

**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 22nd day of February 2018, and commencing at 10:00 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road Batavia, New York.

**Participating were:**

City of Buffalo	Michelle Parmer-Garner
Cattaraugus	Richard E. Haberer
Cayuga	Paul W. Lattimore
Erie	Beverly A. Mazur
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Elliott Winter
Orleans	Edward F. Morgan
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Schuyler	Philip C. Barnes
Wayne	Ken Lauderdale
Wyoming	Susan May

**Absent:**

Allan Hendrickson  
Richard Siebert  
Richard Ricci  
John Clifford

constituting the Directors of all participating municipalities.

Also participating were: Henry Wojtaszek, President & CEO; Scott Kiedrowski, Vice President Operations; Michael P. Nolan, Chief Operating Officer; William R. White, Vice President – Administration; Jacquelyne Leach, Comptroller; Mark Gabriele, Associate Counsel; Mark Wolf, General Manager of Gaming; Barbara Mruczek, Deputy Comptroller; Steven Haigh, Internal Auditor; Sean Schiano, Director of Branch Operations; Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming; Cindy DeCarlo, Controller; Todd Haight, General Manager Live Racing; James Haas, Communications/Mutuels Manager; Gayle Ashbery, Director of Purchasing; Edward Merriman, Manager of Branch Operations and Brian Quinn, The Batavia Daily News.

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

Chairman Bianchi proceeded to conduct the meeting following the published Agenda for this regular meeting.

Chairman Bianchi then asked Director May 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 meeting of January 18, 2018. There being none, a motion was made by Director May and seconded by Director Morgan to approve the January minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

There were no Communications to report.

3. **Officers' Reports:**

There were no Officers reports.

4. **Personnel Committee Report:**

Committee Chairman Wamp reported the Personnel Committee meeting was held on Wednesday, February 21 at 1:02 p.m. and the following business was discussed.

Mr. Hasenauer discussed the preliminary phase of the reorganization suggested by the Phoenix Group. He informed the Committee that new job titles will be brought to the Board for approval.

Mr. Sean Schiano, Director of Branch Operations informed the Committee that Sue McClaren from Webster Szanyi presented a class on Sexual Harassment for both Executive staff and supervisory staff. He also mentioned the Labor Law Conference that he and Mr. Henry Wojtaszek, President & CEO attended and how beneficial it is for the Corporation.

Mr. Wojtaszek informed the Committee regarding the restructure of the Food & Beverage Department. A motion was made by Director Winter, seconded by Director Haberer to accept the new duties and eliminate the old job titles (Executive Chef and Food & Beverage Coordinator) within the Food & Beverage Department. A motion by Director Wamp and seconded by Director Winter, a voice vote was taken and was approved unanimously.

**4. Personnel Committee Report continued:**

Mr. William R. White, Vice President – Administration and Mr. Schiano updated the Board on both Branch and Batavia Downs Gaming Union negotiations.

A motion was made at 1:20 p.m. by Director Haberer to enter into Executive Session, seconded by Director Winter. The Committee came out of Executive Session at 1:55 p.m.

After coming out of Executive Session the Committee unanimously approved a 2.5% cost of living increase retroactive to January 1, 2018.

A motion was made by Director Wamp and seconded by Director Morgan to approve the 2.5% cost of living increase retroactive to January 1. A roll call vote was taken. Ayes: 13; Nays: 0; Absent: 4; Hendrickson, Siebert, Ricci, Clifford.

The Personnel meeting adjourned at 1:55pm

**5. Finance Committee Report:**

Chairman Lauderdale, called the meeting of the Finance Committee to order at 2 p.m. on Wednesday February 21, 2018 and the following business was discussed.

Mrs. Jacquelyne Leach, Comptroller reviewed the December 2017 Comptroller's report with Committee members, highlighting the 2017 revenue and expenses, for discussion purposes. The corporation paid out \$1,172,000 in surcharge in 2017 and \$1,718,000 in operational earnings for year 2017. She also provided explanation about the yearend non-cash items and a brief overview of January preliminary results.

Mr. Lauderdale discussed replacing the annual Operating Plan with a Budget, similar to what is used in a municipality, and suggested some new ways to present the monthly financial information.

Mrs. Leach reviewed the NYGA Weekly Numbers with the Committee members.

This was provided for informational purposes only.

The Finance Committee meeting adjourned at 2:43 p.m.

6. **Advertising Committee Report:**

Committee Vice-Chairman May reported the Legislative Committee meeting was held on Wednesday, February 21, 2018 at 2:30 p.m. and the following business was discussed.

Mr. Rajat Shah and Ms. Sandra Jones of the Phoenix Group gave a presentation updating the Board on progress made in the Food & Beverage and Marketing areas to decrease costs and increase efficiencies, carded play and new signups.

Mr. Arnie Rothschild of Normal Communications gave the Board an update regarding Batavia's messaging and plans for using both digital, cable and broadcast to further define Batavia's brand in the marketplace.

Mr. Todd Haight, General Manager Live Racing delivered a presentation of past and upcoming OTB Events including the road to the Kentucky Derby as well as recaps on wagers made in relation to the Pegasus Race and on the Gulfstream Rainbow Pick 6.

Mr. Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming previewed coming changes to the direct mail and tier marketing efforts. A recap of last Sunday's wedding show was shown.

The upcoming Canadian Gaming Summit was discussed and staff has asked for permission to send managers of various departments to the show.

The Summer Concert Series announcement was shown including several news articles written about the show.

A list of upcoming events held in the Batavia Downs Paddock Room were shown including trade shows, a brew fest, a wine fest and Triple Crown related parties.

The Advertising and Promotions Committee adjourned at 4:40pm

7. **Legislative Committee Report:**

Committee Chairman Barnes reported the Legislative Committee meeting was held on Wednesday, February 21, 2018 at 4:40 p.m. and the following business was discussed.

**7. Legislative Committee Report continued:**

Due to the late start, Mr. Wojtaszek spoke to the Mercury representatives and shared that the Budget is still in place including the better tax rate for Batavia Downs. Senator Ranzenhoffer submitted similar language in a press release as well. Mr. Wojtaszek added that he and Mr. Michael Nolan, Chief Operating Officer will be in Albany meeting with the leadership of both Senate and Legislature on February 27, 2018.

Mr. Wojtaszek added three more topics still in play as well.

1. Mr. Nolan is working on a proposal in both houses that would allow up to 20% Free Play use if a location is within 105 miles of an Indian or Commercial Casino.
2. Senator Bonacic has a bill circulating that allows affiliates of Commercial Casinos to partner and be able to take sports betting if Supreme Court case is successful; this is an early version of the bill waiting on comments due Friday.
3. Mr. Nolan is working on Grants for lighting in the parking lot, solar panels, security cameras, and workforce development that may include wage reimbursement for long time employees.

The Legislative Committee meeting adjourned at 5:00 p.m.

**8. Insurance Committee Report:**

The Insurance Committee did not meet.

**9. Audit Committee Report:**

The Audit Committee did not meet.

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

Committee Chairman Morgan reported the Batavia Downs Operations Committee met on Thursday February 22, 2018 at 9:02 a.m. and the following business was discussed.

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

Mr. Mark Wolf, General Manager of Gaming, reported the figures and monthly status report of gaming statistics to the Committee.

Ms. Cindy DeCarlo, Controller reported the figures for gaming financials.

Mr. Todd Haight provided Live Racing updates.

Mr. Wojtaszek updated the Committee on the Capital Awards. He informed the Committee that final drawings will be sent for approval by the NYS Gaming Commission and bidding will go out in mid-March.

Mr. Wojtaszek informed the Committee that there will be a meeting and a walk through with Tom Fraser on Thursday for any members interested.

The Batavia Downs Committee adjourned at 9:25 a.m.

**11. Branch Operations Committee Report:**

Committee Chairperson Beverly Mazur reported that the Committee met on Thursday February 22, 2018 at 9:31 a.m. and the following business was discussed.

Mr. Edward Merriman, Manager of Branch Operations updated the Committee on televisions from closed branches installed at Clinton and French, as well as the HVAC work at Wehrle and work done at the Marway.

Mr. Mark Gabriele, Associate Counsel reported that the Verizon paperwork is complete and construction should start soon at Clinton. He also reported that there is still no movement on the sales of any closed locations.

Mr. Schiano informed the Committee that the new BenGo owner in Attica, Wyoming County was approved and the location has re-opened. Staff is still awaiting paperwork from The County Line Bar in Cayuga, Schuyler County. Mr. Schiano also informed the Committee that staff has received approval from Tioga Downs.

Mr. James Haas, Communications/Mutuels Manager informed the Committee that Batavia Bets was up \$66,000 or 8.8% in January, \$41,000 or 7.9% in February, and for the year is up over \$107,000 or 8.4%.

The Branch Committee meeting adjourned at 9:40 a.m.

**12. New Business:**

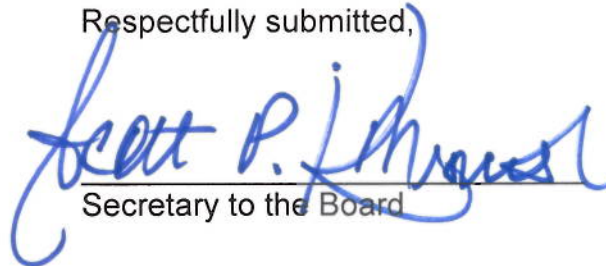
Mr. Wojtaszek asked for Board approval to send up to staff to attend the Canadian Gaming Summit June 19 & 20. A motion was made by Director Morgan and seconded by Director May a voice vote was taken. The motion passed.

The next Committee and Board meetings are scheduled for March 21 and 22, 2018 respectively.

**13. Adjournment:**

Director Haberer made a motion to adjourn which Director May seconded. The meeting was adjourned at 10:14 a.m.

Respectfully submitted,



Secretary to the Board

/pma