

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 27th day of September 2018, and commencing at 10:13 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 W. Lattimore Jr.
Chautauqua	Allan Hendrickson
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
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 Ricci
Steuben	John E. Clifford
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

Michelle Parmer-Garner
Dennis Bassett

constituting the Directors of all participating municipalities.

Also participating were: Henry F. Wojtaszek, President & CEO; Michael P. Nolan, Chief Operating Officer; Scott Kiedrowski, Vice President Operations; William R. White, Vice President – Administration; Jacquelyne Leach, Chief Financial Officer; Mark Wolf, General Manager of Gaming; Barb Mruzek, Controller WROTBC Operations; Steven Haigh, Internal Auditor; Sean Schiano, Director of Branch Operations; Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming; Gayle Ashbery, Director of Purchasing; Edward Merriman, Manager of Branch Operations; Cindy DeCarlo, Controller BDG Operations; James Haas, Communications/Mutuels Manager; Brian Quinn, 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 Sean Schiano 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 August 23, 2018. There being none, a motion was made by Director May and seconded by Director Hendrickson to approve the August minutes as submitted. The minutes were approved unanimously by a voice vote.

2. Communications:

There were no Communications.

3. Officers' Reports:

There were no Officers reports.

4. Personnel Committee Report:

Committee Chairman Wamp reported the Personnel Committee meeting was held on Wednesday, September 26, 2018 at 1:05 p.m. and the following business was discussed.

Mr. William R. White, Vice President – Administration discussed the addition of the following positions to the Compendium:

- Assistant Dining Services Supervisor (1) – At a rate not to exceed \$1.69 more an hour than the current salary. This position will only be for approximately 10 – 15 weeks during the Live Racing season.
- Skilled Maintenance (1) – Not to exceed an additional \$18,158.40 per year.
- Environmental Services (3) – All new hires will be part-time. Staff estimates not to exceed \$11,000.00 per year total.
- Host/Player's Club – Staff would like to add one (1) Host position and four (4) Player's Club positions, all of which will be part-time at a cost not to exceed \$70,000.00. These monies would come out of the Marketing Fund.

4. Personnel Committee Report continued:

- Assistant to MIS Manager/Database Analyst – At a cost not to exceed \$14,500.00 per year. This position and wages fall within the Marketing Department.

A motion was made by Director Ricci, seconded by Vice-Chairperson Winter to approve all these additional positions and passed unanimously.

Mr. Henry F. Wojtaszek, President & CEO asked the Committee to approve a new Catering Sales Manager (Grade 5) position pending Gaming Commission approval at a cost not to exceed \$57,500.00 with benefits included. A motion was made by Director May, seconded by Vice-Chairperson Winter and passed unanimously.

Mrs. Jacquelyne Leach, Chief Financial Officer informed the Committee of her interviews for the position of Controller WROTB Operations both internally and externally to find a replacement for the retiring Mrs. Barb Mruzec who currently holds this position. She recommended current employee Jake Rak for this position. This would include a \$19,000.00 increase in salary. Mrs. Leach also added that she would like to stay in house to replace the vacant position Cost Accounting Manager (Grade 7) of Mr. Rak which has a salary range of approximately \$50,000.00. A motion was made by Director Clifford to approve the new hire and allow Mrs. Leach to choose an in house replacement for the vacant position, seconded by Director May and approved unanimously.

Mr. Wojtaszek asked the Committee to approve the Job Title Change of Kim Vona from Community Relations Specialist to Social Media Marketing Manager with no salary change. The Community Relations Specialist would be removed from the Compendium. A motion was made by Director Haberer to accept these changes, seconded by Chairman of the Board Bianchi and approved unanimously.

Mr. White updated the Committee that the Union has voted on the two (2) Branch Contracts but the votes have yet to be tallied. Staff hopes to bring these Contracts to the Board at the October meeting.

4. Personnel Committee Report continued:

Director Clifford made a motion to enter into Executive Session at 1:40 p.m., seconded by Director Ricci. The Committee came out of Executive Session and the meeting was adjourned at 1:50 p.m.

The Personnel Committee meeting adjourned at 1:30 p.m.

5. Finance Committee Report:

Committee Chairman Lauderdale, called the meeting of the Finance Committee to order at 9:00 a.m. on Wednesday, September 26, 2018 and the following business was discussed.

Mrs. Leach reviewed the August 2018 Chief Financial Officer Report with Committee members, providing an overall summary of the month and explanations for several large variances, both revenues and expenses. August produced surcharge of \$99,102, and Operational Earnings of \$34,447, a good month for the corporation.

Mrs. Leach reviewed the August Batavia Downs results of Operations, and provided information on credits played, net win and free play, and other statistics. The Food and Beverage department generated an operating profit of \$356K YTD, \$15K over plan.

Mrs. Leach reviewed the NYGA Weekly Numbers with the Committee members, highlighting Batavia Downs Gaming performance in August 2018 as compared to August 2017.

This was provided for informational purposes.

The Finance Committee meeting adjourned at 3:10 p.m.

6. Advertising Committee Report:

Committee Chairman Clifford reported the Advertising Committee meeting was held on Wednesday, September 26, 2018 3:05 p.m. and the following business was discussed.

6. **Advertising Committee Report continued:**

Mr. Todd Haight, General Manager Live Racing delivered a presentation of past an upcoming OTB and Live Racing events. Pictures from racing under saddle were shown along with pictures from Wiener Dog Day and the Night of Champions press conference. The Vets Night event was also previewed.

Mr. Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming asked for the Board's permission for staff to sign a 5 year agreement with the Blue Cross Arena in Rochester. A discussion was held on the events and how that helps attract and reward our customers.

Mr. Hasenauer recapped the recent continuity program which is increasing Sunday's numbers. The program will continue in November on Tuesdays with new items. Pictures from recent concerts including Frankie Scinta and Abba-Mania were shown along with photos from the Fishing and Sportsmen's Expo.

Mr. Hasenauer presented Resolution #36-2018 needed to allow Batavia Downs to purchase additional hotel rooms from Hart Hotel for marketing and events purposes in the amount not to exceed \$25,000.

Upon motion made by Committee Chairman Clifford and seconded by Director May a roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Parmer-Garner, Bassett. The motion was approved to purchase additional hotel rooms from Hart Hotels in the amount not to exceed \$25,000. (**See Resolution #36-2018**).

The Advertising meeting adjourned at around 3:30pm.

7. **Legislative Committee Report:**

Committee Chairman Barnes reported the Legislative Committee meeting was held on Wednesday, September 26, 2018 at 4:15 p.m. and the following business was discussed.

Mr. Wojtaszek discussed the weekly meetings with the Mercury Group concerning sports betting. He reported that NYS Association of Counties discussed sports betting earlier this week and informed the sub committees that they need to be engaged in this matter.

7. **Legislative Committee Report continued:**

Mr. Michael P. Nolan, Chief Operating Officer reported that county support letters regarding sports betting have been sent.

The Legislative Committee meeting adjourned at 4:28 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, September 26, 2018 at 3:32 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager of Gaming provided gaming status update.

Mr. Haight provided a live racing update. Mr. Haight also informed the Committee that Batavia Downs Gaming & Hotel will be hosting the 2019 NY Sire Stakes Night of Champions.

Mr. Nolan informed the Board of the ground breaking ceremony for the Capital Award project that will take place at 10:30am Thursday, September 27, 2018.

A presentation for the Workforce Development Program was given by Mr. Chris Suozzi, Vice President of the GCEDC and Mr. Jay Lazerony, GLOW Workforce Development Board.

10. Batavia Downs Operations Committee Report continued:

Mr. Nolan informed the committee of the Resolution #37-2018 needed from Main Ford General Supply the lowest bidder for the Capital Awards Project for the kitchen and bar equipment supply and installation in the amount not to exceed \$120,000.00

A Motion was made by Committee Chairman Morgan to waive the rules seconded by Director Barnes. A voice vote was taken and passed.

Upon motion made by Committee Chairman Morgan and seconded by Director Barnes a roll call vote was taken. Ayes: 15; Nays: 0; Absent: 2; Parmer-Garner, Bassett. The motion was approved to accept the lowest bid from Main Ford General Supply in the amount not to exceed \$120,000.00. (**See Resolution #37-2018**).

The Batavia Downs Committee meeting adjourned at 4:20 p.m.

11. Branch Operations Committee Report:

Committee Chairperson Mazur reported that the Committee met on Thursday September 27, 2018 at 9:30 a.m. and the following business was discussed.

Mr. Edward Merriman, Manager of Branch Operations updated the Committee of the work done at the Jamestown Branch in the parking lot and upgrading of T.V.'s as well as the upgrading of T.V.'s at the Auburn Branch. He also mentioned the efforts to hire staff and the installs of the Konika Minolta printers.

Mr. James Haas, Communications/Mutuels Manager informed the Committee that the Batavia Bets handle was \$1.3 million in August, up \$306,000 or 31%. Month to date in September Batavia Bets is up \$10,000 or just over 1%. Year to date Batavia Bets handle is \$8.5 million, up over \$1 million or 14%.

Mr. Sean Schiano, Director of Branch Operations informed the Committee of the Resolution #35-2018 needed for the counter offer for the Seneca Falls property sale. A motion was made by Director Morgan to accept the terms, seconded by Director Hendrickson and approved unanimously.

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

Mr. Wojtaszek informed the Committee of an issue with the Transit sale. The original contract was cancelled and we received two (2) offers, both for \$840,000.00 with one offer closing in 8 to 12 months and the other in 2 months.

A motion was made by Director Morgan, seconded by Director Darrow to accept the offer that closes in 2 months. This was carried unanimously.

Mr. Schiano updated the Committee of a possible new EZ Bet location in Niagara Falls that we cannot pursue due to the fact that it is within 30 miles of Buffalo Raceway.

Mr. Schiano also thanked the Officers, Board of Directors, Food and Beverage, Marketing as well as all of the staff and especially Jessalyn Gates for all of their efforts in raising money for the Veteran's. With two final donations from Mr. Bianchi and Mr. Wojtaszek, we were able to raise over \$5,000.00 for this great cause.

At 9:40 a.m. Mr. Wojtaszek asked to enter into Executive Session to discuss a business matter and came out of Executive Session at 9:46 a.m.

The Branch Committee meeting adjourned at 9:48 a.m.

12. **Resolutions:**

Resolution #35-2018 Seneca Falls Property
Resolution #36-2018 Hart Hotel
Resolution #37-2018 Main Ford General Supply

13. **Unfinished Business:**

There was no unfinished business.

14. **New Business:**

The next Committee and Board meetings are scheduled for October 24th and 25th respectively.

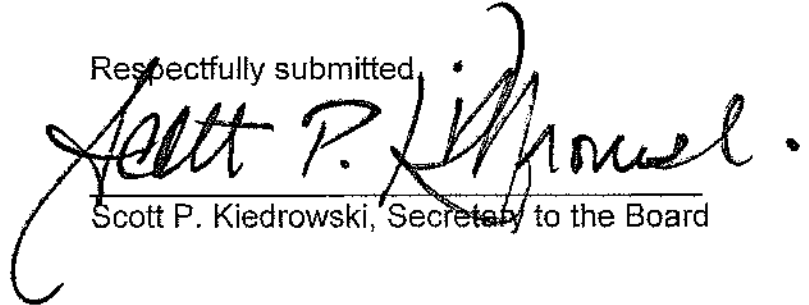
14. New Business continued:

Chairman Bianchi informed the Board of the upcoming Arizona Symposium to be held December 3-5, 2018

15. Adjournment:

Director Lauderdale made a motion to adjourn which Director Hendrickson seconded. The meeting was adjourned at 10:36 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Scott P. Kiedrowski". The signature is written in a cursive style with a large, looping initial "S".

Scott P. Kiedrowski, Secretary to the Board

/pma