

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 March 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
Chautauqua	Allan Hendrickson
Erie	Beverly A. Mazur
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Elliott Winter
Orleans	Edward F. Morgan
Oswego	Ronald B. Darrow
Schuyler	Philip C. Barnes
Seneca	Richard L. Ricci
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

John Clifford
Dennis Bassett

constituting the Directors of all participating municipalities.

Also participating were: Henry Wojtaszek, President & CEO; Scott Kiedrowski, Vice President Operations; 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-WROT & Video Gaming; Cindy DeCarlo, Controller; 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 Pauline Andrews 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 February 22, 2018. There being none, a motion was made by Director May and seconded by Director Morgan to approve the February minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

Mr. Kiedrowski informed the Board of notice of thanks from Larry (Batavia Downs Hotel Bellman) to Security staff Sgt. Lippke and Margaret Smith at Batavia Downs for their quick and caring response after passing out due to a sugar low.

Mr. Kiedrowski informed the Board of a notice of thanks from the Gang of "95 ers" to the entire staff at Batavia Downs Gaming for always making their once a month visit for the past five years so fun and fabulous.

Mr. Kiedrowski informed the Board of a notice of thanks from Kevin Clark to Mr. Wojtaszek for doing a fabulous job as CEO and to the staff for his outstanding experience at Batavia Downs Gaming.

3. **Officers' Reports:**

There were no Officers reports.

4. **Personnel Committee Report:**

Committee Chairman Wamp reported the Personnel Committee meeting was held on Wednesday, March 21 at 1:30 p.m. and the following business was discussed.

Committee Chairman Wamp made a motion to enter in to Executive Session, seconded by Director Haberer. The Committee came out of Executive Session at 2:45 p.m.

The Committee accepted staff's recommendation to establish a new position of Senior Staff Accountant with a salary range of \$50,000 to \$65,000 as well as the elimination of the General Ledger Accountant – Video Gaming Operations position. This recommendation passed the Committee without objection.

4. **Personnel Committee Report continued:**

A motion was made by Committee Chairman Wamp and seconded by Director Haberer to accept the recommendation of Senior Staff Accountant position and eliminate the General Ledger Accountant – Video Gaming Operations position. A voice vote was taken Ayes: 15; Nays: 0; Absent: 2; Clifford and Bassett. The motion carried.

The Committee accepted staff's recommendation for salary adjustments for two (2) Line Chef's, one from \$13.00 per hour to \$14.00 per hour and the other from \$11.78 per hour to \$13.00 per hour. This recommendation passed without objection.

The Personnel meeting adjourned at 3:15 p.m.

5. **Finance Committee Report:**

Committee Chairman Lauderdale, called the meeting of the Finance Committee to order at 3:25 p.m. on Wednesday March 21, 2018 and the following business was discussed.

Mrs. Leach presented Resolution #06-2018 for the renewal of the maintenance and technical support agreement for the Corporations Great Plains general ledger accounting software. This two-year agreement is through The Software Solutions Group Inc. and included product updates, unlimited technical support, training, education and customer service. The agreement is for the period April 18, 2018 through April 17, 2020 at cost of \$36,375.00 (\$18,187.50 per year).

Upon motion made by Committee Chairman Lauderdale and seconded by Director Morgan a roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Clifford and Bassett. The motion was approved to accept the two year agreement with The Software Solutions Group Inc. in the amount of \$36,375. (**see Resolution #06-2018**).

Mrs. Leach advised first the January 2018 Comptroller's Report. January produced surcharge for distribution of \$74,134.

Mrs. Leach reviewed the February 2018 Comptrollers Report with Committee members. February produced surcharge of \$81,086.

5. Finance Committee Report continued:

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

This was provided for informational purposes only.

The Finance Committee meeting adjourned at 3:38 p.m.

6. Advertising Committee Report:

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

Mr. Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming delivered a presentation of past and upcoming OTB Events including recaps on wagers in relation to the upcoming Kentucky Derby.

Mr. Hasenauer recapped the new direct mail promotion that is doing well this March. Increases in carded play were also shown, Photos from the recently held Wrestling and FanDuel events were shown.

A list of upcoming events held in the Batavia Downs were shown including Trade shows, a Brew Fest, Psychic Fair, Triple Crown related parties as well as the summer concert series.

The Advertising and Promotions Committee adjourned at 3:50 p.m.

7. Legislative Committee Report:

Committee Chairman Barnes reported the Legislative Committee meeting was held on Wednesday, March 21, 2018 at 3:50 p.m. and the following business was discussed.

Due to the late start the Mercury representatives were not available so Mr. Wojtaszek shared that he and Mr. Nolan had meetings with offices of the Governor, Senate, and Assembly. All three have lesser tax amount for Batavia in their budgets: 51% for Governor and Assembly, 56% for Senate. He reported Albany is still shooting for a March 29 budget submission due to holidays.

7. **Legislative Committee Report continued:**

Mr. Wojtaszek also discussed the Sports Betting legislation and that he is working on Churchill Downs contract with the other NY OTB's.

The Legislative Committee meeting adjourned at 4:03 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 Wednesday, March 21, 2018 at 4:05 p.m. and the following business was discussed.

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. Wojtaszek updated the Committee on the Capital Awards Paddock Room project for approval with the schedule as follows:

March 23-24, 2018 Final approval of event and horse betting area

April 13, 2018 Plans to OGS and Gaming

April 27, 2018 Plans advertised and released for bidding

May 8, 2018 Pre-Bid walk through (required)

May 17, 2018 Bids due and publicly opened

May 17-22 2018 Contractor evaluation for recommendations WROTB

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

May 23, 2018 Board approval and begin construction process

Mr. Wojtaszek provided the Committee with a Grant update with estimates to be submitted for lighting and security for the parking lot.

Mr. Wojtaszek provided an update to the demolition of the Paddock which is moving forward and that Bruce Tubin is happy with the progress.

Mr. Wojtaszek informed the Committee of the Resolution #08-2018 needed for the purchase of a skid steer loader in the amount not to exceed \$33,659.70 through the NYS Office of General Services.

Upon motion made by Committee Chairman Morgan and seconded by Director Ricci a roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Clifford and Bassett. The motion was approved the purchase of the skid steer loader in the amount of \$33,659.70 (**see Resolution #08-2018**).

Mr. Wojtaszek informed the Committee of the Resolution #09-2018 needed for the maintenance on the four owned Cummins counting machines at a cost of \$27,068.

Upon motion made by Committee Chairman Morgan and seconded by Director Siebert a roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Clifford and Bassett. The motion was approved for the count machine maintenance through Cummins. (**see Resolution #09-2018**).

The Batavia Downs Committee adjourned at 4:32 a.m.

11. **Branch Operations Committee Report:**

Committee Chairperson Beverly Mazur reported that the Committee met on Thursday March 22, 2018 at 9:30 a.m. and the following business was discussed.

Mr. Edward Merriman, Manager of Branch Operations discussed cleaning up the storage areas in branches and prepping for the Triple Crown. They will be clearing out Central Square and moving all valuable asset to other branches. The Auburn concessionaire has received a variance to set up a fenced in area at the branch to attract more business as well.

11. **Branch Operations Committee Report continued:**

Mr. Mark Gabriele, Associate Counsel reported that there has been no movement on any sales. He reported that Verizon at Clinton is progressing.

Mr. Sean Schiano, Director of Branch Operations, informed the Committee about the upcoming Grand Opening Party at Dewey's on Good Friday and that he and Mr. White will be attending. We are still waiting on paperwork for a possible Schuyler County location.

Mr. Schiano reported that Batavia Bets was up 5.7 % in February or \$32,000 and through March 18th compared to last year up 18% or \$73,000. Year to date Batavia Bets is up 5.2% or \$110,000.

Mr. Schiano informed the Committee that staff will be doing lawn care in Erie, Niagara and Monroe Counties. The cost of equipment for both District Offices is less than \$5,000.00. This is compared to over \$11,000 that was spent for the three counties in 2017. The existing staff and summer help will be responsible for the work.

Mr. Schiano informed the Board of the Resolution #07-2018 for the French Road lease renewal for one (1) year extension with a one (1) year option for the French Road Branch at the same rate as 2017.

Upon motion made by Committee Chairperson Mazur and seconded by Director Darrow a roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Clifford and Bassett. The motion was approved for the renewal of the French Road lease. **(see Resolution #07-2018).**

Mr. Schiano reported that staff has been monitoring the Central Square Branch for some time. With the slow start to 2018 (down 38%), staff recommends that the Branch close. Director Darrow and Chairman Bianchi both have been made aware and have consented to the closure. A motion was made by Director Morgan, seconded by Chairman of the Board Bianchi to approve the closure of the Central Square Branch. This was approved unanimously.

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

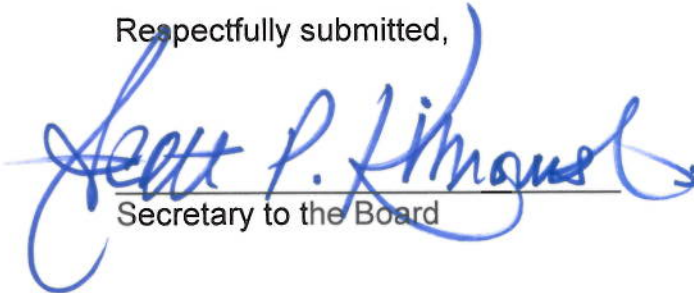
12. **New Business:**

There was no new business.

13. **Adjournment:**

Director Haberer made a motion to adjourn which Director Darrow seconded. The meeting was adjourned at 10:25 a.m.

Respectfully submitted,



Secretary to the Board

/pma