

**A Meeting of the Board of Directors of the
Suffolk Regional Off-Track Betting Corporation was held on
February 29, 2024 at 10:00 A.M. at
The Racing Forum, 690 Motor Pkwy. Hauppauge, NY 11788**

The following persons were present:

| | |
|------------------------|--|
| John Giannott | Chairman |
| Arlene D. Samos | Vice-Chairwoman |
| Kevin Snover, Esq. | Co-Counsel to the Board of Directors |
| John Zollo | Secretary |
| John LaMura, Esq. | Co-Counsel to the Board of Directors |
| Phil Boyle | President and CEO |
| Jim LaCarrubba | Vice President and COO |
| Michael Bonakdar | General Manager |
| Richard Stafford, Esq. | General Counsel |
| Anthony Portesy, Esq. | Deputy General Counsel |
| Celine Gazes | Chief Financial Officer |
| Kristie Hansen | Comptroller |
| Christine Geisler | Director of Finance |
| Michael Torres | Chief of Staff |
| Victor Salamone | Chief of Staff to the Vice President |
| Marisa Moschera | Senior Executive Assistant/Corresponding Secretary |
| Krystina Sconzo | Deputy Director of Purchasing |

The meeting was called to order by Chairman Giannott at 10:00 a.m.

ITEM #1 APPROVAL OF MINUTES OF THE BOARD OF DIRECTORS MEETING OF JANUARY 25, 2024

Chairman Giannott stated the first item on the agenda was to approve the minutes of the Board of Directors' Meeting for January 25, 2024. A motion to approve those minutes was made by Chairman Giannott and seconded by Vice-Chairwoman Samos and carried unanimously.

ITEM #2 DECEMBER 2023 HANDLE REPORT

Chief Financial Officer Gazes introduced the Handle Report. A few highlights from the report as per Chief Financial Officer Gazes:

Handle for the month of December 2023 was down \$419,769 or 10.2%. YTD handle was down \$4,338,718 or 7.5%. December handle was down compared to projected handle by \$123,755 or 3.2%. YTD handle was down \$1,420,964 or 2.6%

The total number of Qwik Bet (Franchise) Operations as of December 30, 2023, was 45 compared to 47 as of December 30, 2022. Total Qwik Bet handle was down \$180,225 or 12.6% compared to 2022 for the month of December; YTD handle was down \$2,291,996 or 11.1%.

Significant increases compared to 2022 included: No Fo Beer & Smoke's handle was up \$16,907 or 185.3% for December 2023; YTD handle was up \$170,925 or 118.7%. Middle Island Cards handle was up \$15,756 or 57.4% for December 2023; YTD handle was up \$38,257 or 8.7%. One Stop's handle was up \$10,440 or 21.8% for December 2023; YTD handle was down \$13,891 or 2.1%. Hoops and Shots' handle was up \$9,576 or 40.0% for December 2023; YTD handle was up \$248,874 or 55.0%.

Significant decreases compared to 2022 (other than those due to closed locations) included: Rockwells' handle was down \$39,563 or 63.6% for December 2023; YTD handle was down \$361,566 or 47.8%. Medford Cards and Gifts' handle was down \$37,373 or 34.9% for December 2023; YTD handle was down \$265,706 or 18.0%. Clubhouse Cafe's handle was down \$31,102 or 10.7% for December 2023; YTD handle was down \$414,971 or 12.1%. Sai Card and Gifts' handle was down \$29,709 or 30.8% for December 2023; YTD handle was up \$386,793 or 46.3%. Bapa Cards and Gifts' handle was down \$27,537 or 25.7% for December 2023; YTD handle was down \$276,236 or 19.3%.

Internet wagering was down \$158,089 or 18.1% compared to December 2022. YTD handle was down \$1,271,218 or 10.6%. Telephone wagering was down \$34,247 or 14.4% compared to December 2022. YTD handle was down \$817,537 or 22.1%. The Racing Forum's handle was down \$70,665 or 6.2% compared to December 2022. YTD was up \$1,074,746 or 7.1%.

Route 110 handle was up \$43,118 or 13.0% compared to December 2022; YTD was down \$802,326 or 15.1%. Jake's 58 handle was down \$19,662 or 20.1% compared to December 2022; YTD was down \$230,387 or 18.0%. Jake's 58 handle was \$78,284 for December 2023.

Telephone handle decreased from 5.8% of total handle for December 2022 to 5.5% for December 2023 and decreased compared to 5.9% of total handle in December 2021. Internet handle decreased from 21.2% of total handle for December 2022 to 19.3% for December 2023 and decreased compared to 23.9% of total handle in December 2021. Qwik Bet handle decreased from 34.7% of total handle for December 2022 to 33.8% for December 2023 and increased compared to 34.4% of total handle in December 2021. Regular Branch handle increased from 10.4% of total handle for December 2022 to 12.2% for December 2023 and was flat compared to 10.4% of total handle in December 2021. Racing Forum handle increased from 27.9% of total handle for December 2022 to 29.1% for December 2023 and increased compared to 25.4% of total handle in December 2021. YTD Telephone handle decreased from 6.4% of total handle for December 2022 to 5.4% for December 2023 and decreased compared to 7.0% of total handle in December 2021. YTD Internet handle decreased from 20.7% of total handle for December 2022 to 20.0% for

December 2023 and decreased compared to 21.5% of total handle in December 2021. YTD Qwik Bet handle decreased from 35.4% of total handle for December 2022 to 34.0% for December 2023 and increased compared to 31.0% of total handle in December 2021. YTD Regular Branch handle decreased from 11.4% of total handle for December 2022 to 10.4% for December 2023 and decreased compared to 13.4% of total handle in December 2021. YTD Racing Forum handle increased from 26.2% of total handle for December 2022 to 30.3% for December 2023 and decreased compared to 27.2% of total handle in December 2021.

Total In State Thoroughbred handle had a decrease of \$123,127 or 11.0% compared to 2022, all related to Aqueduct. Total In-State Harness handle had a decrease of \$18,672 or 14.4% compared to 2022. Monticello's handle had the largest \$ decrease of \$21,500 or 30.7%. Batavia Downs had the largest % decrease of 77.7% or \$4,885.

Total Out of State Thoroughbred handle was down \$274,510 or 10.9% compared to 2022. Fair Grounds had the largest increase of \$47,451 or 29.8% with one less race day than 2022. Gulfstream had the largest \$ decrease of \$157,680 or 19.6% with three less race days than 2022. Remington had the largest % decrease of 59.7% or \$349 with the same number of race days as 2022.

Total Out of State Harness handle was down \$3,460 or 1.0% compared to 2022. Northfield Park had the largest \$ increase of \$19,849 or 43.6%. Fraser had the largest % increase of 10,575% or \$423. Harrah's Philadelphia had the largest \$ decrease of \$12,842 or 38.4%. Cal Expo had the largest % decrease of 70.0% or \$4,387.

Statewide OTB Handle decreased \$908,505 or 40% for the month of December 2023 compared to December 2022. Nassau had the largest increase in handle of \$125,808 or 1.7%. Capital had the largest \$ decrease in handle of \$521,259 or 7.1%. Suffolk had the 2nd largest \$ decrease in handle of \$419,769 and largest % decrease of 10.2%. Western had the 3rd largest \$ decrease in handle of \$201,454 or 5.9%. Statewide OTB YTD Handle decreased \$35,317,791 or 10.0% for 2023 compared 2022. Catskill had the only YTD increase in handle of \$476,237 or 5.5%. Capital had the largest YTD \$ and % decrease of \$15,937,725 or 12.9%. Nassau had the 2nd largest YTD \$ decrease \$10,407,545 or 9.4%. Western had the 3rd largest YTD \$ decrease \$5,109,918 or 9.5%. Suffolk had the lowest YTD \$ decrease of \$4,338,839 or 7.5%.

ITEM #3 – 6 DECEMBER 2023 FINANCIALS

Chief Financial Officer Gazes introduced the consolidated financial statements for December 2023. Director Geisler presented the financials relating to Jake's; as no questions were raised, the financials were accepted into the record.

ITEM #7 RESOLUTIONS

Co-Counsel Kevin Snover presented two motions for the Board's consideration:

The first resolution for the Board was to authorize President and CEO Phil Boyle to enter into an agreement with Brian Davis Architecture for consulting through the construction expansion at the casino.

The motion was made by Chairman Giannott, seconded by Vice Chairwoman Samos, and carried unanimously.

The second motion authorizes the corporation to proceed with the project and issue the tax-exempt bonds to a cap of \$360 million dollars, and further authorizes the President and CFO to execute and deliver the indenture together with any and all other documents required to proceed through finalization.

The motion was made by Chairman Giannott, seconded by Vice Chairwoman Samos, and carried unanimously.

ITEM #8 PRESIDENT'S MESSAGE

President Boyle updated the Board on the status of the construction contract with Aurora and stated that it will be executed today. Brian Eagan and President Boyle have been in contact working out the final details and the contract is ready to be finalized. Once that is complete, a date for the Groundbreaking Ceremony will be picked in April.

Conversations have been made with our lobbyists in Albany to change and increase the procurement amount from \$15,000 to \$30,000. Remote meetings with the lobbyists will be held this afternoon to make progress with these changes which need to be submitted by April 1st.

The lease for Commack has been finalized; the paperwork is being submitted to Huntington Town.

President Boyle notified the Board that the Village of Islandia has expressed interest in OTB leasing the 8 acres of land next to Jake's. This will require an appraisal and approval from the Board; a price is to be determined.

Architects are working on designs for the new Headquarters at 1180 Veterans Memorial Highway. The final design will be presented to the Board of Directors. Soon after, an RFP will be submitted to hire a general contractor to make the modifications to the building which are estimated to begin later in the year.

Aurora updated President Boyle regarding the hotel rooms, and he shared with the Board that they are estimated to be completed by June of 2025.

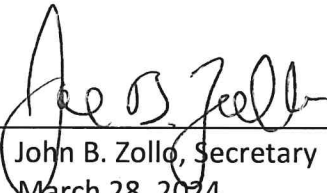
President Boyle updated the Board on a new position for Cyber Security. IT Director Eric Breihof is actively searching for a candidate and is scheduled for two interviews. If the interviews are unsuccessful, he will hire a headhunter.

ITEM #9 ANY AND ALL MATTERS

A motion was made by Chairman Giannott to go into executive session, seconded by Vice Chairwoman Samos, and carried unanimously.

Back on the record after Executive session, no motions were made and no votes were taken; a motion was made by Chairman Giannott to return, seconded by Vice Chairwoman Samos, and carried unanimously.

There being no further business before the Board, a motion was made by Chairman Giannott that the meeting be adjourned, seconded by Vice-Chairwoman Samos and carried unanimously. It is confirmed that the next BOD meeting will be March 28, 2024.



John B. Zollo, Secretary
March 28, 2024