



NEW YORK STATE

**OLYMPIC REGIONAL
DEVELOPMENT AUTHORITY**

**2024/2025 Budget &
2023-2028 Financial Plan**

	Approved 2023/2024	Proposed 2024/2025	Projected 2025/2026	Projected 2026/2027	Projected 2027/2028
Revenue & Financial Sources					
Operating Revenues					
Charges for Services	\$43,538,230	\$52,901,000	\$53,694,515	\$54,499,933	\$55,317,432
Rentals & Financing Income	\$3,675,834	\$4,385,500	\$4,451,283	\$4,518,052	\$4,585,823
Other Operating Revenues	\$5,173,919	\$9,147,250	\$9,284,459	\$9,423,726	\$9,565,082
Non-Operating Revenues					
Investment Earnings	\$1,000	\$0	\$0	\$0	\$0
State Subsidies / Grants	\$14,940,000	\$14,940,000	\$14,940,000	\$14,940,000	\$14,940,000
Federal Subsidies / Grants					
Municipal Subsidies / Grants	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Public Authority Subsidies					
Other Non-Operating Revenues	\$1,036,280	\$917,575	\$922,339	\$927,174	\$932,081
Proceeds from the Issuance of Debt					
Total Revenues & Financing Sources	\$68,865,263	\$82,791,325	\$83,792,595	\$84,808,884	\$85,840,417
Expenditures					
Operating Expenditures					
Salaries and Wages	\$29,966,753	\$37,494,910	\$38,049,348	\$38,612,024	\$39,183,059
Other Employee Benefits	\$16,780,215	\$18,524,866	\$18,710,115	\$18,897,216	\$19,086,188
Professional Services Contracts	\$297,521	\$219,500	\$221,695	\$223,912	\$226,151
Supplies and Materials	\$4,393,491	\$5,764,350	\$5,821,994	\$5,880,213	\$5,939,016
Other Operating Expenditures	\$17,394,782	\$20,021,250	\$20,221,463	\$20,423,677	\$20,627,914
Non-Operating Expenditures					
Payment of Principal on Bonds and Financing Arrangements					
Interest and other Financing Charges					
Subsidies to Other Public Authorities					
Capital Asset Outlay	\$92,500,000	\$80,000,000	\$100,000,000	\$100,000,000	\$100,000,000
Grants and Donations					
Other Non-Operating Expenditures					
Total Expenditures	\$161,332,762	\$162,024,876	\$183,024,614	\$184,037,043	\$185,062,328
Capital Contributions	\$92,500,000	\$80,000,000	\$100,000,000	\$100,000,000	\$100,000,000
Excess (Deficiency) of Revenues and Capital Contributions Over Expenditures	\$32,501	\$766,449	\$767,980	\$771,841	\$778,089

**Actual funding availability will be determined on an annual basis, subject to state budget process outcomes*

(a) Olympic Authority’s Relationship with New York State Government

New York State Olympic Regional Development Authority (“Olympic Authority”) was created under Title 28 of the Public Authorities Law as a public benefit corporation on June 10, 1981 to operate, manage and maintain the Olympic facilities in and around Lake Placid, New York. The Olympic Authority assumed operation of the facilities at Whiteface Mountain Ski Center and Memorial Highway and the Mount Van Hoevenberg Recreation Area on October 4, 1982 under an agreement with the New York State Department of Environmental Conservation (“DEC”). The Olympic Authority assumed operation of the arena complex, the speed skating oval and the Intervales Ski Jump complex on October 13, 1982 under agreement with the Town of North Elba, as trustee for the Town of North Elba Public Parks and Playground District. On April 1, 1984, the Olympic Authority entered into an agreement with DEC to operate, manage and maintain Gore Mountain Ski Center. On April 1, 2012, the Olympic Authority assumed management responsibility of Belleayre Ski Area in Highmount, New York. Belleayre was previously managed by DEC.

The Olympic Authority’s operations are overseen by a Board of Directors (“Board”). The Olympic Authority’s Board consists of the Commissioner of Environmental Conservation, the Commissioner of Empire State Development, the Commissioner of Parks, Recreation and Historic Preservation and nine members appointed by the Governor, by and with the advice and consent of the Senate. The Olympic Authority receives an annual operating appropriation from the general fund based on projected needs. Income of the Olympic Authority is exempt from taxation.

The Olympic Authority’s legislative mandate is to:

1. Institute a comprehensive, coordinated program of activities utilizing the Olympic facilities in and around Lake Placid, Gore Mountain Ski Center in North Creek, and Belleayre Mountain Ski Center in Highmount, in order to ensure optimum year-round use and enjoyment of these facilities to the economic and social benefit of the regions and to minimize the financial burden on state and local government by maximizing revenue opportunities.
2. Improve the physical fitness and recreational education of the people of New York and the United States.
3. Develop, implement and supervise a comprehensive, coordinated program for the management, promotion and scheduling of a wide range of national and international athletic training and competitive opportunities that maximize the utilization of the Olympic facilities.
4. Develop, construct, operate, manage and maintain facilities for the training and housing of amateur athletes in connection with the United States Olympic Committee’s training center program and the Olympic Authority’s conduct of national and international sports events.

(b) Budget Process

The creation of the 2024/2025 operational budget is challenging, due to the many other uncertainties including but not limited to weather, rising fuel cost, supply chain issues and labor shortages.

During the summer of 2023 the Olympic Authority’s President & CEO, along with the Director of Finance, reviewed previous years’ actual revenue and expenses to project the next fiscal year’s budget.

Consideration was also made from input by the Venue General Managers, and the Director of Human Resources as it related to projected payroll and payroll added costs based on current and projected staffing levels.

Generally, in October of each year, the Division of the Budget (“DOB”) issues a letter (the “call letter”) to the Olympic Authority’s President & CEO requesting the Olympic Authority’s budget submission for the upcoming fiscal year. The call letter specifies budget directives and the filing due date. As a public benefit corporation of the State, the Olympic Authority’s fiscal year aligns with the State and the data presented is in accordance with the guidelines provided by the DOB.

The Budget process will end with an appropriation request to the Director of the Budget on the prescribed date of the call letter and then uploading the proposed 2024/2025 budget to the Public Authorities Reporting Information System at the end of the calendar year.

The Proposed 2024/2025 Budget and 2023-2028 Financial Plan relies on data and projections developed through the following timeframe:

- During July/August – develop preliminary budget forecasts, including revenue and expenses, preliminary operations and maintenance, and capital expense targets.
- During September – Review the Olympic Authority’s Proposed Budget and Financial Plan with the Executive Committee.
- During September/October – make the Olympic Authority’s Proposed Budget and Financial Plan available for public inspection at five convenient locations and on the Olympic Authority’s website.
- During November/December –seek authorization from the Olympic Authority’s Board of Directors to approve the Final Budget and Financial Plan; submit the information to the State Comptroller’s Office; and make the approved document available for public inspection at five convenient locations and on the Olympic Authority’s website.

(c) **Budget Assumptions**

The Olympic Authority Revenue and Expenses

The Olympic Authority generates approximately 75% of its revenue from its operations, with the other 25% coming from New York State operating appropriations combined with funds from the Town of North Elba. Operational revenue is extremely hard to forecast as so much of it is dependent upon the weather and economy.

The projected staffing level is determined by evaluating the employee headcount during the current fiscal year and forecasting future headcounts based upon anticipated organizational needs. Payroll added costs are also projected based on the headcount. The impact of the economy and the ever-changing minimum wage was taken into consideration.

The Budget has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. All revenues and expenses are recognized on the accrual basis.

Investment Income

Investment of the Olympic Authority’s funds is administered in accordance with the Olympic Authority’s investment guidelines. These guidelines comply with the New York State Comptroller’s investment guidelines for public authorities and were adopted pursuant to Section 2925 of the New York Public Authorities Law.

(d) **Self-Assessment of Budgetary Risks**

Set forth below is a summary of certain risks associated with the Olympic Authority's assets and operations. The following discussion of risks is intended only as a partial list and does not purport to identify all of the risk factors that may affect the Olympic Authority's assets and operations. Any one or more of the factors discussed and others could adversely affect the Olympic Authority's operations, assets, revenues and expenses to an extent that cannot be determined at this time.

- **Climate Change** – As part of the Climate Leadership and Community Protection Act initiatives, the Olympic Authority engages in regular vulnerability assessments to identify climate change-related risks to its assets and services. The climate change vulnerability assessment is meant to be an initial qualitative assessment of climate change impacts to the Olympic Authority's assets, operations, and overall mission. Recognizing the effects that climate change has had and will continue to have on the Northeast's winter recreation and its core assets, the Olympic Authority has incorporated climate change into its decision-making at the operational, planning, and executive levels. Through its budget planning, the Olympic Authority has invested in high-efficiency snowmaking, hybrid maintenance equipment, dedicated solar arrays, modernized building systems, updated refrigeration for ice rinks and electric car charging stations. The Olympic Authority has adapted some of its existing infrastructure and equipment to offer more year-round activities, maximize venue use, support regional tourism, and advance economic development efforts in surrounding areas.
- **Other Business Risks**
 - **Industry Transformation** – Through its strategic planning and risk management processes, the Olympic Authority regularly evaluates its mission, objectives, and customer needs and seeks to appropriately position the Olympic Authority to effectively meet the challenges of the transforming winter sport and tourism industry through implementation of initiatives such as long-term asset management strategy and a suite of customer solutions including new/modified facilities, technology, and product offerings. The impact on the Olympic Authority operations of any such industry transformation is not presently predictable.
Workforce – Like many other industries, the winter sport and tourism sector are realizing increased competition for, and a general shortage of talent in high skilled areas. This trend is expected to continue and be further impacted by transformations in the industry where new technologies are being developed and deployed. The Olympic recognizes the uncertainty associated with attracting and retaining staff with the skills and competencies needed to meet stated objectives and regularly evaluates and positions its recruiting, talent development, and benefits programs accordingly.
 - **Physical and Cyber Security** – The Olympic Authority constantly assesses the nature of the physical and cyber security risks and adjusts its resources to best anticipate and respond to any threats. Investments to harden both physical and cyber assets and their related infrastructure are continually needed to minimize potential adverse impacts to protect the Olympic Authority and customer information.
 - **Catastrophic Natural Events** – A catastrophic natural event such as severe weather or flooding can negatively affect the operability of the Olympic Authority assets and facilities. The Olympic Authority regularly evaluates the resiliency of its assets and facilities. In addition, the Olympic Authority annually develops and implements disaster planning programs through its Emergency Management and Operations Plan. This plan is based on the specific, unique natural threats at each of its facilities. The Olympic Authority regularly conducts drills and exercises in order to ensure advance preparation for these types of events. The Olympic Authority maintains close working relationships with local first responders and government agencies to ensure its ongoing preparedness.

- Occupational Health and Workforce Safety – The Olympic Authority and its employees are exposed to a variety of health and safety risks. The health and safety of the Olympic Authority’s workforce, customers, and contractors is of the highest priority to the Olympic Authority. The Olympic Authority has put in place multiple levels of controls, policies, procedures, and training programs in support of reducing and/or eliminating health and safety incidents. The impacts of the pandemic on the Olympic Authority’s operations and financial condition is not presently predictable or quantifiable. To mitigate these risks, the Olympic Authority works closely with the Department of Health and other local and county health departments to ensure its ongoing preparedness and responsiveness.
- Litigation Risk – Actions or claims against the Olympic Authority include those arising out of negligence, personal injury, breach of contract, employment, and other matters. Pursuant to Public Authorities Law § 2622 (4), all actions or claims against the Olympic Authority to recover damages for injuries to property or for personal injury arising out of the operation of its facilities is exclusive to the New York State Court of Claims. Payment of awards or judgments for such claims are made by the State of New York in accordance with section 20 of the Court of Claims Act. All other claims will, in the opinion of the Olympic Authority, and through representation by outside counsel hired by the Olympic Authority, be disposed of within the amounts of the Olympic Authority’s insurance coverage, where applicable, or the amount which the Olympic Authority has available therefore and without any material adverse effect on the business of the Olympic Authority.
- **Regulatory Risks** – Congressional and regulatory action for the increased regulation of air, water and contaminants is periodically considered, and there are potential legislative and regulatory proposals which may affect the Olympic Authority in the future. The impact on the Olympic Authority operations of any such proposals is not presently predictable or quantifiable.

(e) **Revised Forecast of Current Year’s Budget**

Once the Operation Budget is approved it is not revised as the year progresses. During the year actual vs budget is constantly reviewed and analyzed.

The Capital Budget is frequently reviewed, and adjustments made as various projects transition from start to finish.

(f) **Reconciliation of Current Year’s Budget and Revised Forecast**

Once the Operation Budget is approved it is not revised as the year progresses. All actual revenue and expenses are reviewed to develop and modify upcoming budgets.

The Capital Budget is frequently reviewed, and adjustments made as various projects transition from start to finish.

(g) **Statement of Previous Year's Financial Performance**

	Last Year Actual 2022/2023	Last Year Budget 2022/2023	Variance
Revenue & Financial Sources			
Operating Revenue			
Charges for services	\$48,767,942	\$38,007,544	\$10,760,398
Rental & Financing Income	\$3,809,956	\$488,347	\$3,321,609
Other Operating revenues	\$11,209,018	\$5,166,859	\$6,042,159
Non-Operating Revenues			
Investment earnings	\$43,556	\$0	\$43,556
State Subsidies/Grants	\$14,940,000	\$14,940,000	\$0
Federal Subsidies/Grants			
Municipal Subsidies/Grants	\$500,000	\$750,000	(\$250,000)
Public Authority Subsidies			
Other Non-Operating Revenues	\$903,346	\$854,893	\$48,453
Proceeds from the Issuance of Debt			
Total Revenues & Financing Sources	\$80,173,818	\$60,207,643	\$19,966,175
Expenditures			
Operating Expenses			
Salaries and Wages	\$30,047,533	\$25,929,410	(\$4,118,123)
Other Employee Benefits	\$14,578,307	\$17,465,802	\$2,887,495
Professional Services Contracts	\$131,808	\$245,431	\$113,623
Supplies and Materials	\$5,543,356	\$2,486,494	(\$3,056,862)
Other Operating Expenditures	\$18,062,300	\$13,851,354	(\$4,210,946)
Non-Operating Expenditures			
Payment of Principal on Bonds			
Financing Arrangements			
Interest and Other Financing Charges	(\$32,422)	\$119,998	\$152,420
Subsidies to Other Public Authorities			
Capital Asset Outlay	\$105,000,000	\$105,000,000	\$0
Grants and Donations			
Other Non-Operating Expenditures			
Total Expenditures	\$173,330,881	\$165,098,489	(\$8,232,392)
Capital contributions	\$105,000,000	\$105,000,000	\$0
Excess (Deficiency) of Revenue and Capital Contributions Over Expenditures	\$11,842,937	\$109,154	\$11,733,783

The 2022/2023 fiscal year was one of the most successful years in history. The Olympic Authority grew revenue, made smart investments in its facilities, developed new businesses opportunities, began to invest in some short-

term Treasury Bills and incurred no debt. Labor and supply chain shortages presented several challenges to these successes. However, the excellence of the Olympic Authority staff made the organization’s record-breaking accomplishments possible.

(h) Employee Data – number of employees, full-time, FTEs and functional classification

	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Exec Management	14	14	14	14	14
Mktg Sales	23	23	23	23	23
Finance	9	9	9	9	9
Other Admin	81	81	81	81	81
Venue Ops (projected)	470	470	470	470	470
	597	597	597	597	597

(i) Gap-Closing Initiatives – revenue enhancements or cost-reduction initiatives

The Olympic Authority continues to seek revenue streams that are favorable to the bottom line. The Olympic Authority continues to monitor operating expenses to manage cash outflows. The Olympic Authority has invested in solar arrays Whiteface Mountain and purchased the array dedicated Gore Mountain, delivering clean energy to the energy zones they are located in while offsetting the resorts’ electric needs. The Olympic Authority has made a strong commitment to modernizing the snowmaking fleets with high-efficiency guns, system monitoring, motors with variable drives, and new energy-saving technologies. This means the Olympic Authority is making more snow in less time, using less energy. The Olympic Authority has invested in reloadable RFID technology and a robust e-commerce platform. This allows guests hassle-free ticketing in advance online, with no waste. The RFID media lasts for years, offering convenient direct-to-lift access winter after winter. New improvements at the facilities have allowed the Olympic Authority to expand year-round operations, thereby extending its revenue opportunities.

(j) Material Non-Recurring Resources – source and amount

There are no material non-recurring resources expected in the 2023-2028 period.

(k) Shift in Material Resources

There are no anticipated shifts in material resources from one year to another.

(l) Debt Service

The Olympic Authority does not issue debt.

During the fiscal year ended March 31, 2022 the Olympic Authority saw an improvement in cash flow and made it a priority to pay down its debt to zero. This will be a savings in future years of interest and finance charges. During the fiscal year ended March 31, 2023 the Olympic Authority continued to be debt free. Also, due to better cash flow the Olympic Authority also was able to pay some large annual invoices in full, rather than in installments, again saving on interest and finance charges.

Below is the balance of outstanding debt currently and projected operational debt through March 31, 2028:

	Actual	Projected Balance				
	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	3/31/2028
Key Bank \$7M Line of Credit	\$0	\$0	\$0	\$0	\$0	\$0

(m) Capital Commitments and Sources Funding*

The Olympic Authority’s plan for its Maintenance and Improvements of Existing Facilities is currently planned to be \$15M for year 2024/2025 and \$20M for years 2025/2026, 2026/2027, and 2027/2028. These funds will target Health & Safety, Environmental Stewardship, Revenue Enhancement, Technology and Efficiencies.

The Olympic Authority’s plan for its New Capital is presently \$65M in year 2024/2025 and \$80M for years 2025/2026, 2026/2027 and 2027/2028. These funds will be invested in lifts, snowmaking, electrical & building infrastructure, year-round operational infrastructure and economic development opportunities.

****Actual funding availability will be determined on an annual basis, subject to state budget process outcomes.***

The Olympic Authority has grown significantly in recent years, both in its scope of operations and in the increased value of its assets. The last eight years of the Olympic Authority's total insured values are listed below, representing a 104% increase during that period. Proposed capital budgets are designed with an emphasis on the Olympic Authority’s current and future needs for proper maintenance of its infrastructure and the organization's continued evolution in technology, sustainability, and the guest and athlete experience.

<u>Fiscal Year</u>	<u>ORDA's Total Insured Value</u>
2016-2017	\$240,927,055
2017-2018	\$241,767,225
2018-2019	\$257,165,513
2019-2020	\$256,198,336
2020-2021	\$365,322,690
2021-2022	\$418,839,573
2022-2023	\$462,983,526
2023-2024*	\$493,080,051

*current valuation estimate as of 9/15/2023; changes are anticipated