



2025 Annual Report

Supplemental Documents



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Our Mission

Prevent damages to underground facilities and protect the public through education and quality communications with excavators, underground facility operators and designers in an efficient, courteous and cost-effective manner while complying with governing regulations.

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2025 Annual Business Meeting Minutes

The 55th Annual Meeting of the Members of UDig NY, Inc. was called to order by Chairman, Matt Scorzelli, at 9:00 am in a hybrid fashion with some virtual attendance and some in person attendance at the UDig NY Center for Damage Prevention on April 30, 2025.



Chairman Scorzelli thanked Governor Kathy Hochul, and the Public Service Commission for their continued support of UDig NY's damage prevention initiatives and recognized the celebration of National Safe Digging Month. Chairman Scorzelli also read the UDig NY Mission Statement. Chairman Scorzelli asked Secretary, Leon Hacker, to read the Notice of the Annual Meeting. Secretary Hacker read the notice of annual meeting and advised that at least 30% of the voting membership were represented, constituting a quorum under the Corporations Bylaws.

Chairman Scorzelli introduced the UDig NY Officers and Directors. Chairman Scorzelli recognized the Directors that left the Board in the last year; thanking Michael Garick formerly with ConEdison, Chris Fellows formerly with Onondaga County Water Authority, Giancarlo Romero with Avangrid and Keith Wallenstein with Orange & Rockland Utilities, for their service to underground utility protection and honored them with the Golden Spade Award. Chairman Scorzelli then recognized and thanked past presidents of the Board of Directors.

Chairman Scorzelli acknowledged the participating and sustaining members and noted a full list is available with

the Annual Report video and on the UDig NY website.

Chairman Scorzelli indicated that supplemental meeting documents were provided to each pre-registered attendee. He then called for approval of the 2024 Annual Business Meeting minutes. Brandon Mariner made a motion to approve the minutes, David Lammon made a second to the motion. A unanimous vote passed the motion. Chairman Scorzelli called for a motion to accept the Treasurer's Report as presented in the supplemental meeting documents. A motion to accept the Treasurer's report was made by Brandon Mariner. A second to the motion was made by David Lammon. A unanimous vote passed the motion. Chairman Scorzelli then asked if there was any old business from the 2024 Annual Business Meeting and there was none. Chairman Scorzelli then asked if there was any new business for this year's meeting and again there was none.

Chairman Scorzelli then called upon Mike Kolceski, member of the Governance Committee to read the nominating report.

Mike Kolceski provided the Nominating Report.

2025 Annual Business Meeting Minutes

Candidate	Company	Industry	Status	Term
Kelly Caramann	Onondaga County Water Authority	Water	Exempt	1-year term expiring April 2026
Ross Disbennett	Avangrid	Gas	Non-Exempt	1-year term expiring April 2026
John Flynn	Orange & Rockland Utilities	Gas	Non-Exempt	1-year term expiring April 2026
Mike Bushart	City of Rochester Wate	Water	Exempt	3-year term expiring April 2027
William Clarke Jr.	Con Edison of New York	Gas	Non-Exempt	3-year term expiring April 2027
Matt Scorzelli	Syracuse Utilities	Contractors	Sustaining	3-year term expiring April 2027
Tom Sutton	Kinder Morgan	Pipeline	Non-Exempt	3-year term expiring April 2027
Bill VanDame	City of Rochester Engineering	Engineering	Exempt	3-year term expiring April 2027

Upon completion of the 2025 elections, the exact number of Board of Directors positions will be 16, with each class or group classification set as follows:

Director positions to be elected by year			Representatives from member groups		
2026	2027	2028	Non-exempt	Exempt	Sustaining
6	5	5	10	3	3

Industry	Cable TV	Contractors	Design/Engineers	Gas	Gas & Electric	Pipeline	Telecommunications	Water
Seats	1	2	2	2	4	2	1	2



Chairman Scorzelli called for a motion to elect the Directors for the designated terms. Brandon Mariner made a motion to elect the Directors for the designated terms of office. David Lammon made a second to the motion. A unanimous vote passed the motion.

Chairman Matt Scorzelli called for a resolution of support. David Lammon stated, “Be it resolved that all acts of the Officers and Directors of the Corporation from the date of their election until the end of this meeting be and they hereby are, in all respects ratified, confirmed, and approved.” Chairman Scorzelli then appointed Mike Kolceski to serve as the interim officer of UDig NY, Inc. with duties to convene at a corporate

meeting at 10:00 a.m. the same day for election of officers and the transaction of normal business. Mike Kolceski then thanked everyone for attending and indicated that immediately following the adjournment of the meeting virtual award presentations and the Annual Report video would play. Brandon Mariner made a motion to adjourn. David Lammon made a second to the motion. A unanimous vote passed the motion.

Treasurer's Report

2025 Treasurer's Report (Jan. 1, 2025 - Dec. 31, 2025)

UDigNY concluded fiscal year 2025 with total revenues of \$5,387,635 and total expenses of \$6,160,520, resulting in an operating loss of (\$772,885). While this reflects a planned or manageable short-term deficit, the organization's overall financial position remains strong.

At December 31, 2025, UDigNY reported total assets of \$14,872,171 and total liabilities of \$4,095,465, resulting in a solid net asset position. Current assets totaled \$1,701,971, while investments and other assets reached \$6,166,481, representing a year-over-year increase of \$632,417. Property and equipment were valued at \$6,993,719.

The Board of Directors and President/CEO remain actively engaged in fulfilling their fiduciary responsibilities, with a focus on long-term financial sustainability, asset stewardship, and strategic alignment with UDigNY's mission. Particular attention is given to the management of investment assets and significant fixed assets, including the organization's property on Collamer Road.

The Budget and Finance Committee provides oversight of UDigNY's investment portfolio and maintains regular engagement with the organization's investment advisor, Morgan Stanley. This includes monitoring portfolio performance, ensuring alignment with financial objectives, and periodically reviewing the Investment Policy Statement to confirm that asset allocation, risk tolerance, and investment strategies remain appropriate for a nonprofit organization of UDigNY's size and mission.

The Board continues to benefit from its partnership with Morgan Stanley, which provides professional guidance across a diversified portfolio that includes equities, fixed income, and alternative investments.

UDigNY's financial statements are audited annually by an independent accounting firm in accordance with Generally Accepted Accounting Principles (GAAP), ensuring accuracy, compliance, and transparency in financial reporting.

The organization remains committed to maintaining the highest standards of financial accountability and transparency for its members and stakeholders.

Attachments to this report include:

1. Independent Auditors Report Letter (Complete Auditors Report available upon request)
2. Statement of Assets
3. Statement of Liabilities and Net Assets
4. Statement of Activities

Respectfully submitted,



Michael J. Bushart—Treasurer, UDigNY, Inc.

Independent Auditor's Report Letter

Opinion

We have audited the accompanying financial statements of UDig NY, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses 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 UDig NY, Inc. as of December 31, 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

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 UDig NY, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

2024 Financial Statements Restated

As discussed in Note K to the financial statements, the 2024 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Organization'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

Continued on the next page

Independent Auditor's Report Letter

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 the Organization'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 Organization'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.

Statement of Financial Position

Years ended December 31, 2025 and 2024

	2025	2024 (As restated)
Assets		
Current Assets		
Cash and cash equivalents	\$909,410	\$1,434,737
Accounts receivable, net of allowance for credit losses of \$30,123 for 2025 and \$5,881 for 2024	\$650,743	\$678,713
Accounts receivable - other	\$0	\$14,873
Prepaid expenses	\$141,818	\$162,451
Total Current Assets	\$1,701,971	\$2,290,774
Property & Equipment		
Land	\$516,216	\$516,216
Buildings	\$7,696,754	\$7,696,754
Furniture & fixtures	\$683,284	\$683,284
Computers & equipment	\$88,642	\$88,642
Automobiles and trucks	\$110,318	\$110,318
Software	\$560,000	\$560,000
	\$9,655,214	\$9,655,214
Less accumulated depreciation	\$2,661,495	\$2,401,688
Net Property & Equipment	\$6,993,719	\$7,253,526
Other Assets		
Investments—Note E	\$6,159,633	\$5,447,246
Other assets—Note H	\$6,848	\$86,818
Total Other Assets	\$6,166,481	\$5,534,064
Total Assets	\$14,862,171	\$15,078,364
Liabilities & Net Assets		
Current Liabilities		
Accounts payable	\$142,818	\$58,617
Accrued expenses	\$89,210	\$92,695
Deferred revenue	\$39,288	\$15,499
Current portion of long-term debt—NOTE H	\$214,616	\$206,204
Total Current Liabilities	\$485,932	\$373,015
Long-Term Debt Less Current Portion—NOTE H	\$3,609,533	\$3,824,149
Net Assets—Without donor restrictions		
Undesignated	\$10,666,706	\$10,695,200
Board-designated—NOTE C	\$100,000	\$186,000
Total Net Assets	\$10,766,706	\$10,881,200
Total Liabilities and Net Assets	\$14,862,171	\$15,078,364

Statement of Activities

Years ended December 31, 2025 and 2024

	2025	2024 (As restated)
Revenue		
Member billings and dues	\$4,998,235	\$4,807,732
Sponsorship & excavator seminar revenue	\$225,387	\$239,991
Grant revenue	\$86,229	\$0
Educational services	\$77,784	\$140,187
Miscellaneous revenue	\$0	\$14,873
Total Revenue	\$5,387,635	\$5,202,783
Expenses		
Program services	\$3,952,183	\$3,762,988
Management & general	\$2,208,337	\$2,057,636
Total Expenses	\$6,160,520	\$5,820,624
Net Operating (LOSS)	\$(772,885)	\$(617,841)
Non-Operating Income (Expenses)		
Net investment gains	\$638,816	\$489,506
Change in fair value of interest rate swap—NOTE H	\$(79,969)	\$45,855
Interest	\$99,544	\$102,319
	\$658,391	\$637,680
Changes In Net Assets without Donor Restrictions	\$(114,494)	\$19,839
Net Assets without Donor Restrictions		
Beginning of year	\$10,881,200	\$10,861,361
End of year	\$10,766,706	\$10,881,200

Notes: For a copy of the full Independent Auditors Report with notes mentioned please contact Nicole Massett, nmmassett@UDigNY.org

Statement of Functional Expenses

Years ended December 31, 2025 and 2024

	2025			2024 (As restated)		
	Program Services	Management/General	Total	Program Services	Management/General	Total
Salaries & wages	\$1,622,837	\$1,342,547	\$2,965,384	\$1,593,862	\$1,250,231	\$2,844,093
Payroll taxes	\$122,440	\$101,292	\$223,732	\$117,338	\$97,337	\$214,675
Employee benefits	\$352,187	\$291,359	\$643,546	\$327,988	\$272,080	\$600,068
Communication	\$71,122	\$23,067	\$94,287	\$120,240	\$27,784	\$148,024
Contracted services	\$28,271	\$0	\$28,271	\$23,312	\$0	\$23,312
Contracts & licenses	\$231,197	\$25,688	\$256,885	\$220,117	\$24,457	\$244,574
Depreciation	\$194,855	\$64,952	\$259,807	\$217,216	\$72,406	\$289,622
Insurance	\$49,959	\$16,066	\$66,025	\$51,429	\$16,599	\$68,028
Interest	\$115,325	\$38,441	\$153,766	\$121,369	\$40,456	\$161,825
Miscellaneous	\$15,588	\$10,392	\$25,980	\$15,317	\$10,212	\$25,529
Office	\$5,826	\$17,479	\$23,305	\$6,252	\$18,754	\$25,006
Professional Development	\$14,456	\$0	\$14,456	\$14,706	\$0	\$14,706
Professional fees	\$30,200	\$81,933	\$112,133	\$30,050	\$99,726	\$129,776
Promotional, public education & advertising	\$651,417	\$0	\$651,417	\$494,509	\$0	\$494,509
Provision for credit losses	\$25,500	\$0	\$25,500	\$724	\$0	\$724
Repairs & maintenance (Equipment)	\$239,842	\$40,429	\$280,271	\$210,829	\$23,425	\$234,254
Repairs & maintenance (Facilities)	\$50,145	\$16,715	\$66,860	\$61,647	\$20,549	\$82,196
Seminars and meetings	\$0	\$75,117	\$75,117	\$0	\$44,034	\$44,034
Travel	\$103,198	\$53,620	\$156,818	\$117,681	\$33,452	\$151,133
Utilities	\$27,720	\$9,240	\$36,960	\$18,402	\$6,134	\$24,536
Total	\$3,952,183	\$2,208,337	\$6,160,520	\$3,762,988	\$2,057,636	\$5,820,624

Statement of Cash Flows

Years ended December 31, 2025 and 2024

	2025	2024 (As restated)
Cash Flows From Operating Activities		
Changes in net assets	\$(114,494)	\$19,839
<i>Adjustments to reconcile changes in net assets to net cash provided by operating activities:</i>		
Depreciation	\$259,807	\$289,622
Net realized/unrealized gains on investments	\$(638,816)	\$(489,506)
Provision for credit losses	\$25,500	\$724
Decrease in accounts receivable	\$2,470	\$59,205
Decrease in accounts receivable - other	\$14,873	\$30,714
Decrease in prepaid expenses and other assets	\$100,603	\$1,908
Increase (decrease) in accounts payable	\$84,201	\$(83,274)
Increase (decrease) in accrued expenses	\$(3,485)	\$18,657
Increase (decrease) in deferred revenue	\$23,789	\$(100)
Net Cash Used In Operating Activities	\$(245,552)	\$(152,211)
Cash Flows From Investing Activities		
Proceeds from sale of investments	\$623,000	\$113,206
Purchase of investments	\$(696,571)	\$(160,167)
Net cash used in investing activities	\$(73,571)	\$(46,961)
Cash Flows From Financing Activities		
Principal payments on long-term debt	\$(206,204)	\$(197,667)
Net cash used in financing activities	\$(206,204)	\$(197,667)
Net decrease in cash & cash equivalents	\$(525,327)	\$(396,839)
Cash & Cash Equivalents		
Beginning of year	\$1,434,737	\$1,831,576
End of year	\$909,410	\$1,434,737
Supplementary Cash Flows Information		
Interest Paid	\$156,447	\$164,919
Non-Cash Transactions		
Interest, dividends & realized gains reinvested	\$147,190	\$145,762

Balance End of Year (EOY)

Last 15 Years

Year	Balance	Year	Income	Expense	2026 Projected Budget	
2011	\$3,455,853	2011	\$3,455,853	\$3,498,894	Projected Income	\$5,392,278.00
2012	\$3,981,874	2012	\$3,981,874	\$3,770,681	Projected Expense	\$6,483,630.33
2013	\$4,088,661	2013	\$4,088,661	\$3,936,399		
2014	\$4,376,780	2014	\$4,376,780	\$4,258,435		
2015	\$4,695,861	2015	\$4,695,861	\$4,385,709		
2016	\$4,871,430	2016	\$4,871,430	\$4,170,468		
2017	\$5,510,068	2017	\$5,510,068	\$4,369,014		
2018	\$5,383,243	2018	\$5,383,243	\$4,368,876		
2019	\$6,080,740	2019	\$6,080,740	\$5,150,708		
2020	\$5,403,231	2020	\$5,403,231	\$5,222,071		
2021	\$5,697,761	2021	\$5,697,761	\$5,346,225		
2022	\$5,698,640	2022	\$5,698,640	\$5,619,370		
2023	\$5,422,027	2023	\$5,422,027	\$5,756,561		
2024	\$5,202,783	2024	\$5,202,783	\$5,696,609		
2025	\$5,485,129.62	2025	\$5,485,129.62	\$6,339,504.42		

Annual One-Call Notification System Report



**Department
of Public Service**

Enforcement Activity for 2025

The table to the right shows the number of New York State Code Rule 753 (16 NYCRR Part 753) citations and probable violations issued by the Department of Public Service which occurred during the 2025 calendar year.

The 342 citations and probable violations issued in 2025 were the result of Staff investigation¹ and were from enforcement requests submitted by operators and the general public.

Code Section	Description	Number	Percentage
3.1(a)(1)	Failure to Provide Notification	159	46.36
3.6(a) and (b)	Failure to Perform a Hand-Dug Test Hole	38	11.07
4.5(b)	Failure to Provide Delay Notification	23	6.71
4.6(a)	Failure to Accurately Mark Facilities	23	6.71
3.8	Failure to Maintain 4-Inches of Clearance	17	4.96
3.14(b)	Failure to Notify 911 and the Operator	17	4.96
3.10(d)	Improper Backfilling or Illegal Repairs	12	3.50
3.5	Failure to Preserve Markings	9	2.62
3.3(a) and (b)	Commencement of Excavation Prior to Mark-Outs	9	2.62
3.1(c)	Failure to Request Pre-Demolition Conference	8	2.33
3.10(c)	Failure to Suspend Excavation Activities	7	2.04
3.12(a)	Failure to Provide Support or Protection	5	1.46
3.1(a)(2)	Illegal Timing of Notification	4	1.17
3.1(d)(2)	Failure to Provide Re-Notification (> 10 Days)	3	.87
3.10(a)	Reasonable Precautions to Prevent Damage	2	.58
3.9(b)(1)	Failure to Report Discovery of Unknown Facility	2	.58
3.14(a)	Failure to Evacuate Employees	2	.58
3.1(b)	Failure to Provide Emergency Notification	2	.58
3.15	Ensuring Employee Knowledge of Regulations	1	.29
Total		342	100.00

The following table provides a breakdown of violations resolved in 2025, including the number of citations, proposed penalties, amounts collected, the number trained, and estimated gas loss.

Enforcement cases resolved in 2025 were based on violations issued in prior years. Likewise, cases initiated in 2025 have not yet been resolved. Therefore, the two tables above are not based on synchronized data sets.

Status	Number of Citations	Proposed Penalty	Amount Collected	Number Trained	Gas Loss (CF)
Session Items	104	\$315,400.00	\$107,825.00	149	49,791,517.92
Closed	130	\$812,125.00	\$566,540.01	0	137,096,842.26
Letter	87	\$23,450.00	\$13,025.00	38	30,384,491.73
Total	321	\$1,150,975	\$687,390.01	187	217,272,851.91

For Session Items, this row includes those cases resolved as Consent Orders, Final Orders, and through Petitions for Reconsideration. For Closed, this row includes cases with corresponding uncontested payments. For Letter, this row includes those cases that have yet to be approved by the Public Service Commission. For Gas Loss, this column is Staff's estimate of gas loss in cubic feet and is based on conservative values.

The Department of Public Service continued its program of working with the major gas local distribution companies (LDCs) whereby enforcement is initiated based on information LDCs provide on damages caused by lack of a one-call notice. This accounts for the higher percentage of citations having been issued for failure to notify, as indicated above.

¹ Staff investigations were initiated by either the Gas Emergency Notification System or were through voluntary reporting by operators.

Damages per 1,000 Location Requests

Staff believes that this enforcement activity, in conjunction with the numerous other activities undertaken by the one-call systems and LDCs, continue to have a positive effect in reducing damages to underground gas facilities. Since 2003, Staff have been tracking a state-wide metric for damages per 1,000 one-call tickets for the 11 major LDCs under Public Service Commission jurisdiction. The results for the past 10 years are shown below:

Year	Notifications	Damages	Damages per Notifications	Damages per Number of Services
2016	827,512	1,565	1.89	4.88
2017	977,853	1,562	1.60	4.88
2018	777,371	1,595	2.05	4.93
2019	841,849	1,546	1.84	4.76
2020	765,498	1,414	1.85	4.34
2021	808,652	1,312	1.62	3.98
2022	797,613	1,359	1.70	4.14
2023	765,858	1,326	1.73	4.03
2024	762,521	1,229	1.61	3.73
2025	769,421	1,165	1.51	3.50

Staff will continue to investigate and will pursue, if applicable, citations and probable violations for infractions of the Public Service Commission's damage prevention regulations. To submit an enforcement request, log into DMM and add a new enforcement request, or use the form:

<https://documents.dps.ny.gov/public/ExternalEnforcementRequest/ExternalEnforcementRequestForm>

Please provide as much detail and information as possible. Any supporting documentation, such as photographs, videos, reports, or other evidence, may be attached to the enforcement request or emailed to

dps.sm.753citations@dps.ny.gov.