

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 23, 2024

RENEWAL & NEW MONEY

BOND ANTICIPATION NOTES

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and the Notes are qualified tax-exempt obligations as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, and (ii) interest on the Notes is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including The City of New York and the City of Yonkers. Interest on the Notes may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

The City will designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

**CITY OF JAMESTOWN
CHAUTAUQUA COUNTY, NEW YORK**

**\$4,520,000
BOND ANTICIPATION NOTES, SERIES 2024A
(the "Series A Notes")**

Date of Issue: May 16, 2024

Maturity Date: May 16, 2025

**\$1,740,081
BOND ANTICIPATION NOTES, SERIES 2024B
(the "Series B Notes")**

Date of Issue: May 24, 2024

Maturity Date: May 16, 2025

The Notes will constitute general obligations of the City of Jamestown, Chautauqua County, New York and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes. All the taxable real property within the City will be subject to the levy of ad valorem taxes, without limitation as to rate or amount, for the payment of principal of and interest on the Notes, subject to the applicable provisions of Chapter 97 of the Laws of 2011, as amended. See "Nature of the Obligations" and "Tax Levy Limitation Law" herein.

The Notes are not subject to redemption prior to maturity.

At the option of the purchaser, the Notes will be issued in (i) registered form registered in the name of the successful bidder or (ii) registered book-entry form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, Jersey City, New Jersey ("DTC").

If the Notes are issued registered in the name of the successful bidder, a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the City to the registered owner.

If the Notes are issued in book-entry-only form, such Notes will be delivered to DTC, which will act as securities depository for the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination in the Series B Notes. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on said Notes will be paid in federal funds by the City to DTC, as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The City will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "Book-Entry-Only System" herein.)

The Notes are offered when, as and if issued and received by the purchasers and subject to the receipt of the respective approving legal opinions, as to the validity of the Notes by Squire Patton Boggs (US), LLP, Bond Counsel, New York, New York. It is expected that the Series A Notes will be delivered on or about May 16, 2024 and Series B be delivered on or about May 24, 2024 in Jersey City, New Jersey or otherwise as may be agreed with the purchaser.

THE CITY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALES OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER, AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE CITY WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "DISCLOSURE UNDERTAKING" HEREIN.

Dated: April 23, 2024

CITY OF JAMESTOWN
CHAUTAUQUA COUNTY, NEW YORK

Kimberly Ecklund
Mayor

CITY COUNCIL

Anthony Dolce, Council President
Brent P. Sheldon
Regina L. Brackman
Joseph P. Paterniti
William R. Reynolds III
Andrew G. Faulkner
Russell Bonfiglio
Jeffery R. Russell
Randall E. Daversa

City Clerk/ Treasurer
Jennifer Williams

Comptroller and Chief Financial Officer
Ericka Thomas

BOND COUNSEL



Squire Patton Boggs (US) LLP
New York, New York

INDEPENDENT AUDITOR

Drescher & Malecki LLP
Certified Public Accountants
Buffalo, New York

MUNICIPAL ADVISOR



Capital Markets Advisors, LLC
Hudson Valley * Long Island * Southern Tier * Western New York
(716) 662-3910

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations, other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the City from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereon.

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OFFICIAL STATEMENT

CITY OF JAMESTOWN CHAUTAUQUA COUNTY, NEW YORK

relating to

\$4,520,000

BOND ANTICIPATION NOTES, SERIES 2024A

And

\$1,740,081

BOND ANTICIPATION NOTES, SERIES 2024B

This Official Statement, which includes the cover page and appendices attached hereto, presents certain information relating to the City of Jamestown, Chautauqua County, in the State of New York (the “City,” “County,” and “State,” respectively). It has been prepared by the City in connection with the sale and delivery of its \$4,520,000 Bond Anticipation Notes - Series 2024A (the “Series A Notes”) and \$1,740,081 Bond Anticipation Notes - Series 2024B (the “Series B Notes”, together with the Series A Notes, the “Notes”).

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State as well as the acts and proceedings of the City contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Notes and the proceedings of the City relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

THE NOTES

Description

The Notes will be dated and will mature, without the option of prior redemption, as stated on the cover page hereof.

The Notes may be issued as registered notes, and at the option of the purchaser, may be registered to the Depository Trust Company or may be registered in the name of the purchaser.

If the Notes will be issued through the Depository Trust Company (“DTC” or the “Securities Depository”), the Notes will be registered in the name of Cede & Co., as nominee of DTC in New York, New York, which will act as Securities Depository for the Notes. Individual purchases will be made in book-entry-only form, in the principal amount of \$5,000 or integral multiples thereof, except for one necessary odd denomination on the Series B Notes. Purchasers of the Notes will not receive certificates representing their ownership interest in the Notes. Payments of principal of and interest on the Notes will be made by the City to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Notes.

If the Notes are registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder. In such case, the Notes will be issued in registered form in denominations of \$5,000, or multiples thereof, except for one necessary denomination, as may be determined by such successful bidder.

The City contact information is as follows: Ericka Thomas, City Comptroller, 200 East Third Street, Jamestown, New York 14701, at (716) 483-7585, e-mail: thomas@jamestownny.gov.

Authorization for and Purpose of the Series A Notes

The Series A Notes are issued pursuant to the Constitution and Laws of the State, including among others, the City Law and the Local Finance Law, and various bond resolutions duly adopted by the City Council on the dates set forth below:

<u>Purpose</u>	<u>Authorization Date</u>	<u>Original Issue Date</u>	<u>Outstanding</u>	<u>Paidown</u>	<u>The Series I Notes</u>
Improvements to City Facilities	9/30/2019	5/19/21	\$225,441	\$5,441	\$220,000
Improvements to City parking garages	3/24/2021	5/19/21	1,532,559	37,559	1,495,000
Construction of a new fleet maintenance facility	9/30/2019	2/28/23	<u>2,850,000</u>	<u>45,000</u>	<u>2,805,000</u>
			<u>\$4,608,000</u>	<u>\$88,000</u>	<u>\$4,520,000</u>

Authority for and Purpose of the Series B Notes

The Series B Notes are issued pursuant to the Constitution and Laws of the State, including among others, the Town Law and the Local Finance Law, and the bond resolution to be duly adopted by the Council of the City on April 29, 2024, authorizing the issuance of not to exceed \$2,740,081 serial bonds, for the acquisition and construction of buildings, including a new central maintenance facility, and including the acquisition of any applicable equipment, machinery, apparatus, land or rights-in-land necessary therefor and any preliminary and incidental costs facilities and the sites thereof. The Series B Notes will provide additional financing in the amount of \$1,740,081 against the \$2,740,081 resolution.

Please note the estoppel period will not have expired by May 2, 2024, the sale date of the Notes, but the City expects that the estoppel period will expire by May 24, 2024, the date of closing.

Book-Entry-Only System

If the Notes are issued as book-entry notes, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for all of the Notes which bear the same rate of interest and CUSIP number and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial

Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the City, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company

THE INFORMATION CONTAINED IN THE ABOVE SECTION CONCERNING DTC AND DTC’S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SAMPLE OFFERING DOCUMENT LANGUAGE SUPPLIED BY DTC, BUT THE CITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE CITY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO: (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENTS BY DTC OR ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE NOTES OR (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO NOTEOWNERS.

THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES OR (3) OTHER NOTICES SENT

TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE CITY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

NATURE OF OBLIGATION

Each Note when duly issued and paid for will constitute a contract between the City and the holder thereof.

Holders of any series of notes or bonds of the City may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the City and will contain a pledge of the faith and credit of the City for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the City has power and statutory authorization to levy *ad valorem* taxes on all real property within the City subject to such taxation by the City, subject to the applicable provisions of Chapter 97 of the Laws of 2011, as amended.

Under the Constitution of the State, the City is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the City's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "Tax Levy Limit Law," herein.

Tax Levy Limit Law

On June 24, 2011, Chapter 97 of the Laws of 2011, as amended (the "Tax Levy Limit Law" or "TLLL") was enacted. The Tax Levy Limit Law imposes a tax levy limitation on the City for any fiscal year each commencing after January 1, 2012 without providing an express exclusion for real property taxes levied for payment of principal of and interest on general obligations issued by the City under the Local Finance Law. Accordingly, the power of the City to levy real property taxes on all taxable real property within the City without limitation as to rate or amount in furtherance of the pledge of its faith and credit as required in the New York Constitution is subject to statutory limitations pursuant to formulae set forth in the Tax Levy Limit Law.

The Tax Levy Limit Law restricts the increase in the amount of the succeeding year's tax levy to no more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. The TLLL also provides for certain adjustments for taxable real property full valuation increases or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. The 2% limit can be increased and overridden annually through a local law enacted by a 60% supermajority vote by the City Council subject to referenda requirements, if any, set forth in the Municipal Home Rule Law. Express exclusions from the 2% limit of TLLL include (i) funds needed to pay judgments in excess of 5% of the prior year's tax levy, and (ii) retirement systems growth in the average actuarial contribution rate in excess of 2%. The City is also permitted to carry forward a certain portion of its unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the Office of the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

Nonetheless, the TLLL does not provide an express exclusion from the tax levy limitation for payment of principal and interest on general obligations authorized and issued by the City under the Local Finance Law. A plain English reading of the TLLL compared with the applicable and corresponding provisions of Article VIII of the New York Constitution (Local Government Finance) could lead to the conclusion that the TLLL is contrary to and violative of certain provisions of Article VIII the New York Constitution.

In the opinion of bond counsel, under current law, the limitations imposed by TLLL on real property tax levies do not diminish the prior lien on the first revenues of the City set forth in the New York State Constitution and established by the aforesaid pledge of the City's faith and credit requiring the City to raise the necessary moneys and to exceed normal real estate tax limitations to pay the principal of and interest on the Notes. Bond counsel expresses no opinion on the validity of the Tax Levy Limit Law under the applicable provisions of Article VIII of the New York Constitution.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. The Notes when duly issued and paid for will constitute a contract between the City and the holder thereof. Under current law, provision is made for contract creditors of the City to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the City upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the City may not be enforced by levy and execution against property owned by the City.

Authority to File For Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as counties, cities, towns and villages, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt, including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the City be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Notes to receive interest and principal from the City could be adversely affected by the restructuring of the City's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the City (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the City under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number

of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

State Debt Moratorium Law. There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law, as described below, enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State

Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in the county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims against the municipality, including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which, upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims, including debt service due or overdue, must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals

stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature, the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution, which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities, and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB, including the City. The City’s Comprehensive Review can be found at <http://www.frb.ny.gov/recsDeterms/FRBrecommendedReview.html>. And further amended on June 19, 2017 and can be found at https://frb.ny.gov/recsDeterms/reports/CityofJamestown_Amendment_061917.pdf
School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision. There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: “If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first

revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness.” This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

Default Litigation. In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of noteholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State, require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “Nature of Obligation” and “State Debt Moratorium Law” herein.

No Past Due Debt. No principal of or interest on City indebtedness is past due. The City has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET FACTORS

There are certain potential risks associated with an investment in the Notes, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The City’s credit rating could be affected by circumstances beyond the City’s control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of City property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the City’s credit rating could adversely affect the market value of the Notes.

If and when an owner of any of the Notes should elect to sell all or a part of the Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Notes are sold prior to maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the City to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The City is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received (“State Aid”). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the impact to the State’s economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the City can be paid only if the State has such monies available therefore. Should the City fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the City is authorized pursuant to the Local Finance Law (“LFL”) to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the City will have market access for any such borrowing on a cost effective basis. (See also “State Aid” herein.)

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (see “Tax Matters” herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the City, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Notes. (See “The Tax Levy Limit Law” herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the City could impair the financial condition of such entities, including the City and the ability of such entities, including the City to pay debt service on their respective obligations.

COVID-19 PANDEMIC

While public health conditions have improved substantially following the initial outbreak of COVID-19 as a result of the widespread availability of vaccines, there can be no assurance against a resurgence of the disease and the imposition of associated public health restrictions in response. The spread or resurgence of disease could have a material adverse effect on the State and municipalities and school districts in the State, including the City. Any future impact of COVID-19 and its variants to the City’s operations and finances cannot be predicted at this time due to the dynamic nature of COVID-19, including uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The City will continue to monitor closely the current economic environment and the global COVID-19 pandemic situation, and take proactive measures as required to ensure the strong financial condition of the City.

The American Rescue Plan Act (“ARPA”) is a \$1.9 trillion COVID-19 relief package that includes \$350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional \$1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low- and moderate-income households, an increase in food stamp benefits, additional funding for childcare and an increase in child care tax credits.

The City received approximately \$28,079,145 in direct aid through the ARPA which was signed into law on March 11, 2021. According to the ARPA, the City must obligate the funds by December 31, 2024 and expend them by December 31, 2026. The City has expended \$14,326,697 of the total amount of funds received.

Although the ARPA provides for funds to be paid to the State, it is not possible to predict whether any future federal legislation will contain reduction in other federal aid to the State. Any reduction in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules.

CYBERSECURITY

The City, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the City faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the City invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage City digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law: (i) interest on the Notes is

excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and the Notes are qualified tax-exempt obligations as defined in Section 265(b)(3) of the Code; and (ii) interest on the Notes is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including The City of New York and the City of Yonkers. Bond Counsel expresses no opinion as to any other tax consequences regarding the Notes.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the City contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Notes are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the City’s representations and certifications or the continuing compliance with the City’s covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel’s legal judgment as to exclusion of interest on the Notes from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service (the “IRS”) or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the City may cause loss of such status and result in the interest on the Notes being included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes. The City has covenanted to take the actions required of it for the interest on the Notes to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Notes, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel’s attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Notes or the market value of the Notes.

Interest on the Notes may be subject: (1) to a federal branch profits tax imposed on certain foreign corporations doing business in the United States; (2) to a federal tax imposed on excess net passive income of certain S corporations; and (3) to the alternative minimum tax imposed under Section 55(b) of the Code on “applicable corporations” (within the meaning of Section 59(k) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Notes. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Notes, are generally subject to IRS Form 1099-INT information reporting requirements. If a Note owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel’s engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the owners of the Notes regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Notes, under current IRS procedures, the IRS will treat the Issuer as the taxpayer and the beneficial owners of the Notes will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Notes.

Prospective purchasers of the Notes upon their original issuance at prices other than the respective prices indicated on the inside cover of this Official Statement, and prospective purchasers of the Notes at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax that was in effect at that time, and eliminated the tax-exempt advance refunding of tax-exempt bonds and tax-advantaged bonds, among other things. Additionally, investors in the Notes should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Notes may be affected and the ability of holders to sell their Notes in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Notes (“Discount Notes”) may be offered and sold to the public at an original issue discount (“OID”). OID is the excess of the stated redemption price at maturity (the principal amount) over the “issue price” of a Discount Note. The issue price of a Discount Note is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Notes of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Note over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Note (i) is interest excluded from the owner’s gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Notes, and (ii) is added to the owner’s tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Note. A purchaser of a Discount Note in the initial public offering at the issue price (described above) for that Discount Note who holds that Discount Note to maturity will realize no gain or loss upon the retirement of that Discount Note.

Certain of the Notes (“Premium Notes”) may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Note, based on the yield to maturity of that Premium Note (or, in the case of a Premium Note callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Note), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Note. For purposes of determining the owner’s gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Note, the owner’s tax basis in the Premium Note is reduced by the amount of Note premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Note for an amount equal to or less than the amount paid by the owner for that Premium Note. A purchaser of a Premium Note in the initial public offering who holds that Premium Note to maturity (or, in the case of a callable Premium Note to its earlier call date that results in the lowest yield on that Premium Note) will realize no gain or loss upon the retirement of that Premium Note.

Owners of Discount and Premium Notes should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Notes, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

DISCLOSURE UNDERTAKING

This Official Statement is in a form “deemed final” by the City for the purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). At the time of the delivery of the Notes, the City will provide an executed copy of its “Undertaking to Provide Material Event Notices” (the “Undertaking”). Said Undertaking will constitute a written agreement or contract of the City for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, timely notice not in excess of ten (10) business days after the occurrence of any of the following events with respect to the Notes:

- (i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Bondholders, if material; (viii) Bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the City; (xiii) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a “financial obligation” of the City, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect security holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the City, if any, such event reflects financial difficulties.

Event (iii) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (iii) is not applicable, since no “debt service reserves” will be established for the Notes.

With respect to event (iv) the City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

With respect to events (xv) and (xvi), the term “financial obligation” means a (i) debt obligation (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The City may provide notice of the occurrence of certain other events, in addition to those listed above, if it determines that any such other event is material with respect to the Notes; but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The City's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the City, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the City to comply with the Undertaking will not constitute a default with respect to the Notes.

The City reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

Continuing Disclosure Compliance History

The City inadvertently failed to file certain Operating Data under the heading "The City – City Officials" for the fiscal years ended December 31, 2013, December 31, 2014, December 31, 2015, December 31, 2016 and December 31, 2017. A Material Events Notice was filed on March 1, 2019 regarding the failure to file.

DOCUMENTS ACCOMPANYING DELIVERY OF THE NOTES

Legal Matters

Legal matters incident to the authorization, issuance and sale of the Notes will be subject to the final approving opinions of Squire Patton Boggs (US) LLP, New York, New York, Bond Counsel to the City. Such opinion will be available at the time of delivery of and payment for the Notes and will be to the effect that the Notes are valid and legally binding general obligations of the City, for the payment of which the City has validly pledged its faith and credit, and all the real property within the City subject to taxation by the City, is subject to the levy by the City of ad valorem taxes, without limitation as to rate or amount, subject to the applicable provisions of Chapter 97 of the Laws of 2011, as amended, which imposes a statutory limit on the power of the City to increase its annual real property tax levy based on formulae set forth therein, including such taxes to pay principal of and interest on the Notes. However, in the opinion of Bond Counsel, under current law, the limitations imposed by Chapter 97 of the Laws of 2011 do not diminish the prior lien on the first revenues of the City set forth in the New York Constitution and established by the aforesaid pledge of the City's faith and credit requiring the City to raise the necessary moneys and to exceed normal real estate tax limitations to pay the principal of and interest on the Notes. Bond Counsel expresses no opinion on the validity of Chapter 97 of the Laws 2011 under the applicable provisions of Article VIII of the New York Constitution.

Said Opinions will also contain further statements to the effect that assuming continuing compliance with certain covenants and the accuracy of certain representations of the City contained in the record of proceedings relating to the authorization and issuance of the Notes, under existing law: (a) interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and the Notes are qualified tax-exempt obligations as defined in Section 265(b)(3) of the Code; (b) interest on the Notes is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including the City of New York and the City of Yonkers; (c) Interest on the Notes may be subject to certain federal taxes imposed only on certain corporations; and (d) the enforceability of the Notes is subject to bankruptcy and other laws affecting creditors' rights and the exercise of judicial discretion.

Closing Certificates

Upon delivery of and payment for the Notes, the purchaser of the Notes will also receive, without cost, in form satisfactory to Bond Counsel the following, dated as of the date of delivery of and payment for the Notes: (a) a certificate or certificates evidencing execution, delivery and receipt of payment for the Notes; (b) a certificate or certificates executed by the officer of the City who executed the Notes on behalf of the City stating that (1) no

litigation is then pending or, to the knowledge of such officer, threatened to restrain or enjoin the issuance or delivery of the Notes, (2) no authority or proceedings for the issuance of the Notes has or have been repealed, revoked or rescinded, and (3) the statements contained in this Official Statement, on the date hereof and on the date of delivery of and payment for the Notes, were and are true in all material respects and did not, and do not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; (c) the unqualified legal opinions as to the validity of the Notes of Squire Patton Boggs (US) LLP, New York, New York, Bond Counsel, as more fully described under “Legal Matters” herein; (d) Tax Compliance Certificate executed by the Comptroller of the City; and (e) continuing disclosure agreement executed by the Comptroller of the City for purposes of SEC Rule 15c2-12, as described under the caption “Disclosure Undertaking” herein.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Orchard Park, New York, (the “Municipal Advisor”) is an independent municipal advisor registered with the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent financial advisor to the City in connection with this transaction.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the County to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the County. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Notes.

RATING

The City has not applied to a rating agency for a rating on the Notes.

S&P Global (“S&P”) has assigned an underlying rating of “A-” to certain of the outstanding uninsured bonded debt of the City.

Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from S&P at the following address: Standard & Poor’s Ratings Service, 55 Water Street, New York, New York 10041. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of S&P circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

ADDITIONAL INFORMATION

Additional information may be obtained from Ericka Thomas, City Comptroller, 200 East Third Street, Jamestown, New York 14701, at (716) 483-7585, e-mail: thomas@jamestownny.gov, or from the City’s Municipal Advisor, Capital Markets Advisors, LLC, 4211 North Buffalo Rd., Suite 19, Orchard Park, New York 14127, (716) 662-3910.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the City and the original purchasers or holders of any of the Notes.

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at www.capmark.org. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Capital Markets Advisors, LLC has prepared such website information for convenience, but no decisions should be made in reliance upon that

information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the City nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the City disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Capital Markets Advisors, LLC and the City also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

This Official Statement is submitted only in connection with the sale of the Notes by the City and may not be reproduced or used in whole or in part for any other purpose.

Squire Patton Boggs (US) LLP expresses no opinion on the accuracy or completeness of any documents prepared by or on behalf of the City for the use in connection with the offer and sale of the Notes.

CITY OF JAMESTOWN

By: /s/ Ericka Thomas
Ericka Thomas
City Comptroller

DATED: April 23, 2024

APPENDIX A

THE CITY

General Information

The City, encompassing approximately 9.5 square miles, is situated in the southeastern portion of Chautauqua County, at the southwestern corner of the State. The City is located at the southern tip of Lake Chautauqua where it merges with the Chadakoin River. The City lies near the Pennsylvania border approximately 71 miles southwest of Buffalo, New York, and 150 miles northeast of Cleveland, Ohio. The City has become the business and financial center for southwestern New York and a portion of northwestern Pennsylvania. The City's economy is in the process of transformation from a lumber and wood products center into one of more diversified industries.

History of the City

The area that is now the City was first settled by James Prendergast in 1811. Prendergast built and operated the region's first dam and sawmill, located where Chautauqua Lake flows into the Chadakoin River. In 1815, the hamlet was named Jamestown in honor of its first settler. In 1827, Jamestown was officially incorporated as a village.

Within a decade of its incorporation as a village, the production of various lumber and wood products had grown substantially. By the mid 1820's Jamestown had become one of the largest pearl ash centers, a major component in glass manufacturing, in North America. As a result of the large amount of pearl ash production, Jamestown became known as "The Pearl City". In 1886, with a population of approximately 15,000, Jamestown received its charter as a city from the State.

Economic and Urban Development

The Jamestown Department of Development (the "Department") was established as a City Department in 1970 to oversee the development of the City's industrial, commercial, and residential sectors. Today, the Department provides a wide variety of services including housing code enforcement (between 1,000 and 1,200 inspections and court appearances annually), housing rehabilitation and development, public infrastructure improvements, industrial and commercial site preparation, downtown development, land banking activities, community and economic development, planning activities, economic development loans and grant administration, fair housing activities, energy conservation/development of alternative energy sources, and historic preservation. Almost all of the funding for the Department's activities is provided by the City, the U.S. Department of Housing and Urban Development ("HUD"), and the New York State Division of Housing and Community Renewal ("DHCR"). The Department does not have the authority to issue debt.

In 2018, the City granted \$1,158,549 in Community Development Block Grant (CDBG) funds and \$326,751 in HOME funds for various economic development and housing programs. These funds are administered for the City by the Department through the Jamestown Urban Renewal Agency ("JURA"). The JURA does not have the authority to issue debt.

In the City's housing sector alone, Department accomplishments include the rehabilitation of over 6,000 dwelling units, bringing such units into housing code compliance. The Department offers an owner-occupied rehabilitation program, rehabilitation programs targeted to specific distressed neighborhoods, and a rental rehabilitation program which provides 50% rebate assistance to owners of substandard rental properties occupied by low-income tenants.

The Jamestown Local Development Corporation ("JLDC"), a non-profit corporation established by the City, also plays an important role in the economic growth of the City. The JLDC functions within the Department by providing low interest loans to businesses as an incentive to developing construction projects within the City. Since its inception, the JLDC has made and administered over 258 loans, totaling more than \$16.4 million, which has leveraged in excess of \$109 million in private investment. The JLDC currently has \$2.9 million in total assets with \$1.5 million in loans receivable. The JLDC has the authority to issue bonds. The JLDC does not have any outstanding bonds.

Recreational Facilities

The Jamestown area offers substantial recreational facilities year round. The 125-year-old Chautauqua Institution (the "Institution"), located on the shores of Chautauqua Lake with 250 acres, is the main summer time resort area. The Institution offers golf, tennis, swimming at three public beaches, sailing, boating, fishing and other recreational activities. Accommodations include Victorian cottages, apartments, inns, hotels and campgrounds. In the winter, the numerous resorts in the immediate Jamestown vicinity bring tourists to the area because of their skiing, skating, snowmobiling, and tobogganing. Within the City are 20 parks encompassing 540 acres, which have picnic groves, pavilions, playgrounds, athletic areas, and boat launching facilities.

The City is also the home of the Jamestown Tarp Skunks, a collegiate baseball prospect league. The Jamestown Tarp Skunks play their home games at Dietrick Park, a 4,500-seat, municipally-owned facility.

Cultural Facilities and Activities

In addition to its summertime recreational facilities, the Institution has an annual nine week summer program. This program offers a wide assortment of cultural and educational activities. Cultural activities include nightly concerts, symphonies, plays and operas which are presented in Norton Hall and an outdoor amphitheater. Educational activities are centered around the Institution's summer school. The school offers daily cultural courses in such areas as art, dance, music and theater, while offering general courses in such areas as foreign languages, finance, economics, social studies, writing and literature.

The Arts Council for Chautauqua County, Inc. also sponsors various cultural activities in the City and surrounding areas. The Jamestown Little Theater, a volunteer community theater, performs professionally directed plays throughout the year and has the largest membership of any community theater in the eastern United States. The Reg Lenna Civic Center, a renovated 1,300 seat downtown vaudeville theater located in the City, hosts various professional entertainment performances in addition to hosting conferences and lectures. Art galleries at the Jamestown Community College (see below) and the Prendergast Library along with the Fenton Historical Museum are all within the City boundaries.

Educational Facilities

The City School District of the City of Jamestown ("Jamestown City School District"), a city school district and an independent political subdivision of the State, operates elementary schools, junior high schools, and a high school for the residents of the City. Enrollment in the public school system is approximately 5,100 students. The Jamestown Community College, a two-year institution affiliated with the State University of New York, is located within the City and has an enrollment of approximately 3,900 students. The Jamestown Business College, with approximately 320 full time students, offers courses for degrees in accounting, business administration, marketing, office management and other business related fields.

Transportation

The Chautauqua County Airport, located approximately 3 miles from the City, while corporate air traffic is estimated at 2,000 flights per year. Western New York & Pennsylvania Railroad, LLC offers freight service from the City to all major cities in the United States. The major highways passing through the City are the Interstate 86, U.S. Route 62, and State Routes 60, 394 and 474. The Chautauqua Area Regional Transit System ("CARTS"), operated by the County, offers bus service throughout the County. Bus service to and from the City to major cities is provided by Couch USA and two carriers, Niagara Scenic and Blue Bird Coach Lines, operate regional charter services.

Essential Services

Police protection in the City is provided by the Jamestown Police Department with 62 sworn officers. Fire protection is provided by the City's own full-time fire department which has 55 firemen and operates four stations.

Electric, sewer, water, solid waste disposal and, in certain areas, building heat and domestic hot water, is provided to City residents by the City's Board of Public Utilities (see also "THE JAMESTOWN BOARD OF PUBLIC UTILITIES"). The National Fuel Gas Corporation supplies natural gas to City residents.

Form of Government

Subject to the State Constitution, the City operates pursuant to the City Charter and in accordance with other laws governing the City, including the General City Law, the General Municipal Law, and the Local Finance Law, generally to the extent that such laws are applicable to a city operating under a charter form of government. The City Charter in its present form was adopted in 1923.

The Mayor, as chief executive officer, oversees the administrative functions and the City Council performs all legislative functions of the City. The Mayor is elected by general election for a four-year term and is eligible to succeed himself. The Mayor appoints, upon City Council confirmation, the non-elected heads of City departments. The Mayor also has veto power over any resolution or ordinance passed by the City Council. Any such vetoes can be overridden by two-thirds vote of the City Council.

The City Council is the legislative and policy-making body of the City, consisting of six Members elected within wards and three Councilmen elected at-large. The City Council elects its own President, who is the presiding officer. City Council Members are elected for two-year terms with the elections being held in odd numbered years. The City Council meets twice a month to consider all matters brought to its attention by individual Members, the Mayor, and by the public. It also meets in special sessions or conferences twice a month to deliberate any matters affecting operational and developmental policies of the City.

The Jamestown Board of Public Utilities (“BPU”) is a municipal utility corporation formed pursuant to the City Charter and operated separately from other City functions. It is comprised of five individual operating divisions: Electric, Water, District Heat, Sanitary Sewer and Solid Waste. The BPU is governed by a nine member board which includes the Mayor, the City’s Public Works Director, two City Council members, and five citizens of the City. The two City Council members are appointed by the City Council, while the citizen representatives are appointed by the Mayor and confirmed by the City Council. (See “Jamestown Board of Public Utilities’ Electric System”)

Fiscal Oversight

The Comptroller acts as the chief fiscal officer of the City by authority granted under various sections of the City Charter. The Mayor prepares and submits the annual budget to the City Council. In addition the Mayor must approve any resolution adopted by the City Council affecting the budget and authorizing spending by City departments.

The City Comptroller is responsible for maintaining all required accounting records of the City and for reporting annually to the State Department of Audit and Control. The City Clerk/Treasurer is responsible for the collecting of all City receipts. The City Assessor prepares the City assessment roll and City tax bills. The City Clerk/Treasurer, City Comptroller, and the City’s Corporation Counsel are appointed by the Mayor with City Council confirmation.

Employees

TABLE 1
Employee Contracts

The City provides services through approximately 315 full-time persons. The following table sets forth a breakdown of employee representation by collective bargaining agents and the dates of expiration of their respective collective bargaining agreements:

<u>Number of Employees</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
79	International Brotherhood of Electrical Workers Local 459	12/31/2023*
55	American Federation of State, County & Municipal Employees	12/31/2025
62	Police – PBA Kendall Club	12/31/2024
53	Jamestown Professional Firefighters Association	12/31/2025
14	Civil Service Employees Association	12/31/2024
23	Jamestown City Administrative Assoc.	12/31/2025
12	International Brotherhood of Electrical Workers Local 106	12/31/2024
17	Teamsters Local 264	12/31/2025

Currently, approximately 50 employees are not represented by any collective bargaining agent.

*Currently under negotiations.

Status and Financing of Employee Pension Benefits

All employees of the City eligible for pension or retirement benefits under the Retirement and Social Security Law of the State of New York ("Retirement System Law") are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"). The ERS is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and prior to January 1, 2010 with less than 10 years in the system must contribute 3% of gross annual salary toward the cost of retirement programs. The PFRS is non-contributory for all police and fire fighters hired prior to January 1, 2010.

Chapter 49 of the laws of 2003 changed the cycle of employer pension contributions billing to match the budget cycles of cities within the State, which allowed the City to more accurately reflect the amount needed to fund such contributions in the City’s annual budget. Chapter 49 of the laws of 2003 also requires the City to make a minimum pension contribution of 4.5% of payroll every year, including years in which the investment performance of the fund would make a lower contribution possible. On July 30, 2004, then Governor Pataki signed into Law Chapter 260 of the Laws of 2004 amending the General Municipal Law, Local Finance Law and the Retirement and Social Security Law. Among other things, Chapter 260 changed the pension payment date for all local governments from December 15 to February 1 and permitted the legislative body of a municipality or school district to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future.

On December 10, 2009, then Governor Paterson signed into law a new Tier 5. The law is effective for new ERS and PFRS employees hired on or after January 1, 2010 and prior to April 1, 2012. ERS and PFRS employees in Tier 5 are required to contribute 3% of their salaries for their entire career.

The Employer Contribution Stabilization Program was signed into law on August 11, 2010 as Chapter 57 of the Laws of 2010. This statute gave local governments, including the City, the option to amortize a portion of their annual pension costs. Amortized amounts would be paid in equal annual installments over a ten-year period, and employers may prepay these amounts at any time. Interest will be charged at a rate, which approximates a market rate of return on taxable fixed rate securities of a comparable duration, as determined by the State Comptroller. Employers choosing to participate in this program are allowed to pay a lower amount based on a “graded” rate and amortize a portion of their bill. Each year, the graded rate will increase or decrease up to 1 percent annually based on the change in the System’s average rate. Under this program, employers would pay less than the normal contribution rate as rates increase; conversely should the normal contribution rate decrease, employers could be required to pay more than the normal contribution rate. In this case, any excess payments above the normal contribution rate will first be used to pay off existing amortizations. If all amortizations have been paid, any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

On March 15, 2012, Governor Andrew Cuomo signed into law a new Tier 6. The law is effective for new ERS and PFRS employees hired on or after April 1, 2012. Among other provisions, the new tier increases employee contribution rates in a progressive fashion from 3% to 6% (depending on the level of salary); increases the retirement age from 62 to 63; changes the vesting period to 10 years of service; includes an optional defined contribution plan for new non-union employees with salaries \$75,000 and above, and limits pension benefits for employees earning more than the Governor’s salary.

Beginning July 1, 2013, a voluntary defined contribution plan option was made available to all unrepresented employees of New York State public employers hired on or after that date, and who earn \$75,000 or more on an annual basis.

In Spring 2013, the State and ERS approved a Stable Contribution Option (“SCO”), which modified its existing SCO adopted in 2010, that gives municipalities the ability to better manage the spikes in Actuarially Required Contribution rates (“ARCs”). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount. For ERS, the 2017-18 SCO rate is 14.9%.

As of April 9, 2022, Tier C members only need five years of service credit to be vested. This affects members of both ERS and PFRS. Previously, Tier V and VI members needed 10 years of service to be eligible for a service retirement benefit.

According to OSC, the estimated average employer contribution rate for ERS will be lowered from 16.2% to 11.6% of payroll. The estimated average employer contribution rate for PFRS will be reduced from 28.3% to 27% of payroll.

The following table presents the amount of payments by the City to the New York Retirement Systems for the past five years, and the budgeted amounts for the 2023 and 2024 fiscal years:

<u>December 31:</u>	<u>BPU ERS</u>	<u>City ERS*</u>	<u>PFRS</u>
2018	\$1,347,223	\$948,720	\$1,981,420
2019	1,288,734	931,100	2,011,733
2020	1,327,489	806,784	1,951,346
2021	1,561,084	868,731	2,350,383
2022	1,452,873	876,922	2,786,378
2023 <i>(Budgeted)</i>	1,560,389	890,000	2,939,000
2024 <i>(Budgeted)</i>	1,667,375	923,493	2,721,262

*Excludes BPU

Other Post-Employment Benefits

In June 2015, GASB released GASB Statement No. 75 (“GASB 75”), which was required to be implemented in the City’s 2018 fiscal year. GASB 75 replaces the requirements of GASB 45 and establishes new standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. Under GASB 75, governments must report a liability on the face of the financial statements for the post-employment benefits (“OPEB”) that they provide; such liability can no longer be a footnote as was allowed under GASB 45.

During the fiscal year ended December 31, 2022, the City implemented GASB statement No. 75.

	<u>2022</u>
Balances at 12/31/2021, as restated:	\$182,062,107
Changes for the year:	
Service Cost	4,126,203
Interest	3,992,122
Changes in benefit terms	(2,165,345)
Difference between expected and actual experience	(11,521,673)
Changes of assumptions	(60,754,745)
Benefit payments	<u>(3,899,619)</u>
Net Changes	<u>(70,223,057)</u>
Balances at 12/31/2022	<u>\$111,839,050</u>

FINANCIAL FACTORS

Budgetary Procedure

In accordance with the City Charter, the Mayor compiles and submits a proposed budget to the City Council each year.

By September, budget estimates for each department are compiled by the respective department heads and submitted to the Comptroller, who prepares the preliminary budget. The preliminary budget is finalized by the Mayor and submitted to the City Council for their approval.

Upon completion of the City Council review, the budget as adopted by City Council becomes the formal approved budget for the following year unless vetoed by the Mayor. The City Council can override the Mayor's veto by a two-thirds vote. If the Mayor's veto is not overridden, the budget as submitted becomes the official budget.

Independent Audit

The City retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the City. The financial affairs of the City are also subject to annual audits by the State Comptroller. Certain financial information of the City is set forth in Appendix B to the Official Statement.

The City complies with the Uniform System of Accounts as prescribed for cities in New York State by the State Comptroller. This System differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Revenues

The City derives a major portion of its general fund revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balance" in Appendix B, herein). Real property taxes accounted for 35.8% of total general fund revenues for the fiscal year ended December 31, 2022, while non-property taxes accounted for 19.2% and State aid accounted for 21.1%.

Real Property Tax. The following table sets forth total general fund revenues and real property tax revenues during the last five audited fiscal years and the budgeted amounts for the previous and current fiscal years.

TABLE 2
Property Taxes
(General Fund)

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Real Property Taxes</u>	<u>Real Property Taxes to Revenues</u>
2018	\$36,486,552	\$16,011,981	43.9%
2019	36,957,261	16,009,693	43.3%
2020	35,915,019	15,984,322	43.3%
2021	37,358,240	16,028,164	42.9%
2022	45,017,140	16,123,271	35.8%
2023 <i>Budget</i>	38,471,511	16,172,483	42.0%
2024 <i>Budget</i>	39,902,921	16,130,327	40.4%

Source: Audited Financial Statements and City Officials

Non-Property Taxes. Section 1210 of the New York Tax law authorizes the County to levy a sales and compensatory use tax of up to 4% in addition to the 4% tax levied by the State. Such sales tax collections in New York are administered by the State Tax Commissioner and the proceeds are paid to the County quarterly. The City also collects franchise taxes which are deposited to the fund.

The following table sets forth general fund non-property tax revenues received during the last five audited fiscal years and the budgeted amounts for the previous and current fiscal years.

TABLE 3
Non-Property Taxes
(General Fund)

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Non-Property Taxes</u>	<u>Non-Property Taxes to Revenues</u>
2018	\$36,486,552	\$7,118,988	19.5%
2019	36,957,261	7,324,403	19.8%
2020	35,915,019	7,380,352	19.8%
2021	37,358,240	8,520,743	22.8%
2022	45,017,140	8,656,871	19.2%
2023 <i>Budget</i>	38,471,511	9,050,020	23.5%
2024 <i>Budget</i>	39,902,921	9,386,281	23.5%

Source: Audited Financial Statements and City Officials

State Aid

The City receives financial assistance from the State. In its General Fund for the 2022 fiscal year, approximately 21.1% of the operating revenues of the City were received in the form of State aid. If in any year the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the City, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the City. No assurance can be given that present State aid levels will be maintained in the future. Due to the outbreak of COVID-19, the State initially declared a state of emergency which has since been terminated and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to continue to negatively impact the State’s economy and financial condition. While the use of federal stimulus funds has allowed the State to avoid gap-closing measurements, the State may experience budgetary restrictions which will require certain gap-closing actions in the future. Such actions may include, but are not limited to: reductions in State agency operations and/or the delay, elimination or substantial reduction in payments to municipalities, school districts or other recipients of State aid in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also “Risk Factors” herein.). (See also “Market Factors Affecting Financings of the State and Municipalities of the State” herein.)

Should the City fail to receive State aid from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the City is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

In addition, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State Aid to municipalities and school districts in the State, including the City, in any year, the City may be affected by a delay in the receipt of State Aid until sufficient State taxes have been received by the State to make State Aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the City, may be affected by a delay in the payment of State Aid.

TABLE 4
State Aid
(General Fund)

Fiscal Year	Total Revenues	State Aid	State Aid to Revenues
2018	\$36,486,553	\$7,592,823	20.8%
2019	36,957,261	7,736,995	20.9%
2020	35,915,019	7,158,989	20.9%
2021	37,358,240	7,268,024	19.5%
2022	45,017,140	9,520,969	21.1%
2023 Budget	38,471,511	7,351,599	19.1%
2024 Budget	39,902,921	7,621,187	19.1%

Source: Audited Financial Statements and City Officials

The State Comptroller’s Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State’s school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller (“OSC”) has developed a Fiscal Stress Monitoring System (“FSMS”) to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “significant fiscal stress”, in “moderate fiscal stress,” as “susceptible to fiscal stress” or “no designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “no designation.” This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The most current applicable report of the State Comptroller designates the City as “Not Filed.”
(See <https://www.osc.ny.gov/files/local-government/fiscal-monitoring/2022/pdf/2022-munis-summary.pdf>.)

New York State Comptroller’s Audit

The financial affairs of the City are subject to periodic compliance reviews by OSC to ascertain whether the City has complied with the requirements of various State and federal statutes.

The most recent audit conducted by OSC was released on May 7, 2021. The purpose of the audit was to assess the City’s adopted budget for the 2021 fiscal year. The audit found that City officials adequately assessed the impact of the pandemic on financial operations while developing estimates for significant revenues and expenditures in the 2021 adopted budget. OSC recommended that the City officials should carefully monitor their budgeted to actual revenues and expenditures and make amendments to the budget as needed throughout the year.

The link to the most recent OSC report is as follows:
<https://www.osc.state.ny.us/files/local-government/audits/2021/pdf/jamestown-city-s9-21-6.pdf>

TAX INFORMATION

Valuations and Tax Data

TABLE 5
Assessed and Full Valuations

Year Ending Dec. 31:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessed Valuation	\$674,839,617	\$676,704,577	\$682,229,525	\$682,747,410	\$690,860,876
State Equalization Rate	98.60%	96.20%	93.20%	88.00%	73.00%
Full Valuation	\$684,421,518	\$703,435,111	\$ 732,005,928	\$775,859,557	\$946,384,762
Year Ending Dec. 31:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
	\$23.83	\$23.69	\$23.69	\$23.69	\$23.69
Year Ending December 31:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Net Tax Levy ¹	\$21,578,146	21,747,527	22,174,656	21,982,539	22,159,258
Uncollected	0	0	0	0	0
% Collected at End of Year Period ²	100.00%	100.00%	100.00%	100.00%	100.00%

Note: ¹Does not include Jamestown City School District taxes, but does include County taxes.

²See "Tax Collection Procedure".

Property Tax Collection Procedure

The real property taxes of the City are levied in January and are collected by the City Clerk/Treasurer. Such taxes are due and payable within the month thereafter. If payment is not received by January 31, a penalty is added at a rate of 1% per month on the total amount due, including previous fees, and in each case the taxpayer has a full thirty days to pay. The City is also responsible for the collection of County and Jamestown City School District taxes levied for property within the City and the County real property tax levy on property located in the City is included in the City levy. School district real property taxes are due in early September and may be paid without penalty during the thirty-day period following their due date. Penalties for delinquent payment of such taxes also accrue at the rate of 1% per month. In accordance with Section 1332 of the Real Property Tax Law of the State, the City is required to purchase delinquent school taxes that are more than two years old.

In October, 2010, the City entered into a real property tax collection and enforcement agreement with the County. As such, all unpaid City/County and Jamestown City School District taxes are returned to the County on or about April 1 each year for collection and enforcement. On April 1 of each year, the City shall pay to the County all monies collected by the City on behalf of the County, for that year's tax levy, provided, however, that the City retain the portion of the monies collected by the City on behalf of the County, to make up any deficiency in the City's collection of City taxes, up to 100% of the City's tax levy, thereby assuring the City 100% of its tax collections. In September 2019, the Jamestown City School District began collection of their own school taxes. The City no longer collects school taxes.

Largest Taxpayers

The following table sets forth the City's ten largest taxpayers:

TABLE 7
Ten Largest Taxpayers

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	<u>Assessed Value</u>	<u>% Valuation</u>
National Fuel Gas	Utility	\$13,644,932	1.98%
Windstream	Utility	8,146,707	1.18%
REHC 5 LLC	Prof Bldg. JAMA	6,684,500	0.97%
Shults Real Estate	Car Dealership	6,344,700	0.92%
JADD MGMT	Tops	5,200,100	0.75%
201 W 3rd St	BWB Building	4,912,000	0.71%
Sandalwood	Hotel	3,796,300	0.55%
Bradmar Housing	Low Income Housing	3,110,000	0.45%
IDA (WNY Urology)	Medical	3,033,700	0.44%
Southside Station	Plaza	<u>2,581,000</u>	<u>0.37%</u>
		<u>\$57,453,939</u>	<u>8.32%</u>

The ten largest taxpayers listed above represent 8.32% of the City's current assessed valuation of \$690,860,876.

Source: City Officials

Constitutional Tax Margin

Computation of Constitutional Tax Margin for the City's last five fiscal years:

TABLE 8
Constitutional Tax Margin

Fiscal Year Ending Dec. 31:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023*</u>
Five-Year Average Full Valuation	\$671,197,633	\$678,818,993	\$678,835,704	\$691,919,492	\$768,420,745
Tax Limit – 2% of Five Year Average	13,423,953	13,576,380	13,576,714	13,838,390	15,368,415
Add: Exclusions from Tax Limit	<u>2,670,971</u>	<u>2,670,971</u>	<u>2,576,070</u>	<u>2,920,166</u>	<u>3,843,054</u>
Total Taxing Power	16,094,924	16,094,924	16,152,784	16,758,556	19,211,469
Less Total Levy	<u>15,984,924</u>	<u>15,984,924</u>	<u>16,030,077</u>	<u>16,127,128</u>	<u>16,130,127</u>
Tax Margin	<u>\$110,000</u>	<u>\$110,000</u>	<u>\$122,707</u>	<u>\$631,428</u>	<u>\$3,081,342</u>

*As of March 19, 2024.

Sales and Compensating Use Taxes

Section 1210 of the State Tax Law (the "Tax Law") authorizes counties to levy sales and compensating use taxes of up to 5.5% in addition to the 4% sales tax levied by the State. Sales and compensating use taxes are collected by the State and distributed on a monthly basis.

The Tax Law also permits cities to impose a 1-1/2% sales and compensating use tax within their own jurisdictions preemptively. In such event, counties may levy a 3% sales and compensating use tax in the areas outside such cities and a 1-1/2% tax in the cities that exercise this preemptive right. However, in those jurisdictions where the 3% county tax applies, one-half thereof must be distributed to the towns, villages and cities. The City has waived this preemptive right.

The County receives 50% of all sales and compensating use tax revenues, and the remaining 50% is distributed to municipalities within the County, including the City. The County sales tax rate is 8.0%.

For each of the last five fiscal years, and the current budgeted year, the sales tax collections recorded by the City are as follows:

<u>Year</u>	<u>Amount Collected</u>
2018	\$6,434,336
2019	6,715,249
2020	6,810,482
2021	7,958,124
2022	8,137,420
2023	8,522,825
2024 (<i>Budgeted</i>)	8,957,572

CITY INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the City (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the City and the Notes include the following:

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; no installment may be more than fifty per centum in excess of the smallest prior installment, unless a determination is made to issue indebtedness with substantially level or declining annual debt service (defined to include principal, redemption price, sinking fund installments or contributions, and interest), in which case, debt service for any year shall not exceed the lowest amount of annual debt service in any prior year by more than the greater of five percent or ten thousand dollars. The City is required to provide an annual appropriation for the payment of interest due

during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its bonds.

Debt Limit. The City has the power to contract indebtedness for any City purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real estate of the City and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is calculated by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Board of Equalization and Assessment. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 8 of Article 2 of the Local Finance Law, the debt limit of the City is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

There is no constitutional limitation on the amount of real property taxes which may be levied in any fiscal year to pay the principal of and interest on the Notes. Further, the New York Constitution prohibits the State Legislature from restricting the power of the City to levy real estate taxes for the payment of principal of and interest on indebtedness authorized and issued under the Local Finance Law. However, Chapter 97 of the Laws of 2011, as amended imposes a statutory limit on the City's power to increase its annual real property tax levy, including such taxes to pay the principal of and interest on the Notes. See "Legal Matters" and "Tax Levy Limit Law," herein.

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the City to borrow and incur indebtedness by the enactment of the Local Finance Law subject, of course, to the provisions set forth above. The power to spend money, however, generally derives from another law, including specifically the City Charter and the General Municipal Law.

Pursuant to the Local Finance Law and its Charter, the City authorizes the issuance of Notes by the adoption of a bond resolution approved by at least two-thirds of the members of the City Council, the finance board of the City. Customarily, the City Council has delegated to the Comptroller as chief fiscal officer of the City, the power to authorize and sell bonds.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the City is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations

and an action contesting such validity, is commenced within twenty days after the date of such publication, or

- (3) Such obligations are authorized in violation of the provisions of the Constitution.

It is the policy of the City to comply with this estoppel procedure. It is a procedure that is recommended by Bond Counsel to the City, but is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installment of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein.) In general, the Local Finance Law contains provisions providing the City with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget and capital notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

**TABLE 9
Outstanding Debt**

As of December 31:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Bonds	\$15,215,000	\$13,550,000	\$19,309,000	\$17,410,000	\$14,505,000
Bond Anticipation Notes	<u>1,200,000</u>	<u>5,466,659</u>	<u>1,968,000</u>	<u>1,768,000</u>	<u>4,608,000</u>
Totals:	<u>\$16,425,000</u>	<u>\$19,018,679</u>	<u>\$21,277,000</u>	<u>\$19,178,000</u>	<u>\$19,113,000</u>

Source: Audited Financial Statement

Debt Contract Margin

**TABLE 10
Debt Contracting Margin**

Fiscal Year Ending December 31:	Assessed Valuation Of Taxable Real Estate	State Equalization Rate	Full Valuation Of Taxable Real Estate
2019	\$674,839,617	98.60%	\$684,421,518
2020	676,704,577	96.20%	703,435,111
2021	682,229,525	93.20%	732,005,928
2022	682,756,410	88.00%	775,859,557
2023	690,860,876	73.00%	<u>946,384,762</u>
Total Five-Year Full Valuation			\$3,842,097,220
Five Year Average Full Valuation			\$768,419,444
Debt Limit – 7% of average five-year full valuation			\$53,789,361

Debt Statement Summary

**TABLE 11
Debt Statement Summary**

Statement of indebtedness, debt limit and net debt-contracting as of April 23, 2024.	
Debt Limit.....	\$53,789,361
<u>Inclusions:</u>	
Serial Bonds	\$14,505,000
Bond Anticipation Notes	<u>4,608,000</u>
Total Net Indebtedness Subject to Debt Limit.....	<u>\$19,113,000</u>
Net Debt-Contracting Margin.....	<u>\$34,676,361</u>
Percent of Debt Contracting Power Exhausted.....	<u>35.53%</u>

Short-Term Indebtedness

Following the issuance of the notes, the City will have \$4,520,000 and \$1,740,081 in bond anticipation notes outstanding, maturing on May 16, 2025.

Authorized but Unissued Indebtedness

The City has \$783,341 authorized and unissued indebtedness and will have \$1,000,000 authorized and unissued indebtedness from the April 29, 2024 resolution for the additional costs of improvements to the ventral maintenance facility.

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the below footnoted year of the respective municipalities, adjusted to include subsequent bond issues, if any.

TABLE 12
Overlapping Indebtedness

<u>Unit</u>	<u>Total Indebtedness</u>	Approx. % <u>Applicable</u>	<u>Total Applicable Indebtedness</u>
County of Chautauqua ⁽¹⁾	\$68,909,778	8.69%	\$5,988,260
Jamestown City SD ⁽²⁾	\$59,600,000	89.06%	<u>53,079,760</u>
	Total Overlapping Indebtedness:		\$59,068,020
		Total Net Indebtedness:	<u>\$19,113,000</u>
	Total Net and Overlapping Indebtedness:		<u>\$78,181,020</u>

(1) As of June 30, 2023.

(2) As of December 12, 2023.

Source: Official Statements

Debt Ratios

The following table sets forth certain ratios relating to the City's indebtedness, inclusive of the preliminary totals of the bonds, as of April 25, 2023.

TABLE 13
Debt Ratios

	<u>Amount</u>	<u>Per Capita</u> ⁽¹⁾	<u>Percentage of Full Value</u> ⁽²⁾
Gross Indebtedness (see Computation of Debt Limit)	\$19,113,000	\$677	2.02%
Gross Indebtedness plus Net Overlapping Indebtedness (see "Estimated Overlapping Indebtedness" herein)	\$78,181,020	\$2,768	8.26%

(1) The current estimated population of the City is 28,243.

(2) The City's full value of taxable real estate for 2023 was \$946,384,762.

Bonded Debt Service

The following table sets forth all fiscal year principal and interest payments required on all outstanding long-term bond indebtedness of the City. It does not exclude any fiscal year payments that may have been made in the current fiscal year.

TABLE 14
Debt Service Schedule

<u>FYE Dec. 31st</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
2024	2,025,000	463,881	2,488,881
2025	2,085,000	388,944	2,473,944
2026	1,480,000	315,369	1,795,369
2027	1,200,000	263,619	1,463,619
2028	1,235,000	218,719	1,453,719
2029	1,270,000	172,569	1,442,569
2030	1,015,000	133,019	1,148,019
2031	645,000	109,319	754,319
2032	660,000	93,822	753,822
2033	685,000	77,672	762,672
2034	700,000	60,850	760,850
2035	695,000	43,681	738,681
2036	250,000	32,606	282,606
2037	205,000	28,056	233,056
2038	210,000	23,906	233,906
2039	210,000	19,706	229,706
2040	205,000	15,556	220,556
2041	135,000	12,156	147,156
2042	50,000	10,306	60,306
2043	50,000	9,306	59,306
2044	50,000	8,306	58,306
2045	50,000	7,306	57,306
2046	55,000	6,256	61,256
2047	55,000	5,156	60,156
2048	55,000	4,056	59,056
2049	55,000	2,922	57,922
2050	55,000	1,753	56,753
2051	55,000	584	55,584
	<u>\$15,440,000</u>	<u>\$2,529,401</u>	<u>\$17,969,401</u>

Future Capital Borrowing Plans

The City expects to issue approximately \$10 to \$12 million over the next three to eighteen months for improvements and upgrades to various utilities including Sanitary Sewer, Water, Storm Water and Wastewater treatment plant, energy and structural improvements to various city buildings, a new central garage, and capital equipment upgrades for DPW, Parks and Fire Equipment. The City expects to receive \$1.0 million of New York State Financial Restructuring Board funds to be used toward the construction of the new central garage.

Other Information

No principal or interest upon any obligation of the City is past due.

The fiscal year of the City is the calendar year.

This document does not include the financial data of any political subdivision having power to levy taxes within the City, except to the extent shown in the section entitled “Estimated Overlapping Indebtedness” herein.

ECONOMIC AND DEMOGRAPHIC DATA

Major Employers

The following tables set forth the names of the major employers located within the Jamestown area and the estimated number of their employees.

TABLE 15
Largest Employers

<u>Name of Employer</u>	<u>Type of Business</u>	<u>Approx. Number of Employees</u>
Chautauqua County	Government	1,700
The Resource Center	Health Care	1,200
WCA Hospital & WCA Service Corp.	Health Care	1,019
Jamestown City School District	Education	1000
Lutheran Social Services	Health Care	600
Jamestown Community College	Education	588
City of Jamestown	Government	254
Board of Public Utilities	Utility	147
Chautauqua Opportunities	Human Services	117

Commercial Businesses of the Jamestown Area

<u>Company</u>	<u>Products</u>	<u>Average Employment</u>
Cummins Engine Company	Diesel Truck Engines	1,424
MRC/SKF Bearings, Inc.	Precision Steel & Roller Bearings	508
Truck-Lite Company, Inc.	Vehicle Lighting System	400
Data Listing Services dba The Connection	Outsource Call Center	297
Bush Industries, Inc.	Office Furniture	300
Hopes Windows	Steel Window Products	216
Titan X	Engine Products	219
Tops Markets	Supermarket	176
Carborundum (Monofrax Div.) Co.	Fused Cast Refractories	165
Blackstone Advanced Technologies	Sheet Metal Fabricating	116
Weber-Knapp Company	Hardware Products	108

Population

The following table presents population trends for the City, based upon recent census data.

TABLE 16
Population Trend

	<u>2010</u>	<u>2020</u>	<u>Percentage Change</u>
City	31,146	28,712	(8.5%)
County	134,950	127,657	(5.7%)
State	19,378,102	20,201,249	4.1%

Source: New York State Department of Commerce; New York State Department of Economic Development.

Employment and Unemployment

TABLE 17
Civilian Labor Force
(Thousands)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City	11.2	10.5	10.7	10.8	10.8
County	53.0	49.5	50.6	41.3	50.9
State	9,470.4	8,628.0	8,857.0	9,178.6	9,307.0

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted.

TABLE 18
Yearly Average Unemployment Rates

<u>Year</u>	<u>City</u>	<u>County</u>	<u>State</u>
2019	5.0%	4.5%	3.9%
2020	10.1%	8.5%	9.8%
2021	5.9%	5.6%	7.1%
2022	4.2%	3.9%	4.3%
2023	4.5%	4.3%	4.2%

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted.

TABLE 19
Monthly Unemployment Rates*

<u>Month</u>	<u>City</u>	<u>County</u>	<u>State</u>
February 2023	5.2%	5.0%	4.6%
March	4.7%	4.5%	4.1%
April	3.5%	3.5%	3.6%
May	3.8%	3.6%	3.9%
June	4.0%	3.8%	4.4%
July	4.1%	4.0%	4.2%
August	4.6%	4.3%	4.5%
September	4.2%	3.9%	4.2%
October	4.4%	4.1%	4.4%
November	4.5%	4.4%	4.2%
December	5.2%	5.0%	4.4%
January 2024	5.4%	5.3%	4.4%

Source: New York State Department of Labor, Bureau of 3.7% Labor Statistics. Information not seasonally adjusted.

THE JAMESTOWN BOARD OF PUBLIC UTILITIES

History of the Board of Public Utilities

The BPU exists pursuant to the 1923 City Charter, passed by the New York Legislature as Chapter 665 of the Laws of New York, 1923, as amended by local law. The BPU has five operating divisions, known as Electric, Water, District Heating, Solid Waste and Waste Water. The BPU is governed by a nine member board comprised of the Mayor of the City, the City DPW director and seven members appointed by the Mayor (two of whom are representatives of the City Council) and confirmed by the City Council. The BPU does not have the authority to issue bonds or notes and all projects of the BPU are financed by bonds or notes issued by the City.

Electric Division

The Electric Division of the BPU serves a geographic region comprised of the entire City of Jamestown and portions of the Town of Ellicott, including the Villages of Celoron and Falconer. This service territory encompasses a total area of 23 square miles, with an estimated population of about 50,000, and approximately 20,000 customers. The BPU is the largest municipal electric utility in the State that owns and operates an electrical power generating facility. Service is regulated by the New York State Public Service Commission.

The principal facilities of the Electric Division consist of the Generating Station, the Dow Street intertie with the National Grid power grid, 9 substations and transmission and distribution lines totaling 978.96 miles.

The City's first power plant began generating electricity in 1891. The primary reason for its construction was to provide power for 140 carbon arc lights used to illuminate the streets of downtown Jamestown. While street lighting was not new to the citizens, their excitement was the actual ownership of the municipal facility. When City fathers recognized that the expense of paying for machinery used only to produce electricity at night was very high, they decided to begin competing with established power producers for other uses of their power generation.

The BPU currently owns and operates the Samuel A. Carlson Electric Generating station, located on the bank of the Chadakoin River in the City of Jamestown. The generating station utilizes natural gas fired equipment to produce electricity. Actual gas fueled generation is comprised of two boilers producing steam for two steam turbine generators, with a combined net output of approximately 26 megawatts. Additional gas generating assets consist of a General Electric LM 6000 gas turbine generator with a net output of approximately 43 megawatts. The LM 6000 is coupled to a heat recovery steam generator which uses exhaust gas and the additional firing of natural gas to create steam used to augment or offset steam produced by the power plant boilers.

The preference power provision of the 1957 Federal Niagara Redevelopment Act underlies the ability of municipal electric systems across New York to obtain low cost Niagara hydropower from the New York Power Authority. The BPU relentlessly pursued securing its fair share of these resources and, in 1971, began purchasing this inexpensively produced hydropower to augment its own electrical power generation. The BPU currently holds an allotment of 73 megawatts, plus an additional 3 megawatts of industrial expansion power which it transports to two (2) of its industrial customers.

The BPU owns an electrical substation that interties with the National Grid 115 kv system. This facility allows the BPU to receive the hydropower allocation while also providing additional flexibility to purchase electrical power for its customers according to market conditions.

Water Division

The Water Division of the BPU provides potable water to about 13,500 businesses and residences in the City. Additionally, the BPU provides water, with or without corresponding management, distribution and maintenance services, through a series of long term contracts to the neighboring Towns of Kiantone, Ellicott, Busti, and North Harmony and the Villages of Lakewood, Falconer and Celoron.

The BPU obtains its supply of water from two separate aquifers, the Conewango aquifer (four wells) and the Cassadaga aquifer (seven wells). Each series of wells is capable of providing 100% of the water needs of the City. New wells are drilled to replace aging wells, which eventually deteriorate. From each well field, water is pumped to the Buffalo Street reservoir and pump station, where it is stored, fed into mains for distribution, or transported to the 10,000,000-gallon English Street reservoir, located at the highest point of the City. The duplication of well fields and 12 million gallons of total storage give the Water Division extremely high reliability.

Water quality is assured through a series of stringent water tests meeting or exceeding those required by applicable regulations. The Water Division practices regular water line flushing to prevent material build up in its water lines.

System-wide water consumption has remained relatively constant for forty years at about 2 billion gallons per year. Additional off-system sales, if obtained, will only serve to strengthen the Water Division.

The BPU was awarded a \$3 million grant from the State EFC to replace water lines in the City. The project began in 2020 and completed over the following two to three years. The BPU must match the grant with \$2 Million. The grant is awarded through the Water Infrastructure Improvement Act and the Intermunicipal Water Infrastructure Grant Program to municipalities for infrastructure projects that protect public health or improve water quality.

District Heat

The District Heat Division supplies more than 73 customers with super-heated water produced by co-generation at the Generating Station for use as building heat and domestic hot water. Water can be heated by steam from electric generation, exhaust gas from the gas turbine, or a gas-fired boiler. District Heat Division hot water heating is an efficient manner of supplying space and process heat from a central source and transporting it through a closed loop, underground piping distribution system to individual buildings. This thermally heated water (160 to 250 degrees Fahrenheit) is then piped to the

customers within the BPU system's boundaries to meet their space heating, domestic hot water and processing needs. There is never a co-mingling of water; the customer's heat exchanger transfers the thermal energy from the Generating Station's water supply to the customer's water, then the District Heat Division water is piped back to the Generating Station to begin the cycle again.

By capturing and using steam diverted from the end stage of the electric generating process to heat water at the Generating Station, more energy is squeezed out of the process and raises the overall efficiency of the power plant. The system now serves more than 73 customers, representing a cross section of businesses, industries, churches, schools, housing facilities and not-for-profit agencies.

In addition to saving customers considerable expense for boiler maintenance, chemical treatment and stack emissions assessments, over 60 old boilers have been removed from a relatively dense area of downtown, eliminating the pollution caused by the firing of small, inefficient boilers. Sizable amounts of floor space for the customer, previously taken by those boilers, have been provided.

District Cooling

The BPU partnered with the Northwest Arena to house District Heat's sister utility, District Chilling, in the arena. The building is centrally located and had space available to house the chilling units.

This process is almost the direct opposite of district heating. Using a conventional motor and compressor, freon cools a loop of ethylene glycol. Waste heat from the refrigerant is removed by running a loop of water to a cooling tower. A large tank of water is frozen by the glycol loop. During high demand the energy stored in the ice supplements the system. When demand drops, the ice then refreezes. The customer, using their own heat exchanger, draws energy from the water to cool the building.

The chilled water piping has been routed through the arena to the perimeter and then underground to the street to serve adjacent customers. The electric service for the BPU chiller plant is provided through the same transformers that serve the arena, but are separately metered.

Waste Water Division

In 1994, the City transferred the property and responsibility for operation of its City sewer system to the BPU. The BPU sewer system provides wastewater disposal (collection and treatment) to residences and businesses within the City limits, and to the neighboring Towns of Ellicott and Kiantone, and the Village of Falconer, through long-term contracts. The Sewer Division also processes sewage sludge for the South and Center Chautauqua Lake Sewer District, and leachate from the Chautauqua County Landfill.

The system is comprised of over 140 miles of pipe of various sizes, all leading to a gravity-flow main that carries wastewater to the BPU wastewater treatment plant located in the Town of Poland. The treatment plant is certified to process 12 million gallons per day.

Since taking over operation of the City sewer system, the BPU has incurred no additional debt in the Sewer Division and is currently debt free. Stormwater flows have been decreased, with a corresponding increase in processing efficiency, due to an intense program designed to eliminate inflow and infiltration of rainwater. Investments have been made in pipeline camera equipment that enables staff to view and videotape the insides of pipes, and to identify and solve problems efficiently.

The BPU has worked closely with industrial users subject to wastewater pretreatment requirements. The BPU operates its system in compliance with applicable laws, rules and regulations.

Solid Waste

For many years the City provided sanitation services to residents and small businesses within the City. The cost was paid for out of general City tax revenues. In 1994, the City turned the property and operating responsibility over to the BPU. The BPU has run this division, as it has its other divisions, as a utility. Garbage is collected on a weekly basis, for which residences and small businesses pay a monthly fee as part of their utility bill.

The BPU has paid off all debt relating to solid waste facilities and has made substantial investment in new equipment. The BPU has re-instituted "spring and fall cleanup" which allows customers to dispose of accumulated rubbish on an annual basis.

It has also enhanced its recycling program by purchasing designated recycling trucks, and distributing recycling bins to all households.

TABLE 20
Electric System Statistics

<u>FYE December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Generated	\$160,345,452	\$71,687,542	\$60,922,922	\$72,936,017	\$60,922,922
Obtained from NYPA	458,394,000	448,338,778	469,197,000	472,974,000	469,197,000
System Total Energy					
Generated & Purchased	618,739,452	520,026,320	530,119,922	545,910,017	530,119,922
Less:					
Station Uses	(6,202,046.00)	(4,543,018.00)	(1,218,976.00)	(1,067,945)	(1,218,976)
Lost Transmission	(4,583,940.00)	(4,483,387.80)	(4,525,232.00)	(4,626,962)	(4,525,232)
Available for Distribution	<u>607,953,466</u>	<u>510,999,914</u>	<u>524,375,714</u>	<u>540,215,110</u>	<u>524,375,714</u>
Max. System Sold (KW)	94,916	93,060	76,220	76,220	76,220
Residential	161,473,876	159,223,236	160,941,369	160,941,369	160,941,369
Commercial	125,462,654	116,597,817	118,205,055	118,205,055	118,205,055
Industrial	107,759,825	93,094,232	92,300,626	92,300,626	92,300,626
Other	39,622,680	35,545,174	35,096,565	35,096,565	35,096,565
Other Utilities	<u>143,871,753</u>	<u>73,902,575</u>	<u>102,050,465</u>	<u>106,249,365</u>	<u>102,050,465</u>
Total - All Classes	578,190,788	478,363,034	508,594,081	512,792,980	508,594,081
Lost and Unaccounted for	<u>10,785,986</u>	<u>9,026,415</u>	<u>15,781,633</u>	27,422,129	15,781,633
Total Energy Produced	<u>588,976,774</u>	<u>487,389,449</u>	<u>524,375,714</u>	<u>540,215,109</u>	<u>524,375,714</u>
<u>FYE December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential	16,211	16,221	16,231	16,150	16,034
Commercial	2,347	2,335	2,389	2,389	2,379
Industrial	110	112	113	113	113
Other	219	214	213	214	238
Other Utilities	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total - All Classes	<u>18,888</u>	<u>18,881</u>	<u>18,946</u>	<u>18,866</u>	<u>18,764</u>

Sources: Jamestown Board of Public Utilities

TABLE 21
Major Electric Customers

Customer	Type of Business
RHI Monofrax	Manufacturing
UPMC Chautauqua Hospital	Health Care
SKF Bearings	Manufacturing
Bush Industries	Bush Industries
Board Of Education	Board Of Education
BPU	BPU
Titanx Engine Cooling Inc	Titanx Engine Cooling Inc
Tops Markets LLC	Tops Markets LLC
City of Jamestown	City of Jamestown
Jamestown Community College	University

In 2022 these ten largest commercial and industrial customers together accounted for approximately 19% of total energy sales, the five largest accounted for approximately 12% of total energy sales and the largest customer accounted for 3% of total energy sales.

TABLE 22
Electric Rates and Charges

Electricity rates and charges imposed by the BPU are regulated by the New York State Public Service Commission, with the most recent change in Electric Division rates revised on January 1, 2020.

Primary Rate Schedules for Residential, Commercial and Industrial Customers

<u>Type and Description of Service</u>	<u>Per Meter Per Month Charge</u>
Service Classification No. 1 Residential Service	
Customer Charge.....	\$7.53
Energy Charge	
All kwh, per	
kwh.....	0.04541
Service Classification No. 2 General Service –Small	
Customers with energy only meter	
Customer Charge.....	8.88
Energy Charge	
All kwh, per	
kwh.....	0.06174
Temporary State Assessment.....	0.00064
Customers with demand meter	
Customer Charge.....	9.70
Demand (for all kw, per kw).....	4.31
Energy Charge	
All kwh, per kwh.....	0.04859
Reactive Power	
For all kvar of demand in excess of 1/3 kvar per kw of Measured demand, per	
kvar.....	0.30
Service Classification No. 3 General Service – Large	
Customer Charge.....	172.31
Demand (for all kw, per kw).....	4.90
Energy (for all kwh, per kwh).....	0.03224
Demand & Energy Cap	
The average effective combined charge for all energy billed	
under Demand and Energy shall not exceed an effective combined rate	
of.....	0.07544
Reactive Power	
For each kvar of demand in excess of 1/3 kvar per kw of Measured demand, per kvar.....	0.30

Source: City of Jamestown, New York Schedule for Electric Service. Revised January 1, 2020.

TABLE 23
Historical Increases in Electric Rates

<u>Effective Date</u>	<u>% Increase</u>
August 4, 1983	14.13%
October 1, 1991	15.70%
October 20, 1994	7.21%
November 1, 2005	14.30%
November 1, 2006	4.20%
November 1, 2007	4.00%
August 1, 2010	2.33%
February 23, 2016	2.48%

Source: BPU

LITIGATION

The City, in common with other municipalities, receives numerous notices of claims for money damages arising generally from false arrest, malicious prosecution, false imprisonment or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the City, if adversely settled.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the City, if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made.

END OF APPENDIX A

CITY OF JAMESTOWN, NY
Balance Sheet
General Fund

Year Ending December 31:	<u>2021</u>	<u>2022</u>
<u>Assets</u>		
Cash and Investments	\$6,334,604	\$4,453,863
Restricted cash and cash equivalents	14,051,717	23,357,200
Accounts Receivables	11,304	21,704
Lease Receivable	0	602,876
Intergovernmental receivables	2,811,354	5,262,021
Due from other funds	276,396	669,003
Prepaid items	961,563	1,043,833
Inventories	137,100	128,064
	<hr/>	<hr/>
Total Assets	\$24,584,038	\$35,538,564
<u>Liabilities and Fund Balances</u>		
<u>Liabilities</u>		
Accounts Payable	\$822,417	\$1,289,816
Accrued Liabilities	1,804,888	1,180,869
Intergovernmental Payable	0	23,854
Unearned Revenues	14,051,717	23,357,200
	<hr/>	<hr/>
Total Liabilities	\$16,679,022	\$25,851,739
<u>Deferred Inflows of Resources</u>		
Deffered inflows - relating to leases	\$0	\$453,947
	<hr/>	<hr/>
<u>Fund Balance</u>		
Non Spendable	\$1,098,663	\$1,171,897
Assigned	721,365	378,136
Unassigned	6,084,988	7,682,845
	<hr/>	<hr/>
Total Fund Balances	\$7,905,016	\$9,232,878
	<hr/>	<hr/>
Total Liabilities and Fund Equity	\$24,584,038	\$35,538,564

*Source: Audited Financial Statements of the City
Summary not audited*

CITY OF JAMESTOWN, NY
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund

Year Ending December 31:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Revenues					
Real Property Taxes	\$16,011,981	\$16,009,693	\$15,984,322	\$16,028,164	\$16,123,271
Real Property Tax Items	313,528	316,488	329,817	309,311	277,898
Non Property Tax Items	7,118,988	7,324,403	7,380,352	8,520,743	8,656,871
Departmental Income	817,916	865,876	493,047	594,972	950,071
Intergovernmental Charges	226,391	233,649	251,259	256,254	310,560
Use of Money & Property	25,030	81,227	21,832	10,903	41,668
Licenses and Permits	263,695	0	213,681	209,837	220,713
Fines and Forfeitures	91,742	0	30,864	31,861	31,472
Other unclassified revenue	22,732	366,341	131,665	207,819	102,134
Board of Public Utilities (PILOT)	3,908,076	4,022,589	3,919,191	3,915,571	4,044,675
Refund of prior year expenditures	93,641	0	0	0	0
Sale of property and compensation for loss	0	0	0	0	5,000
State Sources	7,592,832	7,736,995	7,158,989	7,268,024	9,520,969
Federal Aid	0	0	0	4,781	4,731,838
Total Revenues	<u>\$36,486,552</u>	<u>\$36,957,261</u>	<u>\$35,915,019</u>	<u>\$37,358,240</u>	<u>\$45,017,140</u>
Expenditures					
General Government Support	3,880,361	3,936,577	3,690,916	3,628,822	4,887,636
Public Safety	12,043,453	11,335,793	11,823,099	11,643,993	12,729,554
Health	0	0	0	0	388,247
Transportation	4,164,941	4,176,501	3,365,476	3,619,712	5,535,879
Economic Assistance and Opportunity	0	0	0	0	100,000
Culture and Recreation	1,880,978	1,890,250	1,572,663	1,655,808	1,787,544
Home and Community Services	851,424	864,131	782,328	871,112	3,180,023
Capital outlays	1,198,318	1,517,485	0	0	0
Employee Benefits	9,795,483	10,122,443	10,772,838	10,166,080	10,704,081
Debt Service	2,116,587	1,879,393	3,661,223	1,651,108	1,998,454
Total Expenditures	<u>\$35,931,545</u>	<u>\$35,722,573</u>	<u>\$35,668,543</u>	<u>\$33,236,635</u>	<u>\$41,311,418</u>
Excess of Revenues over Expenditures	<u>\$555,007</u>	<u>\$1,234,688</u>	<u>\$246,476</u>	<u>\$4,121,605</u>	<u>\$3,705,722</u>
Other Sources and (Uses)					
Operating Transfers In / (out)	0	173,781	(1,206,747)	(2,149,788)	(2,523,109)
Refunding bonds issued			1,790,000	0	0
Premium on refunding bonds issued			255,311	0	0
Total Other Sources and (Uses)	<u>0</u>	<u>173,781</u>	<u>838,564</u>	<u>(2,149,788)</u>	<u>(2,523,109)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	555,007	1,408,469	1,085,040	1,971,817	1,182,613
Fund Balance					
Fund Balance - Beginning of Year	2,884,683	3,439,690	4,848,159	5,933,199	8,050,265
Restatement of net position (1)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$3,439,690</u>	<u>\$4,848,159</u>	<u>\$5,933,199</u>	<u>\$7,905,016</u>	<u>\$9,232,878</u>

Source: Audited Financial Statements of the City
Summary not audited

CITY OF JAMESTOWN, NY
Balance Sheet
Special Revenue

Year Ending December 31:	<u>2021</u>	<u>2022</u>
<u>Assets</u>		
Restricted cash and cash equivalents	\$669,974	\$629,481
Intergovernmental receivables	648,437	298,462
Prepaid expenses	0	0
Due from other funds	0	0
Property Acquired for Taxes	<u>0</u>	<u>0</u>
Total Assets	<u><u>\$1,318,411</u></u>	<u><u>\$927,943</u></u>
 <u>Liabilities</u>		
Accounts Payable	\$31,312	\$9,950
Due to other funds	413,880	56,418
Unearned Revenue	<u>669,974</u>	<u>623,558</u>
Total Liabilities	<u>\$1,115,166</u>	<u>\$689,926</u>
 <u>Fund Balance</u>		
Restricted	\$203,245	\$238,017
Assigned	<u>0</u>	<u>0</u>
Total Fund Balances	<u>\$203,245</u>	<u>\$238,017</u>
Total Liabilities and Fund Equity	<u><u>\$1,318,411</u></u>	<u><u>\$927,943</u></u>

*Source: Audited Financial Statements of the City
Summary not audited*

CITY OF JAMESTOWN, NY
Statement of Revenues, Expenditures and Changes in Fund Balance
Special Revenue

Year Ending December 31:	<u>2021</u>	<u>2022</u>
<u>Revenues</u>		
Miscellaneous	667,874	434,503
State Aid	979,732	396,338
Federal Aid	1,706,714	1,573,509
Total Revenues	<u>\$3,354,320</u>	<u>\$2,404,350</u>
<u>Expenditures</u>		
General Government Support	0	33,260
Public Safety	284,454	168,228
Health	13,443	8,410
Transportation	203,244	0
Culture and recreation	1,628	15,001
Home and Community Services	3,097,191	2,144,679
Total Expenditures	<u>\$3,599,960</u>	<u>\$2,369,578</u>
Excess of Revenues over Expenditures	<u>(\$245,640)</u>	<u>\$34,772</u>
<u>Fund Balance</u>		
Fund Balance - Beginning of Year	<u>448,885</u>	<u>203,245</u>
Fund Balance - End of Year	<u>\$203,245</u>	<u>\$238,017</u>

*Source: Audited Financial Statements of the City
Summary not audited*

CITY OF JAMESTOWN, NY
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget

Year Ending December 31:	Adopted Budget <u>2023</u>	Adopted Budget <u>2024</u>
<u>Revenues</u>		
Real Property Taxes	\$16,172,483	\$16,130,327
Real Property Tax Items	257,285	265,314
Non Property Tax Items	9,050,020	9,386,281
Departmental Income	1,092,668	1,292,564
Use of Money & Property	322,532	802,899
Licenses and Permits	225,713	232,430
Fines and Forfeitures	36,000	50,000
Miscellaneous	15,322	15,322
PILOT	3,947,889	4,106,597
Revenue from State Sources	7,351,599	7,621,187
Total Revenues	<u>\$38,471,511</u>	<u>\$39,902,921</u>
<u>Expenditures</u>		
General Government Support	1,627,000	4,727,930
Public Safety	13,109,000	13,821,890
Transportation	6,868,000	3,837,894
Culture and Recreation	1,836,000	1,773,642
Home and Community Services	417,000	1,195,500
Employee Benefits	11,751,000	10,545,243
Capital Expenses	1,090,000	2,504,430
Debt Service	2,077,000	2,085,906
Total Expenditures	<u>\$38,775,000</u>	<u>\$40,492,435</u>

*Source: Audited Financial Statements of the City
Summary not audited*

CITY OF JAMESTOWN, NY
Board of Public Utilities - Electric Division
Statement of Net Assets

Year Ending December 31:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Current Assets:</u>					
Cash and Cash Equivalents	\$4,226,045	\$8,750,165	\$9,149,722	\$15,113,168	\$11,090,480
Cash collateral - derivative	1,121,893	1,023,525	877,315	1,176,049	1,672,251
Receivables - Net	5,084,266	5,294,168	4,531,721	4,505,529	3,751,256
Accounts Receivables - related parties	259,572	221,144	203,221	269,338	333,170
Grant receivable	0	0	0	0	152,000
Inventory	764,745	656,834	655,550	632,921	859,566
Interest receivable	29,616	26,027	26,028	1,250	0
Prepaid expenses	2,975,222	2,657,539	2,783,799	3,119,809	3,336,186
Investments	6,222,795	1,504,012	2,289,720	0	0
Other Current and Accrued Assets	89,392	100,933	90,694	40,661	41,554
Total Current Assets	<u>20,773,546</u>	<u>20,234,347</u>	<u>20,607,770</u>	<u>24,858,725</u>	<u>21,236,463</u>
<u>Other Assets and Investments:</u>					
Non-utility Property	414,925	414,925	414,925	414,925	414,925
Net pension asset	0	0	0	0	1,882,894
Deposits and Prepayments	13,796	0	0	0	0
Due from City of Jamestown	326,073	229,051	130,068	19,205	0
Investments	0	0	0	576,129	11,828,550
Investments - restricted	5,525,656	5,597,266	5,520,289	2,421,291	0
Total Other Assets and Investments	<u>6,280,450</u>	<u>6,241,242</u>	<u>6,065,282</u>	<u>3,431,550</u>	<u>14,126,369</u>
<u>Electric Plant:</u>					
In Service - at cost	168,643,895	172,252,727	175,174,842	179,748,149	183,509,766
Construction Work in Progress	889,645	1,276,630	2,393,766	2,657,973	2,772,241
	<u>169,533,540</u>	<u>173,529,357</u>	<u>177,568,608</u>	<u>182,406,122</u>	<u>186,282,007</u>
Less Accumulated Depreciation	(76,398,572)	(80,306,754)	(84,800,426)	(88,102,770)	(93,470,309)
Total Electric Plant	<u>93,134,968</u>	<u>93,222,603</u>	<u>92,768,182</u>	<u>94,303,352</u>	<u>92,811,698</u>
Deferred Charges	695,705	742,948	1,029,441	777,369	681,128
TOTAL ASSETS	<u>\$120,884,669</u>	<u>\$120,441,140</u>	<u>\$120,470,675</u>	<u>\$123,370,996</u>	<u>\$128,855,658</u>
<u>Current Liabilities:</u>					
Current Long-Term Debt	\$2,610,000	\$269,538	\$259,538	\$254,538	\$249,538
Accounts Payable	2,252,209	1,361,781	1,602,115	1,547,072	2,182,715
Related parties	21,326	56,889	19,601	19,666	6,236
Bond Anticipation Notes	1,600,000	1,200,000	0	0	0
Consumer Deposits	220,313	213,686	197,486	227,805	251,841
Other Liabilities	2,240,260	2,402,585	2,533,276	2,483,083	1,624,826
Total Current Liabilities	<u>8,944,108</u>	<u>5,504,479</u>	<u>4,612,016</u>	<u>4,532,164</u>	<u>4,315,156</u>
<u>Other Non-Current Liabilities:</u>					
Economic Development	\$1,465,268	\$1,531,438	\$1,886,134	\$363,864	\$346,113
Total OPEB liability	6,291,098	5,375,609	3,730,562	3,432,327	3,138,484
Bonds Payable	1,513,742	1,239,666	980,128	725,590	476,052
Net pension liability	786,610	1,628,143	6,156,065	24,653	0
Total Other Non-Current Liabilities	<u>10,056,718</u>	<u>9,774,856</u>	<u>12,752,889</u>	<u>4,546,434</u>	<u>3,960,649</u>
Total Liabilities	<u>19,000,826</u>	<u>15,279,335</u>	<u>17,364,905</u>	<u>9,078,598</u>	<u>8,275,805</u>
<u>Net Assets:</u>					
Invested in Capital Assets	89,011,226	90,513,399	91,528,516	93,323,224	92,086,108
Restricted	4,228,096	4,250,574	4,050,515	2,645,626	4,599,910
Unrestricted	8,887,398	11,262,239	11,208,849	16,551,973	21,167,369
Total Net Assets	<u>102,126,720</u>	<u>106,026,212</u>	<u>106,787,880</u>	<u>112,520,823</u>	<u>117,853,387</u>
Deferred Outflow	(2,956,279)	(1,897,267)	(4,899,058)	(5,903,996)	(5,783,057)
Deferred Inflow	2,713,402	1,032,860	1,216,948	7,675,571	8,509,523
	<u>(242,877)</u>	<u>(864,407)</u>	<u>(3,682,110)</u>	<u>1,771,575</u>	<u>2,726,466</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$120,884,669</u>	<u>\$120,441,140</u>	<u>\$120,470,675</u>	<u>\$123,370,996</u>	<u>\$128,855,658</u>

Source: Jamestown Board of Public Utilities / Summary not audited

CITY OF JAMESTOWN, NY
Board of Public Utilities
Comparative Income Statement

Year Ending December 31:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Sales of Electric Energy:</u>					
Residential	\$13,207,400	\$13,161,965	\$13,149,135	\$13,702,812	\$12,906,427
Commercial	10,518,746	10,587,356	9,902,699	10,299,030	9,627,414
Industrial	7,216,005	7,554,128	6,628,932	6,901,858	6,741,094
Operating municipalities	1,637,713	1,718,425	1,678,279	1,664,708	1,568,189
Other Public Authorities	1,142,185	1,123,535	928,134	1,033,198	991,664
Public station Lighting	619,704	613,471	567,401	568,374	556,950
Penalties	125,854	118,455	30,980	44,087	121,910
Sales to Other Distributors	6,647,298	5,602,489	3,119,303	4,225,084	8,134,418
Sales of Expansion Power	138,311	0	125,004	96,642	131,604
Total Sales of Energy	41,253,216	40,479,824	36,129,867	38,535,793	40,779,670
Other Electric Revenue	1,232,346	1,140,507	1,908,321	3,325,820	2,915,901
OPERATING REVENUES	<u>\$42,485,562</u>	<u>\$41,620,331</u>	<u>\$38,038,188</u>	<u>\$41,861,613</u>	<u>\$43,695,571</u>
<u>Operating Expenses:</u>					
Cost of power	20,765,369	20,983,269	18,798,231	21,128,942	22,308,061
Transmission operations	2,786,023	2,753,811	2,902,194	2,945,372	2,995,318
Street Lighting	95,510	83,553	37,617	31,340	25,976
Consumers' Accounts	887,524	858,263	877,170	886,222	942,178
Administrative & General	5,926,992	3,771,880	4,972,125	3,144,860	2,728,319
Depreciation	4,869,711	5,112,531	5,243,186	5,342,009	5,516,127
Taxes	548,709	568,925	554,138	430,111	415,569
Contributions in Lieu of Taxes	3,581,497	3,729,141	3,656,733	3,698,407	3,785,570
OPERATING EXPENSES:	<u>\$39,461,335</u>	<u>\$37,861,373</u>	<u>\$37,041,394</u>	<u>\$37,607,263</u>	<u>\$38,717,118</u>
Operating income	\$3,024,227	\$3,758,958	\$996,794	\$4,254,350	\$4,978,453
<u>Non-Operating Revenue (Expense)</u>					
Grant revenue				\$64,667	\$328,000
Interest income	262,151	174,439	104,336	60,192	79,498
Interest of long-term debt	(247,594)	(146,373)	(25,939)	(14,222)	(13,012)
Change in fair value of investments	(30,015)	112,468	41,170	(26,793)	(117,674)
	<u>(15,458)</u>	<u>140,534</u>	<u>119,567</u>	<u>83,844</u>	<u>276,812</u>
Change in net position	3,008,769	3,899,492	1,116,361	4,338,194	5,255,265

APPENDIX B

**SUMMARY OF FINANCIAL
STATEMENTS AND BUDGETS**

APPENDIX C

**INDEPENDENT AUDITORS' REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022**

**Can be accessed on the Electronic Municipal Market Access (“EMMA”) website
of the Municipal Securities Rulemaking Board (“MSRB”)
at the following link:**

<https://emma.msrb.org/P21781830-P21367878-P21806269.pdf>

**The audited financial statements referenced above are hereby incorporated into the
attached Official Statement.**

*** Such Financial Statements and opinion are intended to be representative only as
of the date thereof. Drescher & Malecki LLP has not been requested by the City to
further review and/or update such Financial Statements or opinion in connection
with the preparation and dissemination of this Official Statement.**