

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Minutes of the regular meeting of Board of Directors of the Western Regional Off-Track Betting Corporation, held on the 23rd day of April 2015, and commencing at 10:30 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road Batavia, New York.

Participating were:

| | |
|-------------|--------------------|
| Cattaraugus | Richard E. Haberer |
| Cayuga | Paul Lattimore Jr. |
| Chautauqua | Allan Hendrickson |
| Erie | Beverly A. Mazur |
| Genesee | Richard E. Siebert |
| Livingston | Thomas P. Wamp |
| Orleans | Edward F. Morgan |
| Oswego | Ronald B. Darrow |
| Rochester | Dennis Bassett |
| Schulyer | Philip C. Barnes |
| Seneca | Richard L. Ricci |
| Steuben | John E. Clifford |
| Wayne | Kenneth Lauderdale |
| Wyoming | James A. Foley |

Absent:

Richard Bianchi
Maurice Garner
Scott Kiedrowski

constituting the Directors of all participating municipalities.

Also participating were: Michael D. Kane, President & Chief Executive Officer; Michael P. Nolan, Executive Vice President / COO; William R. White, Vice President – Administration; Henry F. Wojtaszek, General Counsel; Jacquelyne Leach, Comptroller; Barbara Mruzek, Deputy Controller; Mark Wolf, Director of Video Gaming; Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming; Cindy DeCarlo, Controller; Sean Schiano, Director of Branch Operations; EJ Merriman, Manager of Branch Operations; James Haas, Communications/Mutuels Manager; Gayle Ashbery, Director of Purchasing; Stephanie Underhill, Video Coordinator;

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

Vice-Chairman Wamp proceeded to conduct the meeting following the published Agenda for this regular meeting.

Vice-Chairman Wamp then asked Director Foley to lead the assemblage in the Pledge of Allegiance.

Vice-Chairman Mr. Wamp and Mr. Kane, President & CEO, commended Mr. James Foley for his dedicated service to the Corporation the past five years.

1. **Approval of Previous Minutes:**

Chairman Wamp called for amendments, additions, deletions, or corrections to the minutes of the previous meeting of March 26, 2015. There being none, a motion was made by Mr. Bassett and seconded by Mr. Morgan to approve the March minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

Mr. Wojtaszek informed the Board of a letter of thanks from Mr. Ed Corcoran, President of the Soup Kitchen in Batavia for the donation of milk received on April 2, 2015.

3. **Officers' Reports:**

There were no Officer's Reports.

4. **Finance Committee Report:**

Committee Chairman Mr. Lauderdale reported that the Finance Committee meeting was held on Wednesday, April 22, 2015 at 2:09 p.m. and the following business was considered.

Mrs. Jacquelyne Leach, Comptroller stated that in accordance with the Investment Policy and Guidelines of the Corporation adopted by the Board of Directors on March 27, 1986, the Corporation's 2014 Investment Report was submitted for discussion.

A motion was made by Director Mr. Morgan, seconded by Mr. Bassett and carried unanimously to approve the Corporate Investment Report for the 2014 calendar year.

Mrs. Leach presented the March 2015 Comptroller's Report to the Committee. This was provided for informational purposes only.

Mrs. Leach reviewed the NYS Comptroller's draft audit report with members. This was provided for informational purposes only.

4. **Finance Committee Report continued:**

Upon motion by Mr. Darrow and seconded by Mr. Wamp the finance Committee meeting was adjourned at 2:32 p.m.

5. **Personnel Committee Report:**

Committee Chairman Mr. Wamp reported the Personnel Committee meeting was held on Wednesday, April 22, 2015 at 1:30 p.m. the following business was discussed.

Mr. White informed the Committee regarding the Collective Bargaining negotiations status. The gaming contract should be close to being finalized.

Mr. Kane informed the Committee there have been additional AED's installed in the facility. There has also been in-house training for the AED's.

The Committee entered into executive session at 1:35 p.m. to discuss a Personnel matter until 2:04p.m.

The Personnel Committee meeting adjourned at 2:05 p.m.

6. **Legislative Committee Report:**

Chairman Mr. Siebert reported the Legislative Committee met on Wednesday, April 22, 2015 at 4:00 p.m.

Mr. Nicholas Antenucci from Wilson Elser Moskowitz Edelman & Dicker, LLP and Mr. Paul Tokasz from Patricia Lynch Associates and Mr. Richard Winter from Richardson Management were available via telephone conference.

Mr. Siebert informed the Board that there were ongoing discussions regarding bill #6946 for wagering on Palm Sunday.

Mr. Kane informed the Board that he received notification that Delaware North will terminate their existing contract with Twin Spires/CDI regarding advanced deposit wagering.

The Legislative Committee meeting was adjourned at 4:15 p.m.

7. Insurance Committee Report:

Committee Chairman Mr. Lattimore reported the Insurance Committee met on Wednesday April 22, 2015 at 4:20 p.m.

Chairman Mr. Lattimore informed the Board that loss runs were reviewed and there is negotiating discussions for a new contract.

8. Advertising Committee Report:

Committee Chairman Mr. Clifford reported the Advertising and Promotions Committee met on Wednesday, April 22, 2015 at 2:30 p.m.

Chairman Mr. Clifford informed the Board that Director of Marketing, Mr. Hasenauer previewed upcoming events including the Battle of the Branches and the Kentucky Derby. He also informed the Board of the upcoming Golf Tournament on May 12, 2015.

Chairman Mr. Clifford informed the Board that Director Wamp asked about Thurman Thomas's involvement in promotions and appearances and Mr. Hasenauer assured him Mr. Thomas had been involved and would be more now than in the slower, winter months.

Chairman Mr. Clifford informed the Board that Director Siebert asked about competing with local merchants in town. Mr. Hasenauer assured him that any promotions would be done on days and times to avoid competition with the local merchants.

Chairman Mr. Clifford informed the Board of the newly created wine list.

Chairman Mr. Clifford informed the Board to bring in a flag representing their county if one was not already on site.

The Advertising and Promotions Committee meeting adjourned at 3:10:p.m.

9. Audit Committee Report:

Committee Chairman Mr. Bassett reported the Audit Committee met on Thursday April 23, 2015 at 9:00 a.m.

Chairman Mr. Bassett informed the Committee that Bonadio presented the 2014 Marketing Audit.

9. **Audit Committee Report continued:**

A motion was made by Mr. Bassett and seconded by Mr. Clifford and carried unanimously to approve the 2014 Marketing Audit Statement.

Chairman Mr. Bassett informed the Board of the 2014 Audited Draft Financial Statement presented by Bonadio.

A motion was made by Mr. Bassett and seconded by Mr. Clifford and carried unanimously to accept the 2014 Draft Audited Financial Statement.

The Audit Committee then adjourned.

10. **Batavia Downs Operations Committee Report:**

Committee Chairman Mr. Lattimore reported the Batavia Downs Committee met Wednesday April 22, 2015 at 3p.m. the following business was discussed.

Chairman Mr. Lattimore reported the figures and monthly Status Report with gaming statistics was provided to the committee by Mr. Mark Wolf.

Chairman Mr. Lattimore informed the Board that discussions of the Hotel contract are continuing.

Chairman Mr. Lattimore informed the Committee that there are discussions regarding the closing of Park Road.

The Batavia Downs Committee then adjourned.

11. **Branch Operations Committee Report:**

Vice-Chairperson Mazur reported that the Committee met on Thursday, April 23, 2015 at 9:49 a.m. and the following items were discussed.

Mr. Merriman informed the Committee that Cobber's EZ Bet is changing ownership and is not interested in continuing. The last day of operation will be May 23, 2015.

Mr. Schiano informed the Committee that the corporate volunteers sign up for the Kentucky Derby has been very good with over 80% of the branches covered.

Mr. Schiano informed the Committee that the Manager meetings went well.

11. Branch Operations Committee Report continued:

Mr. Haas informed the Committee that Batavia Bets was up \$125,000 in March and \$500,000 for the year. Mr. Wamp asked about potential new customers with the Triple Crown season.

Mr. Wojtaszek informed the Committee that the Newark property sale will close by June 30, 2015. The Pine Avenue property is up for auction with two parties interested and may put an offer in prior to the auction. He reported there is a real estate firm actively trying to sell the Bullshead property.

The committee entered into Executive Session at 10:05 a.m. until 10:21 a.m.

The Branch Operations Committee meeting adjourned at 10:22 a.m.

12. Unfinished Business:

Mr. Siebert asked staff to explore the possibility of a microphone system for the head table during the Board meetings. Mr. Morgan asked to have name plates for each Board member.

13. New Business:

The next Committee and Board meetings will be held on May 27 and 28, 2015 respectively.

14. Adjournment:

Mr. Clifford made a motion to adjourn which Mr. Haberer seconded. The meeting was adjourned at 10:47 a.m.

Respectfully submitted,


Secretary to the Board