

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BOARD OF DIRECTORS MEETING

July 25, 2022
10:00 a.m.

AGENDA

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Approval of Previous Minutes
5. Communications
6. Personnel Committee Report
7. Finance Committee Report
8. Advertising & Promotions Committee Report
9. Legislative Committee Report
10. Insurance Committee Report
11. Branch Operations Report
12. Audit Committee Report
13. Batavia Downs Operations Committee Report
14. New Business
15. Adjournment

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

PERSONNEL COMMITTEE MEETING

Wednesday, August 24, 2022

1:00 p.m.

Elliott Winter, Chairperson
Thomas P. Wamp, Vice-Chairperson

Dennis Bassett, Member
Richard Bianchi, Member
Susan May, Member
Edward Morgan, Member
Richard Ricci, Member

AGENDA

1. Departmental Name Change
-J. Leach
2. Approval of New Job Title
-W. White
-S. Kiedrowski
3. Departmental Merge/Number of Positions
-H. Wojtaszek
-W. White
4. Executive Session
 - 4a. Executive session for the discussion of 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.

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Finance Committee Meeting
August 24, 2022
Batavia, New York

Ken Lauderdale, Chairman
Thomas Wamp, Vice Chairman

Richard Bianchi, Member
Michael Horton, Member
Paul Lattimore, Member
Edward Morgan, Member
Elliott Winter, Member

AGENDA

1. Chief Financial Officer Report & BDG Financials
 - July 2022

- J. Leach

2. NYGA Weekly Numbers

- J. Leach

WESTERN REGIONAL OFF-TRACK BETTING - SUMMARY OF CFO'S REPORT - ACTUAL RESULTS:

| <u>Operational Results - July 2022</u> | July 2022 | July 2021 | July Plan |
|--|--------------|--------------|--------------|
| Total Handle | \$5,129,681 | \$6,065,691 | \$5,976,000 |
| \$ Variance | | (936,010) | (846,319) |
| % Variance | | -15% | -14% |
| VGM Net Win | \$6,745,335 | \$6,915,630 | \$6,915,629 |
| \$ Variance | | (170,295) | (170,294) |
| % Variance | | -2% | -2% |
| Revenue net of Statutories | \$ 4,730,260 | \$ 4,499,988 | \$ 4,444,392 |
| Operating Expenses | 3,627,672 | 3,489,644 | 3,576,051 |
| Earnings and Surcharge | 1,102,588 | 1,010,344 | 868,341 |
| Surcharge | 61,498 | 74,267 | 69,318 |
| Operational Earnings | \$ 1,041,090 | \$ 936,077 | \$ 799,023 |
| \$ Variance | | 105,013 | 242,067 |
| % Variance | | 11% | 30% |

* Earnings are computed and distributed on a quarterly basis

| <u>Segment Performance:</u> | July 2022 | July 2021 | July Plan |
|--|----------------------|----------------------|----------------------|
| BRANCH Earnings from Operations | \$ 209,623 | \$ 259,615 | \$ 272,392 |
| Less: G&A Allocation | 223,516 | 134,622 | 203,474 |
| <u>Earnings (Losses) net of G&A Allocation</u> | <u>\$ (13,893)</u> | <u>\$ 124,993</u> | <u>\$ 68,918</u> |
| \$ Variance | | (138,886) | (82,811) |
| % Variance | | -111% | -120% |
| BATAVIA DOWNS Earnings from Operations | \$ 1,376,627 | \$ 1,004,809 | \$ 1,022,910 |
| Less: G&A Allocation | 321,644 | 193,725 | 292,805 |
| <u>Earnings net of G&A Allocation</u> | <u>\$ 1,054,983</u> | <u>\$ 811,084</u> | <u>\$ 730,105</u> |
| \$ Variance | | 243,899 | 324,878 |
| % Variance | | 30% | 44% |
| GENERAL AND ADMINISTRATIVE expense | \$ 545,160 | \$ 328,347 | \$ 496,279 |
| \$ Variance | | 216,813 | 48,881 |
| % Variance | | 66% | 10% |
| <u>Net Cash Distributions to Municipalities:</u> | <u>July 2022</u> | <u>July 2021</u> | <u>July Plan</u> |
| SURCHARGE | \$ 61,498 | \$ 74,267 | \$ 69,318 |
| \$ Variance | | (12,769) | (7,820) |
| % Variance | | -17% | -11% |
| <u>Year to Date Surcharge and Net Revenue</u> | <u>July 2022</u> | <u>July 2021</u> | <u>July Plan</u> |
| SURCHARGE | \$ 434,875 | \$ 564,578 | \$ 564,001 |
| \$ Variance | | (129,703) | (129,126) |
| % Variance | | -23% | -23% |
| NET EARNINGS AVAILABLE FOR DISTRIBUTION | \$ 5,660,803 | \$ 2,519,611 | \$ 3,600,929 |
| \$ Variance | | 3,141,192 | 2,059,874 |
| % Variance | | 125% | 57% |
| TOTAL | \$ 6,095,678 | \$ 3,084,189 | \$ 4,164,930 |

CFO'S REPORT - July 2022

SUMMARY - WESTERN REGIONAL OTB CORPORATION - ALL LOCATIONS/DEPARTMENTS: ROUNDED

| | 2022 July | 2021 July | 2022 July Plan | 2022 Year To Date | 2021 Year To Date | 2022 Operating Plan YTD |
|---|--------------|--------------|-------------------|----------------------|----------------------|-------------------------------|
| HANDLE (includes Live) | \$5,130,000 | \$6,066,000 | \$5,976,000 | \$33,954,000 | \$42,082,000 | \$42,196,000 |
| \$ Variance | | (936,000) | (846,000) | | (8,128,000) | (8,242,000) |
| % Variance | | -15% | -14% | | -19% | -20% |
| VGM Net Win | \$6,745,000 | \$6,916,000 | \$6,916,000 | \$44,745,000 | \$35,690,000 | \$38,713,000 |
| \$ Variance | | (171,000) | (171,000) | | 9,055,000 | 6,032,000 |
| % Variance | | -2% | -2% | | 25% | 16% |
| Revenue and Expense: | | | | | | |
| Operating Revenue | 8,671,000 | 8,611,000 | 8,579,000 | 53,817,000 | 45,658,000 | 48,910,000 |
| \$ Variance | | 60,000 | 92,000 | | 8,159,000 | 4,907,000 |
| % Variance | | 1% | 1% | | 18% | 10% |
| Less: Statutory Expenses | 3,941,000 | 4,111,000 | 4,135,000 | 26,292,000 | 22,755,000 | 24,150,000 |
| \$ Variance | | (170,000) | (194,000) | | 3,537,000 | 2,142,000 |
| % Variance | | -4% | -5% | | 16% | 9% |
| Revenue before Operating Expenses | 4,730,000 | 4,500,000 | 4,444,000 | 27,525,000 | 22,903,000 | 24,760,000 |
| \$ Variance | | 230,000 | 286,000 | | 4,622,000 | 2,765,000 |
| % Variance | | 5% | 6% | | 20% | 11% |
| Less: Operating Expenses | 3,628,000 | 3,490,000 | 3,576,000 | 21,429,000 | 19,819,000 | 20,595,000 |
| \$ Variance | | 138,000 | 52,000 | | 1,610,000 | 834,000 |
| % Variance | | 4% | 1% | | 8% | 4% |
| Retained Surcharge/Net earnings | 1,103,000 | 1,010,000 | 868,000 | 6,096,000 | 3,084,000 | 4,165,000 |
| \$ Variance | | 93,000 | 235,000 | | 3,012,000 | 1,931,000 |
| % Variance | | 9% | 27% | | 98% | 46% |
| Retained Surcharge | 61,000 | 74,000 | 69,000 | 435,000 | 565,000 | 564,000 |
| \$ Variance | | (13,000) | (8,000) | | (130,000) | (129,000) |
| % Variance | | -18% | -12% | | -23% | -23% |
| Net Earnings(Losses) from Operations | 1,041,000 | 936,000 | 799,000 | 5,661,000 | 2,519,000 | 3,601,000 |
| \$ Variance | | 105,000 | 242,000 | | 3,142,000 | 2,060,000 |
| % Variance | | 11% | 30% | | 125% | 57% |
| PPP Forgiveness | 0 | 0 | 0 | 81,000 | 3,152,000 | 0 |
| Earnings (Losses) Net of PPP Forgiveness | 1,041,000 | 936,000 | 799,000 | 5,742,000 | 5,671,000 | 3,601,000 |
| \$ Variance | | 105,000 | 242,000 | | 71,000 | 2,141,000 |
| % Variance | | 11% | 30% | | 1% | 59% |
| | | | | Earnings | | |
| | | | | Operational | allocated to | Distributable |
| | | | | Earnings | CAF | Earnings |
| 1st Qtr. Operational Earnings* | | | | \$1,917,539 | \$125,604 | \$1,791,935 |
| \$ Variance | | | | | | \$174,952 |
| % Variance | | | | | | 924% |
| 2nd Qtr. Operational Earnings* | | | | \$2,702,174 | \$153,979 | \$2,548,195 |
| \$ Variance | | | | | | \$1,051,606 |
| % Variance | | | | | | 142% |
| 3rd Qtr. Operational Earnings* | | | | \$1,041,090 | \$0 | \$1,041,090 |
| \$ Variance | | | | | | \$936,077 |
| % Variance | | | | | | 11% |
| PPP Forgiveness** | | | | \$81,335 | \$0 | \$0 |
| Total YTD | | | | \$5,742,138 | \$279,583 | \$5,381,220 |
| \$ Variance | | | | | | \$2,162,635 |
| % Variance | | | | | | 149% |
| * Available for Distribution | | | | | | |
| **The Hotel at Batavia Downs PPP loan was fully forgiven by the SBA on 3/12/2022. | | | | | | |
| Resolution 39-2022 removes these forgiven funds from member distributions as funds were used during the COVID-19 pandemic for their intended purpose. | | | | | | |

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

ADVERTISING AND PROMOTIONS COMMITTEE AGENDA

Wednesday, August 24, 2022

2:30 P.M.

Susan May, Chairperson
Ken Lauderdale, Vice-Chairman
Richard Bianchi, Member
Edward Morgan, Member

Paul Lattimore Jr. Member
Michelle Parmer-Garner, Member
Richard Ricci, Member

AGENDA

1. Gaming/Branch Marketing Update R. Hasenauer

2. Resolution #79-2022 R. Hasenauer
 Tops Friendly Markets

RESOLUTION #79-2022

WHEREAS, as part of its ongoing patron attraction and retention program for the hotel, Western Regional Off-Track Betting Corporation (“Western”) purchases various promotional items that are given away to patrons of Batavia Gaming and Hotel; and

WHEREAS, Western wishes to promote the Hotel at Batavia Downs by offering a Tops Friendly Markets (“Tops”) gift card with eligible hotel stays from July 2022 until December 2022; and

WHEREAS, Staff requests that the Board approve the purchase from single source provider Tops, \$20.00 gift cards in the amount of \$50,000 to be used toward a promotion for the Hotel at Batavia Downs in order to encourage stays; and therefore

BE IT RESOLVED, that the Board of Directors of Western hereby acknowledges and approves that Western purchase \$20.00 Tops gift cards for use in a promotion for the Hotel at Batavia Downs in the total amount of \$50,000.00; and further

RESOLVED, that the Board of Directors of Western hereby authorizes an officer of Western to execute any such agreements in furtherance of this resolution.

Respectfully submitted,

Susan May, Chairperson
Advertising & Promotions Committee

Dated: August 25, 2022
Batavia, New York

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

LEGISLATIVE COMMITTEE

**Wednesday – August 24, 2022
3:00 p.m.**

Mark Bombardo, Chairman
Richard Siebert, Vice Chairman
Richard Bianchi, Member
Edward Morgan, Member

Paul Lattimore, Jr., Member
Phil Barnes, Member
Mark Burr, Member

AGENDA

1. Legislative Update

H. Wojtaszek

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BRANCH OPERATIONS COMMITTEE MEETING

**Wednesday, August 24, 2022
3:30 P.M.**

Michelle Parmer-Garner, Chairperson
Michael Horton, Vice-Chairperson

Richard Bianchi, Member
Mark Bombardo, Member
Mark Burr, Member
Edward Morgan, Member
Francis Warthling, Member

AGENDA

- 1) Branch Update
- Dina Pane
- 2) E-Z Bet Update
- Dina Pane
- 3) Batavia Bets Update
- Dina Pane

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

INSURANCE COMMITTEE
Wednesday August 24, 2022
3:45p.m.

Susan May, Chairperson
Dennis Bassett, Vice-Chairman
Richard Bianchi, Member
Edward Morgan, Member
Richard Ricci, Member

Richard Ricci, Member
Mark Burr, Member
Francis Warthling, Member

AGENDA

1. Health Insurance Update

H. Wojtaszek

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BATAVIA DOWNS OPERATIONS COMMITTEE

Thursday – August 25, 2022
9:00 A.M.

Edward Morgan, Chairman
Richard Siebert, Vice-Chairman
Richard Bianchi, Member

Ken Lauderdale, Member
Elliott Winter, Member
Thomas Wamp, Member
Mark Bombardo, Member

AGENDA

- | | |
|------------------------------------|---------------|
| 1. Gaming Floor Update | S. Schiano |
| 2. Live Racing Update | D. Hoover |
| 3. HISA Update | M. Loewe |
| 4. Hotel Update | H. Wojtaszek |
| 5. Park Road Update | H. Wojtaszek |
| 6. Concert Update | H. Wojtaszek |
| 7. Resolution #80-2022 Sysco | S. Kiedrowski |
| 8. Resolution #81-2022 US Foods | S. Kiedrowski |

RESOLUTION #80-2022

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation (“Western”) to provide the best dining experience to its patrons at Western’s Batavia Downs restaurants; and

WHEREAS, Western had previously approved a purchase order for food and related items from Sysco Food Services (“Sysco”); and

WHEREAS, Western requires a supplemental purchase order in the amount of \$135,000.00 for use by the Food and Beverage Department through the end of 2022; and

WHEREAS, staff requests that the Board of Directors of Western approve a supplemental purchase order in an amount not to exceed \$135,000.00 with Sysco for food and related items through the end of 2022; now therefore

BE IT RESOLVED, that the Western’s Board of Directors hereby approves a supplemental purchase order in an amount not to exceed \$135,000.00 from Sysco through the end of 2022; and

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

Respectfully submitted,

Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: August 25, 2022
Batavia, New York

RESOLUTION #81-2022

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to provide the best dining experience to its patrons at Western's Batavia Downs restaurants; and

WHEREAS, Western had previously approved a blanket purchase order for the purchase of various food commodities and related items from US Foodservice Inc. ("US Food") for the 2022 calendar year; and

WHEREAS, Western requires a supplemental blanket purchase order in the amount of \$135,000.00 for use by the Food & Beverage Department through 2022; and

WHEREAS, staff requests that the Board of Directors of Western approve a supplemental blanket purchase order in an amount not to exceed \$135,000.00 with US Food for the purchase of various food commodities and related products through the end of 2022; now therefore

BE IT RESOLVED, that the Western's Board of Directors hereby approves a supplemental blanket purchase order in an amount not to exceed \$135,000.00 from US Food through the end of 2022; and

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

Respectfully submitted,

Edward Morgan, Chairman
Batavia Downs Operations Committee

Dated: August 25, 2022
Batavia, New York