

**WESTERN REGIONAL OFF-TRACK BETTING CORPORATION**

Minutes of the regular meeting and regular meeting of Board of Directors of the Western Regional Off-Track Betting Corporation, held on the 21<sup>st</sup> day of February, 2013, and commencing at 10:14 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road, Batavia, New York.

**Participating were:**

Buffalo	Maurice L. Garner
Cattaraugus	Richard E. Haberer
Chautauqua	Roger E. Ruckman
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Scott Kiedrowski
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Schuyler	Philip C. Smith
Seneca	Richard Ricci
Wayne	Ken Lauderdale
Wyoming	James A. Foley

**Absent:**

M. Tuohey  
J. Clifford(Conf. Call)  
P. Lattimore

constituting the Directors of all participating municipalities.

Also participating were: Michael D. Kane, President & Chief Executive Officer; Michael Nolan, Executive Vice President/COO; Henry F. Wojtaszek, General Counsel and Secretary; Jacquelyne A. Leach, Comptroller; Barbara Mruczek, Deputy Comptroller; Ryan Hasenauer, Director of Marketing-WROTb and Video Gaming & Video Gaming; Steven J. Haigh, Internal Auditor; Edward Merriman, Manager of Branch Operations; Sean Schiano, Director of Branch Operations; William R. White, Vice President - Administration; Todd Haight, General Manager of Live Racing; Cindy DeCarlo, Controller; Gayle Ashbery, Director of Purchasing and Steph Underhill, Marketing Graphics Specialist/Video Coordinator.

A roll of the membership of the Board having been called, the Secretary to the Board, Mr. Wojtaszek, declared a quorum present.

Chairman Richard Bianchi proceeded to conduct the meeting following the published Agenda for this annual organizational meeting.

Chairman Bianchi then asked Director Darrow to lead the assemblage in the Pledge of Allegiance.

**1. Approval of Previous Minutes:**

Chairman Bianchi called for amendments, additions, deletions, or corrections to the minutes of the previous meetings of January 17, 2013. There being none, a motion was made by Mr. Ruckman and seconded by Mr. Wamp to approve the January minutes as submitted. The minutes were approved unanimously by a voice vote.

**2. Communications:**

There were no Communications.

**3. Officers' Reports:**

There were no Officer's Reports.

**4. Finance Committee Report:**

Committee Chairman Ken Lauderdale reported that the Finance Committee meeting was held on Wednesday, February 20, 2013 at 3:15 p.m. and the following business was considered.

a. Mr. Kane and Mrs. Leach provided the Committee with an update on the Corporation's financial status. A question and answer session took place. Mrs. Leach provided a synopsis of the financial report to the Board.

b. Mrs. Leach provide the December Comptroller's report.

No action was required by the Board. The Finance Committee adjourned at 3:25 p.m.

**5. Personnel Committee Report:**

Committee Chairperson Wamp reported the Personnel Committee met on Wednesday, February 20, 2013 at 2:00 p.m.

a. Mr. Bill White informed the Committee of the Compensation Audit which was conducted by a state qualified auditor.

b. Mr. Wamp indicated that the Committee entered into Executive Session to discuss personnel matters.

The Committee was adjourned at approximately 2:30 p.m.

**6. Legislative Committee:**

Committee Chairman Scott Kiedrowski reported that the Legislative Committee met on Wednesday, February 20, 2013 at 4:15 p.m. Ms. Lisa Marrello from Wilson Elser Moskowitz Edelman & Dicker, LLP and Mr. Paul Tokasz from Patricia Lynch Associates were available via telephone conference. Mr. Rick Winter from Richardson Management provided a written report to the Committee.

- a. On January 28<sup>th</sup> a NYGA annual meeting and function will be held. Meetings with Legislators and executive staff are planned.
- b. A summary of the meeting which was held with the New York State Director of Operations was provided by Mr. Kane.
- c. Mr. Kane provided the Committee with the recent discussions regarding out-of state ADW Legislation.

No action was required by the Board.

**7. Insurance Committee:**

Chairman Bianchi indicated that Director Lattimore was absent and no meeting was held.

**8. Advertising Committee:**

Vice-Chairperson Jim Foley reported that the Committee met on Wednesday, February 20, 2013 at 3:45 p.m.

- a. Ryan Hasenauer, and Todd Haight provided a recap of the OTB couponing program. Past OTB events were also provided.
- b. OTB promotions for the remaining month and March were presented to the Committee. There will be a car drawing in March.
- c. An EZ Bet Owners dinner was held at Batavia Downs.
- d. The Casino promotions for February were reviewed.
- e. A summary of BataviaBets.com was given to the Committee.

**8. Advertising Committee (continued):**

f. A summary of the Diamond Elite Dinner was provided to the Committee and an analysis of monies was included in the notes.

g. Graphic samples from staff were shown to the Committee. No action by the Board was required.

The Committee meeting adjourned at 4:00 p.m.

**9. Audit Committee:**

Chairperson Bassett noted that the Audit Committee met at 4:45 p.m. on Wednesday, March 20<sup>th</sup>.

a. All Directors were e-mailed audits of different areas of the organization.

**10. Batavia Downs Committee:**

Director Haberer reported to the Board that the Batavia Downs Committee met on Wednesday, February 20, 2013 at approximately 2:30 p.m.

a. The monthly Status Report with gaming statistics was provided to the Committee by Ms. Cindy DeCarlo.

b. Mr. Todd Haight informed the Committee of the preparations for the 2013 Live Racing Meet.

c. Mr. Mike Nolan informed the Committee of the rebate received from the Dining Alliance group which we are a member of in the amount of \$5,280.

d. Mrs. Jackie Leach briefed the Committee of the Corporation's funding.

e. Mr. Mike Kane provided an update on the Capital Awards Project. A copy of the approval letter from NYS Gaming Commission was provided to the Committee.

f. Mr. Todd Haight reported that a credit has been received for Judges Fees from NYS Gaming Commission.

**10. Batavia Downs Committee (continued):**

g. A request by Mr. Mike Nolan for approval of purchasing for 2013 from Will Poultry was made.

A motion was made by Mr. Haberer and seconded by Mr. Wamp to approve the purchase of necessary food supplies from Will Poultry in the amount of \$350,000. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Tuohey, and Lattimore. The motion to approve the resolution was carried unanimously. **(See Resolution # 24-2013).**

h. Mr. Kane requested the approval for the purchase from Bally's Casino Marketplace for a player tracking system, installation and training for the expansion of VLG and the Video Gaming Capital Awards project in the amount of \$759,774.44.

A motion was made by Mr. Haberer and seconded by Mr. Ruckman to approve entering into an agreement with Bally's Casino Marketplace for the purchase as noted above. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Tuohey, and Lattimore. The motion to approve the resolution was carried unanimously. **(See Resolution # 26-2013).**

i. Mr. Dan Maloney informed the Committee of the training conducted for security personnel.

j. Mr. Mike Kane informed the Committee of an emergency partial roof repair over the administrative office.

A motion was made by Mr. Haberer and seconded by Mr. Ruckman to approve the roof repair labor and materials in the amount of \$17,600 from Elmer Davis. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Tuohey, and Lattimore. The motion to approve the resolution was carried unanimously. **(See Resolution # 25-2013).**

k. The Committee entered into Executive Session to discuss contractual matters for a short time and then adjourned.

**11. Branch Operations Committee:**

Chairman Maurice Garner reported that the Committee met on February 21, 2013 at 9:30 a.m.

a. An update of EZ Bets was provided by Messrs. Sean Schiano and EJ Merriman.

**11. Branch Operations Committee (continued):**

- b. The EZ Bet owners dinner was summarized.
- c. Messrs. Schiano and Hasenauer informed the Committee that the Internet Platform is now running successfully.
- d. Mr. Sean Schiano presented an amendment to the Newark Lease Agreement 5-year—at \$4400 annually for an additional 900 sq ft section adjacent to their current space.  
  
A motion to amend the five-year lease with Mr. Fran Mason at the Newark branch in the amount of \$4400 annually was made by Mr. Garner and seconded by Mr. Bassett. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: Clifford, Tuohey and Lattimore. The motion was carried.
- e. Mr. Henry Wojtaszek informed the Committee of the pending sale of Newark OTB and the State Street OTB sale.
- f. Mr. Sean Schiano reported the Committee of the changes in Oswego and Steuben County branches that will allow all branches in these counties to stay open.
- g. Mr. Schiano noted that a Concessionaire for the Auburn branch has not been obtained.
- h. Mr. Merriman informed the Committee of a possible interested concessionaire for the Military Road location.
- i. The Committee was informed by Mr. Schiano that preparations for the Ricoh printers to be installed in each branch location are being continued.

**12. Resolutions:**

- 24-2013 Will Poultry Purchase
- 25-2013 Elmer Davis Roof Repair
- 26-2013 Bally's Player Tracking Purchase

**13. Unfinished Business:**

There was no unfinished business.

**14. New Business:**

A motion was made by Mr. Siebert to enter into Executive Session at 10:26 to discuss real estate matters. At 10:33 a.m. the meeting reconvened.

The next Committee and Board meetings will be held on March 21 and March 22, 2013 respectively.

**15. Adjournment:**

Mr. Garner made a motion to adjourn which was seconded by Mr. Ruckman. The meeting was adjourned at 10:34 a.m.

Respectfully submitted,

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Secretary to the Board