defined as the risk that an issuer or other counterpart to an investment in debt securities will not fulfill its obligation. The City’s investment policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City does business, and diversifying the investment portfolio so that potential losses on individual securities are minimized. U.S. Treasury notes are backed by the full faith and credit of the U.S. government and are considered to be of the highest credit quality.

**Concentration of Credit Risk**—Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single financial institution. The City’s investment policy places limits on the amount the City may invest in any one financial institution to \$25 million. As of December 31, 2024, the City’s investments in any single financial institution do not exceed the limit established by its policy.

#### 4. RECEIVABLES

Major revenues accrued by the City at December 31, 2024 consisted of the following:

**Accounts Receivable**—Represents amounts due from various sources. Receivables at December 31, 2024 are as follows:

General Fund:	
Department of Public Works	\$ 71,358
Capital Projects Fund:	
Equipment sales	20,290
Total governmental funds	<u>\$ 91,648</u>
Proprietary funds:	
JBPU—utility payments	\$ 6,472,154
JLDC—services	552,122
Total proprietary funds	<u>\$ 7,024,276</u>

**Leases Receivable**—The City recognizes leases of building space to third parties, under the requirements of GASB. The City recognized \$119,882 in lease revenue and \$19,759 in interest revenue during the current fiscal year related to the leases. As of December 31, 2024, the City’s outstanding receivable for lease payments was \$324,178. The City reports a corresponding deferred inflow of resources, totaling \$199,743, that will be recognized as revenue over the lease term.

**Intergovernmental Receivables**—Represents amounts due from other units of government, such as Federal, New York State, County of Chautauqua or other local governments. Intergovernmental receivables at December 31, 2024 are presented below:

Governmental funds:

General Fund:

Chautauqua County—sales tax	\$ 2,026,152	
State aid—transportation grants	1,360,340	
Other governments—payments in lieu of taxes	670,572	
Chautauqua County—court security	56,270	
Other	<u>667,723</u>	\$ 4,781,057

Special Grant Fund:

State aid—downtown initiatives	274,351	
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Capital Projects Fund:

State aid—fleet maintenance building	<u>1,000,000</u>	
Total governmental funds		<u>\$ 6,055,408</u>

Proprietary funds:

JURA:

Administrative charges to other governments	<u>\$ 5,831</u>	
Total proprietary funds		<u>\$ 5,831</u>

**Loans Receivable**—Represents amounts owed to JLDC for economic development loans. The allowance for doubtful accounts is established based on prior collection experience and current economic factors which, in management’s judgement, could influence the ability to collect certain receivables. Loans receivable at December 31, 2024 are presented below:

	Balance
	<u>12/31/2024</u>
Loans receivable	\$ 1,925,217
Allowance for doubtful accounts	<u>(680,000)</u>
Total	<u>\$ 1,245,217</u>

## 5. CAPITAL ASSETS

**Governmental activities**—Capital asset activity for the primary government’s governmental activities for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Increases	Decreases	Balance 12/31/2024
Capital assets, not being depreciated:				
Land	\$ 1,159,025	\$ -	\$ -	\$ 1,159,025
Construction in progress	7,391,955	675,146	6,607,570	1,459,531
Total capital assets not being depreciated	<u>8,550,980</u>	<u>675,146</u>	<u>6,607,570</u>	<u>2,618,556</u>
Capital assets, being depreciated:				
Infrastructure	57,129,601	3,078,453	1,651,661	58,556,393
Buildings and building improvements	33,821,885	6,010,153	-	39,832,038
Machinery and equipment	20,833,793	1,624,470	1,863,157	20,595,106
Vehicles	5,297,434	777,666	1,959,597	4,115,503
SBITA assets	472,215	-	-	472,215
Total capital assets being depreciated	<u>117,554,928</u>	<u>11,490,742</u>	<u>5,474,415</u>	<u>123,571,255</u>
Less accumulated depreciation for:				
Infrastructure	23,721,726	1,662,317	82,584	25,301,459
Buildings and building improvements	18,464,140	1,129,784	-	19,593,924
Machinery and equipment	16,091,158	1,080,325	1,836,029	15,335,454
Vehicles	2,622,857	758,282	1,959,597	1,421,542
SBITA assets	208,937	115,100	-	324,037
Total accumulated depreciation	<u>61,108,818</u>	<u>4,745,808</u>	<u>3,878,210</u>	<u>61,976,416</u>
Total capital assets, being depreciated, net	<u>56,446,110</u>	<u>6,744,934</u>	<u>1,596,205</u>	<u>61,594,839</u>
Governmental activities capital assets, net	<u>\$ 64,997,090</u>	<u>\$ 7,420,080</u>	<u>\$ 8,203,775</u>	<u>\$ 64,213,395</u>

Depreciation expense for governmental activities was charged to functions and programs of the primary government as presented below:

Governmental activities:	
General government support	\$ 829,514
Public safety	331,986
Transportation	3,336,822
Culture and recreation	64,281
Home and community services	<u>183,205</u>
Total	<u>\$ 4,745,808</u>

**Business-type activities**—Capital asset activity for the primary government’s business-type activities (JBPU and JURA) for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024 (as restated)	Increases	Decreases	Balance 12/31/2024
Capital assets, not being depreciated				
Land	\$ 2,047,447	\$ 150,370	\$ -	\$ 2,197,817
Construction in progress	<u>1,747,890</u>	<u>471,334</u>	<u>-</u>	<u>2,219,224</u>
Total capital assets not being depreciated	<u>3,795,337</u>	<u>621,704</u>	<u>-</u>	<u>4,417,041</u>
Capital assets being depreciated				
Electric division	186,543,678	2,254,144	315,911	188,481,911
Wastewater division	51,541,976	1,302,955	40,160	52,804,771
Water division	50,848,244	2,767,287	2,805,438	50,810,093
Solid waste division	5,205,546	512,439	1,058,324	4,659,661
District heat division	10,720,748	157,046	-	10,877,794
JURA	<u>72,961</u>	<u>-</u>	<u>-</u>	<u>72,961</u>
Total capital assets being depreciated	<u>304,933,153</u>	<u>6,993,871</u>	<u>4,219,833</u>	<u>307,707,191</u>
Less accumulated depreciation for:				
Electric division	98,684,314	5,524,966	678,342	103,530,938
Wastewater division	35,527,435	1,034,598	40,160	36,521,873
Water division	20,352,008	990,313	2,805,438	18,536,883
Solid waste division	2,486,288	400,751	998,640	1,888,399
District heat division	8,837,655	164,446	-	9,002,101
JURA	<u>1,216</u>	<u>14,592</u>	<u>-</u>	<u>15,808</u>
Total accumulated depreciation	<u>165,888,916</u>	<u>8,129,666</u>	<u>4,522,580</u>	<u>169,496,002</u>
Total capital assets, being depreciated, net	<u>139,044,237</u>	<u>(1,135,795)</u>	<u>(302,747)</u>	<u>138,211,189</u>
Business-type activities capital assets, net	<u>\$ 142,839,574</u>	<u>\$ (514,091)</u>	<u>\$ (302,747)</u>	<u>\$ 142,628,230</u>

## 6. ACCRUED LIABILITIES

Accrued liabilities reported by the City’s governmental funds at December 31, 2024 were as follows:

	General Fund
Salaries and wages	\$ 1,129,189
Health insurance claims	<u>408,000</u>
Total accrued liabilities	<u>\$ 1,537,189</u>

## 7. PENSION PLANS

### *Plan Descriptions and Benefits Provided*

***Police and Fire Retirement System (“PFRS”) and Employees’ Retirement System (“ERS”)***—The City participates in the PFRS and ERS, cost-sharing multiple-employer retirement systems (the “Systems”). The Systems provide retirement benefits as well as death and disability benefits. The net position of the Systems are held in the New York State Common Retirement Fund (the “Fund”), which was established to hold all assets and record changes in fiduciary net position allocated to the Systems. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the Systems. System benefits are established under the provisions of the New York State Retirement and Social Security Law (“NYSRSSL”). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The City also participates in the Public Employees’ Group Life Insurance Plan (“GLIP”), which provides death benefits in the form of life insurance. The Systems are included in the State’s financial report as a pension trust fund. That report, including information with regards to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The Systems are noncontributory, except for employees who joined the ERS after July 27, 1976 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 10, 2010 (ERS) or January 9, 2010 (PFRS), who generally contribute three percent (3%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers’ contributions based on salaries paid during the System’s fiscal year ending March 31.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***—At December 31, 2024, the City reported the liabilities on the below for its proportionate share of the net pension liabilities for PFRS and ERS. The net pension liabilities were measured as of March 31, 2024. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of April 1, 2023, with update procedures used to roll forward the total net pension liabilities to the measurement date. The City’s proportion of the net pension liabilities were based on projections of the City’s long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the City.

	PFRS	ERS	
	Governmental Activities	Governmental Activities	Business-type Activities
Measurement date	March 31, 2024		
Net pension liability	\$ 13,264,807	\$ 3,400,892	\$ 5,149,910
City's portion of the Plan's total net pension liability	0.2796816%	0.0208273%	0.0372464%

For the year ended December 31, 2024, the City recognized pension expenses of \$4,265,791 and \$3,428,460 for PFRS and ERS, respectively. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented below:

	PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
	Governmental Activities	
Differences between expected and actual experiences	\$ 4,086,709	\$ -
Changes in assumption	5,003,497	-
Net difference between projected and actual earnings on pension plan investments	-	3,600,755
Changes in proportion and differences between the City's contributions and proportionate share of contributions	737,287	2,089,832
City contributions subsequent to the measurement date	<u>2,403,702</u>	<u>-</u>
Total	<u>\$ 12,231,195</u>	<u>\$ 5,690,587</u>

	ERS			
	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Differences between expected and actual experiences	\$ 1,095,426	\$ 1,658,781	\$ 92,733	\$ 140,425
Changes in assumption	1,285,801	1,947,065	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	1,661,318	2,515,704
Changes in proportion and differences between the City's contributions and proportionate share of contributions	1,351,679	1,984,174	1,530,662	2,216,997
City contributions subsequent to the measurement date	<u>768,529</u>	<u>1,173,119</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,501,435</u>	<u>\$ 6,763,139</u>	<u>\$ 3,284,713</u>	<u>\$ 4,873,126</u>

The City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as presented on the following page.

Year Ending December 31,	PFRS		ERS	
	Governmental Activities	Governmental Activities	Governmental Activities	Business-type Activities
2025	\$ (1,313,569)	\$ (679,089)	\$ (1,016,554)	
2026	3,639,198	595,558	916,237	
2027	1,989,606	936,318	1,424,937	
2028	(542,813)	(404,594)	(607,726)	
2029	364,484	-	-	

**Actuarial Assumptions**—The total pension liabilities as of the measurement date were determined by using actuarial valuations as noted in the table below, with update procedures used to roll forward the total pension liabilities to the measurement date. The actuarial valuations used the actuarial assumptions as presented below:

	PFRS	ERS
Measurement date	March 31, 2024	March 31, 2024
Actuarial valuation date	April 1, 2023	April 1, 2023
Interest rate	5.9%	5.9%
Salary scale	6.2%	4.4%
Decrement tables	April 1, 2015- March 31, 2020	April 1, 2015- March 31, 2020
Inflation rate	2.9%	2.9%
Cost-of-living adjustments	1.5%	1.5%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2020. The actuarial assumptions used in the April 1, 2023 valuations are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

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

	PFRS and ERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Measurement date	March 31, 2024	
Asset class:		
Domestic equities	32.0 %	4.0 %
International equities	15.0	6.7
Private equity	10.0	7.3
Real estate	9.0	4.6
Absolute return strategies	3.0	5.3
Credit	4.0	5.4
Real assets	3.0	5.8
Cash	23.0	1.5
Inflation-indexed bonds	1.0	0.3
Total	100.0	

**Discount Rate**—The discount rate used to calculate the total pension liabilities was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption**—The chart below presents the City’s proportionate share of the net pension liability/(asset) calculated using the discount rate of 5.9%, as well as what the City’s proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

	PFRS		
	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental Activities:			
Employer’s proportionate share of the net pension liability/(asset)	\$ 31,002,965	\$ 13,264,807	\$ (1,389,504)

	ERS		
	1%	Current	1%
	Decrease (4.9%)	Assumption (5.9%)	Increase (6.9%)
Governmental Activities:			
Employer's proportionate share of the net pension liability/(asset)	\$ 10,692,752	\$ 3,400,892	\$ (2,689,324)
Business-type Activities:			
Employer's proportionate share of the net pension liability/(asset)	\$ 16,191,843	\$ 5,149,910	\$ (4,072,394)

***Pension Plan Fiduciary Net Position***—The components of the current-year net pension liabilities of the employers as of the valuation date, were as follows:

	(Dollars in Thousands)		
	PFRS	ERS	Total
Valuation date	April 1, 2023	April 1, 2023	
Employers' total pension liability	\$ 46,137,717	\$ 240,696,851	\$ 286,834,568
Plan fiduciary net position	41,394,895	225,972,801	267,367,696
Employers' net pension liability	<u>\$ 4,742,822</u>	<u>\$ 14,724,050</u>	<u>\$ 19,466,872</u>
System fiduciary net position as a percentage of total pension liability	89.7%	93.9%	93.2%

## 8. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

***Plan Description***—The City provides postemployment benefit options for health care and dental insurance to eligible employees, terminated employees, and their dependents. The benefits are provided in accordance with City ordinances and collective bargaining agreements. The criteria to determine eligibility include years of service, employee age, and disability due to line of duty. The City funds the benefits on a pay-as-you-go basis. Eligible employees are required to pay set premiums for a portion of the cost with the City subsidizing the remaining costs. The plan does not issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

***Employees Covered by Benefit Terms***—At December 31, 2024, the following employees were covered by the benefit terms:

	Governmental	Business-type
	Activities	Activities (JURA)
Inactive employees or beneficiaries currently receiving benefit payments	510	17
Active employees	202	11
Total	<u>712</u>	<u>28</u>

**Total OPEB Liability**

The City’s OPEB liabilities of \$129,359,926 for governmental activities and \$2,588,004 for business-type activities (JURA) are measured as of September 30, 2024, and are determined by an actuarial valuation as of December 31, 2024.

**Actuarial Assumptions and Other Inputs**—Calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the December 31, 2024 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate changed from 4.64% effective December 31, 2023 to 3.88% effective December 31, 2024. The salary scale changed from 3.42% effective December 31, 2023 to 3.30% effective December 31, 2024. The mortality improvement remained the Scale MP-2021 mortality improvement scale on a generational basis. The annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2025\_1b (the Getzen model).

No formal experience study is prepared for the December 31, 2024 actuarial valuation.

**Changes in the Total OPEB Liability**—The table below presents the changes to the total OPEB liability during the fiscal year, by source:

	Total OPEB Liability	
	Governmental Activities	Business-type Activities (JURA)
Balances at December 31, 2023	\$ 108,601,677	\$ 2,304,213
Changes for the year:		
Service cost	1,762,696	138,591
Interest	4,945,283	109,015
Changes of benefit terms	642,685	64,575
Differences between expected and actual experience	2,923,034	(197,812)
Changes of assumptions or other inputs	14,269,544	262,758
Benefit payments	(3,784,993)	(93,336)
Net changes	20,758,249	283,791
Balances at December 31, 2024	\$ 129,359,926	\$ 2,588,004

**Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate**—The discount rate assumption can have an impact on total OPEB liabilities. The table on the following page presents the effect a 1% change in the discount rate assumption would have on the total OPEB liability.

	1% Decrease <u>(2.88%)</u>	Current Discount Rate <u>(3.88%)</u>	1% Increase <u>(4.88%)</u>
Governmental Activities:			
Total OPEB Liability	\$ 154,047,063	\$ 129,359,926	\$ 110,300,406
Business-type Activities (JURA):			
Total OPEB Liability	\$ 2,983,296	\$ 2,588,004	\$ 2,270,125

Additionally, healthcare costs can be subject to considerable volatility over time. The table below presents the effect on the total OPEB liability of a 1% change in the initial (5.30%)/ultimate (3.71%) healthcare cost trend rates:

	1% Decrease <u>(4.30%/2.71%)</u>	Current Healthcare Cost Trend Rates <u>(5.30%/3.71%)</u>	1% Increase <u>(6.30%/4.71%)</u>
Governmental Activities:			
Total OPEB Liability	\$ 109,067,576	\$ 129,359,926	\$ 155,849,836
Business-type Activities (JURA):			
Total OPEB Liability	\$ 2,241,609	\$ 2,588,004	\$ 3,024,172

**Funding Policy**—Authorization for the City to pay a portion of retiree health insurance premiums was enacted through various union contracts as specified above, which were ratified by the City Council. The City recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. City governmental and business-type activities (JURA) contributed \$3,784,993 and \$93,336 for the fiscal year ended December 31, 2024, respectively. The City’s contributions to the OPEB plan are based on negotiated contracts with the bargaining units, as discussed in Note 15. Any amendments to the employer’s contributions are subject to the collective bargaining agreements.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**—The City reports deferred outflows and inflows of resources due to differences during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability are required to be determined. The table on the following page presents the City’s deferred outflows of resources at December 31, 2024.

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities (JURA)	Governmental Activities	Business-type Activities (JURA)
	Differences between expected and actual experiences	\$ 2,326,496	\$ -	\$ 5,659,506
Changes in assumption	11,357,392	203,040	25,149,221	291,191
City contributions subsequent to the measurement date	954,026	23,526	-	-
Total	<u>\$ 14,637,914</u>	<u>\$ 226,566</u>	<u>\$ 30,808,727</u>	<u>\$ 552,478</u>

The City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB obligation in the year ending December 31, 2025. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31,	Governmental	Business-type
	Activities	Activities (JURA)
2025	\$ (12,872,139)	\$ (328,428)
2026	(9,860,617)	(39,459)
2027	2,450,099	12,547
2028	3,157,818	5,902

#### Jamestown Board of Public Utilities

**Plan Description**—The BPU administers the Jamestown Board of Public Utilities Retiree Medical and Prescription Drug Plan (the “Plan”) as a single-employer defined benefit OPEB plan. The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the BPU subject to applicable collective bargaining and employment agreements. The Plan does not issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

**Employees Covered by Benefit Terms**—At December 31, 2024, the following employees were covered by the benefit terms:

	Business-type Activities (BPU)
Inactive employees or beneficiaries currently receiving benefit payments	86
Active employees	91
Total	<u>177</u>

### ***Total OPEB Liability***

The BPU's OPEB liabilities of \$3,779,655 are measured as of October 1, 2024, and are determined by an actuarial valuation as of December 31, 2024.

***Actuarial Assumptions and Other Inputs***—Calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the December 31, 2024 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate changed from 4.64% effective December 31, 2023 to 3.88% effective December 31, 2024. The salary scale changed from 3.42% effective December 31, 2023 to 3.30% effective December 31, 2024. The mortality improvement remained the Scale MP-2021 mortality improvement scale on a generational basis. The annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2025\_1b (the Getzen model).

No formal experience study is prepared for the December 31, 2024 actuarial valuation.

***Changes in the Total OPEB Liability***—The table below presents the changes to the total OPEB liability during the fiscal year, by source.

	Total OPEB Liability Business-type Activities (BPU)
Balances at December 31, 2023	\$ 4,915,511
Changes for the year:	
Service cost	114,689
Interest	212,946
Differences between expected and actual experience	(1,263,113)
Changes of assumptions or other inputs	240,491
Benefit payments	(440,869)
Net changes	(1,135,856)
Balances at December 31, 2024	\$ 3,779,655

***Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate***—The discount rate assumption can have a profound impact on total liabilities. The table on the following page presents the effect of a 1% change in the discount rate assumption would have on the total OPEB liability.

	1% Decrease (2.88%)	Current Discount Rate (3.88%)	1% Increase (4.88%)
Business-type Activities (BPU):			
Total OPEB Liability	\$ 4,043,211	\$ 3,779,655	\$ 3,543,866

Additionally, healthcare costs can be subject to considerable volatility over time. The table below presents the effect on the total OPEB liability of a 1% change in the initial (5.30%)/ultimate (3.71%) healthcare cost trend rates:

	1% Decrease (4.30%/2.71%)	Current Healthcare Cost Trend Rates (5.30%/3.71%)	1% Increase (6.30%/4.71%)
Business-type Activities (BPU):			
Total OPEB Liability	\$ 3,507,584	\$ 3,779,655	\$ 4,089,655

**Funding Policy**—The obligations of the plan members, employers and other entities are established by action of the BPU pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members varies depending on the applicable agreement. The BPU currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the plan are paid by the BPU.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**—The BPU reports deferred outflows and inflows of resources due to differences during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability are required to be determined. The table below presents the BPU’s deferred outflows inflows of resources at December 31, 2024:

	Deferred Outflows of Resources Business-type Activities (BPU)	Deferred Inflows of Resources Business-type Activities (BPU)
Differences between expected and actual experiences	\$ 183,437	\$ 931,263
Changes in assumptions	176,745	227,641
BPU contributions subsequent to the measurement date	111,123	-
Total	\$ 471,305	\$ 1,158,904

The BPU’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB obligation in the year ending December 31, 2025. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as presented below:

<u>Year ending December 31,</u>	<u>Business-type Activities (BPU)</u>
2025	\$ (330,272)
2026	(272,953)
2027	(40,705)
2028	(154,792)

**9. RISK MANAGEMENT**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; vehicle liability; injuries to employees; and natural disasters. The City purchases insurance for: terrorism, commercial general liability, pesticide or herbicide applicator, sexual abuse, employee benefits, public official’s liability, private property use restriction, employment practices liability, law enforcement liability, commercial excess liability, and automobile liability. There have been no significant reduction in the levels of this commercial insurance from the prior year, nor have there been any settlements which exceeded insurance coverage for each of the past three fiscal years.

The terrorism insurance is limited to a \$3 million aggregate limit. The commercial general liability and employee benefit insurance plans are limited to \$1 million per occurrence with a \$3 million annual aggregate limit. The pesticide or herbicide applicator, sexual abuse, public official’s liability, private property use restriction, employment practices liability, law enforcement liability, and automobile liability insurance plans have an annual aggregate and per occurrence limit of \$1 million. The commercial excess liability insurance plan has an annual aggregate and per occurrence limit of \$10 million.

The City has established a self-insured health plan for its eligible employees and retirees. The City’s employees pay a “premium” to the plan based on estimated costs, which is used to fund claims as they are incurred. The City’s General Fund accounts for the premium as well as the expenditures and liabilities of the plan. The plan’s current claims outstanding of \$408,000 are recorded within accrued liabilities of the General Fund as of December 31, 2024.

**10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (“SBITA”) LIABILITIES**

The City is a lessee for noncancellable information technology arrangements. Under GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (“SBITA”)*, the City recognizes SBITA liabilities and SBITA assets in the government-wide financial statements.

At the commencement of a SBITA, the City initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA

commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITA include how the City determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The City uses the interest rates charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA terms include the noncancellable period of the SBITA. SBITA payments included in the measurement of the liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

During the year ended December 31, 2024, the City had outstanding SBITAs for body cameras and accounting software. At December 31, 2024, the value of the SBITA liability was \$130,337 in governmental activities. The City is required to make annual principal and interest payments of \$104,820. The SBITA has an interest rate of 4.0 percent. The value of the right-to-use SBITA asset at the end of the current fiscal year was \$472,215 and had accumulated amortization of \$324,037.

## 11. SHORT-TERM DEBT

Liabilities for bond anticipation notes (“BANs”) are generally accounted for in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the life of the permanent financing, provided that annual reductions of principal are made.

A summary of the City’s short-term debt for the fiscal year ended December 31, 2023 is presented below:

	Maturity Date	Interest Rate	Balance 1/1/2024	Issues	Redemptions	Balance 12/31/2024
Bond anticipation notes:						
Capital improvements	5/17/2024	3.94%	\$ 4,608,000	\$ -	\$ 4,608,000	\$ -
Capital improvements - 2024A	5/16/2025	5.00%	-	4,520,000	-	4,520,000
Capital improvements - 2024B	5/16/2025	4.39%	-	1,740,081	-	1,740,081
Total			<u>\$ 4,608,000</u>	<u>\$ 6,260,081</u>	<u>\$ 4,608,000</u>	<u>\$ 6,260,081</u>

## 12. LONG-TERM LIABILITIES

In the government-wide financial statements, long-term debt and other long-term obligations are reported as noncurrent liabilities in the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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. Further, the unmatured principal of general long-term debt does not require current appropriations and expenditure of governmental fund financial resources.

The City's outstanding long-term liabilities include bonds payable, SBITA liability, notes payable, compensated absences, OPEB obligation, and the net pension liability. The bonds payable of the City are secured by its general credit and revenue raising powers, as per New York State statute.

A summary of the City's long-term liabilities at December 31, 2024 is presented below:

	Balance 1/1/2024 (as restated)	Additions	Reductions	Balance 12/31/2024	Due Within One Year
<b>Governmental activities:</b>					
Serial bonds	\$ 11,764,456	\$ -	\$ 1,537,456	\$ 10,227,000	\$ 1,603,000
Premium on serial bonds	<u>384,116</u>	<u>-</u>	<u>63,979</u>	<u>320,137</u>	<u>71,238</u>
Bonds payable	12,148,572	-	1,601,435	10,547,137	1,674,238
SBITA liability	227,819	-	97,482	130,337	101,453
Compensated absences*	6,167,774	-	1,591	6,166,183	660,028
Retirement payable	58,406	-	58,406	-	-
Net pension liability*	22,575,946	-	5,910,247	16,665,699	-
OPEB obligation	<u>108,601,677</u>	<u>24,543,242</u>	<u>3,784,993</u>	<u>129,359,926</u>	<u>-</u>
Total governmental activities	<u>\$ 149,780,194</u>	<u>\$ 24,543,242</u>	<u>\$ 11,454,154</u>	<u>\$ 162,869,282</u>	<u>\$ 2,435,719</u>
<b>Business-type activities:</b>					
Serial bonds	\$ 4,675,544	\$ -	\$ 606,358	\$ 4,069,186	\$ 608,125
Premium on serial bonds	<u>235,224</u>	<u>-</u>	<u>27,980</u>	<u>207,244</u>	<u>24,955</u>
Bonds payable	4,910,768	-	634,338	4,276,430	633,080
Notes payable	71,203	-	22,317	48,886	13,465
Compensated absences*	141,734	-	16,211	125,523	13,284
Net pension liability*	7,992,078	-	2,842,168	5,149,910	-
OPEB obligation	<u>7,219,724</u>	<u>1,143,065</u>	<u>1,995,130</u>	<u>6,367,659</u>	<u>-</u>
Total business-type activities	<u>\$ 20,335,507</u>	<u>\$ 1,143,065</u>	<u>\$ 5,510,164</u>	<u>\$ 15,968,408</u>	<u>\$ 659,829</u>

\*Changes to the net pension liability and compensated absences are shown net.

**Serial Bonds**—The City borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are pledged by the full faith and credit debt of the local government, are recorded in the government-wide financial statements.

A summary of bond transactions of the City for the fiscal year ended December 31, 2024 is presented on the following page.

Purpose	Issue/ Maturity Date	Interest Rate	Balance 1/1/2024	Additions	Reductions	Balance 12/31/2024
Governmental activities:						
2013 General Obligation Bonds	2013/2030	3.50-4.00%	\$ 2,750,000	\$ -	\$ 395,000	\$ 2,355,000
2015 Public Improvement Bonds	2015/2035	2.25-4.00%	2,635,000	-	180,000	2,455,000
2019 Refunding Bonds	2019/2025	5.00%	788,456	-	382,456	406,000
2020 Refunding Bonds	2020/2026	5.00%	955,000	-	305,000	650,000
2021 Public Improvement Bonds	2021/2051	1.00-4.00%	4,636,000	-	275,000	4,361,000
Total governmental activities			<u>\$ 11,764,456</u>	<u>\$ -</u>	<u>\$ 1,537,456</u>	<u>\$ 10,227,000</u>
Business-type activities:						
2015 Refunding Bonds	2015/2025	4.13-5.00%	\$ 470,000	\$ -	\$ 240,000	\$ 230,000
2019 Refunding Bonds	2019/2030	5.00%	1,241,544	-	162,544	1,079,000
2021 Public Improvement Bonds	2021/2051	1.00-4.00%	1,964,000	-	85,000	1,879,000
2023 Public Improvement Bonds	2023/2030	5.90%	1,000,000	-	118,814	881,186
Total business-type activities			<u>\$ 4,675,544</u>	<u>\$ -</u>	<u>\$ 606,358</u>	<u>\$ 4,069,186</u>

**Premiums on Serial Bonds**—Governmental funds report the effect of premiums when the debt is first issued, whereas these amounts are deferred and amortized within governmental and business-type activities. The premiums are being amortized on a straight-line basis over the life of the bonds. The unamortized premiums outstanding at December 31, 2024 are \$320,137 and \$207,244 for governmental and business-type activities, respectively.

**SBITA Liability**—The City entered into long-term SBITAs for body cameras and accounting software. The outstanding balance at December 31, 2024 was \$130,337. Refer to Note 10 for additional information related to the City’s SBITA liability.

**Notes Payable**—During the year ended December 31, 2023, JURA entered into a note payable agreement for \$73,000 for the purchase of vehicles. The notes carry an interest rate of 8.14% and mature on December 1, 2028. The outstanding balance at December 31, 2024 was \$48,886.

**Compensated Absences**—As explained in Note 1, the City provides vacation, personal, sick leave and compensatory time to its employees. The annual budgets of the operating funds provide funding for these benefits as they become payable. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation, sick leave and unused compensatory absences at various rates subject to certain conditions, maximum limitations and union affiliations. The value recorded as a liability within governmental activities at December 31, 2024, for such benefits is \$6,166,183 and \$125,523 for governmental and business-type activities, respectively. Management estimates that \$660,028 and \$13,284 is due within one year for governmental and business-type activities, respectively. Since payments of compensated absences are dependent upon many factors, the timing of future payments is not readily determinable.

**Net Pension Liability**—The City reports a liability for its proportionate share of the net pension liability for the Police and Fire Retirement System and Employee Retirement System. The net pension liability is estimated to be \$16,665,699 and \$5,149,910 for governmental activities and business-type activities, respectively. Refer to Note 7 for additional information related to the City’s net pension liabilities.

**OPEB**—As explained in Note 8, the City provides health insurance coverage for certain retirees. The City’s annual postemployment benefit (“OPEB”) cost is calculated based on the annual required contributions of the employer, an amount actuarially determined in accordance with the parameters of GASB. The OPEB liability is estimated to be \$129,359,926 and \$6,367,659 at December 31, 2024 for governmental and business-type activities, respectively.

The following is a maturity schedule of the City’s governmental activities’ indebtedness:

Year ending December 31,	Serial Bonds	Premium on Serial Bonds	SBITA Liability	Compensated Absences	Net Pension Liability	OPEB Obligation	Total
2025	\$ 1,603,000	\$ 71,238	\$ 101,453	\$ 660,028	\$ -	\$ -	\$ 2,435,719
2026	1,230,000	26,560	28,884	-	-	-	1,285,444
2027	937,000	14,823	-	-	-	-	951,823
2028	965,000	14,822	-	-	-	-	979,822
2029	993,000	14,823	-	-	-	-	1,007,823
2030-2034	3,041,000	74,113	-	-	-	-	3,115,113
2035-2039	1,218,000	74,113	-	-	-	-	1,292,113
2040-2042	240,000	29,645	-	-	-	-	269,645
Thereafter	-	-	-	5,506,155	16,665,699	129,359,926	151,531,780
Totals	<u>\$ 10,227,000</u>	<u>\$ 320,137</u>	<u>\$ 130,337</u>	<u>\$ 6,166,183</u>	<u>\$ 16,665,699</u>	<u>\$ 129,359,926</u>	<u>\$ 162,869,282</u>

The following is a maturity schedule of the City’s business-type activities’ indebtedness:

Year ending December 31,	Serial Bonds	Premium on Serial Bonds	Notes Payable	Compensated Absences	Net Pension Liability	OPEB Obligation	Total
2025	\$ 608,125	\$ 24,955	\$ 13,465	\$ 13,284	\$ -	\$ -	\$ 659,829
2026	383,782	23,442	14,603	-	-	-	421,827
2027	404,905	23,442	15,837	-	-	-	444,184
2028	420,440	23,442	4,981	-	-	-	448,863
2029	436,654	23,442	-	-	-	-	460,096
2030-2034	833,280	32,756	-	-	-	-	866,036
2035-2039	352,000	20,460	-	-	-	-	372,460
2040-2044	250,000	14,709	-	-	-	-	264,709
2045-2049	270,000	14,709	-	-	-	-	284,709
2050-2051	110,000	5,887	-	-	-	-	115,887
Thereafter	-	-	-	112,239	5,149,910	6,367,659	11,629,808
Totals	<u>\$ 4,069,186</u>	<u>\$ 207,244</u>	<u>\$ 48,886</u>	<u>\$ 125,523</u>	<u>\$ 5,149,910</u>	<u>\$ 6,367,659</u>	<u>\$ 15,968,408</u>

The interest requirements on the City’s outstanding serial bonds and SBITAs are as follows:

Year ending December 31,	Governmental Activities		Business-type Activities		Total
	Serial Bonds	SBITAs	Serial Bonds	Serial Bonds	Primary Government
	2025	\$ 301,205	\$ 3,367	\$ 138,574	\$ 443,146
2026	244,828	212	113,720	358,760	
2027	204,164	-	94,212	298,376	
2028	168,998	-	76,243	245,241	
2029	131,938	-	57,938	189,876	
2030-2034	348,467	-	136,830	485,297	
2035-2039	69,485	-	78,471	147,956	
2040-2044	4,100	-	51,531	55,631	
2045-2049	-	-	25,697	25,697	
2050-2051	-	-	2,338	2,338	
Totals	<u>\$ 1,473,185</u>	<u>\$ 3,579</u>	<u>\$ 775,554</u>	<u>\$ 2,252,318</u>	

### 13. NET POSITION AND FUND BALANCE

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net Investment in Capital Assets**—This category groups all capital assets including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. A reconciliation of the City’s net investment in capital assets is shown below:

Governmental activities:

Capital assets, net of accumulated depreciation		\$ 64,213,395
Related debt:		
Serial bonds	\$ (10,227,000)	
Unamortized serial bond premiums	(320,137)	
SBITA liability	(130,337)	
Accounts payable—Capital Projects Fund	(138,087)	
Bond anticipation notes	(6,260,081)	
Unspent debt proceeds	<u>1,093,971</u>	<u>(15,981,671)</u>
Net investment in capital assets—governmental activities		<u>\$ 48,231,724</u>

Business-type activities:	
Capital assets, net of accumulated depreciation	\$ 142,628,230
Related debt:	
Serial bonds	\$ (4,069,186)
Unamortized serial bond premium	(207,244)
Deferred gain on refunding	(3,112)
Notes payable	<u>(48,886)</u>
Net investment in capital assets—business-type activities	<u>\$ 138,299,802</u>

- **Restricted Net Position**—This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position**—This category represents net position of the City not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance maintained by the City at December 31, 2024 includes:

	General Fund
Prepaid items	\$ 1,443,437
Inventory	<u>100,048</u>
Total	<u>\$ 1,543,485</u>

- **Prepaid Items**—Represents the portion of fund balance composed of prepaid expenses that are applicable to future accounting periods.
- **Inventory**—Represents the portion of fund balance, \$100,048, composed of inventory and is nonspendable because inventory is not an available resource.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as grants, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation. Restricted fund balance maintained by the City at December 31, 2024 is as follows:

	Special Grant Fund
Economic development	\$ 91,973
Total restricted fund balance	<u>\$ 91,973</u>

- **Restricted for Economic Development**—Represents the residual fund balance in the Special Grant Fund that is required to be used for economic development by outside sources.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the City’s highest level of decision-making authority. As of December 31, 2024, the City reported no committed fund balance.

In the fund financial statements, assignments are amounts that are subject to a purpose constraint that represents an intended use established by the City’s Common Council, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balances maintained by the City at December 31, 2024 are presented below:

	General Fund
Subsequent year's expenditures	<u>\$ 825,000</u>
Total assigned fund balance	<u>\$ 825,000</u>

- ***Assigned to Subsequent Year’s Expenditures***—Represents funds to be used to assist in supporting the subsequent year’s authorized appropriations.

Unassigned fund balance represents the residual classification of the City’s General Fund surplus and the Capital Projects Fund deficit.

#### 14. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables of the City at December 31, 2024 consisted of the following:

Fund	Interfund	
	Receivables	Payables
Governmental funds:		
General Fund	\$ 826,771	\$ -
Special Grant Fund	-	66,417
Capital Projects Fund	-	<u>629,378</u>
Total governmental funds	<u>826,771</u>	<u>695,795</u>
Fiduciary funds:		
Custodial Fund	-	<u>130,976</u>
Total fiduciary funds	<u>-</u>	<u>130,976</u>
Total	<u>\$ 826,771</u>	<u>\$ 826,771</u>

Balances outstanding between funds are the result of transfers made to cover project costs in the Special Grant Fund. Other balances result from payments made on behalf of other funds or temporary advances. All of these interfund balances are expected to be collected/paid within the subsequent year.

The City made the following transfers during the year ended December 31, 2024:

	<u>Transfers in:</u>
	Capital
	<u>Projects Fund</u>
Transfers out:	
General Fund	<u>\$ 3,267,661</u>

Transfers are used primarily to fund debt service expenditures and capital projects spending.

## 15. LABOR CONTRACTS

City employees are represented by five bargaining units. Local 418 of the American Federation of State, County and Municipal Employees and Jamestown City Administrative Association have contracts settled through December 31, 2025. The Jamestown Professional Firefighters Association Local 1772, Kendall Club Police Benevolent Association and the Civil Service Employees Association Local 807-6305 have contracts settled through December 31, 2024.

## 16. COMMITMENTS

**Encumbrances**—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expended in the next year) are re-appropriated and become part of the subsequent year’s budget pursuant to state regulations. The City considers encumbrances significant if they are in excess of \$20,000. As of December 31, 2024, the City reported no significant encumbrances.

## 17. CONTINGENCIES

**Litigation**—The City is party to various legal proceedings which normally occur in governmental operations. The City believes that it is the ultimate liability, if any, in connection with these matters, will not have a material effect on the City’s financial condition or results of operations.

**Grants**—The City receives significant financial assistance from numerous federal and state agencies. The receipt of such funds generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed expenditures resulting from such audits could become a liability of the City. The amount of disallowance, if any, cannot be determined at this time, although the City expects any such amounts to be immaterial.

## **18. TAX ABATEMENTS**

The City is subject to tax abatements granted by the Chautauqua County Industrial Development Agency (the “IDA”). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the IDA and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the City, the abatements have resulted in reductions of property taxes, which the City administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by the IDA, the City collected \$204,442 during the 2024 fiscal year in payments in lieu of taxes (“PILOT”), these collections were made in lieu of \$259,691 in property taxes. In addition, the City has an agreement with the BPU to pay an annual PILOT on BPU owned property. For the year ended December 31, 2024, the City collected \$4,220,200 from the BPU.

## **19. SUBSEQUENT EVENTS**

On May 15, 2025, the governmental activities issued \$5,670,081 of bond anticipation notes with an interest rate of 4.25 percent for improvements to City facilities and parking garages.

On July 9, 2025, the governmental activities issued \$1,650,000 of bond anticipation notes with an interest rate of 4.00 percent for the acquisition and construction of a maintenance facility.

Management has evaluated subsequent events through December 22, 2025, which is the date the financial statements are available for issuance, and have determined, except as disclosed above, that there are no subsequent events that require disclosure under generally accepted accounting principles.

\* \* \* \* \*

## REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of the City's Proportionate Share of the**  
**Net Pension Liability—Police and Fire Retirement System**  
**Last Ten Fiscal Years**

	Year Ended December 31,									
	<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>	<u>2015</u>
Measurement date	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	89.7%	87.4%	98.7%	95.8%	84.9%	95.1%	96.9%	93.5%	90.2%	99.0%
<b><i>Governmental Activities:</i></b>										
City's proportion of the net pension liability	0.2796816%	0.2474291%	0.2726125%	0.2474291%	0.2569388%	0.2542150%	0.2532702%	0.2650806%	0.2712136%	0.2725067%
City's proportionate share of the net pension liability	<u>\$ 13,264,807</u>	<u>\$ 17,328,148</u>	<u>\$ 1,548,561</u>	<u>\$ 4,296,052</u>	<u>\$ 13,733,220</u>	<u>\$ 4,263,345</u>	<u>\$ 2,559,946</u>	<u>\$ 5,494,198</u>	<u>\$ 8,030,057</u>	<u>\$ 750,101</u>
City's covered payroll	\$ 10,952,911	\$ 10,425,723	\$ 11,343,557	\$ 9,181,054	\$ 8,832,964	\$ 9,048,026	\$ 8,894,657	\$ 9,261,033	\$ 9,132,062	\$ 8,515,335
City's proportionate share of the net pension liability as a percentage of its covered payroll	121.1%	166.2%	13.7%	46.8%	155.5%	47.1%	28.8%	59.3%	87.9%	8.8%

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of the City's Contributions—**  
**Police and Fire Retirement System**  
**Last Ten Fiscal Years**

	Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b><i>Governmental Activities:</i></b>										
Contractually required contribution	\$ 3,084,017	\$ 2,764,467	\$ 2,786,378	\$ 2,350,383	\$ 1,951,346	\$ 2,011,733	\$ 1,981,420	\$ 2,177,017	\$ 2,188,383	\$ 2,082,692
Contributions in relation to the contractually required contribution	<u>(3,084,017)</u>	<u>(2,764,467)</u>	<u>(2,786,378)</u>	<u>(2,350,383)</u>	<u>(1,951,346)</u>	<u>(2,011,733)</u>	<u>(1,981,420)</u>	<u>(2,177,017)</u>	<u>(2,188,383)</u>	<u>(2,082,692)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 12,106,990	\$ 11,862,777	\$ 11,318,878	\$ 9,229,301	\$ 8,879,382	\$ 8,883,919	\$ 9,009,684	\$ 8,986,251	\$ 9,228,790	\$ 8,977,880
Contributions as a percentage of covered payroll	25.5%	23.3%	24.6%	25.5%	22.1%	22.6%	22.0%	24.2%	23.7%	23.2%

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of the City's Proportionate Share of the**  
**Net Pension Liability—Employees' Retirement System**  
**Last Ten Fiscal Years\***

	Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	93.9%	90.8%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
<b>Governmental Activities:</b>										
City's proportion of the net pension liability/(asset)	0.0208273%	0.0244723%	0.0245058%	0.0217910%	0.0224205%	0.0230530%	0.0237774%	0.0242619%	0.0233003%	0.0231376%
City's proportionate share of the net pension liability/(asset)	\$ 3,400,892	\$ 5,247,798	\$ (2,003,254)	\$ 21,562	\$ 5,936,715	\$ 3,694,339	\$ 1,992,052	\$ 5,917,741	\$ 9,991,195	\$ 2,029,029
City's covered payroll	\$ 5,977,045	\$ 5,971,716	\$ 6,401,269	\$ 6,127,562	\$ 6,073,794	\$ 5,892,407	\$ 6,066,477	\$ 6,129,862	\$ 6,031,724	\$ 6,380,686
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	56.9%	87.9%	(31.3)%	0.4%	97.7%	62.7%	32.8%	96.5%	165.6%	31.8%
<b>Business-type Activities—BPU:</b>										
City's proportion of the net pension liability/(asset)	0.0355893%	0.0342488%	0.0353232%	0.0366621%	0.0357796%	0.0367890%	0.0379449%	0.0387181%	0.0371835%	0.0369240%
City's proportionate share of the net pension liability/(asset)	\$ 4,905,914	\$ 7,668,228	\$ (2,887,520)	\$ 36,601	\$ 9,139,622	\$ 2,476,007	\$ 1,174,045	\$ 3,415,006	\$ 5,661,600	\$ 1,149,796
City's covered payroll	\$ 10,944,069	\$ 10,949,398	\$ 10,675,039	\$ 10,297,752	\$ 9,684,366	\$ 9,486,101	\$ 9,651,136	\$ 9,443,838	\$ 9,258,282	\$ 8,563,255
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	44.8%	70.0%	(27.0)%	0.4%	94.4%	26.1%	12.2%	36.2%	61.2%	13.4%
<b>Business-type Activities—JURA:</b>										
City's proportion of the net pension liability/(asset)	0.0016571%	0.0015102%	0.0013454%	0.0009840%	0.0012665%	0.0013947%	0.0014956%	0.0015354%	0.0017655%	
City's proportionate share of the net pension liability/(asset)	\$ 243,996	\$ 323,850	\$ (109,980)	\$ 980	\$ 335,370	\$ 98,817	\$ 48,269	\$ 144,274	\$ 283,375	
City's covered payroll	\$ 730,577	\$ 620,772	\$ 545,001	\$ 463,788	\$ 425,930	\$ 545,650	\$ 514,397	\$ 528,254	\$ 533,095	
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	33.4%	52.2%	(20.2)%	0.2%	78.7%	18.1%	9.4%	27.3%	53.2%	

\*Information prior to the year ended December 31, 2016 for JURA is not available.

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of the City's Contributions—**  
**Employees' Retirement System**  
**Last Ten Fiscal Years**

	Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental Activities:</b>										
Contractually required contribution	\$ 1,150,997	\$ 897,800	\$ 587,006	\$ 868,731	\$ 806,784	\$ 931,100	\$ 948,720	\$ 995,233	\$ 1,020,681	\$ 1,132,337
Contributions in relation to the contractually required contribution	<u>(1,150,997)</u>	<u>(897,800)</u>	<u>(587,006)</u>	<u>(868,731)</u>	<u>(806,784)</u>	<u>(931,100)</u>	<u>(948,720)</u>	<u>(995,233)</u>	<u>(1,020,681)</u>	<u>(1,132,337)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 5,686,251	\$ 6,277,494	\$ 6,027,644	\$ 5,853,991	\$ 6,340,487	\$ 6,028,447	\$ 5,935,925	\$ 6,082,323	\$ 6,105,328	\$ 6,118,965
Contributions as a percentage of covered payroll	20.2%	14.3%	9.7%	14.8%	12.7%	15.4%	16.0%	16.4%	16.7%	18.5%
<b>Business-type Activities—BPU:</b>										
Contractually required contribution	\$ 1,252,486	\$ 1,151,034	\$ 1,452,873	\$ 1,561,084	\$ 1,327,489	\$ 1,288,734	\$ 1,347,223	\$ 1,337,902	\$ 1,329,651	\$ 1,331,269
Contributions in relation to the contractually required contribution	<u>(1,252,486)</u>	<u>(1,151,034)</u>	<u>(1,452,873)</u>	<u>(1,561,084)</u>	<u>(1,327,489)</u>	<u>(1,288,734)</u>	<u>(1,347,223)</u>	<u>(1,337,902)</u>	<u>(1,329,651)</u>	<u>(1,331,269)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,944,069	\$ 10,949,398	\$ 10,675,039	\$ 10,297,752	\$ 9,639,667	\$ 9,531,244	\$ 9,643,550	\$ 9,450,962	\$ 9,281,256	\$ 8,160,782
Contributions as a percentage of covered payroll	11.4%	10.5%	13.6%	15.2%	13.8%	13.5%	14.0%	14.2%	14.3%	16.3%
<b>Business-type Activities—JURA:</b>										
Contractually required contribution	\$ 79,950	\$ 58,732	\$ 58,431	\$ 67,382	\$ 62,928	\$ 65,286	\$ 69,804	\$ 70,621	\$ 67,382	\$ 62,730
Contributions in relation to the contractually required contribution	<u>(79,950)</u>	<u>(58,732)</u>	<u>(58,431)</u>	<u>(67,382)</u>	<u>(62,928)</u>	<u>(65,286)</u>	<u>(69,804)</u>	<u>(70,621)</u>	<u>(67,382)</u>	<u>(62,730)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 640,232	\$ 644,678	\$ 536,528	\$ 477,084	\$ 470,629	\$ 500,507	\$ 521,983	\$ 521,130	\$ 510,121	\$ 402,473
Contributions as a percentage of covered payroll	12.5%	9.1%	10.9%	14.1%	13.4%	13.0%	13.4%	13.6%	13.2%	15.6%

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of Changes in the City's Total OPEB Liability and Related Ratios**  
**Last Seven Fiscal Years\***

	Year Ended December 31,						
	2024	2023	2022	2021	2020	2019	2018
<b>Governmental Activities:</b>							
<b>Total OPEB Liability</b>							
Service cost	\$ 1,762,696	\$ 2,005,563	\$ 4,126,203	\$ 3,878,612	\$ 3,412,008	\$ 3,648,426	\$ 3,972,781
Interest	4,945,283	4,847,285	3,992,122	4,064,525	4,328,587	6,208,896	5,914,131
Changes of benefit terms	642,685	(59,614)	(2,165,345)	(3,925,246)	(2,137,837)	(2,454,138)	-
Differences between expected and actual experience	2,923,034	(2,295,224)	(11,521,673)	5,883,533	1,087,981	(44,563,422)	(1,779,701)
Changes of assumptions or other inputs	14,269,544	(4,056,331)	(60,754,745)	7,386,794	8,132,963	36,483,115	(10,736,699)
Benefit payments	<u>(3,784,993)</u>	<u>(3,679,052)</u>	<u>(3,899,619)</u>	<u>(4,040,962)</u>	<u>(3,795,472)</u>	<u>(3,909,157)</u>	<u>(3,714,069)</u>
Net change in total OPEB liability	20,758,249	(3,237,373)	(70,223,057)	13,247,256	11,028,230	(4,586,280)	(6,343,557)
Total OPEB liability—beginning	<u>108,601,677</u>	<u>111,839,050</u>	<u>182,062,107</u>	<u>168,814,851</u>	<u>157,786,621</u>	<u>162,372,901</u>	<u>168,716,458</u>
Total OPEB liability—ending	<u>\$ 129,359,926</u>	<u>\$ 108,601,677</u>	<u>\$ 111,839,050</u>	<u>\$ 182,062,107</u>	<u>\$ 168,814,851</u>	<u>\$ 157,786,621</u>	<u>\$ 162,372,901</u>
Covered payroll	\$ 15,007,137	\$ 14,508,633	\$ 14,013,941	\$ 14,906,758	\$ 14,906,758	\$ 12,445,638	\$ 12,445,638
City's net OPEB liability as a percentage of covered employee payroll	862.0%	748.5%	798.1%	1221.3%	1132.5%	1267.8%	1304.7%
<b>Business-type Activities—BPU:</b>							
<b>Total OPEB Liability</b>							
Service cost	\$ 114,689	\$ 123,368	\$ 153,802	\$ 167,242	\$ 224,471	\$ 133,247	\$ 126,518
Interest	212,946	203,103	111,636	132,003	229,527	265,820	233,153
Changes of benefit terms	-	-	(71,128)	(147,476)	(1,110,906)	(1,315,972)	-
Differences between expected and actual experience	(1,263,113)	162,374	426,234	(214,605)	(2,406,076)	(341,370)	644,150
Changes of assumptions or other inputs	240,491	(65,924)	(720,035)	56,904	677,578	566,249	(87,108)
Benefit payments	<u>(440,869)</u>	<u>(351,644)</u>	<u>(360,414)</u>	<u>(426,450)</u>	<u>(697,727)</u>	<u>(644,449)</u>	<u>(596,878)</u>
Net change in total OPEB liability	(1,135,856)	71,277	(459,905)	(432,382)	(3,083,133)	(1,336,475)	319,835
Total OPEB liability—beginning	<u>4,915,511</u>	<u>4,844,234</u>	<u>5,304,139</u>	<u>5,736,521</u>	<u>8,819,654</u>	<u>10,156,129</u>	<u>9,836,294</u>
Total OPEB liability—ending	<u>\$ 3,779,655</u>	<u>\$ 4,915,511</u>	<u>\$ 4,844,234</u>	<u>\$ 5,304,139</u>	<u>\$ 5,736,521</u>	<u>\$ 8,819,654</u>	<u>\$ 10,156,129</u>
Covered payroll	\$ 6,460,258	\$ 7,931,404	\$ 7,660,972	\$ 7,512,781	\$ 7,031,064	\$ 7,036,365	\$ 7,262,936
City's net OPEB liability as a percentage of covered employee payroll	58.5%	62.0%	63.2%	70.6%	81.6%	125.3%	139.8%
<b>Business-type Activities—JURA:</b>							
<b>Total OPEB Liability</b>							
Service cost	\$ 138,591	\$ 143,909	\$ 88,390	\$ 103,576	\$ 122,750	\$ 130,984	\$ 137,720
Interest	109,015	100,364	76,456	77,573	78,976	112,914	106,266
Changes of benefit terms	64,575	13,506	(32,785)	-	(39,668)	(112,090)	-
Differences between expected and actual experience	(197,812)	(21,703)	(362,716)	86,501	190,552	(678,014)	(93,896)
Changes of assumptions or other inputs	262,758	(68,955)	(953,705)	118,824	100,763	552,833	(156,873)
Benefit payments	<u>(93,336)</u>	<u>(81,285)</u>	<u>(98,969)</u>	<u>(87,250)</u>	<u>(74,682)</u>	<u>(74,508)</u>	<u>(70,877)</u>
Net change in total OPEB liability	283,791	85,836	(1,283,329)	299,224	378,691	(67,881)	(77,660)
Total OPEB liability—beginning	<u>2,304,213</u>	<u>2,218,377</u>	<u>3,501,706</u>	<u>3,202,482</u>	<u>2,823,791</u>	<u>2,891,672</u>	<u>2,969,332</u>
Total OPEB liability—ending	<u>\$ 2,588,004</u>	<u>\$ 2,304,213</u>	<u>\$ 2,218,377</u>	<u>\$ 3,501,706</u>	<u>\$ 3,202,482</u>	<u>\$ 2,823,791</u>	<u>\$ 2,891,672</u>
Covered payroll	\$ 640,887	\$ 691,163	\$ 667,597	\$ 431,231	\$ 431,231	\$ 313,443	\$ 313,443
City's net OPEB liability as a percentage of covered employee payroll	403.8%	333.4%	332.3%	812.0%	742.6%	900.9%	922.6%

\*Information prior to the year ended December 31, 2018 is not available.

The notes to the required supplementary information are an integral part of this schedule.

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balances—Budget and Actual—General Fund**  
**Year Ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Real property taxes	\$ 16,130,327	\$ 16,130,327	\$ 16,034,951	\$ (95,376)
Real property tax items	265,314	265,314	302,736	37,422
Board of Public Utilities - PILOT	4,106,597	4,106,597	4,220,200	113,603
Nonproperty tax items	9,450,193	9,450,193	8,893,175	(557,018)
Departmental income	1,228,652	1,228,652	1,029,348	(199,304)
Intergovernmental charges	302,899	302,899	308,894	5,995
Use of money and property	500,000	500,000	621,411	121,411
Licenses and permits	232,430	232,430	226,339	(6,091)
Fines and forfeitures	50,000	50,000	38,482	(11,518)
Miscellaneous	15,322	15,322	68,789	53,467
State aid	7,621,187	7,621,187	8,239,801	618,614
Federal aid	-	5,254,244	5,279,244	25,000
Total revenues	<u>39,902,921</u>	<u>45,157,165</u>	<u>45,264,370</u>	<u>107,205</u>
<b>EXPENDITURES</b>				
Current:				
General government support	4,727,487	5,252,447	4,644,942	607,505
Public safety	13,821,890	14,881,037	13,891,124	989,913
Transportation	4,142,894	4,491,871	4,616,871	(125,000)
Economic assistance and opportunity	-	1,656,407	1,656,407	-
Culture and recreation	1,773,642	2,334,988	2,560,446	(225,458)
Home and community services	890,500	1,107,878	853,199	254,679
Employee benefits	10,545,243	11,431,272	12,512,390	(1,081,118)
Debt service:				
Principal	1,544,238	1,544,238	1,638,440	(94,202)
Interest and fiscal charges	541,668	541,668	567,028	(25,360)
Total expenditures	<u>37,987,562</u>	<u>43,241,806</u>	<u>42,940,847</u>	<u>300,959</u>
Excess of revenues over expenditures	<u>1,915,359</u>	<u>1,915,359</u>	<u>2,323,523</u>	<u>408,164</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(2,504,430)</u>	<u>(2,504,430)</u>	<u>(3,267,661)</u>	<u>(763,231)</u>
Total other financing sources (uses)	<u>(2,504,430)</u>	<u>(2,504,430)</u>	<u>(3,267,661)</u>	<u>(763,231)</u>
Net change in fund balances*	(589,071)	(589,071)	(944,138)	(355,067)
Fund balances—beginning	8,309,578	8,309,578	8,309,578	-
Fund balances—ending	<u>\$ 7,720,507</u>	<u>\$ 7,720,507</u>	<u>\$ 7,365,440</u>	<u>\$ (355,067)</u>

\*The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

The notes to the required supplementary information are an integral part of this schedule.

**CITY OF JAMESTOWN, NEW YORK**  
**Notes to the Required Supplementary Information**  
**Year Ended December 31, 2024**

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**1. OPEB LIABILITY**

**Governmental Activities and Business-type Activities (JURA)**

*Changes in Assumptions*—In the December 31, 2024 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate changed from 4.64% effective December 31, 2023 to 3.88% effective December 31, 2024. The salary scale changed from 3.42% effective December 31, 2023 to 3.30% effective December 31, 2024. The mortality improvement remained the Scale MP-2021 mortality improvement scale on a generational basis. The annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2025\_1b (the Getzen model).

**Business-type Activities (Jamestown Board of Public Utilities)**

*Changes in Assumptions*—In the December 31, 2024 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate changed from 4.64% effective December 31, 2023 to 3.88% effective December 31, 2024. The salary scale changed from 3.42% effective December 31, 2023 to 3.30% effective December 31, 2024. The mortality improvement remained the Scale MP-2021 mortality improvement scale on a generational basis. The annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2025\_1b (the Getzen model).

**2. BUDGETARY INFORMATION**

*Budgetary Basis of Accounting*—An annual budget is adopted on a basis consistent with generally accepted accounting principles for the General Fund. The Special Grant Fund does not have an appropriated budget since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year. The Capital Projects Fund is appropriated on a project-length basis.

The appropriated budget is prepared by fund, function, and department. Budget transfers and amendments must be approved by the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances.

Actual results of operations presented in accordance with GAAP and the City's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements.

***Excess of Expenditures Over Appropriations***—For the year ended December 31, 2024, the City had actual expenditures in excess of the final budget amount within transportation, culture and recreation, employee benefits, principal, interest and fiscal charges, and transfers out of \$125,000, \$225,458, \$1,081,118, \$94,202, \$25,360, and \$763,231, respectively. These were the result of greater than anticipated personnel, contractual, health insurance, and debt service costs.

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### **INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and Members of the City Council  
City of Jamestown, New York:

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, each major fund, and the aggregate remaining fund information of the City of Jamestown, New York (the “City”) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated December 22, 2025 (which report includes an emphasis of matter paragraph for restatement from the implementation of GASB Statement No. 101 and the correction of error). Our report includes a reference to other auditors who audited the financial statements of the Jamestown Board of Public Utilities, as described in our report on the City’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. We have also audited the financial statements of the Jamestown Urban Renewal Agency (the “Agency”) and the Jamestown Local Development Corporation (the “Corporation”), which are shown as blended component units. This report does not include the results of our testing of internal control over financial reporting and compliance and other matters of the Agency and the Corporation which are reported on separately in our reports thereon dated March 20, 2025 and March 24, 2025, respectively.

#### ***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 purpose of expressing our opinions 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings as item 2024-001 to be a material weakness.

### ***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*.

### **The City's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.

*Dreucher & Malecki LLP*

December 22, 2025

**CITY OF JAMESTOWN, NEW YORK**  
**Schedule of Findings**  
**Year Ended December 31, 2024**

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**Section II. FINANCIAL STATEMENT FINDINGS**

*We consider the deficiency presented below to be material weakness in internal control.*

**Finding 2024-001—Journal Entry, Bank Reconciliation, and Cash Receipt Controls**

*Criteria*—Sound internal control practices require that bank reconciliations are prepared monthly and that reconciled balances agree to the general ledger. Additionally, journal entries and bank reconciliations should be reviewed by someone independent of general ledger processes. These reviews should be documented with dated signatures/initials of the individual who performed them. Further, the functions/duties of cash collection, general ledger access, and bank reconciliation should be separate.

*Condition and Context*—We noted that several of the City’s bank reconciliations reconciled cash amounts did not agree to the corresponding cash account balances within the general ledger. Additionally, we found that at different times throughout the fiscal year, one individual collected cash receipts, posted journal entries, and performed bank reconciliations, without a formal independent review.

*Cause*—The City lacks formal policies and procedures surrounding cash receipts, journal entries and bank reconciliations. As a result of staffing levels within the Comptroller’s Office, the City was unable to address segregation of duties issues identified during previous audits.

*Effect or Potential Effect*—Increased risk of misappropriation of assets and financial statement misstatement.

*Recommendation*—We recommend that the City formalize journal entry, bank reconciliation, and cash receipt policies that require the performance and documentation of formal reviews, as well as limit general ledger access to individuals outside of these functions.

*View of Responsible Officials and Corrective Action Plan*—The City of Jamestown acknowledges the need for additional support and will be addressing the additional support staff through intern opportunities and through the use of shared staff.