

**SARATOGA ECONOMIC DEVELOPMENT
CORPORATION**

FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

YEARS ENDED DECEMBER 31, 2024 AND 2023

<u>TABLE OF CONTENTS</u>	<u>PAGE NO.</u>
INDEPENDENT AUDITORS' REPORT	1-3
FINANCIAL STATEMENTS	
Statements of financial position	4
Statements of activities	5
Statements of cash flows	6
Notes to financial statements	7-13
SUPPLEMENTARY INFORMATION	
Schedule 1 – Schedules of functional expenses	14



Fredette, Sankowski, Woodcock & Company

Certified Public Accountants

MEMBERS OF
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

THE NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Brian T. Fredette, CPA
Jillian M. Woodcock, CPA

Walter W. Sankowski, CPA, Ret.
Richard D. Soellner, CPA
Laura C. Prouty, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Saratoga Economic Development Corporation
Saratoga Springs, NY

Opinion

We have audited the accompanying financial statements of Saratoga Economic Development Corporation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saratoga Economic Development Corporation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Saratoga Economic Development Corporation 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Saratoga Economic Development Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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.

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 Saratoga Economic Development Corporation'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 Saratoga Economic Development Corporation'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.



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Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subject to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Fredette, Sankowski, Woodcock & Co.

Fredette, Sankowski, Woodcock & Company

November 11, 2025



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Fredette, Sankowski, Woodcock & Company

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SARATOGA ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

ASSETS

CURRENT ASSETS	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 689,273	776,710
Accounts receivable	127,161	263,670
Memberships receivable	5,239	55,897
Accrued interest receivable	4,801	-
Prepaid expense	<u>18,345</u>	<u>8,835</u>
 Total current assets	 <u>844,819</u>	 <u>1,105,112</u>
 PROPERTY AND EQUIPMENT		
At cost, less accumulated depreciation of \$329,483 and \$325,409, respectively	 <u>27,658</u>	 <u>13,773</u>
 OTHER ASSETS		
Operating lease right-of-use assets	<u>70,524</u>	<u>505</u>
 Total other assets	 <u>70,524</u>	 <u>505</u>
 TOTAL ASSETS	 <u><u>\$ 943,001</u></u>	 <u><u>1,119,390</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 28,555	43,995
Deferred revenue	31,022	-
Current portion of operating lease liabilities	<u>31,566</u>	<u>505</u>
Total current liabilities	<u>91,143</u>	<u>44,500</u>
 LONG TERM LIABILITIES		
Operating lease liabilities, less current portion	<u>37,002</u>	<u>-</u>
Total long term liabilities	<u>37,002</u>	<u>-</u>
 TOTAL LIABILITIES	<u>128,145</u>	<u>44,500</u>
 NET ASSETS		
Without donor restrictions	814,856	1,074,890
With donor restrictions	<u>-</u>	<u>-</u>
Total net assets	<u>814,856</u>	<u>1,074,890</u>
 TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 943,001</u></u>	<u><u>1,119,390</u></u>

See accompanying notes and independent auditors' report.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2024 AND 2023

	December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Grants and contracts	\$ 354,585	-	354,585
Public support	168,782	-	168,782
Program fees	1,983	-	1,983
Promotional events and seminars, net of expenses of \$152,541	60,055	-	60,055
Interest income	13,420	-	13,420
Miscellaneous income	500	-	500
Net assets released from restrictions due to satisfaction of program restrictions	-	-	-
TOTAL SUPPORT AND REVENUES	599,325	-	599,325
EXPENSES			
Program services (Schedule 1)	554,091	-	554,091
Management and general (Schedule 1)	305,268	-	305,268
TOTAL EXPENSES	859,359	-	859,359
Change in Net Assets	(260,034)	-	(260,034)
NET ASSETS AT BEGINNING OF YEAR	1,074,890	-	1,074,890
NET ASSETS AT END OF YEAR	\$ 814,856	-	814,856

	December 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Grants and contracts	\$ 202,750	-	202,750
Public support	280,927	-	280,927
Program fees	404,076	-	404,076
Promotional events and seminars, net of expenses of \$107,919	73,276	-	73,276
Interest income	4,566	-	4,566
Miscellaneous income	186	-	186
Net assets released from restrictions due to satisfaction of program restrictions	-	-	-
TOTAL SUPPORT AND REVENUES	965,781	-	965,781
EXPENSES			
Program services (Schedule 1)	463,457	-	463,457
Management and general (Schedule 1)	271,234	-	271,234
TOTAL EXPENSES	734,691	-	734,691
Change in Net Assets	231,090	-	231,090
NET ASSETS AT BEGINNING OF YEAR	843,800	-	843,800
NET ASSETS AT END OF YEAR	\$ 1,074,890	-	1,074,890

See accompanying notes and independent auditors' report.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (260,034)	231,090
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	4,216	1,504
Depreciation of right-of-use asset	27,258	2,000
Reduction in lease liability	(29,214)	(2,000)
(Increase) decrease in net assets		
Accounts receivable	136,509	(46,222)
Memberships receivable	50,658	63,750
Grants receivable	-	61,750
Accrued interest receivable	(4,801)	-
Prepaid expenses	(9,510)	475
Increase (decrease) in liabilities		
Accounts payable	(15,440)	15,595
Deferred revenue	31,022	-
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	<u>(69,336)</u>	<u>325,942</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(18,101)	(12,000)
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(18,101)</u>	<u>(12,000)</u>
NET CHANGE IN CASH	(87,437)	313,942
CASH, BEGINNING OF YEAR	<u>776,710</u>	<u>460,768</u>
CASH, END OF YEAR	<u><u>\$ 689,273</u></u>	<u><u>774,710</u></u>

See accompanying notes and independent auditors' report.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Saratoga Economic Development Corporation have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization and Nature of Activities

The Saratoga Economic Development Corporation is a nonprofit organization under the laws of the State of New York. It was formed in 1978 to promote economic development in and around Saratoga County through planning and promoting, and if necessary, coordinating and executing programs in the County of Saratoga aimed to improve the quality of life of its residents by providing for additional employment, bettering and maintaining job opportunities within the County. The Organization also administers programs for municipalities within Saratoga County by achieving various grant objectives that are aimed at helping the municipalities to become more enticing for economic growth.

The Saratoga Economic Development Corporation has been granted exemption from Federal Income Taxation pursuant to Section 501 (c)(3) of the Internal Revenue Code. The Organization's tax returns are generally subject to examination by various taxing authorities of which the open audit periods are the years ended December 31, 2022 through December 31, 2024.

Location

The Saratoga Economic Development Corporation is located in Saratoga Springs, New York, and grants credit to local businesses for membership dues.

Support and Revenues

Net assets without donor restrictions represent assets without externally imposed donor or grantor restrictions. The resources are available for support of the organization's operations and include assets designated by the Board for specific purposes. Board designated net assets included in net assets without donor restrictions at December 31, 2024 and 2023 was \$0.

Net assets with donor restrictions represent assets with externally imposed restrictions as to what the monies must be utilized for.

Grants and other contributions of cash and other assets are reported as net assets with donor restrictions if they are received with grantor or donor stipulations that limit their use. When a stipulation expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue (Continued)

Unconditional promises to give are recognized as contribution revenue and receivable in the period in which the promise is received. Depending on the existence and nature of the donor-imposed restrictions, unconditional promises to give are reported as net assets with or without donor restrictions. Unconditional promises to give that are due in future periods and are not permanently restricted generally increase net assets with donor restrictions, unless the donor explicitly stipulates that the promise to give is to support current period activities or if other circumstances supporting the promise make it clear that the donor's intention is to support current period activities.

Loan fees are collected on loans referred or originated by the Organization and are reported as net assets without restrictions when received.

Facilitating fees are collected from entities for various services related to help in relocating to Saratoga County. The income is reported as net assets without restrictions when received.

Cash and Cash Equivalents

The Organization includes as cash equivalents all short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Accounts Receivable

The Saratoga Economic Development Corporation uses the direct write off method for valuing accounts receivable. This reduces the current balance of accounts receivable by the actual bad debts for the period.

Property, Equipment and Depreciation

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives of property and equipment for purposes of calculating depreciation are 5-7 years. Major improvements and additions are capitalized at historical cost and depreciated over 7-15 years. Repairs and maintenance are charged against operations as incurred.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and general and administrative expenses. Directly identifiable expenses are charged to the program and general and administrative expenses and expenses that require allocation are allocated on either a personnel-cost or square-footage basis, whichever is more reasonable for the expense.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that can affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising

Advertising costs are expensed as they are incurred. The advertising costs for the years ended December 31, 2024 and 2023 was \$118,319 and \$101,120, respectively.

Reclassification

Certain 2023 balances have been reclassified to conform with 2024 presentation.

Uncertain Tax Positions

Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures.

NOTE 2 – FAIR VALUE MEASUREMENT

The recorded value of the organization's unconditional promises to give, accounts receivable and accounts payable approximate fair value based on their short-term nature.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 – SIGNIFICANT CONCENTRATION OF RISK

Grants and contracts

A material part of the Organization's revenue consists of a contract with the County of Saratoga to provide specific marketing services promoting the benefits of conducting business operations and growing businesses in Saratoga County and seeking new industries to locate in Saratoga County. For the years ended December 31, 2024 and 2023, the Saratoga County contract comprised of approximately 54% and 21%, respectively, of total support and revenues.

Cash and cash equivalents

The Organization maintains its cash in bank deposit accounts at high quality financial institutions. The balances at times may exceed federally insured limits. At December 31, 2024 and 2023, the Organization's cash balances exceeded the federally insured limits by \$223,499 and \$539,347, respectively.

NOTE 4 – SUBSEQUENT EVENT

Management has evaluated subsequent events through November 11, 2025, the date the financial statements were available to be issued.

NOTE 5 – COMMITMENTS

Prior to 2000, the Organization was given the rights to access two, 20-inch water intake structures in the hydro station located in Moreau Industrial Park. The Organization has the right to use up to 5,000,000 gallons of water per day. A valuation of these assets has not been formalized.

NOTE 6 – CONTINGENCIES

Liability

The Organization is contingently liable to the extent of \$9,696,184 as guarantor of the mortgage indebtedness of Luther Forest Technology Campus Economic Development Corporation (LFTCEDC). The mortgage is also secured by the land purchased by Luther Forest Technology Campus Economic Development Corporation. During 2010 the mortgages have been called. LFTCEDC has paid off the loan in 2023.

Litigation

The Organization was involved in litigation surrounding the nature of the configuration of the Organization. As of December 31, 2024, the litigation ended with no effect on the financial statements.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 7 – PENSION PLAN

The Organization adopted a 401(k) Plan effective June 1, 2005. Through June 1, 2005 (date of termination) the qualified simplified employee pension – individual retirement account plan was in effect. The new plan covers substantially all employees who have attained age twenty-one with at least one year of service to the Organization. The Organization made contributions to the plan of a match, up to 5% of compensation and a nonelective contribution of 5% of eligible employees' gross wages in 2024 and 2023. The amounts contributed for 2024 and 2023 were \$34,452 and \$29,161, respectively.

NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general expenditures within one year:

Financial Assets	
Cash and cash equivalents	\$ 689,273
Accounts receivable	127,161
Membership receivable	5,239
Accrued interest receivable	<u>4,801</u>
 Total financial assets, excluding noncurrent receivables	 826,474
 Less amounts unavailable to meet cash needs for general expenditures within one year	 <u>-</u>
 Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	 <u><u>\$ 826,474</u></u>

The Organization will use the financial assets that are available within one year along with the excess of revenues over expenses to meet the cash needs of the Organization within the next year. The unconditional promises to give listed above, do not reduce the amounts available for general expenditures due to them being collected within in the year and available for use when collected.

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 9 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2024</u>	<u>2023</u>
Computer equipment	\$ 34,076	34,076
Office furniture and equipment	39,165	21,206
Equipment	55,000	55,000
Railroad spur	228,900	228,900
	<u>357,141</u>	<u>339,182</u>
Less: accumulated depreciation	(329,483)	(325,409)
	<u><u>\$ 27,658</u></u>	<u><u>13,773</u></u>

NOTE 10 – LEASES

In January 2024, the Organization leased office space under an operating lease with a one year, with the option to renew on a month-to-month basis. There were no direct costs associated with this lease. The lease calls for monthly installments of \$2,625 for the first year with a 3% escalation upon renewal.

In February 2024, the Organization leased a copier under an operating lease with a 5-year term. There was a \$95 fee associated with this lease. The lease calls for monthly installments of \$117.

During 2023, the Organization leased a copier under a capital lease with a 3-yr ter. The lease was terminated in 2024.

The following summarizes the line items in the balance sheet which include amount for the operating leases as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Operating lease right-of-use assets	<u><u>\$ 70,524</u></u>	<u><u>\$ 505</u></u>
Current portion of operating lease liabilities	\$ 31,566	\$ 505
Long term portion of operating lease liabilities	<u>37,002</u>	<u>-</u>
Total operating lease liabilities	<u><u>\$ 68,568</u></u>	<u><u>\$ 505</u></u>

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 10 – LEASES (continued)

The maturities of operating lease liabilities as of December 31, 2024, were as follows:

	2025	\$	33,840
	2026		34,812
	2027		1,404
	2028		1,404
	2029		234
Total lease payments			71,694
Less: Interest			(3,126)
Present value of lease liability		\$	<u><u>68,568</u></u>

SARATOGA ECONOMIC DEVELOPMENT CORPORATION
SCHEDULE 1 - SCHEDULES OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2024 AND 2023

	December 31, 2024		
	<u>Economic Development</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 253,649	154,617	408,266
Advertising and marketing	118,319	-	118,319
Employee benefits	41,714	25,428	67,142
Consultant expense	-	58,240	58,240
Office supplies and expense	28,807	7,847	36,654
Rent	28,920	5,103	34,023
Payroll taxes	19,899	12,130	32,029
Professional fees	-	25,755	25,755
Travel and promotion	9,091	10,021	19,112
Licenses, dues and fees	17,337	-	17,337
Donations	14,000	-	14,000
Web page maintenance	5,800	-	5,800
Telephone	4,243	749	4,992
Insurance	3,952	697	4,649
Depreciation	3,584	632	4,216
Prospect development	3,337	-	3,337
Bank and credit card charges	-	2,945	2,945
Automobile fees	709	800	1,509
Postage	730	129	859
Administrative fees	-	175	175
Reference library	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 554,091</u>	<u>305,268</u>	<u>859,359</u>

	December 31, 2023		
	<u>Economic Development</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 226,614	126,875	353,489
Advertising and marketing	101,120	-	101,120
Employee benefits	34,110	19,098	53,208
Consultant expense	-	45,588	45,588
Office supplies and expense	28,653	10,959	39,612
Rent	15,385	3,846	19,231
Payroll taxes	17,503	9,800	27,303
Professional fees	-	40,377	40,377
Travel and promotion	10,284	7,294	17,578
Licenses, dues and fees	10,468	-	10,468
Donations	50	-	50
Web page maintenance	-	-	-
Telephone	5,932	1,483	7,415
Insurance	4,810	1,203	6,013
Depreciation	1,203	301	1,504
Prospect development	4,854	-	4,854
Bank and credit card charges	-	3,840	3,840
Automobile fees	1,874	138	2,012
Postage	480	120	600
Administrative fees	-	312	312
Reference library	117	-	117
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 463,457</u>	<u>271,234</u>	<u>734,691</u>

See accompanying notes and independent auditors' report.