

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BOARD OF DIRECTORS MEETING

February 27, 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

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

Finance Committee Meeting
Wednesday – February 26, 2025
1:00p.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. Chief Financial Officer Report & BDG Financials

- December 2024
- January 2025 Preliminary Estimate - Z. Elliott

3. Regional VGM Numbers - January - Z. Elliott

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

<u>Operational Results - December 2024</u>	<u>December 2024</u>	<u>December 2023</u>	<u>December Plan</u>
Total Handle	\$2,767,871	\$3,353,076	\$3,099,814
\$ Variance		(585,205)	(331,943)
% Variance		-17%	-11%
VGM Net Win	\$6,993,033	\$6,726,667	\$7,150,584
\$ Variance		266,367	(157,551)
% Variance		4%	-2%
Revenue net of Statutories	\$ 4,130,924	\$ 3,985,059	\$ 4,145,467
Operating Expenses	4,410,962	3,031,320	3,936,602
Earnings and Surcharge	(280,038)	953,739	208,865
Surcharge	31,529	42,752	43,719
Operational Earnings (Losses)	\$ (311,567)	\$ 910,987	\$ 165,146
\$ Variance		(1,222,554)	(476,713)
% Variance		-134%	-289%

* Earnings are distributed on a quarterly basis

<u>Segment Performance:</u>	<u>December 2024</u>	<u>December 2023</u>	<u>December Plan</u>
BRANCH Earnings from Operations	\$ 67,701	\$ 153,572	\$ 54,446
Less: G&A Allocation	377,212	190,360	200,291
Earnings (Losses) net of G&A Allocation	\$ (309,511)	\$ (36,788)	\$ (145,845)
\$ Variance		(272,723)	(163,666)
% Variance		-741%	-112%
BATAVIA DOWNS Earnings from Operations	\$ 878,104	\$ 1,301,302	\$ 778,338
Less: G&A Allocation	880,160	353,527	467,347
Earnings net of G&A Allocation	\$ (2,056)	\$ 947,775	\$ 310,991
\$ Variance		(949,831)	(313,047)
% Variance		-100%	-101%
GENERAL AND ADMINISTRATIVE expense	\$ 1,257,372	\$ 543,887	\$ 667,638
\$ Variance		713,485	589,734
% Variance		131%	88%

<u>Net Cash Distributions to Municipalities:</u>	<u>December 2024</u>	<u>December 2023</u>	<u>December Plan</u>
SURCHARGE	\$ 31,529	\$ 42,752	\$ 43,719
\$ Variance		(11,223)	(12,190)
% Variance		-26%	-28%

<u>Year to Date Surcharge and Net Revenue</u>	<u>December 2024</u>	<u>December 2023</u>	<u>December Plan</u>
SURCHARGE	\$ 532,439	\$ 624,756	\$ 593,709
\$ Variance		(92,317)	(61,270)
% Variance		-15%	-10%
NET EARNINGS AVAILABLE FOR DISTRIBUTION	\$ 6,599,143	\$ 9,630,301	\$ 8,537,733
\$ Variance		(3,031,158)	(1,938,590)
% Variance		-31%	-23%
TOTAL	\$ 7,131,582	\$ 10,255,057	\$ 9,131,442

CFO'S REPORT - December 2024

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

	2024 December	2023 December	2024 December Plan	2024 Year To Date	2023 Year To Date	2024 Operating Plan YTD
HANDLE (includes Live)	\$2,768,000	\$3,353,000	\$3,099,000	\$45,053,000	\$50,794,000	\$46,554,000
\$ Variance		(585,000)	(331,000)		(5,741,000)	(1,501,000)
% Variance		-17%	-11%		-11%	-3%
VGM Net Win	\$6,993,000	\$6,727,000	\$7,151,000	\$88,062,000	\$84,443,000	\$89,000,000
\$ Variance		266,000	(158,000)		3,619,000	(938,000)
% Variance		4%	-2%		4%	-1%
Revenue and Expense:						
Operating Revenue	8,026,000	7,799,000	8,062,000	101,501,000	99,007,000	102,198,000
\$ Variance		227,000	(36,000)		2,494,000	(697,000)
% Variance		3%	0%		3%	-1%
Less: Statutory Expenses	3,895,000	3,814,000	3,917,000	49,174,000	48,000,000	49,559,000
\$ Variance		81,000	(22,000)		1,174,000	(385,000)
% Variance		2%	-1%		2%	-1%
Revenue before Operating Expenses	4,131,000	3,985,000	4,145,000	52,327,000	51,007,000	52,639,000
\$ Variance		146,000	(14,000)		1,320,000	(312,000)
% Variance		4%	0%		3%	-1%
Less: Operating Expenses	4,411,000	3,031,000	3,937,000	45,197,000	40,751,000	43,508,000
\$ Variance		1,380,000	474,000		4,446,000	1,689,000
% Variance		46%	12%		11%	4%
Retained Surcharge/Net earnings	(280,000)	954,000	209,000	7,130,000	10,256,000	9,131,000
\$ Variance		(1,234,000)	(489,000)		(3,126,000)	(2,001,000)
% Variance		-129%	-234%		-30%	-22%
Retained Surcharge	32,000	43,000	44,000	532,000	625,000	594,000
\$ Variance		(11,000)	(12,000)		(93,000)	(62,000)
% Variance		-26%	-27%		-15%	-10%
Net Earnings(Losses) from Operations	(312,000)	911,000	165,000	6,599,000	9,630,000	8,538,000
\$ Variance		(1,223,000)	(477,000)		(3,031,000)	(1,939,000)
% Variance		-134%	-289%		-31%	-23%

	Operational Earnings	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*	\$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*	\$653,436	\$94,971	\$558,465	\$1,888,032	\$1,285,226
\$ Variance				(1,329,567)	(726,761)
% Variance				-70%	-57%
Total YTD	\$6,599,143	\$426,532	\$6,172,611	\$9,145,829	\$8,537,733
\$ Variance				(2,973,218)	(2,365,122)
% Variance				-33%	-28%

* Available for Distribution

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

PERSONNEL COMMITTEE MEETING

Wednesday, February 26, 2025

2:00 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. Union Contract Negotiations Update

- D. Fleming

3. CFO Search Update/Interim CFO

- B. Brown
- D. Fleming

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

ADVERTISING & PROMOTIONS COMMITTEE

Wednesday – February 26, 2025

2:30 p.m.

Batavia, New York

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

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2. Gaming/Branch Marketing Update - R. Hasenauer

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BATAVIA DOWNS OPERATIONS COMMITTEE

Wednesday – February 26, 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. Gaming Floor Update

- S. Schiano

3. Resolution 24-2025

- IK Systems Inc.

- S. Kiedrowski

4. Resolution 25-2025

- Global Payments Gaming Services

- S. Schiano

5. Resolution 26-2025

- Advanced Hood Cleaning

- S. Kiedrowski

RESOLUTION - #24-2025

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 needs to provide for the On-Site Maintenance Program of the Security and Surveillance System to include on-site day services-report to review for center system archives, workstations, server, software and SAN devices and to test/inspect all hardware, access controls and alarms; and

WHEREAS, Western sent the request for proposals to nine (9) vendors and received only one response; and

WHEREAS, IK Systems Inc, Victor, NY submitted a response as follows:

2025 \$66,730.00;

2026 \$70,240.00;

2027 \$73,940.00;

2028 \$77,830.00; and

2029 \$81,925.00 for a five year total cost of \$370,665.00; and

WHEREAS, staff recommends that the Board of Western obtain the service from IK Systems Inc for a five year term; and now therefore

BE IT RESOLVED, that Western’s Board of Directors agrees to obtain the service from IK Systems Inc for a five year total cost of \$370,665.00, 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: February 27, 2025

Batavia, New York

RESOLUTION - #25-2025

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 needs to provide for electronic checks, personal checks, cash advance on bank accounts or credit card services at the cashier cage for February 1, 2025 through January 31, 2026; and

WHEREAS, Global Payments Gaming Services d/b/a Pavilion Payment Check Services (Global) is bonded for this service; and

WHEREAS, staff recommends that the Board of Western obtain the service from Global at a cost not to exceed \$160,000.00 for the period from February 1, 2025 through January 31, 2026; and now therefore

BE IT RESOLVED, that Western’s Board of Directors agrees to obtain the service from Global at a cost not to exceed \$160,000.00 for the period from February 1, 2025 through January 31, 2026, 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: February 27, 2025
Batavia, New York

RESOLUTION - #26-2024

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 arrange for the cleaning of kitchen hoods at the Clubhouse, Homestretch, Fortunes, 34 Rush and the Genesee Room for the period from March 1, 2025 through February 28, 2030; and

WHEREAS, Advanced Hood Cleaning Solutions, Livonia, New York submitted the only bid pursuant to public bid dated February 11, 2025; and

WHEREAS, staff recommends that Western accept the bid from Advanced Hood Cleaning Solutions at a cost of \$28,000.00 for the period from March 1, 2025 through February 28, 2030 with an annual increase not to exceed 10%; and now therefore

BE IT RESOLVED, that Western's Board of Directors accepts the bid from Advanced Hood Cleaning Solutions at a cost of \$28,000.00 for the period from March 1, 2025 through February 28, 2030 with an annual increase not to exceed 10%; 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: February 27, 2025
Batavia, New York

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

LEGISLATIVE COMMITTEE
Wednesday, February 26, 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 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. NYS Legislative Agenda Update

- B. Brown

3. 2025 Reform Agenda

- B. Brown

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

LEGAL COMMITTEE MEETING

Wednesday, February 26, 2025

4:15 p.m.

Batavia, New York

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

Vincent Horrigan - Member

AGENDA

1. Executive Session

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2. Legal Update

- C. Rodriguez-Dabney

WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

BRANCH OPERATIONS COMMITTEE MEETING

Thursday, February 27, 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

- S. Kiedrowski

5. Branch Analysis Update

- S. Kiedrowski