New York State Comptroller
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Western Regional Off-Track Betting Corporation

Financial Management

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Division of Local Government and School Accountability

Contents

Audit Results

Western Regional Off-Track Betting Corporation

Audit Objective	Audit Period
Did the Western Regional Off-Track Betting Corporation (Corporation) Board of Directors (Board) and Corporation management adequately plan and monitor financial operations?	January 1, 2021 – December 31, 2024. We extended the audit period back to the 2020 calendar year to review Board meeting minutes and verify whether there was Board approval for certain contracts. See Appendix D for additional information.

Understanding the Audit Area

An off-track betting (OTB) corporation's board of directors and corporation management should adequately plan and monitor financial operations to make informed strategic decisions and help ensure financial stability, regulatory compliance and long-term viability. A public benefit corporation should practice sound financial management to protect the interests of its participating municipalities and the racing industry, which receives a share of the corporation's proceeds.

The Board and Corporation management must fulfill the Corporation's purpose, including distributing net revenue among the participating local governments, and supporting the horse racing and breeding industries. The Board and Corporation management must work collaboratively and transparently to ensure financial efficiency, future growth and continued compliance with the Corporation's statutory requirements. This includes implementing controls such as adopting policies, monitoring for compliance and performing detailed reviews of financial information to ensure revenues and expenses are in line with the operating plan.

For the calendar year 2024, the Corporation's revenues (net of payments to winning patrons) were $59 million and expenses and statutory payments were $52 million. The Corporation distributed revenues totaling $30.7 million to its participating local governments for calendar years 2021 through 2024.

Audit Summary

The Board and Corporation management did not adequately plan and monitor the Corporation's financial operations. By not taking action to address the declining handle and to control costs, the Board and Corporation management did not maximize allocations to host local governments where tracks were located or distributions to the Corporation's participating local governments. Moreover, if the Board and Corporation management do not effectively address the continued decline in handle and increase in expenses, the Corporation may not be able to meet its mission and statutory obligations to the participating local governments and horse racing and breeding industries in the future.

We determined the Board created a lax control environment in which the Corporation's management made key financial decisions with little or no oversight by the Board. Moreover, the Board could not adequately plan and monitor financial operations and contractual costs because Corporation management did not provide it with financial reports in a timely manner. In addition, the Board did not properly monitor the operating plan or adjust budget lines that were overspent. As a result, the Corporation experienced significant cost overruns or estimation errors. Had the Board received financial reports in a timely manner, taken a more active role in addressing the declining handle,[1] and monitoring and controlling spending, the Corporation's operations may have resulted in greater allocations to local governments where tracks were located (host local governments) and greater distributions to its participating local governments.

The Corporation's horse racing and wagering operations deteriorated at a steady pace over the four-year period ended December 31, 2024. The handle declined 34 percent ($23.5 million) during this period, resulting in less statutory distributions to the horse racing industry, New York State Gaming Commission and allocations to the local governments. The Corporation's total operating revenues increased over the 2021 through 2024 calendar years, primarily due to an increase in video lottery terminal and hotel revenues. For the calendar year ended December 31, 2024, the Corporation distributed surcharge revenues and net revenues of approximately $6.7 million to participating local governments, which is more than $3 million (31 percent) less than the previous calendar year (see Appendix B).

The Board and Corporation management regularly contracted with various consultants to assist the Board in identifying potential expansion strategies to increase revenues and other organizational assessments. However, the Board and Corporation management did not always receive progress reports or the results of the reviews from the consultants. By not obtaining written reports from all consultants, the Board and Corporation management could not effectively utilize the information to help improve the Corporation's operations and address the declining handle. The Corporation's payments of over $1 million to 14 consultants without sufficient Board approval also contributed to the decrease in net revenue distributions.

In addition, during the audit period, had the Board and Corporation management controlled the increased spending, some of which was unauthorized and unplanned, the Corporation could have distributed more net revenue to its participating local governments than it did.[2] Over the four-year period

1 Handle is the total amount wagered on horse races and other gaming activities.
2 See Appendix B for details.

2021 through 2024, the Corporation's revenue increased approximately $3.7 million (7 percent) and operating expenses increased by more than $8.4 million (22 percent). The most significant expense increases included:

- Salaries increased by 38 percent since 2021 and accounted for more than $16.8 million (40 percent) of the Corporation's operating expenses in 2024.
- Professional services increased by 23 percent since 2021 and accounted for more than $2.5 million (6 percent) of the operating expenses in 2024.
- The Board allowed Corporation management to enter into contracts for legal services and consultants without proper Board approval and exceeded the Board-approved spending amounts by $1,012,994.

Lastly, two OSC audits of the Corporation, released in September 2021, identified concerns with the way Corporation management distributed certain marketing and promotional tickets and the CEO's use of a Corporation car and cell phone, as well as lax oversight of operations by the Board, a troubling tone at the tone of the organization for establishing and following the rules, and poor documentation practices. Corporation management has implemented several of the recommendations from the previous audits by developing policies and procedures for the distribution of tickets, recording who received the tickets, updating the vehicle use policy, restricting vehicle use and reviewing mileage logs. However, current Corporation management could improve its documentation for the distribution of marketing and promotional tickets and the use of mileage logs for take-home vehicles.

This report includes 16 recommendations that, if implemented, could improve the Corporation's financial operations. The Board generally agreed with our recommendations and indicated that they have initiated corrective action.

We conducted this audit pursuant to the State Comptroller's authority set forth in Article 5 of the Racing Law. Our methodology and standards are included in Appendix D.

Good management practices dictate that the Board has the responsibility to initiate corrective action. As such, the Board should prepare a written corrective action plan (CAP) that addresses the recommendations in this report and forward it to our office within 90 days. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make the CAP available for public review.

Financial Management: Findings and Recommendations

The powers of the Corporation are vested in and exercised by the Board, which is composed of 17 Directors, one each to represent the 15 participating counties[3] within the western off-track betting region, and one each to represent the City of Rochester and the City of Buffalo. The Board is responsible for the administration of the Corporation's financial and operational affairs, including adopting an annual operating plan,[4] which must contain a projection of revenues and expenses based on reasonable and appropriate assumptions and methods of estimations, and must provide that operations will be conducted within the cash resources available.

The Board appoints the Corporation's President and Chief Executive Officer (President/CEO). As a general manager, the President/CEO oversees the administration of the Corporation's affairs and must perform his or her duties under the direct supervision and control of the Board. Corporation management[5] changed significantly in October 2024 when the President/CEO retired and the Board appointed a new President/CEO.[6]

New York State Racing, Pari-Mutuel Wagering and Breeding Law (Racing Law) governs the distribution of revenues earned by OTB operations. Although OTB corporations collect various revenues, they generally distribute two types of revenue to participating local governments: a surcharge, which they must distribute monthly;[7] and net revenues derived from the operations of the corporation (regular earnings), which they must distribute quarterly.[8]

The Board has a fiscal responsibility for the Corporation's assets and finances and setting the right tone "at the top." This requires the Board to take an active role in significant financial decisions and ensuring appropriate policies and procedures are implemented by Corporation management.

More details on the criteria used in this report, as well as resources we make available to local officials that can help officials improve operations (Figure 7), are included in Appendix A.

Finding 1 – The Board did not adequately plan and monitor financial operations.

The Board created a lax control environment in which the Corporation's management made key financial decisions, including purchasing goods and services without Board approval when required and

3 Participating counties: Cattaraugus, Cayuga, Chautauqua, Erie, Genesee, Livingston, Monroe, Niagara, Orleans, Oswego, Schuyler, Seneca, Steuben, Wayne and Wyoming
4 Corporation management and the Board consider the operating plan to be the financial plan required by Racing Pari-Mutuel Wagering and Breeding Law, Section 502.
5 Corporation management includes the Chief Administrative Officer, Interim Chief Financial Officer and Chief Operating Officer.
6 Key individuals in management positions during our audit have changed, and where appropriate, we will differentiate between current and former management.
7 Racing Law Section 532
8 Racing Law Section 516

spending more than Board-authorized amounts. Moreover, the Board did not obtain financial reports in a timely manner or perform detailed reviews of financial data, including significant contracted costs.

Financial Reports – The Directors' ability to effectively monitor financial operations and ask pertinent questions at Board meetings was diminished because adequate financial reports were not provided in a timely manner.

Racing Law Section 502 states that each director, not less than seven days in advance of a board of directors meeting, must receive documentation necessary to ensure knowledgeable and engaged participation, including a monthly financial statement that includes an updated cash flow statement and listing of aged payables. However, in 24 of the 48 months reviewed, Directors received financial reports between two and six days before the meeting, rather than seven days, as required. Furthermore, the Directors did not receive an aged payables listing or cash flow statement at any of the 48 meetings. We spoke to 15 Directors[9] and 11 Directors were unaware that Racing Law required the Board to receive these reports; four Directors did not provide comments regarding financial reports.

Operating Plans – The Directors' changes to the annual operating plans were made at workshops rather than regular Board meetings and were not documented in the Board meeting minutes, resulting in a lack of transparency. In addition, the Board did not use the operating plans to monitor and control spending.

Department heads and Corporation management prepared annual operating plans that included anticipated revenue and expense estimates, which were presented to the Board in November each year. We spoke to 15 Directors and 13 stated that they reviewed and asked questions related to the operating plans at the November meetings. If Directors determined adjustments were necessary, Corporation management made the changes prior to the Board adopting the operating plans each December.

However, we could not verify what changes were suggested by the Directors or whether the suggestions were made to the operating plans because the Board meeting minutes did not include the discussions or approvals of suggested changes and there was no other documentation of the suggested changes. The Directors told us that these discussions were held at workshops rather than at regular Board meetings; as a result, the information was not documented in the Board's meeting minutes. Therefore, we question whether the Board acted in compliance with New York State Open Meetings Law. There is a lack of transparency when the Board holds discussions and makes decisions out of the public's view, with no record of questions, discussions, changes or approvals that took place at workshops.

In addition, once the operating plans were adopted, the Board did not subsequently adjust budget lines that were overexpended. Instead, Corporation management provided the Board with brief verbal explanations for why more was spent than was indicated in the annual operating plans at monthly Board meetings. For example, legal and consultant expenses exceeded the operating plan by an average of nearly $700,000 each year. (Refer to *Finding 3: Operating Revenues and Expenses* section

9 One Director did not respond to our requests to discuss the audit, and one Director position is vacant.

below for more detail.) As a result, Directors were not using the annual operating plans to properly monitor and control the Corporation's actual spending in comparison to what was planned and would not be able to ensure that there were funds available to finance additional expenses prior to incurring them. Because the Board did not properly monitor spending and implement budgetary controls to compare year-to-date revenues and expenses against corresponding budgetary estimates, the Corporation experienced significant cost overruns or estimation errors.

<u>Purchasing Approvals</u> – The Board did not authorize all procurements of commodities, equipment, goods and services over $15,000, as required by its procurement policy.

Eleven of the 15 Directors we spoke to mistakenly believed they had approved all purchases of goods and services over $15,000. Because the Board did not receive or request financial reports containing contract information, the Board could not monitor costs to ensure that the Corporation's expenses for approved contracts did not exceed Board-authorized spending limits. For example, Corporation management spent over $1 million more than what was approved for legal and consultant services because the Board was not monitoring spending (Refer to Finding 3: *Operating Revenues and Expenses* below for more detail). Instead, the Board relied on Corporation management to monitor costs and present resolutions to amend the authorized costs when needed.

<u>Contracts with Consultants</u> – The Board approved contracts with more than 17 consultants over the last three years but the Board did not receive reports or recommendations from nine of these consultants.

By not obtaining written reports from all consultants, the Board cannot ensure that the services paid for were provided and the Board cannot use this information to benefit the Corporation and guide its decisions. For example, one of these nine consultants had a Board-approved contract for an ethics and compliance review, and while the Internal Auditor and the Executive Office Manager stated there was a written report, they could not provide evidence that the Board received the report or the consultant's recommendations. Three Directors who were on the Board at the time could not recall receiving the report and when we requested the report, we were advised that we could not have the report due to attorney-client privilege.

However, because the powers of the Corporation are vested in and exercised by the Board, we question the withholding of a report and recommendations from the Board on the grounds of attorney-client privilege. In failing to produce and provide the reports, the consultants did not provide services as contracted, and the Board should have insisted on the delivery of the reports and recommendations in accordance with Board-authorized contracts.

Without complete financial reports, the Board cannot exercise adequate oversight of financial operations, ensure compliance with policies, be knowledgeable of the Corporation's true financial condition, establish long-term priorities or make sound financial decisions. Furthermore, by essentially relinquishing its oversight responsibilities, the Board allowed Corporation management to monitor its own spending. This severely reduced the controls the Board's approval and oversight responsibilities were intended to provide and limited the Board's ability to make sound financial decisions.

Recommendations

The Board should:

1. Ensure it receives all the required financial reports seven days prior to the Board meeting.
2. Take a sufficiently active role in monitoring the operating plan and controlling costs by periodically comparing actual expenses to the operating plan and requiring Corporation management to provide the financial reports needed to monitor actual spending. This includes requiring Board approval prior to incurring expenses more than the amounts planned.
3. Ensure its discussions regarding the operating plan that are held at workshops and the actions taken are memorialized in the Board meeting minutes.
4. Require Corporation management to provide sufficient reports and information to the Board to allow it to review, approve and monitor procurements of commodities, equipment, goods and services over $15,000 and ensure all procurements exceeding $15,000 are presented to the Board for approval.
5. Require consultants to submit written reports with the results of their work and the suggested recommendations to ensure that the services paid for were provided.

Corporation management should ensure that all:

6. Required financial reports are sent to the Board seven days prior to the Board meeting.
7. Procurements exceeding $15,000 and payments in excess of Board-approved amounts are presented to the Board, prior to incurring the costs.

Finding 2 – The Board and Corporation management did not take sufficient actions to address declining handle revenues.

While the Corporation's overall financial condition improved due to increased wagering in its video gaming operations,[10] operating expenses increased at a faster rate than the revenues generated by horse racing and wagering, over the four-year period ended December 31, 2024. As a result, statutory distributions to the horse racing industry, New York State Gaming Commission and allocations to local governments have decreased by nearly $2.5 million (31 percent) over the same four-year period.

10 Corporation management and the Board refer to video lottery terminals or video gaming interchangeably.

The Corporation’s operating revenues consist of the wagered amounts remaining after winning bettors are paid and monthly surcharge revenues and statutory distributions are allocated, plus other miscellaneous revenues. Miscellaneous revenues are generated from the video lottery terminals, hotel, branch locations with restaurant operations, income derived by a portion of surcharges and other miscellaneous income. Although the Chief Operating Officer stated that he is currently working on a strategic plan related to the operations of the OTB branches, it was not available for us to review at the conclusion of our fieldwork.

The Corporation’s video gaming operations generated $1.1 billion in credits played in 2024, an increase of $48 million (4 percent) from the prior year and an increase of $258 million (28 percent) from 2021. But despite overall revenue gains from video gaming operations, there was a decline in the handle generated from the Corporation’s pari-mutuel operations (which include wagering by patrons throughout branches, EZ Bet locations and telephone and Internet venues), and live racing and inter-track wagering at Batavia Downs. Because horse racing is a vital part of the Corporation’s operations, the continued decline in handle and rising operating expenses could impact the Corporation’s long-term financial viability.

Handle/Net Handle – Over the four-year period 2021 through 2024, the Corporation has experienced a 34 percent decline ($23.5 million) in handle, from $69 million to $45.5 million (Figure 1):

Figure 1: Corporation Handle - Off-Track Betting Operations 2021-2024

	2021	2022	2023	2024
Handle	$68,968,549	$56,558,430	$51,346,548	$45,521,557
Dollar Value Change From Prior Year	N/A	(12,410,119)	(5,211,882)	(5,824,991)
Percent Change From Prior Year	N/A	(18)%	(9)%	(11)%

The handle represents the total amount wagered by patrons, and the net handle represents the amount remaining after certain deductions.[11] A percentage of the handle on each race is distributed back to patrons in the form of winnings. From the remaining handle, the Corporation makes statutory distributions to the State’s horse racing industry and breeding funds and pays regulatory fees to the New York State Gaming Commission, allocations to the host local governments where tracks are located and monthly surcharge fees to the participating local governments pursuant to Racing Law Section 532. The amount remaining after statutory distributions and surcharges constitutes the Corporation’s operating revenues. After satisfying the Corporation’s operating expenses, any remaining funds (net operating revenues) are distributed to participating local governments in accordance with Racing Law Section 516. For the calendar year ended December 31, 2024, the Corporation distributed

11 The net handle in pari-mutuel betting refers to the total amount of money wagered, minus certain deductions. At the time of our audit, these deductions included breakage (odd cents) and the track's takeout or commission. However, changes to New York State law effective September 2025 eliminated breakage and passage of the 2025-26 State budget altered tax rates.

surcharge revenues and net revenues of approximately $6.7 million to participating local governments, which is more than $3 million, or 31 percent, less than the previous calendar year (see Appendix B).

In 2024, the Corporation paid approximately 79 percent (over $36 million) of the handle collected to winning patrons. It also paid a portion of the surcharge revenues, as stipulated by statute, to participating local governments (over $532,000) and host local governments with tracks (approximately $147,000). The Corporation kept the remaining surcharge revenues collected to fund its capital acquisition fund (approximately $160,000).

Statutory Distributions – Due to the declining handle, statutory distributions to the host local governments where tracks were located have decreased 28 percent over the four-year period.

The Corporation must make statutory distributions before paying its operating expenses. These distributions represent a significant financial outlay, with the largest made to the horse racing industry. During the previous four calendar years ended December 31, 2024, these distributions totaled more than $26 million (Figure 2).

Figure 2: Statutory Distributions 2021-2024

	2021	2022	2023	2024
Horse Racing Industry	$6,627,408	$5,514,267	$5,075,680	$4,583,185
New York State	994,198	819,493	743,989	664,505
Allocations to Local Governments	328,926	287,504	263,789	236,200
Total	$7,950,532	$6,621,264	$6,083,458	$5,483,890

Current Corporation management and seven of the 15 Directors we spoke to stated that several factors have contributed to the decline in overall handle at the Corporation, including a fluctuating economy, a general decline in interest in horse racing, an aging customer base and competition from other entities in the gaming industry, such as casinos and government-sponsored lotteries. Corporation management has also attributed the decline in handle to online sports betting.

Current Corporation management and six of the 15 Directors we spoke to stated that one of their goals is to explore whether online sports betting may be allowed at the Corporation in the future, possibly increasing revenue opportunities. However, they had not taken action regarding online sports betting at the time of our audit fieldwork.

Use of Consultants to Improve Operations – Nine of the 17 consultants with contracts to provide strategies to increase revenues and organizational assessments did not report their progress or results of their reviews to the Board and Corporation management.

The Board and Corporation management contracted with various consultants to assist in potential expansion strategies to increase revenues and other organizational assessments. Specifically, Corporation management contracted with, and the Board approved, more than 17 consultants from calendar years 2021 to 2024 for various reasons, including but not limited to:

- A study on the potential hotel expansion,
- Consulting and strategic advice to help increase revenues,
- An organizational assessment of key operational areas,
- An ethics and compliance assessment,
- A review of the Corporation's marketing structure, and
- Consulting on live racing.

However, despite paying over $2.5 million for these services,[12] the Corporation only received reports from eight of the 17 consultants which included: four verbal reports - three from lobbyists[13] generally discussing the political environment and one from a consultant providing safety compliance training - and four written reports including an update from a live racing consultant, an organizational assessment and two from consultants regarding the potential hotel expansion. Nine consultants did not report progress or the results of their reviews to the Board.

Because the Board and Corporation management could not provide documented discussions of results or written reports from these nine consultants, we could not verify that the reviews were conducted or determine what the results of the reviews were, if the reviews resulted in recommendations or if any actions were taken because of the reviews. By not obtaining written reports from all consultants, the Board cannot effectively utilize the information to help improve the Corporation by generating additional revenues and identifying efficiencies to lower operational costs.

Because written reports were not provided and recommendations and discussions were not documented or memorialized in some manner, any verbal reports and recommendations provided to the Board and former Corporation management cannot be shared with future, and in some cases, current Directors or Corporation management. Furthermore, those who received the information may have already left the Corporation, taking that knowledge with them. As a result, current Directors and Corporation management cannot utilize information which may have been useful to them when establishing long-term priorities and goals and developing future plans for the Corporation's growth and expansion. Paying for consultant services that do not result in useful outcomes for the Board or Corporation management is not a good use of the Corporation's financial resources.

12 This includes all payments to these consultants from January 1, 2021 through December 31, 2024. However, due to the manner in which payments to vendors were accounted for, a portion of these payments may have been related to other services provided by one or more of the vendors.

13 Corporation management and the Board referred to these vendors as "lobbyists" and related invoices indicated the same.

Recommendations

The Board should:

8. Continue to work with Corporation management to explore opportunities to increase revenues and stabilize the continuing decline in handle.
9. Require consultants to submit written reports to verify that the reviews were conducted and to determine whether the reviews resulted in recommendations or any actions that could be taken as a result of the reviews.
10. Work with legal counsel to ensure consultants fulfill their contractual responsibilities and seek reimbursement for services not provided.

Finding 3 – The Board and Corporation management did not properly monitor and control increasing expenses.

While the Corporation's operating revenues increased over the four-year period of 2021 through 2024, operating expenses increased at a greater rate largely due to unplanned employee separation payments, newly created positions and unapproved professional services. As a result, distributions to the Corporation's participating local governments were less than they could have been.

Over the four-year period 2021 through 2024, the Corporation's revenue increased approximately $3.7 million (7 percent) and operating expenses increased by more than $8.4 million (22 percent) (Figure 3):

Figure 3: Change in Revenues and Expenses from 2021-2024

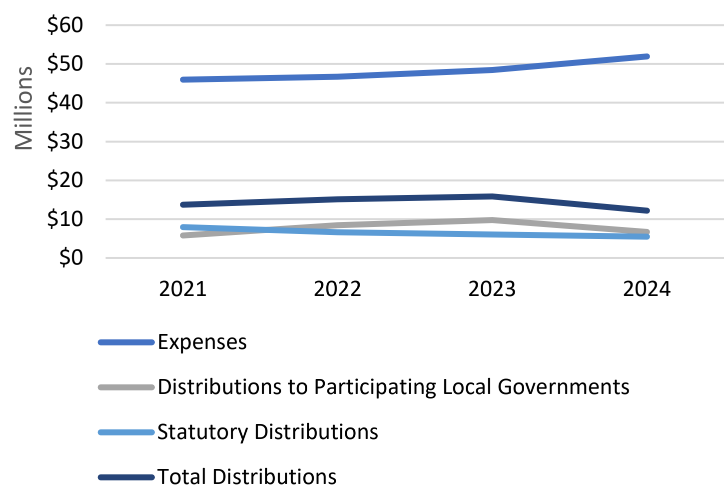
	2021	2022	2023	2024	Dollar Change from 2021 to 2024	Percent Change from 2021 to 2024
Net Racing and Gaming Revenue[a]	$42,249,658	$43,977,441	$45,241,022	$44,983,829	$2,734,171	6%
Other Revenue	13,132,633	12,144,505	13,477,245	14,085,292	952,659	7%
Total Revenue	$55,382,291	$56,121,946	$58,718,267	$59,069,121	$3,686,830	7%
Operating Expenses	$38,003,486	$40,065,340	$42,379,622	$46,452,241	$8,448,755	22%
Total Statutory Payments	7,950,533	6,621,265	6,083,458	5,483,889	(2,466,644)	-31%
Total Expenses	$45,954,019	$46,686,605	$48,463,080	$51,936,130	$5,982,111	13%
Net Revenue From Operations[b]	**$9,428,272**	**$9,435,341**	**$10,255,187**	**$7,132,991**	**($2,295,281)**	**-24%**

a Net racing and gaming revenues after paying winning patrons and New York State per New York State Tax Law Section 1612.

b Net Revenue from Operations is made up of funds distributed to the participating local governments and capital acquisition funds retained by the Corporation.

Had the Board monitored expenses, developed plans to limit excessive spending and adjusted spending within reasonable limits, the Corporation's net revenues, along with the revenue available for distributions to the participating local governments, would have been larger (Figure 4).

Figure 4: Distributions vs. Expense Trend 2021-2024



Salaries – Salaries have increased by 38 percent since 2021 and accounted for more than $16.8 million (40 percent) of the Corporation's operating expenses in 2024.

In 2024 the Board adopted an operating plan with estimated salaries of $16.4 million. However, actual salaries exceeded $16.8 million, largely due to the Corporation's unplanned payments totaling nearly $515,000 made to three officers retiring as part of Board-approved severance packages and lump sum payments of unused leave time payable upon retirement. The Board also approved 4.5 percent wage increases to employees in December 2023 that were not planned for in the operating plan. In addition, in October 2024, the Board approved the establishment of two new positions, Chief Administrative Officer and Director of Communications, with salaries of $190,000 and $130,000, respectively, that were not included in the operating plan.

Professional Services – The Corporation's spending on professional services increased by 23 percent since 2021 and accounted for more than $2.5 million (6 percent) of the operating expenses in 2024.

Figure 5: Payments to Law Firms in Excess of Approvals

	Board-Approved Spending	Payments made by Corporation	Payments in Excess of Approval
Law Firm 1	$0	$289,063	$(289,063)
Law Firm 2	350,000	490,624	(140,624)
Law Firm 3	0	115,800	(115,800)
Law Firm 4	250,000	497,969	(247,969)
Law Firm 5	130,000	163,280	(33,280)
Law Firm 6	325,000	343,218	(18,218)
Total	**$1,055,000**	**$1,899,954**	**$(844,954)**

Specifically, legal and consultant expenses exceeded the operating plan by an average of nearly $700,000 each year. We reviewed the contracts, Board approvals and invoices for 24 vendors paid more than $3 million[14] and determined that the Corporation paid $844,954 to six law firms without Board approval (Figure 5):

While Board approval was obtained for contracts with four firms, Corporation management paid fees in excess of the approved amounts for each of them. For example, one law firm was contracted to

14 See Appendix D for details of our sampling and testing methodology.

assist the Corporation in purchasing and issuing debt for the hotel in 2021, for an amount not to exceed $250,000. However, the Corporation continued to use the law firm for matters unrelated to the hotel in 2022, 2023 and 2024, exceeding approved costs by $247,969.

In addition, Corporation management paid the law firm based on statements that included only a general description of the matter that the bill was for and the total fee due, rather than itemized invoices detailing the specific work or services provided by the firm. Three of the 15 Directors we spoke to stated they were unaware of the additional costs incurred for services with the law firm after the hotel acquisition was completed and the other 12 Directors did not comment on it. Furthermore, Corporation management paid two law firms over $400,000 for general counsel duties and work on a lawsuit without any Board approval.

Corporation management also made payments totaling $168,040 to eight consultants without proper Board approval (Figure 6):

Figure 6: Payments to Consultants in Excess of Board Approval

	Board-Approved Spending	Payments Made by Corporation	Payments in Excess of Approval	Contract Signature Date[a]	Board's Contract Approval Date	Days From Board Approval to Work Starting
Consultant 1	$0	$48,750	$(48,750)	3/3/2020	1/16/2020	47
Consultant 2	0	34,701	(34,701)	12/21/2020	No Approval	NA
Consultant 3	0	27,132	(27,132)	5/28/2021	No Approval	NA
Consultant 4	147,000	166,000	(19,000)	12/21/2020	12/3/2020	18
Consultant 5	0	17,846	(17,846)	2/25/2021	No Approval	NA
Consultant 6	0	15,685	(15,685)	4/5/2022	No Approval	NA
Consultant 7	18,000	21,000	(3,000)	1/31/2024	1/18/2024	13
Consultant 8	30,000	31,926	(1,926)	7/30/2024	10/24/2024	-86
Totals	**$195,000**	**$363,040**	**($168,040)**			

a) In practice, officials signed contracts on behalf of the Corporation and did not always obtain Board approval.

Although the Board approved contracts for three of these consultants and authorized payments totaling $195,000, officials paid the consultants almost $24,000 more than authorized by the Board. For the remaining five consultants, there was no evidence of Board approval for four of the contracts totaling $95,364 paid to the consultants. The Board approved the remaining contract nearly three months after the contract was signed. For one contract, Corporation management paid $48,750 to a consultant in 2021 for an ethics and compliance assessment, which included 30-day progress updates to the Board. Although the Board approved this consultant's contract, the Board's approval resolution and the contract did not define the amount authorized to be spent. In addition, the agreement was signed by a law firm the Board contracted with rather than the Board or Corporation management. Corporation management paid the consultant based on a general billing statement rather than a detailed invoice and there was no documentation to support that progress updates were provided to the Board.

The three consultants were paid fees totaling almost $24,000 in excess of the Board-approved amounts. For example, the Chairman of the Board signed a contract on July 30, 2024 with the third consultant to complete an organizational assessment at $250 an hour for up to 80 hours (or $20,000) plus mileage. The consultant billed the Corporation for 125.5 hours totaling $31,375, or $11,375 more than contracted for, from August through October 19, 2024. In addition, the Board approved a contract with the consultant at a cost not to exceed $30,000 on October 24, 2024, 86 days after the original contract was signed and five days after the work was completed. It is unclear what additional work was performed to warrant the additional pay because there was no supporting documentation or written contract amendment or extension. However, as a result of this consultant's report, which was provided to the Board on October 24, 2024, the Board restructured several positions by modifying titles and responsibilities and established two new positions. On the same date the Board received the report, the Board approved hiring two individuals for the newly established positions. We question the Board's ability to make an informed decision and properly vet candidates when it received the report on the same day it approved hiring individuals for these positions.

The Board was not aware that Corporation management was making payments in excess of authorized amounts to these consultants because the Board did not receive or request financial reports to monitor spending or to ensure it authorized all purchases over $15,000, as required by its procurement policy. Instead, the Board relied on Corporation management to monitor costs and present resolutions to amend the authorized costs, if necessary.

It is essential for the Board to monitor and control spending especially because Corporation management was able to override Board-authorized spending limits. The Board did not have procedures or spending controls in place to prevent Corporation management from making payments exceeding Board-authorized spending limits. For example, in an electronic accounting system or purchase order system, application controls could be built into the software to prevent the approval of payments when authorized spending limits are exceeded. A purchase order system using sequentially numbered purchasing forms such as requisitions and purchase orders can also be utilized to prevent the approval of a requisition or the issuance of a purchase order if spending limits have been exceeded.

<u>Tax Reduction Due to a Change in the Law</u> – A change in New York State Tax Law Section 1612 lowers the Corporation's required payments to New York State from 49 percent of its revenues to 44 percent.

Although the Board and Corporation management told us they expect distributions to participating local governments to increase for 2025, the anticipated potential increase will be largely due to a change in New York State Tax Law Section 1612, which lowers the Corporation's required payments to New York State from 49 percent of its revenues to 44 percent. For perspective, payments made to the State in 2024, when the rate was 49 percent, totaled $44.8 million and would have been just under $40.2 million if the rate was 44 percent, a difference of $4.6 million. The savings from the rate change are to be used to benefit employees or to be distributed to the participating local governments in accordance with New York State Tax Law Section 1612.

While the Corporation continues to realize overall gains from video gaming operations, the net handle generated from the Corporation's pari-mutuel operations, which include wagering by patrons from live racing and inter-track wagering at Batavia Downs, continue to decline. Because horse racing is a vital part of the Corporation’s operations, the continued decline in handle and rising operating expenses could impact the Corporation’s long-term financial viability.

Recommendations

The Board should:

11. Review legal services and consultant contracts to determine whether the services are still needed and approve authorized amounts prior to Corporation management incurring costs and making payments.
12. Require itemized invoices to support payments made to attorneys and law firms.
13. Require and review consultant reports to ensure the services were provided as contracted.
14. Establish procedures or spending controls such as a purchase order system to prevent Corporation management from making payments that exceed the Board-authorized spending limits or without Board approval.

Finding 4 – Corporation management did not fully implement all previous audit recommendations.

The two OSC audits of the Corporation, released in September 2021, identified concerns with the way Corporation management distributed certain marketing and promotional tickets and the CEO’s use of a Corporation car and cell phone, as well as lax oversight of operations by the Board, a troubling tone at the top of the organization for establishing and following the rules, and poor documentation practices. Corporation management has implemented several of the recommendations from the previous audits by developing policies and procedures for the distribution of tickets, recording who received the tickets, updating the vehicle use policy, restricting vehicle use and reviewing mileage logs.

Marketing and Promotion – Current Corporation management could improve the documentation for the distribution of marketing and promotional tickets.

One of the previous audits[15] recommended the Corporation develop a policy for maintaining a complete, detailed and accurate record of all marketing and promotional tickets distributed to Directors, Corporation management, employees and players. This included leased suites at football and hockey venues in the Buffalo and Rochester areas. Tickets for concerts and related events that took place at these venues were also included.

15 https://www.osc.ny.gov/files/local-government/audits/2021/pdf/western-regional-otb-2021-65.pdf

The Corporation has improved on maintaining sufficient detail related to who was awarded tickets, the manner in which the tickets were obtained (e.g., comps, giveaways, purchased by employee, etc.) and the host of the event. However, at times, the host could not be easily identified because only the first name was listed. Without a proper accounting for each ticket, Corporation management has no assurance that all tickets are used for the intended purpose, which is to reward players. As a result, Corporation management would be unable to determine whether tickets were inappropriately being given to friends and relatives of Corporation employees or Corporation management or other non-players.

Oversight of Take-Home Vehicles – Current Corporation management could improve on the use of mileage logs for take-home vehicles.

The other previous audit[16] recommended that Corporation management ensure all employees with take-home vehicles complete and file accurate mileage logs and reimburse the Corporation for personal use in a timely manner. The Corporation has updated its take-home vehicle policy and restricted use of take-home vehicles. After our Office notified the Corporation of the issue, the former CEO reimbursed the Corporation for personal mileage and no longer used a take-home vehicle; we verified the reimbursement was accurate. Furthermore, the Corporation reduced the number of take-home vehicles from seven to three. During the audit period, two of the three employees with take-home vehicles filled out weekly mileage logs which were reviewed and approved by their supervisor. However, the Director of Building and Grounds did not complete weekly mileage logs, because he did not think it was required because the updated policy eliminated personal use of take-home vehicles.

The Board and Corporation management should continue to review the Corporation's policies, document full names for hosts of events and ensure all employees who use a take-home vehicle submit a mileage log.

Recommendations

Corporation management should require:

15. The full name of the host to be recorded when distributing marketing and promotional tickets.

16. The Director of Buildings and Grounds to complete a mileage log, in accordance with the Board-adopted policy.

16 https://www.osc.ny.gov/files/local-government/audits/2021/pdf/western-regional-otb-2021-52.pdf

Appendix A: Profile, Criteria and Resources

Profile

The Corporation is a public benefit corporation authorized by statute[17] to operate OTB parlors which generate revenues to help support participating local governments and the horse racing and local agricultural industries and to prevent and curb unlawful bookmaking and illegal wagering on horse races. The Corporation offers off-track parimutuel wagering on live horse racing at its racetrack, casino and hotel, Batavia Downs Gaming and Hotel (Batavia Downs), as well as through the branch locations, electronic-betting locations, telephone wagering and online wagering. The Corporation owns and operates Batavia Downs, which conducts live harness racing and simulcasts to and from other racetrack facilities as well as providing video gaming and restaurant and event facilities. Net revenues from these operations are to be distributed to the participating local governments.

While the Corporation collects revenues from these operations, it does not retain these funds. The Corporation must make statutory distributions to New York State's horse racing industry, New York State and the participating local governments. These statutory distributions are based on formulas in the Racing Law. In addition, the Corporation makes payments to certain out-of-state racetracks with negotiated simulcast contracts. These statutory and contractual expenses represent a significant portion of the Corporation's annual expenses, with the remaining expenses attributed to maintaining operations. The remaining net revenue, after the Corporation operating expenses are paid, is distributed to the participating local governments.

Criteria – Financial Operations

A board of directors should monitor financial operations, ensure adequate controls are in place to safeguard corporation assets and to ensure corporation management distributes funds to the participating local governments as statutorily required. One of the board of director's most fundamental roles is setting the control environment or right tone "at the top" which requires the board of directors to take an active role in significant financial decisions and ensure appropriate policies and procedures are implemented by corporation management. These policies and procedures should address monitoring the corporation's financial position and awarding contracts for goods and professional services.

Under Racing Law Section 502, each director must receive, not less than seven days in advance of a board meeting, documentation necessary to ensure knowledgeable and engaged participation. The documentation must include material relevant to each agenda item including background information of discussion items, resolutions to be considered and associated documents, a monthly financial statement which includes an updated cash flow statement and aged payable listing of industry payables, financial statements, management reports, committee reports and compliance items.

Additionally, with assistance from corporation management, a board of directors should closely monitor the operating plan and financial records to enable the corporation to identify revenue and expense

17 Racing Pari-Mutuel Wagering and Breeding Law (PML, Article 5 & 5a)

trends, establish priorities and goals, and assist in future plans for the corporation's growth and expansion. A board of directors should review and update these operating plans to provide a reliable framework for preparing budgets so that information used to guide decisions is current and accurate. After approving the operating plans, the board of directors should incorporate its decisions affecting the annual operating budget into the budget process and monitor the impact of those decisions during the year. A board of directors generally has the authority and responsibility to adopt realistic, structurally balanced budgets and to monitor the budget on a continuous basis.

Under Racing Law Section 502, the board of directors must regularly reexamine revenue estimates and the operating plan, and staff must provide a modified operating plan in such detail and within such time periods as the board of directors may require. In the event of reductions in such revenue estimates, the board of directors shall consider and approve such adjustments in revenue estimates and reductions in total expenses as may be necessary to conform to such revised revenue estimates or aggregate expense limitations.

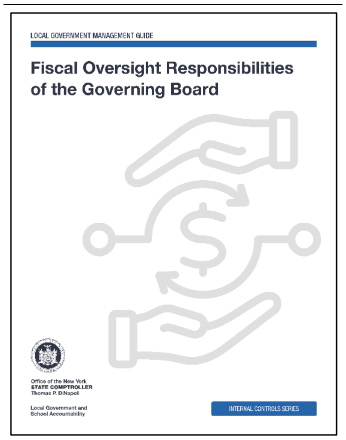
The Board's procurement policy requires Board approval for all purchases that exceed $15,000.

Additional Financial Management Resources

Figure 7: OSC Publication

OSC *Local Government Management Guide* available on our website to help officials understand and perform their responsibilities.

Fiscal Oversight Responsibilities of the Governing Board



https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf

In addition, our website can be used to search for audits, resources, publications and training for officials: https://www.osc.ny.gov/local-government.

Appendix B: Additional Financial Information

Figure 8: Distributions to Participating Local Governments 2021-2024

Municipalities	2021	2022	2023	2024
Erie County	$1,381,949	$2,075,024	$2,388,545	$1,634,542
Monroe County	1,155,626	1,676,773	1,925,032	1,307,234
City of Buffalo	548,956	854,561	983,682	673,158
Niagara County	469,982	650,742	745,715	503,130
City of Rochester	455,900	646,592	742,326	504,093
Chautauqua County	271,197	392,108	455,822	317,512
Oswego County	269,669	359,962	416,293	296,928
Steuben County	195,897	287,902	335,621	234,308
Wayne County	184,219	280,525	327,080	230,056
Cayuga County	168,980	234,458	269,878	182,709
Cattaraugus County	156,178	237,207	277,676	196,052
Livingston County	133,084	190,912	220,923	152,888
Genesee County	123,409	179,105	208,114	143,095
Orleans County	85,236	123,945	144,691	101,097
Wyoming County	84,619	124,669	144,774	100,830
Seneca County	72,581	103,237	119,709	81,718
Schuyler County	35,702	55,233	64,704	45,698
Total Distributions	$5,793,184	$8,472,955	$9,770,585	$6,705,048

Appendix C: Response From Corporation Officials

Western Regional
OFF-TRACK BETTING

BATAVIA DOWNS
GAMING & HOTEL

bataviadownsgaming.com

8315 Park Road
Batavia, NY 14020
585-343-3750
Fax: 585-343-6873

WESTERN REGIONAL OFF-TRACK
BETTING CORPORATION

February 26, 2026

Ms. Melissa A. Myers
Chief of Municipal Audits
Office of the New York State Comptroller
Division of Local Government and School Accountability

Re: Draft Audit Report No. 2025M - 121 – Western Regional Off-Track Betting Corporation

Dear Ms. Myers:

On behalf of the Board of Directors and management of the Western Regional Off-Track Betting Corporation ("Western" or the "Corporation"), we appreciate the opportunity to formally respond to Draft Audit Report No. 2025M - 121.

We thank the audit staff for their professionalism and cooperation throughout this review. During the draft phase, we worked collaboratively with your team to clarify and reconcile preliminary items, and we appreciate the revisions made to reflect those discussions.

The audit period of January 1, 2021 – December 31, 2024, occurred under prior management, and a portion of the audit period also occurred under a prior Board of Directors. Since October 2024, Western has undergone significant leadership and governance changes. Upon assuming leadership, current management conducted a comprehensive review of internal controls, procurement procedures, Board reporting practices, and financial oversight processes. Corrective measures have been implemented to strengthen accountability, transparency, and operational discipline.

Our responses to the findings and recommendations are set forth below in the order presented in the draft report.

Finding 1 – The Board did not adequately plan and monitor financial operations.

Western accepts the finding as accurate and acknowledges the importance of timely financial reporting, Board oversight, and alignment between the Operating Plan and actual expenditures.

To address reporting concerns:

- Management adjusted the Board meeting schedule to allow sufficient time for the preparation and distribution of complete financial materials at least seven days in advance, ensuring Directors have adequate opportunity for review prior to meetings.
- Beginning with the July 2025 financial reporting cycle (presented at the August 2025 Board meeting), aged payables reports and cash flow statements have been provided to Board members on a monthly basis.

- Beginning in 2026, quarterly financial statements will be distributed to the Board along with the associated Debt Service Coverage Ratio Test and compliance certificates.
- Beginning with the 2026 Operating Plan workshop, workshops will be treated as formal meetings and actions taken will be memorialized in the official minutes.
- Board meetings are now recorded and posted online within 24 hours to enhance transparency and preserve an accurate record of proceedings.

The Finance Department consistently prepares detailed monthly analyses comparing actual results to the Operating Plan. Variances exceeding both 10 percent and $10,000 are identified and explained by operational segment. Salaries and related expenses are reviewed monthly regardless of variance thresholds. Handle, net win, revenue net of statutory payments, operating expenses, surcharge revenue, and operational earnings are reviewed on a monthly basis with the Board. This information is presented to the Board by segment, including Branch Operations, Batavia Downs Gaming, and General & Administrative.

Western operates as a public benefit corporation utilizing full accrual accounting and is not a taxing or fund accounting entity. The annual Operating Plan functions as a financial planning tool based on projected revenues and expenses at the time of adoption rather than as a statutory appropriation limit.

Under current leadership, additional emphasis has been placed on treating the Operating Plan as a more structured budgetary framework. Management is working closely with department heads to align spending more closely with approved appropriations and to strengthen variance monitoring throughout the fiscal year.

Revenues are primarily derived from gaming and wagering activity and may fluctuate due to economic conditions, patron activity, regulatory developments, industry trends, and weather patterns that impact visitation. As revenues vary, certain operational expenses may adjust accordingly.

Salaries and Compensation Controls

During the audit period, the Board approved annual salary increases for employees. In certain years, those increases were not always formally incorporated into the adopted Operating Plan. Additionally, there was not a structured merit-based evaluation process tied to compensation adjustments.

Under current governance reforms:

- All wage increases are now incorporated into the annual Operating Plan prior to adoption.
- A formal merit-based salary raise review process has been established.
- Merit increases, where applicable, are planned, documented, and budgeted for in the Operating Plan.

These measures improve transparency, budgeting discipline, fairness and alignment between compensation decisions and the Board-approved Operating Plan,

Finding 2 – The Board and Corporation management did not take sufficient actions to address declining handle revenues.

While there has been a nation-wide decline, Western recognizes and accepts the decline in pari-mutuel handle during the audit period. This trend reflects broader industry conditions and competitive pressures affecting wagering operations statewide.

In 2024, during the audit period, the Board initiated and strongly encouraged a targeted marketing effort aimed at increasing pari-mutuel wagering activity at Western, specifically surrounding the Kentucky Derby. Over $100,000 was invested in additional advertising and promotional efforts. Following evaluation of the results, Kentucky Derby handle did not increase from 2023 to 2024, nor did total handle for the full day of Derby programming. As a result, the return on investment did not meet expectations, and the Board reassessed the effectiveness of that strategy.

Additionally, during the audit period, specifically from 2022 through 2023, at the direction of the Board of Directors, three underperforming branch locations were closed to reduce operating losses and improve overall financial performance.

At the same time, overall revenues have been positively influenced by increased performance in video lottery terminal operations, hotel operations, and food and beverage operations. Growth in these segments has helped sustain and partially offset ongoing operating losses in branch locations.

Management and the Board continue to evaluate operational efficiencies, strategic marketing approaches, and cost containment measures designed to enhance long-term sustainability.

With respect to consultant oversight, procedures have been strengthened to require written or formally presented deliverables, depending on the nature of the engagement. Consultant reports and materials are retained as part of the Corporation's official records, and documentation standards have been reinforced to ensure services contracted for are properly documented and reviewed. Management will continue to work with legal counsel, where appropriate, to ensure consultants fulfill their contractual responsibilities.

Finding 3 – The Board and Corporation management did not properly monitor and control increasing expenses.

Western acknowledges and accepts the audit's findings regarding certain professional service expenditures, including instances where formal Board resolutions were adopted after payments had been made and where certain legal and consulting engagements either exceeded Board-approved amounts or proceeded without prior Board authorization.

These conditions occurred under prior management, where in some cases services commenced or expenditures were incurred before formal Board approval or amendment was obtained. While engagement relationships were sometimes known to the Board, the timing and documentation of approvals did not consistently reflect best governance practices.

Current management has implemented the following corrective actions:

- Strictly follow that no procurement or professional service exceeding $15,000 may commence without prior Board approval.
- Amendments to approved spending amounts must be presented to and approved by the Board before additional expenditures are incurred.
- Itemized legal invoices are required and reviewed prior to payment.
- Spending against authorized limits is monitored regularly by the Finance and Purchasing Departments.
- Internal controls surrounding purchasing and contract monitoring have been strengthened to prevent payments in excess of approved amounts or without Board authorization.

These measures materially improve oversight and reduce the risk of recurrence.

Finding 4 – Corporation management did not fully implement all previous audit recommendations.

Western accepts the finding and acknowledges the recommendations related to marketing and promotional ticket documentation and mileage logs for take-home vehicles. Since the previous OSC audit, the Corporation reduced personal take-home vehicle use and strengthened vehicle oversight controls.

Management confirms that:

- For all of 2025, the full name of the host has been recorded when distributing marketing and promotional tickets.
- Beginning in July 2025, the Director of Buildings and Grounds began maintaining a mileage log in accordance with the Board-adopted vehicle policy.

WESTERN REGIONAL OFF-TRACK
BETTING CORPORATION

Conclusion

Western is committed to operating with transparency, fiscal responsibility, strong governance practices and equitable.

While certain findings reflect practices during prior management and, in part, under a prior Board of Directors, current leadership has taken significant steps to strengthen oversight, improve internal controls, and enhance Board monitoring of financial operations.

In 2025, WROTBC achieved its highest municipal distributions in Corporation history, totaling $12,865,736, up 93% from $6,705,048 in 2024. This performance was achieved despite continued declines in pari-mutuel handle and ongoing losses in branch operations. The increase reflects improved operational oversight, disciplined financial management, and the implementation of two Board-approved reform agendas designed to strengthen internal controls and enhance transparency and accountability.

Western recognizes its statutory mission to generate and distribute revenues to participating municipalities, promote the well-being of the horse racing and breeding industries in New York State, and support the local economy through employment and regional economic activity. The Corporation remains focused on long-term sustainability while ensuring compliance with applicable laws, statutory requirements, and governance standards.

In addition, in 2025, the State's approval of a 5 percent tax rate reduction reflects legislative confidence in the Corporation's current leadership and reform efforts.

We appreciate the opportunity to respond to the draft audit report and remain committed to continued cooperation with the Office of the State Comptroller.

Respectfully submitted,

Dennis Bassett
Chairman, Board of Directors
Western Regional Off-Track Betting Corporation

Byron W. Brown
President and Chief Executive Officer
Western Regional Off-Track Betting Corporation

Appendix D: Audit Methodology and Standards

We obtained an understanding of internal controls that we deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of our work on internal controls, as well as the work performed in our audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We interviewed Directors and Corporation management and reviewed Board meeting minutes, resolutions and policies to gain an understanding of the Corporation's operations, financial management and ticket program and take-home vehicle policies and procedures and monitoring practices. We extended the audit period back to 2020 to review Board meeting minutes and verify whether there was Board approval for contracts awarded prior to the audit period.
- We reviewed Board packets to determine whether the Directors received financial information including a cash flow statement, a list of aged payables and reports of summarized budget data seven days prior to Board meetings.
- We reviewed the operating plans from 2021 through 2024 and compared the operating plans to the actual results of operations. We analyzed significant operating plan revenues and expenses to actual revenues and expenses to identify any variances. We reviewed supporting documentation, such as employment contracts, Board meeting minutes and account detail reports to verify the variances and document the reasons. We discussed significant variances with the Directors and Corporation management.
- We identified a population of 292 legal and consultant vendors who were paid more than $5 million from January 1, 2021 through December 31, 2024. We used our professional judgment to select a sample of 24 vendors who were paid more than $3 million. Our sample included the highest paid vendors and individuals and vendors paid just above the $15,000 Board-approval threshold. We reviewed the contracts, Board meeting minutes for approvals and invoices. We also attempted to obtain documentation of written or verbal reports from consultants to verify whether services were rendered as contracted.
- We reviewed the records maintained and compiled by the Vice President of Business Operations for ticket giveaways and documented tickets given to players and non-players.
- We reviewed the updated policy and mileage logs of employees assigned take-home vehicles to verify they were completed and submitted, and reviewed payroll deductions and a check payment to verify whether the former CEO's reimbursements to the Corporation were accurate.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

Contact

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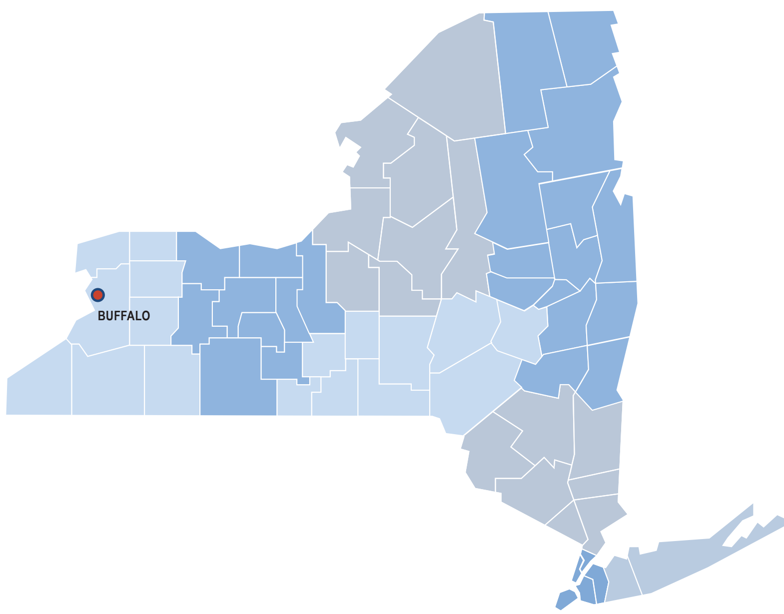

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