

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BOARD OF DIRECTORS MEETING

January 23, 2025

10:00 a.m.

Batavia, New York

AGENDA

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

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Finance Committee Meeting
Wednesday – January 22, 2025
2:00p.m.
Batavia, New York

Michael Horton, Chairman
Vincent Horrigan, Vice Chairman
Edward Morgan, Member
Paul Bartow, Member

Dennis Bassett, Member
Elliott Winter, Member
Terrance Baxter, Member
Kyle Black, Member

AGENDA

1. Executive Session

- a. Executive session for the discussion of the legal, 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.

2. Resolution 03-2025 – Erie Co. Snowplowing - M. Glor
- ABC Cleaning Services
3. Resolution 04-2025 – Niagara Co. Snowplowing - M. Glor
- ABC Cleaning Services
4. Chief Financial Officer Report & BDG Financials - J. Leach
- November 2024
5. Regional VGM Numbers - J. Leach

RESOLUTION - #03-2025

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation (“Western”) to maintain facilities in Erie County for patronage by its customers; and

WHEREAS, Western previously invited bids for a two (2) year cleaning service contract; with an option to renew; and

WHEREAS, on February 9, 2023, a public bid was held, and proposals were opened and read. The Board of Directors accepted the bid of ABC Cleaning Services, Buffalo, for such Erie County cleaning contract; and

WHEREAS, the ABC Cleaning Services bid was for a monthly cost of \$8,905.97 for the term of March 1, 2023 through February 28, 2025 with an option to renew at the same terms and pricing of the original bid; and

WHEREAS, staff recommends that Western exercise the option to renew with ABC Cleaning Services for an additional two years, March 1, 2025 through February 28, 2027 at a monthly cost of \$8,905.97; and now therefore

BE IT RESOLVED, that Western’s Board of Directors hereby authorizes the exercise of the option with ABC Cleaning Services for the term of March 1, 2025 through February 28, 2027 at a monthly cost of \$8,905.97; and

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

Respectfully submitted,

Dated: January 22, 2025
 Batavia, New York

RESOLUTION - #04-2025

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to maintain its facility in Niagara County for patronage by its customers and;

WHEREAS, Western previously invited bids for a two (2) year cleaning service contract; with an option to renew; and

WHEREAS, on February 9, 2023, a public bid was held, and proposals were opened and read. The Board of Directors accepted the bid of ABC Cleaning Services, Buffalo, New York for such Niagara County cleaning contract; and

WHEREAS, the ABC Cleaning Services bid was for a monthly cost of \$2,901.93 for the term of March 1, 2023 through February 28, 2025 with an option to renew at the same terms and pricing of the original bid; and

WHEREAS, staff recommends that Western exercise the option to renew with ABC Cleaning Services for an additional two years, March 1, 2025 through February 28, 2027 at a monthly cost of \$2,901.93; and now therefore

BE IT RESOLVED, that Western's Board of Directors hereby authorizes the exercise of the option with ABC Cleaning Services for the term of March 1, 2025 through February 28, 2027 at a monthly cost of \$2,901.93; and

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

Respectfully submitted,

Dated: January 22, 2025
Batavia, New York

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

| <u>Operational Results - November 2024</u> | <u>November 2024</u> | <u>November 2023</u> | <u>November Plan</u> |
|--|----------------------|----------------------|----------------------|
| Total Handle | \$3,706,763 | \$3,744,014 | \$3,667,018 |
| \$ Variance | | (37,251) | 39,745 |
| % Variance | | -1% | 1% |
| VGM Net Win | \$6,942,828 | \$6,300,731 | \$7,270,015 |
| \$ Variance | | 642,098 | (327,187) |
| % Variance | | 10% | -5% |
| Revenue net of Statutories | \$ 4,224,824 | \$ 3,843,420 | \$ 4,178,565 |
| Operating Expenses | 3,920,588 | 3,327,436 | 3,626,104 |
| Earnings and Surcharge | 304,236 | 515,984 | 552,461 |
| Surcharge | 43,854 | 44,901 | 45,107 |
| Operational Earnings (Losses) | \$ 260,382 | \$ 471,083 | \$ 507,354 |
| \$ Variance | | (210,701) | (246,972) |
| % Variance | | -45% | -49% |

* Earnings are distributed on a quarterly basis

| <u>Segment Performance:</u> | <u>November 2024</u> | <u>November 2023</u> | <u>November Plan</u> |
|--|----------------------|----------------------|----------------------|
| BRANCH Earnings from Operations | \$ 81,415 | \$ 120,330 | \$ 81,112 |
| Less: G&A Allocation | 219,005 | 192,144 | 178,784 |
| <u>Earnings (Losses) net of G&A Allocation</u> | <u>\$ (137,590)</u> | <u>\$ (71,814)</u> | <u>\$ (97,672)</u> |
| \$ Variance | | (65,726) | (39,918) |
| % Variance | | -92% | -41% |
| BATAVIA DOWNS Earnings from Operations | \$ 908,983 | \$ 899,737 | \$ 1,022,189 |
| Less: G&A Allocation | 511,011 | 356,840 | 417,163 |
| <u>Earnings net of G&A Allocation</u> | <u>\$ 397,972</u> | <u>\$ 542,897</u> | <u>\$ 605,026</u> |
| \$ Variance | | (144,925) | (207,054) |
| % Variance | | -27% | -34% |
| GENERAL AND ADMINISTRATIVE expense | \$ 730,015 | \$ 548,984 | \$ 595,947 |
| \$ Variance | | 181,031 | 134,068 |
| % Variance | | 33% | 22% |
| <u>Net Cash Distributions to Municipalities:</u> | <u>November 2024</u> | <u>November 2023</u> | <u>November Plan</u> |
| SURCHARGE | \$ 43,854 | \$ 44,901 | \$ 45,107 |
| \$ Variance | | (1,047) | (1,253) |
| % Variance | | -2% | -3% |
| <u>Year to Date Surcharge and Net Revenue</u> | <u>November 2024</u> | <u>November 2023</u> | <u>November Plan</u> |
| SURCHARGE | \$ 500,910 | \$ 582,003 | \$ 549,990 |
| \$ Variance | | (81,093) | (49,080) |
| % Variance | | -14% | -9% |
| NET EARNINGS AVAILABLE FOR DISTRIBUTION | \$ 6,910,710 | \$ 8,719,315 | \$ 8,372,587 |
| \$ Variance | | (1,808,605) | (1,461,877) |
| % Variance | | -21% | -17% |
| TOTAL | \$ 7,411,620 | \$ 9,301,318 | \$ 8,922,577 |

CFO'S REPORT - November 2024

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

| | 2024 November | 2023 November | 2024 November Plan | 2024 Year To Date | 2023 Year To Date | 2024 Operating Plan YTD |
|---|--------------------|--------------------|-----------------------|----------------------|----------------------|-------------------------------|
| HANDLE (includes Live) | \$3,707,000 | \$3,744,000 | \$3,667,000 | \$42,285,000 | \$47,441,000 | \$43,455,000 |
| \$ Variance | | (37,000) | 40,000 | | (5,156,000) | (1,170,000) |
| % Variance | | -1% | 1% | | -11% | -3% |
| VGM Net Win | \$6,943,000 | \$6,301,000 | \$7,270,000 | \$81,069,000 | \$77,716,000 | \$81,849,000 |
| \$ Variance | | 642,000 | (327,000) | | 3,353,000 | (780,000) |
| % Variance | | 10% | -4% | | 4% | -1% |
| Revenue and Expense: | | | | | | |
| Operating Revenue | 8,109,000 | 7,414,000 | 8,197,000 | 93,475,000 | 91,209,000 | 94,135,000 |
| \$ Variance | | 695,000 | (88,000) | | 2,266,000 | (660,000) |
| % Variance | | 9% | -1% | | 2% | -1% |
| Less: Statutory Expenses | 3,884,000 | 3,571,000 | 4,018,000 | 45,279,000 | 44,187,000 | 45,642,000 |
| \$ Variance | | 313,000 | (134,000) | | 1,092,000 | (363,000) |
| % Variance | | 9% | -3% | | 2% | -1% |
| Revenue before Operating Expenses | 4,225,000 | 3,843,000 | 4,179,000 | 48,196,000 | 47,022,000 | 48,493,000 |
| \$ Variance | | 382,000 | 46,000 | | 1,174,000 | (297,000) |
| % Variance | | 10% | 1% | | 2% | -1% |
| Less: Operating Expenses | 3,921,000 | 3,327,000 | 3,626,000 | 40,786,000 | 37,720,000 | 39,586,000 |
| \$ Variance | | 594,000 | 295,000 | | 3,066,000 | 1,200,000 |
| % Variance | | 18% | 8% | | 8% | 3% |
| Retained Surcharge/Net earnings | 304,000 | 516,000 | 552,000 | 7,410,000 | 9,302,000 | 8,907,000 |
| \$ Variance | | (212,000) | (248,000) | | (1,892,000) | (1,497,000) |
| % Variance | | -41% | -45% | | -20% | -17% |
| Retained Surcharge | 44,000 | 45,000 | 45,000 | 501,000 | 582,000 | 550,000 |
| \$ Variance | | (1,000) | (1,000) | | (81,000) | (49,000) |
| % Variance | | -2% | -2% | | -14% | -9% |
| Net Earnings(Losses) from Operations | 260,000 | 471,000 | 507,000 | 6,909,000 | 8,720,000 | 8,357,000 |
| \$ Variance | | (211,000) | (247,000) | | (1,811,000) | (1,448,000) |
| % Variance | | -45% | -49% | | -21% | -17% |

| | Operational Earnings | Earnings allocated to CAF | Distributable Earnings | | |
|---------------------------------------|-------------------------|---------------------------------|---------------------------|--------------------|--------------------|
| 1st Qtr. Operational Earnings* | \$1,980,231 | \$95,589 | \$1,884,642 | \$2,116,946 | \$2,349,103 |
| \$ Variance | | | | (232,304) | (464,461) |
| % Variance | | | | -11% | -20% |
| 2nd Qtr. Operational Earnings* | \$2,218,870 | \$125,187 | \$2,093,683 | \$2,527,528 | \$2,505,971 |
| \$ Variance | | | | (433,845) | (412,288) |
| % Variance | | | | -17% | -16% |
| 3rd Qtr. Operational Earnings* | \$1,746,606 | \$110,785 | \$1,635,821 | \$2,613,323 | \$2,397,433 |
| \$ Variance | | | | (977,502) | (761,612) |
| % Variance | | | | -37% | -32% |
| 4th Qtr. Operational Earnings* | \$965,003 | \$0 | \$965,003 | \$1,078,193 | \$1,120,080 |
| \$ Variance | | | | (113,190) | (155,077) |
| % Variance | | | | -10% | -14% |
| Total YTD | \$6,910,710 | \$331,561 | \$6,579,149 | \$8,335,990 | \$8,372,587 |
| \$ Variance | | | | (1,756,841) | (1,793,438) |
| % Variance | | | | -21% | -21% |
| * Available for Distribution | | | | | |

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

PERSONNEL COMMITTEE MEETING

Wednesday, January 22, 2025

1:00 p.m.

Batavia, New York

Elliott Winter, Chairperson
Vincent Horrigan, Vice-Chairperson
Mark Burr, Member

Dennis Bassett, Member
Edward Morgan, Member
Susan May, Member
Patricia Marini, Member

AGENDA

1. Executive Session

a. Executive session for the discussion of the legal, 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.

2. Salary Grade Updates

- (Executive Office Manager and General Counsel positions)
- D. Fleming

3. Resolution 21-2025

- Executive Officer Manager - D. Fleming

4. Contracts

- Chief Administrative Officer/Chief of Staff - D. Fleming
- Director of Communications
- Chief Financial Officer

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BATAVIA DOWNS OPERATIONS COMMITTEE

Wednesday – January 22, 2025

3:00 p.m.

Batavia, New York

Edward Morgan - Chairperson
Charles Zambito - Vice-Chairperson
Dennis Bassett - Member
Kyle Black - Member

Paul Bartow – Member
Michael Horton - Member
Mark Bombardo - Member
Patricia Marini - Member

AGENDA

1. Executive Session

- a. Executive session for the discussion of the legal, 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.

2. Live Racing Update

- D. Hoover

3. Gaming Floor Update

- S. Schiano

4. Resolution 02-2025

- Barre Stone Products Inc.

- S. Kiedrowski

5. Resolution 05-2025

- Sysco Syracuse LLC

- S. Kiedrowski

RESOLUTION - #02-2025

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation (“Western”) to operate its various locations including its Batavia Downs Gaming location in a safe and efficient manner, while providing the best experience available to our patrons and employees; and

WHEREAS, Western requires aggregate stone materials to maintain the racetrack as well as ice control sand; and

WHEREAS, Western placed legal notices for public bids in Buffalo, Rochester and Batavia and as a result sent bid specification packages to three vendors; and

WHEREAS, Western received one response, that being from Barre Stone Products, Inc. West Lee Road, Albion, NY with the following pricing:

Item 1: ¼ inch screenings

Truckload per ton - \$18.50

Delivery per ton - \$7.25; and

Item 2: Ice control sand

Truckload per ton - \$19.50

Delivery per ton - \$7.25; and

WHEREAS, the bid pricing received will result in an annual not to exceed amount of \$50,000.00, which sum is an estimated annual cost savings of \$6,000.00 compared to previous pricing; and

WHEREAS, staff recommends that Western accept the bid from Barre Stone Products, Inc. in an amount not to exceed \$50,000.00 annually with a 2 year contract, 1/31/25 – 12/31/27, with 2 year options to renew; and now therefore

BE IT RESOLVED, that Western's Board of Directors hereby accepts the bid from Barre Stone Products, Inc. in an amount not to exceed \$50,000.00 annually with a 2 year contract, 1/31/25 – 12/31/27, with 2 year options to renew; and

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

Respectfully submitted,

Dated: January 22, 2025
Batavia, New York

RESOLUTION - #05-2025

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 2024 purchase order for food and related items from Sysco Syracuse LLC. (“Sysco”); and

WHEREAS, Western requires a supplemental purchase order in the amount of \$6,162.04 for use by the Food and Beverage Department through the end of 2024; and

WHEREAS, staff requests the board of Directors of Western approve a supplemental purchase order in the amount of \$6,162.04 with Sysco for food and related items through the end of 2024.

BE IT RESOLVED, that the Western Board of Directors hereby approves a supplemental purchase order in the amount of \$6,162.04 from Sysco through the end of 2024: and

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

Respectfully submitted,

Dated: January 23, 2025
Batavia, New York

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

LEGISLATIVE COMMITTEE
Wednesday, January 22, 2025
3:30 p.m.

Mark Bombardo - Chairperson
Terrance Baxter - Vice Chairman
Dennis Bassett - Member
Edward Morgan – Member

Susan May - Member
Mark Burr - Member
Charles Zambito – Member
Paul Bartow - Member

AGENDA

1. Executive Session

- a. 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.

2. Albany 2025 Legislative Agenda Update

- B. Brown

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

INSURANCE COMMITTEE Wednesday, January 22, 2025 3:45 p.m.

Vince Horrigan – Chairperson
Mark Burr – Vice-Chairperson
Dennis Bassett – Member

James Wilmot - Member
Edward Morgan - Member
Tim Callan - Member
Patricia Marini - Member

1. Executive Session

- a. Executive session for the discussion of the legal, 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

AUDIT COMMITTEE
Wednesday, January 22, 2025
4:00 p.m.
Batavia, New York

Charles Zambito, Chairperson
Timothy Callan, Vice-Chairperson
Dennis Bassett, Member
Edward Morgan, Member

Vincent Horrigan, Member
Crystal Rodriguez-Dabney, Member
James Wilmot, Member
Paul Bartow, Member

AGENDA

1. Executive Session

- a. 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

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

LEGAL COMMITTEE MEETING

Wednesday, December 11, 2024

4:15 p.m.

Batavia, New York

Crystal Rodriguez-Dabney-Chairperson
Charles Zambito- Vice-Chairperson

Vincent Horrigan - Member

AGENDA

1. Executive Session

- a. 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.

2. Resolution 01-2025

- Schroder Joseph & Associates, LLC

- J. Owens

3. Retainer – Associate Counsel

- B. Brown

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BRANCH OPERATIONS COMMITTEE MEETING

Thursday, January 23, 2025

9:00 a.m.

Batavia, New York

Mark Burr, Chairperson
Crystal Rodriguez-Dabney, Vice-Chairperson
Edward Morgan - Member

Dennis Bassett, Member
Mark Bombardo, Member
Michael Horton, Member
Patricia Marini, Member

AGENDA

1. Executive Session

a. Executive session for the discussion of the legal, 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.

2. Branch Update

- D. Pane

3. E-Z Bet Update

- D. Pane

4. Batavia Bets Update

- D. Pane

5. Branch Analysis Update

- S. Kiedrowski