

**COUNTY OF OSWEGO
STRATEGIC PLANNING AND GOVERNMENT COMMITTEE**

November 22, 2010 – 10:00 a.m.
County Office Building, Oswego, NY
4th Floor Conference Room “E”

PRESENT:

Leg. Milferd Potter, Chair
Leg. Mark Fruce
Leg. James Oldenburg
Leg. Robert Hayes
Leg. John Proud
Leg. Doug Malone

STAFF/GUESTS:

Leg. Amy Tresidder, Leg. Margaret Kastler
Barry Leemann, Chairman of the Legislature
Philip Church, County Administrator
Ronald Darrow, Western Region Director, Off Track Betting
Debbie Allen, New Haven Town Clerk
Wendy Falls, Deputy Clerk of the Legislature

EXCUSED:

Leg. Michael Kunzwiler, Vice Chair

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Committee Chair Potter called the meeting to order at 10:00 a.m. Committee Chair Potter excused Leg. Kunzwiler from the meeting.

1. Minutes of October 25, 2010:

Leg. Malone requested a correction be made to page 2; the last motion was seconded by Leg. Kunzwiler.

Motion to approve minutes as amended: Legislator Oldenburg

Second: Legislator Malone

Vote: Unanimous, motion carried

2. Report from OTB Representative – Ron Darrow:

Ronald Darrow, Western Region Director of Off Track Betting reported that he has been to six (6) board meetings so far and it is a complicated operation. He commented that all representative counties have flags at headquarters except Oswego County; the Legislature Chairman supplied one for his use. OTB Director Darrow distributed an update report. He stated that there are 17 Board of Directors on the Western Region OTB Board. He mentioned there are six (6) other corporations in the state, with headquarters located at Batavia Downs. Mr. Darrow reported that the casino at Batavia Downs makes the corporation profitable. There are three (3) OTB branches in Oswego County; Phoenix, Oswego and Central Square. Director Darrow reported that there will be changes in staffing to save some money; early retirement was offered and two (2) employees in Oswego County took advantage of it. He mentioned that Phoenix has a new concessionaire, Nick Chappel. Also reported was the fact that Oswego has a smoking room that needs Board of Health approval to re-open, and Director Darrow will push for approval.

OTB Director Darrow reported revenue for 2009 of \$186,652 and estimated between \$145,000 and \$150,000 for 2010. Through September 2010 revenue is at \$117,376; he mentioned that totals are down nationally. Director Darrow explained that revenue from the branches is derived from a 5% surcharge from the winnings and Oswego County gets 4.38% of revenue distributed by the Western Region OTB; which is distributed by population.

Director Darrow reported on a new source of revenue that has been developed over the last couple of years, which is E-Z Bet. OTB is looking for locations to place them; it requires no staff from OTB after initial set up. E-Z Bet offers patrons to make racing bets off a ticket issuing machine, a self

service terminal, and vouchers are presented to the facility for payout. The equipment is supplied by OTB; the establishment needs to provide an area for equipment, and there is minimal cost because no staff is needed. Director Darrow reported that there are currently nine (9) E-Z Bet locations with 3-5 more coming in the future. Legislature Chairman Leemann inquired where the E-Z Bets were located. Director Darrow responded that there were none located in Oswego County but Fulton Lanes has an application submitted; he stated that there are nine E-Z Bets located in other counties. Legislature Chairman Leemann asked what the cost was to install an E-Z Bet at a facility. Director Darrow responded that it cost nothing; the county participates in the program because there are parlors located here.

Mr. Darrow reported that the Central Square parlor is down 18% or \$155,000 from last year at this time. In 2009 there was \$856,000 in handle and \$701,000 this year. Phoenix is down 12% or \$760,000; \$6.3 million in handle in 2009 and \$5 million this year to date. The Oswego parlor is down 1%.

Leg. Hayes inquired about the 4.38% revenue and how it is distributed. OTB Director Darrow explained that everything goes back to Regional OTB. Leg. Hayes asked if distribution depended on if one parlor does better than another. Director Darrow responded that the total goes back into the corporation and the surcharge distributed is based on the county's population.

Leg. Fruce inquired about the factors for relocating the Central Square parlor to another location. Director Darrow responded that he has talked to Regional OTB about relocating Central Square; there is a problem with lack of promotion at that location. He stated that the parlor has to do better for OTB to spend money relocating. Leg. Fruce asked if this was Batavia's decision or Mr. Darrows. Director Darrow responded that it was Batavia's decision; he can only make a recommendation. He commented that they just renewed a year lease in the Central Square location.

Leg. Malone asked how businesses find out about the E-Z Bet program. Director Darrow responded that he was not sure how the places find out at this point; he believes they send out feelers from Batavia. He stated that if anyone is interested he can inform Batavia of their interest. Leg. Malone asked how the county could get information about the program out to the public. County Administrator Church responded that something could be put on the county website, Janet Clerkin can send out a press release and information could be sent to the Chamber of Commerce.

Leg. Kastler commented that the OTB parlors were not very inviting for women, she suggested fixing the places up to get more clientele. Leg. Hayes inquired where the revenue goes. County Administrator Church stated that it goes into a revenue line in the Clerk of Legislature budget. Committee Chair Potter thanked Director Darrow for his report.

3. Resolution Authorizing Chairman and Clerk to Handle Unfinished Business through December 31, 2010:

Motion to support resolution: Legislator Hayes

Second: Legislator Fruce

Vote: 5 Yes, 1 Opposed (Leg. Malone opposed), motion carried

4. Resolution Fixing Time and Place for 2011 Organization Meeting of the Legislature:

Motion to support resolution: Legislator Proud

Second: Legislator Oldenburg

Vote: Unanimous, motion carried

5. Update – Dog Licensing:

Debbie Allen, New Haven Town Clerk reported on the Dog Licensing Program. She reported that on September 29th a letter was sent to New York State Agriculture and Markets in regard to where money is sent for licensing. Ms. Allen stated that a response was received from the state stating that after January 1, 2011 the state will not have staff to track licensing revenue but will accept the money. Ms. Allen commented that the state expects the towns to send the money and that the state won't track who is sending it and where it is going.

County Administrator Church remarked that he met with various animal agencies around the county along with County Attorney Richard Mitchell and Assistant County Attorney Christa Carrington; there is no direction until the state chooses the third party administrator. He stated that after a third party administrator is chosen we will know the criteria and regulations in regard to the program. Administrator Church said that right now there is an interpretation which the county is still looking into; the agencies are willing to work with the county to keep the money local. He stated that he will report back to the committee after an agency is selected by the state. Leg. Oldenburg commented that why send the check in if there is no tracking. Ms. Allen responded that some towns have decided to not send the checks in. Leg. Malone asked who the checks are sent to. Ms. Allen stated that checks are sent to Agriculture and Markets; she commented that the problem with not sending the checks in is that the law says they have to. Leg. Tresidder asked if there was a timeframe that money had to be sent in. Ms. Allen responded that she was not sure and will check into. Committee Chair Potter commented that the county needs to wait and see what happens. Leg. Proud inquired if the Association of Towns has done anything. Ms. Allen stated that there is a meeting scheduled for December 6th of the association; Agriculture and Markets will be there. Committee Chair Potter thanked Ms. Allen for her time.

6. Executive Session – Personnel Evaluations:

Motion to enter executive session at 10:49 a.m.: Legislator Oldenburg

Second: Legislator Fruce

Vote: Unanimous, motion carried

Motion made to re-enter open session: Legislator Malone

Second: Legislator Oldenburg

Vote: Unanimous, motion carried

7. Adjournment:

Motion made to adjourn the meeting: Legislator Oldenburg

Second: Legislator Malone

Vote: Unanimous, motion carried

Meeting adjourned at 11:01 a.m.

RONALD B. DARROW
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WESTERN REGION OFF TRACK BETTING CORP.

Board of Directors-17 members (15 counties, 2 cities-Rochester and Buffalo)
Every county that has an OTB parlor is represented.
Headquarters is at Batavia Downs-WROTB owns Batavia Downs and has a casino there.
That's what makes the Corp. profitable.
NYC OTB is going through bankruptcy and reorganization.

Oswego County- 3 OTB branches

Central Square, Phoenix and Oswego

Central Square-open Wed. thru Sunday

Phoenix and Oswego- open Monday thru Sunday

Phoenix-has a new concessionaire, Nick Chappel.

Central Square- operates 2 days w/2 people, rest of time 1 person, repairs to be made to floor by landlord.

Oswego-has a smoking room but not in use, needs County Board of Health approval to use if WROTB decides to open it again. I'm pushing for it.

Revenue to Oswego County:

2009-actual \$186,652 thru September-\$157,533

2010-estimated \$145-150,000 thru Sept. \$117,376

Revenue is derived from a 5% surcharge from winnings at the branches and profit from the Corp. Oswego County gets 4.38% of the revenue to be handed out.

A new source of revenue is E-Z Bet locations-requires no staff-only staff from the locations that have them. (I'll explain). We are looking for locations to put them. Fulton Lanes has an application.

