

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 24th day of October 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
Chautauqua	Allan Hendrickson
Erie	Beverly A. Mazur
Genesee	Richard 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	Norman Schneider
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

M. Parmer-Garner
P. Lattimore
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; Cindy DeCarlo, Controller; Mark Wolf, General Manager of Gaming; Sean Schiano, Director of Branch Operations; Jake Rak, Controller WROTB Operations; Edward J. Merriman, Manager of Branch 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 Schneider 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 September 26, 2019. There being none, a motion was made by Director Hendrickson and seconded by Director Bassett to approve the September minutes as submitted. The minutes were approved unanimously by a voice vote.

2. **Communications:**

Mr. Scott Kiedrowski, Vice-President Operations informed the Board of the following thank you notes:

A thank you note from Melisande Bianchi, Member of Board of Directors of The Breast Cancer Coalition of Rochester for the generous support during the "Night at the Races" Fundraiser held at Batavia Downs.

A thank you note from Lori Meath of The Breast Cancer Coalition of Rochester for the generous support during the "Night at the Races" Fundraiser held at Batavia Downs

A thank you note from Elaine Morton for the pleasant experience at Fortune's.

A thank you note from Shelly Falitico, Director of Development & Community Relations at the ARC Genesee Orleans New York for the donation and support.

A thank you note from Community Action for Wyoming County for the donation at the 17th Annual Divine Delights Angel Action Program.

A thank you note for Staff going above and beyond from Lisa Franclemont of the Pink Hatter Cancer Survivor Celebration event held at Batavia Downs.

A thank you note for the wonderful evening at Batavia Downs Clubhouse from Barbara Matarazzo, on behalf of the Euchrettes.

A thank you note from Holly Anderson, Executive Director, Breast Cancer Coalition for the recent fundraiser the "Night at the Races" benefit.

3. Officers' Reports:

There were no Officers reports.

4. Personnel Committee Report:

Committee Chairman Winter, called the Personnel Committee meeting to order at 1:00 p.m. on Wednesday, October 23, 2019 and the following business was discussed.

Mr. William White, Vice-President - Administration brought a proposal to the Committee to adjust the non-union employee health care contribution to a flat 5% of the cost of the individual plan. A motion was made by Director Wamp, seconded by Director Mazur to revise the Personnel Policy to reflect these changes, and passed unanimously to bring this proposal to the full Board.

Mr. White brought a proposal to the Committee to make the annual health care buyout the same for all non-union employees. A motion was made to revise the Personnel Policy to reflect these changes and move this proposal to the full Board by Director Haberer, seconded by Director May. The motion was passed unanimously.

Mr. Henry Wojtaszek, President & CEO informed the Committee of the plan to hire Evan Casey as a Safety Consultant to handle Workers' Compensation issues and safety issues as well as providing a Safety Gap Analysis and provide a Safety Manual. The cost would be a onetime fee of not more than \$5,000. No action by Committee is needed as another quote has been requested.

Mr. Wojtaszek mentioned Dave Whalen, a Disability Consultant to assist in ADA Compliance issues. This also would not cost more than \$5,000, but staff is awaiting another quote prior to moving forward. Again, no action is needed, both of these items were for informational purposes only.

The Personnel Committee meeting adjourned at 2:33 p.m.

5. **Finance Committee Report:**

Committee Chairman Lauderdale, called the Finance Committee meeting to order at 1:20 p.m. on Wednesday, October 23, 2019 and the following business was discussed.

Mrs. Megan Glor, Director of Purchasing informed the Committee of the Supplemental Resolution needed for Staples Business Advantage. Staff is requesting an additional \$6000.00 for the remainder of the year for office supplies.

Upon motion by Director Lauderdale and seconded by Director Hendrickson, a roll call vote was taken. The motion passed to approve the request for additional supplies from Staples Business Advantage for the remainder of the year in the amount not to exceed \$6,000.00. Ayes: 14; Nays: 0; Absent: Parmer-Garner, Lattimore, and Barnes. (**See Resolution #99-2019**).

Mrs. Glor advised the Committee of the Resolution needed for Joe Basil Chevrolet, Inc. in the amount of \$37,633.70. The truck currently being used by Western's Assistant Director of Buildings and Grounds has reached the threshold for miles driven in accordance with the Corporation's Vehicle Replacement Policy and requires replacement.

Upon motion by Director Lauderdale and seconded by Director Morgan, a roll call vote was taken. The motion passed to approve the purchase of a 2020 Chevy 2500 Pickup truck from Joe Basil Chevrolet in the amount of \$37,633.70. Ayes: 14; Nays: 0; Absent: Parmer-Garner, Lattimore, and Barnes. (**See Resolution #102-2019**).

Mrs. Jacquelyne A. Leach, Chief Financial Officer, reviewed the September 2019 Chief Financial Officer Reports with Committee members. Mrs. Leach discussed the results of operations for branches and Batavia Downs. The Corporation will distribute \$74,425 in surcharge to member municipalities for September. The Corporation also generated operational earnings of \$397,874. Mrs. Leach stated the third quarter was a very strong quarter for the Corporation with distributable earnings of \$719,719.

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

5. Finance Committee Report continued:

Mrs. Leach reviewed the NYGA Weekly Numbers with Committee members, highlighting Batavia Downs Gaming net win performance for July through September 2019 as compared to same period 2018 and 2017.

Mrs. Leach presented the 2020 Preliminary Operating Plan to the Committee highlighting the Plan assumptions and certain revenues and expenses. The Preliminary Plan is presented as a fluid working document. Its purpose is to facilitate discussion amongst WROTBC management and the Board of Directors. Current trends will be reviewed and adjustments will be made.

Mrs. Leach encouraged members to review the preliminary plan and direct any questions they may have to Mrs. Leach and the other Officers.

The final plan will be submitted for approval on December 4, 2019.

This was provided for informational purposes.

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

6. Advertising Committee Report:

Committee Chairperson May reported the Advertising Committee meeting was held on Wednesday, October 23, 2019 at 2:10 p.m. and the following business was discussed.

Mr. Todd Haight, Director/GM Live Racing/Branch Ops Specialist delivered a presentation handle surrounding past OTB and Live Racing events. Upcoming Live Racing Events were previewed as well as the Breeder's Cup Party and Lobster Night in the Clubhouse.

Mr. Ryan Hasenauer, Director of Marketing-WROTBC & Video Gaming, showed pictures from recent events including the Mets Event and Jersey Seasons Concerts were shown. He informed the Committee that Staff attended the G2E conference in Las Vegas. Mr. Hasenauer discussed the idea of new roles regarding event management and Player's Club.

6. **Advertising Committee Report continued:**

Mr. Hasenauer informed the Committee of the Supplemental Resolution needed for Facebook and Instagram to advertise and promote various events, restaurants and promotions in the amount of \$6000.00 for the remainder of the year.

Upon motion by Director May and seconded by Director Lauderdale, a roll call vote was taken. The motion passed to approve the additional \$6000.00 for Facebook and Instagram to advertise and promote various events, restaurants and promotions for the remainder of the year. Ayes: 14; Nays: 0; Absent: Parmer-Garner, Lattimore, and Barnes. (See Resolution #98-2019).

The Advertising Committee meeting adjourned at 2:57 p.m.

7. **Legislative Committee Report:**

Committee Chairman Hendrickson reported that the Legislative Committee meeting was held on Wednesday, October 23, 2019 at 3:07 p.m. and the following business was discussed.

Mr. Wojtaszek and Mr. Sam Hoyt, Upstate discussed the Kmart sale, noting that the Benderson Corporation is under contract to find a tenant for the property.

Mr. Mark Gabriele, General Counsel requested an Executive Session to discuss a legal issue. Chairman Bianchi made a motion to enter into Executive Session at 3:22 PM, seconded by Director Lattimore.

The Committee came out of Executive Session and the Legislative Committee meeting was adjourned at 3:35 P.M.

8. **Insurance Committee Report:**

The Insurance Committee did not meet.

9. **Audit Committee Report:**

Committee Chairman Bassett reported the Audit Committee meeting was held on Wednesday, October 23, 2019 at 8:32 a.m. and the following business was discussed.

Mr. Craig Stevens of The Bonadio Group, introduced Mr. Randy Shepard as the engagement partner for this year of The Bonadio Group who showed the Pre-Audit presentation by powerpoint which highlighted objectives, timeline and responsibilities.

A motion was made by Director Haberer to enter into Executive Session at 8:50 a.m. seconded by Director Siebert to provide members the opportunity to speak with The Bonadio Group.

The Committee came out of Executive Session at 9:02 a.m.

A motion was made by Chairman Bianchi at 9:05 a.m. seconded by Director Haberer to re-enter into Executive Session.

The Committee came out of Executive Session at 9:59 a.m. and the Audit Committee meeting adjourned at 9:59 a.m.

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

Committee Chairman Morgan reported the Batavia Downs Operations Committee meeting was held on Wednesday, October 23, 2019 at 2:43 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager –Video Gaming, provided the Committee gaming statistics.

Mr. Haight provided a Live Racing update. He informed the Committee on the whipping rule that was implemented on July 24, 2019. He reported that \$1400.00 has been collected due to fines this year.

Mrs. Glor presented the Resolution needed for Kowalski Carr Electronic Supply, the lowest responsible bidder for twelve (12) high mast lighting fixtures for the replacement of the parking lot lighting in the amount of \$19,599.00.

10. Batavia Downs Operations Committee Report continued:

Upon motion by Director Morgan and seconded by Director Haberer, a roll call vote was taken. The motion passed to accept Kovalsky Carr Electronic Supply, the lowest responsible bidder for twelve (12) high mast lighting fixtures for the replacement of the parking lot lighting in the amount of \$19,599.00. Ayes: 14; Nays: 0; Absent: Parmer-Garner, Lattimore, and Barnes. (See Resolution #100-2019).

Mrs. Glor presented the Resolution needed for Allied Waste of North America LLC who submitted a bid in the amount of \$26,619.36 for two (2) eight (8) yard dumpsters to be serviced Monday through Friday.

Upon motion by Director Morgan and seconded by Director Winter, a roll call vote was taken. The motion passed to accept Allied Waste of North America LLC in the amount of \$26,619.36 for two (2) eight (8) yard dumpsters to be serviced Monday through Friday. Ayes: 14; Nays: 0; Absent: Parmer-Garner, Lattimore, and Barnes. (See Resolution #101-2019).

Committee Vice-Chairman Siebert asked if there is an update regarding the sale of the Hotel. Mr. Wojtaszek stated that an appraisal has been received. Committee Chairman Morgan asked that a Committee be formed including the Chairman from the Batavia Downs Committee plus a member and also the Chairman from the Finance Committee plus a member and Chairman Bianchi.

The Batavia Downs Committee meeting adjourned at 3:04p.m.

11. Branch Operations Committee Report:

Committee Chairperson Mazur reported the Branch Committee meeting was held on October 23, 2019 at 10:10 a.m. and the following business was discussed.

Mr. Edward J. Merriman, Manager of Branch Operations reported on the improvements at the Jefferson Road Branch in Monroe County, as well as the new T.V.'s at the Clinton Branch in Erie County and the work done by the new concessionaire at the Military Road Branch in Niagara County. He also mentioned work done by staff at Phoenix in Oswego County.

11. Branch Operations Committee Report continued:

Mr. Mark Gabriele, Associate Counsel discussed the ongoing issues with the sale of the Transit Road location.

Mr. Sean Schiano, Director of Branch Operations reported that Batavia Bets was up \$59,000 or 6.5% in September and is up \$70,000 through the first three weeks of October or 12%. For the year Batavia Bets is up almost \$600,000 or 6%.

Mr. Schiano informed the Committee that we are finalizing the application for Tin Pan Alley in Lewiston, Niagara County, but we are planning on not opening before January 1st as to save the yearly \$500 simulcast fee for the rest of 2019. Mr. Schiano also mentioned the Grand Opening parties for both new Monroe County E-Z Bets.

Kim's Woodshed will be this Friday, October 25th at 3:00 p.m., and Robbie's will be November 1st with a Live Remote from Karl Falk AM 1280 in Rochester from 3-6 p.m. to promote Breeders' Cup.

The Branch Committee meeting adjourned at 10:20 a.m.

12. Resolutions:

Resolution #98-2019 Facebook

Resolution #99-2019 Staples

Resolution #100-2019 Allied Waste Service of North America

Resolution #101-2019 Kovalsky Carr Electronic Supply

Resolution #102-2019 Joe Basil Chevrolet

13. Unfinished Business:

There was no unfinished business.

14. New Business:

Mr. Wojtaszek requested approval for Mr. White to travel in April to the National PELRA in Austin Texas April 26-30, 2020.

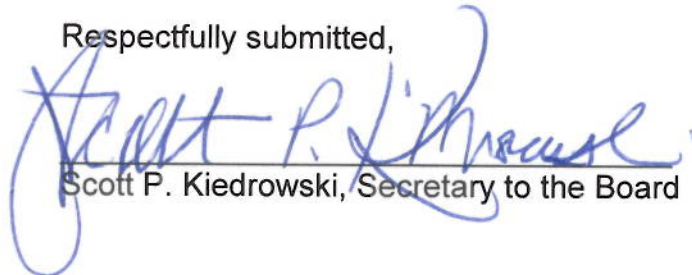
A motion was made by Director Morgan and seconded by Director Wamp to approve travel for Mr. White. The motion passed unanimously.

The next Committee and Board meeting is scheduled for December 5, 2019 respectively.

15. Adjournment:

Director Winter made a motion to adjourn which Director Haberer seconded. The meeting was adjourned at 10:48 a.m.

Respectfully submitted,



Scott P. Kiedrowski, Secretary to the Board

/pma