



NEW YORK STATE  
**OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY**

**AUDIT COMMITTEE MEETING**  
Lake Placid Conference Center, Lake Placid, NY  
June 14, 2023  
1:00 pm

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**AGENDA**

- I. INTRODUCTION**
  - A. Roll Call**
  - B. Approval of Minutes from April 28, 2023 Audit Committee Meeting**
  
- II. DISCUSSION**
  - A. Independent Auditor Presentation**
  - B. Independent Audit Report and Proposed Resolution # 504**
  
- III. ADJOURN**



NEW YORK STATE  
**OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY**

NYS Olympic Regional Development Authority  
Audit Committee Meeting Minutes  
April 28, 2023

Present: Cliff Donaldson, Chair  
Elinor Tatum  
Frank Cardinale  
Jeff Stefanko

Also Present: Michael Pratt, President/CEO  
Michelle Crew, General Counsel  
Peggy Evatt, Director of Finance  
Art Lussi

Introduction: Chair Cliff Donaldson called the meeting to order at 11:04 a.m. and welcomed everyone in attendance.

Cliff Donaldson explained that the meeting was being videotaped and a link to the recording would be made available at [www.orda.org](http://www.orda.org).

Cliff Donaldson then asked for a roll call, and confirmed a quorum was present. Frank Cardinale joined after the roll call, due to difficulties connecting online.

Discussion: Mike Pratt introduced the Olympic Authority Financial team and explained some of the work that they have accomplished which includes analysis of Food and Beverage accounting, revenue share agreements at the ski areas, operational agreements at the Lake Placid Olympic venues, and reviewing all requirements for MWBE/SDV.

Peggy Evatt discussed the independent audit and the timeline for completing the report. The final draft should be received by May 31 for review by the Olympic Authority. On June 14, 2023, the Audit Committee will convene to review the report.

Peggy Evatt introduced the Auditors and explained that they were acquired through the RFP process in March 2021. It is the third year of the five-year contract. They are a great resource for the Olympic Authority.

Mike Pratt explained the growth in revenue that the operations have generated is a tremendous success story. The Olympic Authority broke 60 million dollars in operational revenue this year. The three ski areas have been consistently growing and have had a fantastic year.

Mike Pratt reviewed some of the line items of the different profit centers to show the significant changes.

Some of the revenue shifts are due to profit centers that have been taken on in house. Between food and beverage, equipment rentals, and the retail stores the Olympic Authority is generating over eight and a half million dollars a year. That is an increase of five million dollars from previous years.

There has been a big jump in personal services. This is the first year of rentals and lockers being operated by the Olympic Authority and last year was the first year with retail operations. This is also the first year with the new union contract in place and as we are coming out of the pandemic the Olympic Authority is operating more events and attractions.

Fuel and Utilities jumped up over a half million dollars. Mike explained that this is something we will need to manage and keep an eye on.

The Olympic Authority net income increased to over 11.5 million dollars.

Prior to last year, the Olympic Authority had a lot of debt. There was operations and capital debt, comprised among nine different loans. In 2018, the Olympic Authority was able to start successfully decreasing the amount of debt. Last year in April we were able to eliminate our debt and have not taken on any more.

Due to increased cash flow, we were able to pay our Workers' Comp policy in full two years in a row creating a 2023 savings of \$28,654. Also, we paid the NYS Retirement early for two years in a row, giving us a discount this year of \$15,106.

Last year the Olympic Authority's investment policy was revised. In compliance with the Board's updated policy, and through successful cash flow management, interest income grew from \$31 to \$43,000 in one year.

Mike Pratt discussed Executive Order 95. The Olympic Authority is presently in compliance with the order and has recently added new information to the Open Data site. This year we earned the

opportunity for a highlight in the 2022 Q4 Open Data Quarterly report from the Comptroller.

Minutes:

On a motion by Elinor Tatum, seconded by Frank Cardinale, the minutes of the Audit Committee meeting held on June 10, 2022 were approved without changes.

Cliff Donaldson announced that the meeting's business had concluded.

Adjournment:

On a motion by Jeff Stefanko, seconded by Elinor Tatum, the meeting of the Olympic Regional Development Authority Audit Committee was adjourned at 11:43 a.m.

DRAFT



**NEW YORK STATE OLYMPIC REGIONAL DEVELOPMENT AUTHORITY**

**Resolution # 504**

**RESOLUTION APPROVING INDEPENDENT AUDITOR'S REPORT**

At a meeting of the Board of Directors of the Olympic Regional Development Authority (“Olympic Authority”) held on June 23, 2023, the Chair offered the following resolution:

**WHEREAS**, pursuant to the requirements of Public Authorities Law § 2802 (1), the Olympic Authority shall:

“. . . submit to the governor, chairman and ranking minority member of the senate finance committee, chairman and ranking minority member of the assembly ways and means committee, each chair and ranking member of the senate and assembly committees on corporations, authorities and commissions, the state comptroller, and the authorities budget office, together with the report described in section twenty-eight hundred of this title [Olympic Authority’s Annual Report], a copy of the annual independent audit report, performed by a certified public accounting firm in accordance with generally accepted auditing standards as defined in subdivision eleven of section two of the state finance law, and management letter and any other external examination of the books and accounts . . . .;” and

**WHEREAS**, the services of EFPR Group, CPAs, PLLC, a certified public accounting and consulting firm, have been retained by the Olympic Authority to complete an independent financial audit in compliance with the requirements of Public Authorities Law § 2802 (1); and

**WHEREAS**, annexed hereto and made a part hereof is the independent financial audit report prepared by EFPR Group, CPAs, PLLC (“Independent Auditor’s Report”); and

**WHEREAS**, at a duly called meeting of the Audit Committee held on June 14, 2023, the Audit Committee recommended the approval of the Independent Auditor’s Report by the Board of Directors, based on the Committee’s thorough review and consideration of such Report; and

**WHEREAS**, the Board has been provided with the Independent Auditor’s Report, an explanation of the independent auditor’s methodology and findings, and an opportunity to make inquiries and/or comments; and

**WHEREAS**, the Board being satisfied with the contents of the Independent Auditor’s Report and the financial statements of the Olympic Authority reflected therein;

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the Independent Auditor’s Report, and further directs that the Independent Auditor’s Report be

forwarded to the proper legislative and executive officials in accordance with the requirements of Public Authorities Law § 2802(1).

**SO RESOLVED,**

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

and

ADOPTED BY the following vote:

In Favor:	Excused/Abstained:	Against:
_____	_____	_____
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Renee Fitzgerald, Secretary to the Board, being duly sworn, deposes and says:

The above Resolution # 504 was duly passed by the Board of Directors on June 23, 2023.

Signature \_\_\_\_\_

Title: Secretary to the Board of Directors

Sworn before me this \_\_\_\_\_ day of June, 2022.

\_\_\_\_\_  
Notary Public, State of New York

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
(A Discretely Presented Component  
Unit of the State of New York)

Financial Statements and  
Independent Auditor's Reports

March 31, 2023 and 2022

NEW YORK STATE OLYMPIC REGIONAL  
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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
New York State Olympic Regional  
Development Authority:

### Report on the Financial Statements

#### Opinion

We have audited the financial statements of New York State Olympic Regional Development Authority (ORDA), as of and for the years ended March 31, 2023 and 2022, and the related notes to financial statements, which collectively comprise ORDA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the New York State Olympic Regional Development Authority, as of March 31, 2023 and 2022, and the changes in financial position and 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 (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 ORDA 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.

#### Responsibility 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 ORDA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## 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 opinions. 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 audits.
- 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 audits 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 ORDA'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 ORDA'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 audits.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis and the additional information on pages 40 through 42 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 auditing standards generally accepted in the United States of America, 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated \_\_\_\_\_, 2023 on our consideration of ORDA’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 ORDA’s 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 ORDA’s internal control over financial reporting and compliance.

Williamsville, New York  
, 2023

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Management's Discussion and Analysis

March 31, 2023 and 2022

Within this section of the New York State Olympic Regional Development Authority's (ORDA) annual financial report, management provides narrative discussion and analysis of the financial activities for the years ended March 31, 2023 and 2022. The ORDA's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section.

Financial Highlights

- The ORDA's net position was \$409,604,119 as of March 31, 2023. The previous year's net position was \$335,263,280.
- Total net position is comprised of the following:
  - Net investment in capital assets on March 31, 2023 was \$443,034,512 which includes capital assets (property and equipment), net of accumulated depreciation and related debt. The previous year's net investment in capital assets amounted to \$386,543,062.
  - Unrestricted net position on March 31, 2023 was (\$33,430,393) representing the excess of non-capital expenses over revenue since the inception of the ORDA. The previous year's unrestricted net position amounted to (\$51,279,782).
- The ORDA took over the retail stores during the year ended March 31, 2022. Total revenue for the years ended March 31, 2023 and 2022 was \$3,209,196 and \$2,073,327 respectively, an increase of over \$1.1 million. Net operating retail revenue for the years ended March 31, 2023 and 2022 was \$726,361 and \$441,553 respectively.
- As of March 31, 2023 and 2022 there was no outstanding balance on the line of credit. The line of credit is still open and available at \$7,000,000.
- As of March 31, 2023 and 2022 the ORDA had no outstanding debts.
- The ORDA saw improvements to its cash flow over the last few years. As such not only did it pay down its debts, but it was able to start investing in short-term Treasury Bills. Interest earned on Treasury Bills for the year March 31, 2023 was \$36,221.

Overview of Financial Statements

The basic financial statements include the statements of net position, revenue, expenses and changes in net position, cash flows, and notes to financial statements. The ORDA also includes in this report additional information to supplement the basic financial statements.

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Management's Discussion and Analysis, Continued

The first of these statements is the statement of net position. This is the statement of financial position presenting information that includes all the ORDA's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the ORDA as a whole is improving or deteriorating. Evaluation of the overall economic health of the ORDA must include other non-financial factors such as the condition of the ORDA's property and equipment, and the economic picture of New York State (the State) and the United States, in addition to the financial information provided in this report.

The second statement is the statement of revenue, expenses and changes in net position, which reports how the ORDA's net position changed during the year. Revenue and expenses are included when earned or incurred, regardless of when cash is received or paid. An important purpose of the format of this statement is to show the ORDA's financial reliance on the distinct activities related to each of its venues, as well as revenues provided by our sponsors, the State, and Town of North Elba (the Town).

The third statement is the statement of cash flows, which shows the sources and uses of cash. For the year ended March 31, 2023, operating activities used \$8,995,099 of cash, net cash provided by noncapital financing activities of \$17,605,545, net cash provided by capital and related financing activities was \$3,672,898 and investing activities used cash of \$11,865,951, resulting in a net increase in cash and equivalents of \$417,393. Cash and equivalents at the beginning of the year were \$32,695,384 while at the end of the year cash and equivalents were \$33,112,777. For the year ended March 31, 2022, operating activities used \$12,861,943 of cash, net cash provided by noncapital financing activities of \$10,289,838, net cash provided by capital and related financing activities was \$15,044,851 and investing activities provided cash of \$32, resulting in a net increase in cash and equivalents of \$12,472,778. Cash and equivalents at the beginning of the year were \$20,222,606, while at the end of the year cash and equivalents were \$32,695,384.

This statement also presents the reconciliation of net loss from operations of \$30,785,926 and \$29,765,850 (including depreciation of \$25,545,867 and \$20,035,056 and loss on disposal of assets of \$735,027 and \$2,357,164) to net cash used in operating activities of \$8,995,099 and \$12,861,943, for the years ended March 31, 2023 and 2022, respectively.

The accompanying notes to financial statements provide information essential to a full understanding of the financial statements.

Financial Analysis of ORDA

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to analyze the changing financial position of the ORDA as a whole.

The ORDA's net position at March 31, 2023 is \$409,604,119. This is a \$74,340,839 increase over last year's net position of \$335,263,280. The following table provides a summary of the elements of the ORDA's net position:

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Management's Discussion and Analysis, Continued

	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>Percentage Change</u>
<b>Assets:</b>				
Current assets	\$ 52,555,072	37,241,527	15,313,545	41.12%
Capital assets	443,034,512	386,543,062	56,491,450	14.61%
Net pension asset	<u>6,228,405</u>	<u>-</u>	<u>6,228,405</u>	100.00%
Total assets	501,817,989	423,784,589	78,033,400	18.41%
Deferred outflows of resources	<u>26,102,033</u>	<u>31,178,005</u>	<u>(5,075,972)</u>	(16.28%)
Total assets and deferred outflow resources	<u>527,920,022</u>	<u>454,962,594</u>	<u>72,957,428</u>	16.04%
<b>Liabilities:</b>				
Current liabilities	12,411,625	11,776,553	635,072	5.39%
Other liabilities	<u>53,002,016</u>	<u>72,776,961</u>	<u>(19,774,945)</u>	(27.17%)
Total liabilities	65,413,641	84,553,514	(19,139,873)	(22.64%)
Deferred inflows of resources	<u>52,902,262</u>	<u>35,145,800</u>	<u>17,756,462</u>	50.52%
Total liabilities and deferred inflows of resources	<u>118,315,903</u>	<u>119,699,314</u>	<u>(1,383,411)</u>	(1.16%)
<b>Net position:</b>				
Net invested in capital assets	443,034,512	386,543,062	56,491,450	14.61%
Unrestricted (deficit)	<u>(33,430,393)</u>	<u>(51,279,782)</u>	<u>17,849,389</u>	34.81%
Total net position	<u>\$ 409,604,119</u>	<u>335,263,280</u>	<u>74,340,839</u>	22.17%

Current assets increased \$15,313,545; this was the result of timing differences as to when cash was received and invoices ready for payment along with now having an investment account.

Capital assets increased \$56,491,450 (net) primarily because the State has made a commitment to provide capital funds to improve the ORDA's facilities. Major projects during 2022/2023 stretched across all venues, several capital projects over recent years have added value to the ORDA's assets. These projects included the completion of the Olympic Center in November 2022, now featuring modernized refrigeration, extensive renovations of three of four rinks including the iconic James C. Sheffield Speed Skating Oval, and Miracle Plaza which houses beautiful new guest spaces for dining and shopping. To make Miracle Plaza and its new revenue streams possible, administrative staff relocated from office areas previously occupied throughout the Olympic Center into a new building adjacent to the US Olympic Training Center. Snowmaking and lift upgrades continued throughout the ORDA's three alpine ski areas.

Deferred outflows, deferred inflows and other liabilities were primarily affected by pension and other postemployment benefit adjustments necessary to comply with generally accepted accounting principles.

NEW YORK STATE OLYMPIC REGIONAL  
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Management's Discussion and Analysis, Continued

The ORDA's net position at March 31, 2022 was \$335,263,280. This was a \$127,478,904 increase over the 2021 net position of \$207,784,376. The following table provides a summary of the elements of the ORDA's net position:

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>Percentage Change</u>
<b>Assets:</b>				
Current assets	\$ 37,241,527	23,236,761	14,004,766	60.27%
Capital assets	<u>386,543,062</u>	<u>288,617,798</u>	<u>97,925,264</u>	33.93%
Total assets	423,784,589	311,854,559	111,930,030	35.89%
Deferred outflows of resources	<u>31,178,005</u>	<u>28,771,785</u>	<u>2,406,220</u>	8.36%
Total assets and deferred outflow resources	<u>454,962,594</u>	<u>340,626,344</u>	<u>114,336,250</u>	33.57%
<b>Liabilities:</b>				
Current liabilities	11,776,553	22,093,010	(10,316,457)	(46.70%)
Other liabilities	<u>72,776,961</u>	<u>96,155,218</u>	<u>(23,378,257)</u>	(24.31%)
Total liabilities	84,553,514	118,248,228	(33,694,714)	(28.49%)
Deferred inflows of resources	<u>35,145,800</u>	<u>14,593,740</u>	<u>20,552,060</u>	140.83%
Total liabilities and deferred inflows of resources	<u>119,699,314</u>	<u>132,841,968</u>	<u>(13,142,654)</u>	(9.89%)
<b>Net position:</b>				
Net invested in capital assets	386,543,062	285,398,142	101,144,920	35.44%
Unrestricted (deficit)	<u>(51,279,782)</u>	<u>(77,613,766)</u>	<u>26,333,984</u>	33.93%
Total net position	<u>\$ 335,263,280</u>	<u>207,784,376</u>	<u>127,478,904</u>	61.35%

Current assets increased \$14,004,706; this was the result of timing differences as to when cash was received and invoices ready for payment.

Capital assets increased \$97,925,264 (net) primarily because the State has made a commitment to provide capital funds to improve the ORDA's facilities. Major projects during 2021/2022 stretched across all venues. These projects included a Mountain Coaster, Zip-Line, three new chairlifts, pumphouse improvements, the Mountain Pass Lodge at Mt. Van Hoevenberg, the Legacy Lodge at Whiteface Mountain, and the beginning of revitalization of the Olympic Center.

Deferred outflows, deferred inflows and other liabilities were primarily affected by pension and other postemployment benefit adjustments necessary to comply with generally accepted accounting principles.

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Management's Discussion and Analysis, Continued

Events & Sport

Recent modernizations to the ORDA's training facilities have brought the venues into compliance with current certification standards for the highest level of competition to occur. These improvements were designed with an emphasis on weather resilience and sustainability. In January 2023, several ORDA venues successfully hosted events as part of the FISU World University Games. Despite challenging weather preceding the events, the fields of play were ready.

Year-round sport amenities including the new biathlon range, paved roller loops, summer surfaces at the jumps, redeveloped rinks, and the indoor push track has transformed Lake Placid's ability to host athletes of all levels during all twelve months. The Olympic Jumping Complex is now the only facility in North America homologated for year-round jumping.

These improvements have allowed for increased training year-round, more active relationships with the National Governing Bodies of various sports, and an increased level of regional engagement with teams and the sport professionals that support them. This, in combination with a renewed frequency of national and international events, leads to economic benefits for the North Country and the State.

Some of the major events held throughout 2022/2023 included, but were not limited to, the FIS Ski Jumping World Cup, the IBSF North American Cup, the IBSF World Push Championships, USABS Push Championships, Women's Collegiate Hockey Association Ice Breaker Tournament, the NCAA Nordic & Alpine Skiing Championships, and the Holeshot Cross Tour. Mt. Van Hoevenberg will host the IBSF World Championships in March 2025.

Visitation and Revenue

The ORDA set a record for visits of more than one million to its venues during the 2022/2023 season. It is estimated that this is an increase of more than 15% from pre-pandemic visitation. Despite abbreviated visitation for several months of the year due to construction, the Olympic Center rebounded strongly since re-opening in November. The venue became a central focal point of the 2023 FISU World University Games in January as host of the opening and closing ceremonies as well as several other high-profile sporting events. The FISU Games were followed by the ECAC Hockey Championships and the ISU World Synchronized Skating Championships, with hockey tournaments happening throughout. The record-breaking numbers come in the wake of the completion of multiple capital projects that upgraded and modernized each of the ORDA's venues. The improvements have made for a stronger guest experience while also making it possible to host year-round activities and major international winter sporting events, such as the FIS Ski Jumping World Cup event in February that drew the largest crowd at any single venue since the 1980 Winter Olympic Games.

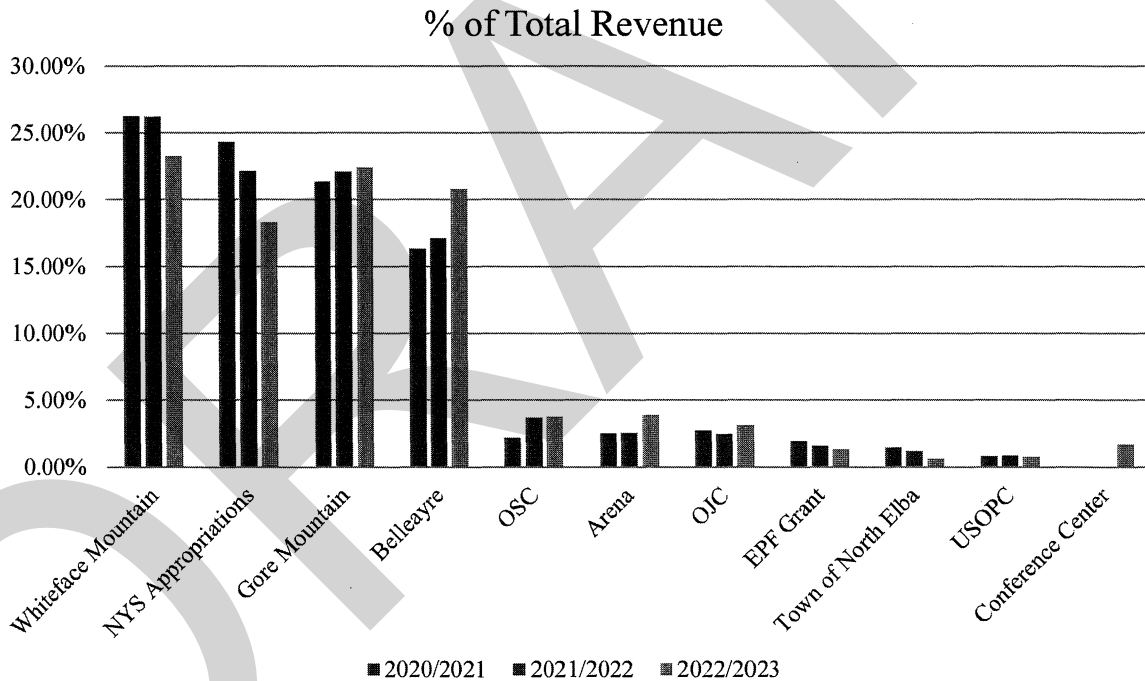
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Management’s Discussion and Analysis, Continued

Season pass sales continue to skyrocket, with the ski mountains selling over 26,000 passes accounting for over \$12.38 million in revenue. Consumers have many reasons to invest in a season pass - with the upgrades to the snowmaking systems the venues are opening earlier and closing later with improved conditions throughout the season, access to three mountains, passholder perks, worry-free insurance that protects pass purchase and a no-reservation policy.

Revenue and Expenses

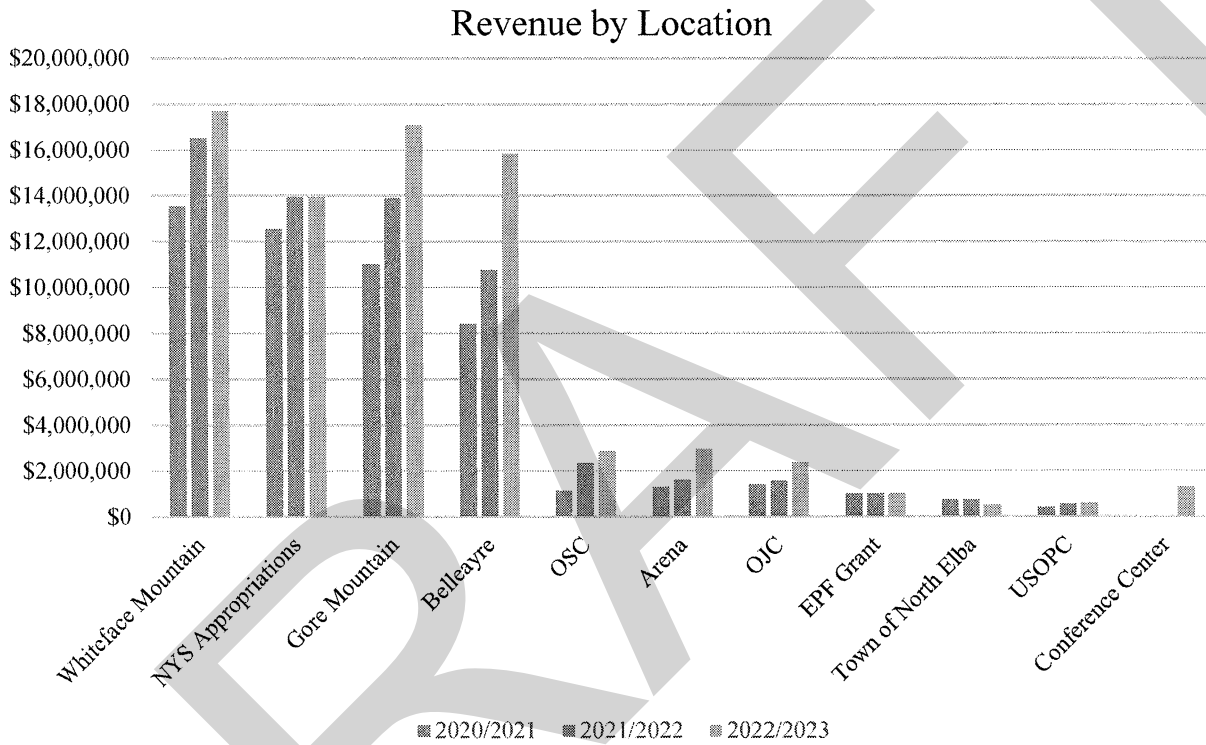
The revenue bar graph below shows that as a percentage of total revenue Whiteface Mountain continues to be the venue producing the most revenue followed by Gore Mountain and then Belleayre Mountain.



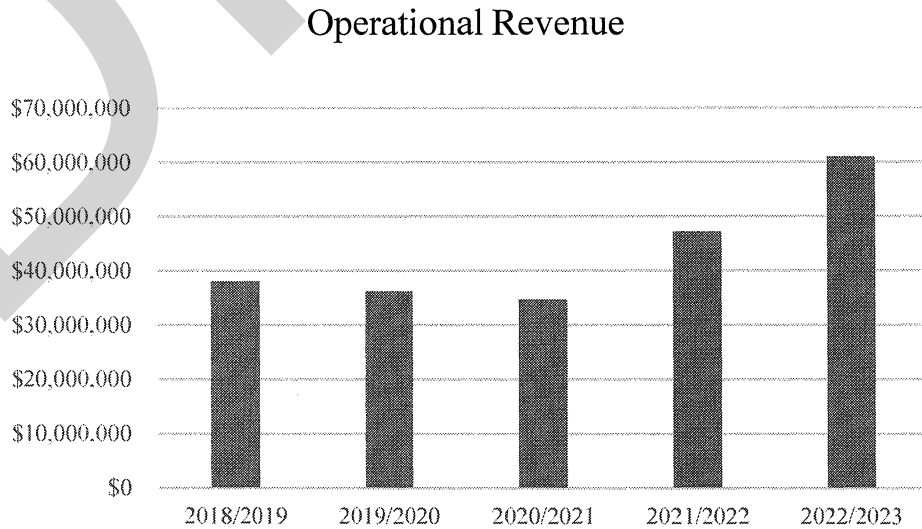
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Management's Discussion and Analysis, Continued

The next bar graph shows the total revenue dollars by each venue and other support year over year(s).



This bar graph below shows the total operational revenue over the last five fiscal years. Please note that this does not include support from the State or the Town.

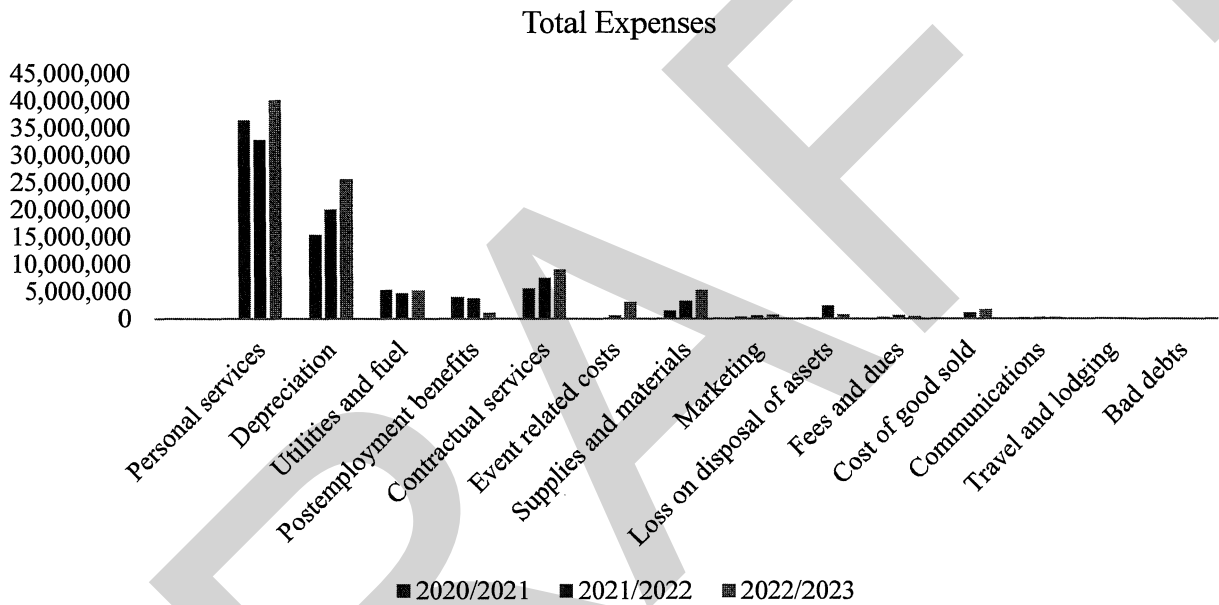


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Management’s Discussion and Analysis, Continued

Total Expenses

The expense by type graph below shows that personal services continues to be the greatest expense. Management works diligently to keep overall expenses down in all categories. Please note while depreciation and other postemployment benefits are shown in this graph, they are for reporting purposes only.



Capital Assets

The ORDA’s investment in capital assets, net of accumulated depreciation as of March 31, 2023 and 2022 was \$443,034,512 and \$386,543,062, respectively. The net increase in capital assets at March 31, 2023 was \$56,491,450.

At the ski areas, the ORDA’s 2022/2023 capital investments were focused on continued modernizations to the high-efficiency snowmaking systems, lift upgrades, purchasing new grooming tractors, updating guest facilities, and making improvements to the beginner experience. At the Olympic Center, to increase revenue streams and convert what previously were offices into premier guest areas for dining, retail, and museum space, the ORDA completed its work on an administrative building to relocate staff. The organization made strategic investments throughout all venues that advanced its commitment to technology, health and safety, and sustainability.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Management's Discussion and Analysis, Continued

Long Term Debt

At March 31, 2023 and 2022 the ORDA had zero long term debt.

At March 31, 2023, the ORDA has postemployment benefits obligations of \$48,218,271, no net pension liability and compensated absences of \$4,783,745. At March 31, 2022, the ORDA has postemployment benefits obligations of \$68,209,634, a net pension liability of \$70,727 and compensated absences of \$4,496,600.

Short Term Debt

The ORDA has a line of credit of \$7 million with no outstanding balance as of March 31, 2023 and 2022. The line of credit had been used in the past for cash flow purposes while the organization is waiting on State budgeted appropriations.

Technology

The ORDA uses an e-commerce platform and RFID access that is integrated with its ticketing system, providing reliable inventory control for the organization and direct-to-lift convenience for customers. The reloadable media cards can be used over several years, reducing waste and allowing for all reservations to be made at home year-round. In addition, analytics software delivers real-time metrics and demographics to staff that aids in operational decision making and business planning. These metrics detail specific products and span multiple departments, including up-to-the-minute information about lift ticket sales, season pass volume, food and beverage performance, and retail shop merchandise.

In other areas of technology, the ORDA staff has been heavily involved in implementation of timing, scoring, and results applications for various events, as well as international broadcast. The team has also continued developing its cybersecurity training and software, accounting and asset management software, on-venue lighting and video capabilities, snowmaking and refrigeration monitoring systems, and its remote meeting videoconferencing and communications.

Economic Environment

Immediate threats within the economic environment include high inflation and fuel costs, which increase the ORDA's expenses and potentially deter some travelers while reducing their disposable income. In addition, current pandemic-related supply chain issues continue to challenge capital projects, lengthening project planning timelines and decreasing the number of competitive bids for materials and services.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Management's Discussion and Analysis, Continued

Management is carefully tracking electricity pricing, which skyrocketed during the year ended March 31, 2023. Due to the high rates, the ORDA renewed its electricity contracts for just 12 months and is hopeful of better pricing availability during Fall 2023. The ORDA projects that the biggest impact to electrical expenses be evident on its financials during November/December 2023, when the higher rates correlate to a higher-demand period during snowmaking.

Industries across the United States have felt the impacts of employment shortages during recent years, as has the ORDA. The ORDA is pleased to have updated its union contract with several components that reward retention and encourage recruitment. The organization has also initiated employee-led focus groups and surveys to track worker satisfaction and identify areas for improvement.

Looking Ahead

The ORDA is ideally positioned for a vibrant future. Demand for recreation and tourism continues to increase, and the ORDA's modernized venues now appeal to a more diverse range of audiences than ever before. A strong response to the ORDA's summer and fall activities not only improves cash flows and adds to the multi-use nature of the venues, but it ensures future resilience.

Priorities include maintenance of newly renovated facilities so they sustain their value and appeal, as well as continued update of antiquated infrastructure and buildings. In its improvement projects, the ORDA will be integrating its ongoing commitment to sustainability with new EO 22 requirements as applicable.

There are exciting international events scheduled, and the ORDA is actively engaged with governing bodies of sport worldwide. Furthermore, various sports are committing to the ORDA's vibrant training and competition venues, making the Lake Placid area their year-round home.

The ORDA needs to stay focused on the ongoing challenges presented by labor and housing shortages, fluctuating commodity prices, and supply chain disruptions which impact its specialized business segments.

An ongoing emphasis on the ORDA's responsible financial management strategies will be important to the organization's continued success. These practices have controlled costs, eliminated debt, developed interest revenue, generated net income, and kept operations and projects within budgets.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Management's Discussion and Analysis, Continued

Contacting the ORDA

This financial report is designed to provide a general overview of the ORDA's finances, comply with related laws and regulations, and demonstrate the ORDA's commitment to public finance accountability. If you have questions about this report or would like to request additional information, contact Peggy Evatt, Director of Finance, at (518) 302-5317.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
Statements of Net Position  
March 31, 2023 and 2022

Assets	<u>2023</u>	<u>2022</u>
Current assets:		
Cash and equivalents	\$ 33,112,777	32,695,384
Inventory	1,125,277	494,201
Investments	11,941,929	-
Accounts receivable, net	4,212,427	2,031,931
Prepaid expenses	<u>2,162,662</u>	<u>2,020,011</u>
Total current assets	52,555,072	37,241,527
Capital assets, net	443,034,512	386,543,062
Net pension asset	<u>6,228,405</u>	<u>-</u>
Total assets	<u>501,817,989</u>	<u>423,784,589</u>
Deferred outflows of resources:		
Other postemployment benefits	11,441,463	13,701,166
Pension	<u>14,660,570</u>	<u>17,476,839</u>
Total deferred outflows of resources	<u>26,102,033</u>	<u>31,178,005</u>
Liabilities:		
Current liabilities:		
Accounts payable	4,053,729	4,557,874
Accrued liabilities	2,813,630	2,779,503
Advanced collections	<u>5,544,266</u>	<u>4,439,176</u>
Total current liabilities	<u>12,411,625</u>	<u>11,776,553</u>
Other liabilities:		
Accrued compensated absences	4,783,745	4,496,600
Net pension liability	-	70,727
Total other postemployment benefits	<u>48,218,271</u>	<u>68,209,634</u>
Total other liabilities	<u>53,002,016</u>	<u>72,776,961</u>
Total liabilities	<u>65,413,641</u>	<u>84,553,514</u>
Deferred inflows of resources:		
Other postemployment benefits	30,381,512	13,772,219
Pension	<u>22,520,750</u>	<u>21,373,581</u>
Total deferred inflows of resources	<u>52,902,262</u>	<u>35,145,800</u>
Net position:		
Net investment in capital assets	443,034,512	386,543,062
Unrestricted (deficit)	<u>(33,430,393)</u>	<u>(51,279,782)</u>
Total net position	<u>\$ 409,604,119</u>	<u>335,263,280</u>

See accompanying notes to financial statements.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
Statements of Revenue, Expenses and Changes in Net Position  
Years ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating revenue:		
Earned revenue	\$ 60,621,373	46,581,828
Sponsorships and in-kind contributions	<u>1,546,667</u>	<u>1,143,599</u>
Total operating revenue	<u>62,168,040</u>	<u>47,725,427</u>
Operating expenses:		
Personal services	40,085,111	32,813,023
Depreciation	25,545,867	20,035,056
Utilities and fuel	5,196,586	4,665,417
Postemployment benefits	1,082,668	3,736,229
Contractual services	8,925,658	7,474,187
Event related costs	2,982,756	517,277
Supplies and materials	5,261,585	3,238,766
Marketing	625,766	600,898
Loss on disposal of assets	735,027	2,357,164
Fees and dues	398,355	620,986
Cost of good sold	1,681,289	1,048,101
Communications	252,271	244,845
Travel and lodging	71,421	34,608
Bad debts	<u>109,606</u>	<u>104,720</u>
Total operating expenses	<u>92,953,966</u>	<u>77,491,277</u>
Operating loss	<u>(30,785,926)</u>	<u>(29,765,850)</u>
Non-operating revenues (expenses):		
Appropriations:		
New York State	13,940,000	13,940,000
Town of North Elba	500,000	750,000
Interest income	75,978	32
Insurance recovery	-	5,436,127
Energy curtailment	67,014	7,193
FEMA	31,165	74,621
Interest expense	(10,281)	(127,010)
FISU World University Games reimbursement	<u>3,165,545</u>	<u>-</u>
Total non-operating revenues	<u>17,769,421</u>	<u>20,080,963</u>
Loss before capital contributions	<u>(13,016,505)</u>	<u>(9,684,887)</u>
Capital contributions:		
New York State Capital appropriations	86,357,344	132,489,142
Other New York State agency capital appropriations	<u>1,000,000</u>	<u>4,674,649</u>
Total capital contributions	<u>87,357,344</u>	<u>137,163,791</u>
Change in net position	74,340,839	127,478,904
Net position at beginning of year	<u>335,263,280</u>	<u>207,784,376</u>
Net position at end of year	<u>\$ 409,604,119</u>	<u>335,263,280</u>

See accompanying notes to financial statements.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
Statements of Cash Flows  
Years ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Cash receipts from customers	\$ 60,436,361	47,788,025
Payments to employees	(38,033,486)	(34,546,729)
Payments to suppliers	<u>(31,397,974)</u>	<u>(26,103,239)</u>
Net cash used in operating activities	<u>(8,995,099)</u>	<u>(12,861,943)</u>
Cash flows from noncapital financing activities:		
Appropriations received from State and Town of North Elba	14,440,000	14,690,000
FISU World University Games	3,165,545	-
Cash paid on line of credit	<u>-</u>	<u>(4,400,162)</u>
Net cash provided by noncapital financing activities	<u>17,605,545</u>	<u>10,289,838</u>
Cash flows from capital and related financing activities:		
New York State and other capital contributions	86,357,344	136,163,791
Additions to property and equipment	(82,772,344)	(120,317,484)
Principal paid on capital lease obligations	-	(3,219,656)
Principal paid to New York State Office of General Services	-	(2,972,731)
Insurance recovery	-	5,436,127
Energy curtailment	67,014	7,193
FEMA	31,165	74,621
Interest paid on debt	<u>(10,281)</u>	<u>(127,010)</u>
Net cash provided by capital and related financing activities	<u>3,672,898</u>	<u>15,044,851</u>
Cash flows from investing activities:		
Interest income	75,978	32
Purchases of investments	(18,915,472)	-
Sales of investments	<u>6,973,543</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>(11,865,951)</u>	<u>32</u>
Net change in cash and equivalents	417,393	12,472,778
Cash and equivalents at beginning of year	<u>32,695,384</u>	<u>20,222,606</u>
Cash and equivalents at end of year	<u>\$ 33,112,777</u>	<u>32,695,384</u>

(Continued)

See accompanying notes to financial statements.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
Statements of Cash Flows, Continued  
Years ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	(30,785,926)	(29,765,850)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	25,545,867	20,035,056
Loss on disposal of assets	735,027	2,357,164
Bad debts	109,606	104,720
Pension items - New York State and Local Employees' Retirement System	(2,335,694)	(799,841)
Other postemployment benefits	(1,122,367)	1,669,156
Changes in:		
Inventory	(631,076)	(163,179)
Accounts receivable	(1,290,102)	818,565
Prepaid expenses	(142,651)	(1,292,094)
Accounts payable	(504,145)	(5,523,998)
Accrued liabilities	34,127	(14,532)
Due to New York State and Local Employees' Retirement System	-	(899,866)
Advanced collections	1,105,090	387,632
Compensated absences	287,145	225,124
Net cash used in operating activities	<u>\$ (8,995,099)</u>	<u>(12,861,943)</u>

See accompanying notes to financial statements.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements

March 31, 2023 and 2022

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

New York State Olympic Regional Development Authority (ORDA) 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. ORDA 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). ORDA assumed operation of the arena complex, the speed skating oval and the Interval ski jump complex on October 13, 1982 under agreement with the Town of North Elba, as trustee for Town of North Elba Public Parks and Playground District (Park District). On April 1, 1984, ORDA entered into an agreement with DEC to operate, manage and maintain Gore Mountain Ski Center (Gore). On April 1, 2012, ORDA assumed management responsibility of Belleayre Ski Area in Highmont, New York. Belleayre was previously managed by DEC.

(b) Basis of Accounting

The financial statements of ORDA have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. In accordance with the principles prescribed by the Governmental Accounting Standards Board (GASB), ORDA's financial statements have been presented as a proprietary fund. All revenues and expenses are recognized on the accrual basis. ORDA is a discretely presented component unit of New York State and is included in the State's comprehensive annual financial report.

(c) Basis of Presentation

The position of ORDA and changes therein are classified and reported as follows:

Net investment in capital assets - consists of capital assets, net of accumulated depreciation an reduced by the outstanding balances of related debt obligations of those assets.

Unrestricted net position - reports the balance of net position that does not meet the definition of the above category.

ORDA has adopted the provisions of GASB Statement No. 34 - "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" and Statement No. 37 - "Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments: Omnibus." The two statements require that State and Local governments' financial statements include management's discussion and analysis, government-wide financial statements, fund financial statements, notes to financial statements and required supplementary information. The statements require State and Local governments to report infrastructure assets.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Basis of Presentation, Continued

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, are generally followed to the extent they do not conflict or contradict guidance of the GASB. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds. ORDA has elected to not follow subsequent private sector guidance.

(d) Use of 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 the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates used in preparing these financial statements include the calculation of compensated absences, the estimated useful lives of property and equipment and the estimated value of the other post-employment benefits obligation.

(e) Cash and Equivalents

ORDA's cash and equivalents consists of cash on hand and demand deposits with original maturities of three months or less from date of acquisition.

ORDA's investment policies are governed by NYS statutes and ORDA's own written investment policy. Authority monies must be deposited in Federal Deposit Insurance Corporation (FDIC)-insured commercial banks or trust companies located within New York State. ORDA's Director of Finance or designee is authorized to use demand accounts and certificates of deposit. Permissible investments include federal obligations, overnight repurchase agreements, money market accounts, and certificates of deposit issued by approved financial institutions.

Collateral is required for demand and time deposits not covered by the FDIC Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies.

Custodial credit risk is the risk that, in the event of a bank failure, ORDA's deposits may not be returned to it.

At March 31, 2023 and 2022, all of ORDA's cash and equivalent balances of \$34,604,083 and \$32,695,384, respectively, were either insured by FDIC or collateralized with securities held by the pledging financial institution's trust department in ORDA's name.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(f) Inventory

Inventory consists of donated or purchased supplies and materials. Purchased inventory is recorded at the lower of cost or market using the first-in first-out basis; donated inventory is recorded at its estimated fair value at the time of donation.

(g) Fair Value Measurements

ORDA is limited under its investment guidelines to the investment of funds in obligations of the United States of America (United States Government Securities), the State of New York or certificates of deposit. Investments, consisting principally of U.S. Treasury obligations with a remaining maturity of one year or less at the time of purchase, are stated at cost plus accrued interest.

A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that ORDA has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

(h) Accounts Receivable

Accounts receivable are stated at their uncollected balance, less an allowance for uncollectible accounts. ORDA provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances which may affect the ability of customers to meet their obligations.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(i) Capital Assets

Capital assets are stated at cost. Expenditures for renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Property	20 - 40
Equipment, furniture, and vehicles	3 - 10

(j) Sinking Fund - Capital Repairs and Improvements

Section 2619 of the Public Authorities Law requires ORDA to establish a sinking fund to provide for capital improvements and major repairs to the Olympic facilities. The law requires, among other things, that not less than twenty-five (25) percent of the net profit from operations in ORDA's fiscal year shall be deposited into the sinking fund. ORDA did not have net profits from operations for the years ended March 31, 2023 and 2022 and had no balance in the sinking fund reserve.

In the event of termination of ORDA, New York State and the Park District each will receive fifty percent of all monies in the sinking fund.

(k) Deferred Outflows and Inflows of Resources

In the statements of net position, in addition to assets, ORDA will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. ORDA has two items that qualify for reporting in this category. The first item is related to pensions. This represents the effect of the net change in ORDA's proportion of the collective net pension liability (asset) and difference during the measurement period between ORDA's contributions and its proportionate share of total contributions to the pension systems not included in pension expense, and the contributions to the pension system subsequent to the measurement date. The second item is related to other postemployment benefits. This represents ORDA's changes of assumptions or other inputs to the health insurance program and contributions to the health insurance program subsequent to the measurement date.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(k) Deferred Outflows and Inflows of Resources, Continued

In the statements of net position, in addition to liabilities, ORDA will sometimes report a separate section of deferred inflows of resources. The separate financial statement element reflects an increase in net position that applies to future periods. ORDA will not recognize the related revenue until a future event occurs. ORDA has two items that qualify for reporting in this category. The first item is related to pensions. This represents the change in the proportion between ORDA's contributions and the proportionate share of total plan contributions. The second item is related to other postemployment benefits. This represents the change of assumptions or other inputs and the difference between the expected and actual experience related to the health insurance program.

(l) Revenues

Amounts reported as operating revenue are from fees, events, and sponsorship revenues in connection with ORDA's ongoing operations. The principal operating revenues include activity fees, concession revenues and sponsorships. All revenues not meeting this definition are reported as non-operating.

Event revenues, including sponsorships, are recognized when the related event occurs. General sponsorship agreements are recognized over the period of the contract.

Operating appropriations from New York State and from the Park District are required by statute and are recognized in the fiscal year of appropriation.

Capital appropriations from New York State and New York State Agencies are recognized when received as this funding typically relates to long term projects.

(m) Expenses

Amounts reported as operating expenses are from providing services in connection with ORDA's ongoing operations. The principal operating expenses of ORDA include payroll, utilities, depreciation, other postemployment benefits, and contractual services. All expenses not meeting this definition are reported as non-operating.

(n) Vacation Liability

Employees of ORDA are entitled to paid vacation and paid holidays depending on job classification, length of service and other factors. The accumulation of vacation hours is subject to a 200-hour limit for union employees and a 225-hour limit for non-union management/ confidential employees. Unused holiday time accrues for union employees with out limit. The non-union, management confidential employees do not accrue holiday time. The accrued value of vacation and holiday time and salary related payments at March 31, 2023 and 2022 amounted to \$1,404,436 and \$1,201,305, respectively, is included within accrued liabilities in the statements of net position.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) Compensated Absences

Sick days are forfeited upon termination but may be used at retirement to pay health insurance premiums. ORDA recognizes a liability for vested sick leave for employees who, at the statement of net position date, currently are eligible to convert vested sick leave to the retiree's portion of health insurance premiums as well as other employees who are expected to become eligible in the future to convert such leave.

(p) Retirement Benefits

ORDA employees participate in the New York State and Local Employees' Retirement System. See note 9 for additional information regarding retirement benefits.

(q) Other Postemployment Benefits

In addition to providing retirement benefits, ORDA provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts and policies. Substantially all of these employees may become eligible for these benefits if they reach normal retirement age while working for ORDA. ORDA pays a variable percentage of the cost of premiums to an insurance company that provides health care insurance. See note 11 for additional information regarding postemployment benefits.

(r) NYS Capital Appropriations and Grants

ORDA receives capital appropriations and grants from New York State, New York State agencies and others to fund various capital and other projects related to health and safety, and preservation and improvement of facilities.

(s) Donated Use of Facilities

GAAP requires that the donated use of facilities be recorded as a contribution at its estimated fair value at the time received if ORDA has a clearly measurable and objective basis for determining the value. The agreement with New York State and the Park District permit ORDA to use, operate, and maintain the facilities in existence at ORDA's inception, including the personal property and equipment used solely in connection therewith. The amounts reported as property, plant and equipment in the accompanying statements of net position include only those assets purchased by ORDA.

Title to facilities and equipment originally owned by New York State and the Park District does not pass to ORDA. The facilities, equipment and improvements thereto revert back to New York State and the Park District, respectively, at the end of the terms of the agreements. There is no clearly measurable basis for determining the value of the facilities and equipment used by ORDA and, therefore, the assets and the related depreciation expense or a contribution and related rental expense are not reflected in these financial statements.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(t) Donated Services

During the years ended March 31, 2023 and 2022 the recorded value of donated ski patrol services was \$593,336 and \$388,291, respectively.

(u) Adoption of Accounting Principle

During the year ended March 31, 2023 ORDA adopted the provisions of GASB Statement No. 87 - "Leases." The primary object of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governmental organizations. ORDA has performed an evaluation of its leasing transactions, and determined that the implementation of this Statement will have no material impact on the financial statements of ORDA.

During the year ended March 31, 2023, ORDA also adopted the provisions of GASB Statement No. 96 - "Subscription-Based Information Technology Arrangements." The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITA). ORDA has performed an evaluation of its SBITA transactions, and determined that the implementation of this Statement will have no material impact on the financial statements of ORDA.

(2) Investments

The cost and market value of investments (United States Government Securities) held by ORDA as of March 31, 2023 is summarized as follows:

	<u>Cost</u>	<u>Market</u>
United States Treasury Bills:		
Maturing April 11, 2023	\$ 4,984,428	4,994,950
Maturing May 4, 2023	3,486,114	3,486,070
Maturing June 6, 2023	<u>3,471,387</u>	<u>3,471,775</u>
	<u>\$ 11,941,929</u>	<u>11,952,795</u>

ORDA categorizes its fair value measurements within the fair value hierarchy established by GAAP. ORDA's policy is to record the U.S. Treasury Notes and Bills at cost plus accrued interest as it intends to hold these securities to maturity.

ORDA has the following recurring fair value measurements as of March 31, 2023:

- U.S. Treasury securities of \$11,941,929 are valued using quoted market prices (Level 1 inputs).

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY

Notes to Financial Statements, Continued

(3) Accounts Receivable

Accounts receivable at March 31, 2023 and 2022 consists of the following:

	<u>2023</u>	<u>2022</u>
Trade receivables	\$ 2,479,420	1,174,901
Due from New York State	1,920,398	1,000,000
FSA receivables	3,774	4,137
Other	9,764	-
	4,413,356	2,179,038
Less allowance for doubtful accounts	(200,929)	(147,107)
Accounts receivable, net	\$ <u>4,212,427</u>	<u>2,031,931</u>

(4) Capital Assets

Capital assets consist of the following as of March 31, 2023 and 2022:

March 31, 2023					
	Balance <u>April 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	Balance <u>March 31</u>
Land	\$ 145,000	-	-	-	145,000
Property	395,640,476	-	(61,347)	61,354,047	456,933,176
Equipment, furniture and vehicles	112,824,440	200,301	(2,654,465)	14,114,769	124,485,045
Construction in progress	46,082,877	82,572,043	-	(75,468,816)	53,186,104
Total	554,692,793	82,772,344	(2,715,812)	-	634,749,325
Less accumulated depreciation	168,149,731	25,545,867	(1,980,785)	-	191,714,813
Capital assets, net	\$ <u>386,543,062</u>	<u>57,226,477</u>	<u>(735,027)</u>	-	<u>443,034,512</u>
March 31, 2022					
	Balance <u>April 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	Balance <u>March 31</u>
Land	\$ 145,000	-	-	-	145,000
Property	317,055,388	-	(2,464,675)	81,049,763	395,640,476
Equipment, furniture and vehicles	99,564,273	-	(2,899,512)	16,159,679	112,824,440
Construction in progress	23,547,560	120,317,484	(572,725)	(97,209,442)	46,082,877
Total	440,312,221	120,317,484	(5,936,912)	-	554,692,793
Less accumulated depreciation	151,694,423	20,035,056	(3,579,748)	-	168,149,731
Capital assets, net	\$ <u>288,617,798</u>	<u>100,282,428</u>	<u>(2,357,164)</u>	-	<u>386,543,062</u>

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Notes to Financial Statements, Continued

(5) Advanced Collections

Advanced collections consist of the following as of March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
General and event sponsorships	\$ 301,402	139,211
Advance sales	<u>5,242,864</u>	<u>4,299,965</u>
	<u>\$ 5,544,266</u>	<u>4,439,176</u>

(6) Line of Credit

ORDA has a \$7,000,000 demand grid note line of credit with Key Bank NA. The agreement stated interest to be paid monthly on outstanding borrowings at LIBOR rate plus 2%. The outstanding balance is subject to right of setoff against all deposits held at Key Bank NA. Borrowings on the credit line are used primarily to pay employees and vendors when operating receipts are not sufficient. Activity for the line of credit for the years ended March 31, 2023 and 2022 is as follows:

Balance at March 31, 2021	\$ 4,400,162
Payments	<u>(4,400,162)</u>
Balance at March 31, 2022	-
Payments	<u>-</u>
Balance at March 31, 2023	<u>\$ -</u>

(7) Long-Term Liabilities

Long-term liability balances and activity for the years ended March 31, 2023 and 2022 are summarized below:

	March 31, 2023				Amounts	Long-term
	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Portion
Compensated absences	\$ 4,496,600	287,145 (a)	-	4,783,745	-	4,783,745
Net pension liability	70,727	-	70,727 (a)	-	-	-
Total other post employment benefits	<u>68,209,634</u>	<u>-</u>	<u>19,991,363</u>	<u>48,218,271</u>	<u>-</u>	<u>48,218,271</u>
Total	<u>\$ 72,776,961</u>	<u>287,145</u>	<u>20,062,090</u>	<u>53,002,016</u>	<u>-</u>	<u>53,002,016</u>

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Notes to Financial Statements, Continued

(7) Long-Term Liabilities, Continued

	March 31, 2022					
	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year	Long-term Portion
Capital lease obligations	\$ 3,219,656	-	3,219,656	-	-	-
Due to NYS and Local Employees' Retirement System (ERS)	899,866	-	899,866	-	-	-
Compensated absences	4,271,476	225,124	-	4,496,600	-	4,496,600
Net pension liability	16,723,858	-	16,653,131	70,727	-	70,727
Total other post employment benefits	<u>68,833,028</u>	<u>-</u>	<u>623,394</u>	<u>68,209,634</u>	<u>-</u>	<u>68,209,634</u>
Total	<u>\$ 93,947,884</u>	<u>225,124</u>	<u>21,396,047</u>	<u>72,776,961</u>	<u>-</u>	<u>72,776,961</u>

(a) Additions and deletions to compensated absences and net pension liability are shown net because it is impractical to determine these amounts separately.

(8) Obligations Under Capital Lease Agreements

ORDA leases equipment under capital leases expiring during fiscal year 2024. The assets and liabilities under capital leases are recorded at the present value of the minimum lease payments. The effective interest rates for the leased equipment range from 1.17% to 4.6%. The assets under capital leases are included in the accompanying statements of net position. Depreciation of assets under capital leases is included in depreciation expense. ORDA paid these capital leases in full during the year ended March 31, 2022.

ORDA refinanced certain capital leases that had balloon payments with KeyBank in August 2017 for \$2,377,049. Payments of \$254,697 are to be made semi-annually through August 2022 including interest at 2.55%. This lease is now paid in full as of March 31, 2022.

Total cash paid for interest expense was \$127,010 for the year ended March 31, 2022.

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Notes to Financial Statements, Continued

(9) Pension Plan

(a) New York State and Local Employees' Retirement System

ORDA participates in the New York State and Local Employees' Retirement System (the ERS or System). This is a cost-sharing multiple-employer retirement defined benefit retirement plan. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the fund and is the administrative head of the System. System benefits are established under the provision of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. ORDA also participates in the Public Employees; Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The GLIP is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

(b) Funding Policy

The System is noncontributory for the employee who joined prior to July 27, 1976. For employees who joined the System after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System for more than 10 years are no longer required to contribute. For employees who joined after January 1, 2010, and prior to April 1, 2012, employees contribute 3% of their salary throughout their active membership. For employees who joined after April 1, 2012, employees contribute 3% of their salary until April 1, 2013, and then contribute 3% to 6% of their salary throughout their active membership. The Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

ORDA is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were:

2023	\$ 2,109,241
2022	2,456,257
2021	2,302,745

ORDA's contributions made to the System were equal to 100 percent of the contributions required for each year.

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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(c) Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At March 31, 2023, ORDA reported the following liability (asset) for its proportionate share of the net pension liability (asset) for the System. The net pension liability (asset) was measured as of March 31, 2022. The total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation. ORDA's proportionate share of the net pension liability (asset) was based on a projection of ORDA's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to ORDA.

	<u>2023</u>	<u>2022</u>
Measurement date	3/31/2022	3/31/2021
Net pension liability (asset)	\$ (6,228,405)	70,727
Board's proportion of the System's net pension liability (asset)	0.0761923%	0.0710301%
Changes in proportionate share from prior year	0.0051622	0.0078749

For the years ended March 31, 2023 and 2022, ORDA recognized pension expense of \$249,857 and \$1,673,126, respectively, for the System in the statements of revenue, expenses and changes in net position. At March 31, 2023, ORDA's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>March 31, 2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 471,686	611,803
Changes of assumptions	10,394,510	175,396
Net difference between projected and actual investment earnings on pension plan investments	-	20,395,417
Changes in proportion and differences between ORDA's contributions and proportionate share of contributions	1,188,711	1,338,134
ORDA's contributions subsequent to the measurement date	<u>2,605,663</u>	<u>-</u>
Total	\$ <u>14,660,570</u>	<u>22,520,750</u>

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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(c) Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to Pensions, Continued

	March 31, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 863,774	-
Changes of assumptions	13,004,506	245,269
Net difference between projected and actual investment earnings on pension plan investments	-	20,317,102
Changes in proportion and differences between ORDA's contributions and proportionate share of contributions	1,148,461	811,210
ORDA's contributions subsequent to the measurement date	2,460,098	-
Total	\$ 17,476,839	21,373,581

ORDA's contributions subsequent to the March 31, 2023 measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending</u>	
2024	\$ (1,570,392)
2025	(2,326,724)
2026	(5,355,575)
2027	(1,213,152)
	\$ (10,465,843)

(d) Actuarial Assumptions

The total pension liability (asset) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuation used the following actuarial assumptions:

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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(d) Actuarial Assumptions, Continued

Measurement date	March 31, 2022
Actuarial valuation date	April 1, 2021
Investment rate of return (net of investment expense, including inflation)	5.9%
Salary increases	4.4%
Inflation rate	2.7%
Cost-of-living adjustments	1.4%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020.

The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>
Asset class:		
Domestic equity	32.0%	3.30%
International equity	15.0%	5.85%
Private equity	10.0%	6.50%
Real estate	9.0%	5.00%
Opportunistic/ARS portfolio	3.0%	4.10%
Credit	4.0%	3.78%
Real assets	3.0%	5.80%
Fixed income	23.0%	0.00%
Cash	<u>1.0%</u>	(1.00%)
	<u>100.00%</u>	

\*The real rate of return is net of the long-term inflation assumption of 2.5%.

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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(e) Discount Rate

The discount rate used to calculate the total pension liability (asset) was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected 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(asset).

(f) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

The following presents ORDA's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, as well as what ORDA's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower 4.9% or 1-percentage point higher 6.9% than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability (asset)	\$ <u>16,031,847</u>	<u>(6,228,405)</u>	<u>(24,848,032)</u>

(g) Pension Plan Fiduciary Net Position

The components of the current-year net pension liability (asset) of all participating employers as of the respective measurement dates, were as follows:

	(Dollars in Millions)	
	<u>2023</u>	<u>2022</u>
Measurement date	3/31/2022	3/31/2021
Employers' total pension liability	\$ 223,874	220,680
Plan fiduciary net position	<u>(232,049)</u>	<u>(220,580)</u>
Employers' net pension liability (asset)	\$ <u>(8,175)</u>	<u>100</u>
Ratio of plan fiduciary net position to the employers' total pension liability (asset)	103.65%	99.95%

(h) Contributions to the Pension Plan

Board contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. ORDA retirement contributions as of March 31, 2023 and 2022 represent the projected employer contribution for the period of April 1, 2022 through March 31, 2023 and April 1, 2021 through March 31, 2022, respectively, based on paid employee wages multiplied by ORDA's contribution rate, by tier. ORDA's proportionate share of this amount has been recorded as deferred outflows of resources in the accompanying financial statements.

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Notes to Financial Statements, Continued

(10) Commitments and Contingencies

(a) Litigation

ORDA is a defendant in several lawsuits resulting primarily from ski area operations. The damages alleged in these lawsuits total several million dollars. The lawsuits are being defended by the State of New York Office of the Attorney General at no cost to ORDA. To the extent that ORDA is not covered by insurance, ORDA shall be held harmless by New York State for any and all claims for damages or injuries arising out of the operation by ORDA of any participating Olympic facility owned by New York State. ORDA purchases commercial insurance coverage to protect against claims arising out of the operation of ORDA owned facilities.

(b) Risk Management

ORDA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. ORDA has purchased commercial insurance for all risk beyond minimal deductible amounts. Settled claims have not exceeded the commercial coverage by any material amounts during the year ended March 31, 2023. There was no reduction in insurance coverage during the year ended March 31, 2023.

(c) Sodexo Live! - the Successor Corporation to Service America Corporation d/b/a Centerplate

On July 16, 2011, ORDA entered into a concession license agreement with Service America Corporation d/b/a Centerplate, for concessions at the ORDA venues including food, retail, clothing sales, special events catering, ski or skate rental, and locker rentals. Belleayre was added to the contract through a 2013 addendum after ORDA assumed the responsibility for operation and management of that venue from the DEC. The term of ORDA's concession contract with Centerplate was through July 15, 2021. The contract was extended through April 30, 2022 (then extended until May 31, 2022). The renewal contract for 2021/2022 was for only food, special events catering, and ski or skate rentals. ORDA took on self-operating the retail, clothing sales and locker rentals at that time. Effective July 1, 2022, ORDA entered into a Concession License Agreement with Sodexo Live! for the operation of food and beverage concessions and special events catering at Whiteface Mountain, Gore Mountain, and Belleayre Mountain, and the management of food and beverage services, as well as the right to special events catering at Mt. Van Hoevenberg and the Olympic Center. ORDA terminated its contract with Levy Premium Foodservice for Mt. Van Hoevenberg by agreement effective June 30, 2022, and Sodexo Live! took over food and beverage service management at Mt. Van Hoevenberg under the terms of the new concession license agreement with ORDA.

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Notes to Financial Statements, Continued

(11) Other Postemployment Benefits

(a) Plan Description

ORDA provides certain health care benefits for retired employees. ORDA administers this Retirement Benefits Plan (the Retirement Benefits Plan) as a single-employer defined benefit Other Postemployment Benefit Plan (OPEB).

In general, ORDA provides medical and dental benefits to its retirees. There were approximately 157 and 135 retired employees and spouses receiving benefits as of March 31, 2023 and 2022, respectively. Eligible employees must have had 10 years of service under the New York State and Local Retirement System, of which five such years must have been with ORDA.

The Retirement Benefits Plan does not issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

(b) Benefits Provided

The obligations of the Retirement Benefit Plan are established by action of ORDA. ORDA contributes the same percentage toward the cost of retirees' health insurance premium as employees' health insurance premium: 75% of the cost for eligible bargaining unit retirees regardless of the type of coverage; 90% of the cost of the individual premium for eligible management retirees; 85% of the cost of multi-person premium for eligible management retirees. Retirees may use accumulated sick leave to off-set their expected contribution toward premium coverage. This effectively results in ORDA paying 100% of the cost of health insurance premiums for certain retirees (depending on the value of their sick time at the time of retirement). Coverage is provided to surviving spouses for their lifetime. The costs of administering the Retirement Benefits Plan are paid by ORDA. ORDA currently contributes enough money to the Retirement Benefits Plan to satisfy current obligations on a pay-as-you-go basis to cover annual premiums. The amount paid during the years ended March 31, 2023 and 2022 was approximately \$2,205,000 and \$2,067,000, respectively.

(c) Employees Covered by Benefit Terms

At March 31, 2023 and 2022, the following employees were covered by the benefit terms:

	<u>2023</u>	<u>2022</u>
Inactive employees or beneficiaries		
currently receiving benefits	157	137
Active employees	<u>301</u>	<u>302</u>
Total participants	<u>458</u>	<u>439</u>

(d) Net OPEB Liability

ORDA's net OPEB liability was measured as of March 31, 2022. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of April 1, 2021, results were rolled forward to April 1, 2022 with liabilities adjusted for the updated discount rate.

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Notes to Financial Statements, Continued

(11) Other Postemployment Benefits, Continued

(e) Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Payroll Growth	3.75%
Discount Rate	2.73% as of March 31, 2022, 2.40% as of March 31, 2021
Healthcare Cost Trend Rates	5.90%, decreasing to an ultimate rate of 3.61% in 2060 and thereafter
Dental care	1.90% per year
Share of Benefit-Related Costs	This varies based on the type of plan selected. ORDA will pay a maximum of 75%.
Cost Method	Entry Age Normal as a Percentage of Payroll

The discount rate was based on the Bond Buyer 20-Bond GO Index as the valuation date, which represents the average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

Mortality rates were RP-2006 (rates underlying RP-2014) headcount-weighted mortality tables with adjustments for mortality improvements based on Scale MP-2021.

(f) Changes in the Total OPEB Liability

	<u>2023</u>	<u>2022</u>
Total OPEB liability - beginning	\$ <u>68,209,634</u>	<u>68,833,028</u>
Changes for the year:		
Service cost	2,208,357	2,249,557
Interest	1,610,570	1,539,049
Differences between expected and actual experience	(11,102,430)	(908,960)
Changes of assumptions	(10,502,823)	(1,435,967)
Benefit payments	<u>(2,205,037)</u>	<u>(2,067,073)</u>
Net change in total OPEB liability	<u>(19,991,363)</u>	<u>(623,394)</u>
Total OPEB liability - ending	\$ <u>48,218,271</u>	<u>68,209,634</u>

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Notes to Financial Statements, Continued

(11) Other Postemployment Benefits, Continued

(g) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

Changes of assumptions and other inputs reflect a change in the discount rate from 2.40% in 2022 to 2.73% in 2023.

The following presents the total OPEB liability of ORDA, as well as what ORDA's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	2023		
	1% Decrease (1.73%)	Current Discount (2.73%)	1% Increase (3.73%)
Total OPEB Liability	\$ <u>56,388,027</u>	<u>48,218,271</u>	<u>41,757,655</u>
	2022		
	1% Decrease (1.40%)	Current Discount (2.40%)	1% Increase (3.40%)
Total OPEB Liability	\$ <u>80,520,320</u>	<u>68,209,634</u>	<u>58,522,395</u>

(h) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of ORDA, as well as what ORDA's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

	2023		
	1% Decrease (4.9%)	Healthcare Current Discount (5.9%)	1% Increase (6.9%)
Total OPEB Liability	\$ <u>41,329,897</u>	<u>48,218,271</u>	<u>56,977,922</u>
	2022		
	1% Decrease (4.2%)	Healthcare Current Discount (5.2%)	1% Increase (6.2%)
Total OPEB Liability	\$ <u>57,304,231</u>	<u>68,209,634</u>	<u>82,222,301</u>

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Notes to Financial Statements, Continued

(11) Other Postemployment Benefits, Continued

(i) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended March 31, 2023 and 2022, ORDA recognized OPEB expense of \$1,082,668 and \$3,736,229, respectively. At March 31, 2023 and 2022, ORDA reported deferred outflows and inflows of resources related to OPEB from the following sources:

	March 31, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,979,246	12,530,915
Changes of assumptions	7,462,217	17,850,597
Total	\$ 11,441,463	30,381,512

	March 31, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,859,611	3,307,198
Changes of assumptions	8,841,555	10,465,021
Total	\$ 13,701,166	13,772,219

Amounts reported as deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year ending	Amount
2024	\$ (2,736,259)
2025	(2,736,259)
2026	(2,736,259)
2027	(2,736,259)
2028	(2,455,677)
Thereafter	(5,539,336)
	\$ (18,940,049)

(12) Subsequent Events

ORDA has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

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Notes to Financial Statements, Continued

(13) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 94 - Public-Private and Public-Public Partnerships and Availability Payment Arrangements. Effective for fiscal years beginning after June 15, 2022.

Statement No. 99 - Omnibus 2022. Certain provisions were effective upon issuance, other provisions are effective for years beginning after June 15, 2022 and years beginning after June 15, 2023.

Statement No. 101 - Compensated Absences. Effective for fiscal years beginning after December 15, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

NEW YORK STATE OLYMPIC REGIONAL  
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Required Supplementary Information  
Schedule of Changes in  
Total OPEB Liability and Related Ratios  
Year ended March 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability					
Service cost	\$ 2,208,357	2,249,557	1,638,292	1,640,224	1,578,808
Interest	1,610,570	1,539,049	2,188,264	2,234,468	2,384,974
Differences between expected and actual experience	(11,102,430)	(908,960)	(3,288,830)	-	8,381,068
Changes of assumptions	(10,502,823)	(1,435,967)	11,600,231	(1,642,956)	(13,945,943)
Benefit payments	<u>(2,205,037)</u>	<u>(2,067,073)</u>	<u>(2,085,557)</u>	<u>(1,784,902)</u>	<u>(1,375,491)</u>
Net change in total OPEB liability	(19,991,363)	(623,394)	10,052,400	446,834	(2,976,584)
Total OPEB liability at beginning of year	68,209,634	68,833,028	58,780,628	58,333,794	61,310,378
Total OPEB liability at end of year	<u>\$ 48,218,271</u>	<u>68,209,634</u>	<u>68,833,028</u>	<u>58,780,628</u>	<u>58,333,794</u>
Covered payroll	<u>\$ 13,834,657</u>	<u>12,711,896</u>	<u>13,355,361</u>	<u>12,940,672</u>	<u>11,087,066</u>
Total OPEB liability as a percentage of covered payroll	348.53%	536.58%	515.40%	454.23%	526.14%

Notes to schedule:

(1) Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
2.73%	2.40%	2.27%	3.79%	3.89%

(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, ORDA should present information for those years for which information is available.

(3) There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
Required Supplementary Information  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
Year ended March 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
ORDA's proportion of the net pension liability (asset)	0.0761923%	0.0710301%	0.0631552%	0.0561264%	0.0480297%	0.0499538%	0.0509010%	0.0505560%
ORDA's proportionate share of the net pension liability (asset)	\$ (6,228,405)	70,727	16,723,858	3,976,724	1,550,133	4,693,767	8,169,798	1,707,916
ORDA's covered payroll	\$ 20,308,457	16,985,173	17,366,424	15,676,921	13,582,728	12,112,688	12,080,731	15,817,870
ORDA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	30.67%	0.42%	96.30%	25.37%	11.41%	38.75%	67.63%	10.80%
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.65%	99.95%	86.39%	96.27%	98.40%	94.70%	90.70%	97.90%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, ORDA should present information for those years for which information is available.

NEW YORK STATE OLYMPIC REGIONAL  
DEVELOPMENT AUTHORITY  
Required Supplementary Information  
Schedule of Pension Contributions  
Year ended March 31, 2023

	<u>2022</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 2,109,241	2,456,257	2,302,745	2,129,230	1,910,089	1,769,336	1,875,924	1,968,469
Contribution in relation to the contractually required contribution	<u>(2,109,241)</u>	<u>(2,456,257)</u>	<u>(2,302,745)</u>	<u>(2,129,230)</u>	<u>(1,910,089)</u>	<u>(1,769,336)</u>	<u>(1,875,924)</u>	<u>(1,968,469)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ORDA's covered payroll	\$ 20,308,457	16,985,173	17,366,424	15,676,921	13,582,728	12,112,688	12,080,731	15,817,870
Contribution as a percentage of covered payroll	10.39%	14.46%	13.26%	13.58%	14.06%	14.61%	15.53%	12.44%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, ORDA should present information for those years for which information is available.

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

The Board of Directors  
New York State Olympic Regional  
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, the financial statements of New York State Olympic Regional Development Authority (ORDA), which comprise the statement of net position as of March 31, 2023, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated , 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ORDA'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 ORDA's internal control. Accordingly, we do not express an opinion on the effectiveness of ORDA'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 ORDA'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.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether ORDA'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 ORDA's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering ORDA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Williamsville, New York  
, 2023

REPORT ON INVESTMENT COMPLIANCE WITH SECTION 201.3  
OF TITLE TWO OF THE OFFICIAL COMPILATION OF CODES,  
RULES AND REGULATIONS OF THE STATE OF NEW YORK

The Board of Directors  
New York State Olympic Regional  
Development Authority:

We have examined the New York State Olympic Regional Development Authority's (ORDA), compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules and Regulations of the State of New York during the year ended March 31, 2023. Management is responsible for the ORDA's compliance with those requirements. Our responsibility is to express an opinion on the ORDA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting ORDA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion.

In our opinion, the ORDA complied in all material respects with the aforementioned requirements during the year ended March 31, 2023.

In accordance with Government Auditing Standards, we are required to report significant deficiencies in internal control, violations of contracts, or grant agreements, and abuse that are material to the ORDA's compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules and Regulations of the State of New York and any fraud or illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain views of management on those matters. We performed our examination to express an opinion on whether the ORDA complied with the aforementioned requirements and not for the purpose of expressing an opinion on internal control over compliance with those requirements or other matters; accordingly, we express no such opinion. The results of our tests disclosed no matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of ORDA’s management, the Governing Board, the New York State Office of the State Comptroller, and the New York State Authority Budget Office and is not intended and should not be used by anyone other than those specified parties.

Williamsville, New York  
, 2023

DRAFT

The Board of Directors  
New York State Olympic Regional  
Development Authority:

In planning and performing our audit of the financial statements of the New York State Olympic Regional Development Authority (ORDA) as of and for the year ended March 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered ORDA'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ORDA's internal control. Accordingly, we do not express an opinion on the effectiveness of ORDA'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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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 may exist that have not been identified.

This communication is intended solely for the information and use of management, the Board of Directors, others within ORDA, and is not intended to be, and should not be, used by anyone other than these specified parties.

Williamsville, New York  
, 2023

## REPORT TO THE BOARD

, 2023

The Board of Directors  
New York State Olympic Regional  
Development Authority:

We have audited the financial statements of New York State Olympic Regional Development Authority (ORDA) as of and for the year ended March 31, 2023, and have issued our report dated , 2023. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the ORDA are described in note 1 to the financial statements. ORDA adopted Governmental Accounting Standards Board Statements No. 87 “Leases” and No. 96 – “Subscription-Based Information Technology Arrangements” during the year ended March 31, 2023. The implementation of those statements did not have a material impact on the financial statements of ORDA. Additionally, the application of existing policies was not changed during 2023. We noted no transactions entered into by the ORDA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

For the year ended March 31, 2023, we evaluated the key factors and assumptions used to develop the estimate for the purpose of determining its reasonableness in relation to the financial statements taken as a whole.

### Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent and clear.

### Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit. Management and accounting personnel were very helpful in assisting us during our audit.

### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no material uncorrected misstatements detected as a result of our audit procedures.

### Disagreements with Management

For purposes of this report, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### Management Representations

We have requested certain representations from management that are included in the management representation letter.

### Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the ORDA's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the ORDA's auditors. The result of those discussions were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedule of Proportionate Share of Net Pension Liability and the Schedule of Pension Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquires of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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This information is intended solely for the use of the Board of Directors and management of New York State Olympic Regional Development Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

EFPR GROUP, CPAs, PLLC