

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 19th day of January 2023 and commencing at 10:00 a.m. in the *Boardroom*, Corporate Headquarters at 8315 Park Road Batavia, New York.

Participating were:

Cattaraugus	Mark C. Burr
Chautauqua	Vincent W. Horrigan
Erie	Francis Warthling
Genesee	Richard E. Siebert
Livingston	Thomas P. Wamp
Monroe	Richard D. Bianchi
Orleans	Edward F. Morgan
Oswego	Mark Bombardo
Rochester	Dennis Bassett
Seneca	Richard Ricci
Steuben	Michael Horton
Wayne	Ken Lauderdale
Wyoming	Susan May

Absent:

Buffalo	Parmer-Garner
Cayuga	Lattimore
Schuyler	Barnes
Niagara	Winter

constituting the Directors of all participating municipalities.

Also participating were Henry F. Wojtaszek, President & CEO; Scott Kiedrowski, Vice President Operations; Jacquelyne A. Leach, Chief Financial Officer; William R. White, Vice President – Administration; Mark J. Gabriele, Associate Counsel; Steven Haigh, Internal Auditor, Ryan Hasenauer, Director of Marketing; Mike Pettinella, The Batavian.

A roll of the membership of the Board having been called, Mr. Scott P. Kiedrowski, Vice President - Operations declared a quorum present.

Chairman Richard D. Bianchi asked members for a moment of silence in memory of Ms. Beverly Mazur, former Erie County Director who passed away in December.

Chairman Richard D. Bianchi proceeded to conduct the meeting following the published Agenda for this regular meeting.

Chairman Bianchi asked Director Warthling to lead the assemblage in the Pledge of Allegiance.

Chairman Bianchi asked Director Wamp to proceed as temporary Chairman. Director Wamp continued to conduct the annual nomination proceeding for Chairman of the Board.

Director Wamp asked for nominations from the floor for the position of the Chairman of the Board of Directors. Director Bassett nominated Director Bianchi. Director Ricci seconded the nomination. Director Wamp moved to close the request for nominations seconded by Director Horrigan. A voice vote was taken; Ayes: 12; Abstain: 1; Bianchi; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes.

Newly elected Chairman Bianchi thanked the members of the Board. He asked if there were nominations from the floor for Vice-Chairman. Director Siebert nominated Director Morgan. Director May seconded the nomination. A voice vote was taken; Ayes: 12; Abstain: 1; Morgan; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes.

Newly elected Vice-Chairman Morgan thanked the members of the Board and looks forward to serving as Vice-Chairman.

Approval of Previous Minutes:

Chairman Bianchi called for amendments, additions, deletions, or corrections to the minutes of the previous meeting of December 1st, 2022. There being none, a motion was made by Director Bassett and seconded by Director Horton to approve the December minutes as submitted. The minutes were approved unanimously by voice vote.

Communications:

Mr. Scott P. Kiedrowski informed the members of the following thank you notes.

A thank you note from Debra and Brian Ferries to express their appreciation for their visit and overnight stay at Batavia Downs Gaming & Hotel.

A thank you note from Ms. Mary Manard Reed, Marketing and Outreach Director and Holly Anderson, Executive Director from Breast Cancer Coalition for Night at the Races Fundraiser.

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Communications continued:

A thank you note from Mr. Benjamin Marchione, Regional Director Western New York, for the donation from the Make -A-Wish chair sales from the 2022 Rockin' the Downs Concert Series.

Personnel Committee Report:

Committee Chairman Wamp reported that the Personnel Committee meeting was held on Wednesday January 18, 2023, at 1:08 p.m.

Director Wamp reported that Mr. William White explained to the Committee the need for the position of Director of Human Resources. Mr. Wojtaszek explained that HR Buffalo recommended that we create this position, and that management agrees with their assessment. Mr. Wojtaszek and Mr. White explained that they believe we have multiple internal candidates that will be capable of filling the position.

A motion was made by Director May, seconded by Director Bassett, and carried unanimously to create the position of Director of Human Resources.

Director Wamp reported that coaching with Mind Squad Consulting LLC for Mr. Wojtaszek and Mr. White will begin on January 20, 2023.

Mr. Wamp Director Winter made a motion to go into Executive Session at 1:41 p.m., seconded by Director Bianchi, 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 2:21 p.m. they exited the Executive Session.

In executive session, a discussion took place regarding the successful year Western had during difficult economic times in 2022, including an unprecedented increase in revenues for the year. Credits played topped one billion for the first time ever. Net win totaled over 76 million dollars, setting a new record. Distributions to member municipalities were over 9.2 million, the highest amount ever returned to our communities by WROTBC.

Personnel Committee Report continued:

President Wojtaszek has provided either salary increase or bonus to approximately 20 key personnel that had a role in the 2022 outstanding results. Discussions took place regarding the Board's desire and sole authority to provide a bonus to the officers of Western. It was confirmed that it is the Board that sets compensation for the officers of Western, including any such bonus.

Various Board Members spoke out on the outstanding performance of the officers in 2022, including overcoming a challenging and stressful economic environment. After a discussion, a motion was made by Director Bianchi, seconded by Director Morgan to award a discretionary bonus to President/CEO Henry Wojtaszek in the amount of \$12,000, to award VP Scott Kiedrowski, VP William White and CFO Jackie Leach a discretionary bonus in the amount of \$6,000 each. The motion passed. Ayes 13; Nays 0; Absent 4 (Parmer-Garner, Winter, Barnes, Lattimore)

Upon motion made by Director Bassett, seconded by Director May, the Personnel Committee was adjourned at 2:22.

Finance Committee Report:

Committee Chairman Lauderdale reported that the Finance Committee meeting was held on Wednesday January 19, 2023, at 2:33 p.m.

Staff is recommending Western accept the proposal from United Tote to provide a totalizator system and enter into a five (5) year agreement as per the amounts set forth in the resolution.

Upon motion by Director Lauderdale and seconded by Director Bombardo a roll call vote was taken to approve a totalizator system and enter into a five (5) year agreement with United Tote as per the amounts set forth. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 01-2023.**

Western is required to comply with year-end non-cash actuarial adjustments related to GASB 68 (Accounting and Financial Reporting for Pensions) and GASB 75 (Accounting and Financial Reporting for Post-Employment Benefits).

Resolution 17-2023 requests that these non-cash transactions be excluded from the determination of its revenue distributions to participating municipalities.

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Finance Committee Report continued:

Upon motion by Director Lauderdale and seconded by Director Bombardo a roll call vote was taken to approve the requests that these non-cash transactions be excluded from the determination of its revenue distributions to participating municipalities GASB 68 and GASB 75. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 17-2023.**

Upon motion by Director Horton and seconded by Director Morgan the Finance Committee meeting adjourned at 3:01 p.m.

Advertising & Promotions Committee Report:

Committee Chairperson May reported that the Advertising & Promotions Committee meeting held on Wednesday January 18, 2023, at 3:05p.m.

Director May reported that a presentation was made at the committee meeting showing upcoming hotel offers, also, photos from the onsite events like the Sold-Out New Year's Eve Party, Marsha McWilson, and the Polka Buzz. Mr. Hasenauer also shared the upcoming events which include the Bourbon and BBQ Dinner, Million Dollar Dice Roll and The Legends and Stars expo.

Resolution 02-2023 for Mark-It-Smart, the lowest responsible bidder to purchase promotional items to be given away to various patrons of Batavia Gaming in the total amount of \$51,878.96 was presented to the Board.

Upon motion by Director May and seconded by Director Horton a roll call vote was taken to approve the purchase of promotional items to be given away to various patrons of Batavia Gaming in the total amount of \$51,878.96. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 02-2023.**

Resolution 03-2023 to purchase a licensing fee and tickets to utilize a suite from Buffalo Bills LLC, for the Buffalo Bills 2023, 2024, 2025, and 2026 season was presented to the Board.

Upon motion by Director May and seconded by Director Siebert a roll call vote was taken to approve the purchase of a licensing fee and tickets to utilize a suite from Buffalo Bills LLC, for the Buffalo Bills not to exceed \$109,000 for 2023, \$113,000 for

Advertising & Promotions Committee Report continued:

2024, \$117,000 for 2025, and \$117,000 for 2026 season. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 03-2023.**

Resolution 04-2023 to consider a supplement for the remainder of 2022 from Valpak Print Advertising in the amount not to exceed \$15,000.00 was presented to the Board.

Upon motion by Director May and seconded by Director Burr a roll call vote was taken to approve the supplement for the remainder of 2022 from Valpak Print Advertising in the amount not to exceed \$15,000.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 04-2023.**

Resolution 05-2023 to supplement the prior \$20,000.00 approved 2023 amount with Valpak Print Advertising not to exceed and additional \$45,000.00 for 2023 was presented to the Board.

Upon motion by Director May and seconded by Director Burr a roll call vote was taken to approve the supplement for the remainder of 2022 from Valpak Print Advertising in the amount not to exceed \$15,000.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 05-2023.**

Upon motion by Director May and seconded by Director Morgan, the Advertising & Promotions Committee meeting adjourned at 3:21 p.m.

Legislative Committee Report:

Committee Chairman Bombardo reported the Legislative meeting was held on Wednesday January 18, 2023, at 3:23 p.m.

Director Bombardo reported that a brief Legislative discussion was held, and that Mr. Wojtaszek will be meeting with Senator Kennedy and Crystal Peoples-Stokes in early February.

Director Bombardo reported that Mr. Wojtaszek will be attending the NYGA meeting in Albany on January 24, and also attending the I Gaming conference in Albany on March 7, 2023.

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Legislative Committee Report continued:

A motion by Director Bianchi and seconded by Director Horrigan the Legislative Committee adjourned at 3:29 p.m.

Branch Operations Committee Report:

Committee Chairman Horton reported the Branch Operations Committee meeting was held on Wednesday January 18, 2023, at 3:34 p.m.

Director Horton reported that improvements are being made at the River Road Branch, including painting and a new awning and they are waiting for a quote from a vendor for flooring in the bathrooms and the branch. Repairs have been made at the Marway Branch due to a pipe burst during the holidays.

Director Horton reported that changes were made to the Batavia ITW schedule and staffing, including eliminating the Supervisor position, to better reflect the current handle trends. The Branch will be closed on Wednesdays and Thursdays during the months of January and February due to NYRA dark days.

Director Horton reported that Southside in Hornell has received approval from the NYS Gaming Commission, and they are hoping for a soft opening in the beginning of February followed by a Grand Opening party a few weeks later. Approval for Salvatore's Saloon in Monroe County is still pending.

Scruples in Newfane has closed as an E-Z Bet location as of January 1st and there are no plans to look for another in that area. An E-Z Bet Appreciation Dinner is scheduled for January 30th at 4:00 p.m. at Batavia Downs Gaming.

Mr. Horton reported that Batavia Bets in comparison to 2021 and 2022 we are down 15%. The first two weeks of January were down 8%. This is when Sports Betting first took effect last year.

Mr. Horton reported that the sale of the Military Road location was finalized on January 23, 2023.

Upon motion by Director Burr and seconded by Director Warthling the Branch Operations Committee adjourned at 3:43 p.m.

Insurance Committee Report:

Committee Chairperson May reported that the Insurance meeting was held on Wednesday January 18, 2023, at 3:43 p.m.

Director May reported a discussion was held regarding professional services of an insurance consultant from which Western received two proposals to act as an independent consultant to assist Western in its review of existing corporate policies.

Upon motion by Director May and seconded by Director Burr a roll call vote was taken and passed unanimously to engage the services of CIC Group. Ayes: 12; Nays: 0; Abstain: 1 Siebert Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 16-2023.**

A motion by Director Bassett and seconded by Director Burr the Insurance Committee adjourned at 3:49 p.m.

Audit Committee Report:

The Audit Committee did not meet.

Batavia Downs Operations Committee Report:

Committee Chairman Morgan reported the Batavia Downs Operations Committee meeting was held on Thursday January 19, 2023, at 9:04 a.m.

Director Morgan reported that Sean Schiano, General Manager-Gaming provided gaming statistics to the Committee.

Director Morgan reported that Mr. Don Hoover, Director/GM Live Racing/Race Secretary provided a winter live racing update.

Director Morgan reported Mr. Michael Prinzi was on site to share a proposal for car charging stations from PPR Energy Solutions after a discussion members asked Mr. Prinzi to revisit with a second proposal.

Batavia Downs Operations Committee Report continued:

Resolution 06-2023 was presented for Extreme Streetwear supplemental in an amount not to exceed \$5,000.00 for the remainder of 2022.

Upon motion by Director Morgan and seconded by Director Bombardo a roll call vote was taken to approve the Extreme Streetwear supplemental in an amount not to exceed \$5,000.00 for the remainder of 2022 Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 06-2023.**

Resolution 07-2023 was presented for Tops Friendly Markets to purchase \$20 gift cards to be used toward a promotion for the Hotel at Batavia Downs for 2023 in an amount not to exceed \$100,000.00.

Upon motion by Director Morgan and seconded by Director Lauderdale a roll call vote was taken to approve the purchase of \$20 gift cards to be used toward a promotion for the Hotel at Batavia Downs for 2023 in an amount not to exceed \$100,000.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 07-2023.**

Resolution 08-2023 was presented for Napa Supplemental for the remainder of 2022 in the total annual amount of \$20,000.00 for the remainder of 2022.

Upon motion by Director Morgan and seconded by Director Bombardo a roll call vote was taken to approve the Napa Supplemental for the remainder of 2022 in the total annual amount of \$20,000.00 for the remainder of 2022. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 08-2023.**

Resolution 09-2023 was presented for Napa for the 2023 year in the total annual amount of \$20,000.00.

Upon motion by Director Morgan and seconded by Director Siebert a roll call vote was taken to approve Napa for the 2023 year in the total annual amount of \$20,000.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 09-2023.**

Resolution 10-2023 was presented for Tarantino Foods Supplemental in an amount not to exceed \$15,000.00 for the remainder of 2022.

Batavia Downs Operations Committee Report continued:

Upon motion by Director Morgan and seconded by Director May a roll call vote was taken to approve Tarantino Foods Supplemental in an amount not to exceed \$15,000.00 for the remainder of 2022. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 10-2023.**

Resolution 11-2023 was presented for US Foods Supplemental in an amount not to exceed \$35,000.00 for the remainder of 2022.

Upon motion by Director Morgan and seconded by Director Horrigan a roll call vote was taken to approve the US Foods Supplemental in an amount not to exceed \$35,000.00 for the remainder of 2022. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 11-2023.**

Resolution 12-2023 was presented for Great Lakes Environmental & Safety Consultants, Inc. to provide continual workplace safety compliance for an additional one (1) year period in an amount not to exceed \$19,200.00.

Upon motion by Director Morgan and seconded by Director Lauderdale a roll call vote was taken to approve Great Lakes Environmental & Safety Consultants, Inc. to provide continual workplace safety compliance for an additional one (1) year period in an amount not to exceed \$19,200.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 12-2023.**

Resolution 13-2023 was presented for Schneiders Seafood & Meats for the additional amount of \$10,000.00 for the remainder of 2022.

Upon motion by Director Morgan and seconded by Director Horrigan a roll call vote was taken to approve Schneiders Seafood & Meats for the additional amount of \$10,000.00 for the remainder of 2022. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 13-2023.**

Resolution 14-2023 was presented for WNY Tile for LVT tile flooring in the amount not to exceed \$24,962.98.

Upon motion by Director Morgan and seconded by Director Bombardo a roll call vote was taken to approve WNY Tile for LVT tile flooring in the amount not to exceed \$24,962.98. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 14-2023.**

Batavia Downs Operations Committee Report continued:

Resolution 15-2023 was presented for Kim Crawford for the January & February winter racing in the amount of \$21,667.00.

Upon motion by Director Morgan and seconded by Director Horton a roll call vote was taken to approve Kim Crawford for the January & February winter racing in the amount of \$21,667.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 15-2023.**

Resolution 141-2022A was presented for the Food and Beverage Vendors for 2023 (attached list) in the amount of \$2,325,000.00.

Upon motion by Director Morgan and seconded by Director Horrigan a roll call vote was taken to approve the Food and Beverage Vendors for 2023 (attached list) in the amount of \$2,325,000.00. Ayes: 13; Nays: 0; Absent: 4; Parmer-Garner; Lattimore; Winter; Barnes. **See Resolution 141-2022A.**

Upon motion by Director Bombardo and seconded by Director Siebert the Batavia Downs Operations Committee adjourned at 9:56 a.m.

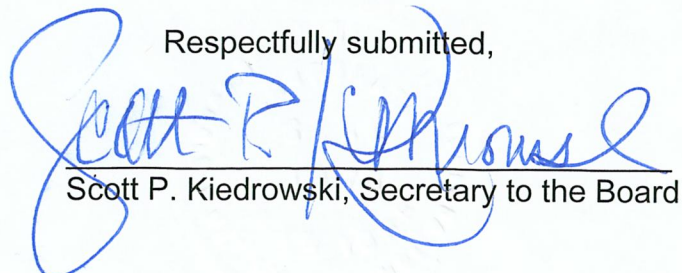
New Business:

The next Committee and Board meeting is scheduled for February 22, and February 23, 2023, respectively.

Adjournment:

Upon motion made by Director Horton to adjourn seconded by Director Bombardo the meeting was adjourned at 10:58 a.m.

Respectfully submitted,



Scott P. Kiedrowski, Secretary to the Board