PITTSFIELD ECONOMIC
DEVELOPMENT AUTHORITY

Financial Statements and
Supplementary Information

December 31, 2025

Table of Contents

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Pittsfield Economic Development Authority, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Pittsfield Economic Development Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of the Pittsfield Economic Development Authority, as of December 31, 2025, and the respective changes in financial position and cash flows thereof, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pittsfield Economic Development Authority 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 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 Pittsfield Economic Development Authority'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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS and *Government 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 GAAS and *Government 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 the Pittsfield Economic Development Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pittsfield Economic Development Authority'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 page 5 and the Schedule of Proportionate Share of Net Pension Liability and Pension Contributions on page 21 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Pittsfield Economic Development Authority's basic financial statements. The accompanying Statement of Revenues and Expenses Budget and Actual on page 22 is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2026 on our consideration of the Pittsfield Economic Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pittsfield Economic Development Authority's internal control over financial reporting and compliance.

Adelson + Company PC

ADELSON & COMPANY PC

April 10, 2026

PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

Management's Discussion and Analysis

December 31, 2025

As management of the Pittsfield Economic Development Authority (the "Authority"), we present this overview and analysis of the Authority's financial activities for the year ended December 31, 2025. This narrative is intended to assist readers in focusing on significant financial matters, changes in the Authority's financial position, material deviations from the approved budget, and other issues or concerns that may be relevant to an understanding of the Authority's financial statements.

Management's Discussion and Analysis is intended to provide an overview of the Authority's current year activities, the resulting financial changes, and currently known facts. It should be read in conjunction with the Authority's basic financial statements and related notes that follow.

The Authority was created by the Massachusetts Legislature in 1998 for the purpose of redeveloping brownfields properties and promoting economic development in the City of Pittsfield. Governed by a Board of Directors, the Authority is a quasi-public agency established by special act of the Massachusetts Legislature to receive and redevelop approximately 55 acres of the former General Electric Company industrial facility located in the heart of Pittsfield, Massachusetts.

In carrying out its mission, the Authority is committed to transparency, fiscal and social responsibility, and economic, social, and environmental sustainability. The Authority seeks to achieve these objectives through collaboration, market focus, accountability, and an inclusive and equitable approach to development.

The Authority works with businesses to support development and expansion opportunities within the City. It also works with citizen groups, environmental organizations, and labor representatives to encourage broad participation in the area's economic growth. In addition, the Authority coordinates closely with the City of Pittsfield, the Commonwealth, and the federal government to help ensure that the public sector provides an appropriate and supportive framework for economic development while protecting the health, safety, and welfare of the community.

Financial Highlights

The assets of the Authority exceeded its liabilities at the close of the current fiscal year resulting in a net position of \$20,453,203. This includes \$675,377 in unrestricted net position available to meet the ongoing operations of the Authority, and \$19,777,826 invested in capital assets, net of related debt.

Overview of the Financial Statements

Proprietary Fund

Proprietary funds report the enterprise, or business-type activities of the Authority. The Authority's financial statements consist of three main statements: Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position, and Statement of Cash Flows. Notes and supplementary information that disclose information about the nature of the Authority's business, accounting policies and additional information about specific statement amounts follow these statements.

The Authority's net position consists of its net investment in capital assets (e.g. land, infrastructure and office equipment), less any debt used to acquire those assets. Although the Authority's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Statement of Revenues, Expenses and Changes in Fund Net Position report the results of both operating and non-operating activities.

The Statement of Cash Flows, which is presented using the direct method, accounts for the change in the cash and cash equivalents balance between January 1 and December 31. The cash flows statement provides the detail on the cash the Authority received from and paid for operating and non-operating, investing, and financing activities.

Summary Statement of Net Position
December 31,

	2025	2024	Change
Assets			
Cash and cash equivalents	$ 364,051	$ 651,346	$ (287,295)
Short-term investments	1,256,574	1,209,738	46,836
Receivables	36,990	71,385	(34,395)
Forgivable notes receivable	160,000	180,000	(20,000)
Prepaid expenses	77,638	87,960	(10,322)
Lease receivable	218,008	220,304	(2,296)
Capital assets, net	19,850,910	19,741,411	109,499
Total assets	21,964,171	22,162,144	(197,973)
Deferred outflows related to pensions	8,331	12,794	(4,463)
Liabilities			
Accounts payable	100,834	30,926	69,908
Advanced revenue	1,025,727	1,400,811	(375,084)
Recoverable grant liability	73,084	73,084	-
Net pension liability	101,646	146,672	(45,026)
Total liabilities	1,301,291	1,651,493	(350,202)
Deferred inflows related to lease receivable	218,008	220,304	(2,296)
Net position			
Invested in capital assets, net of related debt	19,777,826	19,668,327	109,499
Unrestricted	675,377	634,814	40,563
Total net position	$ 20,453,203	$ 20,303,141	$ 150,062

The table below provides a summary of the changes in net position for the year ended December 31:

Summary Change in Net Position
December 31,

	2025	2024	Change
Operating revenues			
General Electric Company	$ 151,399	$ 150,687	$ 712
Ground lease income	12,162	12,162	-
CAM management fee income	11,195	10,395	800
Rental and other income	47,300	6,000	41,300
Total operating revenues	222,056	179,244	42,812
Operating expenses			
Management and general expenses	99,197	121,732	(22,535)
Project development expenses	99,512	94,583	4,929
Forgiveness of note receivable	20,000	20,000	-
Depreciation	516,749	262,976	253,773
Total operating expenses	735,458	499,291	236,167
Operating income (loss)	(513,402)	(320,047)	(193,355)
Non-operating revenue			
Site 9 development grant income	613,081	9,596,825	(8,983,744)
Forgiveness of loan payable	-	124,217	(124,217)
Interest income	50,383	58,706	(8,323)
Change in net position	$ 150,062	$ 9,459,701	$ (9,309,639)

The Authority reported a change in net position in fiscal year 2025 of $150,062. This increase in net position is the result of the following activities:

- The Authority recorded a loss from operations of $513,402. This loss from operations is a result of the following items:

  - Non-reimbursable depreciation expense of $516,749, which was incurred on fixed assets received from General Electric Company (GE) or purchased with GE funds, and is not allowed to be charged against current year funding received from GE.

  - The Authority is required to report a long-term projected benefit obligation for its proportionate share of the Pittsfield Retirement System's net pension liability. Accordingly, the Authority recorded a decrease of $40,563 in their estimated proportionate share of this net pension liability for 2025. Additional information on the net pension liability is disclosed in Note 5 to the financial statements.

  - The remaining loss was offset by interest income of $50,383.

The Authority also utilized $613,081 in capital grant funds for the development of Site 9. The costs incurred of the same amount are capitalized and included in capital assets on the statement of net position.

Budgetary Highlights

Explanation of significant budget vs actual variances for 2025 are as follows:

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
General Electric Company revenue	$ 199,568	$ 151,399	$ (48,169)
Capital grant income - Site 9	515,000	613,081	98,081
Capital outlay - Site 9	(515,000)	(626,248)	(111,248)

General Electric Company

The Authority utilizes General Electric Company (GE) funds for capital and operating costs. After applying other sources of operating revenues, such as lease income and grants, the GE funds are used to subsidize the operations. For fiscal year 2025, the Authority utilized $151,399 of GE funds to subsidize its operating costs. Unused GE funds, which are reported on the Statement of Net Position as advanced revenue, are carried forward to be utilized in next year's operations. Additional information on the advanced GE funds is disclosed in Notes 8 and 9 of the financial statements.

Capital Grant Income and Capital Outlay - Site 9

The Authority was awarded grants from various sources (Brownfields grant, Site Readiness program grant, MassWorks infrastructure program grant, Economic Development Earmark, City of Pittsfield, and General Electric Company) to redevelop Site 9 at the William Stanley Business Park. These awards are reimbursable grants and require work to be completed prior to receiving payment. During 2025, $613,081 in capital grant funds were utilized for work done on Site 9.

Site 9 Redevelopment Project

The Authority secured approximately $10.8 million from various sources, including Brownfields, Site Readiness Program, and MassWorks Infrastructure Program grants, an Economic Development Earmark, City of Pittsfield funding, and General Electric Company funding, to redevelop Site 9. The project included removal of old building foundations and the construction of roadways and greenspace within the parcel.

The design and site readiness phase began in 2023, and construction commenced in early 2024. As of December 31, 2025, the project was substantially complete, with only minor punch list items remaining for completion in 2026.

Site 9 is a 16-acre parcel located at the corner of Woodlawn Avenue and Tyler Street Extension that formerly housed a General Electric Company factory and comprises the largest section of the William Stanley Business Park. The redevelopment is intended to position the site for future private investment and economic development.

Economic Dependency

The Authority is heavily dependent on funds provided by General Electric Company under the Definitive Economic Development Agreement (DEDA) between General Electric Company and the City of Pittsfield and the Authority. As of December 31, 2025, there is $994,726 in advanced revenue which is available for future spending. Additional information can be found in Notes 8 and 9 of the financial statements.

Request for Information

This financial report is designed to provide a general overview of the Pittsfield Economic Development Authority for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, 70 Allen Street, Pittsfield, MA 01201.

PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION

December 31,

Assets	2025	Comparative 2024
Current assets		
Cash and cash equivalents	$ 364,051	$ 651,346
Short-term investments	1,256,574	1,209,738
Rent receivable	7,887	9,555
Grants receivable	29,103	61,830
Forgivable note receivable, current portion	20,000	20,000
Prepaid expenses	77,638	87,960
Lease receivable, current portion	2,401	2,295
Total current assets	1,757,654	2,042,724
Forgivable note receivable, less current portion	140,000	160,000
Lease receivable, less current portion	215,607	218,009
Capital assets, net	19,850,910	19,741,411
Total assets	21,964,171	22,162,144
Deferred outflows of resources		
Related to pensions	8,331	12,794
Liabilities		
Accounts payable	100,834	30,926
Advanced General Electric Company revenue	994,726	1,400,811
Advanced grant revenue	31,001	-
Recoverable grant liability	73,084	73,084
Net pension liability	101,646	146,672
Total liabilities	1,301,291	1,651,493
Deferred inflows of resources		
Related to lease receivable	218,008	220,304
Net position		
Invested in capital assets, net of related debt	19,777,826	19,668,327
Unrestricted	675,377	634,814
Total net position	$ 20,453,203	$ 20,303,141

See notes to financial statements.

PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the Year Ended December 31,

	2025	Comparative 2024
Operating revenues		
General Electric Company	$ 151,399	$ 150,687
Ground lease income	12,162	12,162
CAM management fee income	11,195	10,395
Rental and other income	47,300	6,000
Total operating revenues	222,056	179,244
Operating expenses		
Management and General		
Contracted services	65,186	63,015
Retirement contributions	12,954	14,885
Change in net pension liability	(40,563)	(1,635)
Administrative expenses	12,232	2,548
Advertising and marketing	2,263	2,588
Insurance	7,703	5,563
Maintenance and repairs	14,374	15,442
Professional fees	24,220	18,500
Telephone and utilities	828	826
Total management and general	99,197	121,732
Project Development		
Insurance	23,804	35,852
Contract costs	75,708	58,731
Forgiveness of note receivable	20,000	20,000
Depreciation	516,749	262,976
Total project development costs	636,261	377,559
Total operating expenses	735,458	499,291
Operating income (loss)	(513,402)	(320,047)
Non-operating revenue		
Site 9 development grant income		
General Electric Company	254,686	1,446,367
Other grant income	358,395	8,150,458
Total Site 9 development grant income	613,081	9,596,825
Forgiveness of loan payable	-	124,217
Interest income	50,383	58,706
Total non-operating revenue	663,464	9,779,748
Change in net position	150,062	9,459,701
Net position, beginning	20,303,141	10,843,440
Net position, ending	$ 20,453,203	$ 20,303,141

See notes to financial statements.

PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOWS

For the Year Ended December 31,

	2025	Comparative 2024
Cash flows from operating activities:		
Receipts from rental and leasing activities	$ 36,325	$ 20,589
Payments for goods and services	(170,681)	(123,207)
Payments for contracted services	(78,140)	(77,900)
Net cash provided (used) by operating activities	(212,496)	(180,518)
Cash flows from capital and related financing activities:		
Receipts of capital grants	422,123	8,262,238
Proceeds from sale of property	36,000	-
Payments for capital acquisitions	(536,469)	(9,631,585)
Net cash provided (used) by capital and related financing activities	(78,346)	(1,369,347)
Cash flows from investing activities:		
(Increase) decrease in short-term investments	(46,836)	347,178
Interest income	50,383	58,706
Net cash provided (used) by investing activities	3,547	405,884
Net increase (decrease) in cash and equivalents	(287,295)	(1,143,981)
Cash and cash equivalents, beginning	651,346	1,795,327
Cash and cash equivalents, ending	$ 364,051	$ 651,346
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	$ (513,402)	$ (320,047)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation	516,749	262,976
Non-cash transaction - forgiveness of note receivable	20,000	20,000
Non-cash transaction - contributed property	(36,000)	-
Change in operating assets and liabilities:		
(Increase) decrease in rent receivable	1,668	(7,968)
(Increase) decrease in prepaid expenses	10,322	4,337
Increase (decrease) in accounts payable	(19,871)	12,506
Increase (decrease) in advanced revenue	(151,399)	(150,687)
Increase (decrease) in net pension liability	(40,563)	(1,635)
Net cash provided (used) by operating activities	$ (212,496)	$ (180,518)

See notes to financial statements.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Activities of the Authority
The Pittsfield Economic Development Authority (the "Authority") was established by the Massachusetts Legislature in 1998 pursuant to St. 1998, c. 194, §268, as amended by St. 1998, c. 486, §2 (the "Enabling Legislation"), for the purpose of redeveloping brownfields properties and promoting economic development in the City of Pittsfield.

The Authority owns certain industrial real property formerly owned by General Electric Company ("GE"). The acquisition of this land resulted from a settlement embodied in a consent decree approved by the United States District Court for the Western District of Massachusetts in October 2000. The specific terms of the land transfer were set forth in a separate Definitive Economic Development Agreement (the "DEDA") among the Authority, GE, and the City of Pittsfield. Under the DEDA, as amended, GE transferred approximately 55 acres of land to the Authority for redevelopment for commercial and industrial use.

Economic Dependency
GE provided $15.3 million to the Authority to support redevelopment efforts on the transferred property (see Note 8). In addition, GE committed an additional $3,750,000 of funding as described in Note 9. The Authority has also received grants, loans, and other funding from federal and state agencies and expects to continue to rely on such funding in the future.

Reporting Entity and Basis of Presentation
The accounts of the Authority are presented on the basis considered to be a separate accounting and legal entity. The Authority does not have any component units as defined by the Governmental Accounting Standards Board to include in its financial statements. The operations of each fund are accounted for in a set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, expenditures or expenses and other financing sources and uses.

Basis of Accounting
An enterprise fund, which is a type of propriety fund, is used to account for the Authority's business-type operations. An enterprise fund is used when legal requirements, or management's policy requires, that the cost of providing services be recovered at least in part through fees or charges. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position. The accrual basis of accounting is used by proprietary funds whereby revenues are recognized when they are earned and expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing activities. The principal operating revenues of the Authority's enterprise fund are charges to customers for rental and related activities and GE operating support. Operating expenses of the Authority's enterprise fund include the cost of services, maintenance and administrative expenses, and depreciation expense on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgetary Data
The Authority's annual budget is prepared by the Executive Director and approved by the Authority's Board before the start of each fiscal year. The budget may be amended during the year. No amendments were made in fiscal year 2025.

NOTE 1 - (Continued)

Cash and Cash Equivalents
For purposes of the statements of cash flows, the Authority considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Short-Term Investments
Short-term investments are presented in the financial statements at fair value. Short-term investments consist of bank certificates of deposit.

Grants Receivable
Operating and capital grant income is recorded at the time eligible expenditures under the terms of the grants are incurred.

Prepaid Expenses
Certain payments to vendors which reflect costs applicable to future accounting periods are recorded as prepaid expenses in the Statement of Net Position.

Property and Equipment
Property and equipment acquired are recorded at acquisition cost and depreciated using the straight-line method over three to forty year lives. In-kind contribution of property is recorded at fair market value at the date of the donation.

Deferred Outflows and Inflows of Resources
Deferred outflows of resources represent a consumption of net assets, while deferred inflows of resources represent an acquisition of net assets, that applies to a future period(s) and will not be recognized as an outflow (expenditure) or inflow (revenue) of resources until then. Deferred outflows and inflows of resources on the statement of net position consist of unrecognized items not yet charged or credited to lease income and pension expense.

Net Pension Liability
For purposes of measuring the net pension liability, related deferred outflows and inflows of resources, pension expense, and information about the fiduciary net position of the Pittsfield Retirement System, have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Accounting Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Subsequent Events
Management has evaluated subsequent events through April 10, 2026, the date the financial statements were available for issue, and has determined that there are no additional adjustments or disclosures required.

NOTE 2 - DEPOSITS AND INVESTMENTS

State and local statutes place certain limitations on the nature of deposits and investments available to the Authority. Deposits including demand deposits, money markets and certificates of deposit in any one financial institution, may not exceed certain levels unless collateralized by the financial institution involved. Investments may be made in unconditionally guaranteed U.S. Government obligations having maturities of a year or less from the date of purchase, or through repurchase agreements with maturities of no greater than 90 days in which the underlying securities consist of such obligations.

NOTE 2 - (Continued)

Other allowable investments include authorized bonds of all states, banker's acceptances, commercial paper rated within the three highest classifications established by rating agencies, and units in the Massachusetts Municipal Depository Trust (MMDT).

Custodial Credit Risk Related To Deposits
Custodial credit risk is the risk that in the event of bank failure, the Authority’s deposits may not be returned. The Authority carries deposits and short-term investments that are insured by FDIC insurance, DIF insurance, NCUA insurance, or collateralized. Bank deposits, as of December 31, 2025, were $1,634,378, all of which was insured and collateralized.

Concentration Risk
The Authority adheres to the provisions of M.G.L. c. 44, sec. 55 when managing concentration risk. M.G.L. c. 44, sec. 55 contains several restrictions limiting where and under what circumstances the Authority may deposit its funds. Pursuant to M.G.L. c. 44, sec. 55, cities, towns, and authorities in the Commonwealth may deposit available fund balances in banks, trust companies, or banking companies, provided that the amounts deposited do not exceed certain thresholds of the capital and surplus of an institution unless satisfactory security for the amount in excess of the threshold is provided by the depository.

NOTE 3 - CAPITAL ASSETS

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	$ 2,415,829	$ -	$ -	$ 2,415,829
Site 9 development project in progress	9,976,804	626,248	(10,603,052)	-
Total capital assets, not being depreciated	12,392,633	626,248	(10,603,052)	2,415,829
Capital assets, being depreciated				
Infrastructure and improvements	10,519,025	10,603,052	-	21,122,077
Accumulated depreciation	(3,170,247)	(516,749)	-	(3,686,996)
Total	7,348,778	10,086,303	-	17,435,081
Capital assets, net	$ 19,741,411	$ 10,712,551	$ (10,603,052)	$ 19,850,910

The Authority’s capital assets, including land and infrastructure, were acquired through transfers from the General Electric Company (GE), transfers from Eversource (formerly the Western Massachusetts Electric Company), acquisitions by eminent domain, by purchase with the use of GE funds, and in-kind contribution from the Commonwealth of Massachusetts. Depreciation expense incurred on assets received by in-kind contribution, GE or purchased with GE funds is not charged against the funding received from GE.

Site 9 Development Project
The Authority has undertaken a redevelopment project at Site 9 of the William Stanley Business Park. The project included foundation removal, creation of greenspace, and construction of new internal roadways. Funding for the project was provided through various sources, including a Brownfields grant, Site Readiness Program grant, MassWorks Infrastructure Program grant, Economic Development Earmark, City of Pittsfield ARPA funds, and General Electric Company contributions. As of December 31, 2025, the project was substantially complete, with only minor punch list items remaining for completion in 2026.

NOTE 4 - LEASES

The Authority, as a lessor, has entered into two ground lease agreements with terms extending through 2069.

A lease is a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The Authority determines whether a contract conveys control of the right to use the underlying asset by assessing whether the contract conveys both of the following:

1) The right to obtain the present service capacity from use of the underlying asset, as specified in the contract, and

2) The right to determine the nature and manner of use of the underlying asset, as specified in the contract.

The lease term includes:

- The noncancelable period during which the lessee has the right to use an underlying asset,
- Periods covered by the Authority's option to extend or terminate the lease, if it is reasonably certain that the Authority will exercise that option, and
- Periods covered by the lessee's option to extend or terminate the lease, if it is reasonably certain that the lessee will exercise that option.

Lease recognition and measurement

As lessor, the Authority recognizes a lease receivable and a corresponding deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for certain additional payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee.

The deferred inflow of resources is recognized as revenue in a systematic and rational manner over the term of the lease. The Authority evaluates its lease receivable at least annually for changes in lease terms, discount rates, impairment of the underlying asset, or other factors that may affect the amount or timing of expected future lease payments.

The Authority, as lessor, leases land to the following entities:

Entity	Asset	Annual Rent Income	Current Lease Term Ends
Financial institution	1.81 acres of land	$ 12,162	7/18/2062
Berkshire Innovation Center	1.00 acre of land	$ 1	6/28/2069

The Authority evaluated the agreements above and determined that only the agreement with the financial institution met the criteria for recognition as a lease receivable and deferred inflow of resources in the statement of net position.

NOTE 4 - (Continued)

Ground lease with Financial Institution
The Authority entered into a ground lease agreement with a financial institution. The initial lease term is 51 years and may be extended for two additional periods of 24 years each. The discount rate used in calculating the lease receivable was 4.5%. In addition to base lease payments, the lessee is required to pay its proportionate share of common area maintenance costs in accordance with the lease agreement. For the year ended December 31, 2025, the Authority recognized lease revenue of $12,162 and common area maintenance revenue of $3,392 under this agreement.

At December 31, 2025, the lease receivable consisted of the following:

Ground lease receivable	$ 218,008

Future minimum lease payments to be received under this agreement are as follows:

Year Ending December 31,	Principal Receipts	Interest Receipts	Total Receipts
2026	$ 2,401	$ 9,761	$ 12,162
2027	2,511	9,651	12,162
2028	2,627	9,535	12,162
2029	2,747	9,415	12,162
2030 - 2034	15,749	45,061	60,810
2035 - 2039	19,714	41,096	60,810
2040 - 2044	24,679	36,131	60,810
2045 - 2049	30,892	29,918	60,810
2050 - 2054	38,671	22,139	60,810
2055 - 2059	48,408	12,402	60,810
2060 - 2062	29,609	1,810	31,419
Total	$ 218,008	$ 226,919	$ 444,927

Ground lease with Berkshire Innovation Center
In 2018, the Authority entered into a ground lease agreement with the Berkshire Innovation Center for a parcel of land located at the corner of Woodlawn Avenue and East Street. The purpose of the lease is to support the operation of a facility intended to promote the growth of existing businesses in Berkshire County. The initial lease term is 51 years and may be extended for two additional periods of 24 years each. Annual base rent under the lease is $1. The lessee is also responsible for its proportionate share of common area maintenance costs in accordance with the lease agreement.

Because the annual lease payments are nominal, the agreement did not result in recognition of a material lease receivable or deferred inflow of resources. For the year ended December 31, 2025, the Authority recognized common area maintenance revenue of $7,803 under this agreement.

NOTE 5 - PENSION PLAN

Plan description

The Authority participates in the Pittsfield Retirement System (the Plan) which is a cost-sharing multiple-employer public employee retirement system. The Plan provides pensions for eligible employees of 4 participating employers. The Plan is governed and operated by an independent Retirement Board, which is governed by Chapter 32 of the Massachusetts General Laws. This law in general provides uniform benefits, uniform contribution requirements and a uniform accounting and funds structure. Participation in the Plan is mandatory for all full-time employees. Eligibility with respect to part-time, provisional, temporary, seasonal or intermittent employment is governed by regulations promulgated by the Retirement Board, and approved by the Public Employee Retirement Administration Commission (PERAC).

Results of the Plan are based on liabilities developed in an actuarial valuation performed as of January 1, 2025 with a measurement date of December 31, 2024.

Accounting Policy

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Membership

There are three classes of membership in the Plan:

Group 1

General employees, including clerical, administrative, technical and all other employees not otherwise classified.

Group 2

Certain specified hazardous duty positions.

Group 4

Police officers, firefighters, and other specified hazardous positions.

At December 31, 2024, pension plan membership consisted of the following:

Active members	940
Retired members and beneficiaries	804
Inactive members entitled to a return of employee contributions	308
Inactive members with a vested right to a deferred or immediate benefit	35
Total	2,087
Number of participating employers	4

Benefits

The Plan provides pension benefits, deferred allowances, and death and disability benefits. A member's annual allowance is determined by multiplying average salary by a benefit rate related to the member's age and job classification at retirement, and the resulting product by his or her creditable service. The amount determined by the benefit formula cannot exceed 80% of the member's highest three year (or five year salary for persons who became members on or after April 2, 2012) average salary. For veterans as defined in MGL Chapter 32, there is an additional benefit per year for each year of creditable service, up to a stated maximum as defined in the Plan.

There is no mandatory retirement age for employees in Group 1. Group 2 and Group 4 members who are employed in certain public safety positions are required to retire at age 65. A person who became a member before April 2, 2012 is eligible for a superannuation retirement allowance (service retirement) upon meeting the following conditions:

- Completion of 20 years of service, or
- Attainment of age 55 if hired prior to 1978, or if classified in Group 4, or
- Attainment of age 55 with 10 years of service, if hired after 1978, and if classified in Group 1 or 2

A person who became a member on or after April 2, 2012 is eligible for a superannuation retirement allowance (service retirement) upon meeting the following conditions:

- Attainment of age 60 with 10 years of service if classified in Group 1, or
- Attainment of age 55 with 10 years of service if classified in Group 2, or
- Attainment of age 55 if hired prior to 1978, or if classified in Group 4

Contributions

Contributions to provide benefits under the Plan are made by the Authority under the "pay-as-you-go" method by annually contributing the amount determined by the State Public Employee Retirement Administration Commission. The contribution is calculated as the amount necessary to provide for the following year's retirement benefits. Member contributions vary depending on the most recent date of membership:

Prior to 1975:	5% of regular compensation
1975 to 1983:	7% of regular compensation
1984 to 6/30/1996:	8% of regular compensation
7/1/1996 to present:	9% of regular compensation
1979 to present:	an additional 2% of regular compensation in excess of $30,000.

In addition, members of Group 1 who join the system on or after April 2, 2012 will have their withholding rate reduced to 6% after achieving 30 years of creditable service.

Pension Liabilities, Expense and Deferred Inflows and Outflows of Resources

At December 31, 2025, the Authority reported a net pension liability of $101,646, deferred outflows of resources of $8,331, and deferred inflows of resources of $-0- for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2024, the Authority's proportion was 0.07%. Net pension liability, deferred outflows/inflows of resources and pension expense are allocated to each employer based on its proportionate share of total employer contributions. For the year ended December 31, 2025, the Authority recognized pension expense (recovery) of $(27,609); contributions of $12,954 paid into the Plan plus the change in the net pension liability of $(40,563). Contributions made subsequent to the measurement date of December 31, 2025 were $-0-.

NOTE 5 - (Continued)

Actuarial Assumptions
The total pension liability was determined by an actuarial valuation as of January 1, 2025 with a measurement date of December 31, 2024 using the following actuarial assumptions, applied to all periods included in the measurement date:

Investment rate of return:	7.00% net of pension plan investment expense, including inflation.
Salary increases:	Select and ultimate by job group; ultimate rates 4.25% for Group 1 and 4.75% for Group 4.
Inflation:	2.50% per year.
Cost of Living Adjustment	3% of first $16,000.
Mortality	Pre-retirement rates reflect the RP-2014 Blue Collar Employees table projected generationally with Scale MP-2021 (gender distinct). Post retirement rates reflect the RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2021 (gender distinct). For disabled retirees, the rates reflect the RP-2014 Blue Collar Healthy Annuitant table set forward 1 year projected generationally with Scale MP-2021 (gender distinct).

The investment return assumption is a long-term assumption and is based on capital market expectations by asset class, historical returns, and professional judgment. The market expectations analysis used a building block approach which included expected returns by asset class and the target asset allocation.

Changes in net pension liability

	Pittsfield Retirement Board 100% Increase (Decrease)			Pittsfield Economic Development Authority 0.07% Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2024	$ 338,766,000	$ 192,094,000	$ 146,672,000	$ 338,766	$ 192,094	$ 146,672
Net changes	14,000,000	15,464,000	(1,464,000)	(91,830)	(46,804)	(45,026)
Balances at December 31, 2024	$ 352,766,000	$ 207,558,000	$ 145,208,000	$ 246,936	$ 145,290	$ 101,646

Discount Rate
The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all 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.

NOTE 5 - (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Authority's proportionate share of the net pension liability	$127,890	$101,646	$79,310

Deferred outflows and inflows of resources

At December 31, 2025, the Authority reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,609	$ -
Net difference between projected and actual investment earnings on pension plan assets	2,748	
Changes in assumptions	974	-
Total	$ 8,331	$ -

Deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2026	$ 3,047
2027	5,340
2028	(412)
2029	356
	$ 8,331

Pension Plan Fiduciary Net Position

The Plan does not issue separate financial statements. An actuarial valuation is performed every two years, which is available through the Massachusetts Public Employee Retirement Administration Commission.

Payable to Pension Plan

At December 31, 2025, the Authority reported a payable of $-0- for outstanding amounts of contributions to the pension plan.

NOTE 6 - CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. As of the date of the financial statements, the Authority is not aware of any expenditure that may be disallowed by a grantor.

NOTE 7 - FORGIVABLE NOTES RECEIVABLE

Berkshire Innovation Center Note Receivable

In 2018, the Authority entered into a recoverable grant agreement with Berkshire Innovation Center (BIC), under which it provided $300,000 in grant assistance in the form of a forgivable note receivable to support BIC's operating costs. The note matures over a 15-year period, with $20,000 of principal subject to annual forgiveness until the outstanding balance is fully forgiven. Disbursement of the funds and subsequent forgiveness of principal are contingent upon BIC meeting certain benchmarks and other compliance requirements. Total amounts advanced, amounts forgiven, and the remaining unforgiven balance as of December 31, 2025, are as follows:

Total funds granted in the form of a forgivable note receivable	$	300,000
Total amount forgiven in prior years		(120,000)
Total amount forgiven in current year		(20,000)
Balances as of December 31, 2025	$	160,000

The balance of the forgivable notes receivable has the following maturities during the years ended December 31:

2026	$	20,000
2027		20,000
2028		20,000
2029		20,000
2030		20,000
Thereafter		60,000
Total	$	160,000

NOTE 8 - ADVANCED GENERAL ELECTRIC COMPANY REVENUE

Pursuant to the Definitive Economic Development Agreement, General Electric Company agreed to make $15,300,000 available to the Authority for economic redevelopment purposes. The amounts drawn down, utilized, and remaining available under this agreement are as follows:

	Beginning Balance	Current Year Activity	Ending Balance
Total funds drawn down in prior years	$ 15,300,000	$ -	$ 15,300,000
Revenue earned and expended on operations	(9,399,352)	(151,399)	(9,550,751)
Revenue earned and expended on capital projects	(2,919,740)	-	(2,919,740)
Revenue applied to capital loan repayment	(2,739,806)	-	(2,739,806)
Advanced settlement revenue	241,102	(151,399)	89,703
Other advanced revenue (see Note 9):			
Landscaping fund	809,709	(254,686)	555,023
Foundation fund	350,000	-	350,000
Total advanced revenue	$ 1,400,811	$ (406,085)	$ 994,726

NOTE 9 - LANDSCAPING AND FOUNDATION FUND

Landscaping Fund
Pursuant to the Definitive Economic Development Agreement, General Electric Company (GE) agreed to make $3,000,000 available for landscaping activities. The Landscaping Fund may be utilized by both GE and the Authority in accordance with the terms of the agreement.

Foundation Fund
In 2011, the Authority entered into an agreement with GE related to existing building foundations, under which GE made additional funds available in consideration of the Authority's future need to develop certain property, known as the Teen's Complex, without being unreasonably constrained by the configuration of existing foundations. These additional funds are available to the Authority for the same purposes and subject to the same terms and conditions set forth in the Definitive Economic Development Agreement. In exchange, the Authority agreed that GE had fully satisfied its obligations under Section II.F of the Definitive Economic Development Agreement, including, but not limited to, GE's obligation to provide the Authority with at least 350,000 square feet of existing building foundations or appropriate sites for new foundations.

The amounts drawn down, utilized, and remaining available for the Landscaping Fund and Foundation Fund are presented in the following schedule.

	Landscaping Fund	Foundation Fund	Total
Total funds drawn down in prior years	$ 3,000,000	$ 750,000	$ 3,750,000
Revenue earned and expended on operations:			
In prior years	(2,190,291)	(400,000)	(2,590,291)
In current year	(254,686)	-	(254,686)
Total	(2,444,977)	(400,000)	(2,844,977)
Advanced revenue	$ 555,023	$ 350,000	$ 905,023

NOTE 10 - RECOVERABLE GRANT LIABILITY

On June 30, 2017, the Authority entered into a recoverable grant agreement with the Massachusetts Development Finance Agency for up to $75,000 to fund engineering services associated with the 40's Complex concrete slab study. The project was completed in 2018, and total expenditures under the agreement amounted to $73,084. The Authority is required to repay the outstanding balance of $73,084, without interest, if the 40's site, or any portion thereof, is sold, conveyed, gifted, demised, ground leased, otherwise transferred, or refinanced. If no such event occurs within 30 years, the agreement will expire and any remaining outstanding balance will be forgiven.

NOTE 11 - RISKS TRANSFERRED TO THIRD PARTIES

The Authority is exposed to various risks of loss relating to torts; theft or damage of, and destruction of assets; errors and omissions; injuries; and natural disasters. The Authority has obtained a variety of commercial and environmental liability insurance policies, which pass the risks of loss listed above to independent third parties.

NOTE 12 - REDEVELOPMENT PROJECT

Site 9 Redevelopment Project

The Authority secured approximately $10.8 million from various sources, including Brownfields, Site Readiness Program, and MassWorks Infrastructure Program grants, an Economic Development Earmark, City of Pittsfield funding, and General Electric Company funding, to redevelop Site 9. The project included removal of old building foundations and the construction of roadways and greenspace within the parcel.

The design and site readiness phase began in 2023, and construction commenced in early 2024. As of December 31, 2025, the project was substantially complete, with only minor punch list items remaining for completion in 2026.

Site 9 is a 16-acre parcel located at the corner of Woodlawn Avenue and Tyler Street Extension that formerly housed a General Electric Company factory and comprises the largest section of the William Stanley Business Park. The redevelopment is intended to position the site for future private investment and economic development.

PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2025

Schedule of the Authority's Proportionate Share of the Net Pension Liability

	Plan Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Pittsfield Retirement System net pension liability	$ 145,208,000	$ 146,672,000	$ 156,099,000	$ 114,198,000	$ 137,373,000	$ 139,057,000	$ 150,092,000	$ 127,935,000	$ 134,059,000	$ 133,129,000
Authority's proportion of the net pension liability	0.07%	0.10%	0.10%	0.16%	0.16%	0.18%	0.18%	0.19%	0.19%	0.07%
Authority's proportionate share of the net pension liability	$ 101,646	$ 146,672	$ 156,099	$ 182,717	$ 219,797	$ 250,303	$ 270,165	$ 243,077	$ 254,712	$ 93,190
Authority's covered-employee payroll	$ -	$ -	$ -	$ -	$ 20,875	$ 32,500	$ 33,750	$ 61,250	$ 67,500	$ 65,000
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	1052.92%	770.16%	800.49%	396.86%	377.35%	143.37%
Plan fiduciary net position as a percentage of the total pension liability	58.84%	56.70%	52.86%	63.50%	55.13%	52.57%	47.59%	52.49%	47.96%	46.64%

Schedule of Authority Pension Contributions

	Plan Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Pittsfield Retirement System contractually required contribution	$ 18,036,258	$ 17,144,732	$ 16,297,274	$ 15,491,705	$ 14,725,955	$ 13,998,056	$ 13,318,798	$ 12,672,500	$ 12,057,600	$ 11,472,529
Authority's contractually required contribution	$ 12,625	$ 17,145	$ 16,297	$ 24,175	$ 23,562	$ 25,197	$ 23,899	$ 23,999	$ 22,830	$ 8,002
Authority's contributions in relation to the contractually required contribution	(12,625)	(17,145)	(16,297)	(24,175)	(23,562)	(25,197)	(23,899)	(23,999)	(22,830)	(8,002)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ -	$ -	$ -	$ -	$ 20,875	$ 32,500	$ 33,750	$ 61,250	$ 67,500	$ 65,000
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	112.87%	77.53%	70.81%	39.18%	33.82%	12.31%

Notes to the Required Supplementary Information

Changes of benefit terms: None.

Changes of assumptions: Economic and demographic changes.

PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL

For the Year Ended December 31, 2025

	Original and Final Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Operating revenues			
General Electric Company	$ 199,568	$ 151,399	$ (48,169)
Ground lease income	12,150	12,162	12
CAM management fee income	11,182	11,195	13
Rental and other income	3,000	47,300	44,300
Total operating revenues	225,900	222,056	(3,844)
Operating expenses			
Management and General			
Contracted services	54,000	65,186	(11,186)
Retirement contributions	18,000	12,954	5,046
Administrative expenses	3,700	12,232	(8,532)
Advertising and marketing	15,500	2,263	13,237
Insurance	8,600	7,703	897
Maintenance and repairs	22,000	14,374	7,626
Professional fees	17,500	24,220	(6,720)
Telephone and utilities	1,000	828	172
Total management and general	140,300	139,760	540
Project Development			
Insurance	35,400	23,804	11,596
Contract costs	70,200	75,708	(5,508)
Forgiveness of note receivable	-	20,000	(20,000)
Total project development costs	105,600	119,512	(13,912)
Total operating expenses	245,900	259,272	(13,372)
Operating income (loss)	(20,000)	(37,216)	(17,216)
Non-operating activities			
Capital grant income - Site 9	515,000	613,081	98,081
Capital outlay - Site 9	(515,000)	(626,248)	(111,248)
Interest income	20,000	50,383	30,383
Total non-operating activities	20,000	37,216	17,216
Excess of revenues over expenditures	$ -	$ -	$ -

See independent auditors' report.

Adelson & Company PC
CERTIFIED PUBLIC ACCOUNTANTS
Established 1938
AUDIT | TAX | ADVISORY

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

To the Board of Directors
PITTSFIELD ECONOMIC DEVELOPMENT AUTHORITY

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the business-type activities of the Pittsfield Economic Development Authority as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Pittsfield Economic Development Authority's basic financial statements, and have issued our report thereon dated April 10, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pittsfield Economic Development Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pittsfield Economic Development Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pittsfield Economic Development Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

100 NORTH STREET, PITTSFIELD, MA 01201, PHONE (413) 443-6408, FAX (413) 443-7838
WWW.ADELSONCPA.COM ■ EMAIL: INFO@ADELSONCPA.COM

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pittsfield Economic Development Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Adelson + Company PC

ADELSON & COMPANY PC

April 10, 2026