

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
A BLENDED COMPONENT UNIT OF
THE CITY OF JAMESTOWN, NEW YORK**

**REPORT ON AUDITED
FINANCIAL STATEMENTS**

**YEARS ENDED
DECEMBER 31, 2022 AND 2021**

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK**

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INDEPENDENT AUDITOR'S REPORT

***Solid Waste Division -
Board of Public Utilities of the City of Jamestown, New York
Jamestown, New York***

Opinion

We have audited the financial statements of the Solid Waste Division - Board of Public Utilities of the City of Jamestown, New York (the Division), one of five divisions comprising a blended component unit of the City of Jamestown, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Division's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Division as of December 31, 2022, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Division, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Division as of December 31, 2021 were audited by other auditors whose report dated May 11, 2022 expressed an unmodified opinion on those statements.

Emphasis of Matter

As discussed in Note 12 to the financial statements, the Division reported prior period adjustments related to the reduction of liabilities and increase in net position pertaining to the elimination of certain accrued liabilities. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Division's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Division's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 5, the schedule of the Division's proportionate share of the net pension asset/liability – ERS, the schedule of the Division's pension contributions – ERS, and the schedule of changes in the Division's total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Jamestown, New York
May 17, 2023**

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

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I. Discussion and Analysis

The following is a discussion and analysis of the Division's financial performance for the year ended December 31, 2022. This section is a summary of the Division's financial activities based on currently known facts, decisions, or conditions. It is based on the financial statements. The results of the current year in comparison with the prior year are discussed in the following paragraphs. This section is only an introduction and should be read in conjunction with the Division's financial statements, which follow this section.

II. Financial Highlights

The following items are the financial highlights experienced by the Division during the year ended December 31, 2022:

- The change in net position for 2022 was approximately (\$359,000) as compared to last year's net change of \$58,000. The total net position amounted to approximately \$2,467,000 as of December 31, 2022.
- Operating revenues which consists primarily of residential and commercial sales increased \$60,000 or a 2% increase compared to 2021. This increase was the result of an increase in residential sales and penalty charges.
- Salaries and wages expense increased \$52,000 or an 8% increase, compared to 2021. This increase was the result of an increase in employees and annual salary increases.
- Administration and general expenses increased \$172,000 or 24%, compared to 2021. This increase is largely due to retirement payouts, annual salary increases, and other general cost increases.
- Payment in lieu of taxes increased \$9,000 compared to 2021.
- All other expenses which include landfill tipping fees and repairs and maintenance increased \$198,000 or 27% compared to the prior year. This increase was primarily related to an increase in vehicle maintenance costs.
- The year-end cash position decreased \$601,000 compared to 2021 in part due to the movement of cash into U.S. Treasury Notes.

III. Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Division's basic financial statements. The Division's basic financial statements are comprised of two components: 1) financial statements and 2) notes to the financial statements.

A. Reporting the Division as a Whole:

The statements report information about the entity as a whole using accounting methods similar to those used by private-sector companies.

1. Condensed Statements of Net Position (figure A-1)

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

2. Condensed Statements of Revenues, Expenses and Changes in Net Position (figure A-2)

The Statements of Revenues, Expenses and Changes in Net Position shows the business-type activity of the Division and provides information regarding income and expenses that affect net position.

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

IV. Financial Analysis of the Solid Waste Division

Figure A-1 – Statements of Net Position

<i>Solid Waste Division - Board of Public Utilities</i>			
<i>Condensed Statements of Net Position</i>			
	2022	2021	% Change
Assets			
Current and noncurrent assets	\$ 1,475,055	\$ 1,501,609	-2%
Utility plant, net	2,143,928	2,375,454	-10%
Total assets	3,618,983	3,877,063	-7%
Deferred outflows of resources	426,956	290,797	47%
Total assets and deferred outflows	\$ 4,045,939	\$ 4,167,860	-3%
Liabilities			
Current liabilities	\$ 247,756	\$ 290,862	-15%
Long-term liabilities	693,024	733,592	-6%
Total liabilities	940,780	1,024,454	-8%
Deferred inflows of resources	638,408	370,809	72%
Net position			
Net investment in capital assets	1,434,677	1,625,328	-12%
Unrestricted	1,032,074	1,147,269	-10%
Total net position	2,466,751	2,772,597	-11%
Total liabilities, deferred inflows and net position	\$ 4,045,939	\$ 4,167,860	-3%

Figure A-2 Statements of Revenues, Expenses and Changes in Net Position

<i>Solid Waste Division - Board of Public Utilities</i>			
<i>Condensed Statements of Revenue, Expenses and Changes in Net Position</i>			
	2022	2021	% Change
Operating Revenue	\$ 2,692,072	\$ 2,632,025	2%
Operating Expenses			
Salaries and wages	676,914	624,966	8%
Administrative and general	876,970	704,843	24%
Payments in lieu of taxes	236,981	228,291	4%
Depreciation	330,667	281,607	17%
All other	918,559	721,474	27%
Total operating expenses	3,040,091	2,561,181	19%
Non-operating Revenues (Expenses)	(10,878)	(12,629)	-14%
Change in net position	\$ (358,897)	\$ 58,215	

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

V. Utility Plant Assets and Debt Administration

Utility Plant

As depicted in Figure A-3, as of December 31, 2022, the Division had invested approximately \$2,144,000, net of depreciation, in a broad range of utility plant assets, including equipment and structures. Capital additions during the year ended December 31, 2022, totaled approximately \$93,000 which are primarily related to the purchase of vehicle collision avoidance systems and observation panels for garbage trucks.

Long-term Liabilities

As depicted in Figure A-4, as of December 31, 2022, the Division had approximately \$693,000 in long-term liabilities a decrease of approximately \$41,000 compared to the prior year. This decrease was primarily related to District making regular principal payments on its long-term debt.

Figure A-3 – Capital Assets

<i>Solid Waste Division - Board of Public Utilities</i>				
<i>Utility Plant</i>				
	2022	2021	Change	
Land	\$ 22,361	\$ 22,362	0%	
Buildings and improvements	817,554	810,304	1%	
Vehicles	1,886,519	1,997,746	-6%	
Equipment	1,359,426	1,359,424	0%	
GIS system	181,262	181,262	0%	
Accumulated depreciation	(2,123,194)	(1,995,644)	6%	
Utility plant - net	\$ 2,143,928	\$ 2,375,454	-10%	

Figure A-4 – Long-term Liabilities

<i>Solid Waste Division - Board of Public Utilities</i>				
<i>Long-term Liabilities</i>				
	2022	2021	Change	
Long-term debt, less current	\$ 666,376	\$ 709,251	0%	
Total OPEB liability	26,648	23,089	15%	
Net pension liability	-	1,252	-100%	
Total Long-term Liabilities	\$ 693,024	\$ 733,592	-6%	

VI. Factors Bearing on the Division's Future

At the time these financial statements were prepared and audited, the Division was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The economic outlook for the City of Jamestown, New York remains a very important factor related to the Division's ability to continue to increase its net position and maintain positive cash flows.
- Additionally, New York State changes to recycling requirements may cause operational impacts and force increased operation expenses in the Division moving forward.

VII. Contacting the Solid Waste Division's Financial Management

This financial report is designed to provide citizens, customers, investors and creditors with a general overview of the finances of the Solid Waste Division and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, please contact:

Attention: Kevin Karr
Finance and Customer Accounts Manager
P.O. Box 700, 92 Steele Street
Jamestown, NY 14702-0700

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
STATEMENTS OF NET POSITION
AS OF DECEMBER 31,**

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<i>Assets</i>	2022	2021
Current assets		
Cash and cash equivalents	\$ 395,143	\$ 995,702
Accounts receivable, net	419,047	459,258
Prepaid items	32,901	46,649
Total current assets	<u>847,091</u>	<u>1,501,609</u>
Noncurrent assets		
Net pension asset	147,928	--
Investments	480,036	--
Total noncurrent assets	<u>627,964</u>	<u>--</u>
Utility Plant		
In service - at cost	4,267,122	4,371,098
Less: accumulated depreciation	2,123,194	1,995,644
Total utility plant	<u>2,143,928</u>	<u>2,375,454</u>
Total assets	<u>3,618,983</u>	<u>3,877,063</u>
Deferred Outflows of Resources		
Deferred outflows - pension	425,639	289,110
Deferred outflows - OPEB	1,317	1,687
Total deferred outflows of resources	<u>426,956</u>	<u>290,797</u>
Total assets and deferred outflows of resources	<u>\$ 4,045,939</u>	<u>\$ 4,167,860</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 83,943	\$ 65,305
Accrued interest	5,857	17,587
Other current and accrued liabilities	115,081	167,095
Current maturities of long-term debt	42,875	40,875
Total current liabilities	<u>247,756</u>	<u>290,862</u>
Long-term liabilities		
Long-term debt, less current maturities	666,376	709,251
Total OPEB liability	26,648	23,089
Net pension liability	--	1,252
Total long-term liabilities	<u>693,024</u>	<u>733,592</u>
Total liabilities	<u>940,780</u>	<u>1,024,454</u>
Deferred Inflows of Resources		
Deferred inflows - pension	638,408	370,809
Net Position		
Net investment in capital assets	\$ 1,434,677	\$ 1,625,328
Unrestricted	1,032,074	1,147,269
Total net position	<u>2,466,751</u>	<u>2,772,597</u>
Total liabilities, deferred outflows of resources, and net position	<u>\$ 4,045,939</u>	<u>\$ 4,167,860</u>

See accompanying independent auditor's report and notes to financial statements.

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31,**

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	<u>2022</u>	<u>2021</u>
Operating revenue	\$ 2,692,072	\$ 2,632,025
Operating expenses		
Salaries and wages	676,914	624,966
Administrative and general	876,970	704,843
Landfill tipping fees	341,610	352,505
Repairs and maintenance	576,949	368,969
Payments in lieu of taxes	236,981	228,291
Depreciation	330,667	281,607
Total operating expenses	<u>3,040,091</u>	<u>2,561,181</u>
Income (loss) from operations	<u>(348,019)</u>	<u>70,844</u>
Non-operating revenues (expenses)		
Interest income	--	67
Interest expense	(19,697)	(17,587)
Debt issuance expense	--	(5,187)
Gain on sale of assets	25,999	10,078
Change in fair value of investments	(17,180)	--
Total non-operating revenues (expenses)	<u>(10,878)</u>	<u>(12,629)</u>
Change in net position	(358,897)	58,215
Net position, beginning of year	2,772,597	2,714,382
Prior period adjustments	53,051	--
Net position, end of year	<u>\$ 2,466,751</u>	<u>\$ 2,772,597</u>

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,**

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	2022	2021
Cash flows from operating activities		
Cash received from customers	\$ 2,732,283	\$ 2,665,436
Cash paid to suppliers and employees	(2,453,201)	(2,092,517)
Cash paid for payments in lieu of taxes	(236,981)	(228,291)
Net cash provided by operating activities	<u>42,101</u>	<u>344,628</u>
Cash flows from investing activities		
Interest income from cash deposits	--	67
Purchase of investments	(497,216)	--
Net cash provided by (used in) investing activities	<u>(497,216)</u>	<u>67</u>
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets and equipment purchases	(99,141)	(942,272)
Proceeds from sale of assets	25,999	10,078
Interest and issuance cost payments	(34,302)	(5,187)
Proceeds received from issuance of long-term debt, including premiums	--	750,126
Principal payments on long-term debt	(38,000)	--
Net cash used in capital and related financing activities	<u>(145,444)</u>	<u>(187,255)</u>
Net (decrease) increase in cash and cash equivalents	<u>(600,559)</u>	<u>157,440</u>
Cash and cash equivalents, beginning of year	<u>995,702</u>	<u>838,262</u>
Cash and cash equivalents, end of year	<u>\$ 395,143</u>	<u>\$ 995,702</u>
Reconciliation of income (loss) from operations to net cash provided by operating activities		
Income (loss) from operations	\$ (348,019)	\$ 70,844
Adjustments		
Depreciation	330,667	281,607
Prior period adjustments	53,051	--
Change in net pension asset/liability including deferred items	(18,110)	(22,005)
Change in OPEB liability including deferred items	3,929	(7,262)
Changes in operating assets and liabilities		
Decrease in accounts receivables	40,211	33,411
(Increase) decrease in prepaid items	13,748	(30,412)
Increase in accounts payable	18,638	9,854
Increase (decrease) in other current and accrued liabilities	(52,014)	8,591
Net cash provided by operating activities	<u>\$ 42,101</u>	<u>\$ 344,628</u>

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Solid Waste Division (Division) of the Board of Public Utilities of the City of Jamestown, New York (BPU) collects and disposes solid waste from consumers in and around the City of Jamestown, New York (City). The Division grants credit for sales made.

The Solid Waste Division is one of five divisions that comprise the Board of Public Utilities which is reported as a business-type activity of the City of Jamestown, New York.

Basis of Presentation

The financial statements of the Division have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Division is engaged only in business-type activities as defined in GASB Statement No. 34. The Division applies all applicable GASB pronouncements, as well as, Financial Accounting Standards Board's (FASB) Accounting Standards Codification unless these standards conflict with or contradict GASB pronouncements.

The financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the cash is received or paid. Nonexchange transactions in which the Division gives or receives value without directly receiving or giving equal value in exchange include grants and donations. Revenue from grants and donations are recognized in the year in which all eligibility requirements have been satisfied.

The Division distinguishes operating revenues and expenses from nonoperating items in its financial statements. Operating revenues and expenses generally result from providing services and delivering goods in connection with the Division's principal on-going operations. The principal operating revenue of the Division is a result of charges to customers for sales and services. Operating expenses include the costs of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Customers are billed based on a set fee. Revenue is recognized based upon billings.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Division considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments, consisting of United State Treasury Notes, are reported at fair value; fair value is generally based on market prices.

Prepaid Items

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

Accounts Receivable

Receivables consist of amounts due from customers for services provided. The Division's policy is to accrue a penalty on past due customer receivables. Receivables are reported net of an allowance for uncollectable accounts. Management determines the allowance based on historical experiences and analysis of accounts.

Utility plant

All utility plant assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Capitalization thresholds (the estimated useful life above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the financial statements are as follows:

	Depreciation Method	Estimated Useful Life
Structures	Straight-line	20 – 40 years
Vehicles	Straight-line	5 – 10 years
Other equipment	Straight-line	5 – 10 years
GIS system	Straight-line	5 – 10 years

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefits (OPEB)

The Division provides health insurance coverage for current and future retirees and their spouses as described at Note 11.

Allocation of Assets, Liabilities and Expenses Related to Pension Obligations

Total pension obligations including deferred outflows of resources and deferred inflow of resources are allocated by the City to the BPU based on payroll. The BPU further allocates these amounts by division based on the percentage of each Division's payroll to the total BPU payroll.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statements of Net Position include a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. The Division has two items that qualify for reporting in this category. They are deferred amounts related to pension and OPEB reported in the Statements of Net Position. The deferred amounts are related to pension and OPEB differences between estimated and actual investment earnings, changes in assumptions and other pension and OPEB related changes.

In addition to liabilities, the Statements of Net Position include a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. The Division has one item that qualifies for reporting in this category. In the Statements of Net Position, the Division reports deferred amounts related to pension.

Net Position

Net position is classified into two categories according to availability of assets for satisfaction of the Division's obligations. The Division's net position is classified as follows:

Investment in capital assets – This represents the Division's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (continued)

Unrestricted – Unrestricted net positions represent resources derived from services and other operating revenue.

Use of Estimates in Preparation for Financial Statements

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Adopted Accounting Standards

Effective January 1, 2022, the Division implemented the provisions of GASB Statement No. 87, Leases which establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset, thereby, eliminating the distinction between operating and capital leases. As a result substantially all leases are reported on the Statement of Net Position. The new standard did not have a material impact on the Division.

Accounting Pronouncements

The following are GASB Statements that have been issued recently and are currently being evaluated, by the Division, for their potential impact in future years.

- Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, which will be effective for the year ending December 31, 2023.
- Statement No. 96, Subscription-Based Information Technology Arrangements, which will be effective for the year ending December 31, 2023.
- Statement No. 101, Compensated Absences, which will be effective for the year ending December 31, 2024.

Reclassifications

Certain prior year amounts have been reclassified to conform with current year presentation.

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 2 – CASH AND INVESTMENTS

The Division's investment policies are governed by State statutes because the BPU is a component unit of the City. Monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The BPU's Finance and Customer Accounts Manager is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include demand accounts and certificates of deposit, obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and municipalities and school districts.

Deposits of the Division were fully insured or collateralized by securities held in the name of the City of Jamestown, New York at December 31, 2022 and 2021.

Investment and Deposit Policy

The Division follows an investment and deposit policy, the overall objective of which is to adequately and safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the City of Jamestown, New York on behalf of the Division.

Investments

The Division, in accordance with Governmental Accounting Standards Board Statement No. 72, Fair Value Measurement and Application, reports investments at fair value in the Statements of Net Position. These investments are considered Level 1 in the fair value hierarchy established under U.S. GAAP.

The Division held no investments as of December 31, 2021. As of December 31, 2022 the Division held a U.S. Treasury Note with a fair value of \$480,036, maturity date of January 31, 2024 and an interest rate of .875%.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Division limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a budgetary or economic cycle. The investment policy does not strictly limit the maximum maturity of investments.

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Division limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury notes. U.S. Treasury notes are rated AAA.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Division will not be able to recover the value of its investments that are in possession of an outside party. U.S. Treasury notes are not subject to custodial risk.

Concentration of credit risk is the risk that the Division has a high percentage of its investments invested in one type of investment. The Division's investment policy requires diversification of investments to avoid unreasonable risk. U.S. Treasury notes are in accordance with the Division's Investment Policy.

NOTE 3 – RECEIVABLES

Receivables accrued by the Division as of December 31, 2022 and 2021 are as follows:

	2022	2021
Accounts receivable		
General consumer trade receivable	\$ 474,881	\$ 518,057
Related parties and regulatory assets	18,688	15,741
Allowance for uncollectible accounts	(74,522)	(74,540)
Total accounts receivable, net	<u>\$ 419,047</u>	<u>\$ 459,258</u>

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
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NOTE 4 – UTILITY PLANT

Utility plant asset activity for the Division for the year ended December 31, 2022 was as follows:

	Balance <u>01/01/2022</u>	<u>Additions</u>	<u>Deletions/ Adjustments</u>	Balance <u>12/31/2022</u>
Land	\$ 22,362	\$ --	\$ (1)	22,361
Buildings and improvements	810,304	7,250	--	817,554
Vehicles	1,997,746	86,030	(197,257)	1,886,519
Other equipment	1,359,424	--	(2)	1,359,426
GIS system	181,262	--	--	181,262
	<hr/>			
Total utility plant	4,371,098	93,280	(197,260)	4,267,122
Less: accumulated depreciation	1,995,644	330,667	(203,118)	2,123,194
	<hr/>			
Total utility plant, net	<u>\$ 2,375,454</u>	<u>\$ (237,387)</u>	<u>\$ 5,858</u>	<u>\$ 2,143,928</u>

Utility plant asset activity for the Division for the year ended December 31, 2021 was as follows:

	Balance <u>01/01/2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2021</u>
Land	\$ 22,362	\$ --	\$ --	\$ 22,362
Buildings and improvements	808,311	1,993	--	810,304
Vehicles	2,019,751	--	(22,005)	1,997,746
Other equipment	419,145	940,279	--	1,359,424
GIS system	181,262	--	--	181,262
	<hr/>			
Total utility plant	3,450,831	942,272	(22,005)	4,371,098
Less: accumulated depreciation	1,736,042	281,607	(22,005)	1,995,644
	<hr/>			
Total utility plant, net	<u>\$ 1,714,789</u>	<u>\$ 660,665</u>	<u>\$ --</u>	<u>\$ 2,375,454</u>

Depreciation expense for the years ended December 31, 2022 and 2021 was \$330,667 and \$281,607, respectively.

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
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NOTE 5 - LONG-TERM DEBT

The Division issued Series 2021 serial bonds for the acquisition and distribution of heavy-duty solid waste containers during the year ended December 31, 2021. Bonds payable consist of the following at December 31, 2022 and 2021:

	2022	2021
1.00-4.00% 2021 Solid Waste Containers Bond	\$ 669,000	\$ 707,000
Plus: unamortized premium	40,251	43,126
	709,251	750,126
Less: current maturities	(42,875)	(40,875)
Total bonds payable, long-term	\$ 666,376	709,251

Changes

Future debt service payments are as follows:

	Principal	Interest	Premium
2023	\$ 40,000	\$ 27,370	\$ 2,875
2024	42,000	16,960	2,875
2025	43,000	15,890	2,875
2026	44,000	14,150	2,875
2027	45,000	12,370	2,875
2028-2032	244,000	39,665	14,375
2033-2036	211,000	8,390	11,501
Total	\$ 669,000	\$ 134,795	\$ 40,251

The serial bonds are backed by the full faith and credit of the City of Jamestown, New York.

Debit Issuance Costs, Premiums, Discounts, and Amortization

Debt issuance costs resulting from bond and other debt refinancing are expensed in the year they were incurred.

Bond premiums earned and bond discounts resulting from bond and other debt refinancing are being amortized over the life of the related debt using the straight-line method. These premiums and discounts are deferred and added to or subtracted from the outstanding balances for the bonds.

NOTE 6 – CHARGES FOR FUTURE BENEFITS

The Division recognizes the expense of compensated absences when paid. Accordingly, the expense has been deferred subject to the provision of the Topics of Codification 980. Charges for future benefits totaled \$11,740 and \$10,609 as of December 31, 2022 and 2021, respectively.

NOTE 7 – RELATED-PARTY TRANSACTIONS

The Electric and Water Divisions of the BPU perform various services for the Solid Waste Division. They provide electric, water and other services for daily operational needs.

NOTE 7 – RELATED-PARTY TRANSACTIONS (continued)

Accounts payable include amounts due to other BPU divisions that totaled \$13,303 and \$10,279 for the years ended December 31, 2022 and 2021, respectively.

The Division made payments in lieu of taxes to the City in the amount of \$236,981 and \$228,291 for the fiscal years ended December 31, 2022 and 2021, respectively. This payment is calculated based on approximately 9% of sales of the Division.

NOTE 8 – OTHER CURRENT AND ACCRUED LIABILITIES

Other current and accrued liabilities consist of the following at December 31:

	2022	2021
Compensated absences	\$ 11,740	\$ 10,609
Accrued wages	20,615	17,912
Collections liability		33,878
Customer deposits and prepayments	82,726	85,523
Accrued NYS retirement	--	19,173
	\$ 115,081	\$ 167,095

NOTE 9 – RETIREMENT PLANS AND OTHER POST RETIREMENT BENEFITS

The Division participates in the Teamsters Pension Plan. The Plan is a cost sharing multiple employer pension plan. Employer contributions are based on established percentages of wages paid to the employees during each plan year. Pension expense totaled \$3,560 and \$19,289 for 2022 and 2021, respectively. Participation in this plan has been limited to all employees hired prior to July 1, 2003. All subsequent hires must join the New York State and Local Retirement System.

NOTE 10 – PENSION OBLIGATIONS

New York State and Local Retirement System

Plan Description

The Division participates in the New York State and Local Employees' Retirement System (ERS), which is referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple employer defined benefit retirement system. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYSRSSL).

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 10 – PENSION OBLIGATIONS (continued)

***New York State and Local Retirement System
(continued)***

Plan Description (continued)

Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Division also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance.

The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefit's provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

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

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2022, the Division reported the following liability (asset) for its proportionate share of the net pension liability (asset) to the System. The net pension liability (asset) was measured as of March 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of April 1, 2021. The Division's proportion of the net pension liability (asset) was based on a projection of the Division's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the City.

Measurement date	<u>3/31/2022</u>	<u>3/31/2021</u>
Net Pension (asset) liability	\$ (147,928)	\$ 1,252
Division's portion of the Plan's total net pension liability (asset)	.0018096%	.0012575%
Change in proportion since the prior measurement date	.000552%	.0000768%
Actuarially determined pension expense	\$ 3,560	\$ 30,755

NOTE 10 – PENSION OBLIGATIONS (continued)

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

At December 31, 2022 and 2021 the Division's reported deferred outflows of resources and deferred inflows of resources related to pensions arose from the following sources:

	2022	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 11,203	\$ 14,531
Change of assumptions	246,875	4,166
Net difference between projected and actual earnings on pension plan investments	-	484,401
Changes in proportion and differences between the Division's contributions and proportionate share of contributions	131,365	135,310
Division's contributions subsequent to the measurements date	36,196	-
Total	<u>\$ 425,639</u>	<u>\$ 638,408</u>
	2021	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 15,923	\$ -
Change of assumptions	230,236	4,342
Net difference between projected and actual earnings on pension plan investments	-	359,701
Changes in proportion and differences between the Division's contributions and proportionate share of contributions	2,870	6,766
Division's contributions subsequent to the measurements date	40,081	-
Total	<u>\$ 289,110</u>	<u>\$ 370,809</u>

Division contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 10 – PENSION OBLIGATIONS (continued)

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

Year ending March 31:

2023	\$	(39,638)
2024		(56,121)
2025		(126,536)
2026		(26,670)

Actuarial Assumptions

The total pension liability as of March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with updated procedures used to roll forward the total pension liability to March 31, 2022. The actuarial valuation used the following actuarial assumptions:

	<u>2022</u>	<u>2021</u>
Inflation	2.7%	2.7%
Salary Increases	4.4%	4.4%
Investment rate of return (net of investment expense, including inflation)	5.9%	5.9%
Cost of living adjustments	1.4%	1.4%

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 and 2021 are summarized as follows:

NOTE 10 – PENSION OBLIGATIONS (continued)

Actuarial Assumptions (continued)

Measurement date	2022		2021	
	Target Allocation	Long-Term Expected Rate of Return	Target Allocation	Long-Term Expected Rate of Return
Asset Type:				
Domestic equity	32%	3.3%	32%	4.1%
International equity	15%	5.9%	15%	6.3%
Private equity	10%	6.5%	10%	6.8%
Real Estate	9%	5.0%	9%	5.0%
Opportunistic portfolio	3%	4.1%	3%	4.5%
Credit	4%	3.8%	4%	3.6%
Real assets	3%	5.6%	3%	6.0%
Bonds and mortgages	23%	-.%	23%	-.%
Cash	1%	-1.0%	1%	0.5%
Inflation-indexed bonds	-.%	-.%	-.%	-.%
Total:	<u>100%</u>		<u>100%</u>	

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% (5.9% - 2021). The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to the Discount Rate Assumption

The following table presents the Division's allocated share of the City's proportionate share of the net pension liability calculated using the discount rate of 5.9% (5.9% - 2021), as well as what the Division's allocated share of the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2022		
	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Division's proportionate share of the net pension liability/(asset)	\$ 380,764	\$ (147,928)	\$ (590,153)

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
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NOTE 10 – PENSION OBLIGATIONS (continued)

Sensitivity of the Proportionate Share of Net Pension Liability
(Asset) to the Discount Rate Assumption (continued)

	2021		
	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Division's proportionate share of the net pension liability/(asset)	\$ 347,557	\$ 1,252	\$ (318,122)

Pension Plan Fiduciary Net Pension

The components of the current-year net pension liability of the employers as of March 31, 2022 and 2021 was as follows:

Measurement date	(dollars in thousands)	
	2022 3/31/22	2021 3/31/21
Employers' total pension asset/liability	\$ 223,874,888	\$ 220,680,157
Plan net position	<u>232,049,473</u>	<u>220,580,583</u>
Employers' net pension (asset) liability	\$ <u>(8,174,585)</u>	\$ <u>99,574</u>
Ratio of plan net position to be Employers' total pension liability	103.65%	99.95%

Prepays to the Pension Plan

Employer contributions are paid annually based on the System fiscal year which ends on March 31st. Prepaid retirement contributions as of December 31, 2022 represent a three-month portion of the employer contribution for the Plan year April 1, 2022 through March 31, 2023. Prepaid retirement contribution amounted to \$12,065 and \$13,765 as of December 31, 2022 and 2021, respectively.

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

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

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

Funding Policy

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

The following employees were covered by the benefit terms at December 31:

	2022	2021
Retired and surviving spouse	1	1
Total	<u>1</u>	<u>1</u>

The Division's total OPEB liability of \$26,648 was measured as of October 1, 2022 and was determined by an actuarial valuation as of December 31, 2022.

The Division's total OPEB liability of \$23,089 was measured as of October 1, 2021 and was determined by an interim actuarial valuation as of December 31, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

	2022	2021
Inflation	2.53%	2.37%
Salary increases	3.53%	3.44%
Discount rate	4.40%	2.19%
Healthcare cost trend rates	4%-5.5%	4.37%-6.1%
Retiree share of benefit-related costs	18%-68%	20%-70%

The discount rate was based on the Fidelity Municipal General Obligation AA 20-year Bond rate as of the measurement date.

Mortality rates for retiree and beneficiaries were based on the Pub-2010 public retirement plans mortality tables, headcount-weighted, distinct for teachers, general, and safety, without separate contingent survivor mortality, fully generational using Mortality Improvement Scale MP-2021.

Retirement and termination assumptions reflect general published tables based on large-scale retirement plan population data. The Plan's estimated termination and retirement experience is then analyzed, and the base table is adjusted accordingly as necessary. No formal experience study is prepared for this plan.

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

Changes in the Total OPEB Liability

	2022	2021
Balance, beginning of the year	\$ 23,089	\$ 30,281
Service costs	-	-
Interest	392	569
Changes of benefit terms	-	-
Differences between expected and actual experience	9,358	(1,360)
Changes in assumptions or other inputs	(982)	273
Benefit payments	(5,209)	(6,674)
Net change in total OPEB liability	<u>3,559</u>	<u>(7,192)</u>
Balance, end of the year	<u>\$ 26,648</u>	<u>\$ 23,089</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.19% in 2021 to 4.4%, effective December 31, 2022, the salary scale changed from 3.44% in 2021 to 3.53% effective December 31, 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Division, as well as what the Division's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate.

	2022		
	1% Decrease (3.40%)	Discount Rate (4.40%)	1% Increase (5.40%)
Total OPEB liability	\$ 27,304	\$ 26,648	\$ 26,029
	2021		
	1% Decrease (1.19%)	Discount Rate (2.19%)	1% Increase (3.19%)
Total OPEB liability	\$ 23,750	\$ 23,089	\$ 22,469

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Division, as well as what the Division's total OPEB liability would be if it were calculate using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	2022		
	1% Decrease (4.5% decreasing to 3%)	Healthcare Cost Trend Rates (5.5% decreasing to 4%)	1% Increase (6.5% decreasing to 5%)
Total OPEB liability	\$ 26,030	\$ 26,648	\$ 27,290
	2021		
	1% Decrease (5.10% decreasing to 3.37%)	Healthcare Cost Trend Rates (6.10% decreasing to 4.37%)	1% Increase (7.10% decreasing to 5.37%)
Total OPEB liability	\$ 22,259	\$ 23,089	\$ 23,958

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

For the years ended December 31, 2022 and 2021, the Division recognized OPEB expense (credit) of \$8,768 and \$(518), respectively. OPEB expense reflects the costs to the OPEB plan incurred during the year, including the service cost, interest cost, immediate recognition of the impact of all plan provision changes, and the amortization of gains and losses due to experience or changes in the assumptions. Total benefit payments were \$5,209 and \$6,674 for the years ended December 31, 2022 and 2021, respectively. At December 31, 2022 and 2021, the Division reported deferred outflows or resources totaling \$1,317 and \$1,687, respectively, related to contributions subsequent to the measurement date.

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
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NOTE 12 – PRIOR PERIOD ADJUSTMENTS

In the current year, the Division recorded prior period adjustments to eliminate certain accrued liabilities which were overstated. The Division's net position was restated as follows:

Collections liability	\$	33,878
Accrued retirement		<u>19,173</u>
Total prior period adjustments	\$	<u><u>53,051</u></u>

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 17, 2023 which is the date the financial statements are available for issuance and have determined there are no subsequent events that require disclosure under U.S. generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION

**SOLID WASTE DIVISION - BOARD OF PUBLIC UTILITIES
OF THE CITY OF JAMESTOWN, NEW YORK
SCHEDULE OF THE DIVISION'S PROPORTIONATE SHARE OF THE NET PENSION
ASSET/LIABILITY - ERS
LAST TEN FISCAL YEARS**

New York State Local Employees' Retirement System - Net Pension (Asset) Liability

As of the measurement date of March 31,	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension (asset) liability	0.0598290%	0.0584115%	0.0569336%	0.0584473%	0.0602267%	0.0614446%	0.0060484%	0.0600616%
Division's proportion of the net pension (asset) liability	0.0018096%	0.0012575%	0.0011808%	0.0008726%	0.0014551%	0.0014845%	0.0010582%	0.0010508%
Division's allocated share of the City's proportionate share of the net pension (asset) liability	\$ (147,928)	\$ 1,252	\$ 312,676	\$ 61,826	\$ 46,962	\$ 102,450	\$ 169,848	\$ 29,682
Division's covered-employee payroll	\$ 518,961	\$ 353,620	\$ 329,813	\$ 233,899	\$ 295,804	\$ 312,594	\$ 431,233	\$ 417,620
Division's allocated share of the City's proportionate share of the net pension (asset) liability as a percentage of its covered employee payroll	28.50%	-0.35%	-94.80%	-26.43%	-15.88%	-32.77%	-39.39%	-7.11%
Plan fiduciary net position as a percentage of the total pension (asset) liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

SOLID WASTE DIVISION BOARD OF PUBLIC UTILITIES
SCHEDULE OF THE DIVISION'S PENSION CONTRIBUTIONS - ERS
LAST TEN FISCAL YEARS

New York State Local Employees' Retirement System (ERS)

For the year ended March 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 48,262	\$ 52,760	\$ 42,437	\$ 32,180	\$ 45,945	\$ 30,572	\$ 38,498	\$ 35,986	\$ 39,652	\$ 44,099
Contributions in relation to the contractually required contribution	(48,262)	(52,760)	(42,437)	(32,180)	(45,945)	(30,572)	(38,498)	(35,986)	(39,652)	(44,099)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Division's covered-employee payroll	\$ 518,961	\$ 353,620	\$ 329,813	\$ 233,899	\$ 295,804	\$ 312,594	\$ 431,233	\$ 417,620	\$ 317,713	\$ 265,571
Contributions as a percentage of Division's covered-employee payroll	9.30%	14.92%	12.87%	13.76%	15.53%	9.78%	8.93%	8.62%	12.48%	16.61%

SOLID WASTE DIVISION BOARD OF PUBLIC UTILITIES
SCHEDULE OF CHANGES IN THE DIVISION'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

As of December 31,	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	392	569	686	1,234	1,103
Differences between expected and actual experience	9,358	(1,360)	4,661	(3,246)	7,648
Change in benefit terms	-	-	-	-	-
Changes in assumptions and other inputs	(982)	273	(1)	1,149	(362)
Benefit payments	(5,209)	(6,674)	(6,416)	(7,676)	(7,196)
Net change in total OPEB liability	3,559	(7,192)	(1,070)	(8,539)	1,193
Total OPEB liability - beginning	23,089	30,281	31,351	39,890	38,697
Total OPEB liability - ending	\$ 26,648	\$ 23,089	\$ 30,281	\$ 31,351	\$ 39,890

Covered-employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Division's net OPEB liability as a percentage of covered-employee payroll	n/a	n/a	n/a	n/a	n/a

Notes to Schedule:

Benefit Changes: none

Significant methods and assumptions used to determine contribution rates:

Discount rate	4.40%
Inflation	2.53% per year
Healthcare cost trend rates	5.5% initial, then between 4.21% - 6.00% through 2070, ultimate of 4.00%
Salary increases	3.53% as of December 31, 2022
Mortality Improvement	MP-2021, fully generational.