

April 19, 2023

Lucy Lang
New York State Inspector General
Empire State Plaza
Agency Building 2
16th Floor
Albany, New York 12223

Ms. Lang,

I am writing to file a formal complaint against Western Regional Off-Track Betting, as well as New York State Gaming Commissioner Robert Williams and the members of the Gaming Commission's board of directors – Chairman Brian O'Dwyer, John A. Crotty, Peter J. Moschetti Jr., Christopher R. Riano, Marissa Shoreinstein and Jerry Skurnik.

I am filing this complaint with your office due to years of inaction by the New York State Gaming Commission and the Gaming Inspector General. This despite the multiple investigations from various levels of government and numerous stories in the media which raised questions that remained unanswered, as described below.

During my 20 years as a member of the New York State Senate, I consistently advocated for economic development not only within my home district, but throughout the region.

As part of this effort I sponsored successful legislation which allowed the venerable harness-racing track in Batavia to present casino gambling, under the supervision of Western Regional Off-Track Betting, a public-benefit corporation.

While that legislation has achieved the goals of generating revenue for both the municipalities surrounding those venues, as well as New York State, WROTB itself has become a powerful entity unto itself, with the questionable business practices used in its management inspiring a lengthy article in the April 2022 issue of the prestigious New York Review of Books, headlined as "A Study in American Kleptocracy."

While not the first journalist to question the management practices of WROTB, author Jim Schulz describes the various methods used by the leaders of WROTB and Batavia Downs to "cream off at least a half-million dollars a year in dubious benefits for themselves. These range from opulent box seats for sporting events to gold-plated health plans for some of the agency's board members."

Please find Schulz's article, as well as extensive work by Investigative Post, a Buffalo-based not-for-profit journalism outlet run by award-winning journalist James Heaney, attached. In these articles, you will

find rather stunning examples of an organization treated as a font of compensation and perks that would be the envy of executives in the private sector.

Henry F. Wojtaszek, the organization's president and CEO, is not employed in the private sector, however. He is paid \$200,000 annually to not only generate revenue and build the organization, but to ensure that growth takes place within legal and ethical guidelines.

Instead, WROTB and Batavia Downs Gaming have come under scathing criticism not only from journalists, but the investigations and audits by the state comptroller's office and the FBI.

Those efforts have revealed an organization overseen by a board of directors from the 15 counties that make up the Western Region, as well of the cities of Buffalo and Rochester. Those directors, in theory, provide a check on management. In reality, the board has served as a rubber stamp for millions of dollars in contracts awarded to individuals politically connected to Wojtaszek and Albany lobbyists, as well as the sale of land to build a hotel attached to Batavia Downs for \$615,000 in 2015 and repurchase of the completed hotel in 2021 for \$8 million.

Those board members typically work two days per month on WROTB business, traveling to Batavia for one day of committee meetings, followed by a general session the next. For this, they receive a generous daily per diem, despite being compensated for travel and offered complimentary food and lodging at Batavia Downs. Their most significant compensation, though, comes in the form of a luxurious health-care plan covering they and their families, with WROTB covering the premiums.

Board members and their families also enjoyed game tickets and suite seating for the Buffalo Bills and Sabres, perks intended to reward and encourage gamblers who spent large amounts at the casino. State Comptroller Thomas DiNapoli's office found poor or non-existent record keeping made it impossible to determine how much of the \$1.3 million spent annually on luxury tickets actually wound up in the hands of customers, and how much went to entertain board members, executives and their families.

Faced with criticism about the entertainment spending, as well as an opinion from the New York State Attorney General's office that such health coverage was not permissible for board members, Wojtaszek's response has been to discourage and even punish transparency.

Michael Nolan, the chief operating officer of Batavia Downs Gaming from 2016 to 2020, said he was fired after cooperating with FBI investigators and seeking outside opinions on the legality of the health-care plans.

One former board member, a retired sheriff's deputy from Schuyler county, told Schulz his questions about these and other issues – and a lack of answers from Wojtaszek's team, forced him to seek another outside investigation.

"I'm the one who called the FBI," said Phil Barnes, the retired deputy. "And I'm proud of it."

In 2022, Kevin Hardwick – the elected comptroller of Erie County, the largest government entity of those that comprise WROTB's members – sent Wojtaszek five letters asking for more information on the

above issues and others. Wojtaszek refused to respond, essentially saying an elected official was not entitled to answers about how the money of taxpayers that official represents is spent.

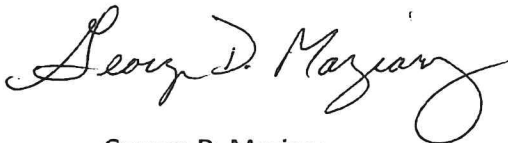
Such hubris was again on display in March.

Despite the various investigations and scathing publicity, the WROTB board unanimously approved \$40,000 in bonuses to top executives, including \$12,000 to Wojtaszek, pushing his cash compensation to more than \$200,000 annually.

At a time of unprecedented political division throughout the country, a non-partisan effort to preserve the integrity of taxpayer-funded organizations is especially vital. Your office was created as an oversight mechanism for public-benefit corporations like WROTB, as well as governmental bodies like the Gaming Commission, which has a conflict of interest stemming from its long relationship with Batavia Downs Gaming, including office space at the facility. Until 2020, that commission included the Inspector General for Gaming, creating an obvious conflict in overseeing the commission that can only be rectified by your office's attention to these issues.

I am available to meet with you or your representatives at your earliest convenience. I can be reached via phone at (716) 512-0851 or by email at gdm1174@gmail.com.

Sincerely,

A handwritten signature in black ink, reading "George D. Maziarz". The signature is fluid and cursive, with a large, stylized "G" and "M".

George D. Maziarz

6905 Ridge Rd.

Lockport, NY 14094