

**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 March, 2013, and commencing at 10:20 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
Cayuga	Paul Lattimore
Chautauqua	Roger E. Ruckman
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Scott Kiedrowski
Orleans	Marcia B. Tuohey
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Schuyler	Philip C. Smith
Wayne	Ken Lauderdale
Wyoming	James A. Foley

**Absent:**

R. Ricci  
B. Mazur  
J. Clifford

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 Mruzek, Deputy Comptroller; Steven J. Haigh, Internal Auditor; Edward Merriman, Manager of Branch Operations; Sean Schiano, Director of Branch Operations; William R. White, Vice President - Administration; Mark Wolf, Director of Video Gaming; Todd Haight, General Manager of Live Racing; Cindy DeCarlo, Controller; Gayle Ashbery, Director of Purchasing and Jim Haas, Mutuels Manager.

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

Chairman Bianchi then asked Director Richard Siebert 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 February 21, 2013. There being none, a motion was made by Mr. Haberer and seconded by Mr. Ruckman to approve the February 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, March 20, 2013 at 3:10 p.m. and the following business was considered.

a. Mrs. Leach provided the Committee with the Corporation's maintenance and technical support agreement which is used for the Great Plain's general ledger accounting software. The present agreement expires on 4/18/13. The Bonadio Group has provided a renewal notice for a three year agreement expiring 4/18/16 at a cost of \$54,750 which includes a discount of \$750 from the Microsoft Corporation's price of \$55,500. Staff recommended renewal from The Bonadio Group at \$54,750. This passed the Finance Committee.

A motion was made by Mr. Lauderdale and seconded by Mr. Lattimore to purchase the maintenance and technical support agreement from The Bonadio Group for usage with Great Plains in the amount of \$54,750. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion to approve the resolution was carried unanimously. **(See Resolution # 29-2013)**

b. Mrs. Leach updated the Committee on the Corporation's financing status for the Batavia Downs expansion. After discussion by the Committee the adoption of the resolution as passed. The terms of the agreement as of December 19, 2012 were provided as an attachment to the Resolution.

A motion was made by Mr. Lattimore and seconded by Mr. Bassett to waive the rules. A voice vote was taken. Ayes: 14; Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion was carried.

A motion was made by Mr. Lattimore and seconded by Mr. Garner to authorize President Michael Kane to sign documents required to facilitate the Corporation's closing of the financing with First Niagara Bank not to exceed \$35 million. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion to approve the resolution was carried unanimously. **(See Resolution # 31-2013)**

c. Mrs. Leach provide the January 2013 Comptroller's report.

**5. Personnel Committee Report:**

Committee Chairperson Wamp reported the Personnel Committee met on Wednesday, March 20, 2013 at 1:30 p.m.

a. Ryan Hasenauer informed the Committee that Gaming Promotion Manager Adam Bisbee has resigned. Ms. Lindsey Matikosh is being trained for his duties.

b. Mr. Mike Kane advised the Committee of the retirement of maintenance mechanic Rick Hale. At this time the duties are being distributed within the department.

c. Mr. Mike Kane request approval from the Committee for Director of Building and Grounds Tom Balk's vacation buy back. Mr. Balk has exceeded the maximum 240 hours of vacation time.

A motion was made by Mr. Wamp and seconded by Mr. Haberer to adjust Tom Balk's cap vacation hours to 280 hours. A voice vote was taken. Ayes: 13, Nays: 1, Siebert; Absent: 3, Clifford, Mazur, and Ricci. The motion was carried.

d. Mr. Bill White informed the Committee the review of the Worker's Compensation Audit has been completed by state qualified auditor. Copies are available upon request.

After discussion of other Personnel matters, the Committee adjourned at approximately 2:00 p.m.

**6. Legislative Committee:**

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

a. On March 11, 2013 Mr. Mike Nolan met at the Governor's office with Legislators, Assemblymen and Governor's staff. The Committee was provided comments from Mr. Nolan.

b. A summary of the 2013 Harness Racing Congress which was held in Ft. Lauderdale, Florida on February 28 thru March 4, 2013 was provided by Mr. Kane. Directors Bianchi, Wamp, Kiedrowski, and Darrow provided their comments on the Congress.

**6. Legislative Committee (continued):**

c. Mr. Kane provided the Committee with the recent discussions regarding out-of state ADW Legislation.

d. The Committee discussed a variety of topics which included the NYS Budget, actions by the Senecas, and other items that may affect WROTBC in the casino gaming area.

**7. Insurance Committee:**

Director Lattimore briefly reported to the Board that the Committee is reviewing specifications for policy renewals.

**8. Advertising Committee:**

Vice-Chairperson Jim Foley reported that the Committee met on Wednesday, March 20, 2013 at 3:50 p.m.

a. Ryan Hasenauer, and Todd Haight provided a report on the BataviaBets Regards programs which will be implemented in April. Past OTB events were also provided which included February's Diamond Elite Dinner.

b. OTB promotions for the remaining month of March were presented to the Committee. There will be a car drawing in March.

c. The April "Fort Knox" drawings were previewed.

d. In-house graphic samples were provided to the Committee.

No action by the Board was required.

**9. Audit Committee:**

Chairperson Bassett noted that the Audit Committee did not meet.

**10. Batavia Downs Committee:**

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

- a. The monthly Status Report with gaming statistics was provided to the Committee by Mr. Mark Wolf.

Board of Directors Meeting  
Meeting # 435  
March 21, 2013  
Page 5 of 7

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

- b. Mr. Mike Nolan reported the status of the renewals for the smoking room waivers for Batavia Downs.
- c. Mrs. Leach provided an update on the status of financing for the project.
- d. The Committee was given an update on the progress of the Capital Awards Project by Mr. Mike Kane.
- e. Mr. Mark Wolf noted that the Bally agreement has been submitted.
- f. After Mr. Kane briefed the Committee with the bidding for the kitchen equipment for the Main Facility, a request was made the approval for the purchase of kitchen equipment from Main Ford General Supply under the Capital Awards Program in the amount of \$456,614.00.

A motion was made by Mr. Lattimore and seconded by Mr. Garner to approve the purchase of necessary kitchen equipment from Main Ford General Supply as noted above. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion to approve the resolution was carried unanimously. **(See Resolution # 27-2013)**

- g. Mr. Mike Nolan requested the Committee's approval for purchasing from SYSCO-Syracuse for Tim Horton's products.

A motion was made by Mr. Lattimore and seconded by Mr. Lauderdale to approve the purchase of necessary supplies from SYSCO-Syracuse in the amount of \$75,000. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion to approve the resolution was carried. **(See Resolution # 28-2013)**

- h. Mr. Mike Nolan informed the Committee of the necessity to upgrade the MICROS Point of Sales system under the Capital Awards Program. Software and hardware items are required.

A motion was made by Mr. Lattimore and seconded by Mr. Bassett to approve the purchase of hardware and software items from MICROS in the amount of \$36,749.34. A roll call vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion to approve the resolution was carried unanimously. **(See Resolution # 30-2013)**

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

- i. Mr. Mike Kane advised the Committee of the Security & Surveillance rule change.
- j. Messrs. Kane and Wojtaszek provided the Committee with the status of the Security/Surveillance bid.

**11. Branch Operations Committee:**

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

- a. An update of EZ Bets was provided by Messrs. Sean Schiano and EJ Merriman.
- b. Mr. Jim Haas provided the Members of the Committee with an progress of BataviaBets.
- c. General Counsel Wojtaszek informed the Committee of the sale of Newark OTB and State Street.

A motion was made by Mr. Garner and seconded by Mr. Bassett to approve the sale of State Street property for the amount of \$115,000. A voice vote was taken. Ayes: 14, Nays: 0; Absent: 3, Clifford, Mazur, and Ricci. The motion to approve the resolution was carried.

- d. Mr. Schiano briefed the Committee about the concessionaires for the Auburn and Military branches.
- e. Messrs. Haas and Schiano updated the Committee on the preparations made at branches for the placement of Ricoh printers.
- f. Mr. Schiano reported that preparations for the Kentucky Derby are under way. The race will be held on May 4<sup>th</sup>.
- g. A purchase offer for the River Road location has been received and rejected.
- h. Mr. Haas informed the Committee that an agreement on Monarch contract has been reached. The CDI contract is still pending.
- i. A meeting with the Branch Managers has been scheduled for April 16<sup>th</sup>.

**12. Resolutions:**

27-2013	Main Ford General Supply(Kitchen Equip)
28-2013	SYSCO(Tim Horton's)
29-2013	Renewal Microsoft Maint(Great Plains)
30-2013	MICROS Upgrade(Cap Awards Project)
31-2013	Michael Kane to facilitate closing with First Niagara Bank

**13. Unfinished Business:**

There was no unfinished business.

**14. New Business:**

Ms. Tuohey expressed March birthday wishes to Messrs. Bianchi, Siebert, Haberer and Lattimore.

Mr. Kane reminded Directors to complete payroll direct deposit forms.

The next Committee and Board meetings will be held on April 24 and April 25, 2013 respectively.

**15. Adjournment:**

Mr. Garner made a motion to adjourn which was seconded by Mr. Bassett. The meeting was adjourned at 10:41 a.m.

Respectfully submitted,

---

Secretary to the Board