

New York State Racing and Wagering Board



**2009 Annual Report
and Simulcast Report**

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On the cover:

Rachel Alexandra, with jockey Calvin Borel on board, on her way to stunning victory in Woodward Stakes at Saratoga Race Course. Photo provided by New York Racing Association.



Belmont Park, 1999

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MISSION STATEMENT

Our purpose is to ensure that New York State's legalized pari-mutuel operations, charitable gaming activities and Class III Indian Gaming facilities operate with integrity and are in full compliance with New York's statutes, the Board's rules and the tribal-State Class III Gaming Compacts, respectively.

We safeguard the interest of the public, including the taxpayers and patrons, by ensuring that the regulated entities and their employees participating in or benefiting from legalized gambling operate with the utmost professionalism. We will expeditiously respond to all public concerns.

Executive management espouses that personal integrity is paramount for all Board employees who must ensure honest and proper conduct of legalized gambling and other regulated activities. To properly serve the public, all employees must perform their duties in an ethical manner that is above reproach. To meet this goal we advocate teamwork, intra-agency communication, mutual respect, training and advancement to reach each employee's potential.

Only through vigilance, competence and dedication can the Board and its employees be successful in performing its statutory responsibilities.

John D. Sabini
Chairman

Daniel D. Hogan
Member

Charles J. Diamond
Member



CHAIRMAN'S MESSAGE

**To: The Honorable David A. Paterson, Governor
Members of the New York State Legislature, and
Robert L. Megna, Director of the Budget**

July 1, 2010

On behalf of the New York State Racing and Wagering Board, I respectfully submit to you the Board's 2009 Annual Report, as required by Chapter 346 of the Laws of 1973. The report underscores the importance of the racing and gaming industries to every region of the state and details the noteworthy actions that have been taken by the Board and its staff to carry out our regulatory responsibilities in a fair and responsible manner.

At this time, I would like to thank former fellow Board Member John Simoni for his capable and dedicated service to this Board until his term expired earlier this year. I am also pleased to note that Member Daniel Hogan and I have since been joined by new Board Member Charles J. Diamond, who has immersed himself in the full spectrum of responsibilities assigned to this Board.

As the Board's Chairman, I remain committed to framing policies and supporting rules that promote proper care and treatment for our equine athletes and safety for our jockeys and harness drivers. Our fundamental goal will continue to be to promote integrity and protect the wagering public from any potential unscrupulous activity, either at the racetracks, Bingo halls or the Native American tribal casinos. In interacting with various stakeholders, I have urged all to work together to advance the common good, to keep New York a prosperous place for the tens of thousands of people who make their living here in the racing or gaming industries.

Beyond our traditional role as regulators, the Board has worked with the Division of the Lottery for the purposes of licensing reciprocity of individuals engaged in activities at the proposed Aqueduct video lottery racino, a project that will ultimately provide hundreds of new jobs, yield significant revenue for the state and provide a reliable new stream of financial support for the racing industry..

The Board has also been very dedicated to streamlining its own operations in a way that has created new efficiencies – without jeopardizing our integrity programs. For instance, a new partnership with Morrisville State College, a relationship made possible as a result of legislative action in Albany, will cut costs with no letup in our drug monitoring program.

Over the past year, the Board has advanced our effort to implement an independent monitoring system for all pari-mutuel tote companies handling bets here.

Incorporated into this Report, as in past years, is the Simulcast Report as required by the Racing, Pari-Mutuel Wagering and Breeding Law Section 1002.2. The total pari-mutuel handle (the amount bet at New York tracks combined with off-track betting outlets) amounted to more than \$2 billion for 2009. Meanwhile, the Board recorded a profit of some \$50 million for New York charities through the monies wagered on bell jar, bingo and other games of chance.

As regulators, we are limited in the decisions that can be made with regard to reshaping the current business models that exist for offering pari-mutuel wagering. But we have eagerly pursued every opportunity we can to make New York a more competitive and welcoming environment for those who qualify for our licenses or simply want to enjoy a thrilling day at one of our race-tracks or Class III Native American casinos.



John D. Sabini
Chairman



Jockey Kent Desormeaux, after winning the Travers Stakes at Saratoga Race Course on Summer Bird, holds trophy aloft while Racing and Wagering Board Chairman John D. Sabini looks on. Summer Bird became the 30th horse to win the Travers after winning the Belmont Stakes. Photo provided by New York Racing Association.

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John D. Sabini

Chairman

John D. Sabini of Jackson Heights was appointed Chairman of the New York State Racing and Wagering Board by Governor David Paterson and confirmed by the New York State Senate on August 8, 2008. Concurrently, Mr. Sabini serves as Chairman of the Agriculture and New York State Horse Breeding Development Fund; Chairman of the New York State Thoroughbred Breeding and Development Fund; Vice Chairman of the Harry M. Zweig Memorial Fund; and Co-Chairman of the New York State Task Force on Retired Racehorses.

Prior to his appointment as Chairman of the Board, Sabini served six years as a New York State Senator representing the 13th Senate District which encompassed parts of Jackson Heights, Corona, East Elmhurst, Elmhurst and Woodside. His success as a Senator was attributed to his legislative and community experience, strong advocacy for government reform, education, transportation and his persistent efforts to bring fair amounts of funding and government services to his district.

During his tenure as Senator, Chairman Sabini received several high-profile appointments including his ranking membership on the Elections, the Transportation and the Racing, Gaming & Wagering Committees. In 2006, Senator Sabini was appointed as Assistant Minority Leader for Intergovernmental Affairs thanks to his many years of experience at the federal, state and city levels of government.

Chairman Sabini was also appointed to several high-profile panels. He acted as the only New York State representative on a national transportation leadership summit at the White House and served as the only New York City legislator on the Governor's special panel to determine the future of thoroughbred racing in New York and the operations of Belmont Park, Aqueduct Racetrack and Saratoga Race Course.

Prior to being elected to the State Senate, Chairman Sabini served as a New York City Council Member for the years 1992-2001 where he introduced and co-sponsored many bills that have helped to improve the quality of life for city residents. From 1998 until 2001, he served as Chairman of the Council's panel on Landmarks, Public Siting and Maritime Uses which determined the locations of New York's Historic Districts and Landmarks as well as the construction of public buildings and leasing of properties for municipal use.

Before becoming an elected official himself, Chairman Sabini served as District Administrator for Congressmen James H. Scheuer and Stephen J. Solarz. He also served as Director of the State Assembly's Subcommittee on Senior Citizen Facilities. Prior to his election to the City Council, Chairman Sabini was Vice President of the MWW Group, a public and government relations firm based in New Jersey.

Chairman Sabini holds a degree from New York University's College of Business and Public Administration, now known as the Stern School, and attended its Graduate School of Public Administration, now known as the Wagner School.



Daniel D. Hogan

Member

Daniel D. Hogan was appointed and confirmed to the New York State Racing and Wagering Board on June 22, 2006 and served for two years as its Chairman.

Member Hogan's 25-year career in public service includes Commissioner of the New York State Office of General Services (OGS) where he was responsible for the management of an office that delivers diverse support services to all state agencies including leasing, design and construction, information technology, procurement services, inter-agency mail services and more.

Prior to his appointment with OGS in 2004, Member Hogan served as the Director of the Governor's Office of Regulatory Reform where he was responsible for assisting in the Governor's office efforts to promote new private sector job creation by streamlining comprehensive business permitting and licensing assistance.

Member Hogan, a native of Niagara Falls, graduated from State University College at Buffalo. He currently resides in Slingerlands with his wife, the former Carrie Platt, and their three children.



Charles J. Diamond

Member

Charles J. Diamond of Watervliet was appointed a Member of the New York State Racing and Wagering Board by Governor David A. Paterson and confirmed by the New York State Senate on February 23, 2010.

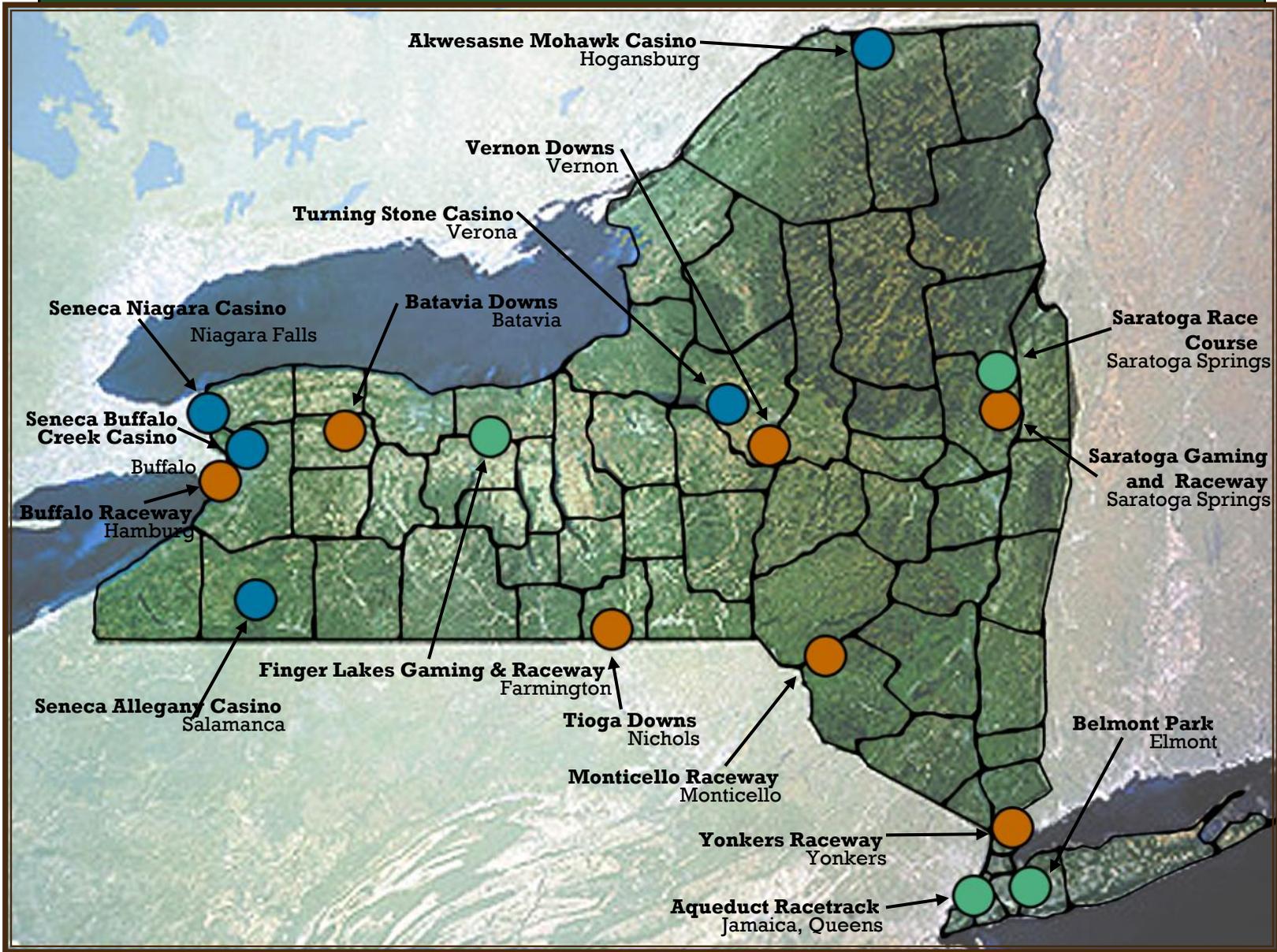
Prior to joining the Board, Mr. Diamond was an elected member of the Watervliet City Council, serving on his hometown governing body from 1996 until he accepted the Racing and Wagering Board appointment. Mr. Diamond served as Director at the Cable Telecommunications Association of New York from January 2009 until January 2010. He was instrumental in implementing the Association's Strategic Plan involving tax issues and other matters important to an industry that represents a growing segment of New York's economy.

Mr. Diamond forged strong relationships with key community leaders and elected officials throughout New York while serving as District Chief of Staff for U.S. Representative Michael R. McNulty from January 1989 through January 2009. During that 20-year span, he represented the interests of many public and private sector stakeholders before a variety of federal agencies, utilizing his extensive knowledge of the bureaucracy to make it serve the day-to-day interests of the citizens of the Congressional District. He has been and continues to be involved with a wide array of community and civic organizations, serving on Boards of Directors for a number of organizations. He has been recognized for his community service by charitable, fraternal and civic groups representing people involved in education, law enforcement and business.

From 1978 until 1988, Mr. Diamond served as director of the City of Watervliet Parks and Recreation Department. A 1975 graduate of Niagara University, holding a bachelor of science degree, Mr. Diamond was employed as a teacher at St. Joseph's School in Troy from 1975 until 1978.

Mr. Diamond resides in Watervliet with his wife, Giovina, and their two children.

GAMING ESTABLISHMENTS



LEGEND



Thoroughbred Track



Harness Track



Indian Casino

YEAR IN RACING

2009: A thrilling year for New York racing fans

Horse racing fans enjoyed many thrills during 2009 -- but among the most exciting moments of all came on September 5 when 31,171 people went through the turnstiles at Saratoga Race Course to witness Rachel Alexandra's amazing victory in the Grade 1 Woodward Stakes.

In beating Macho Again by a neck, Rachel Alexandra, with crowd-pleasing jockey Calvin Borel on board, became the first female horse in history to defeat older males on dirt in a Grade 1 since the system of grading races began in 1973. She accomplished this feat in a blistering 108.29 seconds, climaxing a year when she won eight out of eight races. Less than four months earlier, she became the first filly in 85 years to win the Preakness Stakes. On June 27 at Belmont Park, Rachel Alexandra, in winning by 19 ½ lengths at the Mother Goose Stakes, shattered records for that race for fastest time and largest winning margin.

By year's end, the racing world was so impressed with Rachel Alexandra that she captured the Horse of the Year title.

Meanwhile, the attention of racing fans worldwide was riveted on Belmont Park on June 6 when jockey Calvin Borel found himself on the verge of making Triple Crown history -- if he could only cross the finish line first on board Mine That Bird. Had he been successful in that quest, he would have been the first jockey to win all three rungs of the Triple Crown on two different horses. However, with 52,861 fans in attendance, Mine that Bird, the winner of the Kentucky Derby, and Borel came up short that day, finishing third behind winning horse Summer Bird and Dunkirk in the mile-and-half distance.

The high quality of New York Thoroughbred and Standardbred racing was also showcased many other times throughout the year. For all of these contests, personnel from the New York State Racing and Wagering board were on hand. These more than 130 staffers worked together to uphold rules promoting integrity and protecting the interests of the betting public as they interacted with the pari-mutuel wagering system.

Among some of the most thrilling contests were the Travers Stakes at Saratoga, the Jockey Club Gold Cup, both at Belmont Park, with Summer Bird winning those races as well. Given that strong campaign, Summer Bird would have been a contender for Horse of the Year honors in any other year when there was not such a superstar on the scene as Rachel Alexandra.

At Aqueduct Racetrack in April, fans attending the Wood Memorial were treated to a spectacular performance by I Want

Revenge, a dark bay colt astutely ridden by Joe Talamo that bolted through a wall of horses down the stretch on his way to victory before a live audience on the NBC network. I Want Revenge would go on to become the morning line favorite for the Kentucky Derby, only to be scratched on the morning of the annual Run for the Roses because of an injury. The 2009 Derby was won by Mine That Bird, a horse that finished third in the Belmont Stakes behind Summer Bird and Dunkirk.

With the nation's economy in a lingering recession, the Sport of Kings faced many challenges during the year. The final handle numbers at tracks across the country were disappointing for the industry, with Equibase reporting a total decline in wagering of nearly 9.9 percent, or a drop of \$1.35 billion from one year earlier.

Against this difficult backdrop, officials at the New York Racing Association experienced what they called a sensational six weeks during the summer meet at the Saratoga Race Course, where all-sources handle was down just 1.7 percent from a year earlier, while on track handle and attendance fell 2.2 percent and 2.1 percent, respectively.

That meet came on the heels of the spring/summer meet at Belmont Park, where frequently rainy weather contributed to significant declines in betting action and attendance. All-sources handle at that meet dropped 13.9 percent from a year before, while daily average attendance declined 17.2 percent in that period.

The fall meet at Belmont experienced similar difficulties -- with more frequent wet weather along with declines in daily average of 13 percent and a drop in on-track and total handle daily averages of 5.8 and 17.1 percent, respectively. At Aqueduct Racetrack's two meets in 2009, total handle came to \$125.3 million, down from approximately \$132 million in 2008. Finger Lakes Gaming and Race Track recorded a total handle of nearly \$25.3 million, a dip of 1.9% from a year earlier.

New York Sire Stakes Night of Champions

Top trainers, drivers and many of New York's most talented Standardbred horses converged on Vernon Downs on Sept. 26 for the annual New York Sire Stakes Night of Champions.

Despite an hour-long interruption due to transformer fire near the backstretch, Vernon Downs was able to complete the exciting program and award \$1.4 million over the course of the evening to the successful competitors.

Fans reveled in the action, delighting in the strong performances from And Away We Go, winner in the 3-year-old Colt Trot category, setting a new stakes record with a time of 1:54.3, and from Go Go Solano, winner in the 3-year-old Colt Pace category. Tim Tetrick was the only driver to win two Sires Stakes finals on the card, scoring victories with Gift Card in the 3-year-old Fillies Trot and Munis Blue Chip in the 2-year-old Fillies Trot.

RACING INTEGRITY

Officiating and Integrity

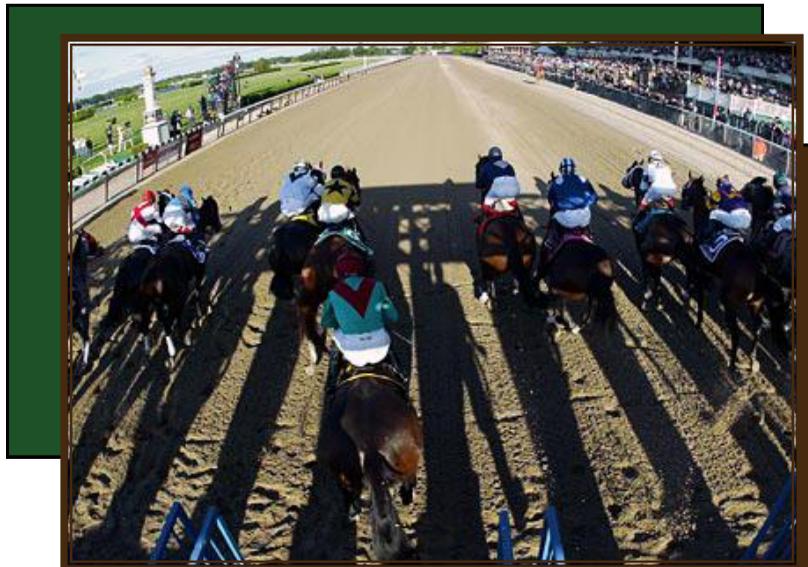
Each race conducted at a New York thoroughbred racetrack is observed by at least three stewards: one employed by the Racing and Wagering Board, one employed by the racing association and one employed by the Jockey Club. At the harness tracks each race is observed by at least three judges who all serve as employees of the Racing and Wagering Board. The stewards and judges viewing stand is located near the finish line of each racetrack and is equipped with several television monitors to permit the viewing of multiple angles of each race. The stewards observe the races to ensure that all conduct is in accordance with rules and regulations.

There are few racing jurisdictions that have equaled New York's strong stand on integrity in horse racing. Over the past decade, the Board has enabled more capable and qualified people to become stewards and presiding judges and now have a cadre of qualified individuals who have passed newly instituted coursework. Examples of the testing and preparation are:

- All New York State Racing and Wagering Board (NYSRWB) Associate and Presiding Judges and Starters are now licensed by the United States Trotting Association (USTA) before being hired. A test must be passed to obtain each license. USTA rules courses were held.
- All NYSRWB full-time Stewards must attend the Louisville Equine Steward Certification Class. They must also attend periodic seminars in order to keep their licenses valid.
- All current Judges are retested periodically on the rules, equipment, medications and procedures and the training tests are updated frequently.
- New officials receive extensive on-the-job training at their new positions before being hired full-time.

Regulatory Activities

During the calendar year 2009, the Board imposed **1,313** sanctions for violations of racing laws, rules and regulations at both harness and thoroughbred tracks. The rulings include, but are not limited to, driving and riding infractions, general conduct violations, human and equine drug violations, general business practice violations and several other rule and law violations. The main office of the Racing and Wagering Board issued 527 violations that are not assigned to a specific track. Fines levied in 2009 totaled \$120,571.00.



Starting Gate at Belmont Park

Summary of Rulings by Track (includes fines)

Batavia Downs	51
Buffalo Raceway	69
Finger Lakes Gaming & Racetrack	76
Issued by RWB Main Office	527
Monticello Raceway & Mighty M Gaming	135
New York Racing Association	87
Saratoga Gaming & Raceway	119
Tioga Downs	57
Vernon Downs	85
Yonkers Raceway	107
TOTAL	1313

RACING LICENSING

Participants in New York State racing are required to obtain an occupational license. Good character and integrity of all participants are important to the continuity of the sport. Every application is reviewed, updated and carefully processed by the Board's Licensing unit before a license is issued. Also, by statute, fingerprinting is required of each applicant. Where it is believed that an applicant's background and associates may warrant a finding that his/her participation in racing would be inconsistent with the public interest or the best interest of racing generally, a thorough investigation is conducted before unfavorable action is taken in the form of a denial, suspension or revocation of his/her license.

	2008			2009		
	Harness	Thoroughbred	Total	Harness	Thoroughbred	Total
Amateur Jockey	0	1	1	0	1	1
Apprentice Jockey	0	32	32	0	37	37
Assistant Trainer	0	487	487	0	534	534
Authorized Agent	0	144	144	0	142	142
Cleaning Service	276	312	588	244	303	547
Driver	820	0	820	868	0	868
Exercise Rider	0	1133	1133	0	1212	1212
Farrier	48	85	133	57	90	147
Food Service	590	477	1067	627	510	1137
Gap Attendant	0	9	9	0	6	6
General Services	1811	2376	4187	1870	2493	4363
Groom	2366	2718	5084	2514	2646	5160
Jockey	0	267	267	0	282	282
Jockey Agent	0	77	77	0	78	78
Matinee Driver	4	0	4	4	0	4
Mutuel Clerk	423	1670	2093	424	1720	2144
Owner, Original	1307	1309	2616	1482	1395	2877
Owner, Renewal	5204	5520	10724	5458	5611	11069
Peace Officer	234	493	727	230	536	766
Private Trainer	16	3	19	21	4	25
Provisional Driver	156	0	156	165	0	165
Qualifier Driver	84	0	84	86	0	86
Racing Official	2	76	78	3	82	85
Security	316	84	400	331	88	419
Stable Employee	2	1690	1692	2	1725	1727
Totalisator Employee	43	10	53	79	49	128
Track Management	185	84	269	193	83	276
Trainer	2054	643	2697	2182	650	2832
Vendor - Transporter	9	7	16	27	81	108
Veterinarian	48	97	145	59	108	167
TOTALS	17809	22180	39989	16926	20467	37393



Quarter Pole at Belmont Park

The chart to the right reflects the total number of licenses issued to participate in racing in 2008 and 2009, including multi-year licenses that were active during the year. Individuals that hold licenses for more than one occupation (i.e., owner/trainer or trainer/driver) are counted twice, once in each category.

In 2009, 598 horsemen received a National Racing Compact (NRC) License.

EQUINE DRUG TESTING

The Equine Drug Testing Program (EDTP) for all thoroughbred and harness racing in New York State is performed by the New York State College of Veterinary Medicine at Cornell University in Ithaca, New York, under contract with the New York State Racing and Wagering Board. The EDTP at Cornell University continues to be one of the leading equine drug-testing programs in the world.

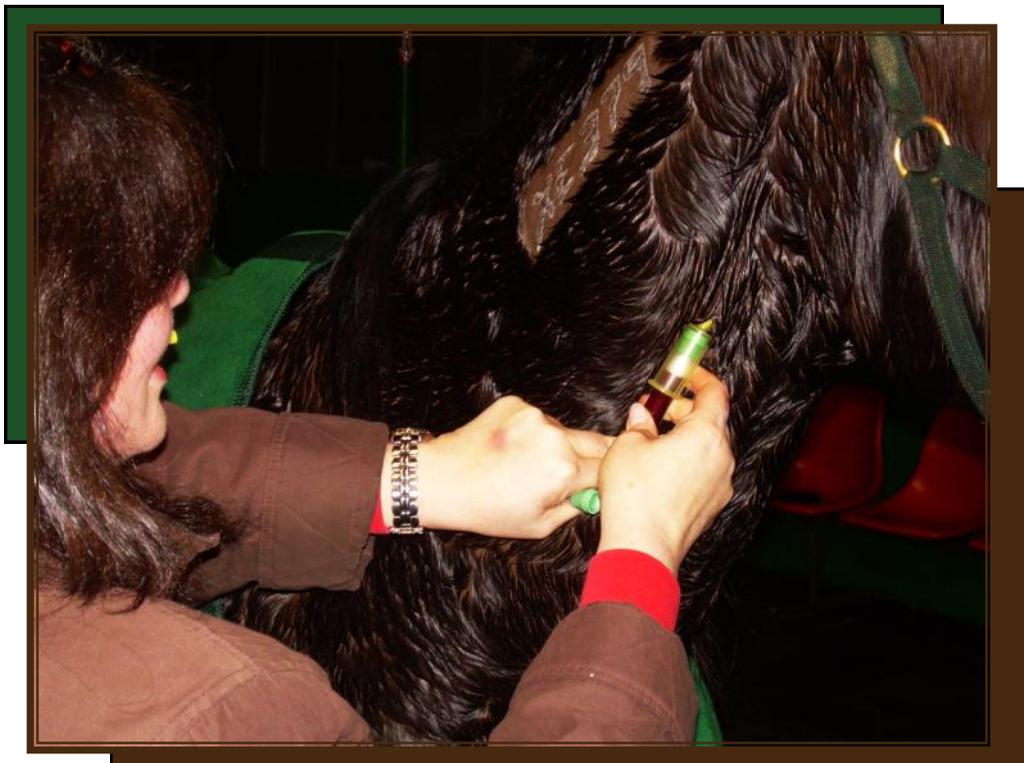
Equine drug testing is mandated by Chapter 47-A of the Consolidated Laws of the State of New York, The Racing, Pari-Mutuel Wagering and Breeding Law in Section 902 (see next page).

In the year 2009, **62,808** total samples of both urine and blood were collected and sent for testing at Cornell University. The Director of the EDTP is Dr. George A. Maylin (pictured on next page) who began his career as a veterinarian in 1965. Dr. Maylin has held several distinguished positions throughout his career including Director of Cornell Research and Reference Center, Director of Equine Drug Testing and Research Program and Division Chief of Toxicology Diagnostic Laboratory at New York State College of Veterinary Medicine, among others. Dr. Maylin is also responsible for the publication of numerous documents, studies and reports in the fields of pharmacology, toxicology, exercise physiology, chemistry and immunochemistry. From the gathering of the original blood and urine samples that are collected in the presence of the owner, trainer or representative, throughout transport and subsequent testing, the chain of custody is strictly maintained by Racing and Wagering personnel. This is necessary as blood and urine samples may be evidence in future litigation. All sample containers are identified and sealed against tampering upon collection. All samples are identified with unique numbers and the EDTP personnel do not know the identity of the horse involved.

Under Board procedures, when the EDTP detects and confirms the presence of a prohibited substance, the laboratory immediately informs the Board's Director of Racing Operations and its Counsel. Immediately thereafter, the Director of Racing Operations informs the steward or presiding judge at the racetrack where the horse's sample originated, along with other appropriate Board personnel. Investigation into the matter is begun after the horse and its trainer are identified by the steward or presiding judge.

The sample identifying numbers are matched by the steward or presiding judge to his previously locked documentation of collected samples. After identification, investigation into the circumstances including interviews with all involved parties begins. The trainer is afforded the option of having a "split" sample of the original tested at an approved laboratory of

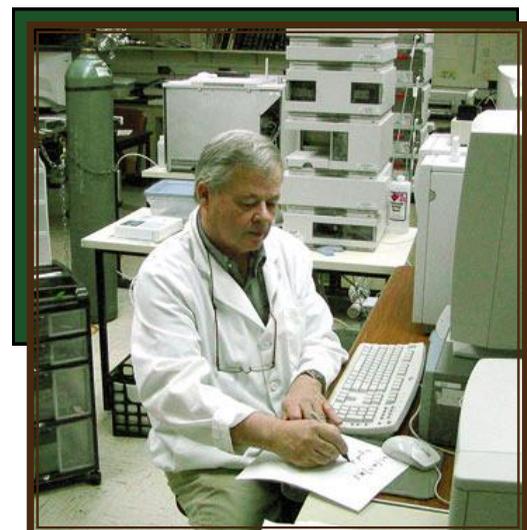
his/her choice at his/her expense. After the investigation is completed and all other information is gathered and studied, the licensee if appropriate, is assessed a penalty from the State steward or presiding judge. Should the licensee not agree with the penalty given, there is an appeals process that affords the licensee a full hearing before a Board-appointed hearing officer. Upon receipt of the hearing officer's completed report, the three member Board renders a decision. A listing of the most commonly used medicines in the equine racing world is contained within the Board's rules. Also contained are the number of hours "out" (before race day) that these listed drugs may be administered. The only allowable medication on race day is furosemide and it is only permitted to be administered to horses properly enrolled in a furosemide medication program as prescribed.



Veterinarian drawing blood for testing

Post Race Positives By Track

	2008	2009
Aqueduct	2	7
Batavia Downs	4	5
Belmont Park	3	2
Buffalo Raceway	2	4
Finger Lakes Racetrack	7	11
Monticello Raceway	8	6
Saratoga Race Course (Thoroughbred)	0	0
Saratoga Raceway (Harness)	2	5
Tioga Downs	4	1
Vernon Downs	1	2
Yonkers Raceway	7	7
NYSRWB	2	0



Dr. George A. Maylin, Cornell University

Section 902

Equine drug testing and expenses

1. In order to assure the public's confidence and continue the high degree of integrity in racing at the pari-mutuel betting tracks, equine drug testing at race meetings shall be conducted by a land grant university within this state with a regents approved veterinary college facility. The state racing and wagering board shall promulgate any rules and regulations necessary to implement the provisions of this section, including administrative penalties of loss of purse money, fines, or denial, suspension, or revocation of a license for racing drugged horses.

2. Notwithstanding any inconsistent provision of law, all costs and expenses of the state racing and wagering board for equine drug testing and research shall be paid from an appropriation from the state treasury, on the certification of the chairman of the state racing and wagering board, upon the audit and warrant of the comptroller and pursuant to a plan developed by the state racing and wagering board as approved by the director of the budget.

Summary Drug Report 2009

Drug	Number of Positives
Acepromazine	1
Clenbuterol	7
Cyclobenzaprine	1
Flunixin	22
Fluphenazine	3
Furosemide	1
Hydroxycyclobenzaprine	1
Hyroxydetomidine	2
2-(1-Hydroxyethyl) Promazine	1
2-(1-Hydroxyethyl) Promazine Sulfoxide	1
Hydroxypromazine	2
Hydroxyphenytoin	1
Ipratropium	1
Ketoprofen	1
Methocarbamol	1
Methotrexate	6
Norpseudoephedrine	2
Oxycodone	1
Oxymorphone	1
Pentazocine	1
Phenytoin	2
Promazine	2
Propantheline	2
Pseudoephedrine	2

INDIAN GAMING

Class III Indian Gaming

The Racing and Wagering Board has been intimately involved in Class III Indian gaming from its infancy, with its representatives actively participating in the negotiations of the Class III gaming compacts culminated in 1993 between the State of New York and both the Oneida Indian Nation of New York, and the Saint Regis Mohawk Tribe, as members of the Governor's Class III Gaming Negotiating Team. These compacts, which uniquely guarantee the State specific regulatory authority regarding Class III gaming operations, met the State's three goals deemed critical to its agreements with the tribes: *to ensure public order and safety; to protect the integrity of the games authorized by the compacts; and to gain agreement on a sound system of fiscal and auditing controls over casino gaming operations to protect the interests of the wagering public, the tribes and the State of New York.*

The Oneida Indian Nation opened its Turning Stone Casino on July 20, 1993, and the Saint Regis Mohawk Tribe opened the Akwesasne Mohawk Casino on April 12, 1999. On August 18, 2002 the State of New York and the Seneca Nation of Indians reached agreement on a Class III gaming compact. The Seneca Nation opened its Seneca Niagara Casino on December 31, 2002; the Seneca Allegany Casino on May 1, 2004 and lastly, the Seneca Buffalo Creek Casino on July 3, 2007.

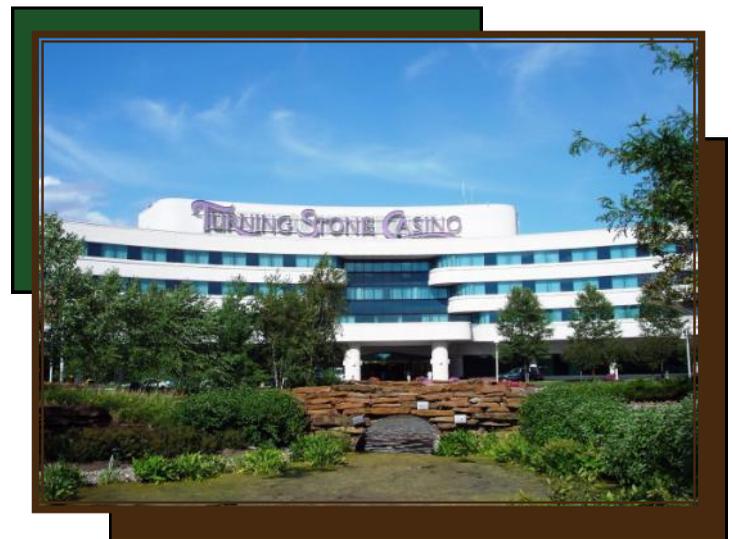
Contained in each compact and appendices are standards, rules of operation and specifications for each game authorized to be conducted; internal controls governing the operation of each gaming facility; procedures for certification and/or registration of gaming employees and certain companies transacting business with the casinos; and a system for mediating disputes between the State of New York and the tribes.

Board inspectors employed by its Division of Gaming Regulation maintain a constant presence within all five Class III gaming facilities in New York, monitoring and confirming that gaming is operated pursuant to the respective Class III gaming compact between the Indian tribes and the State of New York. In general, each compact requires that all gaming employees and each of the representatives of the companies transacting business with a Class III gaming facility be found suitable by the Board prior to employment or the transaction of business. The Board's Division of Licensing, utilizing information provided by fingerprint searches conducted by the Federal Bureau of Investigation, the New York State Division of Criminal Justice Services and (when warranted) the Royal Canadian Mounted Police and a background investigation conducted by the New York State Police – Casino Detail, determines the suitability of each individual and entity and subsequently approves or denies the applications submitted.

All of the State's regulatory expenses, for both personnel and equipment, are to be reimbursed by the regulated Indian Nation or Tribe.

Indian Gaming Regulation

The federal Indian Gaming Regulatory Act ("IGRA") of 1988 provides a framework outlining several different levels of regulatory jurisdiction over gambling conducted on Indian land that is dependent upon the type of gambling operated. The IGRA divides gambling into three categories, and establishes a regulatory system for each. Class I gaming, which is under the exclusive jurisdiction of the Indian tribes, is described as "*social games played solely for prizes of minimal value or traditional forms of Indian gaming engaged in as part of, or in connection with, tribal ceremonies or celebrations.*" Class II gaming is defined as "*the game of chance commonly known as bingo including (if played at the same location) pull-tabs, lotto, punch boards, tip jars, certain card games, instant bingo and other games similar to bingo.*" Class II gaming, pursuant to the IGRA, is subject to both tribal jurisdiction and regulatory oversight by the National Indian Gaming Commission, but states are not permitted to regulate any Class II gaming activity. Class III gaming, which includes "house-banked" casino-style games such as blackjack, roulette and slot machines, can only be conducted pursuant to the terms of a Class III gaming compact between a tribe and the state in which the tribal lands are located.



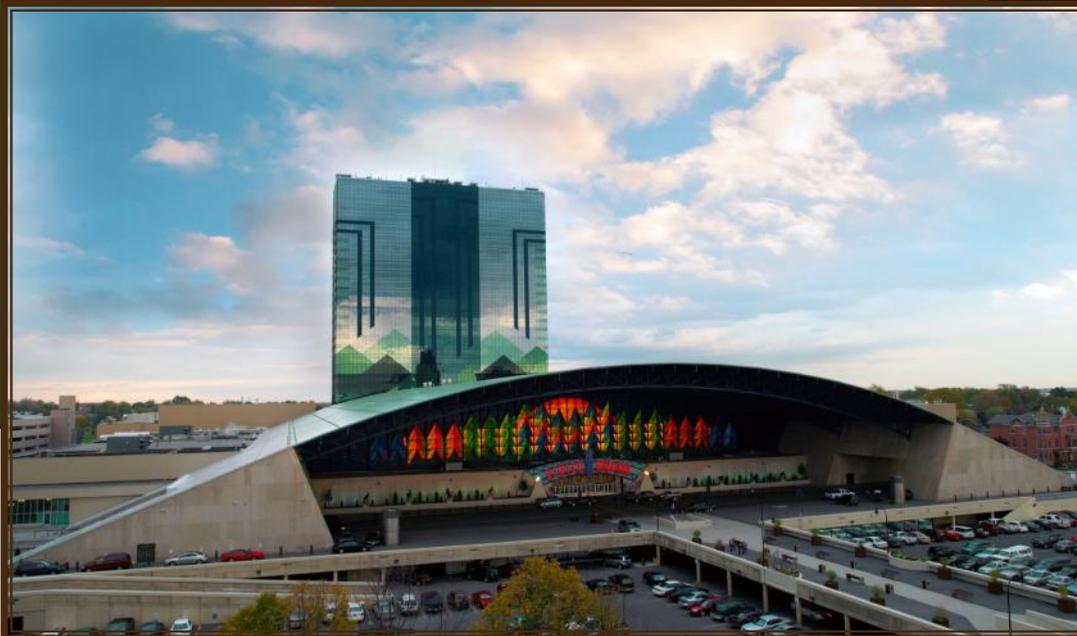
Turning Stone Casino
Verona, NY

New York's Class III Gaming Compacts

Class III gaming compacts have been forged between the State and the Oneida Indian Nation of New York; the Saint Regis Mohawk Tribe; and the Seneca Nation of Indians. On April 16, 1993, Governor Mario M. Cuomo signed the Oneida Indian Nation of New York's Compact on behalf of the State of New York. The Compact was subsequently approved by the Department of the Interior on June 4, 1993. The Oneida Nation opened their Turning Stone Casino on June 20, 1993. Governor Cuomo signed the Saint Regis Mohawk Tribe's Compact on June 9, 1993, and it was subsequently approved by the Interior on December 4, 1993. The Mohawk Tribe opened their Akwesasne Mohawk Casino on April 10, 1999. Finally, Governor George E. Pataki signed the Seneca Nation of Indians' Compact on August 18, 2002, and approval was received from Interior on October 25, 2002. The Seneca Nation opened their Seneca Niagara Casino on December 31, 2002; the Seneca Alleghany Casino on May 1, 2004; and the Seneca Buffalo Creek Casino on July 3, 2007. Each compact delineates the rules and specifications for each authorized game; internal controls and operational standards governing the operation of the gaming facility; procedures for determining the suitability of all gaming employees and the representatives of each company transacting business with a casino; and the subsequent approval or denial of such applications; and each compact includes a method for mediating disputes.

Board Gaming Operations Inspectors

Board gaming inspectors maintain a constant, twenty-four hour presence within each gaming facility, conducting compliance examinations to ensure that gaming operations such as dealing procedures, internal accounting controls and other safeguards strictly conform to the applicable provisions of the respective Class III gaming compact. Board inspectors conduct investigations and interviews, review surveillance videos and prepare detailed narrative reports as part of their normal duties. For example, inspectors witness the relocation of gaming equipment to ensure that no tampering occurs, or that the equipment moved is not replaced without proper notification; respond to radio calls regarding repairs and upgrades conducted to gaming equipment; witness that such repairs conducted are incidental, document which repairs are made, and by whom, in written reports. Board gaming inspectors are experienced, professional investigators specially trained to monitor casino gaming activities with the respective Nation or Tribal gaming inspectors, security officers, surveillance departments and law enforcement agencies. Casino patrons regularly seek Board gaming inspectors to clarify the rules of the games and for recourse after filing complaints with casino managers and/or Nation or Tribal gaming regulators.

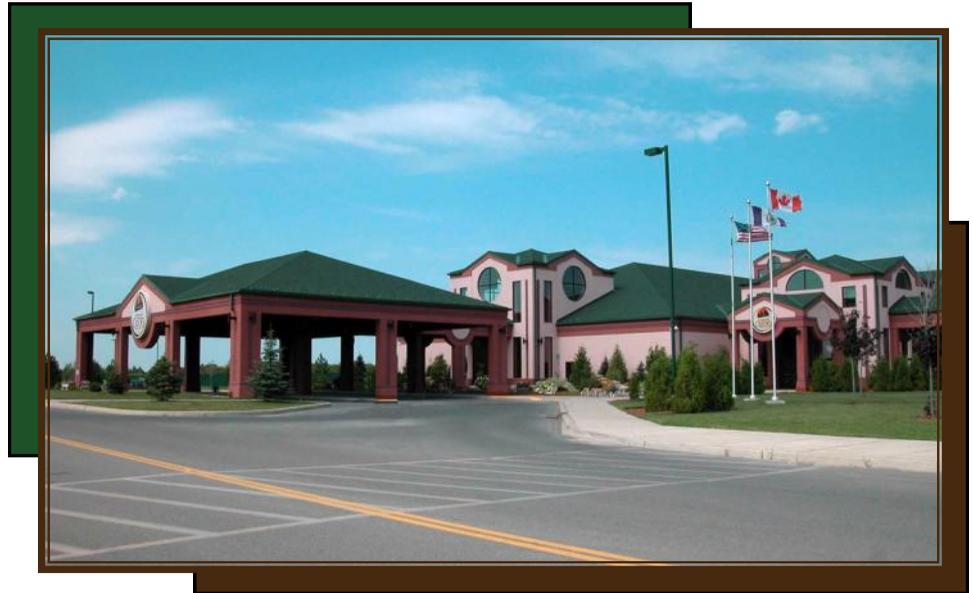


*Seneca Niagara Casino,
Niagara Falls, NY*

INDIAN GAMING

Activity

The following charts illustrate the Licensing Division activity related to applications received from the five Indian Casinos operations in New York State.



*Akwesasne Mohawk Casino
Hogansburg, NY*

2009	Oneida Nation	Mohawk Tribe	Seneca Allegany	Seneca Niagara	Seneca Buffalo
Temporary Certifications Issued	774	129	96	349	29
Annual Certifications Issued	220	59	54	136	0
Renewal Certifications Issued	212	2	99	264	1
Temporary Certifications Denied	10	2	6	15	2
Annual Certifications Denied	0	0	0	0	0
Certifications Suspended or Revoked	0	0	0	0	0

Lifetime	Oneida Nation	Mohawk Tribe	Seneca Allegany	Seneca Niagara	Seneca Buffalo
Temporary Certifications Issued	16,045	3,358	2,354	7,338	73
Annual Certifications Issued	6,994	1,443	1,168	3,172	15
Renewal Certifications Issued	832	3	362	1027	4
Temporary Certifications Denied	343	123	92	457	3
Annual Certifications Denied	6	10	4	5	0
Certifications Suspended or Revoked	0	3	0	0	0

BREEDING & DEVELOPMENT

The Agricultural and New York State Horse Breeding Development Fund

The Agricultural and New York State Horse Breeding Development Fund was established by the LaVerne Law in 1965. The law empowered the Fund to promote the breeding of harness horses and the conduct of equine research in the State.

In order to carry out its legislative mission the Fund receives money from the mutuel handle at the licensed tracks across the State and uses this money to provide purse money for the New York Sire Stakes in these major areas:

Sire Stakes Races At The Pari-Mutuel Tracks

The most talented New York-bred 2- and 3-year-olds vie for enhanced purses at the State's pari-mutuel tracks. The top performers met for the finals on the "Night of Champions" at Vernon Downs.

State Fair Racing

Provides an opportunity for 3 year olds to race at Goshen Historic Track over the July 4th weekend and both 2- and 3-year-olds to race at an exciting three-day meet historically held at the New York State Fairgrounds in Syracuse. The "State Fair Series," formally "The Syracuse Mile," pari-mutuel meet is now held at the newly opened Tioga Downs and features 2-year-old and 3-year-old races for the top New York-bred trotters and pacers.

Late Closer Events For Sire Stakes

A program designed for late-blooming 2- and 3-year-olds, with multiple legs leading to a lucrative final for the leading point earners in the series.

County Fair Racing

The best "earn as you learn" program is in Sire Stakes racing. Non-pari-mutuel racing is conducted at more than 20 agricultural fairs throughout New York State. Championship races for each age and gait are drawing cards for summertime local fairs throughout the state.

Additional Objectives

In addition to the above, the Fund provides assistance to county agricultural societies to maintain and repair racing facilities. The Fund also contributes to both the 4-H program and the Dr. Harry M. Zweig Fund for Equine Research at Cornell University.

New York State Thoroughbred Breeding and Development Fund

To promote and encourage the breeding, raising and racing of quality thoroughbred horses in New York for the purpose of protecting and preserving New York's green belt sector and rich agricultural heritage.

The New York State Thoroughbred Breeding and Development Fund encourages the breeding and maintenance of thoroughbred horses in New York by distributing financial incentives to breeders and owners whose horses compete successfully in New York-based races. The Fund was created in 1973 by an act of the state legislature and has since returned nearly \$330 million back into the industry. By statute, a percentage of wagering handle from the New York Racing Association (NYRA), Finger Lakes Racing Association (FLRA), and all six of the statewide Off-Track Betting Corporations is paid to the Fund. Also, the Fund receives a percentage of handle on in-state thoroughbred wages made at harness tracks. Additionally, the Fund receives a percentage of breakage revenue from the Off-Track Betting Corporations. The percentage differs depending on the revenue source. By law, 2% of the total revenue goes to the Zweig Fund at Cornell University for equine research. Lastly, the Breeding Fund, pursuant to a contract with Delaware North (parent company of FLRA), receives a percentage of the gross win on video gaming machines at Finger Lakes. The Fund is entitled to 1.247% of the gross win. The same contract exists between the Breeding Fund and NYRA – but construction of the video gaming program remains unfinished. According to widely accepted gaming industry analysts, the Breeding Fund can expect to receive approximately \$7M annually from its NYRA video gaming contract.



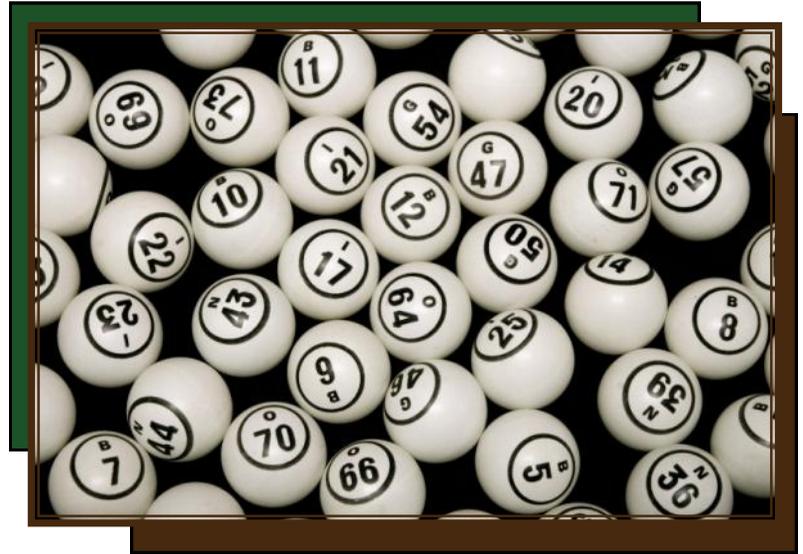
CHARITABLE GAMING

The Racing and Wagering Board, as a direct descendant of the Bingo Control Commission, has been responsible for regulating bingo operations conducted by religious, charitable and certain non-profit organizations since 1977, one year after the Board was legislatively charged with the responsibility of regulating games of chance conducted by those organizations authorized pursuant to a 1975 constitutional amendment.

The Board's Charitable Gaming Enforcement unit is responsible for the investigation, audit and monitoring of the sale of hundreds of millions of bell jar tickets sold annually, and the verification of the lawful disbursement of tens of millions of dollars in bingo, bell jar, Las Vegas night, and raffle proceeds by more than four thousand licensees located throughout the sixty-two counties of New York. Division of Licensing employees assigned to the Charitable Gaming Enforcement unit issue licenses to bingo and games of chance manufacturers and suppliers; collect the license fees paid by those licensees; determine that commercial bingo hall rental fees are fair and reasonable as a condition of licensure; approve thousands of bell jar ticket games each year; and issue bingo and games of chance identification numbers to applicant organizations as a prerequisite to their licensing by municipalities.

Board staff members assist the members of licensed authorized organizations and the manufacturers/ distributors of gambling equipment and supplies by guiding them into compliance with State law and the Board's rules, and conduct training seminars for municipal clerks and police agencies.

The Board's Charitable Gaming unit's policy has, since its inception, focused on helping qualified organizations comply with the laws authorizing the conduct of profitable gambling fund-raisers. Our goal, unlike many enforcement programs, is not to hinder, penalize or close down gambling operations; it is to help bring each licensed organization into compliance, thereby maximizing the proceeds available for worthy causes that the Board is required by law to cultivate and protect. Board personnel play a proactive role in the registration and training of authorized organizations conducting bingo, bell jars, raffles and table games at casino nights, carnivals and field days, conducting their instructional seminars at our offices, or on the licensees' premises at times and locations convenient to the organizations' volunteer members, providing free assistance and the guidance needed to conduct profitable fundraising events.



The History of Bingo and Games Of Chance In New York

New York's Constitution generally bans gambling. However, Article One, Section Nine has been ratified four times to legalize certain forms of wagering. Two of those four exceptions allow qualified charitable, religious and other non-profit organizations to conduct bingo and games of chance to raise funds exclusively benefiting their worthy causes and undertakings. Every year, thousands of the more than 8,000 organizations authorized to conduct bingo and 8,000 organizations across the State authorized to conduct games of chance raise millions of dollars for charitable purposes.

Prior to legalization, illegal bingo games and casino nights were openly conducted on behalf of respectable organizations by unscrupulous professional gambling promoters and racketeers who siphoned lucrative profits away from the gambling operations conducted in the name of charity. As a result, normally law-abiding citizens were coerced into committing forgery and perjury by providing the racketeers with legalized cover-ups that frustrated the efforts of police agencies statewide. Taking full advantage of law enforcement's unofficial "hands-off" policy regarding "charitable" gambling and the protection that a small number of organizations offered the criminal enterprises by posing as "fronts," the racketeers pocketed the lion's share of the profits raised under the guise of respectability, while the charitable organizations, in return for their favors, were offered merely a small percentage of the winnings or a meager fixed rate per event.

CHARITABLE GAMING

Licensing Division employees assigned to the Charitable Gaming Enforcement unit issue bingo and games of chance manufacturers and suppliers licenses (47 and 58, respectively, in 2009); collect the license fees paid by those licensees (\$229,162 in 2009); determine that the rental fees charged by twenty-three (23) commercial bingo halls are fair and reasonable as a condition of licensure; approve thousands of bell jar ticket games each year (7,546 in 2009); and issue bingo and games of chance identification numbers to applicant organizations (216 in 2009) as a prerequisite to their licensing by municipalities.

The Division conducts its statewide investigations, when warranted, in concert with the New York State Police, the Attorney General's Office, and the State Liquor Authority, as well as federal, State and local law enforcement agencies located throughout New York, and other states, targeting the trafficking and sale of unregistered bell jar tickets; embezzlement of charitable funds; corruption at commercial bingo halls; and activities involving illegal bookmaking during licensed bingo occasions commonly referred to as "line-gambling."

The proven success of our investigative, enforcement and compliance programs center on the ability to train municipal clerks and law enforcement agencies, and to assist the volunteer members of the licensed authorized organizations to operate gambling activities profitably and in compliance with the law; the performance of unannounced inspections of games of chance and bingo occasions to ensure compliance; the rapid response to complaints regarding allegations of theft and other violations of the laws and rules; and the conduct of on-site compliance and outreach meetings with the members of licensed authorized organizations, the preponderance of which are conducted during the evening hours and oftentimes on weekends, to accommodate the needs of the organizations' volunteer members.

As an example of the unit's accomplishments, in 2009 Board investigators also presented their case findings to twenty-nine (29) municipal, county and State law enforcement agencies and district attorneys. As a result of these joint investigations, eight (8) arrests were made statewide. Accordingly, these arrests took place in the following counties: St. Lawrence (2), Jefferson (2), Oneida (1), Columbia (1), Yates (1), and Cattaraugus (1).

Compliance Conferences

A compliance conference is a meeting conducted informally, without the expense normally associated with conducting a formal hearing, held by Board staff for representatives of a licensed authorized organization determined during an investigation or audit to be in violation of the Board's rules. In 2009, twenty-one (21) compliance conferences conducted by the Director Of Charitable Gaming Compliance, with assistance from our investigators and auditors, resulted in the recapture of 1,975 unreported bell jar ticket deals; the deposit of \$142,033 into special bell jar checking accounts, replenishing shortages of deposits and the collection of \$16,433 in additional license fees owed to the Board. Additionally, compliance conferences conducted by the Board resulted in the re-deposit of \$113,487 into the special bell jar checking accounts for monies improperly disbursed; the donation of \$173,640 directly to local charities from recaptured funds; and the removal from bell jar licenses, nine (9) persons determined to be a threat to the lawful operation of charitable gaming programs.

Public Outreach and Training

Public Outreach has, over the course of three decades, proven to be a vital element in the Board's quest to promote and attain compliance with the laws, rules and regulations. In 2009, the Director of Charitable Gaming Compliance, along with our investigators and auditors, conducted one hundred and sixty (160) training seminars for law enforcement, authorized organizations and municipal clerks. Charitable Gaming Enforcement personnel are regularly invited to attend statewide conferences hosted by municipal representatives and the dedicated volunteer members of licensed authorized organizations. These presentations are always very well received by the attendees and are greatly appreciated by the statewide leaders of the licensed organizations whose lawful purposes depends on the funds raised through charitable gambling.



The Board, pursuant to the two Constitutional amendments and the statutory mandates following them, is charged with carrying out the goals of Article One, Section Nine of the State Constitution, which commands that rigid regulations be enforced to prevent commercialized gambling; that participation by criminal and other undesirable elements be thwarted; and that the diversion of funds from the lawful purposes intended be avoided. Legislative policy further empowers the Board to closely control and supervise all phases of licensing and regulation over the conduct of bingo and games of chance to ensure that the laws, rules and regulations are strictly construed and rigidly enforced; that the games are operated honestly; to discourage commercialized gambling in all of its forms; to conduct, anywhere in the State, investigations concerning the administration, enforcement and potential or actual violation of the bingo and games of chance licensing laws; to ensure a maximum availability of the net profits from bingo and games of chance exclusively for lawful purposes; and to enter any premises where any game of chance is or will be conducted, or where any equipment being used or intended to be used in the conduct of any game of chance is found to perform an inspection. To further assist the Board in carrying out its daunting tasks, the Legislature further decreed that the Board's rules and regulations have the force and effect of law, and are binding upon all licensing municipalities and licensees.

Charitable gambling, from its humble beginning at weekly bingo occasions held in church basements in the late 1950's, to the conduct of monthly Las Vegas nights in the late 1970s, has greatly expanded following the legalization decades later of bell jar tickets and raffles. These operations now have a handle exceeding two hundred million dollars each year. They can be operated twenty-four hours per day nearly every day of the year pursuant to calendar year licenses, and generate more than fifty million dollars annually for charitable causes.

	Licenses Issued by Clerks	License Fees Collected by Clerks	Additional License Fees
Bingo	792	\$730,371	\$401,210
Bell Jar	1530	\$39,145	\$2,029,952
Las Vegas Night	514	\$29,048	\$26,541
Raffles	381*	\$1,225	\$10,830
TOTAL	3217	\$799,789	\$2,468,533

* This figure includes raffles conducted under the \$30,000 threshold.

Charitable Gaming Enforcement

The Board is statutorily required to enforce the laws governing the conduct of bingo and games of chance operations including, most notably, following the legalization of bell jar tickets in 1988, monitoring related to the manufacture, distribution and sale of bell jar tickets to licensed authorized organizations throughout the State. One of the Board's top priorities in that regard is to curtail both the interstate and intrastate trafficking of unregistered bell jar tickets in New York, and the illegal activities related thereto that siphon revenue away from the intended charitable purposes.

In 1996 the Governor and the Legislature, acknowledging and addressing the wide-scale theft and abuse of the bell jar ticket program, statutorily authorized the direct funding of a bell jar enforcement unit by mandating that five percent of the net proceeds from the sale of all bell jar tickets be remitted to the Board and be expended exclusively to fund its compliance and enforcement programs. As a result, the Charitable Gaming Enforcement unit was created, restoring the Board's ability to render assistance, advice and training to municipal clerks, law enforcement agencies and thousands of the 18,094 organizations registered by the Board to conduct charitable gaming.

The Board continuously strives to help qualified organizations comply with the laws authorizing the conduct of profitable gambling fund-raisers. Our goal, unlike many enforcement programs, is not to hinder, penalize or close down gambling operations; it is to help bring each licensed organization into compliance, thereby maximizing the proceeds available for worthy causes that the Board is required by law to cultivate and protect. Board personnel play a proactive role in the registration and training of authorized organizations conducting bingo, bell jars, raffles and table games at casino nights, carnivals and field days; conducting their instructional seminars at our offices, or on the licensees' premises at times and locations convenient to the organizations' volunteer members; and providing the free assistance and guidance needed to conduct profitable fundraising events.

The games monitored by the Board's Charitable Gaming Enforcement reported a handle of \$248,230,494 in 2009. Board auditors monitor the use of charitable gaming proceeds and verify the accurate collection of the additional license fees remitted to the Board to fund the Charitable Gaming Enforcement unit that, in 2009, totaled \$2,029,952.

Raffles

Raffles, depending on the threshold of the net proceeds derived therein, must be licensed on an annual basis by the municipality in which an authorized organization is domiciled; or licensed via a series of verified statements; or operated without a license pursuant to the provisions of Section 190-a of the General Municipal Law. Since the preponderance of operators conducting raffles in New York are not required by law to obtain a license or file financial statements regarding such operations, the Board cannot determine the total number of raffles held each year in New York, or the profits generated by that immensely popular and lucrative form of charitable gambling.

In 2009, however, a total of \$6,630,227 was wagered in licensed raffles, and \$2,595,164 in net profits were raised for charitable causes (please see the charts to the right).

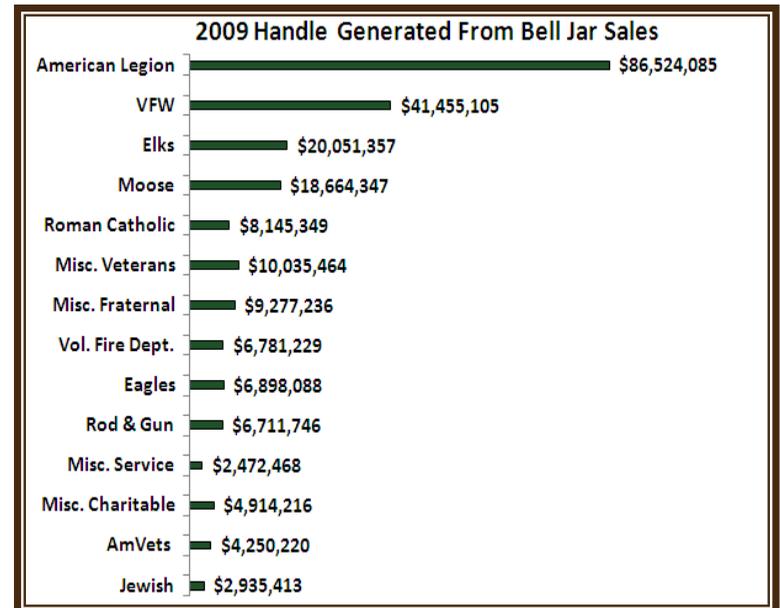
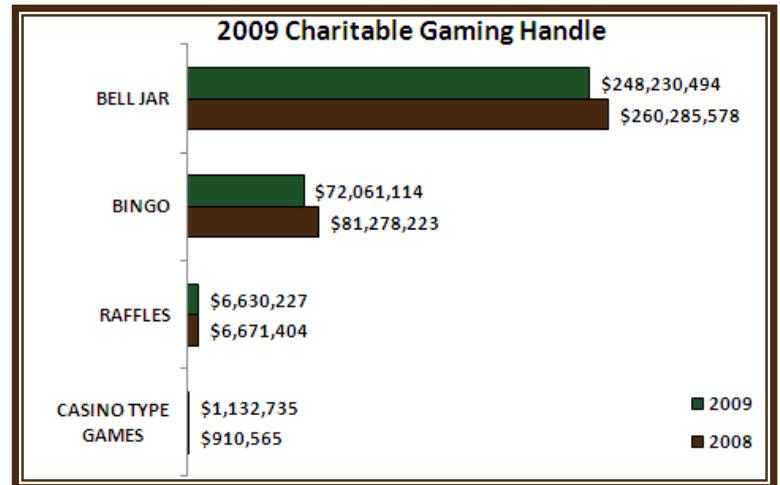
Casino-Type Games of Chance

Casino-type games of chance include games like roulette, craps, blackjack, merchandise wheels, and other card, dice and wheel games conducted at Las Vegas nights, outdoor carnivals, and other charitable fundraising events across the State that can be held on not more than twelve days per year, per licensee. While the number of such events has declined over the years, more than six hundred authorized organizations still rely on the profits raised from casino-type games each year to help fund their religious, educational, fire fighting services and other benevolent causes. In 2009, a total of \$1,132,735 was wagered at 2,261 licensed charitable gaming events and \$633,416 in net profits were raised for worthy causes (please see the charts to the right). Substantial profits are also raised at casino gaming events through the conduct of raffles and the sale of bell jar tickets, the profits from which are reported separately.

Bingo

The popularity and profitability of bingo, the forerunner of all charitable gambling in New York, has fluctuated throughout the five decades following its legalization, but it remains a vital fundraising tool for thousands of authorized organizations. In 2009, 2,440,638 bingo players attended 35,917 licensed bingo occasions, wagered \$72,061,114 and generated \$12,149,440 in net profits for worthy causes (please see the charts to the right). Like casino nights, substantial profits are also raised at bingo occasions through the conduct of raffles and the sale of bell jar tickets, the profits from which are reported separately.

Please note that the statistics reflected below were compiled from reports filed by 1,047 of the State's 1,105 municipal clerks required to report annually.



CHARITABLE GAMING

Registration and Identification

Authorized organizations domiciled within municipalities that have enacted local laws permitting bingo and/or games of chance may register with the Board and apply for a bingo and/or games of chance identification number as a prerequisite for licensing by their municipal clerks office. The issuance of an identification number signifies that an organization has met the statutory definition of an authorized organization and is eligible for licensing. In 2009, the Board issued one-hundred and eighty three (183) games of chance identification numbers and thirty-three (33) bingo identification numbers. To date, the Board has issued 9,119 games of chance identification numbers and 8,975 bingo identification numbers.

Games of Chance and Bingo Manufacturers and Suppliers Licenses

The Board is statutorily required to license the manufacturers and suppliers of all bingo and games of chance supplies and equipment. In 2009, the Board's Licensing Division issued forty-seven (47) licenses to bingo manufacturers/suppliers and fifty-eight (58) licenses for games of chance manufacturers/suppliers.

All bell jar tickets must be approved by the Board prior to sale and shipment into New York. In 2009, 7,546 different bell jar ticket games were approved. To date, the Board has approved 94,058 of the 96,667 bell jar tickets deals submitted for approval.

In 2009, the total sales by bingo manufacturers/suppliers equaled \$6,861,515; the total sales by games of chance manufacturers/suppliers equaled \$10,499,333; and the Board collected a total of \$229,162 in license fees from bingo and games of chance manufacturers/suppliers.

Registration and Identification		
	2009	TO DATE
Games of Chance ID Numbers	183	9,119
Bingo ID Numbers	33	8,975

Manufacturers and Suppliers	
Games of Chance Licenses	58
Bingo Licenses	47
Games of Chance Total Sales 2009	\$10,449,333
Bingo Total Sales 2009	\$6,861,515
Total Fees Collected 2009	\$229,162

Licensed Bingo Commercial Lessors

The Board's Division of Licensing, pursuant to the Bingo Licensing Law, determines that the rental fees charged to the licensed authorized organizations leasing commercial bingo halls to conduct their bingo occasions are fair and reasonable, as a prerequisite to the licensing of the commercial lessors by municipalities. Board staff, upon receipt of a copy of an application for an authorized commercial lessor's license, reviews the bingo rental statement and accompanying supporting documentation and, in determining rental fees to be fair and reasonable, considers each lessor's actual and/or estimated operating expenses such as: compensation of hall managers, which is computed on a per occasion basis, maintenance expenses, building repairs, taxes, depreciation of buildings, accounting fees, insurance costs, legal fees, license fees, amortization, rental fees between the applicant lessor and the owner of the building, and other forms of income derived by the lessor unrelated to the leasing of the hall for bingo.

Board staff, after determining a tentative maximum rental for the premises for each bingo occasion, advises both the applicant and the licensing authority of the determination. The applicant is afforded a reasonable time frame within which to protest the tentative maximum rental by specifying the objections and the grounds for such objections in writing. In the absence of such a protest, the tentative maximum rental schedule is deemed to be the final determination of the Racing and Wagering Board.

In 2009, the Board issued rent determinations for twenty-three (23) commercial bingo halls licensed in seven (7) municipalities in which more than 8,000 bingo occasions were conducted.

Bell Jar Activity Calendar Year 2009	
Number of Licensed Organizations.	1,530
License Fees Remitted to Clerks	\$39,145
Bell Jar Handle (Ticket Sales)	\$248,230,494
Prizes Awarded	\$178,792,133
5% Additional Fees	\$2,029,952
Net Profit to Organizations.	\$50,367,397
Bell Jar Tickets	
Tickets Approved by the Board in 2009	7,546
Total Number Received to Date	96,667
Total Number Approved to Date	94,058

2009 BOARD RULES

The Board adopted the following rules in 2009:

Bonus Ball Bingo Created new rules for Bonus Ball Bingo. Added new subdivision (af) to Rule 5800.1 and new section 5820.57 to establish rules that govern the conduct of the special bingo game known as Bonus Ball Bingo. This rule brings the Board's bingo rules into conformance with the Bingo Law, which was amended by Chapter 162 of the Laws of 2007 to allow a special Bonus Ball Bingo game to be played in conjunction with one or more regular games at licensed bingo occasions.

Audible Alert on Electronic Bingo Aids Amended Rule 5823.2 to authorize the use of an audible alert on electronic bingo aids when a winning pattern has been obtained.

Repeal of Obsolete State Lottery Rules Repealed Parts 5000 and 5001 of Title 9 NYCRR. This rulemaking removed obsolete and statutorily nullified rules regarding the State Lottery, which previously was administered by the Racing and Wagering Board.



2009 LEGISLATION

2009 Legislation Affecting the Racing and Wagering Board

Chapter 6 of the Laws of 2009

Repealed and amended certain sections of the Racing, Pari-Mutuel Wagering and Breeding Law and the Public Officers Law, in relation to the New York City Off-Track Betting Corporation. This prevented a takeout increase from going into effect on March 15, 2009 on bets made on out-of-state thoroughbred races.

Chapter 57 of the Laws of 2009

Made technical amendments to the Racing, Pari-Mutuel Wagering and Breeding Law by extending certain expiration dates for various provisions, including simulcasting and account wagering, into 2010.

Chapter 59 of the Laws of 2009

Added Section 112 to the Racing, Pari-Mutuel Wagering and Breeding Law to authorize a \$10 fee upon the start of a horse in a pari-mutuel race to provide supplemental funding to support the operations of the Board.

Chapter 365 of the Laws of 2009

Section 532 of the Racing, Pari-Mutuel Wagering and Breeding Law was amended to reinstate distribution of a portion of the surcharge revenue in the Western Region to Buffalo Raceway through August 31, 2012.

Chapter 392 of the Laws of 2009

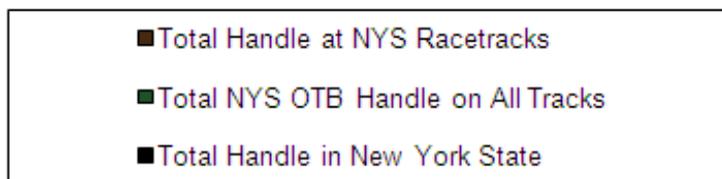
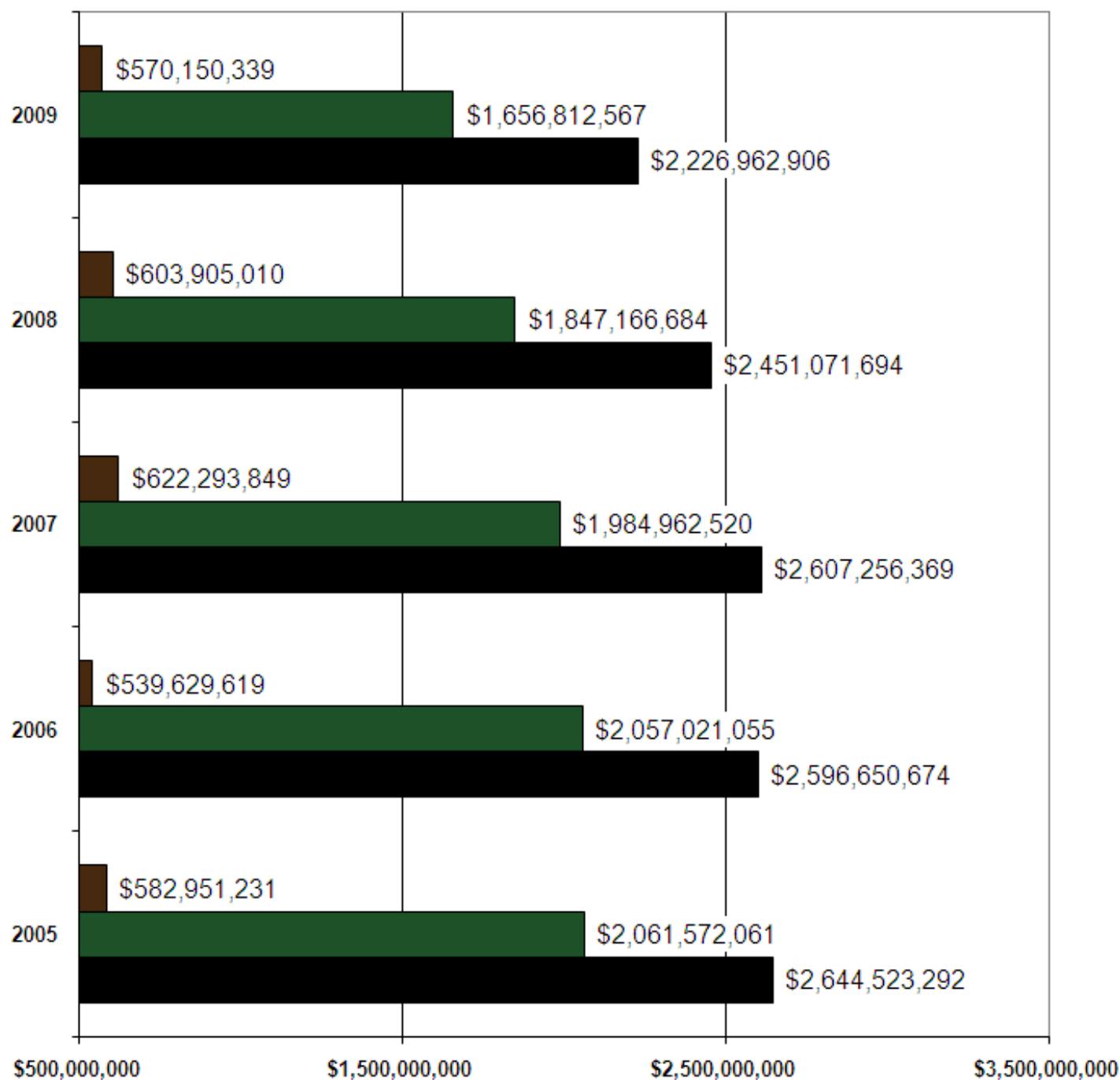
Section 909 of the Racing, Pari-Mutuel Wagering and Breeding Law was amended to continue the Task Force on the Utilization of Retired Race Horses for two additional years until Dec. 31, 2011.

Chapter 400 of the Laws of 2009

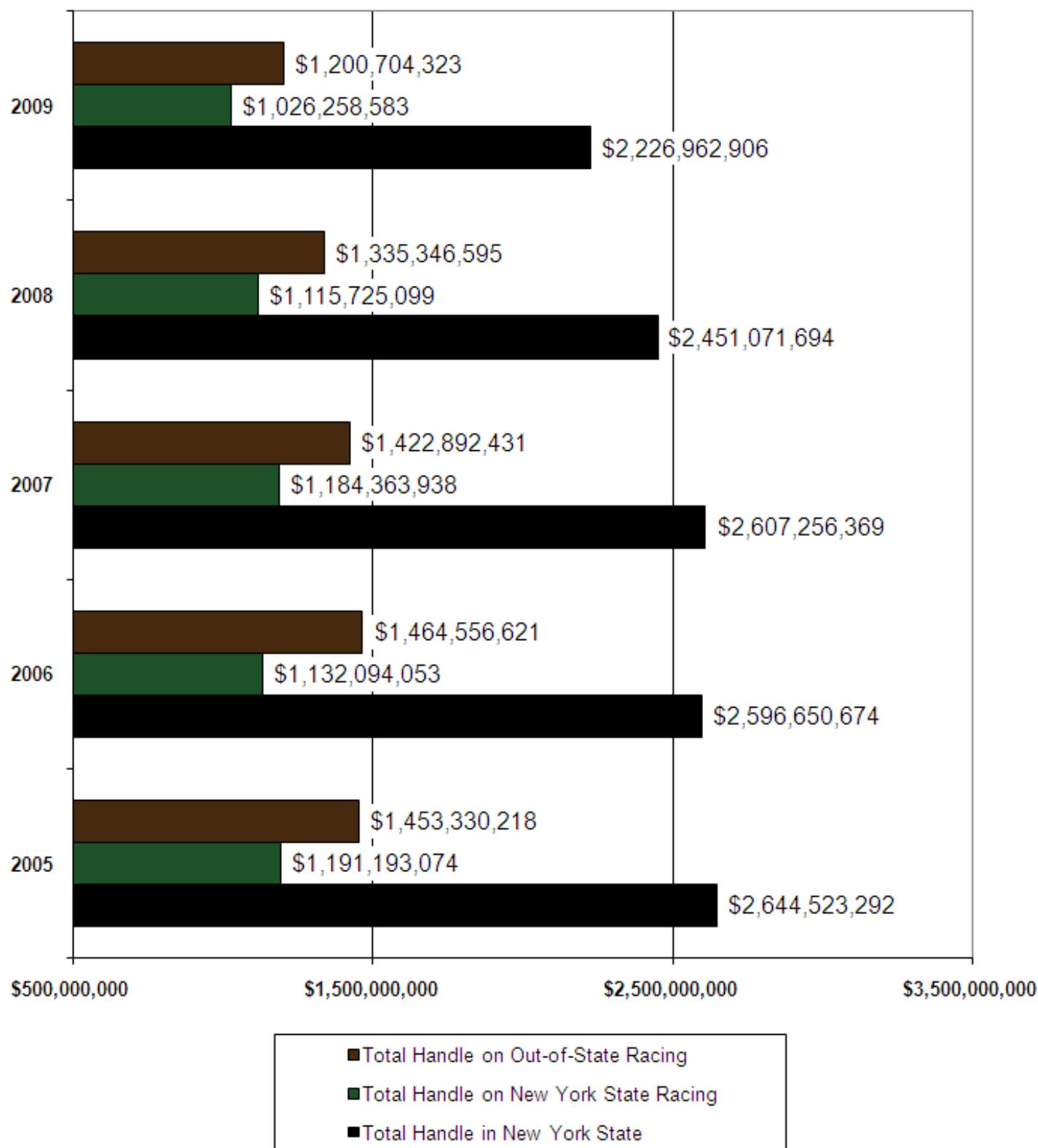
Section 228 of the Racing, Pari-Mutuel Wagering and Breeding Law was amended to require that a portion of certain additional authorized payments to the representative horsemen's organizations at the franchised racing corporation be used to maintain equipment used to test for the presence of anabolic steroids in race horses.



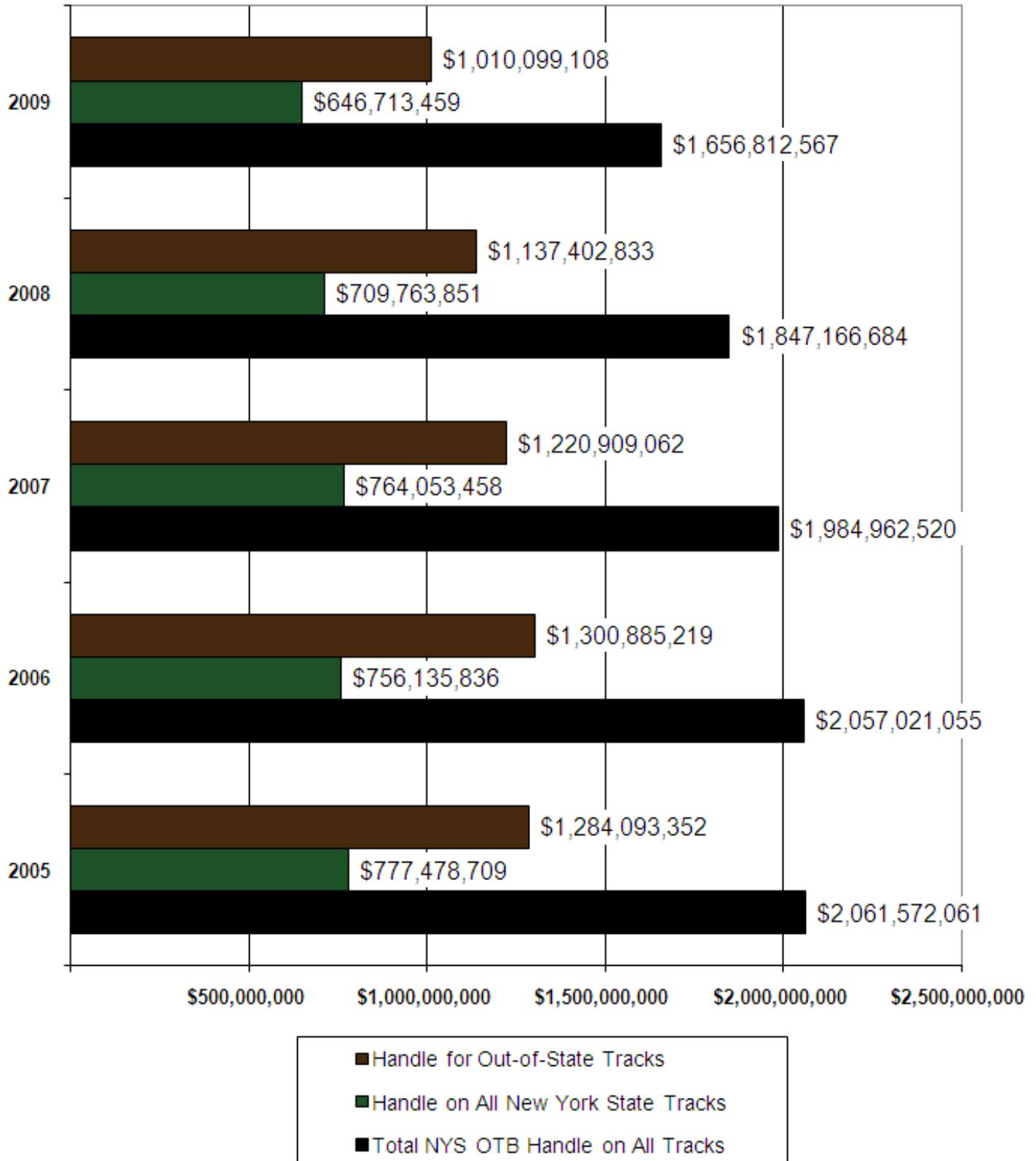
TOTAL PARI-MUTUEL HANDLE RACETRACKS & OTBS



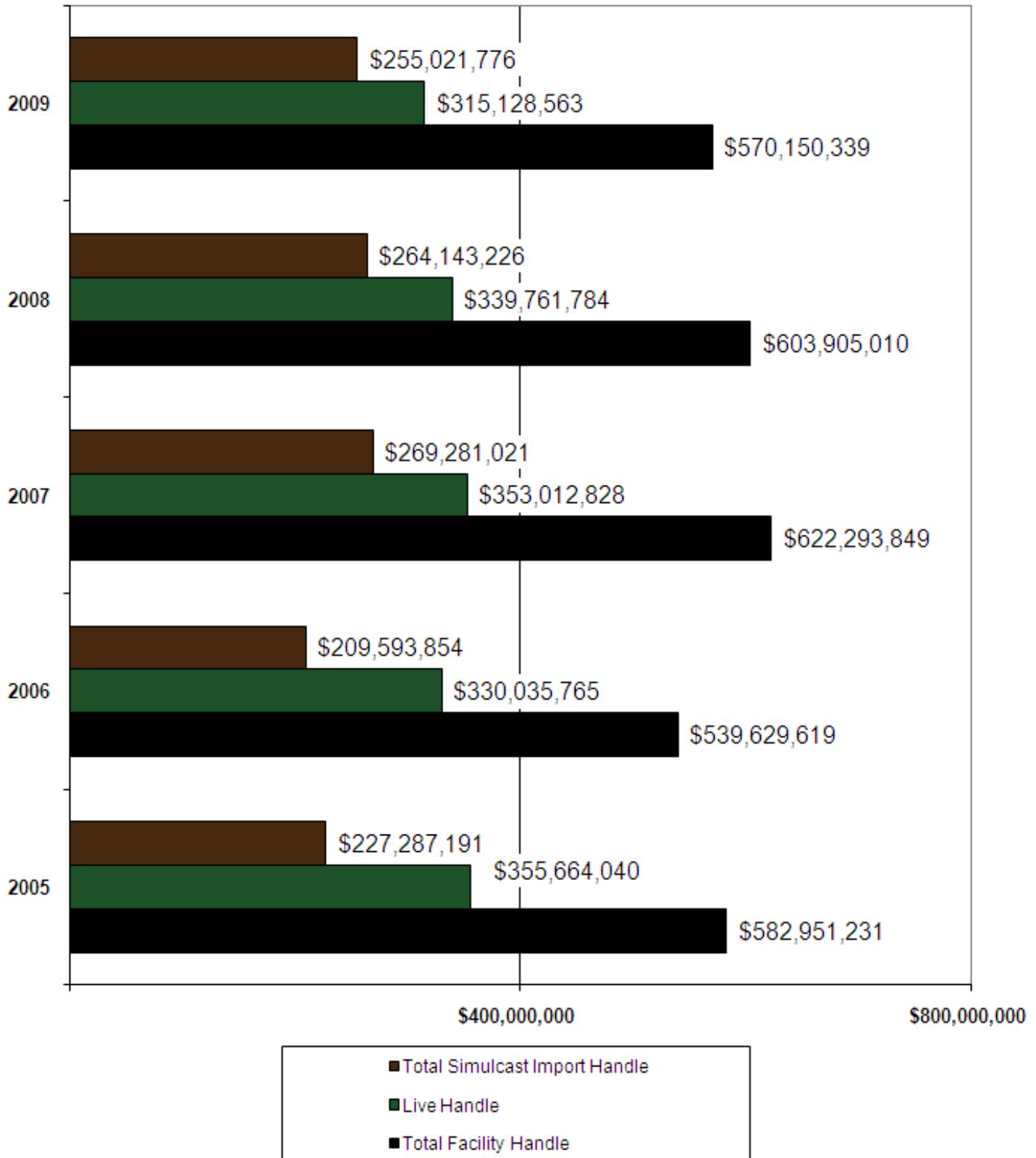
TOTAL PARI-MUTUEL HANDLE NYS VS. OUT-OF-STATE TRACKS



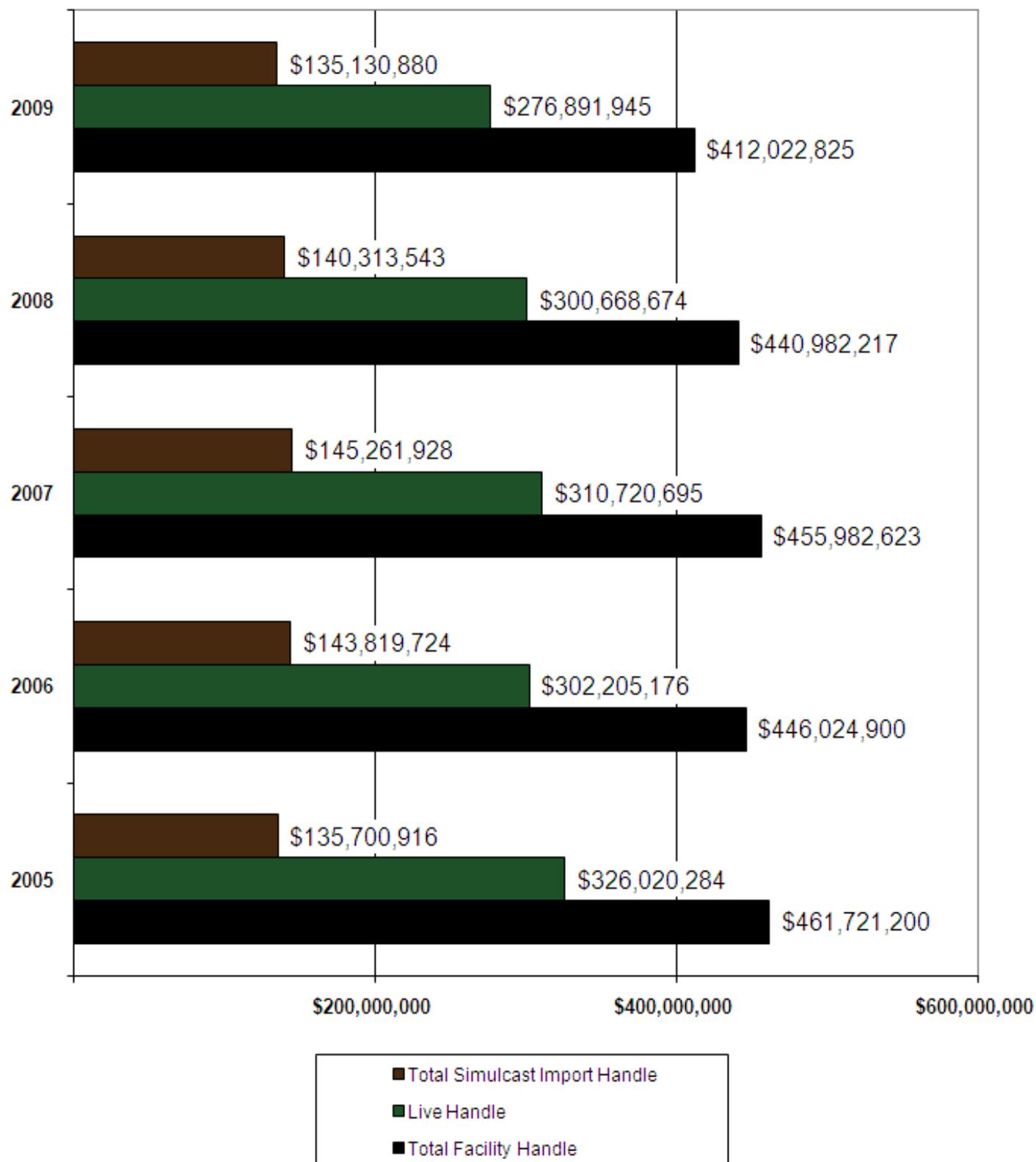
TOTAL OTB HANDLE IN NEW YORK STATE



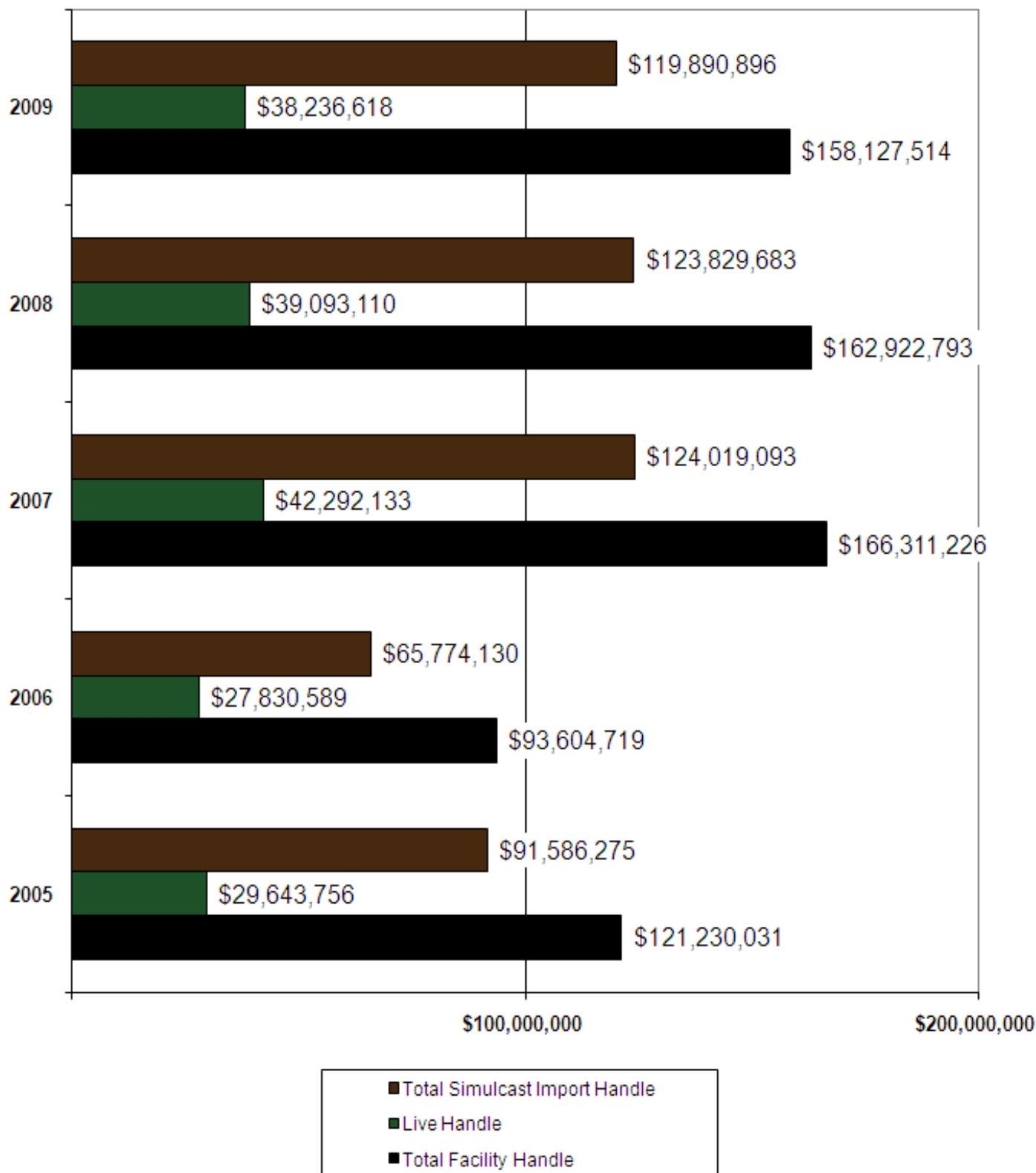
TOTAL PARI-MUTUEL HANDLE ALL NEW YORK STATE TRACKS



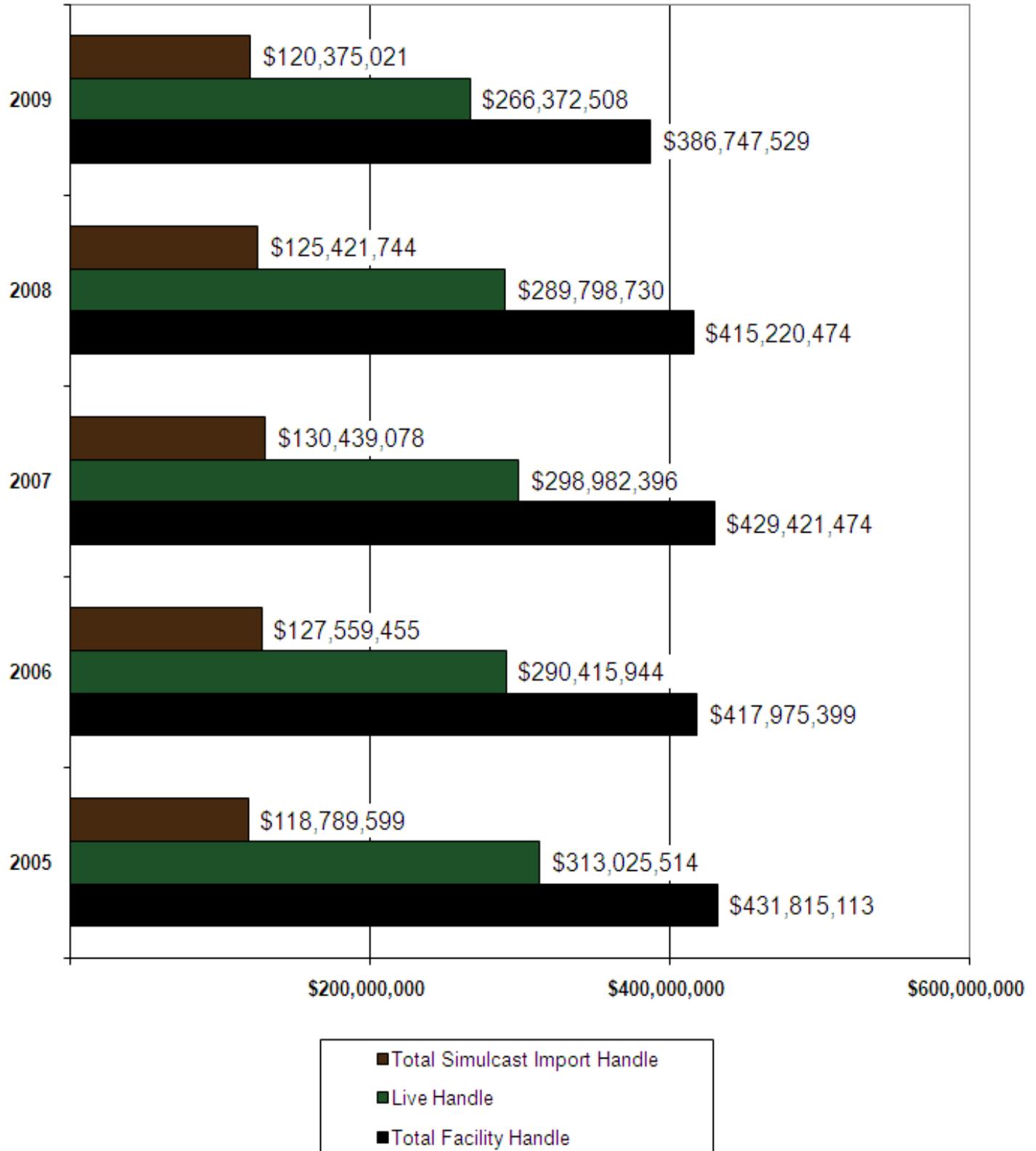
NEW YORK STATE THOROUGHBRED TRACKS



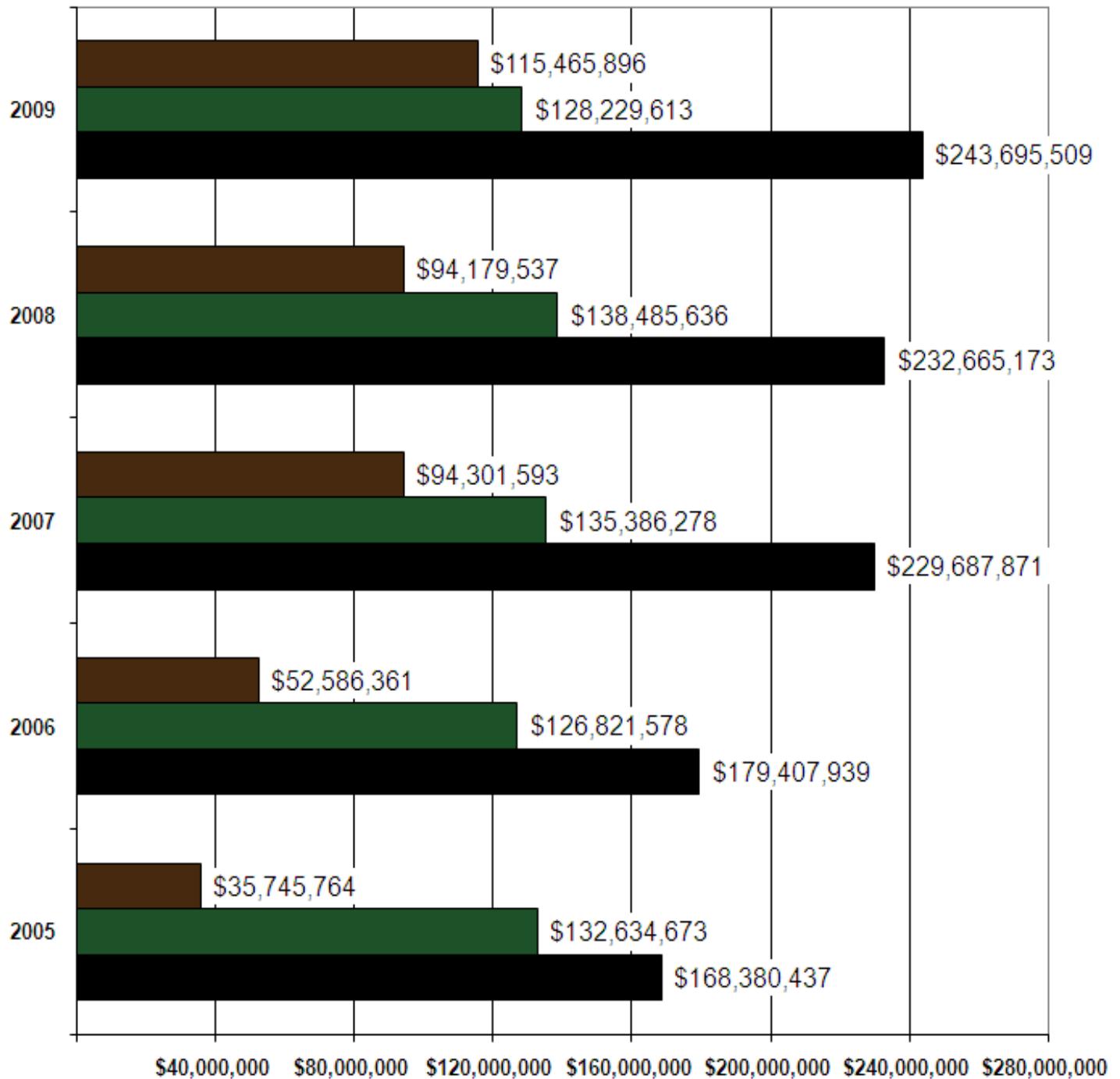
NEW YORK STATE HARNESS TRACKS



NYRA AQUEDUCT, BELMONT & SARATOGA



GROSS PURSES PAID AT NEW YORK STATE RACETRACKS



GROSS PURSES PAID NEW YORK STATE & NATIONWIDE

2009 Nationwide Thoroughbred Purses							
State	Gross Purses	Number of Races	Average Purse Per Race	Starters	Starts	Average Field	Average Starts Per Runner
California	\$174,432,359	4,782	\$36,477	7,694	36,792	7.7	4.8
New York	\$133,196,550	3,824	\$34,832	6,599	30,156	7.9	4.6
Pennsylvania	\$115,233,019	4,585	\$25,133	9,867	38,421	8.4	3.9
Louisiana	\$89,461,989	3,554	\$25,172	8,008	32,748	9.2	4.1
Florida	\$72,798,830	3,254	\$22,372	7,452	28,440	8.7	3.8
West Virginia	\$71,959,973	4,245	\$16,952	8,649	36,147	8.5	4.2
Kentucky	\$67,792,930	2,312	\$29,322	7,019	20,143	8.7	2.9
Illinois	\$58,775,822	2,417	\$24,318	4,295	19,189	7.9	4.5
New Jersey	\$46,845,637	1,340	\$34,959	3,284	10,040	7.5	3.1
New Mexico	\$31,411,380	1,731	\$18,146	3,038	14,668	8.5	4.8
Maryland	\$28,898,500	1,413	\$20,452	3,726	10,659	7.5	2.9
Delaware	\$25,561,041	972	\$26,297	2,762	7,438	7.7	2.7
Oklahoma	\$23,540,178	1,248	\$18,862	3,153	11,677	9.4	3.7
Indiana	\$20,840,490	1,150	\$18,122	2,854	9,828	8.5	3.4

Data provided courtesy of the Jockey Club. Purses include monies not won and returned to state breeders and other funds. Not all states are presented.

2009 Nationwide Harness Purses			
State	Gross Purses	Number of Races	Average
New York	\$113,459,079	11,396	\$9,956
Pennsylvania	\$108,467,614	7,105	\$15,266
New Jersey	\$53,571,043	3,397	\$15,770
Delaware	\$40,319,025	3,549	\$11,361
Indiana	\$23,984,333	2,069	\$11,592
Illinois	\$23,862,373	3,273	\$7,291
Ohio	\$17,323,756	5,185	\$3,341
Kentucky	\$12,004,027	657	\$18,271
Florida	\$9,258,985	1,410	\$6,567
Michigan	\$8,967,037	2,349	\$3,817
Maine	\$6,482,868	1,901	\$3,410
California	\$6,375,520	1,865	\$3,419
Massachusetts	\$2,540,829	912	\$2,786
New Hampshire	\$2,134,334	514	\$4,152
Maryland	\$1,700,085	492	\$3,455

Data provided courtesy of the United States Trotting Association. Does not include county fair style racing. Not all states presented.

THOROUGHBRED TRACKS

Aqueduct Racetrack

110-00 Rockaway Boulevard
Jamaica, New York 11414
Phone: (718) 641-4700
www.nyra.com/aqueduct

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	117	281,713	\$67,113,419	\$57,453,236	\$124,566,655
2008	119	326,557	\$74,150,303	\$57,992,807	\$132,143,110
2007	116	319,614	\$72,965,575	\$61,877,256	\$134,842,831

Belmont Park

2150 Hempstead Turnpike
Elmont, New York 11003
Phone: (516) 488-6000
www.nyra.com/belmont

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	97	534,625	\$87,253,209	\$50,550,921	\$137,804,130
2008	95	599,951	\$101,084,673	\$56,615,197	\$157,699,870
2007	92	545,576	\$102,998,780	\$58,690,443	\$161,689,223

Saratoga Race Course

267 Union Avenue
Saratoga Springs, New York 12866
Phone: (518) 584-6200
www.nyra.com/saratoga

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	36	916,860	\$112,005,880	\$12,370,864	\$124,376,744
2008	35	872,557	\$114,563,754	\$10,813,740	\$125,377,494
2007	36	1,018,273	\$123,018,041	\$9,871,379	\$132,889,420

Finger Lakes Racetrack

5857 Route 96
Farmington, New York 14425
Phone: (585) 924-3232
www.fingerlakesracetrack.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	163	208,351	\$10,519,437	\$14,755,859	\$25,275,296
2008	157	207,725	\$10,869,944	\$14,891,799	\$25,761,743
2007	158	231,722	\$11,738,299	\$14,822,850	\$26,561,149

HARNESST RACKS

Batavia Downs

8315 Park Road
Batavia, New York 14020
Phone: (585) 343-3750
www.batavia-downs.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	72	161,853	\$2,229,338	\$5,133,976	\$7,363,314
2008	60	138,001	\$2,038,563	\$4,577,139	\$6,615,702
2007	57	130,030	\$2,098,565	\$5,064,266	\$7,162,831

Buffalo Raceway

5600 McKinley Parkway
Hamburg, New York 14075
Phone: (716) 646-6109
www.buffaloraceway.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	90	*	\$2,709,355	\$8,157,329	\$10,866,684
2008	83	*	\$2,553,114	\$8,799,291	\$11,352,405
2007	82	44,843	\$2,613,218	\$9,688,498	\$12,301,716

Monticello Raceway

204 Route 17B
Monticello, New York 12701
Phone: (845) 794-4100
www.monticelloraceway.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	208	*	\$4,598,610	\$5,590,079	\$10,188,689
2008	223	*	\$4,390,364	\$6,536,208	\$10,926,572
2007	219	*	\$5,369,843	\$7,625,472	\$12,995,315

Saratoga Raceway

342 Jefferson Street
Saratoga Springs, New York 12866
Phone: (518) 584-2110
www.saratogagamingandraceway.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	170	*	\$6,611,035	\$30,628,654	\$37,239,689
2008	169	*	\$7,105,544	\$32,606,457	\$39,712,001
2007	169	*	\$7,721,731	\$32,188,710	\$39,910,441

* Free Admission/No Attendance Figures

HARNESST RACKS

Tioga Downs

2384 W. River Road
Nichols, New York 13812
Phone: 888-946-8464
www.tiogadowns.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	57	80,932	\$1,727,271	\$4,441,618	\$6,168,889
2008	59	996,798	\$1,905,655	\$4,676,676	\$6,582,331
2007	58	943,465	\$2,200,076	\$4,524,493	\$6,724,569

Vernon Downs

4229 Stuhlman Road
Vernon, New York 13476
Phone: 1-877-888-3766
www.vernondowns.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	90	120,354	3,677,875	\$10,193,803	\$13,871,678
2008	90	91,309	\$3,623,174	\$10,329,403	\$13,952,577
2007	80	79,250	\$3,594,215	\$10,346,419	\$13,940,634

Yonkers Raceway

810 Yonkers Avenue
Yonkers, New York 10704
Phone: (914) 968-4200
www.yonkersraceway.com

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2009	241	36,455	\$16,683,134	\$55,745,437	\$72,428,571
2008	253	*	\$17,476,696	\$56,304,509	\$73,781,205
2007	307	*	\$18,694,485	\$54,581,235	\$73,275,720

* Free Admission/No Attendance Figures

OFF-TRACK BETTING CORPORATIONS

Capital OTB

510 Smith Street
Schenectady, New York 12305
Phone: (518) 370-5151
www.capitalotb.com

Capital OTB is comprised of 21 counties and the City of Schenectady of which 17 participate in off-track betting. Capital OTB operated 39 simulcast branches, 39 EZ Bet locations and one teletheater. The major cities located within the region are Albany, Schenectady, Troy and Utica.

Year	In-State Handle	Out-of-State Handle	Total Handle
2009	\$79,942,727	\$96,623,740	\$176,566,467
2008	\$84,988,955	\$105,555,519	\$190,544,474
2007	\$90,474,617	\$111,364,905	\$201,839,522

Catskill OTB

PO Box 3000
Pomona, New York 10970
Phone: (845) 362-0400
www.catskillotb.com

Catskill OTB is comprised of 13 counties, of which 10 participate as members of this corporation. Catskill OTB operated 21 simulcast branches, one teletheater and 5 remote wagering locations. Some of the larger cities served by Catskill OTB are Binghamton, Elmira, Kingston, Middletown, Newburgh and Suffern.

Year	In-State Handle	Out-of-State Handle	Total Handle
2009	\$41,030,965	\$66,370,476	\$107,401,441
2008	\$45,071,231	\$76,852,305	\$121,869,536
2007	\$48,429,010	\$83,378,824	\$131,807,834

Nassau Downs OTB

220 Fulton Avenue
Hempstead, New York 11550
Phone: (516) 572-2800
www.nassauotb.com

Nassau OTB is comprised of only Nassau County. Nassau OTB operated 10 simulcast branches, one teletheater and 9 remote wagering locations.

Year	In-State Handle	Out-of-State Handle	Total Handle
2009	\$101,153,828	\$156,427,916	\$257,581,744
2008	\$114,657,966	\$167,299,721	\$281,957,687
2007	\$121,404,884	\$172,118,613	\$293,523,497

New York City OTB

1501 Broadway
New York, New York 10036
Phone: (212) 730-7059
www.nycotb.com

New York City OTB is comprised of 5 counties: New York, Kings, Richmond, Bronx and Queens. New York City OTB operated 57 simulcast branches and 3 teletheaters. New York City OTB operates 6 "mini-branches" which are located within existing privately owned restaurants

Year	In-State Handle	Out-of-State Handle	Total Handle
2009	\$308,752,141	\$531,126,529	\$839,878,400
2008	\$336,124,321	\$604,094,039	\$940,218,360
2007	\$369,295,039	\$660,902,865	\$1,030,197,904

OFF-TRACK BETTING CORPORATIONS

Suffolk OTB

5 Davids Drive
Hauppauge, New York 11787
Phone: (631) 853-1000
www.suffolkotb.com

Suffolk OTB is located entirely in Suffolk County. Suffolk OTB operated 12 simulcast branches, one teletheater and 14 remote wagering locations.

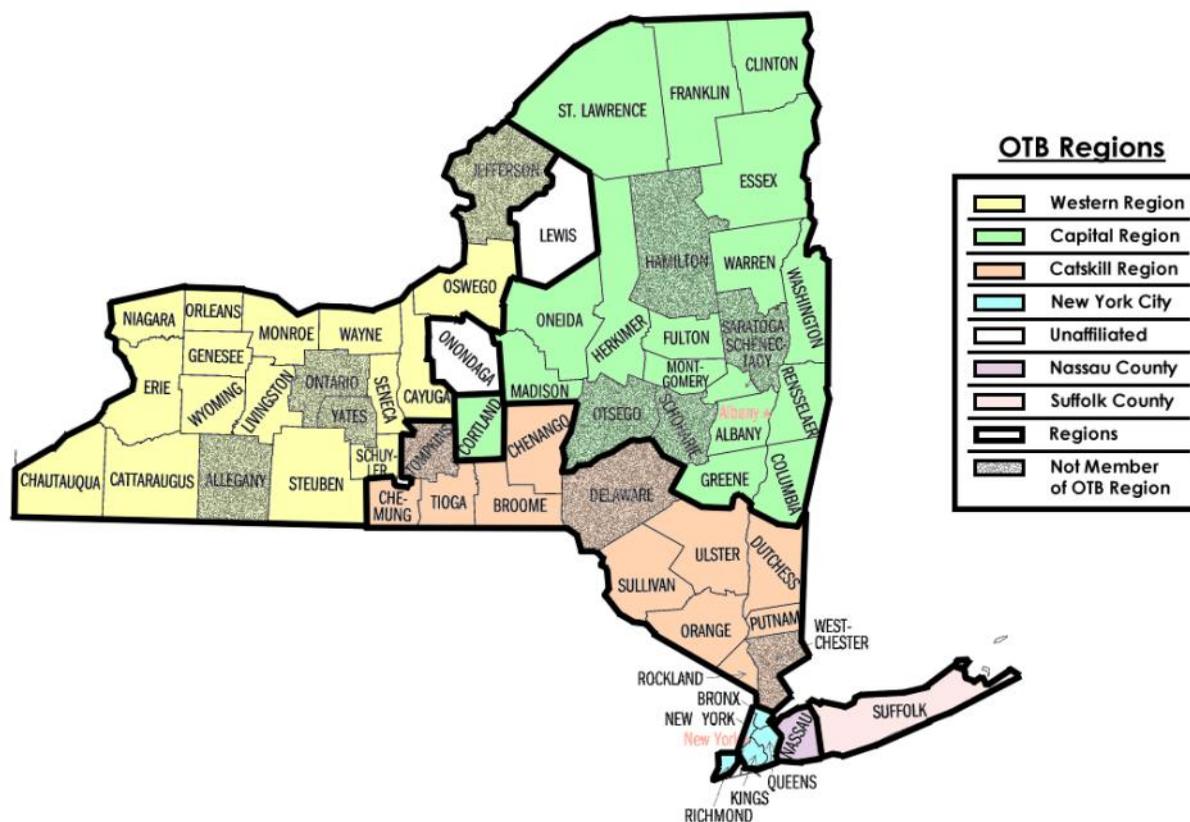
Year	In-State Handle	Out-of-State Handle	Total Handle
2009	\$65,665,498	\$87,836,338	\$153,501,836
2008	\$74,978,668	\$103,612,276	\$178,590,944
2007	\$77,956,373	\$110,202,348	\$188,158,721

Western OTB

700 Ellicott Street
Batavia, New York 14020
Phone: (800) 724-2000
www.westernotb.com

Western OTB is comprised of 18 counties, 15 of which participate in off-track betting. The two major cities served by Western OTB are Buffalo and Rochester. Western OTB operated 35 simulcast branches, one teletheater and 7 remote wagering locations.

Year	In-State Handle	Out-of-State Handle	Total Handle
2009	\$50,168,300	\$71,714,379	\$121,882,679
2008	\$53,996,710	\$79,988,973	\$133,985,683
2007	\$56,493,535	\$82,941,507	\$139,435,042



2009 TOTAL BETTING ON NEW YORK STATE RACETRACKS

	NYRA	Finger Lakes	Batavia	Buffalo	Monticello	Saratoga Harness	Tioga	Vernon	Yonkers	TOTAL
ON-TRACK LIVE	\$266,372,508	\$10,519,437	\$2,229,338	\$2,709,355	\$4,598,610	\$6,611,035	\$1,727,271	\$3,677,875	\$16,686,134	\$315,128,563
SIMULCAST EXPORTS:										
Exported to NYS Tracks:										
NYRA	\$9,568,824	\$2,972,357	-	-	-	-	-	-	-	\$12,541,181
Finger Lakes	\$5,139,998	-	\$40,142	\$90,264	\$302,852	\$41,172	\$20,500	-	\$57,514	\$5,692,442
Batavia	\$693,078	\$233,018		\$376,605	\$237,035	\$77,439	\$10,148	\$53,933	\$240,002	\$1,921,258
Buffalo	\$1,751,598	\$223,343	\$278,381	-	\$140,658	\$100,458	\$44,773	\$77,549	\$175,204	\$2,791,964
Monticello	\$1,633,860	\$82,147	\$8,275	\$18,281	-	\$83,429	\$41,325	\$33,932	\$472,849	\$2,374,098
Saratoga	\$9,534,591	\$611,381	\$37,416	\$48,637	\$282,283	-	\$49,231	\$116,479	\$883,159	\$11,563,177
Tioga	\$962,929	\$225,396	\$12,970	\$23,262	\$152,049	\$66,836	-	\$76,235	\$122,420	\$1,642,097
Vernon	\$1,847,309	\$372,439	\$54,039	\$80,463	\$338,760	\$398,241	\$76,264	-	\$469,700	\$3,637,215
Yonkers	\$20,189,171	\$611,642	\$69,910	\$62,888	\$679,683	\$481,308	\$68,674	\$89,853	-	\$22,253,129
TOTAL TO NYS TRACKS	\$51,321,358	\$5,331,723	\$501,133	\$700,400	\$2,133,320	\$1,248,883	\$310,915	\$447,981	\$2,420,848	\$64,416,561
EXPORTED TO NYS OTBs										
Capital	\$62,127,390	\$7,321,867	\$123,837	\$205,478	\$2,810,276	\$3,256,762	\$61,116	\$654,716	\$3,381,285	\$79,942,727
Catskill	\$26,238,441	\$3,550,381	\$84,803	\$208,247	\$4,837,307	\$748,853	\$298,738	\$163,737	\$4,900,458	\$41,030,965
Nassau	\$83,454,798	\$5,449,313	\$83,760	\$212,653	\$4,226,832	\$696,937	\$165,942	\$34,606	\$6,828,987	\$101,153,828
New York City	\$243,451,215	\$19,025,084	\$402,684	\$943,261	\$13,864,835	\$980,648	\$606,922	\$662,644	\$28,814,848	\$308,752,141
Suffolk	\$53,327,087	\$3,784,933	\$56,034	\$153,617	\$2,868,994	\$644,697	\$125,572	\$22,615	\$4,681,949	\$65,665,498
Western	\$25,798,856	\$9,986,523	\$2,653,754	\$2,986,842	\$3,671,842	\$1,215,092	\$127,540	\$667,522	\$3,060,329	\$50,168,300
TOTAL TO NYS OTBs	\$494,397,787	\$49,118,101	\$3,404,872	\$4,710,098	\$32,280,086	\$7,542,989	\$1,385,830	\$2,205,840	\$51,667,856	\$646,713,459
EXPORTED OUT OF STATE	\$1,406,733,095	\$100,177,720	\$413,107	\$4,064,574	\$73,160,902	\$11,389,859	\$2,582,598	\$1,761,505	\$119,534,546	\$1,719,857,906
TOTAL HANDLE ON NYS RACING	\$2,218,864,748	\$165,146,981	\$6,548,450	\$12,184,427	\$112,172,918	\$26,792,766	\$6,006,614	\$8,093,201	\$190,306,384	\$2,746,116,489

2009 TOTAL BETTING AT NEW YORK STATE RACETRACKS

	2009			2008		
	Simulcast Imports	Live Racing	On-Track Betting	Simulcast Imports	Live Racing	On-Track Betting
RECEIVING TRACK						
THOROUGHBRED:						
Aqueduct	\$57,453,236	\$67,113,419	\$124,566,655	\$57,992,807	\$74,150,303	\$132,143,110
Belmont	\$50,550,921	\$87,253,209	\$137,804,130	\$56,615,197	\$101,084,673	\$157,699,870
Saratoga	\$12,370,864	\$112,005,880	\$124,376,744	\$10,813,740	\$114,563,754	\$125,377,494
NYRA	\$120,375,021	\$266,372,508	\$386,747,529	\$125,421,744	\$289,798,730	\$415,220,474
Finger Lakes	\$14,755,859	\$10,519,437	\$25,275,296	\$14,891,799	\$10,869,944	\$25,761,743
THOROUGHBRED TRACKS	\$135,130,880	\$276,891,945	\$412,022,825	\$140,313,543	\$300,668,674	\$440,982,217
HARNESS:						
Batavia	\$5,133,976	\$2,229,338	\$7,363,314	\$4,577,139	\$2,038,563	\$6,615,702
Buffalo	\$8,157,329	\$2,709,355	\$10,866,684	\$8,799,291	\$2,553,114	\$11,352,405
Monticello	\$5,590,079	\$4,598,610	\$10,188,689	\$6,536,208	\$4,390,364	\$10,926,572
Saratoga	\$30,628,654	\$6,611,035	\$37,239,689	\$32,606,457	\$7,105,544	\$39,712,001
Tioga	\$4,441,618	\$1,727,271	\$6,168,889	\$4,676,676	\$1,905,655	\$6,582,331
Vernon	\$10,193,803	\$3,677,875	\$13,871,678	\$10,329,403	\$3,623,174	\$13,952,577
Yonkers	\$55,745,437	\$16,683,134	\$72,428,571	\$56,304,509	\$17,476,696	\$73,781,205
HARNESS TRACKS	\$119,890,896	\$38,236,618	\$158,127,514	\$123,829,683	\$39,093,110	\$162,922,793
ALL TRACKS	\$255,021,776	\$315,128,563	\$570,150,339	\$264,143,226	\$339,761,784	\$603,905,010

2009 TOTAL BETTING AT NEW YORK STATE RACETRACKS

SUMMARY OF ON-TRACK BETTING						
	Betting at NYS Thoroughbred Tracks	% of Total Thoroughbred	Betting at NYS Harness Tracks	% of Total Harness	Total	Percent of Total
LIVE RACING:						
NYRA	\$266,372,508	64.6%	-	0.0%	\$266,372,508	46.7%
Finger Lakes	\$10,519,437	2.6%	-	0.0%	\$10,519,437	1.9%
NYS Harness Tracks	-	0.0%	\$38,236,618	24.2%	\$38,236,618	6.7%
All Live Racing at NYS Tracks	\$276,891,945	67.2%	\$38,236,618	24.2%	\$315,128,563	55.3%
IN-STATE SIMULCASTING BETWEEN NYS TRACKS:						
NYRA	\$14,708,822	3.6%	\$36,612,536	23.2%	\$51,321,358	9.0%
Finger Lakes	\$2,972,357	0.7%	\$2,359,366	1.5%	\$5,331,723	0.9%
NYS Harness Tracks	\$552,444	0.1%	\$7,211,036	4.6%	\$7,763,480	1.4%
All Simulcasts from NYS Tracks	\$18,233,623	4.4%	\$46,182,938	29.3%	\$64,416,561	11.3%
WAGERING ON NYS RACING AT NYS TRACKS						
Thoroughbred Races	\$116,897,257	28.4%	\$51,237,937	32.4%	\$168,135,194	29.5%
Harness Races	-	0.0%	\$22,470,021	14.2%	\$22,470,021	3.9%
All Simulcasts from Out-of-State Tracks	\$116,897,257	28.4%	\$73,707,958	46.6%	\$190,605,215	33.4%
TOTAL BETTING AT NYS TRACKS FROM ALL SOURCES						
	\$412,022,825	100.0%	\$158,127,514	100.0%	\$570,150,339	100.0%

2009 DISTRIBUTION OF ON-TRACK BETTING

	NYRA	Finger Lakes	Batavia	Buffalo	Monticello	Saratoga	Tioga	Vernon	Yonkers	All NYS Tracks
Regular	\$136,022,357	\$6,792,096	\$1,806,573	\$3,055,115	\$2,105,570	\$12,242,376	\$2,024,448	\$4,151,345	\$22,616,790	\$190,816,670
Multiple	\$141,438,399	\$9,347,505	\$2,571,101	\$3,269,376	\$4,218,902	\$13,810,661	\$2,049,817	\$4,758,595	\$26,090,419	\$207,554,775
Exotic	\$105,139,055	\$9,135,695	\$2,967,389	\$4,511,990	\$3,864,217	\$10,729,742	\$2,094,624	\$4,961,738	\$23,721,362	\$167,125,812
Super Exotic	\$4,147,718	=	\$18,251	\$30,203	=	\$456,910	=	=	=	\$4,653,082
Total Handle	\$386,747,529	\$25,275,296	\$7,363,314	\$10,866,684	\$10,188,689	\$37,239,689	\$6,168,889	\$13,871,678	\$72,428,571	\$570,150,339
Takeout	\$76,279,554	\$5,235,288	\$1,571,286	\$2,282,981	\$2,228,270	\$7,532,359	\$1,236,092	\$2,800,658	\$14,539,992	\$113,706,480
Breakage	\$1,742,943	\$104,539	\$28,574	\$44,120	\$34,613	\$172,524	\$28,223	\$57,297	\$450,497	\$2,663,330
Total Takeout and Breakage	\$78,022,497	\$5,339,827	\$1,599,860	\$2,327,101	\$2,262,883	\$7,704,883	\$1,264,315	\$2,857,955	\$14,990,489	\$116,369,810
State Tax on Handle	\$4,989,740	\$308,128	\$84,558	\$122,845	\$105,020	\$403,979	\$80,481	\$175,644	\$785,787	\$7,056,182
State Regulatory Fee	\$1,933,738	\$126,376	\$36,817	\$54,339	\$51,048	\$186,199	\$30,845	\$69,358	\$362,143	\$2,850,863
State Tax on Breakage	\$547,399	\$46,236	\$11,537	\$18,446	\$14,514	\$68,916	\$11,581	\$23,097	\$117,476	\$859,272
Total Tax and Regulatory Fee	\$7,470,877	\$480,740	\$132,912	\$195,630	\$170,582	\$659,094	\$122,907	\$268,099	\$1,265,476	\$10,766,317
Racetrack Commission	\$66,648,844	\$4,674,407	\$1,389,160	\$2,024,318	\$1,986,678	\$6,699,517	\$1,067,519	\$2,425,396	\$12,902,168	\$99,818,007
Racetrack Breakage	\$1,195,544	\$58,303	\$17,037	\$25,674	\$20,099	\$103,608	\$16,642	\$34,200	\$332,951	\$1,804,058
Total to Racetrack	\$67,844,388	\$4,732,710	\$1,406,197	\$2,049,992	\$2,006,777	\$6,803,125	\$1,084,161	\$2,459,596	\$13,235,119	\$101,622,065
Horse Breeders Fund Share	\$2,707,232	\$126,377	\$60,751	\$81,479	\$85,524	\$242,664	\$57,247	\$130,260	\$489,894	\$3,981,428
Paid to Simulcast Senders	\$4,790,800	\$617,076	\$173,080	\$332,293	\$271,534	\$1,891,458	\$189,358	\$416,335	\$2,490,357	\$11,172,291
Paid to NYRA and Finger Lakes	-	-	\$53,803	\$118,327	\$49,717	\$571,720	\$73,569	\$105,044	\$786,235	\$1,758,415
Gross Purses Paid	\$109,681,638	\$18,547,975	\$4,620,895	\$6,324,892	\$10,555,731	\$15,915,689	\$6,948,802	\$7,307,669	\$63,792,218	\$243,695,509
Minus Pool	\$295,333	\$6,575	\$758	\$1,012	\$8,707	\$22,914	\$2,000	\$130,134	\$48,347	\$515,780
Uncashed Tickets	\$1,315,355	\$123,521	\$25,495	\$74,199	\$46,900	\$217,405	\$32,498	\$48,586	\$279,679	\$2,163,638
State Admission Taxes	\$519,287	\$1,437	-	-	-	\$410	-	\$698	\$2,098	\$523,930

2009 NEW YORK STATE REGIONAL OTBS TOTAL HANDLE BY TRACK AND REGION

	Capital	Catskill	Nassau	New York City	Suffolk	Western	All Regions
<u>New York State Thoroughbred:</u>							
NYRA:							
Aqueduct	\$20,686,101	\$10,607,506	\$35,530,174	\$98,733,934	\$21,957,674	\$10,737,912	\$198,253,301
Belmont	\$22,365,618	\$10,612,349	\$32,653,452	\$100,429,216	\$21,785,810	\$10,257,393	\$198,103,838
Saratoga	\$19,075,671	\$5,018,586	\$15,271,172	\$44,288,065	\$9,583,603	\$4,803,551	\$98,040,648
Total NYRA	\$62,127,390	\$26,238,441	\$83,454,798	\$243,451,215	\$53,327,087	\$25,798,856	\$494,397,787
Finger Lakes	\$7,321,867	\$3,550,381	\$5,449,313	\$19,025,084	\$3,784,933	\$9,986,523	\$49,118,101
Handle on NYS Thoroughbred Tracks	\$69,449,257	\$29,788,822	\$88,904,111	\$262,476,299	\$57,112,020	\$35,785,379	\$543,515,888
New York State Harness:							
Batavia	\$123,837	\$84,803	\$83,760	\$402,684	\$56,034	\$2,653,754	\$3,404,872
Buffalo	\$205,478	\$208,247	\$212,653	\$943,261	\$153,617	\$2,986,842	\$4,710,098
Monticello	\$2,810,276	\$4,837,307	\$4,226,832	\$13,864,835	\$2,868,994	\$3,671,842	\$32,280,086
Saratoga	\$3,256,762	\$748,853	\$696,937	\$980,648	\$644,697	\$1,215,092	\$7,542,989
Vernon	\$654,716	\$163,737	\$34,606	\$662,644	\$22,615	\$667,522	\$2,205,840
Tioga	\$61,116	\$298,738	\$165,942	\$606,922	\$125,572	\$127,540	\$1,385,830
Yonkers	\$3,381,285	\$4,900,458	\$6,828,987	\$28,814,848	\$4,681,949	\$3,060,329	\$51,667,586
Handle on NYS Harness Tracks	\$10,493,470	\$11,242,143	\$12,249,717	\$46,275,842	\$8,553,478	\$14,382,921	\$103,197,571
Handle on All New York State Tracks	\$79,942,727	\$41,030,965	\$101,153,828	\$308,752,141	\$65,665,498	\$50,168,300	\$646,713,459
Out-of-State Thoroughbred	\$78,843,678	\$47,367,747	\$128,949,958	\$450,966,519	\$68,612,901	\$48,669,119	\$823,409,922
Out-of-State Harness	\$13,561,021	\$15,911,230	\$23,177,631	\$68,347,476	\$16,052,639	\$19,939,387	\$156,989,384
Handle on Out-of-State Tracks	\$92,404,699	\$63,278,977	\$152,127,589	\$519,313,995	\$84,665,540	\$68,608,506	\$980,399,306
Special Event Races:							
Breeders Cup	\$1,586,393	\$592,353	\$969,726	\$3,750,292	\$576,894	\$691,243	\$8,166,901
Kentucky Derby	\$1,567,033	\$1,500,747	\$1,973,278	\$4,697,083	\$1,525,824	\$1,433,354	\$12,697,319
Preakness Stakes	\$1,065,615	\$998,399	\$1,357,323	\$3,364,889	\$1,068,080	\$981,276	\$8,835,582
Handle on Special Event Races	\$4,219,041	\$3,091,499	\$4,300,327	\$11,812,264	\$3,170,798	\$3,105,873	\$29,699,802
Total NYS OTB Handle on All Tracks	\$176,566,467	\$107,401,441	\$257,581,744	\$839,878,400	\$153,501,836	\$121,882,679	\$1,656,812,567

2009 NEW YORK STATE REGIONAL OTBS DIRECT & REGIONAL PAYMENTS TO TRACKS

	Capital	Catskill	Nassau	New York City	Suffolk	Western	TOTAL
<u>New York State Thoroughbred:</u>							
Aqueduct (NYRA)	\$1,239,888	\$826,542	\$2,306,340	\$10,498,144	\$1,691,858	\$456,515	\$17,019,287
Belmont (NYRA)	\$1,180,093	\$827,513	\$2,110,586	\$6,332,979	\$1,671,685	\$435,777	\$12,558,633
Saratoga (NYRA)	\$866,864	\$393,925	\$991,318	\$3,950,721	\$730,604	\$194,491	\$7,127,923
Total NYRA Direct	\$3,286,845	\$2,047,980	\$5,408,244	\$20,781,844	\$4,094,147	\$1,086,783	\$36,705,843
NYRA Regional	\$3,298,533	\$2,181,489	\$5,739,378	\$20,261,529	\$3,065,369	\$2,209,293	\$36,755,591
Finger Lakes Direct	\$367,281	\$142,150	\$162,976	\$929,181	\$161,925	\$943,151	\$2,706,664
Finger Lakes Regional	\$712,536	\$429,298	\$1,141,231	\$4,026,638	\$599,439	\$575,157	\$7,484,281
Total New York State Thoroughbred	\$7,665,195	\$4,800,917	\$12,451,811	\$45,999,192	\$7,920,880	\$4,814,384	\$83,652,379
<u>New York State Harness:</u>							
Batavia Direct	\$3,104	\$1,460	\$1,403	\$6,846	\$955	\$148,277	\$162,045
Batavia Regional	-	-	-	-	-	\$710,961	\$710,961
Buffalo Direct	\$5,445	\$3,724	\$3,626	\$16,060	\$2,664	\$783,068	\$814,587
Buffalo Regional	-	-	-	-	-	\$466,515	\$466,515
Monticello Direct	\$75,473	\$277,144	\$352,503	\$757,942	\$163,297	\$91,150	\$1,717,509
Monticello Regional	-	\$606,797	\$678,855	\$3,276,921	\$477,684	-	\$5,040,257
Saratoga Direct	\$331,679	\$14,837	\$6,053	\$6,864	\$3,398	\$21,388	\$384,219
Saratoga Regional	\$2,480,915	-	-	-	-	-	\$2,480,915
Tioga Direct	\$1,418	\$16,573	\$13,130	\$32,855	\$6,988	\$2,907	\$73,871
Tioga Regional	-	\$35,364	\$37,447	\$99,910	\$24,511	-	\$197,232
Vernon Direct	\$28,271	\$2,778	\$579	\$11,129	\$382	\$92,434	\$135,573
Vernon Regional	\$636,284	\$7,159	-	-	-	\$139,848	\$783,291
Yonkers Direct	\$78,967	\$301,250	\$877,643	\$1,574,196	\$261,676	\$71,600	\$3,165,332
Yonkers Regional	-	\$611,525	\$1,035,307	\$5,335,889	\$726,725	-	\$7,709,446
Total New York State Harness	\$3,641,556	\$1,878,611	\$3,006,546	\$11,118,612	\$1,668,280	\$2,528,148	\$23,841,753
Total Payments to New York State Tracks	\$11,306,751	\$6,679,528	\$15,458,357	\$57,117,804	\$9,589,160	\$7,342,532	\$107,494,132
Out-of-State Thoroughbred	\$2,252,200	\$1,263,867	\$3,379,306	\$11,739,183	\$1,829,870	\$1,345,458	\$21,809,884
Out-of-State Harness	\$283,185	\$317,500	\$444,835	\$1,471,616	\$327,671	\$411,980	\$3,256,787
Total Payments to Out-of-State Tracks	\$2,535,385	\$1,581,367	\$3,824,141	\$13,210,799	\$2,157,541	\$1,757,438	\$25,066,671
Special Events:							
Breeders Cup	\$107,014	\$40,684	\$64,875	\$252,248	\$38,615	\$46,992	\$550,428
Kentucky Derby	\$98,427	\$95,460	\$113,505	\$304,983	\$96,638	\$92,129	\$801,142
Preakness Stakes	\$32,666	\$64,358	\$78,974	\$223,699	\$68,538	\$64,089	\$532,324
Total Special Events	\$238,107	\$200,502	\$257,354	\$780,930	\$203,791	\$203,210	\$1,883,894
Total Payments to All Tracks	\$14,090,243	\$8,461,397	\$19,539,852	\$71,109,533	\$11,950,492	\$9,303,180	\$134,444,697

2009 NEW YORK STATE REGIONAL OTBS DISTRIBUTION OF REVENUES

	Capital	Catskill	Nassau	New York City	Suffolk	Western	All Regions
Pari-Mutuel Revenue:							
Statutory Take-Out	\$35,962,831	\$22,707,872	\$53,067,047	\$172,941,803	\$31,892,444	\$26,082,323	\$342,654,320
Breakage	\$764,194	\$354,983	\$1,032,103	\$3,501,372	\$576,647	\$424,221	\$6,653,520
Minus Pools	(\$76,117)	(\$42,689)	(\$387,999)	(\$342,585)	(\$103,086)	\$13,708	(\$938,768)
Missed Pools	(\$1,382)	-	-	(\$35,684)	\$216	\$1,757	(\$35,093)
Derived from Section 532.3.b(iv) & 532.7	\$1,409,858	\$1,165,647	\$1,860,579	\$19,923,199	\$1,169,617	\$1,408,012	\$26,936,912
Total Pari-Mutuel Revenue	\$38,059,384	\$24,185,813	\$55,571,730	\$195,988,105	\$33,535,838	\$27,930,021	\$375,270,891
Statutory & Simulcast Payments:							
NY State (Pari-Mutuel Tax & Breakage)	\$1,369,367	\$898,842	\$1,929,892	\$6,064,965	\$1,242,849	\$1,137,756	\$12,643,671
New York State Racing & Wagering Board Regulatory Fee	\$882,832	\$537,007	\$1,287,909	\$4,199,392	\$767,509	\$609,413	\$8,284,062
NYS Thoroughbred Development & Breeding Fund	\$890,474	\$456,323	\$1,268,290	\$4,216,677	\$741,703	\$506,483	\$8,079,950
Ag. & NYS Breeding & Dev. Fund Breeders' Fund - Harness	\$404,537	\$336,987	\$579,409	\$1,887,050	\$378,095	\$417,408	\$4,003,486
In-State Thoroughbred Tracks	\$7,665,195	\$4,800,917	\$12,451,811	\$45,999,192	\$7,920,880	\$4,814,384	\$83,652,379
Out-of-State Thoroughbred Tracks	\$2,252,200	\$1,263,867	\$3,379,306	\$11,739,183	\$1,829,870	\$1,345,458	\$21,809,884
In-State Harness Tracks	\$3,641,556	\$1,878,611	\$3,006,546	\$11,118,612	\$1,668,280	\$2,528,148	\$23,841,753
Out-of-State Harness Tracks	\$283,185	\$317,500	\$444,835	\$1,471,616	\$327,671	\$411,980	\$3,256,787
Special Events	\$238,107	\$200,502	\$257,354	\$780,930	\$203,791	\$203,210	\$1,883,894
Total Statutory & Simulcast Payments	\$17,627,453	\$10,690,556	\$24,605,352	\$87,477,617	\$15,080,648	\$11,974,240	\$167,455,866
Net Pari-Mutuel Revenue	\$20,431,931	\$13,495,257	\$30,966,378	\$108,510,488	\$18,455,190	\$15,955,781	\$207,518,025
Other Revenue:							
Admission Income	\$42,518	\$77,248	\$114,365	\$336,107	\$73,800	\$2,009	\$646,047
Lottery Income	\$360,754	\$169,707	\$37,081	-	\$124,166	\$352,338	\$1,044,046
Concession Income	\$218,583	\$24,678	\$31,665	\$35,310	\$71,842	\$19,684	\$401,762
Derived from Section 509-a(3)	-	-	-	3,204,287	-	-	\$3,204,287
Transfer from Section 509 Reserve Fund	-	-	-	-	\$10,855	-	\$10,855
Interest Income	\$44,157	-	\$5,469	\$67,385	-	\$6,488	\$123,499
Enterprise Fund - Net Revenue / (Loss)	(\$1,993,070)	-	-	-	-	\$3,931,891	\$1,938,821
Other Income	\$1,675,693	\$324,620	\$(435,724)	\$637,464	\$608,599	\$1,086,878	\$3,897,530
Total Operating Revenue	\$20,780,566	\$14,091,510	\$30,719,234	\$112,791,041	\$19,344,452	\$21,355,069	\$219,081,872
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2009 NEW YORK STATE REGIONAL OTBS DISTRIBUTION OF REVENUES

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Operating Expenses:	Capital	Catskill	Nassau	New York City	Suffolk	Western	All Regions
Branch Expenses	\$13,919,880	\$9,282,160	\$20,033,860	\$87,441,033	\$13,809,920	\$15,566,292	\$160,044,145
General & Administrative Expenses	\$4,905,200	\$2,871,229	\$12,149,695	\$55,573,447	\$8,191,316	\$5,390,622	\$89,081,509
Total Operating Expenses	\$18,825,080	\$12,153,389	\$32,183,555	\$143,014,480	\$21,992,236	\$20,956,914	\$249,125,654
Section 516 Net Revenues from Operations	\$1,955,486	\$1,938,121	(\$1,464,321)	(\$30,223,439)	(\$2,647,784)	\$398,115	\$(30,043,782)
Less:							
Section 509-a(ii) Contributions to Capital Acquisition Fund	\$234,038	(\$371,854)	-	-	-	-	(\$137,816)
Section 509 Contributions to Reserve Fund	-	-	-	-	-	-	-
Section 527.6 Obligations	-	-	-	-	-	\$123,312	\$123,312
Section 516 Net Revenue for Distribution	\$1,721,448	\$2,309,975	(\$1,464,321)	(\$30,223,439)	(\$2,647,784)	\$274,843	(\$30,029,278)

Supplemental Information

GASB 45: Certain expense include amounts relating to the Government Accounting Standards Board Statement 45 (GASB 45). GASB 45 requires the recognition of Other Post-Employment Benefits (OPEB).

GASB 45 Expense:

Enterprise Fund	\$2,893	-	-	-	-	\$136,441	\$139,334
Branch Expenses	\$30,071	\$277,167	-	-	-	\$773,166	\$1,080,404
General & Administrative	\$14,740	\$82,017	-	\$11,334,000	-	-	\$11,430,757
Total	\$47,704	\$359,184	-	\$11,334,000	-	\$909,907	\$12,650,495

Suffolk OTB recognized an OPEB in its audited financial statements of \$2,221,693 which is not reflected in the Statement of Revenue Net of Expenses.
Nassau OTB recognized an OPEB in its audited financial statements of \$1,871,000 which is not reflected in the Statement of Revenue Net of Expenses.

Distributable Surcharge: In addition to Section 516 Net Revenue, corporations are required to distribute surcharge levied on winning payoffs to participating and other localities on a monthly basis. The following is a summary of the surcharge available for distribution as of 12/31/09 for each corporation.

Participating Localities	\$2,479,494	\$1,903,452	\$3,658,260	-	\$2,013,385	\$2,396,356	\$12,450,947
Other Localities	\$1,056,044	\$592,663	\$893,065	\$3,878,152	\$843,768	\$770,818	\$8,034,510
Total Surcharge	\$3,535,538	\$2,496,115	\$4,551,325	\$3,878,152	\$2,857,153	\$3,167,174	\$20,485,457

The above does not include surcharge retained by the corporation for corporate purposes or the capital acquisition fund. Participating Localities are local governments within the Off-Track Betting Region that have elected to participate under Section 502 of the Racing, Pari-Mutuel Wagering and Breeding Law. Other Localities are local governments which have racetracks located within their borders and receive a portion of the surcharge.

Enterprise Fund: Net revenue or loss from the corporation's business enterprise. For Capital OTB the amounts relate to the operation of a simulcast television channel. For Western OTB the amounts relate to the operation of Batavia Downs Racetrack and Video Gaming Facility.

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