



New York State
Racing & Wagering
Board

2011
Annual
and
Simulcast
Report



This page intentionally left blank.



Ronald G. Ochrym
Executive Director

Kenneth Council
Deputy Executive Director

Robert A. Feuerstein
General Counsel

Kristen Buckley
Acting Secretary to the Board

Brian Barry
Director of Racing Officials

Thomas Casaregola
Director of Audits and Investigations

Nicole Robilotto
Director of Licensing

Lee Park
Director of Communications

Stacy Harvey
Director of Charitable Gaming

Robert Williams
Director of Tribal Gaming

Editor: Lee Park
Graphic Designer: Corey Pitkin

Other Contributors:
Tracey Rubino
Brian Squadere
Mark Stuart
Patrick Wade

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 understands 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 their statutory responsibilities.

John D. Sabini
Chairman

Daniel D. Hogan
Member

Charles J. Diamond
Member



Chairman's Message

**To: The Honorable Andrew M. Cuomo, Governor
Members of the New York State Legislature, and
Robert L. Megna, Director of the Budget**

June 29, 2012

On behalf of the New York State Racing and Wagering Board, I respectfully submit to you the Board's 2011 Annual Report, as required by Chapter 346 of the Laws of 1973. 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.

As New York's chief racing regulator, our goal continues to be to provide fair and responsible oversight of the racing and gaming industries' stakeholders. We strive to foster an environment within the industries that creates jobs for thousands of New Yorkers, generates millions of dollars in crucial revenue for the state and enhances the state's renowned legacy in horse racing. The Board has also taken a proactive role in working to provide increased health and safety measures for the equine athletes that make pari-mutuel wagering possible in the State.

The Racing and Wagering Board's regulation and oversight of horse racing, Class III Native American gaming and games of chance across the state ensures a fair and equitable playing field for all participants. As in previous years, the Board continues to exercise fiscal responsibility and efficiency in its daily operations while providing excellent service to the betting public and the taxpayers.

2011 marked the first year since the closure of New York City Off-Track Betting Corporation and the opening of Resorts World Casino New York City at Aqueduct. These two developments had dramatic impacts on pari-mutuel wagering and the horse racing industry in New York State. The Racing and Wagering Board diligently adapted to the changes and continues to work tirelessly to ensure integrity and continued viability of the state's world-class horse racing product.

As we are on the precipice of potential great change and growth in the gaming structure of New York state, I and my fellow Board members, Daniel Hogan and Charles J. Diamond, continue to focus on ensuring that horse racing, charitable gaming and Class III Indian Gaming facilities within New York State's borders are operated with the utmost integrity and are in full compliance with state statutes, rules and Compacts. We also continue to review and revise our rules and procedures to ensure they are in the best interests of the changing world of horse racing and gaming, including enacting significant rule changes and enforcement policies to promote equine health and safety.

The Board welcomes and appreciates the ongoing partnership and cooperation with our colleagues in state government, as well as those entities regulated by the Board, which represents a vital part of our state's culture and economy.



Respectfully submitted,

A handwritten signature in dark ink that reads "John D. Sabini". The signature is written in a cursive, flowing style.

John D. Sabini

Chairman



Table of Contents

New York State Racing and Wagering Board

Governance	Pg. 1
Gaming Establishments Map	Pg. 3
Year in Review	Pg. 5
Racing Integrity	Pg. 7
Racing Licensing	Pg. 8
Equine Drug Testing Program	Pg. 9
Indian Gaming	Pg. 11
Breeding and Development Funds	Pg. 13
Charitable Gaming	Pg. 15
2011 Board Rules and Legislation	Pg. 20
Statistical Overview	
Racetracks and Off-Track Betting Handle	Pg. 22
New York State vs. Out-of-State Handle	Pg. 23
Off-Track Betting New York State vs. Out-of-State Handle	Pg. 24
New York Thoroughbred and Harness Track Handle	Pg. 25
New York Thoroughbred Track Handle	Pg. 26
New York Harness Track Handle	Pg. 27
New York Racing Association Handle	Pg. 28
Gross Purses Paid at New York Racetracks	Pg. 29
Gross Purses New York State and Nationwide	Pg. 30
Thoroughbred Track Handle and Attendance	Pg. 31
Harness Track Handle and Attendance	Pg. 32
Off-Track Betting Handle	Pg. 34
New York Track Statistics	Pg. 36
Off-Track Betting Statistics	Pg. 40



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 A. 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; and Vice Chairman of the Harry M. Zweig Memorial Fund. Chairman Sabini also currently serves as the Vice Chairman of the Association of Racing Commissioners International.

Prior to his appointment to the Board, Chairman 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, Member 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. Member 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.

Member 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, Member 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, Member Diamond was employed as a teacher at St. Joseph's School in Troy from 1975 until 1978.

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



2011 Notable Achievements

2011 saw many remarkable accomplishments in the state's regulation of pari-mutuel wagering, gaming and games of chance.

Bringing Integrity to Horse Racing and Ensuring Equine Health

The Racing and Wagering Board continues to set the standard for promoting equine health and safety, and holding those who attempt to cheat accountable for their actions.

In October, the Board issued one of the most significant penalties in the history of the Board when it unanimously approved a 10-year ban and \$50,000 fine for Thoroughbred trainer Richard E. Dutrow, Jr. relating to a post-race positive of one of his horses and the unlicensed possession of hypodermic syringes.

In November, the Board's 5-year license ban of a harness trainer who repeatedly violated the Board's rules regarding banned substances was upheld by the New York State Supreme Court, Appellate Division, Third Department. The court's dismissal of trainer Carmine Fusco's appeal involved a matter that began in late 2006 when one of Fusco's horses, "Chevie Pride," tested positive for the drug clenbuterol at Yonkers Raceway. Fusco was initially suspended for 18 months and fined \$2,500. However, a subsequent review of the treating veterinarian's records found that "Chevie Pride" raced five times with three banned substances in its system.

In December, the Board issued fines and suspensions to 16 individuals who were found to be responsible for Oxymetazoline violations at Yonkers Raceway, Monticello Raceway and Saratoga Gaming and Raceway.

The Board, in consultation with the state's Equine Drug Testing Program, continues to evaluate rules regarding equine drugs to ensure that horses are protected and that the sport is run with the utmost integrity.

Ensuring Continued Viability of Horse Racing in New York State

Notably, 2011 marked the first year since the closure of the New York City Off-Track Betting Corporation and the long-awaited opening of Resorts World Casino New York City at Aqueduct Race-track. While these two significant events did not directly off-set each other in terms of revenue generated for the industry, they both had dramatic impacts on the state's horse racing and pari-mutuel wagering climates.

In late 2010, the Racing and Wagering Board brought all industry stakeholders together to discuss how to alleviate the major loss of revenue with the demise of New York City OTB. The resulting agreement to permit live online streaming of races between venues was a strong step toward recouping lost funding. The Board also passed an emergency rule in late 2010 allowing online account wagering applications to be opened, giving New York City OTB account holders access to wagering and keeping betting dollars in New York State. In December 2011, the Board oversaw a renewal of the online streaming agreement, ensuring a steady and continuing vehicle for pari-mutuel wagering across the state.

In August, the Racing and Wagering Board approved simulcasting of New York-based harness races at the three thoroughbred tracks operated by The New York Racing Association, Inc. (NYRA). Fans wishing to watch and wager on races at Batavia Downs, Monticello Raceway, Saratoga Harness, Tioga Downs, Vernon Downs and Yonkers may now do so at the Belmont Café and Aqueduct simulcast centers, as well as Saratoga Race Course during their respective business hours. The races can also now be bet via NYRA's account wagering system.

Additionally, the long-awaited Resorts World Casino New York City opened its doors at Aqueduct Racetrack in October, ushering in a new era of gaming in New York and creating a fruitful new source of support for the purse structure of the state's Thoroughbred racing industry. The revenue generated by gaming at Resorts World Casino New York City also provides significant funding to the state's vibrant Thoroughbred breeding industry.

The Racing and Wagering Board also created the Racing Fan Advisory Council in 2011 to examine the "total racing experience" and report its findings to the Board. The Council consists of individuals steeped in both Thoroughbred and harness racing as well as off-track betting enterprises. The Racing Fan Advisory Council members have begun collecting information from bettors and fans from within and beyond the state to learn current attitudes and recommendations on how to improve the sport.

Enforcing Rules Regarding Charitable Gaming

The Racing and Wagering Board's role in ensuring integrity of charitable gaming across the state was exemplified by several actions, including the guilty pleas of three individuals and a corporation which used a licensed church bingo hall in Queens as a front to steal approximately \$830,000 from Greek Orthodox Church charities. In the wake of the convictions, the Board began coordinating efforts with New York City's Department of Consumer Affairs to enhance enforcement of regulations involving Bingo in the five boroughs.

In another case, a Board investigation of \$200,000 taken from three veteran's associations in Fulton County resulted in a 62-year-old Johnstown man being sentenced to 2 to 6 years in prison for the thefts.

Promoting Responsible Care of Racehorses

In March, the Board voted unanimously to permanently ban horse owner and breeder Ernie Paragallo from all racetracks in the Empire State. Paragallo was convicted of 33 counts of animal cruelty after dozens of horses on his farm were found to be severely neglected and others were sold for slaughter. Because of the Board's action, Paragallo will never obtain any license to participate in racing in the state and is highly unlikely to obtain a license to participate in other states.

The New York State Task Force on Retired Racehorses released its final findings and recommendations in December, including a proposed funding component to provide care for retired horses. The Task Force also called for the development of training and education programs to promote the responsible retirement of racehorses to enable equine athletes to embark on second careers.

Developments regarding The New York Racing Association, Inc. (NYRA)

In December 2011, the Racing and Wagering Board became aware that The New York Racing Association, Inc. (NYRA) had wrongfully charged one percentage point higher than legally allowed on certain types of wagers for a 15 month period. The Board immediately ordered NYRA to lower its takeout rate to a percentage below the maximum legally permitted rate and take a series of steps to promptly reimburse identifiable bettors who were wrongfully overcharged. The Board also undertook a comprehensive investigation into the matter, which is ongoing.

While this annual report focuses on 2011 statistics and figures, the Board believes it is important to acknowledge the dramatic actions that have taken place thus far in 2012 and changed the landscape of horse racing in New York state:

During the winter meet at Aqueduct Race Track, an alarming increase in horse breakdowns and fatalities took place on the track. The Board has undertaken its own review of the circumstances and facts surrounding these horse deaths and made several rule changes to address causes identified. Additionally, the New York State Task Force on Racehorse Health and Safety has been created to thoroughly investigate the reasons why the breakdowns and deaths occurred.

The Racing and Wagering Board's ongoing investigation into the circumstances revolving NYRA's wrongful takeout rate on certain wagers determined that senior personnel at NYRA apparently knew the takeout rate was in violation of state law for months but did nothing to correct it. An interim report created by the Board outlined findings thus far and detailed new steps that the Board has implemented to ensure that takeout rates at New York tracks are within legal limits. As a result of the findings, two senior executives at NYRA have since been terminated.

In the wake of these and other issues, New York State has implemented a 3-year Reorganization Board to manage NYRA through legislation passed in June 2012. The Reorganization Board will conduct a nationwide search for competent leadership, review recent hires and investigate horse health and safety at NYRA tracks. The current NYRA Board is being dissolved.



Racing Integrity

Officiating and Integrity

Each race conducted at a New York Thoroughbred racetrack is observed by 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 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 and judges 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) Presiding and Associate Judges and Starters must be licensed by the United States Trotting Association (USTA) before being hired. A test must be passed to obtain each license. USTA rules courses are 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 2011, the Board imposed **1,183** 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 401 violations that are not assigned to a specific track. Fines levied in 2011 totaled \$175,176.00

Summary of Rulings by Track (includes fines)	
Batavia Downs	58
Buffalo Raceway	63
Finger Lakes Gaming & Racetrack	62
Issued by RWB Main Office	401
Monticello Raceway & Mighty M Gaming	114
New York Racing Association	92
Saratoga Gaming & Raceway	112
Tioga Downs	58
Vernon Downs	101
Yonkers Raceway	122
TOTAL	1183

Racing Licensing

Participants in New York State racing are required to obtain an occupational license. The 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 action is taken in the form of a denial, suspension or revocation of his/her license.

	2010			2011		
	Harness	Thoroughbred	Total	Harness	Thoroughbred	Total
Amateur Jockey	0	0	0	0	0	0
Apprentice Jockey	0	39	39	0	35	35
Assistant Trainer	0	507	507	0	526	526
Authorized Agent	0	137	137	0	129	129
Cleaning Service	281	241	522	295	231	526
Driver	889	0	889	887	0	887
Exercise Rider	0	1161	1161		1179	1179
Farrier	59	83	142	64	83	147
Food Service	591	422	1013	628	357	985
Gap Attendant	0	8	8		11	11
General Services	1906	2370	4276	1870	2317	4187
Groom	2406	2331	4737	2363	2302	4665
Jockey	0	267	267	0	252	252
Jockey Agent	0	85	85	0	89	89
Matinee Driver	6	0	6	4	0	4
Mutuel Clerk	374	1500	1874	377	1687	2064
Owner, Original	1292	1330	2622	1160	1415	2575
Owner, Renewal	5669	5500	11169	5696	5460	11156
Peace Officer	242	503	745	182	545	727
Private Trainer	22	5	27	23	6	29
Provisional Driver	176	0	176	179	0	179
Qualifier Driver	98	0	98	97	0	97
Racing Official	3	76	79	1	84	85
Security	338	69	407	347	78	425
Stable Employee	1	1610	1611	2	1523	1525
Totalisator Employee	59	28	87	274	180	454
Track Management	195	74	269	196	65	261
Trainer	2291	657	2948	2314	641	2955
Vendor - Transporter	29	68	97	175	187	362
Veterinarian	60	101	161	62	103	165
TOTALS	16987	19172	36159	17470	19665	37135

The chart to the right reflects the total number of licenses issued to participate in racing in 2010 and 2011, 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 2011, 586 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 Morrisville State College in Morrisville, New York, under contract with the New York State Racing and Wagering Board. The EDTP was previously conducted at Cornell University until July 1, 2010 which is when the new contract was executed with New York State to move to Morrisville State College. The EDTP at Morrisville State College 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*).

The Director of the EDTP is Dr. George A. Maylin who began his career as a veterinarian in 1965. Dr. Maylin has held several distinguished positions throughout his career including Director of Morrisville 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 in New York is furosemide and it is only permitted to be administered to horses properly enrolled in a furosemide medication program as prescribed.



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 state college within this state within an approved equine science program. 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.

Post Race Positives By Track

	2010	2011
Aqueduct	8	5
Batavia Downs	1	11
Belmont Park	1	1
Buffalo Raceway	10	6
Finger Lakes Racetrack	5	6
Monticello Raceway	5	9
Saratoga Race Course (Thoroughbred)	1	2
Saratoga Raceway (Harness)	3	5
Tioga Downs	3	1
Vernon Downs	0	1
Yonkers Raceway	3	31
NYSRWB	0	5

Summary Drug Report 2011

Drug	Number of Positives
Albuterol	1
Butorphanol	1
Caffeine	5
Carboxycelexoxib	2
Clenbuterol	5
O-desmethyl Tramadol	1
1,7 Dimethylxanthine	5
Ephedrine	1
Flunixin	15
Furosemide	6
Hydroxylidocaine	1
Lidocaine	1
Monoethylglycine Xylidide	1
Oxymetazoline	30
Oxyphenbutazone	1
Phenylbutazone	8
Phenylpropanolamine	1
Tesosterone	1
Tehobromine	5
Theophylline	5
Tramadol	1
Xylazine	1

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.



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 Mario M. Cuomo signed the Saint Regis Mohawk Tribe's Compact on June 9, 1993, and it was subsequently approved by the Interior Department on December 4, 1993. The Mohawk Tribe opened their Akwesasne Mohawk Casino on April 10, 1999. 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.

Board Gaming Operations Inspectors

Board gaming inspectors maintain a constant, 24 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.

2011	Oneida Nation	Mohawk Tribe	Seneca Alleghany	Seneca Niagara	Seneca Buffalo
Temporary Certifications Issued	738	156	120	407	18
Annual Certifications Issued	415	93	86	225	7
Renewal Certifications Issued	116	120	178	28	1
Temporary Certifications Denied	9	6	8	14	3
Annual Certifications Denied	1	0	1	0	0
Certifications Suspended or Revoked	0	0	0	1	0

Lifetime	Oneida Nation	Mohawk Tribe	Seneca Alleghany	Seneca Niagara	Seneca Buffalo
Temporary Certifications Issued	16,783	3,614	2,474	7,755	91
Annual Certifications Issued	7,409	1,531	1,258	3,397	22
Renewal Certifications Issued	1,050	123	539	1311	4
Temporary Certifications Denied	352	129	100	471	6
Annual Certifications Denied	7	10	5	5	0
Certifications Suspended or Revoked	0	3	0	1	0

Breeding & Development

New York State Thoroughbred Breeding and Development Fund

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.

In 2011, the Fund paid:

- \$5,747,661 in Breeder Awards
- \$1,665,089 in Stallion Awards
- \$1,152,287 in Open-Company Owner Awards

2,735 Mares participated in the New York program in 2011. 2,132 Mares were bred and 1,450 Foals were produced in the calendar year.

Also of note in 2011:

- The debut of Resorts World Casino New York City at Aqueduct in October marked a significant highlight for the Fund and the industry, which directly benefit from revenue generated by video lottery terminals (VLTs). In just the first three months of operation, it contributed more than \$1 million to the Fund, which is distributing the revenue to the breeding industry in the form of increased breeder awards. The Fund expects to receive a total of \$7.6 million in revenue from Resorts World Casino New York City in calendar year 2012.
- The 2011 Fasig-Tipton sale at Saratoga saw a double-digit increase in the sale of New York-bred yearlings.
- The Fund provided \$820,000 in purse enrichment to Finger Lakes Racetrack and the New York Racing Association. The enrichment was the result of a revision to the Fund's 2011 budget, based on increased revenues from NYRA and lower payouts for Breeder and Stallion Awards than anticipated.

The Fund was created in 1973 by an act of the State Legislature and has since returned nearly \$330 million back into the industry. It is funded by a variety of means:

- By statute, a percentage of wagering handle from The New York Racing Association, Inc. (NYRA), Finger Lakes Racing Association (FLRA) and the state's Off-Track Betting Corporations is paid to the Fund.
- The Fund also receives a percentage of handle on in-state Thoroughbred wagers made at harness tracks.
- The Fund also receives a percentage of breakage revenue from Off-Track Betting Corporations, differing depending on revenue source.

The Breeding Fund also receives 1.25 percent of the gross win on video gaming machines at Finger Lakes and 1 percent of the gross win during the first year of operations from the newly opened Resorts World Casino New York City at Aqueduct.

By law, two percent of the total revenue received by the Fund goes to the Dr. Harry M. Zweig Fund for Equine Research at Cornell University.



The Agricultural and New York State Horse Breeding Development Fund

The Fund's primary mission is to foster agriculture through the promotion of Standardbred horse breeding and the conduct of equine research in New York State. Through the reinstatement of breeder awards, the Fund injected \$1,249,809 million directly into the New York equine sector of agriculture in 2011.

The interest in and popularity of New York-bred Standardbred yearlings continues unabated at sales and auctions across the country. Additionally, owners of top horses continue to choose to stand their horses in New York, including the 2011 Three Year Old Pacing Colt of the Year, Roll With Joe, and the 2011 Hambletonian winner, Broad Bahn. As a result, the world's best broodmares come to New York to breed. In 2011, more than 1,600 such mares came to New York, providing another significant boost to New York's agriculture sector.

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.

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 pari-mutuel handle at the licensed tracks, Off-Track Betting Corporations and from video gaming machines at harness tracks. The Fund uses these monies to provide purse support for the New York Sire Stakes in these major areas:

Sire Stakes Races at Pari-Mutuel Tracks

The New York Sire Stakes is the state's premier harness racing program and is the nation's oldest harness racing program of its kind. 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 Saratoga Raceway in 2011. In total, \$14.17 million in purses was paid through these races in 2011.

State Fair Racing

These races provide an opportunity for 3-year-olds to race at Goshen Historic Track over the July 4 weekend and for 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," also known as "The Syracuse Mile" is now held at Tioga Downs and features 2-year-old and 3-year-old races for the top New York-bred trotters and pacers. In total, \$990,445 in purses was paid through these races in 2011.

County Fair Racing

The best "earn as you learn" program is part of Sire Stakes Racing. This non-pari-mutuel racing is conducted at 22 agricultural fairs across the state. Championship races for each age and gait are drawing cards for summertime local fairs across New York. In total, \$596,009 in purses was paid through these races in 2011. The Fund provided \$132,000 to the 22 agricultural fairs that conduct harness racing.

Late Closer Events for Sire Stakes

This program is 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. \$2.17 million in purses was paid through these races in 2011.

New for 2012

The Fund's Board, in conjunction with the Harness Horse Breeders of New York State, approved significant changes to this program. Beginning in 2012, Standardbred owners have an opportunity to make a choice to race in the Sire Stakes races or the new Excelsior Series, which is replacing the Late Closer program.

Sire Stakes and Excelsior Series races will occur on the same days, meaning owners with horses of varying ability will not have to make multiple trips to and from the track on different days. The Excelsior series will have separate payments, and begin earlier in the year, providing a well-rounded, versatile program to fit all New York Sires Stakes horses and ensure equal racing opportunities for all.

The Excelsior Series will incorporate the State Fair races and provide owners with a chance to race developing 2- and 3-year old horses without being subject to the earnings cap that existed in the Late Closer program.

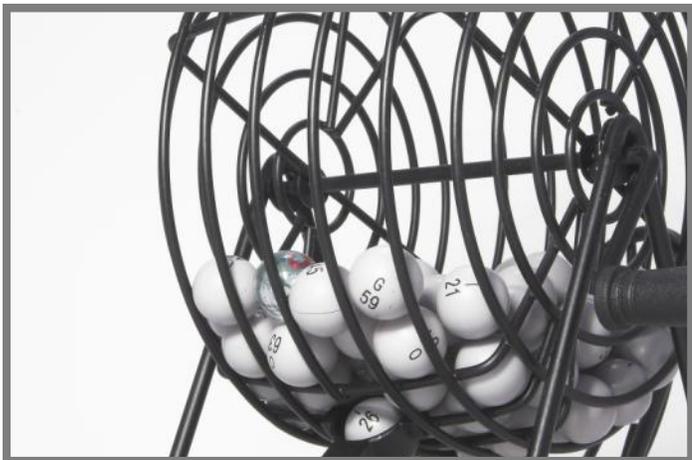
Charitable Gaming

OVERVIEW

The Board's Charitable Gaming 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 thousands of licensees located throughout the 62 counties of New York. The Charitable Gaming unit issues licenses to bingo and games of chance manufacturers and suppliers; collects the license fees paid by those licensees; determines that commercial bingo hall rental fees are fair and reasonable as a prerequisite to licensure by municipalities; approves thousands of bell jar ticket games each year; and issues bingo and games of chance identification numbers to applicant organizations as a prerequisite to their licensing by municipalities.

Board staff assist members of licensed authorized organizations and manufacturers and 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 fundraisers. Our goal 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 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.



LICENSING

Bingo and games of chance licenses can only be issued by the respective local municipality where a charitable organization is located. Prior to issuing a license, the municipality must adopt a local law or ordinance authorizing licensed games of chance or bingo within the geographic boundaries of the municipality. The Charitable Gaming unit issues bingo and games of chance identification numbers free of charge to eligible applicant organizations as a prerequisite to their licensing by municipalities; issues bingo and games of chance manufacturers and suppliers licenses and collects the license fees paid by those licensees; approves thousands of bell jar ticket games each year and determines that the rental fees charged by commercial bingo halls are fair and reasonable as a condition of licensure by municipalities.

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 licensure. In 2011, the Board issued 165 games of chance identification numbers, and 24 bingo identification numbers. To date, the Board has issued 9,489 games of chance identification numbers, and 9,019 bingo identification numbers.

Registration and Identification		
	2011	TO DATE
Games of Chance ID Numbers	165	9,489
Bingo ID Numbers	24	9,019

Licenses Issued by Municipal Clerks

Charitable gaming licenses are issued to organizations by the clerk at the local level. Depending on the local law in that municipality, the licenses are issued by the town, city or village clerk.

License Fees:

Bingo: \$18.75 per occasion.

Las Vegas Night: \$25 per occasion.

Bell Jar: \$25.00 per calendar year

Raffles: \$25.00 for raffles that profit over \$30,000

Municipal clerks retain 40% of the license fees they collect and remit the remaining 60% to the Office of the State Comptroller. Organizations are required to remit an additional license fee to the clerk or for bell jar, the Board when submitting the required financial reporting forms. In 2011, the following were reported collected by municipal clerks and the Board*:

Type of Program	Licenses Issued by Clerks	License Fees Collected by Clerks	Additional License Fees
Bingo	413	\$473,372	\$261,802
Bell Jar	647	\$16,186	\$1,583,967
Raffles	213	\$204,491	\$123,275
Las Vegas Nights	227	\$12,088	\$13,156
Total	1,500	\$706,137	\$1,982,200

*There are 1,526 municipal clerks required to report charitable gaming activities to the Board. The figures reflected above are compiled from reports filed by municipal clerks who have complied with the mandatory reporting requirements.

Board Issued Games of Chance and Bingo Supplier Licenses

The Board is statutorily required to license the manufacturers and distributors of all bingo and games of chance supplies and equipment. In 2011, the Charitable Gaming unit issued 41 licenses to bingo manufacturers and distributors and 55 licenses to games of chance manufacturers and distributors.

Total sales of bingo supplies and equipment by bingo manufacturers and distributors equaled **\$4,161,165**.

Total sales of games of chance equipment and supplies by games of chance manufacturers and distributors equaled **\$7,572,180**.

Total fees collected by the Board from bingo and games of chance manufacturers and distributors equaled **\$174,436**.

All bell jar tickets must be approved by the Board prior to sale and shipment into New York. In 2011, the Board approved **6,333** different bell jar tickets. To date, the Board has approved **108,180** of the bell jar tickets that have been submitted for approval.

Manufacturers and Suppliers	
Games of Chance Licenses	55
Bingo Licenses	41
Games of Chance Total Sales 2011	\$7,572,180
Bingo Total Sales 2011	\$4,161,165
Total Fees Collected 2011	\$174,436

Bingo Commercial Lessors

The Board's Charitable Gaming Unit, pursuant to the Bingo Licensing Law, determines that the rental fees charged to 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 all supporting documentation and, in determining whether the proposed rental fees are 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 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 within which to protest the maximum rental by specifying the objections and the grounds for such objections in writing. In the absence of such a protest, the proposed maximum rental schedule is deemed to be the final determination of the Racing and Wagering Board.

In 2011, the Board issued rent determinations for 20 commercial bingo halls licensed in 7 municipalities, in which thousands of bingo occasions were conducted.



Charitable Gaming

WAGERING BY THE NUMBERS

2011	AMOUNT WAGERED	NET PROFIT TO ORGANIZATIONS
Bingo	\$39,428,664	\$6,269,682
Bell Jar	\$224,899,321	\$41,899,632
Las Vegas Nights	\$566,333	\$253,516
Raffles	\$3,099,996	\$1,171,466
Total	\$267,994,314	\$49,594,296

Bell Jar

Bell jars are games in which a participant shall draw a card from a jar, vending machine, or other suitable device which contains numbers, colors or symbols that are covered and which, when uncovered, may reveal that a prize shall be awarded on the basis of a designated winning number, color or symbol or combination of numbers, colors or symbols.

Bell jar licenses are issued on an annual basis by the municipality within which an authorized organization is domiciled. Bell Jar tickets can be sold 24 hours a day, seven days a week, excluding Christmas Day and Easter Sunday. Bell Jar tickets can only be sold on the premises of the licensed authorized organization as well as during the organization's licensed bingo occasion and games of chance licensed period.

Bell jar ticket sales are the single most profitable charitable gaming tool for licensed authorized organizations throughout New York. In 2011, a total of \$224,899,321 was wagered in Bell Jar, and \$41,899,632 in net profits were raised for charitable purposes.

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 authorized organizations conducting raffles 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 2011, a total of \$3,099,996 was wagered in licensed raffles, and \$1,171,466 in net profits were raised for charitable causes.

Las Vegas Nights

Las Vegas nights are casino-type games of chance including games like roulette, craps, blackjack, merchandise wheels, and other card, dice and wheel games conducted at outdoor carnivals, and other charitable fundraising events across the State that can be held on not more than twelve days per year, per licensee. 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 2011, a total of \$566,333 was wagered and \$253,516 in net profits was raised for worthy causes.

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 2011, \$39,428,664 was wagered, and \$6,269,682 in net profits was generated for charitable purposes.

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 the 18,508 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 fundraisers. Our goal 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 casino-type games at Las Vegas nights, carnivals and field days by conducting 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.

Investigations

The Board's Charitable Gaming Enforcement unit investigates, audits and monitors the sale of hundreds of millions of bell jar tickets sold annually, and verifies the lawful disbursement of tens of millions of dollars in bingo, bell jar, Las Vegas nights, and raffle proceeds by the thousands of licensees located throughout the 62 counties of New York. 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 2011 totaled \$1,583,967.

The Charitable Gaming Unit 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."

In 2011, Board Investigators received 173 charitable gaming complaints and conducted 378 inspections. Additionally, Board Investigators conducted over 118 investigations and attended 71 meetings where case findings were presented to municipal, county and State law enforcement agencies and district attorneys for criminal prosecution. With the referral of these cases to law enforcement, Board investigators provided investigative and interviewing assistance, and were also asked to testify as expert witnesses at grand jury proceedings.

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 2011, 25 compliance conferences conducted throughout the state by the Director Of Charitable Gaming Compliance, with assistance from our investigators and auditors, identified 580 previously unreported bell jar deals, and collected \$47,529 in additional license fees owed to the Board.

Public Outreach and Training

Public Outreach has, over the course of three decades, proven to be a vital element in our quest to promote and attain compliance with the laws, rules and regulations. The Director Of Charitable Gaming Compliance, along with our investigators and/or auditors, conducted 81 training seminars for authorized organizations; municipal clerks; prosecutors and law enforcement agencies throughout the State. Charitable Gaming Enforcement personnel are regularly invited to attend statewide conferences hosted by municipal representatives and the dedicated volunteer members of the licensed authorized organizations. These presentations are very well received by the attendees, and are greatly appreciated by the statewide leaders of the licensed organizations whose livelihood depends on the funds raised through charitable 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. Additionally, the inspection of games of chance and bingo occasions to ensure compliance; the rapid response to complaints and the conduct of on-site compliance and outreach meetings are key to maximizing the proceeds available to authorized organizations.

Charitable gaming, from its humble beginning at weekly bingo occasions held in church basements in the late 1950's, has greatly expanded to gaming operations with a handle exceeding two hundred million dollars annually, that can be operated twenty-four hours per day nearly every day of the year and which generate more than fifty million dollars annually for charitable causes.

Charitable Gaming

2011 Bell Jar Net Proceeds — By County				2010 Bell Jar Net Proceeds — By County			
Albany	\$1,030,992.51	Niagara	\$753,683.13	Albany	\$1,119,577.78	Niagara	\$795,112.30
Allegany	\$919,717.56	Oneida	\$2,242,126.18	Allegany	\$1,086,626.74	Oneida	\$2,323,325.11
Bronx	\$7,832.50	Onondaga	\$1,085,540.19	Bronx	\$11,234.50	Onondaga	\$1,045,610.64
Broome	\$738,264.52	Ontario	\$688,841.18	Broome	\$660,814.42	Ontario	\$691,338.61
Cattaraugus	\$1,282,354.47	Orange	\$346,931.54	Cattaraugus	\$1,359,332.86	Orange	\$731,016.48
Cayuga	\$644,008.37	Orleans	\$592,932.75	Cayuga	\$575,831.26	Orleans	\$599,965.93
Chautauqua	\$2,915,637.73	Oswego	\$564,178.22	Chautauqua	\$3,133,093.37	Oswego	\$679,625.00
Chemung	\$434,718.27	Otsego	\$204,029.45	Chemung	\$412,523.93	Otsego	\$206,371.71
Chenango	\$114,396.65	Putnam	\$119,012.81	Chenango	\$101,673.13	Putnam	\$87,567.76
Clinton	\$545,786.22	Queens	\$30,710.50	Clinton	\$646,864.06	Queens	\$110,607.59
Columbia	\$55,312.66	Rensselaer	\$1,009,185.23	Columbia	\$63,822.72	Rensselaer	\$1,310,964.97
Cortland	\$375,255.42	Richmond	\$70,417.60	Cortland	\$366,430.50	Richmond	\$63,220.09
Delaware	\$173,354.20	Rockland	\$230,276.74	Delaware	\$215,329.63	Rockland	\$290,735.47
Dutchess	\$396,970.15	Saratoga	\$670,751.20	Dutchess	\$440,586.54	Saratoga	\$784,597.58
Erie	\$2,174,729.45	Schenectady	\$519,040.15	Erie	\$2,417,684.13	Schenectady	\$523,125.70
Essex	\$137,056.22	Schoharie	\$102,912.12	Essex	\$169,265.35	Schoharie	\$106,721.28
Franklin	\$492,470.34	Schuyler	\$319,883.73	Franklin	\$416,625.97	Schuyler	\$372,878.85
Fulton	\$387,423.24	Seneca	\$565,349.51	Fulton	\$312,512.22	Seneca	\$507,401.82
Genesee	\$147,751.60	St. Lawrence	\$1,421,774.33	Genesee	\$146,538.85	St. Lawrence	\$1,363,682.02
Greene	\$59,038.44	Steuben	\$1,884,618.82	Greene	\$53,632.81	Steuben	\$1,879,722.73
Hamilton	\$0.00	Suffolk	\$852,523.19	Hamilton	\$366.80	Suffolk	\$897,915.13
Herkimer	\$710,862.96	Sullivan	\$10,465.99	Herkimer	\$727,421.86	Sullivan	\$18,710.01
Jefferson	\$1,487,855.39	Tioga	\$163,836.06	Jefferson	\$1,531,399.98	Tioga	\$230,366.49
Kings	\$6,765.25	Tompkins	\$313,772.54	Kings	\$9,462.50	Tompkins	\$268,483.26
Lewis	\$451,057.55	Ulster	\$245,789.43	Lewis	\$427,288.47	Ulster	\$250,650.23
Livingston	\$341,667.06	Warren	\$226,238.45	Livingston	\$301,828.30	Warren	\$298,321.21
Madison	\$165,708.80	Washington	\$242,560.38	Madison	\$187,532.35	Washington	\$247,369.77
Monroe	\$2,191,348.03	Wayne	\$697,532.14	Monroe	\$2,457,632.76	Wayne	\$756,569.47
Montgomery	\$287,046.97	Westchester	\$391,667.06	Montgomery	\$255,458.56	Westchester	\$437,426.09
Nassau	\$138,179.27	Wyoming	\$339,599.27	Nassau	\$143,587.81	Wyoming	\$355,623.20
New York	\$3,105.00	Yates	\$444,926.60	New York	\$3,005.00	Yates	\$503,381.35

2011 Board Rules

The Board adopted the following rules in 2011:

Minimum Age of Persons Allowed to Bet. The Board amended Section 4009.8 of 9 New York Codes, Rules and Regulations (NYCRR) to correct an obsolete rule and allow persons 18 years and older to place bets on thoroughbred races. Prior to the 2011 amendment, rule 4009.8 set the minimum age at 21 and was inconsistent with law and other rules that all set age 18 as the minimum age to bet.

Racing Sulky Inspection Rule. This amended 9 NYCRR Section 4116.10 of the harness rules to require that any sulky involved in an accident be removed from service and inspected by the manufacturer or authorized representative before being used again in a race, qualifier or in training.

Jurisdiction of Games of Chance Licenses. This amended 9 NYCRR Section 5603.11 to allow for the conduct of games of chance beyond an authorized organization's domicile. Most authorized organizations that conduct bingo also sell bell jar and raffle tickets during their bingo occasions. In cases where a charitable organization conducted bingo at an off-site location, this rule allows the organization to sell bell jar tickets and raffle tickets where they conduct bingo.

Free Unlicensed Bingo. This amended 9 NYCRR sections 5815.14 and 5820.55, which authorizes the conduct of "free bingo" without a license. These amendments conformed the Board's bingo rules to General Municipal Law Section 495-a, as amended pursuant to Chapter 441 of the Laws of 2007. Free bingo may be conducted in a private home or certain residential complex or by certain bona fide charitable organizations and entertainment businesses, provided no participant or other person pays anything of value for the opportunity to participate. The value of the prizes shall not exceed ten dollars for any one game or a total of one hundred fifty dollars in any one calendar year and such games are conducted in a municipality which authorizes licensed bingo.

Timeframe for Submission of Audited Financial Statements. This amended 4003.51(e) of 9 NYCRR as it applies to financial reporting by horsemen's organizations. The amendment changed the report filing date from April 15th of every year to 105 days following the close of the organization's fiscal year.

Electronic Applications for Advanced Deposit Wagering. This amended 9 NYCRR Section 5300.4(a)(4) and (5) to authorize the establishment of a telephone or internet account by applying online. This rule facilitates the procedure to open new advanced deposit wagering accounts at authorized pari-mutuel entities within the State of New York that offer internet and telephone wagering.



New York State Lottery Building
Main Office of the NYS Racing and Wagering Board
Schenectady, NY

2011 Legislation

2011 Legislation Affecting the Racing and Wagering Board

Purse Moneys for Thoroughbred Horsemen's Association

Chapter 175 of the Laws of 2011: This amended section 228 of the Racing, Pari-mutuel Wagering and Breeding Law (RPMWBL) to extend until August 31, 2012 the provisions of Section 228 of the RPMWBL that requires 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. This Chapter also extends until one year after the commencement of operation of the video lottery terminal facility at Aqueduct Racetrack provisions relating to the New York State Thoroughbred Breeding and Development Fund, including the receipt of payments on a quarterly basis.

Promotional Campaigns for Horse Racing

Chapter 370 of the Laws of 2011: This amended sections 243, 324 and 422 of the RPMWBL to authorize and encourage racetracks to conduct promotional campaigns to increase attendance at New York thoroughbred, harness and quarterhorse race tracks. Specifically, the law authorizes race tracks to expand the categories of persons that are qualified to obtain a free or reduced fee pass, card or badge to enter a race track, at the discretion of the race track.

In-State Call Centers Requirement

Chapter 402 of the Laws of 2011: Added new subdivision 4-b to Section 1012 of the RPMWBL to require that call centers which accept pari-mutuel wagering for New York State licensed entities must be located in New York.

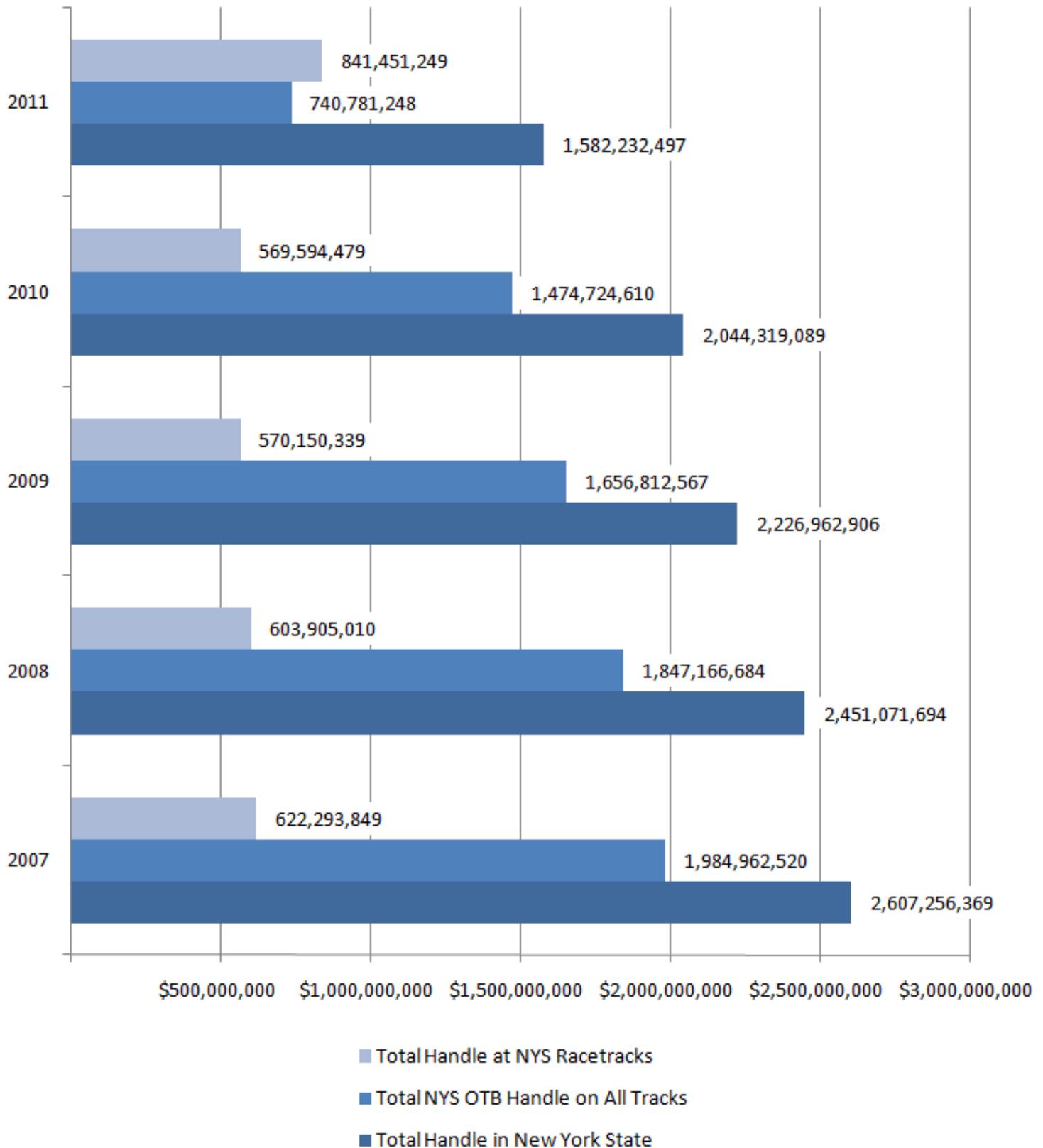
Authorization of Secondary Event Game as a Game of Chance

Chapter 531 of the Laws of 2011: This amended subdivisions 3, 3-a, 3-d, 9 and 14 of Section 186 of the General Municipal Law to broaden the definition of authorized event games to include event games that designate an additional winner determined by a secondary event. These new event games are played like a conventional bell jar game, except that a certain number of designated tickets of a bell jar deal will correspond to the numbers of a secondary event, such as the numbers of a bingo game, and the winner would be entitled to an additional prize based on the secondary event.

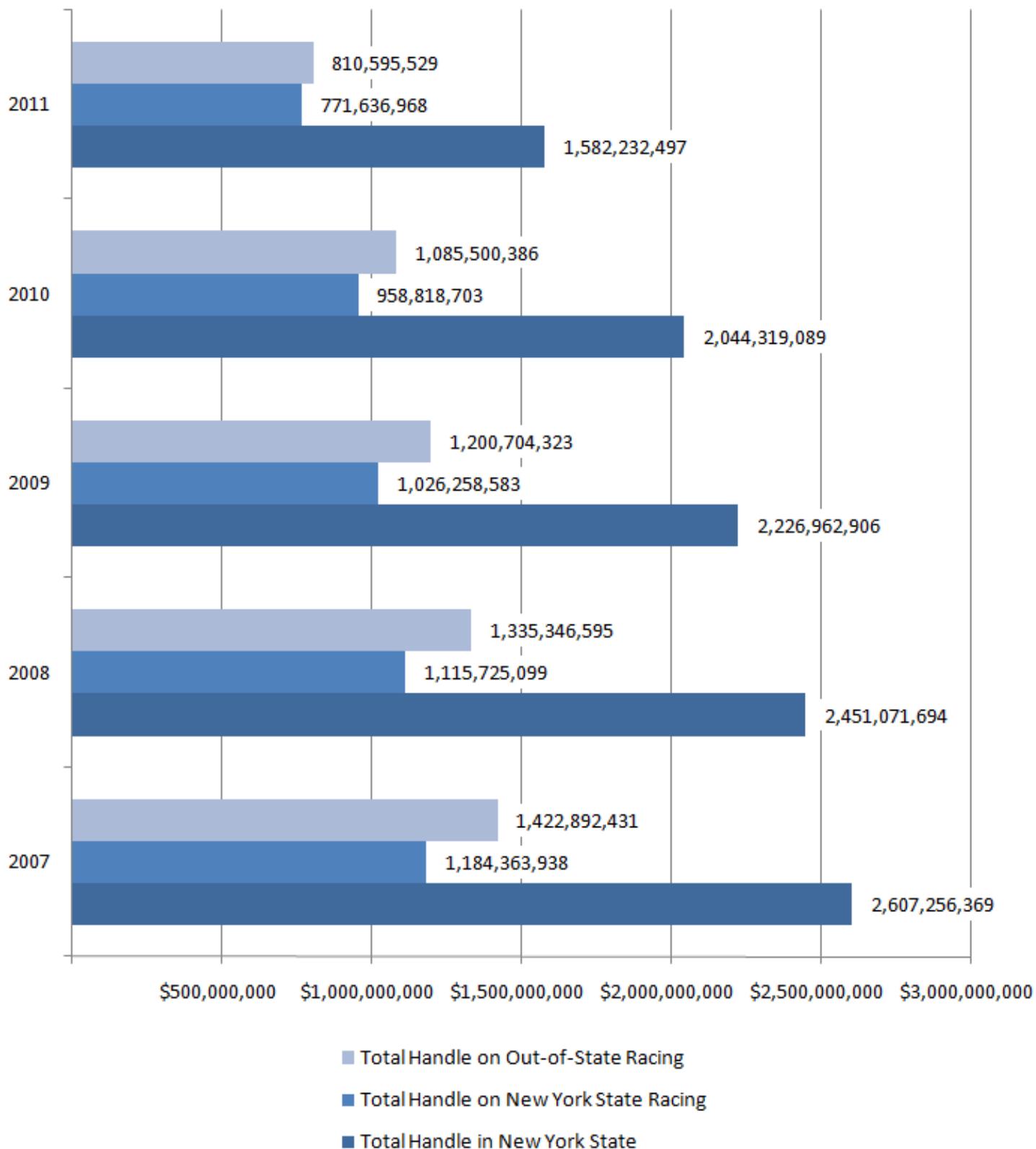


New York State Capitol
Albany, NY

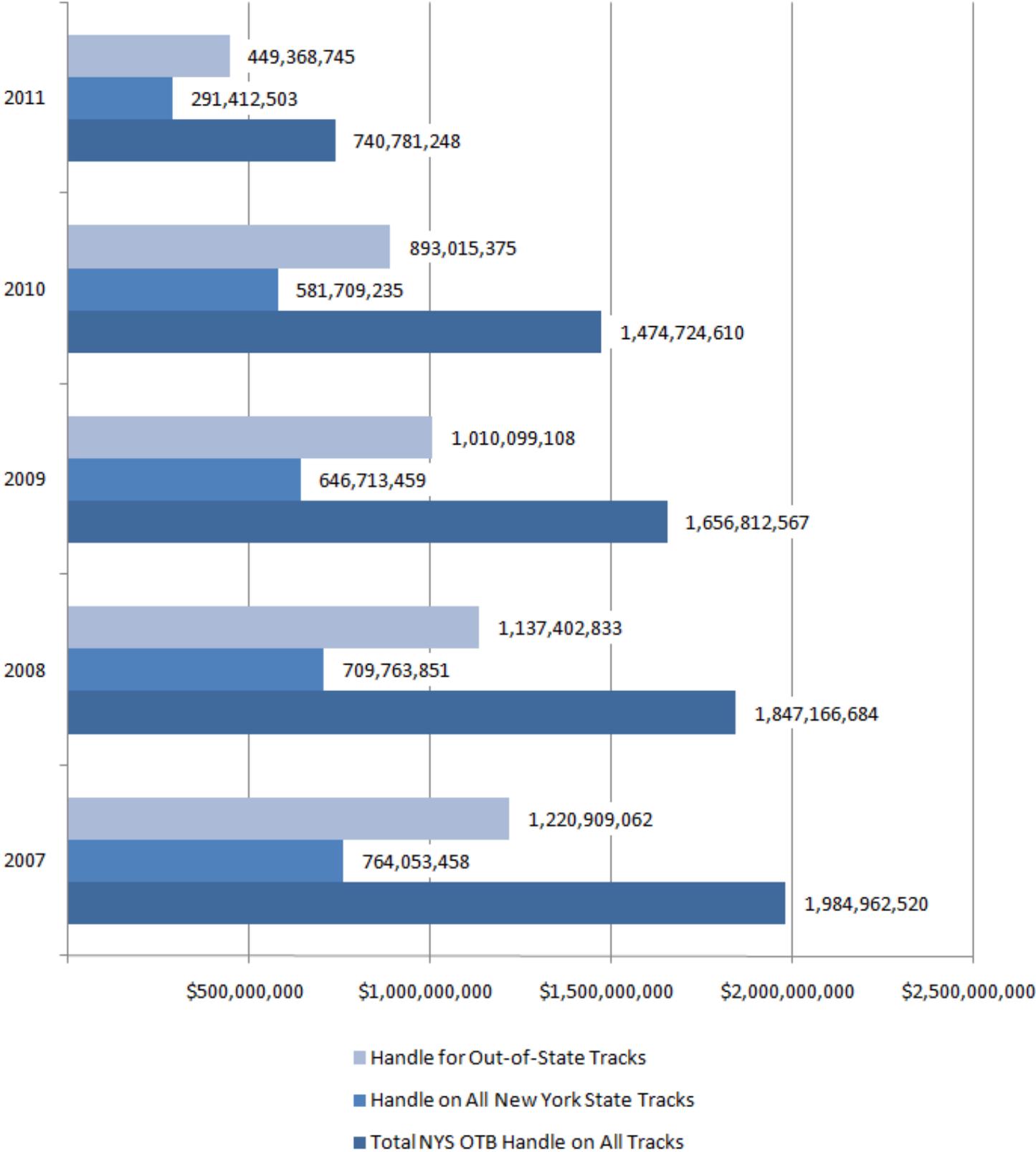
Total Pari-Mutuel Handle Racetracks & OTBs



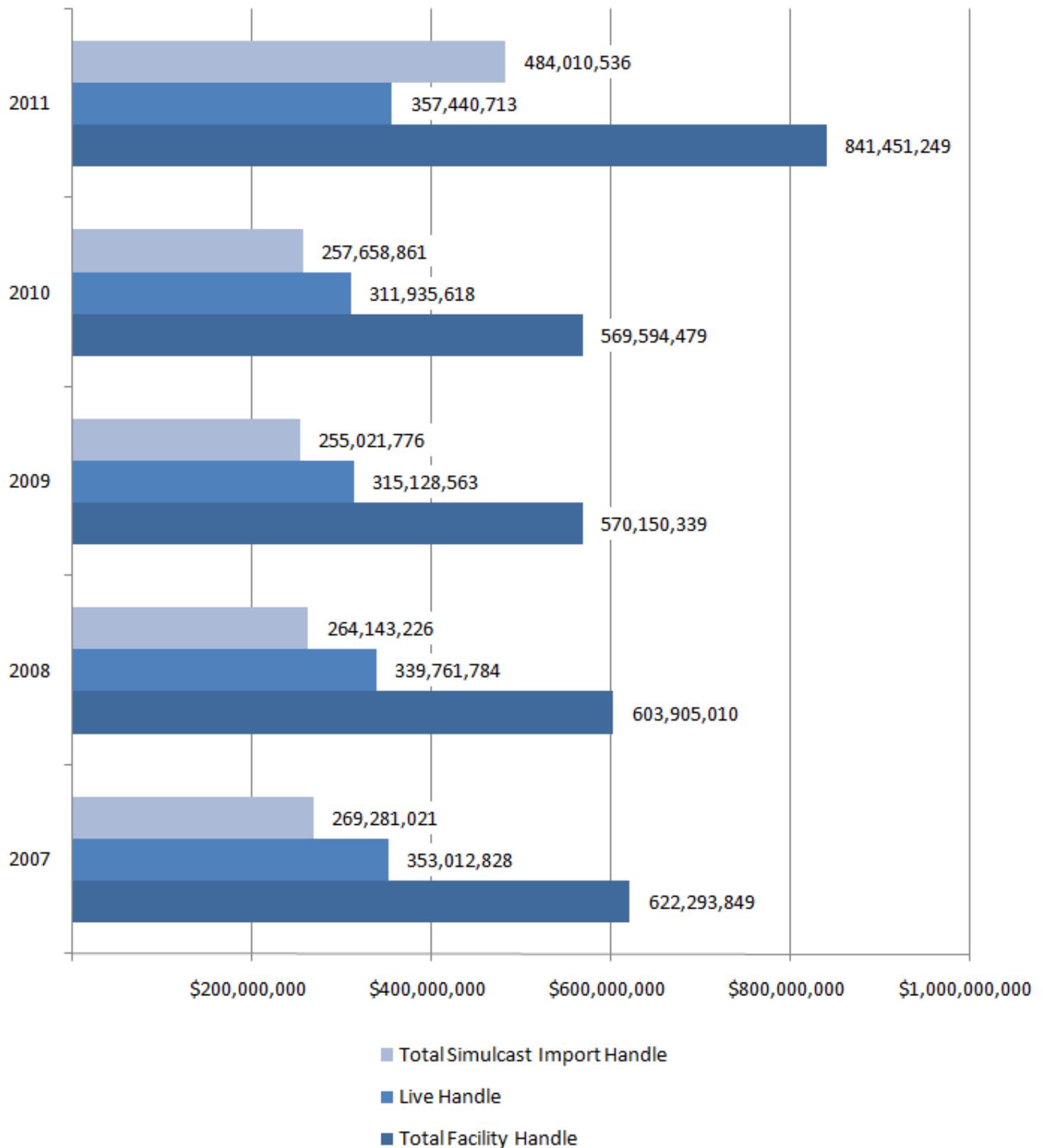
Total Pari-Mutuel Handle New York State vs. Out-of-State Tracks



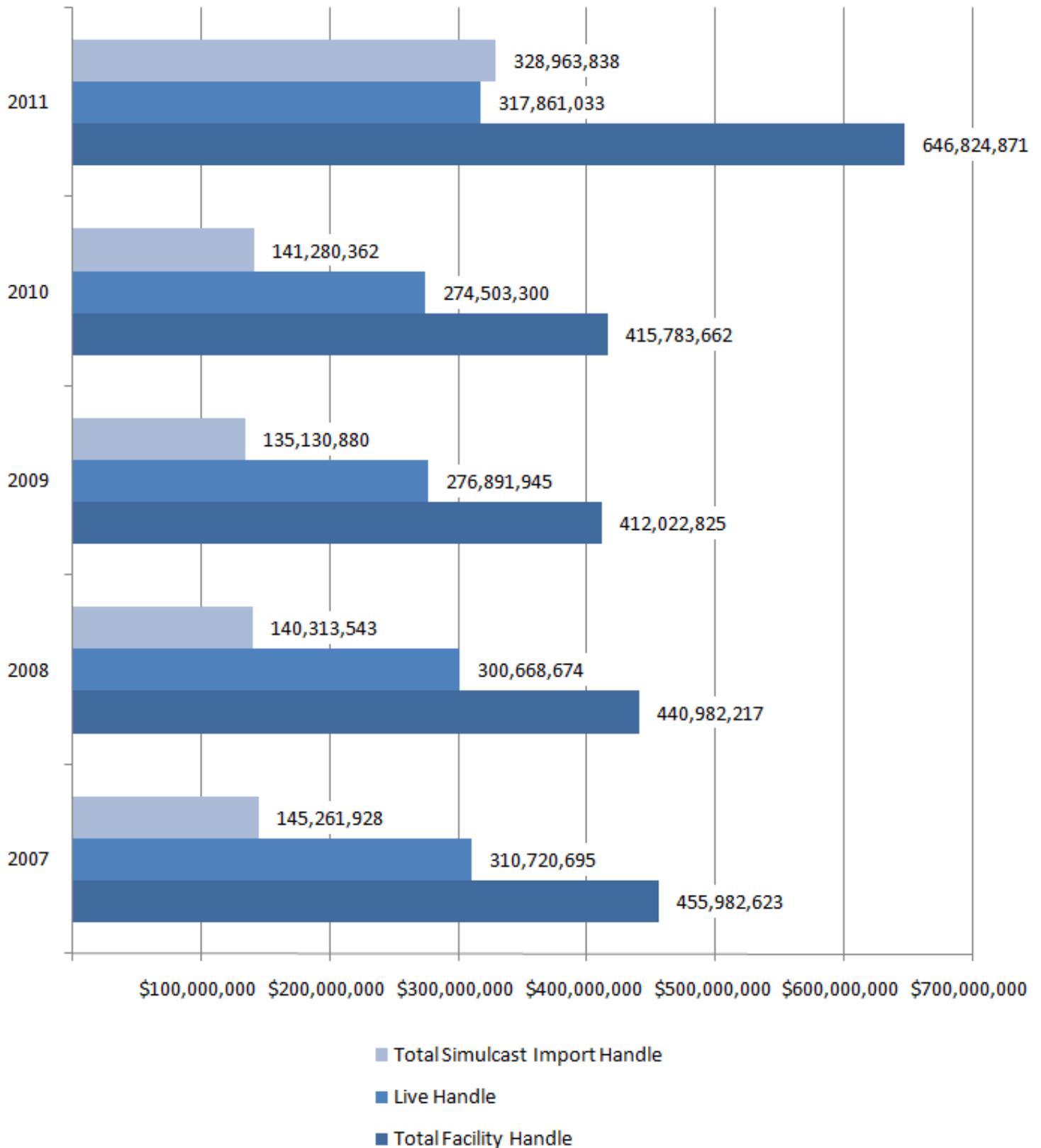
Total OTB Handle In New York State



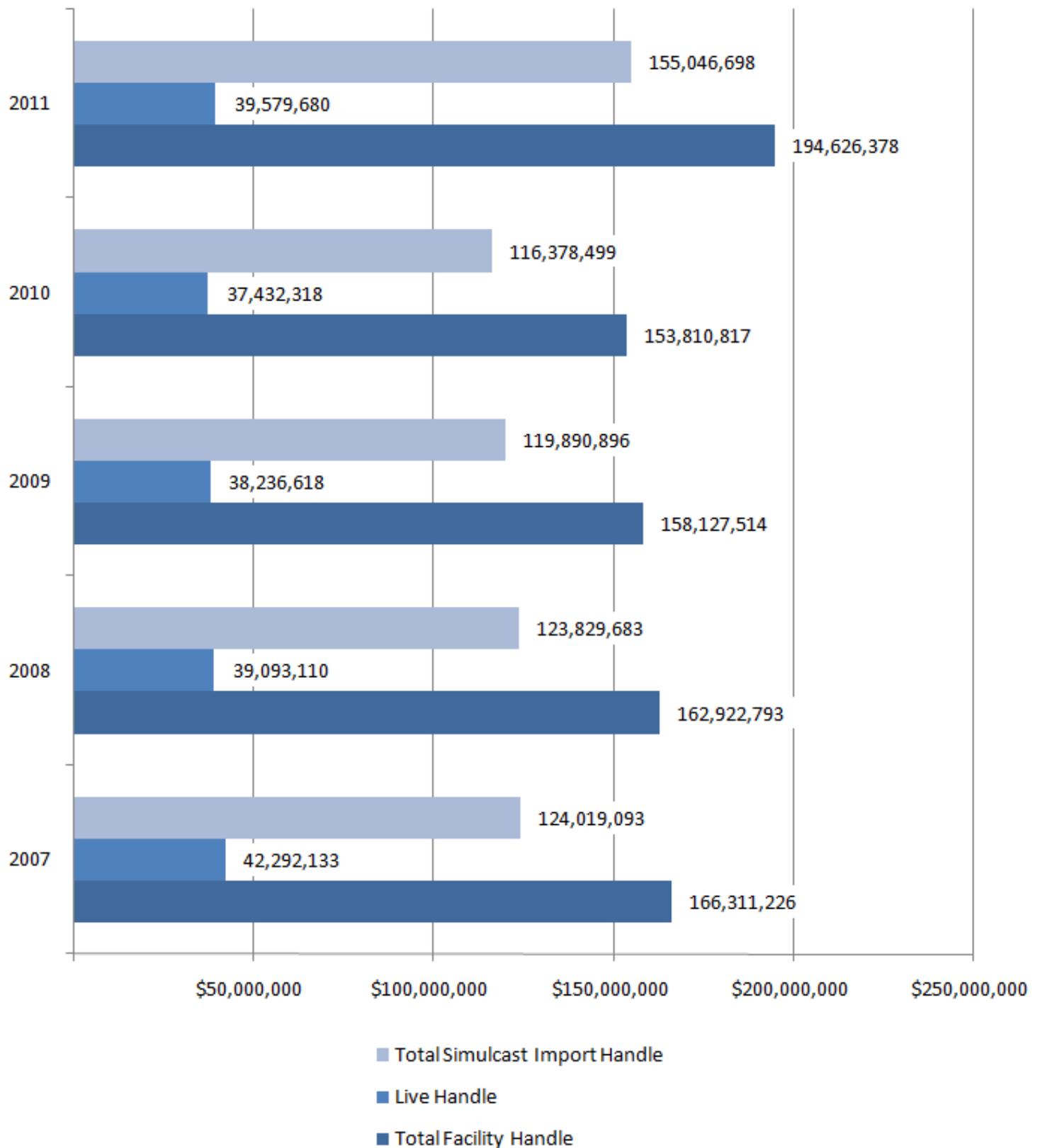
Total Pari-Mutuel Handle All New York State Tracks



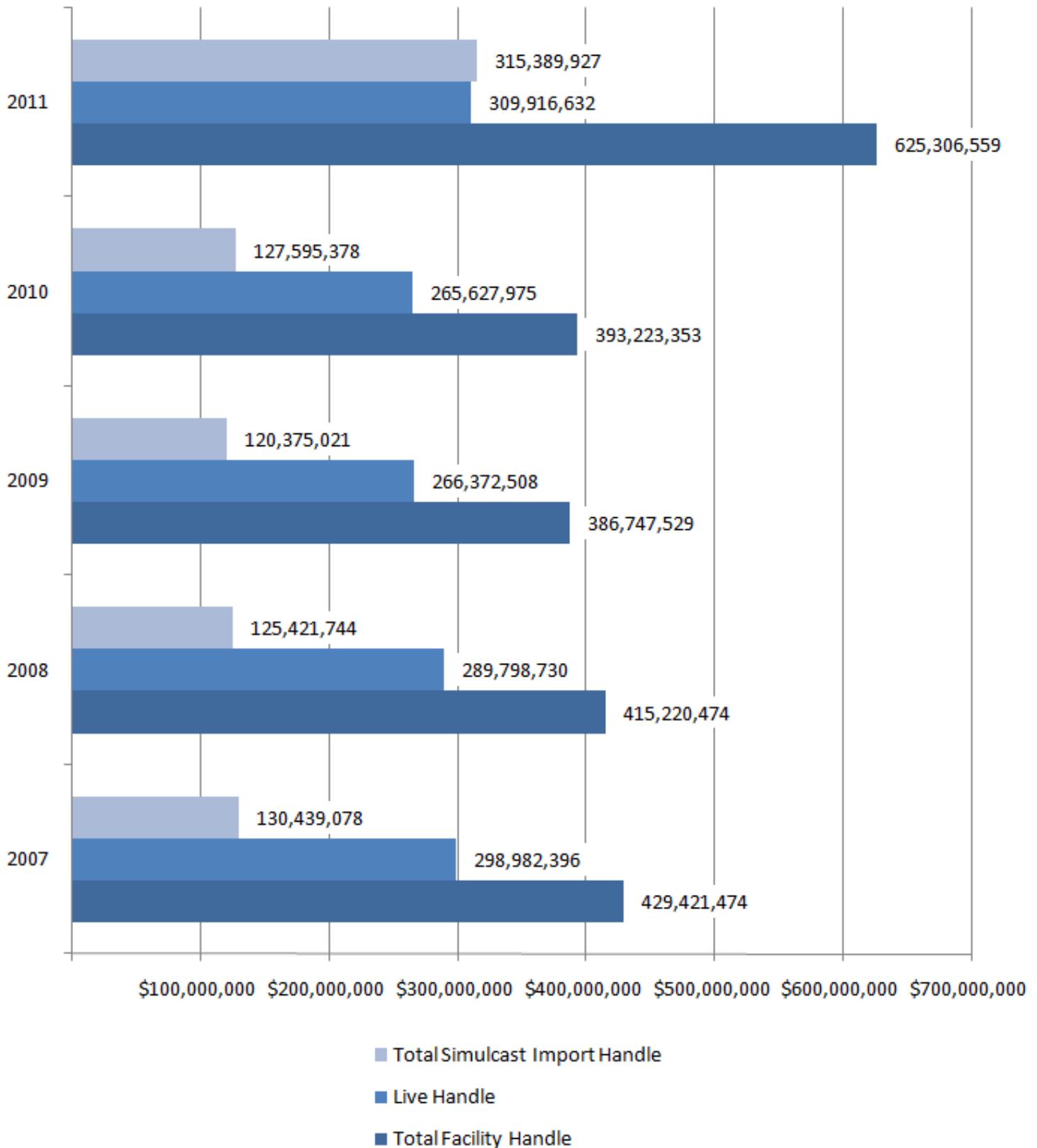
New York State Thoroughbred Tracks Handle



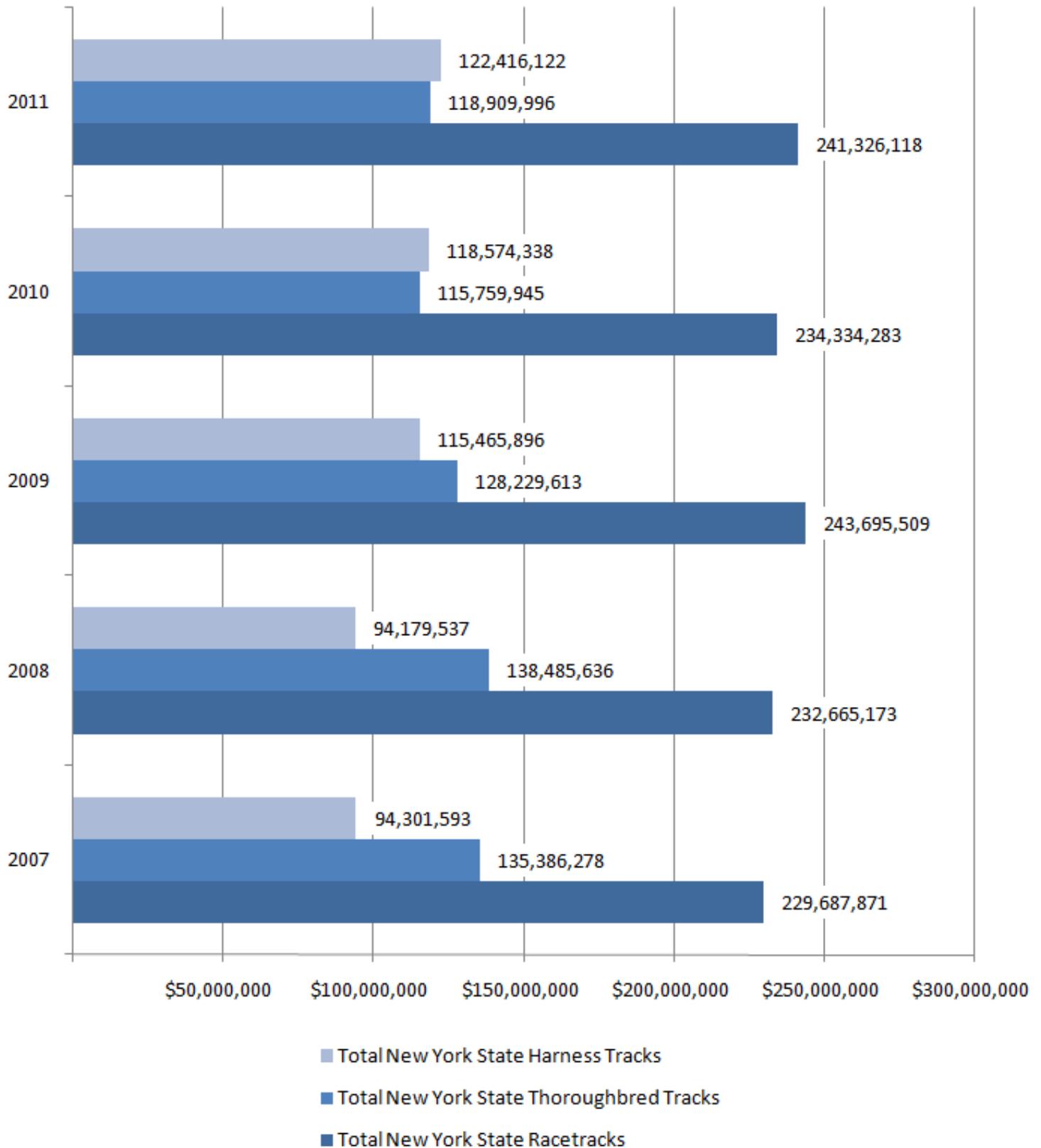
New York State Harness Tracks Handle



NYRA Handle Aqueduct, Belmont & Saratoga



Gross Purses Paid at New York State Racetracks



Gross Purses Paid New York State & Nationwide

2011 Nationwide Thoroughbred Purses							
State	Gross Purses	Number of Races	Average Purse Per	Starters	Starts	Average Field	Average Starts Per Runner
California	\$140,521,016	4,184	\$33,585	6,537	31,272	7.5	4.8
Pennsylvania	\$123,478,822	4,464	\$27,661	8,723	34,761	7.8	4.0
New York	\$122,911,228	3,692	\$33,291	6,115	28,084	7.6	4.6
Florida	\$90,282,150	3,387	\$26,655	7,901	29,402	8.7	3.7
Kentucky	\$89,652,828	2,107	\$42,550	6,680	18,258	8.7	2.7
Louisiana	\$86,081,780	3,532	\$24,372	7,451	31,597	8.9	4.2
West Virginia	\$62,483,845	4,123	\$15,155	8,066	34,683	8.4	4.3
Illinois	\$52,855,392	2,276	\$23,223	3,846	18,355	8.1	4.8
New Jersey	\$34,473,256	888	\$38,821	2,492	6,981	7.9	2.8
Maryland	\$31,459,400	1,400	\$22,471	3,684	10,622	7.6	2.9
New Mexico	\$31,285,880	1,731	\$18,074	2,958	14,269	8.2	4.8
Indiana	\$28,453,713	1,065	\$26,717	2,837	8,986	8.4	3.2
Delaware	\$23,289,215	888	\$26,227	2,546	6,723	7.6	2.6
Oklahoma	\$22,846,874	1,102	\$20,732	2,840	10,436	9.5	3.7
Arkansas	\$15,824,600	490	\$32,295	1,756	4,538	9.3	2.6

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.

2011 Nationwide Harness Purses			
State	Gross Purses	Number of Races	Average Purse
New York	\$121,474,337	11,448	\$10,611
Pennsylvania	\$111,870,740	7,169	\$15,605
Delaware	\$35,407,306	3,450	\$10,263
Indiana	\$30,851,103	3,082	\$10,010
New Jersey	\$30,819,534	2,111	\$14,599
Illinois	\$17,671,299	2,947	\$5,996
Ohio	\$12,314,415	4,500	\$2,737
Florida	\$10,027,125	1,694	\$5,919
Kentucky	\$9,449,346	661	\$14,296
Maine	\$6,932,063	1,813	\$3,824
Michigan	\$6,770,894	1,848	\$3,664
California	\$4,095,945	1,494	\$2,742
Maryland	\$2,885,865	618	\$4,670
Massachusetts	\$2,389,668	807	\$2,961
Minnesota	\$1,689,633	395	\$4,278
Virginia	\$1,496,118	337	\$4,440
Iowa	\$368,600	100	\$3,686

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

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	110	472,311	\$84,044,596	\$175,558,634	\$259,603,230
2010	110	337,807	\$65,770,119	\$59,443,914	\$125,214,033
2009	117	281,713	\$67,113,419	\$57,453,236	\$124,566,655

Belmont Park

2150 Hempstead Turnpike
Elmont, New York 11003
Phone: (516) 488-6000

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	91	465,782	\$104,770,371	\$121,619,149	\$226,389,520
2010	92	488,049	\$85,164,690	\$55,996,066	\$141,160,756
2009	97	534,625	\$87,253,209	\$50,550,921	\$137,804,130

Saratoga Race Course

267 Union Avenue
Saratoga Springs, New York 12866
Phone: (518) 584-6200

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	39	871,772	\$121,101,665	\$18,212,144	\$139,313,809
2010	40	878,288	\$114,693,166	\$12,155,398	\$126,848,564
2009	36	916,860	\$112,005,880	\$12,370,864	\$124,376,744

Finger Lakes Racetrack

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

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	160	128,435	\$7,944,401	\$13,573,911	\$21,518,312
2010	163	177,691	\$8,875,325	\$13,684,984	\$22,560,309
2009	163	208,351	\$10,519,437	\$14,755,859	\$25,275,296

Harness Tracks

Batavia Downs

8315 Park Road
Batavia, New York 14020
Phone: (585) 343-3750

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	72	180,995	\$2,181,507	\$4,595,319	\$6,776,826
2010	72	146,452	\$2,258,300	\$4,697,022	\$6,955,322
2009	72	161,853	\$2,229,338	\$5,133,976	\$7,363,314

Buffalo Raceway

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

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	91	*	\$2,364,041	\$7,464,718	\$9,828,759
2010	90	*	\$2,672,358	\$7,932,219	\$10,604,577
2009	90	*	\$2,709,355	\$8,157,329	\$10,866,684

Monticello Raceway

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

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	206	*	\$4,245,925	\$4,983,202	\$9,229,127
2010	210	*	\$4,438,717	\$5,266,580	\$9,705,297
2009	208	*	\$4,598,610	\$5,590,079	\$10,188,689

Saratoga Raceway

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

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	171	*	\$6,218,305	\$31,563,545	\$37,781,850
2010	170	*	\$6,270,117	\$29,938,023	\$36,208,140
2009	170	*	\$6,611,035	\$30,628,654	\$37,239,689

* Free Admission/No Attendance Figures

Harness Tracks

Tioga Downs

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

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	58	77,583	\$1,565,982	\$3,603,060	\$5,169,042
2010	58	92,813	\$1,795,579	\$4,437,357	\$6,232,936
2009	57	80,932	\$1,727,271	\$4,441,618	\$6,168,889

Vernon Downs

4229 Stuhlman Road
Vernon, New York 13476
Phone: 1-877-888-3766

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	90	94,014	\$3,807,159	\$8,208,138	\$12,015,297
2010	89	92,494	\$3,644,111	\$10,387,872	\$14,031,983
2009	90	120,354	\$3,677,875	\$10,193,803	\$13,871,678

Yonkers Raceway

810 Yonkers Avenue
Yonkers, New York 10704
Phone: (914) 968-4200

Year	Race Dates	Attendance	Live Handle	Simulcast Import Handle	Total Facility Handle
2011	240	37,494	\$19,196,761	\$94,628,716	\$113,825,477
2010	241	35,592	\$16,353,136	\$53,719,426	\$70,072,562
2009	241	36,455	\$16,683,134	\$55,745,437	\$72,428,571

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 36 simulcast branches, 32 remote wagering 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
2011	\$69,000,352	\$87,960,280	\$156,960,632
2010	\$74,998,991	\$90,689,557	\$165,688,548
2009	\$79,942,727	\$96,623,740	\$176,566,467

Catskill OTB

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

Catskill OTB is comprised of 13 counties, of which 10 participate as members of this corporation. Catskill OTB operated 19 simulcast branches, one teletheater and 8 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
2011	\$36,773,142	\$61,248,059	\$98,021,201
2010	\$37,702,170	\$61,902,687	\$99,604,857
2009	\$41,030,965	\$66,370,476	\$107,401,441

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 7 simulcast branches, one teletheater and 12 remote wagering locations.

Year	In-State Handle	Out-of-State Handle	Total Handle
2011	\$92,285,086	\$164,789,328	\$257,074,414
2010	\$90,684,084	\$145,309,737	\$235,993,821
2009	\$101,153,828	\$156,427,916	\$257,581,744

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 6 simulcast branches, one teletheater and 19 remote wagering locations.

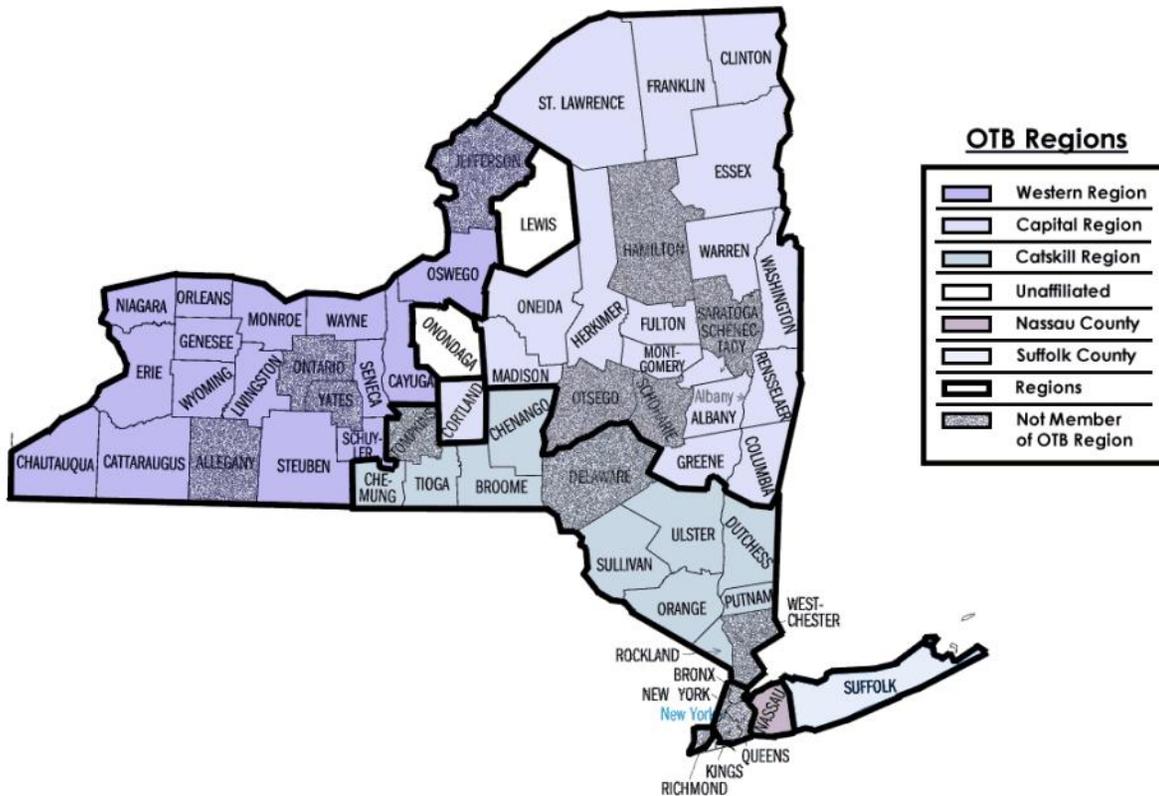
Year	In-State Handle	Out-of-State Handle	Total Handle
2011	\$52,338,767	\$70,355,177	\$122,693,944
2010	\$59,928,289	\$79,124,250	\$139,052,539
2009	\$65,665,498	\$87,836,338	\$153,501,836

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 34 simulcast branches, one teletheater and 19 remote wagering locations.

Year	In-State Handle	Out-of-State Handle	Total Handle
2011	\$41,015,156	\$65,015,901	\$106,031,057
2010	\$45,211,667	\$68,825,994	\$114,037,661
2009	\$50,168,300	\$71,714,379	\$121,882,679



2011 Total Betting on New York State Racetracks

	NYRA	Finger Lakes	Batavia	Buffalo	Monticello	Saratoga Harness	Tioga	Vernon	Yonkers	TOTAL
ON-TRACK LIVE	\$309,916,632	\$7,944,401	\$2,181,507	\$2,364,041	\$4,245,925	\$6,218,305	\$1,565,982	\$3,807,159	\$19,196,761	\$357,440,713
SIMULCAST EXPORTS:										
Exported to NYS Tracks:										
NYRA	\$41,919,008	\$9,447,410	\$134,777	-	\$1,503,864	\$446,895	\$37,875	\$104,821	\$7,141,458	\$60,736,108
Finger Lakes	\$4,386,102	-	\$41,148	\$90,116	\$338,100	\$62,549	\$14,399	-	\$57,600	\$4,990,014
Batavia	\$535,212	\$165,982	-	\$362,901	\$221,668	\$111,639	\$25,150	\$53,542	\$172,683	\$1,648,777
Buffalo	\$1,574,812	\$188,803	\$255,205	-	\$169,321	\$143,892	\$32,072	\$85,234	\$167,241	\$2,616,580
Monticello	\$1,385,163	\$75,187	\$16,157	\$19,720	-	\$138,803	\$38,555	\$37,473	\$389,202	\$2,100,260
Saratoga Harness	\$9,329,475	\$701,828	\$33,785	\$41,708	\$335,177	-	\$52,612	\$99,357	\$1,113,008	\$11,706,950
Tioga	\$703,764	\$147,913	\$10,146	\$18,120	\$111,430	\$95,883	-	\$83,079	\$102,258	\$1,272,593
Vernon	\$1,599,313	\$328,566	\$51,824	\$79,351	\$238,011	\$352,233	\$101,404	-	\$411,224	\$3,161,926
Yonkers	\$31,400,129	\$1,086,621	\$82,602	\$114,402	\$996,396	\$649,689	\$69,765	\$150,940	-	\$34,550,544
TOTAL TO NYS TRACKS	\$92,832,978	\$12,142,310	\$625,644	\$726,318	\$3,913,967	\$2,001,583	\$371,832	614,446	9,554,674	122,783,752
EXPORTED TO NYS OTBs										
Capital	\$52,496,284	\$6,222,967	\$129,619	\$187,098	\$2,677,396	\$3,050,377	\$105,752	\$876,999	\$3,253,860	\$69,000,352
Catskill	\$22,161,629	\$2,915,129	\$91,086	\$116,434	\$5,300,902	\$1,049,844	\$216,619	\$129,982	\$4,791,517	\$36,773,142
Nassau	\$72,462,208	\$5,390,799	\$114,546	\$149,972	\$4,573,578	\$972,812	\$176,038	\$165,881	\$8,279,252	\$92,285,086
Suffolk	\$42,169,314	\$3,204,387	\$69,990	\$91,603	\$2,535,035	\$488,238	\$59,341	\$58,178	\$3,662,681	\$52,338,767
Western	\$20,283,537	\$7,888,170	\$1,899,234	\$2,387,902	\$3,568,034	\$1,374,458	\$221,914	\$613,202	\$2,778,705	\$41,015,156
TOTAL TO NYS OTBs	\$209,572,972	\$25,621,452	\$2,304,475	\$2,933,009	\$18,654,945	\$6,935,729	\$779,664	\$1,844,242	\$22,766,015	\$291,412,503
EXPORTED OUT OF STATE	\$1,347,601,885	\$107,575,189	\$1,070,113	\$4,290,558	\$83,427,933	\$15,187,291	\$3,971,925	\$2,984,781	\$129,177,077	\$1,695,286,752
TOTAL HANDLE	\$1,959,924,467	\$153,283,352	\$6,181,739	\$10,313,926	\$110,242,770	\$30,342,908	\$6,689,403	\$9,250,628	\$180,694,527	\$2,466,923,720

2011 Total Betting at New York State Racetracks

		2011			2010		
		Simulcast Imports	Live Racing	On-Track Betting	Simulcast Imports	Live Racing	On-Track Betting
RECEIVING TRACK							
THOROUGHBRED:							
Aqueduct		\$175,558,634	\$84,044,596	\$259,603,230	\$59,443,914	\$65,770,119	\$125,214,033
Belmont		\$121,619,149	\$104,770,371	\$226,389,520	\$55,996,066	\$85,164,690	\$141,160,756
Saratoga		\$18,212,144	\$121,101,665	\$139,313,809	\$12,155,398	\$114,693,166	\$126,848,564
NYRA		\$315,389,927	\$309,916,632	\$625,306,559	\$127,595,378	\$265,627,975	\$393,223,353
Finger Lakes		\$13,573,911	\$7,944,401	\$21,518,312	\$13,684,984	\$8,875,325	\$22,560,309
THOROUGHBRED TRACKS		\$328,963,838	\$317,861,033	\$646,824,871	\$141,280,362	\$274,503,300	\$415,783,662
HARNESS:							
Batavia		\$4,595,319	\$2,181,507	\$6,776,826	\$4,697,022	\$2,258,300	\$6,955,322
Buffalo		\$7,464,718	\$2,364,041	\$9,828,759	\$7,932,219	\$2,672,358	\$10,604,577
Monticello		\$4,983,202	\$4,245,925	\$9,229,127	\$5,266,580	\$4,438,717	\$9,705,297
Saratoga		\$31,563,545	\$6,218,305	\$37,781,850	\$29,938,023	\$6,270,117	\$36,208,140
Tioga		\$3,603,060	\$1,565,982	\$5,169,042	\$4,437,357	\$1,795,579	\$6,232,936
Vernon		\$8,208,138	\$3,807,159	\$12,015,297	\$10,387,872	\$3,644,111	\$14,031,983
Yonkers		\$94,628,716	\$19,196,761	\$113,825,477	\$53,719,426	\$16,353,136	\$70,072,562
HARNESS TRACKS		\$155,046,698	\$39,579,680	\$194,626,378	\$116,378,499	\$37,432,318	\$153,810,817
ALL TRACKS		\$484,010,536	\$357,440,713	\$841,451,249	\$257,658,861	\$311,935,618	\$569,594,479

2011 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	\$309,916,632	47.9%	-	0.0%	\$309,916,632	36.9%	
Finger Lakes	\$7,944,401	1.2%	-	0.0%	\$7,944,401	0.9%	
NYS Harness Tracks	-	0.0%	\$39,579,680	20.4%	\$39,579,680	4.7%	
All Live Racing at NYS Tracks	\$317,861,033	49.1%	\$39,579,680	20.4%	\$357,440,713	42.5%	
IN-STATE SIMULCASTING BETWEEN NYS TRACKS:							
NYRA	\$46,305,110	7.2%	\$46,527,868	23.9%	\$92,832,978	11.0%	
Finger Lakes	\$9,447,410	1.5%	\$2,694,900	1.4%	\$12,142,310	1.4%	
NYS Harness Tracks	\$9,973,602	1.5%	\$7,834,862	4.0%	\$17,808,464	2.1%	
All Simulcasts from NYS Tracks	\$65,726,122	10.2%	\$57,057,630	29.3%	\$122,783,752	14.5%	
WAGERING ON NYS RACING AT NYS TRACKS							
	\$383,587,155	59.3%	\$96,637,310	49.7%	\$480,224,465	57.0%	
WAGERING ON OUT-OF-STATE RACES AT NYS TRACKS:							
Thoroughbred Races	\$263,237,716	40.7%	\$73,448,911	37.7%	\$336,686,627	40.1%	
Harness Races	-	0.0%	\$24,540,157	12.6%	\$24,540,157	2.9%	
All Simulcasts from Out-of-State Tracks	\$263,237,716	40.7%	\$97,989,068	50.3%	\$361,226,784	43.0%	
TOTAL BETTING AT NYS TRACKS FROM ALL SOURCES	\$646,824,871	100.0%	\$194,626,378	100.0%	\$841,451,249	100.0%	

2011 Distribution of On-Track Betting

	NYRA	Finger Lakes	Batavia	Buffalo	Monticello	Saratoga	Tioga	Vernon	Yonkers	All NYS Tracks
Regular	\$208,905,753	\$5,568,044	\$1,636,679	\$2,809,024	\$1,737,593	\$12,099,573	\$1,493,792	\$3,289,629	\$35,470,872	\$273,010,959
Multiple	\$228,238,689	\$7,834,687	\$2,226,375	\$2,964,182	\$3,672,843	\$13,748,764	\$1,667,511	\$4,298,080	\$38,553,870	\$303,205,001
Exotic	\$185,369,058	\$8,115,581	\$2,851,534	\$4,013,984	\$3,818,691	\$11,727,742	\$2,007,739	\$4,427,588	\$39,800,735	\$262,132,652
Super Exotic	\$2,793,059	-	\$62,238	\$41,569	-	\$205,771	-	-	-	\$3,102,637
Total Handle	\$625,306,559	\$21,518,312	\$6,776,826	\$9,828,759	\$9,229,127	\$37,781,850	\$5,169,042	\$12,015,297	\$113,825,477	\$841,451,249
Takeout	\$125,083,703	\$4,472,006	\$1,459,418	\$2,051,045	\$1,746,215	\$7,698,396	\$1,072,550	\$2,592,164	\$23,313,026	\$169,488,523
Breakage	\$3,154,974	\$86,238	\$25,121	\$40,602	\$30,456	\$150,177	\$20,085	\$46,657	\$461,997	\$4,016,307
Total Takeout and	\$128,238,677	\$4,558,244	\$1,484,539	\$2,091,647	\$1,776,671	\$7,848,573	\$1,092,635	\$2,638,821	\$23,775,023	\$173,504,830
State Tax on Handle	\$7,366,489	\$273,562	\$77,780	\$115,336	\$97,807	\$417,342	\$71,002	\$155,599	\$1,319,770	\$9,894,687
State Regulatory Fee	\$3,126,488	\$107,592	\$33,884	\$49,148	\$42,532	\$188,909	\$25,845	\$60,076	\$569,127	\$4,203,601
State Tax on Breakage	\$988,700	\$38,031	\$10,414	\$16,664	\$14,022	\$60,638	\$8,526	\$18,795	\$194,995	\$1,350,785
Total Tax and Regulatory Fee	\$11,481,677	\$419,185	\$122,078	\$181,148	\$154,361	\$666,889	\$105,373	\$234,470	\$2,083,892	\$15,449,073
Racetrack Commission	\$110,185,470	\$3,983,260	\$1,292,262	\$1,813,541	\$1,527,706	\$6,847,743	\$932,575	\$2,274,569	\$20,676,668	\$149,533,794
Racetrack Breakage	\$2,166,274	\$48,207	\$14,707	\$23,938	\$16,434	\$89,539	\$11,559	\$27,862	\$267,002	\$2,665,522
Total to Racetrack	\$112,351,744	\$4,031,467	\$1,306,969	\$1,837,479	\$1,544,140	\$6,937,282	\$944,134	\$2,302,431	\$20,943,670	\$152,199,316
Horse Breeders Fund Share	\$4,405,255	\$107,592	\$55,492	\$73,020	\$78,170	\$244,402	\$43,128	\$101,920	\$747,461	\$5,856,440
Paid to Simulcast Senders	\$12,914,699	\$642,981	\$166,989	\$337,713	\$207,109	\$1,571,629	\$166,290	\$367,438	\$4,895,795	\$21,270,643
Paid to NYRA and Finger Lakes	-	-	\$64,633	\$119,713	\$47,942	\$543,256	\$88,319	\$87,785	\$1,209,882	\$2,161,530
Gross Purses Paid	\$103,373,821	\$15,536,175	\$5,257,802	\$7,121,335	\$10,054,874	\$15,803,950	\$8,000,653	\$7,856,288	\$68,321,220	\$241,326,118
Minus Pool	\$632,806	\$1,288	\$1,003	\$2,673	\$7,619	\$33,126	\$1,277	\$30,326	\$104,178	\$814,296
Uncashed Tickets	\$1,924,527	\$101,839	\$27,108	\$54,379	\$40,125	\$239,618	\$31,514	\$54,043	\$468,865	\$2,942,018
State Admission Taxes	\$339,011	\$585	\$2	-	-	\$235	-	\$452	\$3,622	\$343,907

2011 New York State Regional OTBs Total Handle By Track and Region

	Capital	Catskill	Nassau	Suffolk	Western	All Regions
New York State Thoroughbred:						
NYRA:						
Aqueduct	\$15,653,173	\$7,907,667	\$27,558,144	\$16,327,140	\$7,822,612	\$75,268,736
Belmont	\$18,270,783	\$9,132,546	\$29,114,087	\$16,983,366	\$7,957,026	\$81,457,808
Saratoga	\$18,572,328	\$5,121,416	\$15,789,977	\$8,858,808	\$4,503,899	\$52,846,428
Total NYRA	\$52,496,284	\$22,161,629	\$72,462,208	\$42,169,314	\$20,283,537	\$209,572,972
Finger Lakes	\$6,222,967	\$2,915,129	\$5,390,799	\$3,204,387	\$7,888,170	\$25,621,452
Handle on NYS Thoroughbred Tracks	\$58,719,251	\$25,076,758	\$77,853,007	\$45,373,701	\$28,171,707	\$235,194,424
New York State Harness:						
Batavia	\$129,619	\$91,086	\$114,546	\$69,990	\$1,899,234	\$2,304,475
Buffalo	\$187,098	\$116,434	\$149,972	\$91,603	\$2,387,902	\$2,933,009
Monticello	\$2,677,396	\$5,300,902	\$4,573,578	\$2,535,035	\$3,568,034	\$18,654,945
Saratoga	\$3,050,377	\$1,049,844	\$972,812	\$488,238	\$1,374,458	\$6,935,729
Tioga	\$105,752	\$216,619	\$176,038	\$59,341	\$221,914	\$779,664
Vernon	\$876,999	\$129,982	\$165,881	\$58,178	\$613,202	\$1,844,242
Yonkers	\$3,253,860	\$4,791,517	\$8,279,252	\$3,662,681	\$2,778,705	\$22,766,015
Handle on NYS Harness Tracks	\$10,281,101	\$11,696,384	\$14,432,079	\$6,965,066	\$12,843,449	\$56,218,079
Handle on All New York State Tracks	\$69,000,352	\$36,773,142	\$92,285,086	\$52,338,767	\$41,015,156	\$291,412,503
Out-of-State Thoroughbred	\$72,657,970	\$44,796,313	\$134,759,876	\$56,497,412	\$44,503,387	\$353,214,958
Out-of-State Harness	\$10,879,906	\$13,398,994	\$24,121,461	\$11,024,675	\$17,315,495	\$76,740,531
Handle on Out-of-State Tracks	\$83,537,876	\$58,195,307	\$158,881,337	\$67,522,087	\$61,818,882	\$429,955,489
Special Event Races:						
Breeders Cup	\$1,864,208	\$747,482	\$1,300,191	\$625,287	\$725,122	\$5,262,290
Kentucky Derby	\$1,589,368	\$1,472,218	\$2,177,225	\$1,387,033	\$1,602,218	\$8,228,062
Preakness Stakes	\$968,828	\$833,052	\$2,430,575	\$820,770	\$869,679	\$5,922,904
Handle on Special Event Races	\$4,422,404	\$3,052,752	\$5,907,991	\$2,833,090	\$3,197,019	\$19,413,256
Total NYS OTB Handle on All Tracks	\$156,960,632	\$98,021,201	\$257,074,414	\$122,693,944	\$106,031,057	\$740,781,248

2011 New York State Regional OTBs Direct & Regional Payments to Tracks

	Capital	Catskill	Nassau	Suffolk	Western	TOTAL
<u>New York State Thoroughbred:</u>						
Aqueduct (NYRA)	\$1,042,694	\$699,176	\$2,126,754	\$1,240,434	\$220,135	\$5,329,193
Belmont (NYRA)	\$1,057,892	\$703,021	\$2,209,776	\$1,290,711	\$390,142	\$5,651,542
Saratoga (NYRA)	\$957,365	\$332,447	\$1,235,077	\$673,873	\$241,931	\$3,440,693
Total NYRA Direct	\$3,057,951	\$1,734,644	\$5,571,607	\$3,205,018	\$852,208	\$14,421,428
NYRA Regional	\$3,045,412	\$2,034,307	\$5,927,918	\$2,555,314	\$2,100,444	\$15,663,395
Finger Lakes Direct	\$332,440	\$131,869	\$213,806	\$142,357	\$490,408	\$1,310,880
Finger Lakes Regional	\$637,826	\$390,649	\$1,166,428	\$475,717	\$777,385	\$3,448,005
Total New York State Thoroughbred	\$7,073,629	\$4,291,469	\$12,879,759	\$6,378,406	\$4,220,445	\$34,843,708
<u>New York State Harness:</u>						
Batavia Direct	\$2,940	\$1,554	\$2,290	\$1,398	\$105,015	\$113,197
Batavia Regional	-	-	-	-	\$650,229	\$650,229
Buffalo Direct	\$4,625	\$1,966	\$2,540	\$1,567	\$132,723	\$143,421
Buffalo Regional	-	-	-	-	\$900,225	\$900,225
Monticello Direct	\$72,292	\$309,779	\$365,887	\$149,055	\$88,668	\$985,681
Monticello Regional	-	\$442,449	\$762,272	\$363,455	-	\$1,568,176
Saratoga Direct	\$325,263	\$20,619	\$18,106	\$9,221	\$26,502	\$399,711
Saratoga Regional	\$2,011,702	-	-	-	-	\$2,011,702
Tioga Direct	\$2,534	\$10,113	\$9,722	\$3,275	\$4,783	\$30,427
Tioga Regional	-	\$32,210	\$40,181	\$17,567	-	\$89,958
Vernon Direct	\$38,503	\$2,209	\$2,800	\$1,003	\$26,044	\$70,559
Vernon Regional	\$546,633	\$5,820	-	-	\$188,556	\$741,009
Yonkers Direct	\$80,326	\$299,873	\$1,072,933	\$206,039	\$65,229	\$1,724,400
Yonkers Regional	-	\$623,481	\$1,136,265	\$732,854	-	\$2,492,600
Total New York State Harness	\$3,084,818	\$1,750,073	\$3,412,996	\$1,485,434	\$2,187,974	\$11,921,295
Total Payments to New York State Tracks	\$10,158,447	\$6,041,542	\$16,292,755	\$7,863,840	\$6,408,419	\$46,765,003
Out-of-State Thoroughbred	\$2,602,472	\$1,475,817	\$4,802,738	\$1,857,589	\$1,414,029	\$12,152,645
Out-of-State Harness	\$229,245	\$278,691	\$459,864	\$231,095	\$405,103	\$1,603,998
Total Payments to Out-of-State Tracks	\$2,831,717	\$1,754,508	\$5,262,602	\$2,088,684	\$1,819,132	\$13,756,643
Special Events:						
Breeders Cup	\$117,437	\$44,156	\$91,816	\$43,180	\$47,238	\$343,827
Kentucky Derby	\$76,563	\$93,906	\$134,619	\$88,274	\$102,961	\$496,323
Preakness Stakes	\$62,589	\$53,866	\$76,270	\$52,835	\$56,961	\$302,521
Total Special Events	\$256,589	\$191,928	\$302,705	\$184,289	\$207,160	\$1,142,671
Total Payments to All Tracks	\$13,246,753	\$7,987,978	\$21,858,062	\$10,136,813	\$8,434,711	\$61,664,317

2011 New York State Regional OTBs Distribution of Revenues

	Capital	Catskill	Nassau	Suffolk	Western	All Regions
Pari-Mutuel Revenue:						
Statutory Take-Out	\$32,289,150	\$20,836,667	\$53,414,974	\$25,562,350	\$22,818,212	\$154,921,353
Breakage	\$651,474	\$314,805	\$1,010,872	\$467,377	\$345,669	\$2,790,197
Minus Pools	\$(48,610)	\$(35,898)	\$(532,725)	\$(17,576)	\$(9,920)	\$(644,729)
Missed Pools	\$(143)	\$8,527	-	-	-	\$8,384
Derived from Section 532.3.b(iv) & 532.7	\$1,170,227	\$999,516	\$2,005,858	\$870,324	\$1,259,903	\$6,305,828
Total Pari-Mutuel Revenue	\$34,062,098	\$22,123,617	\$55,898,979	\$26,882,475	\$24,413,864	\$163,381,033
Statutory & Simulcast Payments:						
NY State (Pari-Mutuel Tax & Breakage)	\$1,198,172	\$823,634	\$1,834,758	\$991,943	\$967,388	\$5,815,895
New York State Racing & Wagering Board Regulatory Fee	\$784,803	\$490,106	\$1,285,389	\$613,470	\$530,155	\$3,703,923
NYS Thoroughbred Development & Breeding Fund	\$766,396	\$405,621	\$1,224,507	\$597,419	\$432,867	\$3,426,810
Ag. & NYS Breeding & Dev. Fund Breeders' Fund - Harness	\$351,992	\$308,008	\$604,806	\$287,694	\$365,941	\$1,918,441
In-State Thoroughbred Tracks	\$7,073,629	\$4,291,469	\$12,879,759	\$6,378,406	\$4,220,445	\$34,843,708
Out-of-State Thoroughbred Tracks	\$2,602,472	\$1,475,817	\$4,802,738	\$1,857,590	\$1,414,029	\$12,152,646
In-State Harness Tracks	\$3,084,818	\$1,750,073	\$3,412,995	\$1,485,434	\$2,187,974	\$11,921,294
Out-of-State Harness Tracks	\$229,245	\$278,691	\$459,864	\$231,095	\$405,103	\$1,603,998
Special Events	\$256,589	\$191,928	\$302,705	\$184,289	\$207,160	\$1,142,671
Total Statutory & Simulcast Payments	\$16,348,116	\$10,015,347	\$26,807,521	\$12,627,340	\$10,731,062	\$76,529,386
Net Pari-Mutuel Revenue	\$17,713,982	\$12,108,270	\$29,091,458	\$14,255,135	\$13,682,802	\$86,851,647
Other Revenue:						
Admission Income	\$43,577	\$73,594	\$102,637	\$79,626	\$1,153	\$300,587
Lottery Income	\$300,057	\$155,794	\$43,157	\$122,905	\$297,513	\$919,426
Concession Income	\$95,212	\$24,411	\$42,723	\$29,200	\$20,513	\$212,059
Derived from Section 509-a(3)	-	-	-	-	-	-
Transfer from Section 509 Reserve Fund	-	-	-	-	-	-
Interest Income	\$19,755	-	\$80	\$7,884	\$8,437	\$36,156
Enterprise Fund - Net Revenue / (Loss)	\$(2,075,029)	-	-	-	\$3,412,681	\$1,337,652
Other Income	\$100,568	\$322,329	\$675,357	\$360,843	\$1,292,082	\$2,751,179
Total Operating Revenue	\$16,198,122	\$12,684,398	\$29,955,412	\$14,855,593	\$18,715,181	\$92,408,706
Continued on next page...						

2011 New York State Regional OTBs Distribution of Revenues

Continued from previous page...						
	Capital	Catskill	Nassau	Suffolk	Western	All Regions
Operating Expenses:						
Branch Expenses	\$14,017,667	\$9,073,350	\$18,473,046	\$10,603,063	\$13,866,842	\$66,033,968
General & Administrative Expenses	\$5,024,669	\$2,515,930	\$2,699,136	\$9,735,847	\$7,050,379	\$27,025,961
Total Operating Expenses	\$19,042,336	\$11,589,280	\$21,172,182	\$20,338,910	\$20,917,221	\$93,059,929
Section 516 Net Revenues from Operations	\$(2,844,214)	\$1,095,118	\$8,783,230	\$(5,483,317)	\$(2,202,040)	\$(651,223)
Less:						
Section 509-a(ii) Contributions to Capital Acquisition Fund	-	-	-	-	-	-
Section 509 Contributions to Reserve Fund	-	-	-	-	-	-
Section 527.6 Obligations	-	-	-	-	-	-
Section 516 Net Revenue for Distribution	\$(2,844,214)	\$1,095,118	\$8,783,230	\$(5,483,317)	\$(2,202,040)	\$(651,223)
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	\$2,705	-	-	-	-	\$2,705
Branch Expenses	\$25,436	\$288,164	\$(5,470,984)	\$665,726	\$1,007,636	\$(3,484,022)
General & Administrative	\$12,968	\$124,349	\$(1,367,746)	\$720,742	\$177,818	\$(331,869)
Total	\$41,109	\$412,513	\$(6,838,730)*	\$1,386,468	\$1,185,454	\$(3,813,186)
*Nassau OTB incurred a negative adjustment in 2011 in the amount of \$6,838,730, due to a decrease in the Net OPEB Obligation as determined by the actuarial valuation.						

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 12/31/11 for each corporation.						
Participating Localities	\$2,042,616	\$1,627,919	\$3,802,015	\$1,480,175	\$2,061,379	\$11,014,104
Other Localities	\$848,181	\$468,592	\$773,244	\$609,853	\$640,454	\$3,340,324
Total Surcharge	\$2,890,797	\$2,096,511	\$4,575,259	\$2,090,028	\$2,701,833	\$14,354,428
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.						

This page intentionally left blank.



New York State Racing and Wagering Board

1 Broadway Center , Suite 600

Schenectady, NY 12305-2553

Phone: (518) 395-5400 Fax: (518) 347-1250

<http://www.racing.state.ny.us>