

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 25th day of July 2019, 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:

Cattaraugus	Richard E. Haberer
Cayuga	Paul W. Lattimore
Chautauqua	Allan Hendrickson
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Elliott Winter
Orleans	Edward Morgan
Oswego	Ronald B. Darrow
Rochester	Dennis Bassett
Seneca	Richard L. Ricci
Steuben	John E. Clifford
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

M. Parmer-Garner
P. Barnes

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 Gabriele, Associate General Counsel; Steven Haigh, Internal Auditor; Ryan Hasenauer, Director of Marketing-WROTB & Video Gaming; Todd Haight, General Manager Live Racing; Mark Wolf, General Manager of Gaming; James Haas, Communications/Mutuels Manager; Sean Schiano, Director of Branch Operations; Edward Merriman, Manager of Branch Operations; Jake Rak, Controller WROTB Operations; Megan Glor, Director of Purchasing/Real Estate, 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 Director Clifford 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 June 27, 2019. There being none, a motion was made by Director May and seconded by Director Hendrickson to approve the June minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

Mr. Scott Kiedrowski, Vice-President Operations informed the Board of a thank you note from the Sapphire Gala Committee for the donation for their Gala Event.

Mr. Kiedrowski informed the Board of a thank you note from Renee DiFlavio, Senior Vice President of Olmsted Center for sight, for the donation for their 8th annual "Dining in the Dark" event.

Mr. Kiedrowski informed the Board of a thank you note from Benjamin D. Marchione, Regional Director of Make-A-Wish of Western NY for the donation.

Mr. Kiedrowski informed the Board of a thank you note from Donna Saskowski, Executive Director of The Arc Genesee Orleans for the donation of various tickets to the 2019 Batavia Downs Concert Series.

3. **Officers' Reports:**

There were no Officers reports.

4. **Personnel Committee Report:**

Committee Chairman Wamp called the meeting to order at 1:00 p.m. on Wednesday, July 24, 2019 and the following items were discussed:

Mr. Henry Wojtaszek, President & CEO informed the Committee of the benefits of keeping a full time Administrative Assistant in Purchasing – Real Estate as well as the Administrative Assistant –

4. **Personnel Committee Report continued:**

Communications/Receptionist. Chairman Wamp informed the Committee that this was for discussion only for full disclosure purposes. Mr. Wojtaszek thought it was in the best interest of the corporation to keep both of these positions at a Grade 5.

The Personnel Committee meeting adjourned at 1:15 p.m.

5. **Finance Committee Report:**

Committee Chairman Lauderdale, called the meeting to order at 1:20 p.m. on Wednesday, July 24, 2019 and the following business was discussed.

Mrs. Jacquelyne Leach, Chief Financial Officer reviewed the June 2019 Chief Financial Officer Reports with Committee members. Mrs. Leach discussed the results of operations for branches and Batavia Downs. The Corporation will distribute \$92,094 in surcharge to member municipalities for June and had operational earnings of \$649,135. Mrs. Leach stated the second quarter was a very strong quarter for the Corporation with distributable earnings of \$1,703,851.

Mrs. Leach also reviewed the June 2019 Batavia Downs results of operations, and provided information on credits played, net win and free play, food and beverage, and other statistics.

The Finance Committee meeting adjourned at 2:00 p.m.

6. **Advertising Committee Report:**

Committee Chairman Clifford reported the Advertising Committee meeting was held on Wednesday, July 24, 2019 at 2:05 p.m. and the following business was discussed.

Mr. Todd Haight, Director/General Manager, Live Racing, delivered a presentation of events surrounding thoroughbred races across the country. Wagering was up on some tracks and down at others. Committee Chairman Clifford asked about what the future of betting on these tracks might hold.

6. **Advertising Committee Report continued:**

Mr. Ryan Hasenauer, Director of Marketing, reviewed photos and stats on recent concerts held in the infield. A new mailing will be sent out to encourage booking of our facility by smaller groups for meeting and racing groups. Batavia Downs was featured in a small part of a recent video put out by the Buffalo Bills.

Mr. Hasenauer informed the Committee of the Resolution needed to purchase of promotional items from Mark It Smart the lowest bidder in the amount of \$46,920.00 for the following items:

- 800 Duffel Bags at \$15.50 each;
- 800 Backpack at \$13.00 each;
- 800 Swivel Stools at \$15.15 each;
- 800 Foldable Chairs at \$15.00 each;

Upon motion by Committee Chairman Clifford and seconded by Director Hendrickson, a roll call vote was taken. The motion passed to purchase the items listed from Mark It Smart in the amount of \$46,920.00. Ayes: 15; Nays: 0; Absent: 2; Parmer-Garner, Barnes. (See Resolution #77-2019).

Mr. Hasenauer informed the Committee of the Resolution needed to purchase marketing mailers from Applied Business Systems, Inc. the lowest responsible bidder in the amount of \$76,829.00.

Upon motion by Committee Chairman Clifford and seconded by Director Morgan, a roll call vote was taken. The motion passed to purchase marketing mailers from Applied Business Systems, Inc. Ayes: 15; Nays: 0; Absent: 2; Parmer-Garner, Barnes. (See Resolution #78-2019).

Director Siebert complimented staff on the types of crowds they attract to the facility and how they seem to be more well behaved than at other local concert venues. Director Lauderdale asked about how busy the hotel is on concert nights. Staff informed him that they are sold out for nearly all shows.

The Advertising Committee meeting adjourned at around 2:25 p.m.

7. **Legislative Committee Report:**

Committee Chairman Hendrickson reported that the Legislative Committee meeting was held on Wednesday, July 24, 2019 at 3:06 p.m. and the following business was discussed.

Mr. Wojtaszek updated the Committee that even though Albany is not in session the state sent out an RFP with respect to the NYS Gaming Industry. The relevant areas for Western OTB include: the justification for downstate casinos ahead of the 2023 moratorium on new casinos down state, the possibility of looking to cut some of the 10% given to horsemen, the possibility of having only one state wide OTB, the possibility of decoupling racing from casinos, and sports betting, specifically mobile sports betting. A report is due before Albany comes back in session.

Mr. Wojtaszek also discussed the Kmart project that is currently on hold. A company reached out to Western OTB to discuss the possibility of leasing some of the space if Western were to purchase the facility. Staff will be meeting with this company at a later date and report to the Board.

The Legislative Committee meeting adjourned at 3:20 p.m.

8. **Insurance Committee Report:**

The Insurance Committee did not meet.

9. **Audit Committee Report:**

Committee Chairman Bassett reported that the Audit Committee meeting was held on Wednesday, July 24, 2019 at 3:25 p.m. and the following business was discussed.

Committee Chairman Bassett informed the Board that an Audit visit has been welcomed by the NYS Comptroller's office and will be scheduled for early August.

The Audit Committee adjourned at 3:35 p.m.

10. Batavia Downs Operations Committee Report:

Committee Vice-Chairman Siebert reported the Batavia Downs Operations Committee meeting was held on Wednesday, July 24, 2019 at 2:29 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager of Gaming provided gaming statistics.

Mr. Haight, provided a live racing update.

Mr. Michael Nolan, Chief Operating Officer updated the Committee that the Park Rd. improvements have been put on hold as he has been informed that the Town of Batavia is part of a Park Road restoration, a federal grant. Mr. Wojtaszek and Mr. Nolan will meet with the Town of Batavia to discuss the scope of work

Mr. Wojtaszek informed the Committee that the concert series has been fantastic with the next three concerts being the largest.

A discussion was held regarding the Resolution #75-2019 for Alexander Equipment for the purchase and trade of a new Bobcat Loader.

Upon motion by Director Hendrickson seconded by Director Winter to declare the 2013 Bobcat on Auction International a voice vote was taken. The motion passed unanimously.

Committee Chairman Morgan informed the Board that the Resolution #75-2019 for the purchase and trade of a new Bobcat Loader from Alexander Equipment has been tabled this month.

The Batavia Downs Committee meeting adjourned at 3:05p.m.

11. Branch Operations Committee Report:

Committee Chairperson Mazur reported the Branch Committee meeting was held on July 25, 2019 at 9:35 a.m. and the following business was discussed.

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

Mr. Edward Merriman reported on the painting of the Marway Branch in Monroe County by our staff and also mentioned the hiring of a custodian and TMO in Auburn, Cayuga County. Mr. Merriman also mentioned the plan for upgrading television sets at the Clinton Branch in Erie County.

Mr. James Haas, Telecommunications/Mutuels Manager informed the Committee that Batavia Bets was up over \$88,000 or 8.2% in June and is currently up almost \$91,000 or over 11% so far in July and up over \$248,000 or 4% year to date.

Mr. Sean Schiano, Director Branch Operations reported that EZ Bet applications were submitted to the Gaming Commission for two (2) locations in Monroe County and we are awaiting approval.

A motion was made by Director Morgan to enter into Executive Session seconded by Director Darrow, to discuss the Branch six (6) month report at 9:40 a.m., and came out of Executive Session and 10:08 a.m.

The Branch Committee meeting adjourned at 10:08 a.m.

12. **Resolutions:**

Resolution #75-2019 Alexander Equipment – (Tabled)

Resolution #76-2019 Baskin Livestock – (Tabled)

Resolution #77-2019 Mark It Smart

Resolution #78-2019 Applied Business Systems Inc.

13. **Unfinished Business:**

There was no unfinished business.

14. **New Business:**

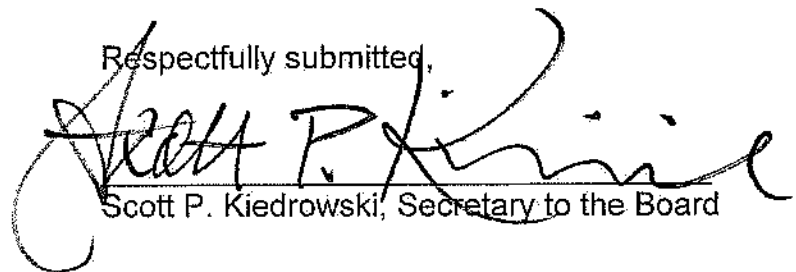
Chairman Bianchi and Director Bassett wished Director Clifford good luck on his retirement and thanked him for his dedicated years of serving on this Board.

The next Committee and Board meetings are scheduled for August 28 and 29 respectively.

15. **Adjournment:**

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "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