

**SHELTERS OF SARATOGA, INC.**  
**AUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**SHELTERS OF SARATOGA, INC.**  
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**Joseph J. DiMura, Jr., CPA**  
**P.O. Box 102**  
**East Greenbush, NY 12061**  
**518-477-1287**  
**jjdjrcpa@aol.com**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Shelters of Saratoga, Inc.  
Saratoga Springs, New York 12866

### **Opinion**

I have audited the accompanying financial statements of the Shelters of Saratoga, Inc. which comprise the statements of financial position as of June 30, 2025 and 2024 and the related statements of activities and change in net assets and cash flows for the years then ended and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Shelters of Saratoga, Inc. as of June 30, 2025 and 2024, 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**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Shelters of Saratoga, Inc. and to meet my other ethical responsibilities in accordance with the relevant requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 the Shelters of Saratoga, Inc.'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 Responsibility for the Audit of the Financial Statements**

My 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 my 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shelters of Saratoga, Inc.'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 my judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about the Shelters of Saratoga, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

East Greenbush, NY 12061  
September 30, 2025

**SHELTERS OF SARATOGA, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash (Note E)	\$ 299,731	\$ 300,105
Cash-With Donor Restrictions (Note E)	610,819	638,614
Investments (Note G)	1,145,834	983,086
Accounts Receivable-Net (Note D)	197,739	368,529
Prepaid Expenses	<u>26,902</u>	<u>29,039</u>
Total Current Assets	2,281,025	2,319,373
PROPERTY AND EQUIPMENT:		
Land and Land Improvements	20,500	20,500
Building and Improvements	5,570,032	2,869,168
Equipment	159,215	79,127
Furniture and Fixtures	<u>13,515</u>	<u>13,515</u>
Total	5,763,262	2,982,310
Less: Accumulated Depreciation	<u>1,012,801</u>	<u>921,389</u>
Net Property and Equipment	<u>4,750,461</u>	<u>2,060,921</u>
<b>TOTAL ASSETS</b>	<b><u>\$7,031,486</u></b>	<b><u>\$4,380,294</u></b>

The Notes to Financial Statements are an Integral Part of this Page.

**SHELTERS OF SARATOGA, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts Payable	\$ 121,430	\$ 213,983
Current Portion of Notes Payable (Note C)	13,800	13,320
Accrued Payroll	45,265	35,145
Security Deposits	4,202	3,601
Deferred Revenue	<u>9,080</u>	<u>34,000</u>
Total Current Liabilities	193,777	300,049
 Notes Payable (Note C)	 <u>106,247</u>	 <u>119,823</u>
 TOTAL LIABILITIES	 300,024	 419,872
 NET ASSETS:		
Without Donor Restrictions	6,120,643	3,321,808
With Donor Restrictions	<u>610,819</u>	<u>638,614</u>
 TOTAL NET ASSETS	 <u>6,731,462</u>	 <u>3,960,422</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b><u>\$7,031,486</u></b>	 <b><u>\$4,380,294</u></b>

The Notes to Financial Statements are an Integral Part of this Page.

**SHELTERS OF SARATOGA, INC.**

**STATEMENTS OF ACTIVITIES**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>SUPPORT AND REVENUE:</b>		
Grants (Notes H, J-N)	\$3,451,438	\$ 1,227,227
Contributions	189,263	205,055
Shelter Rent	357,161	272,081
Shelter Rent-112 Washington St.	22,285	22,419
Shelter Rent-128 Grand Ave.	25,037	25,075
Special Events/Fundraising	498,415	231,082
Health Home Revenue (Note O)	231,805	195,147
Interest & Dividends	45,771	42,180
Net Unrealized Gain (Loss) on Investments	74,120	118,963
Net Realized Gain (Loss) on Sale of Investments/Assets	<u>16,719</u>	<u>(3,079)</u>
 Total Support and Revenue	 <u>4,912,014</u>	 <u>2,336,150</u>
 <b>EXPENSES:</b>		
Functional Expenses:		
Program	1,636,673	1,393,828
General and Administrative	149,085	163,478
Fundraising	<u>355,216</u>	<u>184,859</u>
Total Functional Expenses	<u>2,140,974</u>	<u>1,742,165</u>
 Total Expenses	 <u>2,140,974</u>	 <u>1,742,165</u>
 <b>INCREASE (DECREASE) IN NET ASSETS</b>	 2,771,040	 593,985
 <b>NET ASSETS, BEGINNING OF YEAR</b>	 <u>3,960,422</u>	 <u>3,366,437</u>
 <b>NET ASSETS, END OF YEAR</b>	 <u><u>\$6,731,462</u></u>	 <u><u>\$3,960,422</u></u>

NOTE: The Notes to Financial Statements are an Integral Part of this Page.

**SHELTERS OF SARATOGA, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FROM JUNE 30, 2024)**

	2025			2024	
	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total Expenses</u>	<u>Total Expenses</u>
<b>EXPENSES:</b>					
Salaries	\$ 961,191	\$87,444	\$100,082	\$1,148,717	\$1,029,754
Employee Benefits	52,130	9,435	9,632	71,197	51,591
Payroll Taxes	86,875	7,543	8,783	103,201	93,568
Retirement Contributions	8,746	2,593	2,834	14,173	14,012
Rent	116,491	5,360	4,375	126,226	97,087
Client Assistance	16,111	-	-	16,111	14,930
Depreciation	89,326	2,086	-	91,412	77,550
Dues & Subscriptions	1,424	638	-	2,062	1,239
Equipment Lease & Maintenance	9,313	94	-	9,407	10,647
Insurance	62,341	4,025	4,868	71,234	78,534
Interest Expense	8,935	-	-	8,935	7,985
Office Expense	25,233	5,070	10,811	41,114	31,640
Payroll Processing Fees	5,775	369	462	6,606	6,373
Professional & Legal Fees	62,784	10,433	1,217	74,434	55,232
Investment Management Fees	-	10,104	-	10,104	9,449
Repairs & Maintenance	41,265	334	21	41,620	64,416
Food Supplies	10,061	-	15,418	25,479	30,517
Supplies	20,303	1,121	1,064	22,488	8,431
Telephone	7,065	694	453	8,212	6,565
Travel, Meals & Conferences	5,528	436	173	6,137	4,004
Utilities	39,308	-	-	39,308	33,880
Bad Debt Expense	3,698	441	-	4,139	6,361
Bank Service Charges	37	314	3,586	3,937	3,240
Printing and Reproduction	2,733	551	3,517	6,801	5,160
Professional Fundraising Fees	-	-	187,920	187,920	-
Total Expenses	<u>\$1,636,673</u>	<u>\$149,085</u>	<u>\$355,216</u>	<u>\$2,140,974</u>	<u>\$1,742,165</u>

NOTE: The Notes to Financial Statements are an Integral Part of this Page.

**SHELTERS OF SARATOGA, INC.**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$2,771,040	\$593,985
Adjustments to reconcile increase (decrease) to net cash provided by operating activities:		
Depreciation	91,412	77,550
Net Realized & Unrealized (gains) losses on investments/assets	(90,839)	(115,884)
(Increase) Decrease in Accounts Receivable	170,790	(114,942)
(Increase) Decrease in Prepaid Expenses	2,137	(2,808)
Increase (Decrease) in Accounts Payable	(92,553)	85,959
Increase (Decrease) in Accrued Payroll	10,120	3,772
Increase (Decrease) in Security Deposits	601	(264)
Increase (Decrease) in Notes Payable	(13,096)	10,308
Increase (Decrease) in Deferred Revenue	<u>(24,920)</u>	<u>33,875</u>
<b>NET CASH PROVIDED (USED)     BY OPERATING ACTIVITIES</b>	2,824,692	571,551
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property & Equipment	(2,780,952)	(573,132)
Purchase of Investments	(150,621)	(95,282)
Proceeds from Sale of Investments	<u>78,712</u>	<u>149,007</u>
<b>NET CASH PROVIDED (USED)     BY INVESTING ACTIVITIES</b>	<u>(2,852,861)</u>	<u>(519,407)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(28,169)	52,144
<b>CASH AT BEGINNING OF YEAR</b>	<u>938,719</u>	<u>886,575</u>
<b>CASH AT END OF YEAR</b>	<u>\$910,550</u>	<u>\$938,719</u>

NOTE: The Notes to Financial Statements are an Integral Part of this Page.

**SHELTERS OF SARATOGA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

**NOTE A - NATURE OF ORGANIZATION**

The financial statements include the accounts of the Shelters of Saratoga, Inc. and its wholly-owned subsidiaries Shelters of Saratoga Housing Development Fund Corporation and Washington Street Housing Development Fund Co., Inc.

The Organization is a not-for-profit human services agency located in Saratoga Springs, New York and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization provides temporary shelter and case management services to individuals experiencing homelessness. In addition, the Organization operates 16 supportive housing units which provide low cost, permanent housing and case management services to at-risk individuals in Saratoga Springs. The Organization's revenues primarily come from general public support, government grants and program fees.

Shelters of Saratoga Housing Development Fund Corporation and Washington Street Housing Development Fund Co., Inc. were incorporated to be holding corporations for the low-income housing projects completed by the Organization. Revenues will primarily be from rental income. All significant intercompany balances and transactions have been eliminated on consolidation.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accounts of the Organization are maintained and the accompanying financial statements are prepared on the accrual basis of accounting, which is in accordance with generally accepted accounting principles.

**Financial Statement Presentation**

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 and Accounting Standards Update (ASU) No. 2016-14 dated August, 2016 and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations (the "Guide"). Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions, namely net assets without donor restrictions and net assets with donor restrictions.

## **SHELTERS OF SARATOGA, INC.**

### **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. However, donor restricted contributions whose restrictions are met within the same fiscal year are reported as unrestricted support.

#### Property and Equipment

Property and equipment are recorded at cost when purchased. Property and equipment, with an original cost of \$1,000 or greater, are capitalized when purchased. Repairs and maintenance are expensed and betterments that extend the life or capacity of the asset are capitalized. Depreciation is recorded on the straight-line basis.

#### Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Donated Materials and Services

The Organization pays for most services requiring specific expertise. In the event a business donates a service, the Organization records the fair market value of that service and related expense. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with their purpose. The Organization also receives donations of food, personal items and household items which are passed through to the residents. There has been no income or expense recorded for their donations.

#### Date of Management's Review

Management has evaluated subsequent events through September 30, 2025 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

#### Use of Estimates

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

**SHELTERS OF SARATOGA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE C – NOTES PAYABLE**

	<u>2025</u>	<u>2024</u>
Note payable to The Adirondack Trust Company, with monthly installments of \$542, including interest at 6.24% through September 2029, secured by a 2023 Dodge Promaster Van.	\$ 18,566	\$23,713
Note payable to The Adirondack Trust Company, with monthly installments of \$682, including interest at 7.00% through December 2031, secured by property at 112 Washington Street.	42,897	\$47,511
Note payable to The Adirondack Trust Company, with monthly installments of \$638, including interest at 7.00% through June 2036, secured by property at 128 Grand Avenue.	<u>58,584</u>	<u>61,919</u>
Total Notes Payable	\$120,047	\$133,143
Less: Current Portion	<u>(13,800)</u>	<u>(13,320)</u>
Long-Term Portion	<u>\$106,247</u>	<u>\$119,823</u>

**SHELTERS OF SARATOGA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE D – ACCOUNTS RECEIVABLE**

Accounts receivable are stated net of an allowance for doubtful accounts. The Organization estimated the allowance for doubtful accounts based on a review and analysis of the balances that may not be collectible. Accounts are considered for write-off when it is determined that the probability of collection is remote. The allowance for doubtful accounts was \$1,231 at June 30, 2025 and \$1,422 at June 30, 2024.

**NOTE E – CASH**

The Organization’s Cash at June 30, 2025 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>
Operating Checking	\$299,731	\$222,889
Operating Reserves	-	84,481
Replacement Reserves	-	143,310
Capital Campaign	<u>-</u>	<u>160,139</u>
	<u>\$299,731</u>	<u>\$610,819</u>

**NOTE F – LIQUIDITY**

The Organization has \$1,643,304 of current financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$299,731, investments of \$1,145,834 and accounts receivables of \$197,739. None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date.

**SHELTERS OF SARATOGA, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

**NOTE G - INVESTMENTS**

The Organization has adopted SFAS No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value on a recurring basis at Level 1 inputs (see below) and amounted to \$1,145,834 in the statement of financial position. Net realized gains (losses) on sale of investments was \$16,719 and net unrealized gains (losses) on investments was \$74,120 and are included in the statement of activities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities is measured according to the Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification (ASC) 820. Fair value is required to be evaluated and adjusted according to the following valuation techniques:

*Level 1* – Fair value is determined using quoted market prices in active markets for identical assets and liabilities.

*Level 2* – Fair value is determined using quoted market prices in active markets for similar assets and liabilities.

*Level 3* – Fair value is determined using unobservable market prices in a market that is typically inactive.

**NOTE H – CODE BLUE SHELTER**

The Code Blue Shelter, opened in December 2013, is a New York State mandated emergency shelter serving individuals facing homelessness in Saratoga County when the real-feel temperature drops below 32 degrees. Funded through the New York State Office of Temporary and Disability Assistance and private contributors, Shelters of Saratoga operates Code Blue in partnership with the County of Saratoga. Total revenue received this fiscal year was \$429,000.

**NOTE I – RETIREMENT PLAN**

The Organization maintains a SIMPLE IRA retirement plan qualified under Section 408(p) of the Internal Revenue Code. The plan covers full-time employees of the Organization. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Organization matches these contributions up to a maximum of 3% of their salaries. Total contributions to the plan by the Organization for the years ended June 30, 2025 and 2024 were \$14,173 and \$14,012.

**SHELTERS OF SARATOGA, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

**NOTE J – HHAP-HOMELESS HOUSING AND ASSISTANCE PROGRAM**

On March 11, 2021, the Organization received a Homeless Housing and Assistance Program (“HHAP”) grant from the NYS Homeless Housing and Assistance Corporation (“HHAC”) totaling \$3.4 million dollars. The grant funds assisted with the purchase of property at 73-75 Ballston Ave, renovation of the facility into nine supportive housing units and the remodeling of the shelter properties located at 14-20 Walworth St. On February 28, 2023, the grant was increased to \$4,333,513 to cover increased costs of construction. In November 2023, the organization signed a final award agreement with HHAC and construction commenced. Project completion is anticipated in the fall of 2025. HHAP grant funds received this fiscal year were \$2,145,727. Additionally, the Organization applied for and was rewarded \$350,000 from the Federal Home Loan Bank of New York to apply towards the construction costs of the Ballston Spa Supportive Apartments.

**NOTE K–NYSSH-P-NEW YORK STATE SUPPORTIVE HOUSING PROGRAM GRANT**

In January 2022, the Organization was awarded a five-year grant totaling \$189,600 to fund supportive services for 14 residents housed in apartments at 128 Grand Ave and 112 Washington St. in Saratoga Springs, NY. Total funds received for the years ended June 30, 2025 and 2024 were \$43,368 and \$41,772 respectively.

**NOTE L–SUMMER MOTEL**

The organization entered in to a contract with the Saratoga County Department of Social Services to provide 10-18 motel rooms for placement of Saratoga County residents experiencing homelessness during the non-code blue season (typically mid-May through mid-September). \$94,031 of Shelter rent revenues are attributable to this contract.

**NOTE M–STEHP**

In September of 2024, the Organization was awarded a three-year New York State Office of Temporary and Disability Assistance STEHP (Solutions to End Homelessness Program) contract for \$125,500 per year to cover support staff services at our emergency shelter.

**SHELTERS OF SARATOGA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

**NOTE N–ESSHI**

In 2019, the Organization applied for and received from New York State Office of Temporary and Disability Assistance a five-year ESSHI (Empire State Supportive Housing Initiative) grant totaling \$225,000 per year. The grant funds our Ballston Ave supportive housing program, and became effective upon completion of the Spa Hotel in January, 2025. Total grant funds received during this fiscal year were \$187,500.

**NOTE O–HEALTH HOME PROGRAM**

In March 2023, Shelters of Saratoga became a NYS Health Home (NYSHH) provider through Adirondack Health Institute (AHI), which offers ongoing care management services to eligible Medicaid enrollees with a chronic health condition. The goal of Health Home is to stabilize/manage a participant’s chronic condition to avoid burdening the health care system. The Health Home program offers the following services: comprehensive assessments, goal setting, healthcare management, and housing stabilization. Participation in the NYSHH program is voluntary.