

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Minutes of the regular meeting of Board of Directors of the Western Regional Off-Track Betting Corporation, ("Western") held on the 25th day of March, 2021 and commencing at 10:00 a.m. in the *Boardroom*, Corporate Headquarters at 8315 Park Road Batavia, New York.

Participating were:

Cattaraugus	Richard E. Haberer
Cayuga	Paul Lattimore, Jr.
Erie	Francis G. Warthling
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Niagara	Elliott Winter
Oswego	Ronald B. Darrow
Seneca	Richard L. Ricci
Steuben	Vacant
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

Buffalo	Parmer-Garner
Chautauqua	Hendrickson
Rochester	Bassett
Schuyler	Barnes

via Phone

Orleans	Morgan
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constituting the Directors of all participating municipalities.

Also participating were: Henry F. Wojtaszek, President & CEO; 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-WROTBC & Video Gaming; Mike Pettinella, The Batavian; 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 asked Director Wamp to lead the assemblage in the Pledge of Allegiance followed by a moment of silence in memory of Director Schneider's passing.

Chairman Bianchi and Director Wamp both expressed kind words of Mr. Schneider's time on the Board.

1. **Approval of Previous Minutes:**

Chairman Bianchi called for amendments, additions, deletions, or corrections to the minutes of the previous meeting of February 25, 2021. There being none, a motion was made by Director Lauderdale and seconded by Director Haberer to approve the February minutes as submitted. The minutes were approved unanimously by voice vote.

2. **Communications:**

Mr. Scott P. Kiedrowski, Vice President - Operations informed the Board of the following:

A thank you note from the Genesee County Habitat for Humanity for the donation of cleaning supplies.

3. **Officers Report:**

There were no Officers reports.

4. **Personnel Committee Report:**

Committee Chairman Winter reported that the Personnel Committee meeting was held on Wednesday March 24, 2021 at 1:05 p.m. and the following business was discussed.

A motion was made by Director Winter to enter into Executive Session at 1:05 p.m., seconded by Director Ricci, to discuss the medical, financial, credit or employment history of a particular person or corporation or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

At 1:46 p.m. a motion to exit Executive Session was made by Director Haberer, seconded by Director May.

The Personnel meeting was adjourned at 1:46 p.m.

5. **Finance Committee Report:**

Committee Chairman Lauderdale reported that the Finance Committee meeting was held on Wednesday March 24, 2021 at 1:51 p.m. and the following business was discussed.

Mrs. Jacquelyne A. Leach, Chief Financial Officer reviewed the February 2021 Chief Financial Officer Report with Committee members. Mrs. Leach discussed the results of operations for branches and Batavia Downs. The Corporation will distribute \$66,250 in surcharge to member municipalities for February.

Mrs. Leach also reviewed the February 2021 Batavia Downs results of operations, and provided information on credits played, net win and free play, food and beverage, and other statistics.

Mrs. Leach reviewed the NYGA Weekly Numbers with Committee members, highlighting Batavia Downs Gaming net win performance through February as compared to same period 2021 and 2020.

Mr. Mark J. Gabriele, Associate General Counsel presented a late Resolution #21-2021. A motion was made by Director Lauderdale, seconded by Director Wamp to add as a late Resolution. The Resolution is a Declaration of Official Intent in respect to the use of bond proceeds to reimburse WROTBC Corporation for the purchase of the Hotel and BDG warehouse project.

Upon motion by Director Lauderdale to waive the rules and seconded by Director Winter a voice vote was taken and passed unanimously.

Upon motion by Director Lauderdale and seconded by Director Wamp a roll call vote was taken. The motion passed to approve the Declaration of Official Intent in respect to the use of bond proceeds to reimburse WROTB Corporation for the purchase of the Hotel and BDG warehouse project. Ayes: 11; Via Phone: 1; Morgan; Nays: 0; Vacant: 1; Steuben; Absent: 4; Parmer-Garner, Hendrickson, Bassett, Barnes. . **See Resolution #21-2021.**

A motion was made at 2:26 p.m. by Director Winter to enter into Executive Session, seconded by Director Darrow, to discuss a contractual matter involving the Corporation.

5. Finance Committee Report continued:

A motion to exit Executive Session was made at 2:32 p.m. by Director Winter, seconded by Director Lattimore.

The Finance Committee meeting adjourned at 2:32 p.m.

6. Advertising Committee Report:

Committee Chairperson May reported that the Advertising & Promotions Committee meeting was held on Wednesday, March 25, 2021 at 2:36 p.m. and the following business was discussed.

Mr. Todd Haight, Director/GM Live Racing/Branch Ops Specialist delivered a presentation on the betting handle surrounding OTB events. The Kentucky Derby Prep has begun and will continue for the next three weekends. He reported that there are still outstanding uncashed tickets. Mr. Haight confirmed to the board that the state keeps the money if the tickets are uncashed.

Mr. Ryan Hasenauer, Director of Marketing-WROTBC & Video Gaming, reported on the success of the Pop up shop vendor shows. Mr. Hasenauer informed the Committee of the recent press conference for the concert series. Also, a press conference highlighting a donation to the Batavia Police K9 program.

An incentive program developed by Marketing and the IT departments for the host department was shown. A motion was made by Director May and seconded by Director Lauderdale to approve the program and it will begin on April 1st.

Mr. Hasenauer informed the Committee of the Resolution #18-2021 for the William Ryan Group, Inc. that provides an application for Western's Gaming and Marketing department to best serve our gaming customers in the amount not to exceed \$16,500.00.

6. **Advertising Committee Report continued:**

Upon motion by Director May and seconded by Director Lauderdale a roll call vote was taken. The motion passed to approve the application that provides Western's Gaming and Marketing department to best serve our gaming customers in the amount not to exceed \$16,500.00. Ayes: 11; Via Phone: 1; Morgan; Nays: 0; Vacant: 1; Steuben; Absent: 4; Parmer-Garner, Hendrickson, Bassett, Barnes. **See Resolution #18-2021.**

A discussion was held regarding Resolution #22-2021 for the upgrade to the Player Tracking System by Bally's Casino Marketplace, a sole source provider. After discussion, Director Lauderdale suggested that the officers be directed to make the best decision and move forward.

Upon motion by Director May to waive the rules and seconded by Director Ricci a voice vote was taken and passed unanimously.

Upon motion by Director May and seconded by Director Lauderdale a roll call vote was taken. The motion passed to the upgrade to the Player Tracking System by Bally's Casino Marketplace, a sole source provider in the amount not to exceed \$400,000.00. Ayes: 11; Via Phone: 1; Morgan; Nays: 0; Vacant: 1; Steuben; Absent: 4; Parmer-Garner, Hendrickson, Bassett, Barnes. **See Resolution #22-2021.**

The Advertising & Promotions Committee meeting adjourned at 3:00 p.m.

7. **Legislative Committee Report:**

Committee Vice-Chairman Siebert reported the Legislative Committee meeting was held on Wednesday March 24, 2021 at 3:43 p.m. and the following business was discussed.

Mr. Patrick McCarthy, Mercury Public Affairs and Mr. Sam Hoyt, Upstate Strategic Advisors were on the call and led a discussion regarding the political environment in Albany. Also discussed was the opportunity to obtain a sports betting license.

The Legislative Committee meeting adjourned at 4:02 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 meeting was held on Wednesday March 24, 2021 at 3:04 p.m. and the following business was discussed.

Mr. Mark Wolf, General Manager-Video Gaming provided a gaming floor status update.

Mr. Haight provided the Committee with a Live Racing update.

Mr. Haight presented the Resolution #17-2021 for Kim Crawford to provide services regarding the resurfacing and maintenance of the horse race track in the amount not to exceed \$55,000.00.

Upon motion by Director Siebert and seconded by Director Winter a roll call vote was taken. The motion passed to approve Kim Crawford to provide services regarding the resurfacing and maintenance of the horse race track in the amount not to exceed \$55,000.00. Ayes: 11; Via Phone: 1; Morgan; Nays: 0; Vacant: 1; Steuben; Absent: 4; Parmer-Garner, Hendrickson, Bassett, Barnes. **See Resolution #17-2021.**

Mr. Haight presented the Resolution #19-2021 for the Horse Racing Ticket Cashing Kiosk that will allow customers to cash their winning tickets especially during the present Covid 19 environment in the amount of \$21,350.00.

10. Batavia Downs Operations Committee Report continued:

Upon motion by Director Siebert and seconded by Director Winter a roll call vote was taken. The motion passed to approve the Horse Racing Ticket Cashing Kiosk that will allow customers to cash their winning tickets especially during the present Covid 19 environment in the amount of \$21,350.00. Ayes: 11; Via Phone: 1; Morgan; Nays: 0; Vacant: 1; Steuben; Absent: 4; Parmer-Garner, Hendrickson, Bassett, Barnes. **See Resolution #19-2021.**

Mr. Henry F. Wojtaszek, President & CEO provided a Batavia Downs Concert Series update.

Mr. Wojtaszek provided a Hotel update.

Mr. Wojtaszek presented the Resolution #20-2021 to pay \$395,000.00 representing Western's share of the Town of Batavia Park Road construction project.

Upon motion by Director Siebert and seconded by Director Winter a roll call vote was taken. The motion passed to pay \$395,000.00 representing Western's share of the Town of Batavia Park Road construction project. Ayes: 11; Via Phone: 1; Morgan; Nays: 0; Vacant: 1; Steuben; Absent: 4; Parmer-Garner, Hendrickson, Bassett, Barnes. **See Resolution #20-2021.**

The Batavia Downs Committee meeting adjourned at 3:40 p.m.

11. Branch Operations Committee Report:

Committee Vice-Chairman Darrow reported the Branch Operations Committee meeting was held on Thursday February 25, 2021 at 9:30 a.m. and the following business was discussed.

Mr. Sean Schiano, Director of Branch Operations updated the Committee on the work that Maintenance is performing in the branches. He also mentioned that handle was only down less than \$73,000 compared to 2020 as of 3/15/2021 with six (6) fewer branches. As of 3/22/2021 the total handle is up over \$900,000, as this was the week we shut down last year.

11. Branch Operations Committee Report continued:

Mr. Schiano discussed the successful Grand Opening party at Hunt's Pub in Mumford, Monroe County that was attended by himself, Dina Pane and Todd Haight, who also brought driver Shawn McDonough to handicap the Buffalo card and mingle with the customers. Staff is hoping Station 26 in Cohocton, Steuben County is approved and open prior to Kentucky Derby.

Mr. Schiano reported that Batavia Bets handle was \$1.4 million, up \$354,000 or 33% in February. Through March 21, 2021 handle is almost \$1.1 million, up \$383,000 or 54%. Year to date Batavia Bets handle is just under \$4 million, up \$1.3 million or 50%.

Mr. Schiano discussed the ongoing due diligence at Jefferson Road and McKinley Avenue. He reported the Delaware sale is closed.

At 9:37 a.m. a motion was made by Director Bianchi, seconded by Director Warthling, to enter into Executive Session.

A motion was made at 9:43 a.m. to exit Executive Session and adjourn the meeting by Director Darrow, seconded by Director Warthling.

The Branch Operations Committee adjourned at 9:43 a.m.

12. Unfinished Business:

There was no unfinished business.

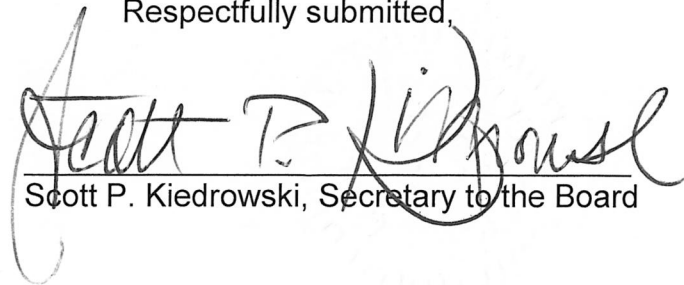
13. New Business:

The Committees and Board meetings are scheduled for April 21 & 22, 2021 respectively.

14. **Adjournment:**

Director Haberer made a motion to adjourn which Director May seconded.
The meeting was adjourned at 10:32 a.m.

Respectfully submitted,



Scott P. Kiedrowski, Secretary to the Board

/pma

RESOLUTION #17-2021

WHEREAS, it is the responsibility of Western Regional Off-Track Betting Corporation ("Western") to maintain the physical condition of the horse racing track at Batavia Downs; and

WHEREAS, Western as needed resurfaces and maintains the racetrack prior to the beginning of the race season; and

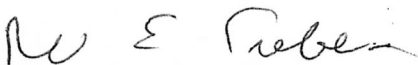
WHEREAS, Kim Crawford ("Crawford") will provide services to Western in respect to the resurfacing and maintenance of the horse race track at Batavia Downs in an annual amount not to exceed \$55,000.00; and

WHEREAS, Staff recommends that the Board of Directors of Western authorize payment to Crawford in the annual amount not to exceed \$55,000.00 to provide services regarding the resurfacing and maintenance of the horse race track at Batavia Downs; and therefore be it

RESOLVED, that the Board of Directors of Western hereby authorize the payment of an annual amount not to exceed \$55,000.00 to Crawford for consulting services in respect to the resurfacing and maintenance the horse racetrack at Batavia Downs: and further

RESOLVED, that an officer of Western is authorized to execute such documentation in furtherance of the Board's resolution.

Respectfully submitted,


Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: March 25, 2021
Batavia, New York

RESOLUTION #18-2021

WHEREAS, it is the Corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate Batavia Downs Gaming in an efficient manner, while providing the best experience available to its patrons; and

WHEREAS, William Ryan Group, Inc. ("Ryan") provides an application ("App") that will allow Western's Gaming and Marketing departments to best serve our gaming customers: and

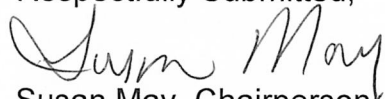
WHEREAS, the Ryan App alerts Gaming and Marketing Personnel when a machine or patron is in need of assistance related to issues regarding Western's Gaming operation; and

WHEREAS, staff requests that the Board of Directors of Western authorize the purchase of the Ryan App for the 2021 year for an amount not to exceed \$16,500.00; and therefore

BE IT RESOLVED, that the Board of Directors of Western authorize the purchase of the Ryan App for the 2021 year for an amount not to exceed \$16,500.00; and

BE IT FURTHER RESOLVED, that an officer of the Corporation is hereby authorized to execute any document in furtherance of this resolution.

Respectfully Submitted,



Susan May, Chairperson
Advertising & Promotions Committee

Dated: March 25, 2021
Batavia, New York

RESOLUTION - #19-2021

WHEREAS, it is the Corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate Batavia Downs in an efficient manner, while providing the best experience available to our customers; and

WHEREAS, a Horse Racing Ticket Cashing Kiosk would allow our customers betting on horse races to cash their winnings tickets and vouchers, especially during the present Covid 19 environment: and

WHEREAS, United Tote Company was determined to be the lowest responsible bidder for one (1) Horse Racing Ticket Cashing Kiosk, including installation, annual software and hardware, at a cost of \$21,350.00; and therefore

BE IT RESOLVED, that the Western Regional Off-Track Betting Corporation Board of Directors accepts the proposal from United Tote Company for the purchase of one (1) Horse Racing Ticket Cashing Kiosk for the total amount of \$21,350.00; and

BE IT FURTHER RESOLVED, that an officer of the Corporation is hereby authorized to execute an agreement that reflects the Board's actions.

Respectfully submitted,



Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: March 25, 2021
Batavia, New York

RESOLUTION #20-2021

WHEREAS, Western Regional Off-Track Betting Corporation ("Western") currently owns property located on Park Road, in the Town of Batavia, New York; and

WHEREAS, Western has received notice from the Town of Batavia, New York ("Town") of its intention to enhance the aesthetics and safety of Park Road, including the real property owned by Western abutting Park Road; and

WHEREAS, Western has previously granted the Town three (3) easements, located on its property known as 8-1-21.12, 8-1-68 and 8-1-22, all running adjacent to Park Road, Batavia, New York to allow the Town to conduct the construction project at that location; and

WHEREAS, the Town is requesting that Western, in consideration and performance of the work by the Town, pay \$395,000.00 representing Western's share of the costs related the improvements; and

WHEREAS, Staff recommends that the Board of Directors of Western approve such payment to the Town.

THEREFORE, BE IT RESOLVED, that the Board of Directors of Western approves the payment of \$395,000.00 to the Town representing Western's share of costs relating to the aesthetic and safety improvement project on Park Road; and

BE IT FURTHER, RESOLVED, that Board of Directors of Western authorize an Officer to take all steps necessary to implement this Resolution.

Respectfully submitted,



Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: March 25, 2021
Batavia, New York

RESOLUTION #21-2021

WHEREAS, Article V of the Racing, Pari-Mutuel Wagering and Breeding Law of the State of New York (the "**Enabling Act**") was duly enacted into law by Chapter 865 of the Laws of 1982 of the State of New York, as amended from time to time; and

WHEREAS, the Enabling Act authorizes and provides for the creation of regional off-track betting corporations in the State of New York and empowers such corporations, among other things, to acquire, hold, construct, finance, improve, maintain, operate, own and lease facilities to carry out its corporate purposes; and

WHEREAS, the Enabling Act further authorizes each such corporation to issue its bonds for the purpose of carrying out any of its corporate purposes; and

WHEREAS, Western Regional Off-Track Betting Corporation (the "**Issuer**"), in one or more series or sub-series, desires to issue tax-exempt and/or taxable revenue bonds in calendar year 2021 (the "**Bonds**") for certain purposes, including, but not limited to, (i) the refinancing of a note held by ADK Hospitality, LLC, the proceeds of which are intended to be used to acquire The Hotel at Batavia Downs (the "**Hotel**"), and (ii) the reimbursing of expenses incurred by the Issuer in connection with a warehouse facility related to its OTB operations (the "**Warehouse**" together with the Hotel, the "**Project**"); and

WHEREAS, via Resolution #14-2021 dated February 25, 2021, the Issuer approved the purchase of the Hotel from ADK Hospitality, LLC in an amount not to exceed \$8,000,000.00; and

WHEREAS, the Issuer reasonably expects that it will reimburse itself for the costs of the Project with proceeds of the Bonds; now therefore, be it

RESOLVED, that, it is anticipated that the Issuer shall consider, and approve the issuance of the Bonds in an amount and with maturities, an interest rate, redemption terms and other terms and provisions, all to be determined by a further resolution of the Issuer, and be it further

RESOLVED, should the issuance of the Bonds be approved at a later date, the Issuer expects that it will pay certain expenditures in connection with the Project prior to the issuance of the Bonds. The Issuer reasonably expects that it will reimburse itself for the use of such funds with the proceeds of the Bonds (taxable or tax-exempt) to be issued by (or on behalf of) a State or local governmental unit to finance the costs of the Project. The maximum principal amount of Bonds expected to be issued for the payment of expenditures related to the Project is \$10,000,000.00. This statement of official intent to reimburse constitutes a declaration of official intent under Section 1.150-2 of the Treasury Regulations.

Dated: March 25, 2021

Batavia, New York

Respectfully submitted,

Motion: Lauderdale

Second: Wamp

Duly adopted on March 15, 2021

Ken Lauderdale

Richard D. Bianchi, Chairman