

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BOARD OF DIRECTORS MEETING

June 26, 2024

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 Report
9. Batavia Downs Operations Committee Report
10. Legislative Committee Report
11. Insurance Committee Report
12. Audit Committee Report
13. Branch Operations Committee Report
14. New Business
15. Adjournment

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

PERSONNEL COMMITTEE MEETING

Wednesday, June 26, 2024

1:00 p.m.

Elliott Winter, Chairperson
Vincent Horrigan, Vice-Chairperson

Dennis Bassett, Member
Edward Morgan, Member
Susan May, Member
Thomas Wamp, Member

AGENDA

1. Added position to the Compendium (1) - W. White
2. 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.

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

INSURANCE COMMITTEE
Wednesday June 26, 2024
1:45 p.m.

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

James Wilmot - Member
Edward Morgan - Member
Timothy Callan - Member

AGENDA

1. Resolution 55-2024
 - Workers Compensation Surety Bond - H. Wojtaszek

2. Resolution 62- 2024
 - Excess Workers Compensation Insurance Liability - H. Wojtaszek

3. Resolution 63-2024
 - Participant Accident Insurance - H. Wojtaszek

RESOLUTION - #55-2024

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 needs to have a Workers Compensation Surety Bond as required by New York State; and

WHEREAS, the bond may be secured through AmWins Insurance Brokerage with payment to NFP as retail broker; and

WHEREAS, staff recommends that the Board of Western obtain a Workers Compensation Surety Bond secured through AmWins Insurance Brokerage with payment to NFP as primary broker in the total amount of \$45,000.00.; and now therefore

BE IT RESOLVED, that Western's Board of Directors agrees to obtain a Workers Compensation Surety Bond secured through AmWins Insurance Brokerage with payment to NFP as primary broker in the total amount of \$45,000.00; 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,

Dated: June 26, 2024
Batavia, New York

RESOLUTION - #62-2024

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 needs to have Excess Workers Compensation Insurance from June 1, 2024 through May 31, 2025 as required by New York State; and

WHEREAS, the insurance may be secured with payment to NFP as retail broker in the amount of \$205,568.00; and

WHEREAS, staff recommends that the Board of Western secure Excess Workers Compensation Insurance from June 1, 2024 through May 31, 2025 with payment to NFP Property and Casualty Services Inc in the amount of \$205,568.00; and now therefore

BE IT RESOLVED, that Western's Board of Directors agrees to secure Excess Workers Compensation Insurance from June 1, 2024 through May 31, 2025 with payment to NFP Property and Casualty Services Inc in the amount of \$205,568.00; and

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

Respectfully submitted,

Dated: June 27, 2024
Batavia, New York

RESOLUTION - #63-2024

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 needs to have Participant Accident Insurance from June 1, 2024 through May 31, 2025 as required by New York State; and

WHEREAS, the insurance may be secured through Chubb Insurance for \$26,059.00 with Lawley LLC as retail broker; and

WHEREAS, staff recommends that the Board of Western secure Participant Accident Insurance from June 1, 2024, through May 31, 2025 through Chubb Insurance for \$26,059.00 with Lawley LLC as retail broker; and now therefore

BE IT RESOLVED, that Western’s Board of Directors agrees to secure Participant Accident Insurance from June 1, 2024 through May 31, 2025 through Chubb Insurance for \$26,059.00 with Lawley LLC as retail broker; and

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

Respectfully submitted,

Dated: June 27, 2024
Batavia, New York

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Finance Committee Meeting Agenda
Wednesday, June 26, 2024 at 2:00 p.m.
Batavia, New York

Michael Horton, Chairman
Thomas Wamp, Vice Chairman

Paul Bartow, Member
Dennis Bassett, Member
Terrance Baxter, Member
Vincent Horrigan, Member
Edward Morgan, Member
Elliott Winter, Member

AGENDA

1. Chief Financial Officer Report & BDG Financials
 - May 2024

- J. Leach

2. Regional VGM Numbers

- J. Leach

WESTERN REGIONAL OFF-TRACK BETTING
CORPORATION



MAY 2024
FINANCIAL REPORT

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

<u>Operational Results - May 2024</u>	May 2024	May 2023	May Plan
Total Handle	\$5,334,395	\$5,986,753	\$5,422,962
\$ Variance		(652,358)	(88,567)
% Variance		-11%	-2%
VGM Net Win	\$7,561,791	\$6,994,850	\$7,385,326
\$ Variance		566,941	176,465
% Variance		8%	2%
Revenue net of Statutories	\$ 4,515,736	\$ 4,336,530	\$ 4,423,924
Operating Expenses	3,614,384	3,343,416	3,389,981
Earnings and Surcharge	901,352	993,114	1,033,943
Surcharge	72,952	84,770	77,551
Operational Earnings (Losses)	\$ 828,400	\$ 908,344	\$ 956,392
\$ Variance		(79,944)	(127,992)
% Variance		-9%	-13%

* Earnings are distributed on a quarterly basis

<u>Segment Performance:</u>	May 2024	May 2023	May Plan
BRANCH Earnings from Operations	\$ 302,291	\$ 305,531	\$ 319,584
Less: G&A Allocation	239,843	226,444	186,029
Earnings (Losses) net of G&A Allocation	\$ 62,448	\$ 79,087	\$ 133,555
\$ Variance		(16,639)	(71,107)
% Variance		-21%	-53%
BATAVIA DOWNS Earnings from Operations	\$ 1,325,586	\$ 1,249,796	\$ 1,256,904
Less: G&A Allocation	559,634	420,539	434,067
Earnings net of G&A Allocation	\$ 765,952	\$ 829,257	\$ 822,837
\$ Variance		(63,305)	(56,885)
% Variance		-8%	-7%
GENERAL AND ADMINISTRATIVE expense	\$ 799,477	\$ 646,983	\$ 620,096
\$ Variance		152,494	179,381
% Variance		24%	29%

<u>Net Cash Distributions to Municipalities:</u>	May 2024	May 2023	May Plan
SURCHARGE	\$ 72,952	\$ 84,770	\$ 77,551
\$ Variance		(11,818)	(4,599)
% Variance		-14%	-6%

<u>Year to Date Surcharge and Net Revenue</u>	May 2024	May 2023	May Plan
SURCHARGE	\$ 234,998	\$ 291,514	\$ 268,463
\$ Variance		(56,516)	(33,465)
% Variance		-19%	-12%
NET EARNINGS AVAILABLE FOR DISTRIBUTION	\$ 3,692,545	\$ 3,961,121	\$ 4,099,138
\$ Variance		(268,576)	(406,593)
% Variance		-7%	-10%
TOTAL	\$ 3,927,543	\$ 4,252,635	\$ 4,367,601

CFO'S REPORT - May 2024

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

	2024 May	2023 May	2024 May Plan	2024 Year To Date	2023 Year To Date	2024 Operating Plan YTD
HANDLE (includes Live)	\$5,334,000	\$5,987,000	\$5,423,000	\$18,951,000	\$22,330,000	\$19,922,000
\$ Variance		(653,000)	(89,000)		(3,379,000)	(971,000)
% Variance		-11%	-2%		-15%	-5%
VGM Net Win	\$7,562,000	\$6,995,000	\$7,385,000	\$36,195,000	\$35,085,000	\$36,491,000
\$ Variance		567,000	177,000		1,110,000	(296,000)
% Variance		8%	2%		3%	-1%
Revenue and Expense:						
Operating Revenue	8,920,000	8,528,000	8,707,000	41,321,000	40,721,000	41,620,000
\$ Variance		392,000	213,000		600,000	(299,000)
% Variance		5%	2%		1%	-1%
Less: Statutory Expenses	4,404,000	4,191,000	4,283,000	20,294,000	20,126,000	20,419,000
\$ Variance		213,000	121,000		168,000	(125,000)
% Variance		5%	3%		1%	-1%
Revenue before Operating Expenses	4,516,000	4,337,000	4,424,000	21,027,000	20,595,000	21,201,000
\$ Variance		179,000	92,000		432,000	(174,000)
% Variance		4%	2%		2%	-1%
Less: Operating Expenses	3,614,000	3,343,000	3,390,000	17,099,000	16,342,000	16,835,000
\$ Variance		271,000	224,000		757,000	264,000
% Variance		8%	7%		5%	2%
Retained Surcharge/Net earnings	901,000	993,000	1,034,000	3,928,000	4,253,000	4,366,000
\$ Variance		(92,000)	(133,000)		(325,000)	(438,000)
% Variance		-9%	-13%		-8%	-10%
Retained Surcharge	73,000	85,000	78,000	235,000	292,000	268,000
\$ Variance		(12,000)	(5,000)		(57,000)	(33,000)
% Variance		-14%	-6%		-20%	-12%
Net Earnings(Losses) from Operations	828,000	908,000	956,000	3,693,000	3,961,000	4,098,000
\$ Variance		(80,000)	(128,000)		(268,000)	(405,000)
% Variance		-9%	-13%		-7%	-10%
			Earnings allocated to CAF	Distributable Earnings	2023 Year To Date	2024 Operating Plan YTD
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*		\$1,712,314	\$0	\$1,712,314	\$1,726,689	\$1,750,035
\$ Variance					(14,375)	(37,721)
% Variance					-1%	-2%
Total YTD		\$3,692,545	\$95,589	\$3,596,956	\$3,843,635	\$4,099,138
\$ Variance					(246,679)	(502,182)
% Variance					-6%	-12%

* Available for Distribution

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

ADVERTISING AND PROMOTIONS COMMITTEE AGENDA

Wednesday, June 26, 2024

3:00 P.M.

Susan May – Chairperson
James Wilmot – Vice Chairperson
Dennis Bassett – Member
Edward Morgan – Member

Terrance Baxter - Member
Crystal Rodriguez-Dabney – Member
Elliott Winter – Member
Timothy Callan – Member

AGENDA

1. Gaming/Branch Marketing Update

- R. Hasenauer

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BATAVIA DOWNS OPERATIONS COMMITTEE

Wednesday – June 26, 2024
3:30 p.m.

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

Paul Bartow - Member
Michael Horton - Member
Thomas Wamp - Member
Mark Bombardo – Member

Agenda

1. Gaming Floor Update - S. Schiano
2. Resolution 54-2024
- Cash Star Inc. / Tops Markets Gift Cards - H. Wojtaszek
3. Resolution 56-2024
- Kim Crawford - S. Kiedrowski
4. Resolution 57-2024
- Grooms Quarters – Quality Inn of Batavia - S. Kiedrowski
5. Resolution 58 -2024
- Genesee County Sheriff's Office
June 1, 2024-May 31, 2025 - H. Wojtaszek
6. Resolution 59-2024
- City of Batavia Police – Concerts - H. Wojtaszek
7. Resolution 60-2024
- Holland & Knight LLC - H. Wojtaszek
8. Resolution 61-2024
- 570 DAB 30, LLC - Kmart Parking Lease - H. Wojtaszek
9. Resolution 64-2024
- 2024 Chevy Silverado - S. Kiedrowski
10. Resolution 65-2024
- Everi - S. Schiano

RESOLUTION - #54-2024

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 needs to have Tops Market Gift Cards available for hotel and Batavia Downs promotions the period from June 2024 through June 2025; and

WHEREAS, Cash Star Inc., 25 Pearl Street, Portland, ME 04101 is the sole source provider for such gift cards; and

WHEREAS, staff recommends that the Board of Western obtain \$200,000.00 in Tops Gift Cards from Cash Star Inc.; and now therefore

BE IT RESOLVED, that Western's Board of Directors agrees to purchase Tops Gift Cards from Cash Star Inc in the total amount of \$200,000.00, 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,

Dated: June 26, 2024
Batavia, New York

RESOLUTION - #56-2024

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 needs to keep the horse racetrack in proper condition which requires resurfacing, rebanking and maintaining the racetrack to the highest possible level; and

WHEREAS, Kim Crawford can provide such services for the period of July 27, 2024 – February 27, 2025 (72 live race dates) and July 26, 2025 – December 6, 2025 (56 live race dates) for a total cost of #67,000.00 in 2024 and \$88,661.80 in 2025; and

WHEREAS, staff recommends that the Board of Western retain Kim Crawford for such services; and now therefore

BE IT RESOLVED, that Western’s Board of Directors agrees to retain Kim Crawford to provide such services for the period of July 27, 2024 – February 27, 2025 (72 live race dates) and July 26, 2025 – December 6, 2025 (56 live race dates) for a total cost of \$67,000.00 in 2024 and \$88,661.80 in 2025, 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,

Dated: June 27, 2024
Batavia, New York

RESOLUTION #57-2024

WHEREAS, Western Regional Off-Track Betting Corporation ("WESTERN") will conduct a live racing season commencing July 2024, and concluding February 2025; and

WHEREAS, bid proposals were sent to five (5) area hotels with only one response to provide housing for grooms employed by owners or trainers of harness horses participating in races at Batavia Downs; and

WHEREAS, Western has an agreement with the Western New York Harness Horsemen's Association ("WNYHHA") for this racing season which requires that Western provide living accommodations for up to 9 grooms employed by owners or trainers of harness horses' participating in activities at Batavia Downs during this 2024-2025 live racing calendar year; and

WHEREAS, the Quality Inn of Batavia ("Quality") with offices at 8250 Park Rd, Batavia, New York, has proposed a lease agreement for up to four units at its facility that would accommodate the maximum 9 grooms required under the agreement with the Horsemen for a cost not to exceed \$40,000.00; and

WHEREAS, staff recommends that the Board of Directors accept the proposal from Quality Inn of Batavia; now therefore

BE IT RESOLVED, that the Board of Directors of the Western Regional Off-Track Betting Corporation approve the proposed agreement with Quality of Batavia for the subject accommodations at an amount not to exceed \$40,000.00.

Respectively submitted,

June 27, 2024
Batavia, New York

RESOLUTION - #58-2024

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 needs to provide law enforcement personnel to ensure security at Batavia Downs from June 1, 2024, through May 31, 2025; and

WHEREAS, staff recommends that the Board of Western retain the Genesee County Sheriff's Office to provide law enforcement personnel to ensure security at Batavia Downs from June 1, 2024 through May 31, 2025 at a cost not to exceed \$150,000.00; and now therefore

BE IT RESOLVED, that Western's Board of Directors agrees to retain the Genesee County Sheriff's Office to provide law enforcement personnel to ensure security at Batavia Downs from June 1, 2024 through May 31, 2025 at a cost \$150,000.00, 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,

Dated: June 27, 2024
Batavia, New York

RESOLUTION - #59-2024

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 needs to provide law enforcement personnel to ensure security for the concerts at Batavia Downs from June 10, 2024, through August 31, 2024; and

WHEREAS, staff recommends that the Board of Western retain the Batavia City Police to provide law enforcement personnel to ensure security for the concerts at Batavia Downs from June 10, 2024 through August 31, 2024 at a cost not to exceed \$35,000.00; and now therefore

BE IT RESOLVED, that Western’s Board of Directors agrees to retain the Batavia City Police to provide law enforcement personnel to ensure security for the concerts at Batavia Downs from June 10, 2024 through August 31, 2024 at a cost not to exceed \$35,000.00, 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,

Dated: June 27, 2024
Batavia, New York

RESOLUTION - #60-2024

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 needs to continue its Employee Retention Credit Application and allocate an additional \$200,000.00 to it; and

WHEREAS, staff recommends that the Board of Western continue to engage Holland & Knight, LLC with respect to Western's Employee Retention Credit and to allocate an additional \$200,000.00; and now therefore

BE IT RESOLVED, that Western's Board of Directors agrees to continue to engage Holland & Knight, LLC with respect to Western's Employee Retention Credit and to allocate an additional \$200,000.00, 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,

Dated: June 27, 2024
Batavia, New York

RESOLUTION - #61-2024

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate in the most efficient manner, and the most cost-effective manner, while providing the best experience to our customers; and

WHEREAS, Western needed to provide parking in the K-Mart parking lot near its Batavia Downs facility from June 1, 2024, through May 31, 2025; and

WHEREAS, staff recommends that Western's Board Of Directors approves the payment of \$80,000.00 to DAB, LLC to lease portions of the K-Mart parking; and now therefore

BE IT RESOLVED, that Western's Board of Directors approves the payment to DAB, LLC for K-Mart parking in the amount of \$80,000.00; and

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

Respectfully submitted,

Dated: June 27, 2024
Batavia, New York

RESOLUTION - #64-2024

WHEREAS, it is the corporate responsibility of the Western Regional Off-Track Betting Corporation ("Western") to operate in the most efficient manner, and the most cost-effective manner, while providing the best experience to our customers; and

WHEREAS, Western needs a new truck for the racing starting gate and most truck orders are 4-6 month waits; and

WHEREAS, Heinrich Chevrolet, Macedon, NY has the type vehicle needed for a price competitive with NYS contract quotes; and

WHEREAS, staff recommends that Western's Board Of Directors approves the purchase of the needed truck, a 2024 Chevrolet Silverado, for \$43,912.50; and now therefore

BE IT RESOLVED, that Western's Board of Directors approves the purchase of the needed truck, a 2024 Chevrolet Silverado, for \$43,912.50 from Heinrich Chevrolet, Macedon, NY; and

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

Respectfully submitted,

Dated: June 27, 2024
Batavia, New York

RESOLUTION - #65-2024

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 needs to obtain 2 all-in-one Kiosks to include software, cassettes, extra cassettes, connection fee, installation, freight, and 5-day service contract per device (Monday-Friday); and

WHEREAS, Everi Payments Inc., Las Vegas, Nevada was the lowest bidder at the public bid dated June 6, 2024; and

WHEREAS, staff recommends that the Board of Western obtain 2 all-in-one Kiosks to include software, cassettes, extra cassettes, connection fee, installation, freight, and 5 day service contract per device (Monday-Friday) from Everi Payments, Inc. at a total cost not to exceed \$128,374.00; and now therefore

BE IT RESOLVED, that Western’s Board of Directors agrees to obtain 2 all-in-one Kiosks to include software, cassettes, extra cassettes, connection fee, installation, freight, and 5 day service contract per device (Monday-Friday) from Everi Payments, Inc. at a total cost not to exceed \$128,374.00, 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,

Dated: June 27, 2024
Batavia, New York

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BRANCH OPERATIONS COMMITTEE MEETING

Thursday, June 27, 2024

9:00 a.m.

Mark Burr, Chairperson
Crystal Rodriguez-Dabney, Vice-Chairperson

Dennis Bassett, Member
Mark Bombardo, Member
Michael Horton, Member
Edward Morgan, Member

AGENDA

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