

**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 October, 2012, and commencing at 10:22 a.m. in the *Robert J. Kane Board Room*, Corporate Headquarters at 8315 Park Road, Batavia, New York.

Participating were:

Buffalo	Maurice L. Garner
Cattaraugus	Richard E. Haberer
Chautauqua	Roger E. Ruckman
Erie	Beverly A. Mazur
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Niagara	Scott Kiedrowski
Orleans	Marcia Tuohey
Oswego	Ronald B. Darrow
Schuylar	Philip C. Smith
Seneca	Richard L. Ricci
Wayne	Ken Lauderdale
Wyoming	Jim Foley

Absent:

R. Bianchi  
D. Bassett  
J. Clifford

constituting the Directors of all participating municipalities. Also participating were Michael D. Kane, President & CEO; Michael P. Nolan, Vice President – Administration; Jacquelyne Leach, Comptroller; Henry F. Wojtaszek, General Counsel; William R. White, Vice President - Administration; Cindy DeCarlo, Controller/Finance Manager, ; Mark Wolf, Director of Video Gaming & Marketing; Barb Mruczek, Deputy Comptroller; Gayle Ashbery, Director of Purchasing; Joann Algier, Director of Real Estate & Property Management; Jim Haas, Mutuels Manager; Ryan Hasenauer, Director of Marketing-WROTb and Video Gaming; Steven J. Haigh, Internal Auditor; EJ Merriman, Manager of Branch Operations and Sean Schiano, Director of Branch Operations.

A roll of the membership of the Board having been called and General Counsel Wojtaszek declared a quorum present.

Vice Chairman Wamp proceeded to conduct the meeting following the published Agenda.

Vice Chairman Wamp asked Director Beverly Mazur to lead the assemblage in the Pledge of Allegiance.

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**1. Approval of Previous Minutes:**

Vice Chairman Wamp called for amendments, additions, deletions, or corrections to the minutes of the previous meeting of September 27, 2012. A motion was made by Mr. Darrow and seconded by Mr. Garner to approve the minutes as corrected. The motion was carried by voice vote.

**2. Communications:**

No Communications.

**3. Officers' Reports:**

No Officers Reports.

**4. Finance Committee Report:**

Committee Chairman Ron Darrow reported that the Finance Committee meeting was held on Wednesday, October 24, 2012 at 3:22 p.m. and the following business was considered.

a. Mr. Ron Darrow advised the Board that a public bid was held on October 9, 2012 for snowplowing 2012-2013 for the six Monroe county branches.

A motion was made by Mr. Darrow and seconded by Mr. Smith to award the bid to CPM Property, as noted on the attached. A roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3, Bianchi, Bassett, Clifford. The motion was carried. **(See Resolution # 47-2012)**

b. Mr. Ron Darrow informed the Board that a public bid was held on October 9, 2012 for snowplowing 2012-2013 for the five Niagara county branches.

A motion was made by Mr. Darrow and seconded by Mr. Smith to award the bid to two vendors: Bill's Automotive and J & T Enterprises, as noted on the attached. A roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3, Bianchi, Bassett, Clifford. The motion was carried. **(See Resolution # 48-2012)**

**4. Finance Committee Report (continued):**

c. Mr. Ron Darrow reported to the Board that a public bid was held on October 9, 2012 for snowplowing 2012-2013 for the six Erie county branches.

A motion was made by Mr. Darrow and seconded by Mr. Smith to award the bid to Brothers In Lawn and EAS Enterprises, as noted on the attached. A roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3, Bianchi, Bassett, Clifford. The motion was carried. **(See Resolution # 49-2012)**

d. Mrs. Leach presented the September 2012 Comptroller's Report to the Committee as informational.

e. Mrs. Leach provided an update on the Corporation's financing for the gaming expansion. Capital Market Advisors and the Bonadio Group will be involved in assisting with evaluating the financing proposals.

**5. Personnel Committee Report:**

Committee Chairman Tom Wamp reported that the Personnel Committee met on Wednesday, October 24, 2012 at 1:30 p.m.

a. Committee Chairman Wamp informed the Board that Mr. White provided the status of Employee Evaluations.

b. Committee Chairman Wamp noted that Mr. Nolan has informed the Committee that the Corporation has a tentative agreement with SEIU Local 200 United for the Batavia Downs Casino Gaming Contract.

**6. Legislative Committee:**

Vice Chairman Richard Siebert reported that the Legislative Committee met on Wednesday, October 24, 2012 at 4:30 p.m. Mr. Nicholas Antenucci from Wilson Elser Moskowitz Edelman & Dicker, LLP, Mr. Mark Meyerhofer from Patricia Lynch Associates, and Mr. Rick Winter of Richardson Management were available via telephone conference.

a. The Committee was provided with an update on the Albany Legislative activities regarding various issues.

b. Mr. Nolan reported on the recent presentation at Chautauqua County for full casino gaming.

**6. Legislative Committee (continued):**

- c. Mr. Mike Kane discussed the NYS Equine Industry-Economic Study with the Committee.
- d. Recent administrative changes at New York State Lottery were announced by Mr. Kane.
- e. Mr. Kane reported the Memorandum of Understanding has been signed for ADW.

**7. Insurance Committee:**

Chairman Paul Lattimore reported that the Committee met at 10:15 a.m. on October 25, 2012.

**8. Advertising Committee:**

Chairman Jim Foley reported that the Committee met on Wednesday, October 24, 2012 at 4:00 p.m.

- a. Messrs. Hasenauer, Haight, and Schiano recapped the coupon program with the Directors and upcoming events.
- b. The Halloween themed promotions were reviewed.
- c. Ryan Hasenauer presented the November Spy themed promotions. The Player Promotions were announced.
- c. Todd Haight provided a recap of the Kane Memorial and the Rising Star Pace. The November promotions include a mug giveaway along with some other items.
- d. The recent Las Vegas G2E Conference was summarized by Mr. Hasenauer.

**9. Audit Committee:**

Vice Chairman Haberer informed the Board that the Committee met on Wednesday, October 24, 2012.

- a. The 2012 Audit Planning Presentation was provided by Mr. Craig Stevens of the Bonadio Group.

**10. Property/Real Estate Committee:**

Chairman Marcia Tuohy reported that the Committee met on Wednesday, October 24, 2012 at 3:55 p.m.

Mrs. Algier provided the Committee with a review of the following branches:

a. The sale of 131-133 State Street property of Antonio Cilino is moving forward. The completion of the sale will tentatively be complete prior to December 31, 2012.

b. A purchase offer for Hudson Avenue property to Mighty Taco, Inc in the amount of \$300,000 for .50 acres of vacant land has been received. This passed the Committee.

A motion was made by Mr. Siebert and seconded by Mr. Lauderdale to waive the rules. A voice vote was taken. Ayes: 14; Nays: 0; Absent: 3, Bianchi, Bassett, and Clifford. The motion was carried.

A motion was then made by Mr. Tuohy and seconded by Mr. Ruckman to approve the sale of Hudson Avenue property to Mighty Taco, Inc. in the amount of \$300,000. A roll call vote was taken. Ayes: 14; Nays: 0; Absent: 3, Bianchi, Bassett, Clifford. The motion was carried.

c. The façade repair at the Bullshead branch is near completion.

d. An asking price of \$600,000 was placed on the Mohawk Street property. Even though the property is not listed for sale at this time prospective buyers have been shown through the property.

**11. Batavia Downs Committee:**

Chairman Paul Lattimore reported that the Committee meeting was held on Wednesday, October 24, 2012 at 2:00 p.m. The following items were discussed.

a. The monthly Gaming Status Report with gaming statistics was provided to the Committee by Mr. Mark Wolf.

b. The Committee was provided with financial statistics by Ms. Cindy DeCarlo.

c. Mr. Mike Kane summarized the FlexTech Study which will upgrade the present exterior lighting with lower operating cost lighting.

**11. Batavia Downs Committee (continued):**

- d. Staff is looking into the possibility of entering into a possible project Labor Agreement for the bidding process according to Mr. Kane. This will result on a tentative money savings and relationship and support union work.
- e. The forward progress of the Capital Project status was provided by Mr. Kane.
- f. The Board was informed by Mr. Kane that paid utility bills dated will be audited by ECS to find possible overpayments.
- g. An internal policy change regarding the procedure to be used to verify customer age identification was reported by Mr. Kane.
- h. Messrs. Kane and Nolan discussed the operational reviews and budget issues with the Committee and Board Members.

**12. Branch Operations:**

Chairperson Maurice Garner reported that the Committee met on Thursday, October 25, 2012 at approximately 9:30 a.m.

- a. Messrs. Ryan Hasenauer and Jim Haas provided the Committee with an update on the progress of the website.
- b. Mr. Jim Haas updated the Committee on the status of the gaming website.
- c. An update of the Tote contract was provided by Mr. Haas.
- d. Mr. Jim Haas provided the Committee with the Internet (ADW) pending approval of the Racing & Wagering Board.
- e. Messrs. Schiano and Merriman reported activities at the EZ Bet locations. Cobber's will be open on November 2<sup>nd</sup>. Cruiser's and Village Rock are planned to be open in the near future. The Firehouse Saloon will be closed on November 5<sup>th</sup>.
- f. Mr. Sean Schiano provided the Committee with the status of the Olean smoking waiver and the actions to be taken.
- g. A report of the recent Manager's Meeting was provided by Messrs. Schiano and Merriman.

**13. Resolutions:**

- # 47-2012 Snowplowing for Monroe County Branches
- # 47-2012 Snowplowing for Niagara County Branches
- # 47-2012 Snowplowing for Erie County Branches

**14. Unfinished Business:**

There was no unfinished business.

**15. New Business:**

- a. The next Committee and Board meetings will be held on December 12 and December 13, 2012 respectively.

**16. Adjournment:**

A motion was made by Mr. Garner to adjourn the meeting which was seconded by Mr. Foley at 10:43 a.m.

Respectfully submitted,

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Henry F. Wojtaszek  
Secretary to the Board

HFW/dmf