

STATE OF NEW YORK  
ANNUAL REPORT  
AND  
SIMULCAST REPORT  
FOR THE CALENDAR YEAR 1993



NEW YORK STATE  
RACING AND WAGERING BOARD

MARIO M. CUOMO  
Governor

RICHARD F. CORBISIERO, JR.  
Chairman

BENNETT LIEBMAN  
Member

JOSEPH P. NEGLIA  
Member





STATE OF NEW YORK  
NEW YORK STATE RACING AND WAGERING BOARD  
120 Broadway  
New York, N.Y. 10271  
(212) 417-4200

MEMBERS

Richard F. Corbisiero, Jr.  
Chairman  
Bennett Liebman  
Joseph P. Neglia

May 1994

**TO: Honorable Mario M. Cuomo, Governor  
The Director of the Budget  
The Chairman of the Senate Finance Committee  
The Chairman of the Assembly Ways and Means Committee**

In accordance with the provisions of Section 1002(2) of the Racing, Pari-Mutuel Wagering and Breeding Law, I am pleased to submit to you the tenth annual Simulcast Report of the Racing and Wagering Board which, this year, is incorporated into the Board's 1993 Annual Report.

During 1993, New York State continued to lead the nation in total dollars wagered on horse races. Combined handle, both on and off-track, totalled over \$2.8 billion. "Simulcasting" (betting on live televised horse races), permanently authorized by Chapter 346 of the Laws of 1990, is an integral part of this achievement. Simulcast activities during 1993 and their results are described in this report.

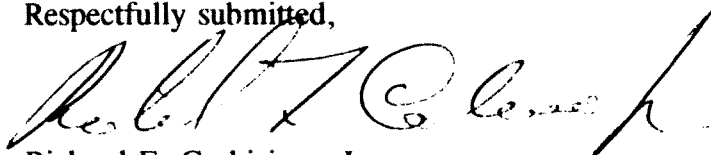
The racing and wagering industry continues to be an important component of the Empire State's economy. It generates revenue for state and local governments and employs tens of thousands of New Yorkers. The Board believes that 1993's 7.5% decrease in handle levels from 1992, while partly attributable to the recession, was also caused by opportunities missed because of significant disagreements among its various components.

The acrimony which characterizes many of the relationships within the racing and wagering community continues to inhibit its potential growth. The Board devotes considerable time and effort to mediate these disputes. While the revised legislative framework has somewhat ameliorated this situation, significant improvement still needs to be made. The Board strongly believes that a cooperative partnership among all elements of the industry must now, more than ever, be achieved if New York is to maintain its preeminence in the racing world.

In this report, the Board recommends that some modifications to the simulcast law be enacted, to give the Board the necessary authority to insure its continued success. For the last decade of this century, the New York State racing, wagering and breeding industries must be directed to move toward the goals of enhancing the economy, increasing interest in racing, insuring the public's confidence in the sport, and achieving true industry-wide cooperation.

In addition, pursuant to the provisions of Chapter 360 of the Laws of 1991, the Board respectfully submits herein the reports concerning licensed thoroughbred and harness tracks prescribed by Sections 228(2) and 318(1), paragraph a(iii) and b(i) of the Racing, Pari-Mutuel Wagering and Breeding Law.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Richard F. Corbisiero, Jr.", written in black ink.

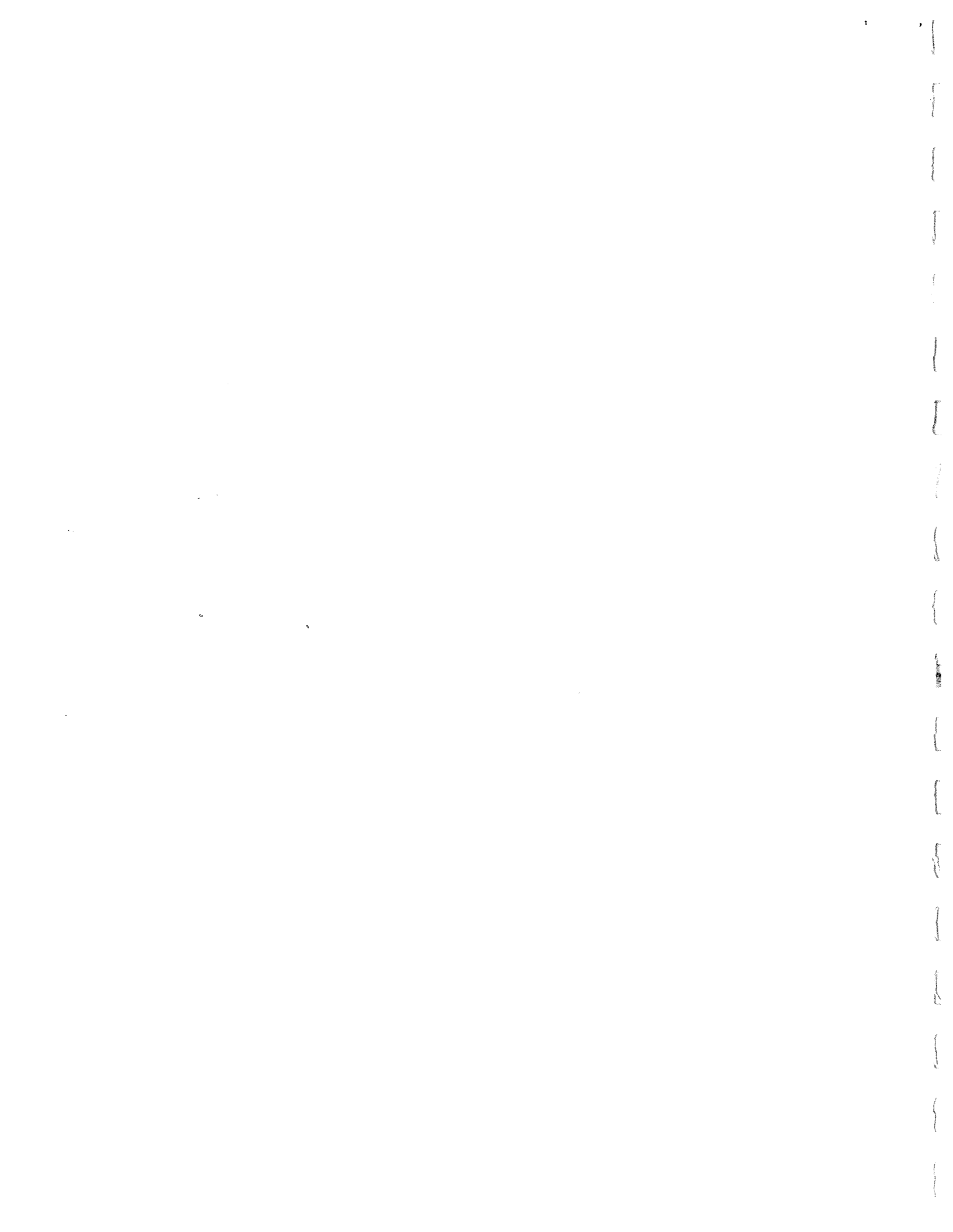
Richard F. Corbisiero, Jr.  
Chairman



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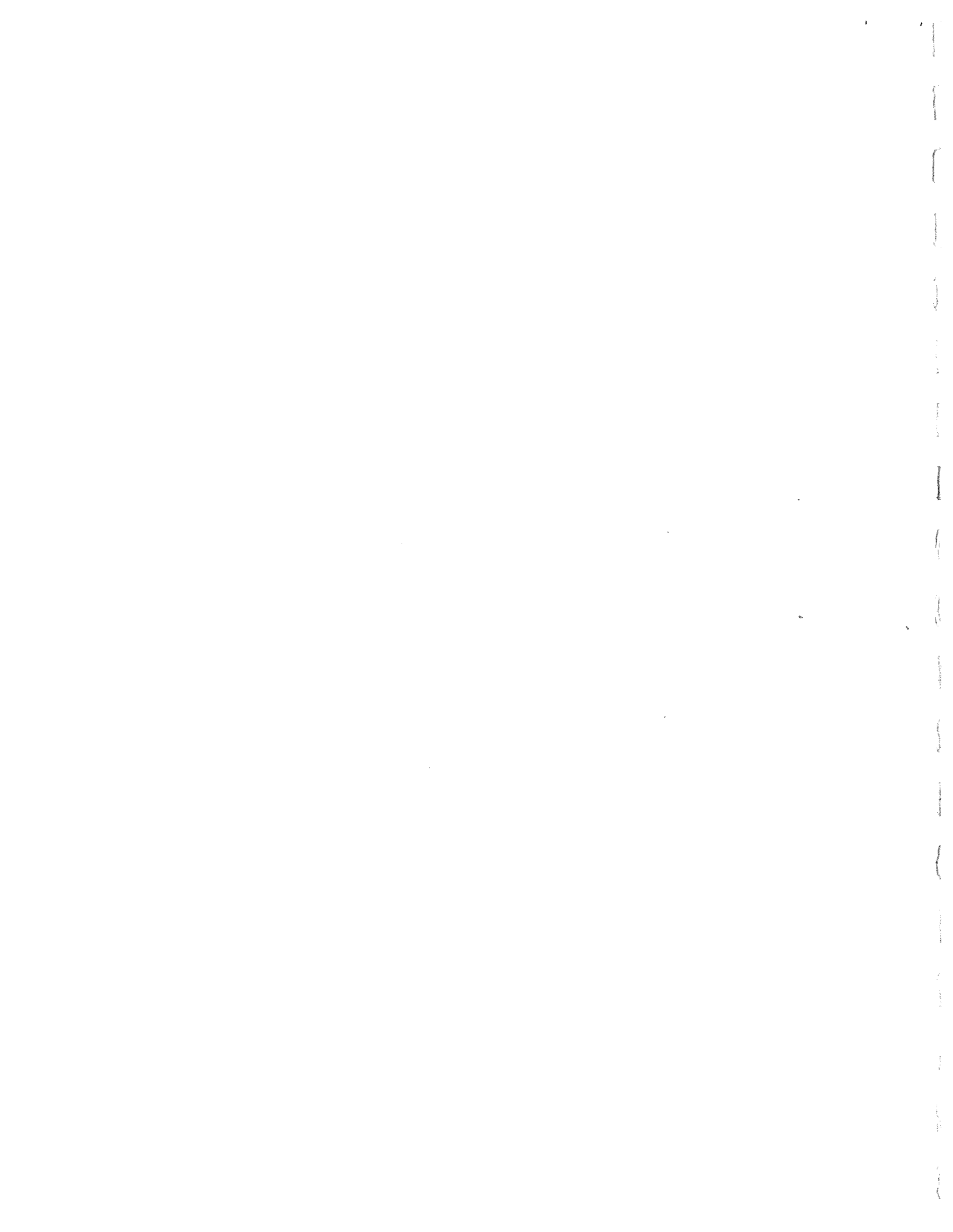
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**PART I**  
**ANNUAL REPORT**





## HIGHLIGHTS

In 1993, the State of New York licensed 1,518 days of on-track racing (Thoroughbred and Harness) resulting in a combined handle of on and off-track wagers totaling \$2,853,766,129. On-track handle continued to decline. On-track handle of \$1,213,923,598 was 8.31% below 1992 figures. The 1993 off-track figure of \$1,639,842,531 was 6.95% below the previous year.

### THOROUGHBRED AND HARNESS RACING COMBINED ON AND OFF-TRACK

	<u>1993</u>	<u>1992</u>
Number of Racing Days	1,518	1,633
Attendance	6,330,691	6,944,426
Handles	\$2,853,766,129	3,086,285,926
Revenue to State	\$79,478,062	\$84,149,743
Revenues to Localities	\$60,721,119	\$75,019,157
Horsebreeder Funds	\$16,997,118	\$18,615,545
Net Commission and Breakage to Tracks	\$276,951,792	\$299,335,754
Purses Paid to Horsemen	\$137,822,256	\$151,859,169

### 1993 SUMMARY OF LEGAL DEPARTMENT CASES AND RULES

Among the significant court decisions in 1993, which resulted from challenges to Board actions or determinations were:

1. VACAREZZA v. NEW YORK STATE RACING AND WAGERING BOARD - The New York State Supreme Court, Appellate Division, First Department, confirmed the Board's determination which denied a harness owner's license application based upon association with a person convicted of crimes. The Court rejected the argument that the Board's regulations were vague and found it proper for the Board to apply Racing, Pari-Mutuel Wagering and Breeding Law Section 309(2) and Board Rule 9E NYCRR Section 4119.7 in evaluating an initial application.

2. AMY v. NEW YORK STATE RACING AND WAGERING BOARD - The Supreme Court, New York County, in an Article 78 proceeding, confirmed the Board's license denial to a jockey involved in race fixing. The Court held that it would not interfere with an agency's action, unless that action was made in bad faith or was arbitrary, capricious, or illegal.

3. PARKER v. CORBISIERO - The United States District Court for the Southern District of New York confirmed the 30 day suspension of a harness driver/trainer license. The Court held that the issues raised were barred by New York's doctrines of res judicata and collateral estoppel. Consequently, the motion to dismiss was granted. The Court determined

that issues concerning the constitutionality of Rule 4117.4(p) (driving with indifference or the lack of effort) and due process were disposed of by the state court's decision.

4. NEW YORK HORSEMEN'S BENEVOLENT AND PROTECTIVE ASSOCIATION v. NEW YORK STATE RACING AND WAGERING BOARD - The Supreme Court, New York County, held that there was a rational basis for the Board's decision that the NYHBPA had not qualified to receive 1% of the 1991 Aqueduct Fall and Winter Meeting purse monies.

5. MILICI v. NEW YORK STATE RACING AND WAGERING BOARD - The New York State Supreme Court, Appellate Division, First Department, confirmed the Board's decision which was rendered after a hearing. The Court held that it was within the province of the Board to evaluate credibility of the witnesses at the hearing and reject petitioner's evidence. The matter involved the requirement that a harness trainer submit to a drug test as directed by the Presiding Judge.

6. MATTER OF POULIN v. CORBISIERO, et al. - The New York State Supreme Court, Appellate Division, First Department, unanimously upheld the Board's 30-day suspension of a harness racing driver for lack of effort, based upon a finding of substantial evidence in the record.

7. SIERRA v. NEW YORK STATE RACING AND WAGERING BOARD - The New York State Supreme Court, Nassau County, held that a thoroughbred veterinarian, whose license was denied after an investigative interview, had no statutory or constitutional right to notice or a hearing prior to the refusal of his renewal application; and that the State Administrative Procedure Act, Section 401(2), was not applicable. Consequently, the application for a preliminary injunction was denied.

8. MATTISON v. CORBISIERO - The New York State Supreme Court, County of Saratoga, dismissed an Article 78 petition which sought to annul the Board's determination after hearing. The Court adhered to the principle that an administrative determination cannot be lightly disregarded by the Court and found that the penalties in this case were not excessive in light of all the circumstances involving undue and inappropriate treatment of a horse by a trainer.

9. OVERSTREET v. NEW YORK STATE RACING AND WAGERING BOARD - The Supreme Court, New York County, upheld the Board's decision wherein petitioner, in an Article 78 proceeding, alleged that the Board had acted arbitrarily and capriciously by upholding a ruling which barred a horse from competing based upon the conditions for a racing series.

#### RULES AND REGULATIONS

The Board promulgated numerous amendments to the rules and regulations governing racing. Among the rules enacted for the thoroughbred industry were those authorizing racetracks

to be staffed by certified emergency medical technicians rather than physicians, except where otherwise required by Department of Health regulations; allowing the weight of safety vests worn by jockeys to be disregarded for weight purposes; establishing requirements for a thoroughbred horsemen's organization to qualify as a representative recipient of purse payments; and mandating that all thoroughbred and quarterhorse jockeys wear safety vests while participating to reduce or avoid injuries. In the Harness Division, the Board amended its rules to enhance the ability of the stress assistance coordinator, acting on behalf of the Board, to aid licensees with substance abuse and related problems.

### LICENSING

All participants in racing in New York State are required to obtain occupational licenses which have been issued on a calendar year basis for one, two or three years.

In 1993 a total of 8,292 licenses were issued for participants at six harness tracks (Buffalo, Batavia, Monticello, Saratoga, Vernon Downs, Yonkers) and Syracuse Mile.

In Thoroughbred racing, there were 17,132 licenses issued for racing at Aqueduct, Belmont, Saratoga and Finger Lakes.

A total of \$15,424 licenses were issued for the year. However, there were 24,837 licenses valid due to the three-year license program.

Fingerprints processed totalled 5,484 (Federal and State), of these 2,278 were Federal and 3,206 were State prints.

In Thoroughbred racing, there were 71 suspensions causing 697 days of suspension and 77 fines for a total of \$15,745.

In Harness racing, there were 339 suspensions resulting in 2,850 days of suspension and 496 fines for a total of \$37,305.

For 1993, the Investigations Unit handled 993 cases in all areas of questionable racing activities, i.e., race fixing, hidden ownership, equine and human drug usage, insurance scams, Organized Crime interest, OTB concessionaires and other.

### 1993 Valid Licenses

Track	Admin Mgm't	Agents Clean Service	Driver	Farrier	Food Service	General Jockey	Mutuel	Owner	Security	Stable Emp's	Trainer	Veterinarian	Track Total		
BD/BR	26	13	178	9	43	124	163	1,004	31	266	470	6	2,333		
FL	62	23	13	9	45	128	91	520	31	327	221	6	1,529		
MO	11		51		1	4	5	1,114		19	115	2	1,322		
MR	8	20	182	9	39	63	73	783	26	274	428	10	1,915		
NY	98	122	252	38	213	999	541	3,241	341	2,315	933	48	9,386		
SR	9	16	166	7	48	43	84	1,042	22	272	442	9	2,160		
VD	15	20	133	8	60	80	118	600	32	317	268	6	1,657		
YR	8	1	420	10	77	273	151	2,075	11	574	927	8	4,535		
TOTAL	237	145	335	1,130	90	526	1,714	298	1,226	10,379	494	4,364	3,804	95	24,837

### 1993 Issued Licenses

Track	Admin Mgm't	Agents Clean Service	Driver	Farrier	Food Service	General Jockey	Mutuel	Owner	Security	Stable Emp's	Trainer	Veterinarian	Track Total	
BD/BR	17	11	113	6	42	104	63	627	18	241	299	4	1,545	
FL	25	23	13	3	44	111	41	295	29	327	138	2	1,092	
MO	1		11		1	4		333		1	27	1	379	
MR	6	20	117	6	39	57	41	506	18	247	278	5	1,340	
NY	31	69	180	17	213	758	158	1,501	209	2,313	420	23	6,040	
SR	2	16	102	3	45	32	22	616	17	252	287	4	1,398	
VD	7	20	77	2	58	52	38	382	19	283	167	2	1,107	
YR	2	1	201	4	75	185	9	1,032	3	534	473	4	2,523	
TOTAL	91	92	261	621	41	517	1,303	189	372	5,292	4,198	2,089	45	15,424

Activities conducted by the Board in order to maintain the integrity of racing is the equine drug testing program, probably the most comprehensive in the United States. Our rules require that all winning and selected other horses racing at the tracks undergo post-race urine and blood testing. Because of budgetary constrictions, pre-race testing had to be dropped during 1993.

	RACE DAYS	NO. OF PRE-RACE	NO. OF BLOOD	POST-RACE URINE	TOTAL SAMPLES TESTED
Harness	1,061	14,992	27,272	24,552	65,755
Thoroughbred	462	4,925	12,512	12,099	29,536
Totals	1,523	18,856	39,784	36,651	95,291

#### HUMAN STRESS ASSISTANCE PROGRAM

In the year 1993, relatively the same number of human urine analyses were taken throughout the State as in 1992. Of the 266 taken, 216 different persons were tested.

The 67 positives reported (13 more than the previous year) represent 31% of the number of different persons tested.

This year's report will show new drug and DWI arrest notifications. These are reports the Board receives from DCJS in conjunction with the Search and Retain Program. Also, this report will show that 26 license applications were refused for reason relating to drug or alcohol abuse.

The economic problems in 1993 have also impacted on the industry in the area of combating substance abuse. Viable substance abuse programs did not sustain the year without reduction, and in some cases, elimination. Programs that were considered, and those in their initial stages saw no progress, and in some cases rejection.

Horsemen and management in New York did not respond well to the educational and preventive efforts of the program. Educational seminars, previously well attended, saw little turnout in 1993. Track security, important in combating the problem, suffered layoffs at most tracks.



The drug and alcohol problems of persons connected with the horse racing industry in New York State continue to be a major concern of the New York State Racing and Wagering Board.

Stress Assistance Program  
For the period: 1/1/93 thru 12/31/93

(1) Track	(2) #	(3) Invest.	(4) Ref > Prg	(5) Tests	(6) Positives	(7) % Suspensions	(8)
BD	13	3	1	6	2	33.33	
BR	31	4	1	17	6	35.29	2
BLR	89	16	5	52	8	15.38	5
MR	61	17	3	34	5	14.71	
NYR	269	105	19	91	33	36.26	2
OOS	325	325				.00	
SR	20	6	1	11	2	18.18	
VD	21	5		16		.00	
YR	81	16	2	39	11	28.21	2
<b>Total</b>	<b>910</b>	<b>507</b>	<b>32</b>	<b>266</b>	<b>67</b>	<b>25.19</b>	<b>11</b>

(9) Repeat Tests: 50

Total entries for period: 910

Breakdown of Positives by Drug

Cocaine	21
THC	32
Valium	5
Heroin	0
Methadone	3
Alcohol	0
PCP	0
Codeine	2
Amphetamines	1
Barbituates	3

(10) New Drug & DWI Arrest reports for this period:

Drug Arrest: 559                      DWI Arrests: 264

(11) Licenses Denied: 26

KEY

1 - Active Race Tracks in New York:

(BD)	Batavia Downs	Harness
(BR)	Buffalo Raceway	Harness
(FLR)	Finger Lakes Race Track	T-Bred
(MR)	Monticello Race Track	Harness
(OOS)	Out of N.Y. State = Human Drug violations that reported in RCI and USTA publications.	
(SR)	Saratoga Raceway	Harness
(VD)	Vernon Downs	Harness
(YR)	Yonkers Raceway	Harness

2 - Number of entries for the entire program.

3 - Number of investigations relating to human drugs.

4 - Number of persons who were referred to treatment.

5 - Number of urine tests conducted.

6 - Number of positives reported.

7 - Percentage of positives to the total number of tests.

8 - Number of suspensions relating to human drugs.

9 - Number of tests that were conducted of persons who were tested more than once:

Total number of tests	266
Total number of repeat tests	<u>50</u>
Total number of different persons	216

10- Reports of persons arrest for human drug and DWI violations by the FBI and NYS Department of Justice. These persons are currently licensed or have held a license within the current 5 year period.

11- Number of license applications that were denied relating to human drugs.



## TRACK CAPITAL IMPROVEMENT FUNDS

Sections 228-a and 319 of the Racing, Pari-Mutuel Wagering and Breeding Law permit certain tracks to elect to withhold an additional 1% from regular and multiple pools from on-track betting to be used exclusively for capital improvements. Effective July 15, 1991 Section 319 was amended to permit harness tracks to use up to one half of the 1% amounts added from on-track betting for advertising and promotion expenses as defined in the same section.

In addition, Section 527 requires the regional OTB Corporations to retain a similar 1% from such off-track betting pools for tracks electing to withhold on-track of which one-half is paid to the tracks to be used exclusively for capital improvements (and the remaining one half is retained by each regional corporation for its own corporate purposes.)

All tracks entitled to make the election have made it. The pari-mutuel take out at such tracks is 18% instead of 17% from regular betting pools and 20% instead of 19% from the multiple betting pools. The track association commission revenues derived from on-track betting and off-track betting for capital improvement additions are included, but not identified separately, in the accompanying charts as part of the total and association shares of commission. Therefore, the capital improvement commissions are indicated in the chart below.

### CAPITAL IMPROVEMENT COMMISSIONS

<u>TRACK</u>	<u>FROM ON-TRACK BETTING</u>	<u>FROM OFF-TRACK BETTING</u>	<u>TOTAL ADDED IN 1993</u>	<u>TOTAL ADDED IN 1992</u>
Finger Lakes	\$279,143	\$439,711	\$718,854	\$811,918
Batavia Downs	77,157	52,703	129,860	185,628
Buffalo Rcwy.	154,179	96,310	250,489	234,750
Monticello Rcwy.	263,800	181,556	445,356	368,497
Saratoga Rcwy.	172,494	44,050	216,544	262,400
Vernon Downs	157,567	34,258	191,825	204,351
Syracuse Mile	14,491	554	15,045	17,218
<b>Total</b>	<b>\$1,118,831</b>	<b>\$849,142</b>	<b>\$1,967,973</b>	<b>\$2,084,762</b>

## WAGERING SYSTEMS

During the year 1993 the full impact of the severe budget cuts imposed upon the Division of Wagering Systems in 1991 continued to be felt. The cuts included the closing of the Hauppauge Regional Office thereby reducing to three (3) the number of Regional Offices (the Syracuse Office was closed in March 1991) and a reduction in the number of personnel assigned to each of the Division's offices.

The Division issued 294 games of chance identification numbers in 1993 bringing the total to 4,692 and during the same period 93 bingo identification numbers were issued raising the total to 8,084.

During 1993 the games of chance activities in each of the Division's regions were as follows:

### Games of Chance License Period

Albany Regional Office	928
Rochester Regional Office	1,153
N.Y.C. Regional Office	<u>1,174</u>
<u>Total N.Y. State</u>	3,255

### Bell Jar License Period

Albany Regional Office	565
Rochester Regional Office	1,007
New York City Regional Office	<u>300</u>
<u>Total N.Y. State</u>	1,872

There was no bingo or games of chance legislation passed during the year

## INDIAN GAMING

During nineteen ninety-three what is known as Class III gaming on Native American land came to New York State pursuant to the Federal Indian Gaming and Regulatory Act of 1988 ("IGRA"), consistent with the Federal and State goals to promote tribal economic development, self-sufficiency, and to strengthen Native American governments.

On August 4, 1993, the "Turning Stone Casino" was opened in Verona in accordance with the Oneida Nation-State Compact, made effective by Federal approval on June 4, 1993. In addition, negotiations with the St. Regis-Mohawk Tribe, begun and stayed by a 1990 court order, were concluded with the signing of a Tribe-State Compact, made effective by Federal approval on December 13, 1993, to establish the regulatory environment for casino gaming on Mohawk land.

IGRA requires that upon the receipt of the request from a federally recognized Native American Nation or Tribe, the State enter into negotiations to produce a compact which establishes the regulatory framework for the conduct of what is referred to under IGRA as Class III gaming on Native lands to the extent that same is not prohibited in such state as a matter of public policy or criminal law. Had the State and the Native American Nation or Tribe been unable to reach an agreement on the terms of a compact within the proscribed period of one hundred and eighty days (180) following such request, the Native American Tribe or Nation could have brought suit in a Federal district court to compel the appointment of a mediator. Should the parties fail to reach agreement within sixty days thereafter, the mediator would, without further negotiation, choose between the best offer presented by each party.

Included in Class III gaming are games of chance normally associated with casinos such as roulette, craps and black-jack, the limited conduct of which for charitable fundraising purposes is permitted and regulated by the Board. Slot machines, which are illegal throughout New York State, remain prohibited on Nation land as are coin-operated electronic video gambling devices and telephone betting beyond the bounds of the Nation or Tribal land on which such gaming takes place gambling or horse racing was not addressed in the treaty and so is not authorized.

The two Compacts, which are substantially identical, further the State's three principal goals, to preserve public order and safety, ensure the integrity of gaming operations, and establish accounting and auditing practices and procedures.

The games played in the casinos and the rules thereof are approved by the Board, consistent with State law and the U.S. Indian Gaming Regulatory Act.

Board inspectors, who maintain a constant around the clock presence on the gaming floor, have unfettered access to all areas of the casinos, including restricted areas such as TV game-surveillance room.

No employee or manager can be hired or retained by a casino operator (whether the operator is the Native government or an outside contractor approved by the U.S. Department of Interior) unless the individual or firm has been previously approved by the Board.

The level of scrutiny to which employee applicants are subject depends upon the nature of their responsibilities at the casino and their degree of access to the gaming floor. At the minimum, all are fingerprinted and required to provide basic biographical details verified by the FBI, State Division of Criminal Justice Services and State Police. Between July 17 - December 31, 1993, the Board received and processed 2094 applications for certification. Of these, the Board certified 2032 applicants and denied 20 others. In addition applications of 278 persons were withdrawn by the applicant or the Oneida Indian Commission. These were applicants who failed to begin work or whose employment at the Turning Stone Casino was terminated for any reason. Because withdrawal or termination can occur at any step in the certification process as well as after an applicant is certified, the combined approval, denial and withdrawal figures exceed the total number of applications processed.

Vendors wishing to sell gaming services and equipment of any kind to a casino must be approved in advance by the Board through a registration and licensing process. During the reporting period, the Board issued temporary registrations to five gaming vendors. The Board also exercises regulatory authority over non-gaming vendors.

The State's regulatory expenses are reimbursed pursuant to procedures set forth in each Compact. The State's expenses are paid or reimbursed, including those of the Board, by the Native American Nation or Tribe, as the case may be, conducting such casino operations.

COMPARISON OF COMBINED ON AND OFF-TRACK HANDLE 1983 AND 1982

	ON-TRACK HANDLES		OFF-TRACK HANDLES		COMBINED ON AND OFF TRACK HANDLES		% OF INCREASE DECREASE	% OF INCREASE DECREASE
	1983	1982	1983	1982	1983	1982		
<b>NYRA</b>								
Aqueduct	\$339,209,410	\$379,038,757	\$575,524,144	\$648,057,004	\$914,733,554	\$1,027,095,761	-10.51%	-10.94%
Belmont	292,976,264	299,525,686	422,912,424	446,895,073	715,788,698	\$746,420,759	-2.19%	-4.10%
Saratoga	112,283,204	103,332,127	131,269,747	130,411,257	243,552,951	\$233,743,384	8.66%	4.20%
<b>NYRA HANDLE</b>	<b>\$744,468,878</b>	<b>\$781,899,570</b>	<b>\$1,129,608,315</b>	<b>\$1,225,363,334</b>	<b>\$1,874,075,183</b>	<b>\$2,007,259,904</b>	<b>-4.79%</b>	<b>-6.64%</b>
<b>NYRA SIMULCASTS TO</b>								
Aqueduct	38,027,019	38,279,428			\$38,027,019	\$38,279,428	-0.66%	-0.66%
Batavia Downs	5,180,879	5,288,809			5,180,879	5,288,809	-2.04%	-2.04%
Buffalo Raceway	5,575,118	5,620,616			5,575,118	5,620,616	-0.81%	-0.81%
Finger Lakes Race Track	6,804,322	6,718,132			6,804,322	6,718,132	1.28%	1.28%
Monticello Raceway	6,232,425	6,092,272			6,232,425	6,092,272	2.30%	2.30%
Saratoga Raceway	18,825,786	18,441,288			18,825,786	18,441,288	2.08%	2.08%
Vernon Downs	4,022,504	4,308,747			4,022,504	4,308,747	-6.84%	-6.84%
Yonkers Raceway	99,276,291	107,787,840			99,276,291	107,787,840	-7.88%	-7.88%
<b>NYRA SIMULCASTS OUT TOTAL</b>	<b>183,944,344</b>	<b>192,511,132</b>			<b>183,944,344</b>	<b>192,511,132</b>	<b>-4.45%</b>	<b>-4.45%</b>
<b>TOTAL BETTING NYRA TOTALS</b>	<b>\$28,413,222</b>	<b>\$74,413,702</b>	<b>\$1,129,608,315</b>	<b>\$1,225,363,334</b>	<b>\$2,058,019,537</b>	<b>\$2,199,777,038</b>	<b>-4.72%</b>	<b>-6.44%</b>
<b>FINGER LAKES HANDLES</b>	<b>\$36,392,740</b>	<b>\$41,695,956</b>	<b>\$114,408,763</b>	<b>\$122,081,802</b>	<b>\$150,801,503</b>	<b>\$163,767,758</b>	<b>-4.72%</b>	<b>-7.92%</b>
Finger Lakes Simulcasts:								
Batavia	\$1,757,373	\$1,576,758			\$1,757,373	\$1,576,758	11.45%	11.45%
Buffalo	2,187,165	2,074,296			2,187,165	2,074,296	5.44%	5.44%
Monticello	1,453,156	1,244,341			1,453,156	1,244,341	16.78%	16.78%
Saratoga	215,114	203,175			215,114	203,175	5.88%	5.88%
Vernon	1,221,408	1,340,676			1,221,408	1,340,676	-8.90%	-8.90%
<b>FINGER LAKES SIMULCASTS OUT</b>	<b>6,834,216</b>	<b>6,439,246</b>			<b>6,834,216</b>	<b>6,439,246</b>	<b>6.13%</b>	<b>6.13%</b>
<b>TOTAL BETTING FINGER LAKES RACES</b>	<b>\$43,226,956</b>	<b>\$48,125,202</b>	<b>\$114,408,763</b>	<b>\$122,081,802</b>	<b>\$157,835,719</b>	<b>\$170,207,004</b>	<b>-10.18%</b>	<b>-7.39%</b>
In-State Thoroughbred	\$871,640,178	\$1,022,538,904	\$1,244,015,078	\$1,347,445,186	\$2,215,855,256	\$2,369,984,040	-4.98%	-5.51%
OTB Out of State Races	\$971,640,178	\$1,022,538,904	109,378,535	88,584,162	\$1,093,016,713	\$1,117,129,148	-4.98%	-5.43%
<b>THOROUGHBRED BETTING TOTALS</b>	<b>\$1,863,280,356</b>	<b>\$2,045,077,808</b>	<b>\$1,353,393,613</b>	<b>\$1,436,029,298</b>	<b>\$2,325,033,791</b>	<b>\$2,458,548,202</b>	<b>-4.98%</b>	<b>-5.43%</b>
<b>HARNESS RACES</b>								
Batavia Downs	\$10,475,909	\$14,988,754	\$14,604,347	\$20,831,607	\$25,080,256	\$35,820,361	-30.11%	-29.89%
Buffalo Raceway	21,378,502	20,987,001	27,180,252	22,289,720	48,558,754	43,276,721	21.94%	12.21%
Monticello Raceway	35,057,864	34,650,189	48,284,953	30,965,299	83,342,817	65,615,498	1.18%	27.02%
Saratoga Raceway	20,897,321	24,860,092	10,880,491	13,785,678	31,777,812	38,645,770	-21.07%	-17.77%
Vernon Downs	19,824,285	23,927,077	11,101,631	4,545,412	30,925,926	28,472,489	144.24%	8.62%
Yonkers Raceway	122,284,488	169,932,583	173,417,870	233,098,963	295,702,156	403,031,548	-28.60%	-26.63%
Syracuse Mile	1,971,594	2,108,750	165,717	221,811	2,137,311	2,330,561	-6.50%	-8.29%
<b>HARNESS HANDLES</b>	<b>\$231,989,971</b>	<b>\$281,454,456</b>	<b>\$285,635,061</b>	<b>\$325,738,490</b>	<b>\$517,525,032</b>	<b>\$617,192,946</b>	<b>-20.44%</b>	<b>-18.15%</b>
<b>HARNESS SIMULCASTS :</b>								
Batavia Simulcasts to Buffalo	\$3,674,947	\$4,716,656			\$3,674,947	\$4,716,656	-22.09%	-22.09%
Batavia Simulcasts to Finger Lakes	45,238	45,238			45,238	45,238		
Batavia Simulcasts to Vernon	266,336	266,336			266,336	266,336		
Buffalo Simulcasts to Batavia	2,028,783	2,058,689			2,028,783	2,058,689		
Buffalo Simulcasts to Finger Lakes	63,961	129,461			63,961	129,461		
Buffalo Simulcasts to Vernon	1,084,803	580,483			1,084,803	580,483		
Monticello Simulcasts to Vernon	39,903	22,155			39,903	22,155		
Vernon Simulcasts to Batavia	183,974	183,974			183,974	183,974		
Vernon Simulcasts to Buffalo	843	843			843	843		
Yonkers Simulcasts to Batavia	1,494,951	379,861			1,494,951	379,861		
Yonkers Simulcasts to Saratoga	1,487,735	1,830,695			1,487,735	1,830,695		
Yonkers Simulcasts to Vernon	\$10,393,449	\$9,966,324			\$10,393,449	\$9,966,324		
<b>TOTAL IN-STATE HARNESS BETTING</b>	<b>\$242,263,420</b>	<b>\$301,420,760</b>	<b>\$285,635,061</b>	<b>\$325,738,490</b>	<b>\$527,918,481</b>	<b>\$627,159,270</b>	<b>-19.62%</b>	<b>-15.82%</b>
<b>OTB OUT OF STATE RACES</b>	<b>\$242,283,420</b>	<b>\$301,420,760</b>	<b>\$1,639,842,531</b>	<b>\$1,785,928,720</b>	<b>\$2,013,361,012</b>	<b>\$2,194,107,990</b>	<b>-19.62%</b>	<b>-15.77%</b>
<b>HARNESS RACES TOTAL</b>	<b>\$1,213,923,598</b>	<b>\$1,323,959,684</b>	<b>\$1,639,842,531</b>	<b>\$1,785,928,720</b>	<b>\$2,013,361,012</b>	<b>\$2,194,107,990</b>	<b>-19.62%</b>	<b>-15.77%</b>
<b>ALL HANDLES COMBINED</b>								

1993 SUMMARY OF TAKEOUTS AND BREAKAGE FROM ON-TRACK BETTING COMPRISING OWN RACING AND TRACK TO TRACK SIMULCASTS

THOROUGHBRED RACES Place of Bet	TAKEOUT	BREAKAGE	TOTAL	TO STATE	TO ASSOCIATION	TO BREEDERS FUND		UNCASHED WINNING TICKETS FROM 1992 SEASON
						MINUS POOLS		
Aqueduct	\$ 61,084,815	\$1,913,816	\$ 62,998,631	\$16,139,021	\$ 45,151,700	\$1,707,910	\$ 57,012	\$ ---
Belmont	52,621,659	1,568,958	54,190,617	13,925,950	38,794,174	1,470,493	129,350	---
Saratoga	20,378,777	660,630	21,039,407	5,448,123	15,020,303	570,981	1,929	---
<b>NYRA Own Racing Totals</b>	<b>\$134,085,251</b>	<b>\$4,143,404</b>	<b>\$138,228,655</b>	<b>\$35,513,094</b>	<b>\$ 98,966,177</b>	<b>\$3,749,384</b>	<b>\$188,291</b>	<b>\$1 427,211</b>
<b>NYRA SIMULCASTS TO:</b>								
Aqueduct (Saratoga Meet)	6,775,208	181,947	6,957,155	1,144,192	5,626,145	186,818	1,149	---
Batavia Down	940,682	27,580	968,262	87,769	854,604	25,889	---	5,628
Buffalo Raceway	1,009,711	30,479	1,040,190	86,959	925,032	28,199	214	9,430
Finger Lakes Race Track	1,265,134	34,392	1,299,526	162,318	1,102,730	34,478	89	13,967
Monticello Raceway	1,130,727	33,565	1,164,292	102,834	1,029,980	31,478	116	11,900
Saratoga Raceway	3,434,217	104,584	3,538,801	314,498	3,129,195	95,108	3,420	45,340
Vernon Downs	734,850	18,530	753,380	68,151	664,900	20,329	341	6,341
Yonkers Raceway	17,909,248	542,522	18,451,770	1,875,280	16,076,053	500,437	10,554	142,164
<b>NYRA SIMULCASTS TOTALS</b>	<b>33,199,777</b>	<b>973,599</b>	<b>34,173,376</b>	<b>3,842,001</b>	<b>29,408,639</b>	<b>922,736</b>	<b>15,883</b>	<b>234,770</b>
<b>TOTAL NYRA OWN RACING &amp; SIMULCASTS OUT</b>	<b>167,285,028</b>	<b>5,117,003</b>	<b>172,402,031</b>	<b>39,355,095</b>	<b>128,374,816</b>	<b>4,672,120</b>	<b>204,174</b>	<b>1,661,981</b>
<b>Finger Lakes</b>								
Own Racing	7,542,112	189,813	7,731,925	913,438	6,636,523	181,964	705	93,723
Simulcasts To Batavia	363,264	8,510	371,774	35,409	327,578	8,787	---	4,010
Simulcasts to Buffalo	453,679	11,767	465,446	46,780	407,730	10,936	25	4,918
Simulcasts to Monticello	303,522	6,796	310,318	31,959	271,093	7,266	21	3,406
Simulcasts to Saratoga	44,320	986	45,306	4,191	40,039	1,076	9	---
Simulcasts to Vernon	256,937	6,045	262,982	28,617	228,258	6,107	19	4,298
<b>SIMULCASTS TOTALS</b>	<b>1,421,722</b>	<b>34,104</b>	<b>1,455,826</b>	<b>146,956</b>	<b>1,274,698</b>	<b>34,172</b>	<b>74</b>	<b>16,632</b>
<b>Finger Lakes Own Racing &amp; Simulcast Out</b>	<b>8,963,834</b>	<b>223,917</b>	<b>9,187,751</b>	<b>1,060,394</b>	<b>7,911,221</b>	<b>216,136</b>	<b>779</b>	<b>110,355</b>
<b>TOTAL T'BRED OWN RACING &amp; S'CASTS OUT</b>	<b>176,248,862</b>	<b>5,340,920</b>	<b>181,589,782</b>	<b>40,415,489</b>	<b>136,286,037</b>	<b>4,888,256</b>	<b>204,953</b>	<b>1,772,336</b>
<b>Harness Races</b>								
Batavia Downs	2,190,639	68,429	2,259,068	261,631	1,892,678	104,759	94	32,898
Buffalo Raceway	4,466,742	146,601	4,613,343	548,945	3,850,614	213,784	219	49,717
Monticello Raceway	7,303,150	229,087	7,532,237	855,101	6,326,549	350,587	704	64,723
Saratoga Raceway	4,240,582	157,872	4,398,454	439,629	3,749,881	208,944	352	45,289
Vernon Downs	4,148,584	125,258	4,273,842	502,845	3,572,754	198,243	339	52,632
Yonkers Raceway	24,282,925	812,071	25,094,996	3,070,297	20,801,854	1,222,845	9,641	177,734
Syracuse Mile	412,041	14,099	426,140	50,147	356,277	19,716	---	5,613
<b>HARNES OWN RACING TOTALS</b>	<b>47,044,663</b>	<b>1,553,417</b>	<b>48,598,080</b>	<b>5,728,595</b>	<b>40,550,607</b>	<b>2,318,878</b>	<b>11,349</b>	<b>428,606</b>
<b>HARNES TRACK SIMULCASTS OUT</b>								
Batavia Simulcasts to Buffalo	772,881	22,224	795,105	86,424	671,932	36,749	28	---
Batavia Simulcasts to Finger Lakes	9,410	211	9,621	1,246	7,923	452	---	---
Batavia Simulcasts to Vernon	55,986	1,580	57,566	6,218	48,685	2,663	11	724
Buffalo Simulcasts to Batavia	426,304	13,206	439,510	48,055	371,167	20,288	---	---
Buffalo Simulcasts to Finger Lakes	13,417	384	13,801	1,872	11,289	640	---	130
Buffalo Simulcasts to Vernon	229,744	6,570	236,314	26,804	198,662	10,848	44	724
Monticello Simulcasts to Vernon	8,480	220	8,700	966	7,335	399	3	---
Vernon Downs Simulcasts to Batavia	4,890	174	5,064	735	4,107	222	---	---
Vernon Downs Simulcasts to Buffalo	40,326	1,539	41,865	5,943	34,082	1,840	---	---
Yonkers Simulcasts to Batavia	147	2	149	26	117	6	---	---
Yonkers Simulcasts to Saratoga	296,325	9,869	306,194	29,587	262,111	14,496	16	654
Yonkers Simulcasts to Vernon	302,567	9,540	312,107	35,278	261,952	14,877	79	2,245
<b>HARNES SIMULCASTS TOTAL</b>	<b>2,160,477</b>	<b>65,519</b>	<b>2,225,996</b>	<b>243,154</b>	<b>1,879,362</b>	<b>103,480</b>	<b>181</b>	<b>4,477</b>
<b>TOTAL HARNES RACING &amp; SIMULCASTS OUT</b>	<b>49,205,140</b>	<b>1,618,936</b>	<b>50,824,076</b>	<b>5,971,749</b>	<b>42,429,969</b>	<b>2,422,358</b>	<b>11,530</b>	<b>433,083</b>
<b>THOROUGHBRED &amp; HARNES COMBINED TOTALS</b>	<b>\$225,454,002</b>	<b>\$6,959,856</b>	<b>\$232,413,858</b>	<b>\$46,387,238</b>	<b>\$178,716,006</b>	<b>\$7,310,614</b>	<b>\$216,483</b>	<b>\$2,205,419</b>



1993 IN STATE BETTING ON NEW YORK RACING AND COMPARISON WITH 1992 TOTALS  
 COMPRISES HANDLES FROM TRACKS OWN RACING ON-TRACK AND TRACK TO TRACK SIMULCASTS FROM NEW YORK BETTING, AND FROM OTB BETTING ON NEW YORK RACES  
 (READ DOWN FOR TOTAL BETTING AT EACH TRACK SITE FROM SIMULCASTS FROM OTHER TRACKS AND OWN RACING)

1993 IN STATE BETTING ON NEW YORK RACING AND COMPARISON WITH 1992 TOTALS  
 COMPRISES HANDLES FROM TRACKS OWN RACING ON-TRACK AND TRACK TO TRACK SIMULCASTS FROM NEW YORK BETTING, AND FROM OTB BETTING ON NEW YORK RACES  
 (READ DOWN FOR TOTAL BETTING ON A TRACKS OWN RACES AT ALL LOCATIONS, INCLUDING SIMULCASTS TO OTHER NEW YORK TRACKS, NEW YORK OTB AND ON-TRACK)

RECEIVING TRACK	NYRA		FINGER LAKES		BATAVIA		TRACK TO TRACK SIMULCASTS FROM		VERNON		YONKERS		SYRACUSE		TOTAL	ON-TRACK BETTING OWN RACING	1993 TOTAL BETTING AT EACH TRACK	1992 TOTAL BETTING AT EACH TRACK	INCREASE (DECREASE) 1993-1992
	TO	IO	TO	IO	TO	IO	TO	IO	TO	IO	TO	IO	TO	IO					
<b>THOROUGHBRED</b>																			
NYRA	\$38,027,019		45,238		63,981										\$38,027,019	\$744,488,878	\$782,485,887	\$820,175,988	(\$37,680,101)
Finger Lakes	6,804,322		\$45,238		\$63,981										38,392,740	43,308,281	48,533,549	48,533,549	(\$5,227,268)
TOTAL THOROUGHBRED TRACKS	\$44,831,341		\$45,238		\$63,981										\$44,840,560	\$780,881,818	\$825,802,178	\$868,709,547	(\$42,907,368)
<b>HARNES</b>																			
Batavia	\$5,180,879		\$1,757,373		\$2,028,783				\$22,155		\$643				\$10,475,909	\$18,485,742	\$18,485,742	\$23,913,010	(\$4,447,268)
Buffalo	5,575,118		2,187,185						183,974						21,378,502	32,998,706	33,474,147	41,988,912	(\$8,474,441)
Monticello	6,232,425		1,453,156												35,057,864	42,743,445	41,988,912	43,884,416	(\$2,451,244)
Saratoga	18,825,786		215,114								1,484,951				20,887,321	41,433,172	43,884,416	32,182,578	(\$4,235,595)
Vernon	4,022,504		1,221,408		1,084,803						1,487,735				19,824,295	27,948,884	27,948,884	277,700,423	(\$56,139,648)
Yonkers	89,276,281				39,803										122,284,486	221,560,777	277,700,423	2,108,750	(\$137,156)
Syracuse Mile															1,971,584	1,971,584	2,108,750	2,108,750	(\$137,156)
TOTAL AT HARNES TRACKS	\$139,113,003		\$8,834,216		\$3,113,586				\$208,128		\$2,883,328				\$231,869,971	\$388,171,420	\$455,250,137	\$1,323,959,884	(\$110,038,886)
TOTAL THOROUGHBRED & HARNES	\$183,944,344		\$8,834,216		\$3,113,586				\$208,128		\$2,883,328				\$1,012,751,589	\$1,213,923,598	\$1,323,959,884	\$1,323,959,884	(\$110,038,886)
<b>TOTAL OTB BETTING - N.Y. RACING</b>	\$1,128,608,315		\$114,408,783		\$27,180,252				\$11,101,631		\$173,417,670				\$1,529,650,139	\$185,717	\$1,529,650,139	\$1,730,822,148	(\$201,172,009)
TOTAL AT OTHER LOCATIONS -	\$1,313,550,859		\$121,242,879		\$30,357,819				\$11,307,780		\$178,400,989				\$1,730,822,148	\$185,717	\$1,730,822,148	\$1,730,822,148	\$0
ON-TRACK-OWN RACING	\$744,488,878		\$38,392,740		\$21,378,502				\$19,824,295		\$122,284,486				\$1,012,751,589	\$1,971,584	\$1,012,751,589	\$1,012,751,589	\$0
1993 BETTING-EACH TRACK RACING	\$2,058,019,537		\$157,835,719		\$83,382,720				\$31,132,055		\$288,885,485				\$2,743,573,737	\$2,137,311	\$2,743,573,737	\$2,743,573,737	\$0
1992 BETTING-EACH TRACK RACING	\$2,198,777,036		\$170,207,004		\$48,025,354				\$28,472,489		\$405,117,680				\$2,897,149,310	\$2,330,581	\$2,897,149,310	\$2,897,149,310	(\$183,250)
INCREASE (DECREASE) - 1993-1992	(\$141,757,498)		(\$12,571,285)		\$35,710,987				\$2,659,566		(\$108,432,185)				(\$253,569,573)	(\$183,250)	(\$253,569,573)	(\$253,569,573)	(\$183,250)

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**NYRA AND FINGER LAKES  
1983 ON-TRACK BETTING STATISTICS  
TRACKS OWN RACING AND SIMULCASTS FROM OTHER TRACKS**

**N E W Y O R K R A C I N G A S S O C I A T I O N**

	AQUEDUCT		BELMONT		SARATOGA		SARATOGA		SARATOGA		TOTAL	
	THOROUGHbred OWN RACING JAN.1-MAY.3 OCT.20-DEC.31	160	THOROUGHbred OWN RACING MAY5-JULY28 SEPT.1-OCT.18	113	THOROUGHbred OWN RACING JULY28-AUG.30	30	THOROUGHbred OWN RACING JULY28-AUG.30	30	THOROUGHbred OWN RACING JULY28-AUG.30	30	THOROUGHbred OWN RACING JULY28-AUG.30	303
Programs Raced												303
Simulcast Days												30
Attendance	1,301,147		1,189,077		783,374		214,319		3,487,917			
Regular	\$85,338,003		\$78,770,155		\$37,087,167		\$9,439,000		\$210,631,325			
Multiple	212,137,997		177,782,162		61,280,287		23,087,237		474,267,383			
Exotic	24,808,141		20,297,374		8,575,645		3,189,194		56,874,354			
Super Exotic	16,927,569		16,128,573		5,360,105		2,308,588		40,722,835			
Handle	\$339,209,410		\$292,876,284		\$112,283,204		\$98,027,019		\$782,495,997			
Takeout	\$91,084,915		\$52,921,859		\$20,376,777		\$6,775,208		\$140,860,459			
Breakage	1,813,918		1,568,958		860,639		181,947		4,325,351			
Total Takeout and Breakage	\$92,998,833		\$54,490,817		\$21,039,407		\$6,957,155		\$145,185,810			
State Tax on Handle	\$15,751,543		\$13,605,651		\$5,312,131		\$1,125,997		\$35,795,322			
State Tax on Breakage	\$87,478		\$20,289		135,982		19,195		861,984			
Total Pari Mutual Tax	\$16,139,021		\$13,825,950		\$5,448,123		\$1,144,192		\$38,657,286			
Association Commission	\$43,825,362		\$37,545,515		\$14,495,865		\$5,482,393		\$101,128,935			
Association Breakage	1,528,338		1,248,959		524,638		168,752		3,483,387			
Total to Association	\$45,151,700		\$38,794,174		\$15,020,303		\$5,651,145		\$104,592,322			
Horse Breeders Fund Share	\$1,707,910		\$1,470,483		\$570,981		\$188,818		\$3,896,202			
Gross Purse Paid	\$38,093,534		\$36,042,400		\$11,808,400		\$1,149		\$85,794,334			
Minus Pool	\$57,012		\$129,350		\$1,929		\$1,149		\$189,440			
Uncashed Tickets												
State Admission Taxes	\$78,008		\$98,690		\$125,784		\$849		\$1,427,211			
Average Daily Attendance	8,132		10,523		26,112		7,144		\$324			
Per Capita Handle	\$2,120,059		\$2,592,710		\$3,742,773		\$1,267,567		\$52,341			
Percent of Breakage to Handle	0.56%		0.54%		0.59%		0.48%		0.51%			

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**F I N G E R L A K E S**

	FINGER LAKES		SIMULCASTS FROM NYRA & SPECIAL EVENTS JAN.1-DEC.31		SIMULCASTS FROM BUFFALO JAN.10-FEB.14		SIMULCASTS FROM BATAVIA FEB.28-MAR.28		TOTAL BETTING AT FINGER LAKES	
	THOROUGHbred OWN RACING APRIL9-NOV.30	158	THOROUGHbred OWN RACING APRIL9-NOV.30	130	THOROUGHbred OWN RACING APRIL9-NOV.30	6	THOROUGHbred OWN RACING APRIL9-NOV.30	4	THOROUGHbred OWN RACING APRIL9-NOV.30	350,139
Programs Raced										
Simulcast Days										
Attendance	308,039		42,100							
Regular	\$8,017,884		\$1,130,108		\$10,588		\$7,881		\$9,188,239	
Multiple	19,898,711		4,366,502		36,743		26,975		24,326,831	
Exotic	8,478,345		1,307,714		16,650		10,402		9,813,111	
Super Exotic	0		0		0		0		0	
Handle	\$38,392,740		\$8,804,322		\$83,981		\$45,238		\$43,306,281	
Takeout	\$7,542,112		\$1,265,134		\$13,417		\$9,410		\$8,830,073	
Breakage	199,819		34,392		384		211		224,800	
Total Takeout and Breakage	\$7,731,925		\$1,299,526		\$13,801		\$9,621		\$9,054,873	
State Tax on Handle	\$809,041		\$158,835		\$1,834		\$1,225		\$970,935	
State Tax on Breakage	104,387		3,483		38		21		107,939	
Total Pari Mutual Tax	\$913,428		\$162,318		\$1,872		\$1,246		\$1,078,874	
Association Commission	\$6,551,107		\$1,071,821		\$10,943		\$7,733		\$7,641,804	
Association Breakage	95,418		30,809		348		190		118,661	
Total to Association	\$6,646,525		\$1,102,730		\$11,299		\$7,923		\$7,759,495	
Horse Breeders Fund Share	\$181,984		\$34,478		\$840		\$452		\$217,534	
Gross Purse Paid	\$8,389,550		\$0		\$0		\$0		\$8,389,550	
Minus Pool	\$705		89		\$0		\$0		794	
Uncashed Tickets										
State Admission Taxes	\$93,729		\$13,967		\$130		\$0		\$107,820	
Average Daily Attendance	\$1,950		\$324		\$324		\$0		\$11,310	
Per Capita Handle	\$230,334		\$52,341		\$52,341		\$0		\$162	
Percent of Breakage to Handle	0.52%		0.51%		0.60%		0.47%			

**YONKERS, MONTICELLO, AND SARATOGA HARNESSES**

1993 ON-TRACK STATISTICS  
TRACK'S OWN RACING AND SIMULCASTS FROM OTHER TRACKS

**Y O N K E R S**

**M O N T I C E L L O**

**S A R A T O G A**

Programme Raced Simulcast Days	YONKERS HARNESSES TRACK OWN RACING JAN. 1 - DEC. 31		MONTICELLO HARNESSES OWN RACING JAN. 2-DEC. 29		SARATOGA HARNESSES OWN RACING FEB. 12-NOV. 21		TOTAL BETTING AT MONTICELLO		TOTAL BETTING AT SARATOGA		TOTAL BETTING AT SARATOGA	
	288	303	213	158	170	213	481	280,937	170	274	86	368
Attendance	517,318	1,120,516	243,953	2,261	266,051	80,237	838	838	838	838	838	358,420
Regular Multiple Exotic Superexotic Handle	\$30,146,784 \$5,022,741 27,114,951 \$0 \$122,284,486	\$55,830,101 126,259,392 39,651,444 19,840 \$221,560,777	\$7,115,703 19,284,339 8,677,822 0 \$35,057,864	\$284,015 797,714 341,303 30,124 \$1,453,158	\$5,635,635 11,499,728 3,561,960 \$0 \$20,697,321	\$4,969,671 11,125,033 2,376,210 \$454,872 \$19,825,786	\$42,963 129,022 43,129 \$0 \$215,114	\$294,220 897,926 246,817 \$53,888 \$1,494,951	\$298,325 9,569 \$306,194	\$298,325 9,569 \$306,194	\$298,325 9,569 \$306,194	\$6,015,444 273,311 \$5,288,755
Takeout Breakage Total Takeout and Breakage	\$24,282,925 812,071 \$25,094,996	\$42,192,173 1,354,593 \$43,546,766	\$7,303,150 229,087 \$7,532,237	\$303,522 6,796 \$310,318	\$4,240,592 157,872 \$4,398,464	\$3,434,217 104,584 \$3,538,801	\$44,320 986 \$45,306	\$298,325 9,569 \$306,194	\$298,325 9,569 \$306,194	\$298,325 9,569 \$306,194	\$298,325 9,569 \$306,194	\$6,015,444 273,311 \$5,288,755
State Tax on Handle State Tax on Breakage Total Pari Mutual Tax	\$2,675,232 \$95,085 \$3,070,297	\$4,493,589 452,009 \$4,945,577	\$740,557 114,544 \$855,101	\$31,279 960 \$31,959	\$360,763 78,866 \$439,629	\$301,557 12,841 \$314,498	\$4,082 99 \$4,191	\$28,800 987 \$29,587	\$28,800 987 \$29,587	\$28,800 987 \$29,587	\$28,800 987 \$29,587	\$695,012 92,893 \$787,905
Association Commission Association Breakage Total to Association	\$20,364,848 417,008 \$20,801,854	\$35,975,323 902,584 \$36,877,907	\$6,212,006 114,543 \$6,326,549	\$264,977 6,116 \$271,093	\$3,670,675 79,008 \$3,749,683	\$3,037,552 91,643 \$3,129,195	\$39,152 987 \$40,039	\$253,229 8,882 \$262,111	\$253,229 8,882 \$262,111	\$253,229 8,882 \$262,111	\$253,229 8,882 \$262,111	\$7,000,808 180,418 \$7,181,226
Horse Breeders Fund Share	\$1,222,845	\$1,723,282	\$350,587	\$7,268	\$208,944	\$95,108	\$1,078	\$14,486	\$14,486	\$14,486	\$14,486	\$319,824
Gross Purse <sup>s</sup> Paid Minus Pool	\$22,370,550 \$9,641	\$22,370,550 \$20,195	\$5,254,055 \$704	\$0 \$21	\$4,301,507 \$352	\$3,420	\$9	\$16	\$16	\$16	\$16	\$4,301,507 \$3,797
Uncashed Tickets Prior Year State Admission Taxes	\$177,734 \$19,084	\$318,686 \$25,425	\$64,723 \$3,160	\$3,408 \$0	\$45,289 \$7,988	\$45,340 \$2,565	\$26	\$654 \$191	\$654 \$191	\$654 \$191	\$654 \$191	\$91,283 \$10,748
Average Daily Attendance Average Daily Handle Per Capita Handle Percent of Breakage to Handle	1,796 \$424,599 \$236 0.86%	1,991 \$327,645 \$165 0.55%	1,145 \$164,591 \$144 0.65%	14 \$9,197 \$843 0.47%	1,585 \$122,925 \$79 0.76%	283 \$68,707 \$235 0.58%	140 \$35,852 \$257 0.46%	108 \$17,363 \$161 0.66%	108 \$17,363 \$161 0.66%	108 \$17,363 \$161 0.66%	108 \$17,363 \$161 0.66%	108 \$17,363 \$161 0.66%

1983 VERNON DOWNS AND SYRACUSE MILE  
TRACKS' OWN RACING AND SIMULCASTS FROM OTHER TRACKS

	V E R N O N D O W N S				S Y R A C U S E		
	VERNON HARNESS OWN RACING APRIL 1-OCT. 16	SIMULCAST FROM N.Y.R.A. & SPECIAL EVENT: FINGER LAKES APRIL 9-NOV. 30	SIMULCAST FROM YONKERS JAN. 2-DEC. 31	SIMULCAST FROM BATAVIA FEB. 27-NOV. 28	SIMULCAST FROM BUFFALO JAN. 1-DEC. 31	SIMULCASTS FROM MONTICELLO	TOTAL BETTING AT VERNON
Programs Raced	132	303	158	22	95	7	
Simulcast Days	249,711	41,098	12,479	2,721	11,083	6	
Attendance							15,900
Regular	\$4,368,950	\$1,030,256	\$245,229	\$52,507	\$208,387	\$4,266	\$420,038
Multiple	10,033,262	2,371,155	624,987	138,426	537,988	23,945	\$1,029,090
Exotic	5,422,083	621,093	351,182	75,403	339,028	11,692	\$522,466
Superexotic	\$0	0	0	0	0	0	\$0
Handle	\$19,824,285	\$4,022,504	\$1,221,408	\$266,336	\$1,094,803	\$39,903	\$1,971,594
Takeout	\$4,148,584	\$734,950	\$256,937	\$55,986	\$229,744	\$8,480	\$412,041
Breakage	125,258	18,530	6,045	1,580	6,570	220	\$14,089
Total Takeout and Breakage	\$4,273,842	\$753,380	\$262,982	\$57,566	\$236,314	\$8,700	\$426,140
State Tax on Handle	\$440,216	\$66,298	\$28,013	\$6,060	\$26,147	\$944	\$43,088
State Tax on Breakage	62,629	1,853	604	158	657	22	\$7,049
Total Pari Mutual Tax	\$502,845	\$68,151	\$28,617	\$6,218	\$26,804	\$966	\$50,147
Association Commission	\$3,510,125	\$648,223	\$222,817	\$47,263	\$192,749	\$7,137	\$349,227
Association Breakage	62,629	16,877	5,441	1,422	5,913	198	\$7,050
Total to Association	\$3,572,754	\$664,900	\$228,258	\$48,685	\$198,662	\$7,335	\$356,277
Horse Breeders Fund Share	\$198,243	20,329	\$6,107	\$2,663	\$10,848	\$399	\$19,716
Gross Purses Paid	\$3,594,840	\$341	\$19	\$11	\$44	\$3	1,114,275
Minus Pool	\$339						\$0
Uncashed Tickets Prior Year	\$52,632	\$6,341	\$4,298	\$724	\$724	\$0	\$66,964
State Admission Taxes	\$9,680						\$9,680
Average Daily Attendance	1,892	136	79	124	117	68	2,271
Average Daily Handle	\$150,184	\$13,276	\$7,730	\$12,106	\$11,419	\$6,651	\$281,656
Per Capita Handle	\$79	\$98	\$98	\$98	\$98	\$98	\$124
Percent of Breakage to Handle	0.63%	0.46%	0.49%	0.64%	0.61%	0.55%	0.72%

BATAVIA AND BUFFALO  
1993 ONTRACK BETTING STATISTICS  
TRACK'S OWN RACING AND SIMULCASTS FROM OTHER TRACKS

B U F F A L O

B A T A V I A

	BATAVIA				BUFFALO				SIMULCASTS FROM				SIMULCASTS FROM							
	HARNES OWN RACI FEB.26-APR. 26 AUG.4-OCT. 18	94	163	296	157	16	824	94	824	HARNES OWN RACI JAN.1-FEB.21 APR.28-AUG.1 OCT.20-DEC.31	207,846	122,266	BATAVIA AUG.4-NOV.11 FEB.26-APR. 26 AUG.4-OCT. 18	98	302	168	FINGER LAKES APRIL 9-NOV.30 MAY2-JULY26	15	VERNON DOWNS MAY2-JULY26	TOTAL BETTING AT BUFFALO
Programs Reced																				
Simulcast Days																				
Attendance		122,266																		283,984
Regular	\$2,429,617	\$466,799	\$1,070,666	\$367,308	\$4,642	\$4,316,128	\$10,667,188	\$4,316,128	\$6,282,642	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$1,876,284	\$8,447,447
Multiple	5,283,414	978,714	3,372,100	1,016,482	8,468	\$10,667,188	\$10,667,188	\$10,667,188	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	10,194,181	16,185,860
Exotic	2,782,878	688,271	738,214	384,676	11,490	\$4,480,428	\$4,480,428	\$4,480,428	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	6,981,879	8,388,409
Superexotic	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Handle	\$10,475,909	\$2,028,793	\$5,180,879	\$1,787,373	\$22,798	\$18,486,742	\$18,486,742	\$18,486,742	\$21,378,602	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$3,874,947	\$32,999,108
Takeout	\$2,190,639	\$428,304	\$940,882	\$363,264	\$5,037	\$3,926,828	\$3,926,828	\$3,926,828	\$4,486,742	\$772,881	\$772,881	\$772,881	\$772,881	\$772,881	\$772,881	\$772,881	\$772,881	\$772,881	\$772,881	\$6,743,339
Breakage	89,429	13,208	27,880	9,610	176	\$117,901	\$117,901	\$117,901	146,801	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	212,810
Total Takeout and Breakage	\$2,280,068	\$441,512	\$968,762	\$372,874	\$6,213	\$4,043,827	\$4,043,827	\$4,043,827	\$4,633,543	\$795,106	\$795,106	\$795,106	\$795,106	\$795,106	\$795,106	\$795,106	\$795,106	\$795,106	\$795,106	\$6,955,949
State Tax on Handle	\$227,416	\$46,736	\$94,799	\$34,668	\$744	\$394,262	\$394,262	\$394,262	\$476,776	\$94,201	\$94,201	\$94,201	\$94,201	\$94,201	\$94,201	\$94,201	\$94,201	\$94,201	\$94,201	\$684,766
State Tax on Breakage	\$4,215	1,320	2,870	961	17	\$39,373	\$39,373	\$39,373	73,189	2,223	2,223	2,223	2,223	2,223	2,223	2,223	2,223	2,223	2,223	80,285
Total Pari Mutual Tax	\$281,631	\$48,056	\$97,669	\$35,629	\$761	\$433,635	\$433,635	\$433,635	\$549,965	\$96,424	\$96,424	\$96,424	\$96,424	\$96,424	\$96,424	\$96,424	\$96,424	\$96,424	\$96,424	\$776,051
Association Commission	\$1,868,464	\$369,282	\$629,896	\$319,920	\$4,066	\$3,371,727	\$3,371,727	\$3,371,727	\$3,771,181	\$661,931	\$661,931	\$661,931	\$661,931	\$661,931	\$661,931	\$661,931	\$661,931	\$661,931	\$661,931	\$5,767,065
Association Breakage	\$4,214	11,866	24,809	7,868	168	\$18,624	\$18,624	\$18,624	73,433	20,001	20,001	20,001	20,001	20,001	20,001	20,001	20,001	20,001	20,001	132,323
Total to Association	\$1,892,878	\$371,187	\$654,705	\$327,788	\$4,234	\$3,450,251	\$3,450,251	\$3,450,251	\$3,860,614	\$671,932	\$671,932	\$671,932	\$671,932	\$671,932	\$671,932	\$671,932	\$671,932	\$671,932	\$671,932	\$5,899,390
Horse Breeders Fund Share	\$104,769	\$20,288	\$26,889	\$8,787	\$228	\$169,861	\$169,861	\$169,861	\$213,784	\$36,749	\$36,749	\$36,749	\$36,749	\$36,749	\$36,749	\$36,749	\$36,749	\$36,749	\$36,749	\$291,608
Gross Purses Paid	\$2,708,732	N/A				\$2,708,732	\$2,708,732	\$2,708,732	\$4,364,350	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,364,350
Minus Pool	\$94					\$94	\$94	\$94	\$219	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$486
Uncashed Tickets Prior Year	\$32,886	\$0	\$6,828	\$4,010	\$0	\$42,636	\$42,636	\$42,636	\$49,717	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$84,065
State Admission Taxes	\$2,924					\$2,924	\$2,924	\$2,924	\$2,089											\$2,089
Average Daily Attendance	1,301	0	0	0	0	0	0	0	1,367	326	326	326	326	326	326	326	326	326	326	0
Average Daily Handle	\$111,446	\$13,280	\$17,366	\$11,199	\$1,426	\$139,729	\$139,729	\$139,729	\$139,729	\$37,499	\$37,499	\$37,499	\$37,499	\$37,499	\$37,499	\$37,499	\$37,499	\$37,499	\$37,499	\$13,843
Per Capita Handle	\$86	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$103	\$116	\$116	\$116	\$116	\$116	\$116	\$116	\$116	\$116	\$116	\$188
Percent of Breakage to Handle	0.65%	0.66%	0.63%	0.46%	0.77%	0.65%	0.65%	0.65%	0.69%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.84%

Comparison of Gross Purses Paid - 1993 To 1992

Track	Purses Paid 1993			Gross Purses Paid 1992	Increase or Decrease Amount	Percent
	Track Funds	Horsebreeders Funds	Horsemen's Fees & Other Sources			
Aqueduct	\$37,983,534	\$100,000	-----	\$42,274,470	(\$4,190,936)	(9.91%)
Belmont	36,008,900	33,500	-----	37,550,680	(1,508,280)	(4.02)
Saratoga	11,508,400	100,000	-----	11,806,830	(198,430)	(1.68)
Total NYRA	85,500,834	233,500	-----	91,631,980	(5,897,646)	(6.44)
Finger Lakes	6,986,980	1,399,992	\$ 2,578	9,711,633	(1,322,083)	(13.61)
Total Thoroughbred	92,487,814	1,633,492	2,578	101,343,613	(7,219,729)	(7.12)
Harness						
Batavia Downs	\$ 1,877,500	\$465,666	\$365,566	\$3,523,260	(\$ 814,528)	(23.12%)
Buffalo Raceway	3,404,033	625,467	324,850	3,797,450	556,900	14.67
Monticello	4,241,000	695,500	317,555	4,593,070	660,985	14.39
Saratoga	3,562,689	594,966	143,915	4,642,885	(341,315)	(7.35)
Syracuse Mile	106,435	703,840	304,000	1,352,150	(237,875)	(17.59)
Vernon Downs	2,146,353	254,625	1,193,862	3,925,280	(330,440)	(8.42)
Yonkers Raceway	17,054,250	62,807,227	2,509,073	28,681,461	(6,310,911)	(22.00)
Total Harness	32,392,260	6,147,291	5,158,821	50,515,556	(6,817,184)	(13.50)
Total All Tracks	124,880,074	7,780,783	5,161,399	151,859,169	(14,036,913)	(9.24)

COMPARISON OF FINES AND SUPENSIONS  
THOROUGHBRED AND HARNESS RACING

<u>TRACK</u>	<u>FINES</u>			<u>SUPENSIONS</u>			
	<u>NUMBER</u>	<u>ISSUED</u>	<u>TOTAL</u>	<u>NUMBER</u>	<u>ISSUED</u>	<u>NUMBER OF DAYS</u>	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1993</u>	<u>1992</u>	<u>1992</u>	
NYRA	38	31	\$7,960	27	31	676	345
Finger Lakes	68	46	7,310	40	40	688	352
<b>TOTAL THOROUGHBRED</b>	<b>106</b>	<b>77</b>	<b>15,270</b>	<b>67</b>	<b>71</b>	<b>1,364</b>	<b>697</b>
Batavia	26	50	1,450	20	36	143	295
Buffalo	58	49	3,160	76	44	984	223
Monticello	179	111	10,650	92	82	1705	465
Saratoga	63	78	3,680	56	64	580	728
Syracuse	0	0	0	1	2	5	10
Vernon Downs	50	53	3,410	33	28	969	300
Yonkers	110	155	10,990	110	93	2,293	829
<b>TOTAL HARNESS</b>	<b>486</b>	<b>496</b>	<b>\$33,340</b>	<b>388</b>	<b>339</b>	<b>6,679</b>	<b>2,850</b>
Main Office	19	5	5,295	12	7	389	240
<b>TOTAL ALL TRACKS</b>	<b>611</b>	<b>578</b>	<b>\$53,905</b>	<b>467</b>	<b>417</b>	<b>8,432</b>	<b>3,787</b>

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TAKEOUT DISTRIBUTIONS AS PERCENTAGES OF ON-TRACK HANDLES

	State Tax	Breeding Fund	Track Retention Before Purses	For Track Capital Improvements	Total (Takeout)
<b>THOROUGHBRED RACING:</b>					
<u>New York Racing Association</u>					
Regular Bets	5.00%	.50%	11.50%	---	17.00%
Multiple Bets	4.00%	.50%	12.50%	---	17.00%
Exotic And Super-Exotic Bets (In Effect From July 1, 1985)	7.50%	.50%	17.00%	---	25.00%
<u>Finger Lakes</u>					
Regular Bets	1.00%	.50%	15.50%	1.00%	18.00%
Multiple Bets	1.00%	.50%	17.50%	1.00%	20.00%
Exotic Bets	6.25%	.50%	18.25%	--	25.00%
Super-Exotic Bets* (In Effect From April 1, 1988)	7.75%	3.00%	23.25%	--	34.00%
<b>HARNESS RACING:</b>					
<u>Yonkers</u>					
Regular Bets	1.60%	1.00%	14.40%	--	17.00%
Multiple Bets	1.35%	1.00%	16.65%	--	19.00%
Exotic	4.85%	1.00%	19.15%	--	25.00%
Super-Exotic Bets* (In Effect From April 1, 1988)	7.00%	3.00%	24.00%	--	34.00%
<u>Other Harness Tracks</u>					
Regular Bets	.60%	1.00%	15.40%	1.00%	18.00%
Multiple Bets	1.10%	1.00%	16.90%	1.00%	20.00%
Exotic Bets	5.60%	1.00%	18.40%	--	25.00%
Super-Exotic Bets* (In Effect From April 1, 1988)	7.00%	3.00%	24.00%	--	34.00%

TAKEOUT DISTRIBUTIONS FOR TRACK TO TRACK SIMULCASTS

Section 1007 of the racing law specifies that the takeout percentages from simulcast betting pools shall be the same as those applicable to the sending track (the track holding the race). However, the pari-mutuel tax rates are different - 2% of regular wagers, 2 and 1/2% of multiple wagers, and 7% of exotic and super exotic wagers, plus 10% of the breaks. Or if lower, the pari-mutuel tax rates in effect at the receiving track (where the betting takes place), plus 10% of the breaks, are applicable to simulcast betting. The taxes listed above for on-track handles are presently the lower rates for all receiving tracks (Finger Lakes has no super exotic pools) except for NYRA simulcasts to its own tracks.

The receiving tracks are also obligated to pay 1% of the pools on harness races or 1/2% of the pools on thoroughbred races to the appropriate breeding fund. Of the sums retained by a receiving track, after payment of the pari-mutuel taxes and breeder fund shares, an amount as determined by agreement is payable to the sending track. The 1% allocations for capital improvements do not apply to track to track simulcasts.

SHARING PERCENTAGES OF BREAKS (ODD CENTS OVER MULTIPLES OF 10 FOR REGULAR/MULTIPLE, OR 50 FOR EXOTIC, \$1 FOR SUPER-EXOTIC)

	State Tax	Track Retention Before Minus Pools And Purses
NYRA	20%	80%
Finger Lakes	55%	45%
Harness Tracks	50%	50%
Track To Track Simulcasts	10%	90%

Pursuant to Section 301.4, NYRA has elected to reduce the takeout on super-exotic bets to 25%, resulting in taxes and distributions at the same rates as for exotic bets.

\*Pursuant to Board rules, for all tracks except NYRA, 2% of super-exotic takeouts are accumulated and must be returned to the bettors in guaranteed prizes or in the final payoff of the meeting. Accordingly, the "effective" takeout is 34%, rather than the initial 36%.

Pursuant to section 905,905-a, 906, and 1014, the takeouts and/ or state tax rates or breeding fund shares may differ from the above for specified special thoroughbred and harness races, for designated thoroughbred races of special interest, and for certain out of state races simulcast to New York tracks.

1993 OFF-TRACK BETTING TOTAL HANDLE BY TRACK AND REGION

	NEW YORK CITY	NASSAU	SUFFOLK	CATSKILL	CAPITAL	WESTERN	ALL REGIONS
<b>IN-STATE THOROUGHBRED</b>							
NYRA							
Aqueduct	\$292,806,594	\$69,284,431	\$66,784,242	\$35,648,289	\$63,586,843	\$47,413,745	\$575,524,144
Belmont	227,380,724	48,840,459	48,115,519	26,668,233	47,030,193	24,777,296	422,812,424
Saratoga	62,329,369	15,510,504	13,789,830	8,397,804	23,580,685	7,661,745	131,269,747
<b>NYRA TOTAL HANDLE</b>	<b>\$582,516,687</b>	<b>\$133,635,394</b>	<b>\$128,689,391</b>	<b>\$70,714,326</b>	<b>\$134,197,731</b>	<b>\$79,852,786</b>	<b>\$1,129,806,315</b>
Finger Lakes	25,705,739	5,558,924	4,245,696	12,548,126	24,968,424	41,381,854	114,408,763
<b>TOTAL IN-STATE THOROUGHBRED</b>	<b>\$608,222,426</b>	<b>\$139,194,318</b>	<b>\$132,935,087</b>	<b>\$83,262,452</b>	<b>\$159,166,155</b>	<b>\$121,234,640</b>	<b>\$1,244,015,078</b>
<b>OUT-OF-STATE THOROUGHBRED</b>							
Calder	\$5,782,947	\$1,223,708	\$791,797	\$655,008	\$925,483	\$1,067,273	\$10,448,216
Garden State					39,919	33,542	\$73,461
Gulfstream Park	17,704,201	3,419,905	2,426,518	1,987,684	3,609,795	3,473,942	32,622,045
Hialeah							
Hollywood Park							
Laurel	4,888,008	842,891	649,749	585,941	746,220	862,323	8,575,132
Monmouth Park	6,206,611	972,558	685,457	687,219	733,303	413,502	9,658,650
Philadelphia Park	1,046,617	202,655	199,503	158,793	246,045	247,152	2,100,765
Pimlico	2,979,969	458,002	344,009	341,796	402,341	317,125	4,843,242
Santa Anita					174,186	83,500	257,686
Meadowlands					44,836	17,668	62,504
<b>TOTAL OUT-OF-STATE THOROUGHBRED</b>	<b>\$38,608,353</b>	<b>\$7,119,719</b>	<b>\$5,077,033</b>	<b>\$4,396,441</b>	<b>\$6,922,128</b>	<b>\$6,516,027</b>	<b>\$68,639,701</b>
<b>SPECIAL EVENTS - THOROUGHBRED</b>							
Breeders' Cup	\$3,496,671	\$964,497	\$888,370	\$609,832	\$1,142,985	\$730,683	\$7,833,038
Kentucky Derby	3,100,355	817,795	684,789	701,506	850,854	877,869	7,013,168
Preakness Stakes	1,883,269	471,810	407,022	413,293	520,483	546,176	4,242,043
OTHERS (see page ___)	10,818,336	2,571,723	2,214,396	1,575,709	2,624,566	1,845,855	21,650,585
<b>TOTAL SPECIAL EVENTS</b>	<b>\$19,298,631</b>	<b>\$4,825,825</b>	<b>\$4,174,577</b>	<b>\$3,300,330</b>	<b>\$5,138,888</b>	<b>\$4,000,583</b>	<b>\$40,738,834</b>
<b>TOTAL THOROUGHBRED HANDLE</b>	<b>\$666,129,410</b>	<b>\$151,139,862</b>	<b>\$142,186,697</b>	<b>\$90,959,223</b>	<b>\$171,227,171</b>	<b>\$131,751,250</b>	<b>\$1,353,393,813</b>
<b>IN-STATE HARNESS HANDLE</b>							
Yonkers Raceway	\$80,930,911	\$27,867,089	\$26,226,453	\$18,629,658	\$13,728,088	\$6,035,471	\$173,417,670
Monticello Raceway	25,003,147	6,354,801	4,821,934	7,424,305	3,396,934	1,284,032	48,284,953
Saratoga Raceway					10,880,491		10,880,491
Vernon Downs	2,340,661	843,151	988,013	722,525	4,689,058	1,639,223	11,101,631
Batavia Downs					1,391,587	13,212,780	14,604,347
Buffalo Raceway	522,157	209,711	199,217	156,463	3,862,221	22,230,483	27,180,252
Syracuse Mile					31,311	134,406	165,717
<b>Total In-State Harness</b>	<b>\$108,796,876</b>	<b>\$35,274,552</b>	<b>\$32,115,617</b>	<b>\$26,932,951</b>	<b>\$37,978,670</b>	<b>\$44,536,395</b>	<b>\$285,635,061</b>
<b>SPECIAL EVENTS HARNESS</b>							
Breeders' Crown	\$257,473	\$97,654	\$90,161	\$61,539	\$50,929	\$56,811	\$614,567
Hambletonian	25,079	6,291	5,105	6,586	2,781	5,656	51,498
OTHERS (see page ___)	42,297	24,186	22,452	14,013	19,479	25,365	147,792
<b>Total Out-of-State Harness</b>	<b>\$324,849</b>	<b>\$128,131</b>	<b>\$117,718</b>	<b>\$82,138</b>	<b>\$73,189</b>	<b>\$87,832</b>	<b>\$813,857</b>
<b>TOTAL HARNESS HANDLE</b>	<b>\$109,121,725</b>	<b>\$35,402,683</b>	<b>\$32,233,335</b>	<b>\$27,015,089</b>	<b>\$38,051,859</b>	<b>\$44,624,227</b>	<b>\$286,448,918</b>
<b>TOTAL OFF-TRACK HANDLE</b>	<b>\$775,251,135</b>	<b>\$186,542,545</b>	<b>\$174,420,032</b>	<b>\$117,974,312</b>	<b>\$209,279,030</b>	<b>\$176,375,477</b>	<b>\$1,639,842,531</b>

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1993 OFF-TRACK BETTING SPECIAL EVENTS TOTAL HANDLE BY EVENT AND REGION

THOROUGHBRED SPECIAL EVENTS	NEW YORK CITY	NASSAU	SUFFOLK	CATSKILL	CAPITAL	WESTERN	TOTAL ALL REGIONS
Breeders' Cup	\$3,496,671	\$964,497	\$888,370	\$609,832	\$1,142,965	\$730,683	\$7,833,038
Kentucky Derby	3,100,355	817,795	664,789	701,506	850,854	877,869	7,013,168
Preakness Stakes	1,683,269	471,810	407,022	413,263	520,463	546,176	4,242,043
Other:							
Appleton Handicap	136,181	30,685	28,162	17,460	30,075	25,284	267,847
Arlington Washington Futurity	117,172	24,974	24,252	15,051	21,761	16,721	219,931
Arlington Handicap	164,858	43,241	33,425	25,258	54,530	20,217	341,529
Arlington Million	197,092	54,646	42,673	30,359	64,884	36,606	426,260
Arkansas Derby	395,067	90,836	83,824	66,233	93,379	69,695	799,234
Bay Meadows Derby					20,567	18,513	39,080
Beverly D. Stakes	204,247	46,735	51,914	26,413	84,909	31,135	447,953
Blue Grass Stakes	492,857	121,818	99,160	80,014	109,750	82,369	985,788
Breeders Futurity	135,337	38,884	34,435	19,956	30,019	17,504	276,135
Brown & Williamson Handicap					9,247	13,535	22,782
Bud Breeders Cup					22,715	24,308	47,023
Caesars International Handicap	165,440	36,821	46,650	25,974	34,886	16,906	326,677
Californian Stakes	298,334	68,404	54,928	42,359	62,981	56,115	583,121
Canadian Turf Handicap	240,719	45,326	36,803	28,267			351,115
Delaware Handicap	156,007	46,836	39,025	25,217	38,209	23,481	328,775
Donn Handicap	401,705	93,368	80,679	56,955	100,474	72,026	805,207
Early Times Dixie Classic	278,865	47,731	54,483	28,192	43,900	31,109	484,280
Early Times Turf Classic	257,719	58,900	39,726	29,468	40,510	28,924	455,247
El Camino Real	122,050	36,398	40,288	23,335	38,326	30,220	290,817
Florida Derby	464,267	123,886	91,465	77,063	118,449	91,647	966,777
Fountain of Youth Stakes	399,817	99,279	73,132	64,804	97,617	75,401	810,050
General George Stakes	153,037	37,543	34,285	22,581	37,605	32,121	317,172
Haskell Invitational	198,127	52,860	40,108	35,074	69,987	29,102	425,258
Hawthorne Gold Cup	169,135	40,831	37,049	25,757	40,311	25,434	358,317
Hollywood Derby					13,982	15,975	29,957
Hollywood Gold Cup					56,905	38,201	488,649
Hollywood Starlet	251,337	58,810	51,342	34,054	5,394	5,165	10,559
Hutcheson Stakes	238,683	50,371	42,674	40,469			372,197
Illinois Derby	289,239	55,119	46,957	43,873	60,160	38,538	533,686
Iselin Handicap	273,381	62,423	62,157	41,526	62,831	36,787	539,105
Jersey Derby	128,596	25,773	18,483	14,774	23,632	17,827	227,025
Jim Beam Stakes	346,844	85,855	76,236	58,464	90,629	75,962	731,990
Kentucky Oaks	238,899	32,362	28,206	22,664	45,157	37,894	405,182
La Prevoyante Invitational	60,523	29,070	29,000	8,945	22,373	19,266	169,177
Louisiana Super Derby	292,132	65,408	53,224	43,153	70,642	64,398	588,957
Molly Pitcher	218,541	47,141	42,004	26,312	40,416	22,194	396,608
Molson Million	181,690	47,041	35,772	28,459	38,360	43,988	375,310
Monmouth Oaks	44,813	16,353	10,950	8,491	16,772	8,376	105,755
Native Diver Handicap					15,655	15,491	31,146
Ohio Derby	248,088	60,076	54,431	37,590	61,750	54,460	516,395
Pacific Classic	159,720	41,003	38,249	20,085	61,683	23,909	344,649
Pennsylvania Derby	244,229	60,063	51,299	32,968	50,732	29,655	469,146
Pimlico Special	278,676	62,230	70,972	47,454	87,159	48,341	594,832
Queen Elizabeth Challenge	242,315	60,205	46,087	30,013	45,444	30,408	454,472
Rothmans International	237,740	60,315	44,895	28,523	43,269	31,583	446,325
Santa Anita Derby	414,523	85,855	72,434	53,524	99,887	84,625	810,848
Santa Anita Handicap	418,343	103,638	75,783	70,294	96,757	86,528	851,343
Spinster Stakes	194,382	50,540	40,704	26,121	39,313	23,201	374,261
Summer Fest Pic-3s	99,958	30,245	30,008	18,822	30,879	18,330	228,242
Swaps Stakes	181,413	35,714	34,839	23,552	38,837	21,051	335,406
Tropical Turf Handicap					35,795	33,104	68,899
Virginia Handicap					17,689	3,887	21,576
Washington D. C. International	277,397	65,437	58,136	36,216	56,901	37,500	531,587
W.L. McKnight Invitational	90,901	41,075	33,088	13,573	30,472	12,418	221,527
TOTAL OTHER SPECIAL EVENTS	\$10,818,338	\$2,571,723	\$2,214,396	\$1,575,709	\$2,624,566	\$1,845,855	\$21,650,585
TOTAL THOROUGHBRED SPECIALS	\$19,298,631	\$4,825,825	\$4,174,577	\$3,300,330	\$5,138,888	\$4,000,583	\$40,738,834
HARNESS SPECIAL EVENTS							
Breeders Crown	\$257,473	\$97,654	\$90,161	\$61,539	\$50,929	\$56,811	\$614,567
Hambletonian	25,079	6,291	5,105	6,586	2,781	5,656	51,498
Other:							
Alfred E. Driscoll Pace	11,880	3,754	4,327	4,691	3,829	2,973	31,454
Cleveland Classic		6,775	6,126		4,386		17,287
Meadowlands Pace	14,953	7,473	6,281	3,432	3,141	5,955	41,235
Messenger Stakes					1,900	367	2,267
Battle of Lake Erie					3,639	8,585	12,224
Woodrow Wilson Pace	15,464	6,184	5,718	5,890	2,584	7,485	43,325
TOTAL OTHER SPECIAL EVENTS	\$42,297	\$24,186	\$22,452	\$14,013	\$19,479	\$25,365	\$147,792
TOTAL HARNESS SPECIALS	\$324,849	\$128,131	\$117,718	\$82,138	\$73,189	\$87,832	\$813,857
TOTAL ALL SPECIAL EVENTS	\$19,623,480	\$4,953,956	\$4,292,295	\$3,382,468	\$5,212,077	\$4,088,415	\$41,552,691

TOTAL HANDLE BY CORPORATION (SINCE INCEPTION)

	<u>NEW YORK CITY</u>	<u>NASSAU</u>	<u>SUFFOLK</u>	<u>CATSKILL</u>	<u>CAPITAL</u>	<u>WESTERN</u>	<u>TOTAL</u>
1971	\$118,588,586				2,316,716 *		\$118,588,586
1972	450,316,518				11,414,046 *		452,633,234
1973	691,280,360				15,098,937 *	13,440,146	702,694,406
1974	786,711,622				9,808,799 *	55,239,443	815,250,705
1975	773,550,528	27,903,980	30,367,693		9,987,968		896,870,443
1976	785,910,123	69,862,629	67,723,374	15,561,237	40,303,650	73,741,970	906,858,411
1977	777,437,682	90,892,862	77,426,355	41,729,116	55,041,267	85,725,016	1,052,902,983
1978	791,853,715	102,674,979	87,840,290	52,433,415	67,987,889	103,739,971	1,128,052,298
1979	835,815,437	134,958,752	109,146,866	66,849,752	91,720,613	133,535,290	1,206,530,259
1980	879,639,694	142,586,319	117,253,548	73,982,592	102,669,278	146,491,353	1,372,026,710
1981	891,276,192	149,594,168	122,394,341	80,120,747	108,653,823	153,324,442	1,462,622,784
1982	883,510,575	155,304,423	130,558,401	82,561,063	124,920,812	144,429,719	1,505,363,713
1983	886,764,759	159,422,909	136,539,171	88,668,362	134,616,018	145,961,464	1,521,284,993
1984	886,006,827	158,728,337	142,821,166	96,713,909	147,563,225	151,659,615	1,531,972,683
1985	871,867,750	155,085,757	140,669,804	106,083,129	157,719,562	143,303,334	1,583,493,079
1986	945,803,419	165,303,500	167,050,479	117,491,015	193,409,257	167,696,983	1,756,754,653
1987	1,003,377,015	180,195,868	195,383,498	132,723,923	209,892,621	187,591,674	1,909,164,599
1988	1,000,766,523	196,117,404	201,599,802	135,770,751	223,291,861	193,291,107	1,950,837,448
1989	940,787,164	212,472,817	206,786,117	135,137,777	228,130,290	196,986,948	1,920,301,113
1990	961,469,708	214,668,830	197,045,073	115,861,524	234,806,538	199,835,843	1,923,707,516
1991	904,201,790	196,960,292	185,302,638	121,541,890	226,402,623	185,500,554	1,819,909,787
1992	858,961,315	193,595,504	178,747,643	125,246,625	220,805,067	184,970,088	1,762,326,242
1993	775,251,135	186,542,545	174,420,032	117,974,312	209,279,030	176,375,477	1,639,842,531
TOTAL	\$18,681,148,437	\$2,892,471,875	\$2,669,076,291	\$1,706,471,139	\$2,825,839,890	\$2,842,840,437	\$31,617,848,069

COMPARISON OF 1993 TOTAL HANDLE TO 1992 TOTAL HANDLE

<u>OTB CORPORATION</u>	<u>1993</u>	<u>1992</u>	<u>INCREASE (DECREASE)</u>	<u>INCREASE (DECREASE)</u>
NEW YORK CITY	\$775,251,135	\$858,961,315	(\$83,710,180)	-9.75%
NASSAU	186,542,545	193,595,504	(7,052,959)	-3.64%
SUFFOLK	174,420,032	178,747,643	(4,327,611)	-2.42%
CATSKILL	117,974,312	125,246,625	(7,272,313)	-5.81%
CAPITAL	209,279,030	220,805,067	(11,526,037)	-5.22%
WESTERN	176,375,477	184,970,088	(8,594,611)	-4.65%
TOTAL	\$1,639,842,531	\$1,762,326,242	(\$122,483,711)	-6.95%

\* Schenectady was superceded by Capital District on August 11, 1975.

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STATEMENT OF REVENUES NET OF EXPENSES - 1983 PRELIMINARY FIGURES

	NEW YORK CITY	NASSAU	SUFFOLK	CATSKILL	CAPITAL	WESTERN	TOTAL
Non-Simulcast Handle	\$412,980,412	\$76,083,191	\$31,894,870	\$47,435,353	\$39,218,830	\$18,211,058	\$625,803,514
Simulcast Handle	362,280,723	110,459,354	142,525,162	70,538,959	170,060,400	158,164,419	\$1,014,039,017
Net Handle	\$775,251,135	\$186,542,545	\$174,420,032	\$117,974,312	\$209,279,030	\$176,375,477	\$1,839,842,531
OTB TAKE OUT AND BREAKAGE Less Statutory Payments To:	\$149,113,174	\$35,917,085	\$33,380,841	\$23,089,833	\$40,606,286	\$35,553,744	\$317,670,873
N.Y. State	\$12,186,189	\$2,905,635	\$2,772,841	\$1,905,111	\$3,265,142	\$2,789,041	\$25,843,959
Breeder's Fund	4,447,832	1,116,072	1,039,533	728,696	1,246,182	1,109,399	\$9,688,504
Track (inc. Contractual)	42,308,706	10,864,867	10,817,909	7,402,204	12,738,671	11,816,388	\$95,948,745
City of Albany				320,015			\$320,015
City of Niagara						61,178	\$61,178
Total Statutory Payments	\$58,942,527	\$14,886,574	\$14,629,283	\$10,036,011	\$17,590,010	\$15,775,996	\$181,860,401
Net Racing Revenue	\$80,170,847	\$21,030,511	\$18,751,358	\$13,063,922	\$23,016,286	\$19,777,748	\$185,810,473
OTHER REVENUE:							
Admission Income	\$520,657		\$193,871		\$195,416	\$37,071	\$947,015
Lottery Income	22,046		83,051	147,612	533,483	280,091	\$1,076,283
Concession Income	481,886		175,542	23,204	422,566	80,378	\$1,143,376
Derived from Surcharge	747,357	71,573	95,251	228,806	404,324	281,598	\$1,808,709
Interest Income	493,744	49,628	56,984	154,219	63,037	39,729	\$857,339
Other	95,794	307,657	276,652	215,239	672,367	192,800	\$1,760,809
Contribution to Cap. Acquis. Fund				(275,875)			(\$275,875)
Total Operating Revenue	\$92,511,931	\$21,459,367	\$19,802,709	\$13,556,928	\$25,307,479	\$20,689,515	\$193,127,929
OPERATING EXPENSES:							
Branch Expenses	\$80,713,017	\$12,161,830	\$14,026,404	\$8,389,809	\$17,266,875	\$18,176,287	\$148,734,032
Corporate Expenses	15,655,158	4,982,985	4,810,711	3,282,626	9,265,130	3,765,713	\$41,762,323
TOTAL OPERATING EXPENSES	\$96,368,175	\$17,144,815	\$18,837,115	\$11,652,235	\$26,532,005	\$19,962,010	\$190,496,355
	12.43%	9.19%	10.80%	8.88%	12.68%	11.32%	11.12%
SURCHARGE TO OWN LOCALITIES	21,173,631	\$4,304,502	2,803,758	2,540,343	3,924,938	3,685,830	\$38,433,000
Total Benefits to Own Localities	17,317,387	8,619,054	3,589,350	4,445,036	2,700,412	4,413,335	\$41,064,575
SURCHARGE TO LOCALITIES OUTSIDE REGION	6,051,023	2,445,115	2,320,878	1,983,894	3,036,389	2,992,290	\$18,841,589
TOTAL BENEFITS TO ALL LOCALITIES	\$23,368,410	\$11,064,169	\$5,890,228	\$6,438,930	\$5,736,801	\$7,405,625	\$59,906,163
	3.01%	5.83%	3.38%	5.46%	2.74%	4.20%	3.65%
Capital Acquisition Funds:							
Contributions from Net Earnings	3,976,917	988,849	723,036	\$275,875	1,012,028	1,064,257	\$275,875
Supplemental 1% Surcharge				676,758			\$8,442,846
Total Capital Acquisition Funds	\$3,976,917	\$988,849	\$723,036	\$952,634	\$1,012,028	\$1,064,257	\$8,718,721

NOTE: Percentages (%) are of Net Handle.

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1983 OTB PARI MUTUEL TAX, BREAKAGE AND ADMISSION TAX TO STATE PLUS UNCASHED TICKETS

	NEW YORK CITY	NASSAU	SUFFOLK	CATSKILL	CAPITAL	WESTERN	TOTAL ALL REGIONS
<b>THOROUGHBRED TAX AND BREAKAGE</b>							
NYRA							
Aqueduct	\$4,812,749	\$1,148,557	\$1,102,198	\$591,039	\$1,042,619	\$787,428	\$9,485,590
Belmont	3,702,718	805,305	793,425	\$453,613	763,934	410,931	6,929,926
Saratoga	1,024,835	256,795	230,790	\$139,806	386,728	128,564	2,167,518
NYRA TOTAL	\$9,540,302	\$2,211,657	\$2,126,413	\$1,184,458	\$2,193,281	\$1,326,923	\$18,583,034
Finger Lakes	422,673	91,411	73,489	216,026	425,985	718,715	1,948,299
TOTAL NEW YORK STATE THOROUGHBRED	\$9,962,975	\$2,303,068	\$2,199,902	\$1,400,484	\$2,619,266	\$2,045,638	\$20,531,333
Out-of-State Tracks	681,736	127,627	99,191	79,617	118,923	121,830	1,228,924
Special Events	362,373	88,461	76,469	\$55,765	95,573	75,986	754,627
THOROUGHBRED TAX AND BREAKAGE	\$11,007,084	\$2,519,156	\$2,375,562	\$1,535,866	\$2,893,762	\$2,243,454	\$22,514,884
Less NYRA simulcast credit (1993)	224,397	64,200	16,322				304,919
NET THOROUGHBRED TAX AND BREAKAGE	\$10,782,687	\$2,454,956	\$2,359,240	\$1,535,866	\$2,893,762	\$2,243,454	\$22,208,965
<b>HARNESS TAX AND BREAKAGE</b>							
Yonkers	\$1,031,964	\$348,462	\$330,746	\$249,958	\$174,613	\$77,361	\$2,214,104
Monticello	327,935	84,754	63,827	104,826	42,626	15,332	639,300
Batavia					15,451	157,123	172,574
Buffalo	7,474	3,071	3,479	2,472	44,434	271,377	332,307
Saratoga Raceway					113,525		113,525
Vernon Downs	29,617	10,761	13,178	10,091	58,769	20,523	142,939
Syracuse Mile					432	1,693	2,125
TOTAL NEW YORK STATE HARNESS	\$1,396,990	\$448,048	\$411,230	\$367,347	\$449,850	\$543,409	\$3,616,874
Special Events	6,512	2,631	2,371	\$1,898	1,530	2,178	17,120
TOTAL ALL HARNESS AND BREAKAGE	\$1,403,502	\$450,679	\$413,601	\$369,245	\$451,380	\$545,587	\$3,633,994
<b>TOTAL OTB PARI-MUTUEL TAX AND BREAKAGE THOROUGHBRED AND HARNESS</b>							
	\$12,186,189	\$2,905,635	\$2,772,841	\$1,905,111	\$3,285,142	\$2,789,041	\$25,843,959
<b>TOTAL UNCASHED TICKETS - 1992</b>							
TELETHEATER ADMISSION TAX	\$2,963,574	\$498,415	\$679,241	\$424,162	\$826,265	\$600,000	\$5,991,657
	21,693		6,771	630	6,975	1,475	37,544
TOTAL TO STATE	\$15,171,456	\$3,404,050	\$3,458,853	\$2,329,803	\$4,118,382	\$3,390,516	\$31,873,160

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1993 GROSS REVENUE TO CITIES AND COUNTIES FROM OTB

LOCALITY	
New York City	23,173,442
Nassau	13,611,344
Suffolk	3,569,350
Catskill Participants	4,445,036
Capital Participants	2,700,412
Western Participants	4,413,335
City of Yonkers	2,945,285
Sullivan County	863,997
Ontario County	687,582
Saratoga County	2,488,687
Onondaga County	3,154
Onida County	204,173
Errie County	520,238
Genesee County	280,135
<u>TOTAL</u>	<u>\$59,906,170</u>

GOVERNMENT REVENUE FROM OTB OPERATIONS

To New York State (including Uncashed tickets and Teletheater Admission Tax less Tax Credits)	\$31,873,160
To Cities and Counties	\$59,906,170
City of Albany Simulcast Tax	\$320,015
City of Niagara Simulcast Tax	\$61,178
<u>TOTAL GOVERNMENT REVENUE</u>	<u>\$92,160,523</u>

RECORD OF OTB STATE REVENUE ( SINCE INCEPTION)

	<u>OTB HANDLE</u>	<u>REVENUE TO STATE</u>	<u>UNCASHED TICKETS FROM PRIOR YEAR</u>	<u>TOTAL REVENUE TO STATE</u>
1971	118,588,586	592,943	0	592,943
1972	452,633,234	3,455,823	936,156	4,391,979
1973	702,694,406	8,814,429	4,093,266	12,907,695
1974	815,250,705	14,245,427	3,990,599	18,236,026
1975	896,870,443	16,692,646	4,258,538	20,951,184
1976	1,052,902,983	19,217,653	4,958,163	24,175,816
1977	1,128,052,298	20,113,234	5,687,335	25,800,569
1978	1,206,530,259	20,976,959	5,598,670	26,575,629
1979	1,372,026,710	23,275,300	5,893,911	29,169,211
1980	1,462,622,784	25,074,071	6,236,757	31,310,828
1981	1,505,363,713	25,365,499	6,152,721	31,518,220
1982	1,521,284,993	25,578,445	6,656,648	32,235,093
1983	1,531,972,683	25,603,056	6,744,063	32,347,119
1984	1,583,493,079	25,976,483	6,374,797	32,351,280
1985	1,574,729,336	25,471,775	6,483,356	31,955,131
1986	1,756,754,653	27,028,206	6,801,023	33,829,229
1987	1,909,164,599	28,450,424	6,979,094	35,429,518
1988	1,950,837,448	29,062,302	7,464,205	36,526,507
1989	1,920,301,113	28,436,236	7,253,790	35,690,026
1990	1,923,707,516	28,869,936	6,717,358	35,587,294
1991	1,819,909,787	28,095,320	6,433,000	34,528,320
1992	1,762,326,242	27,119,662	6,160,565	33,280,227
1993	1,639,842,531	25,881,503	.5,991,657	31,873,160
<u>TOTAL</u>	<u>31,607,860,101</u>	<u>503,397,332</u>	<u>127,865,672</u>	<u>631,263,004</u>

DISTRIBUTION OF SURCHARGE MONIES - 1993

	NEW YORK CITY	NASSAU	SUFFOLK	CATSKILL	CAPITAL	WESTERN	TOTAL
TO PARTICIPATING COUNTIES:							
Distributed	\$21,173,631	\$4,304,502	\$2,803,756	\$2,540,343	\$3,924,938	\$3,685,830	\$38,433,000
TO OTHER LOCALITIES							
New York City	1,306,755	\$1,504,657	\$1,085,658	\$864,144	\$1,312,836	\$1,088,753	\$5,856,048
City of Yonkers	3,099,599	505,220	411,794	375,128	225,366	121,022	2,945,285
Nassau County	442,060	106,345	520,185	395,501	616,749	360,256	4,992,290
Sullivan County	47,976	27,072	81,721	148,370	60,818	24,683	863,997
Ontario County	1,108,216	283,891	6,894	25,401	44,924	535,315	687,582
Saratoga County	37,619	14,369	198,657	167,907	590,663	139,363	2,488,687
Oneida County			13,030	14,465	92,407	32,283	204,173
Onondaga County	8,798	3,561	2,939	2,978	534	2,620	3,154
Erle County					69,320	432,642	520,238
Genesee County					24,782	255,353	280,135
TOTAL OTHER LOCALITIES	\$6,051,023	\$2,445,115	\$2,320,878	\$1,993,894	\$3,038,389	\$2,992,290	\$18,841,589
TOTAL SURCHARGE DISTRIBUTED	\$27,224,654	\$6,749,617	\$5,124,634	\$4,534,237	\$6,963,327	\$6,678,120	\$57,274,589
Capital Acquisition Fund*	3,976,917	989,849	723,036	676,759	1,012,028	1,064,257	\$8,442,846
Earnings Derived from Surcharge	747,357	71,573	65,251	288,606	404,324	291,598	\$1,868,709
TOTAL SURCHARGE COLLECTED	\$31,948,928	\$7,811,039	\$5,912,921	\$5,499,602	\$8,379,679	\$8,033,975	\$67,586,144

\*The Laws of 1991, Section 532(3)(a) permitted a supplemental 1% surcharge on multiple, exotic and super exotic bets at off-track betting facilities. The money is used for a Capital Acquisition Fund. These funds are not distributed to participating localities, but are used by the corporations for capital improvements and acquisitions.

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SUMMARY OF 1993 DIRECT AND REGIONAL OFF TRACK BETTING PAYMENTS TO TRACKS

	DIRECT TRACK COMMISSIONS	PAYMENTS TO TRACKS IN REGIONAL COMMISSIONS	SIMULCASTING CONTRACTUAL COMMISSIONS	TOTAL TRACK COMMISSIONS
<b>IN-STATE THOROUGHBRED</b>				
NYRA				
Aqueduct	\$26,809,585	\$1,018,991	\$3,704,635	\$31,533,211
Belmont	19,792,686	741,480	3,255,517	23,789,683
Saratoga	5,911,099	230,971	888,884	7,010,954
NYRA TOTAL HANDLE	\$52,513,370	\$1,991,442	\$7,829,036	\$62,333,848
Finger Lakes	4,787,427	337,755	987,923	6,093,105
<b>TOTAL IN-STATE THOROUGHBRED</b>	<b>\$57,300,797</b>	<b>\$2,329,197</b>	<b>\$8,796,959</b>	<b>\$68,426,953</b>
<b>OUT-OF-STATE THOROUGHBRED</b>				
Calder	\$213,003			\$213,003
Garden State	1,400			1,400
Gulfstream	754,517			754,517
Hialeah	0			0
Laurel	159,709			159,709
Philadelphia Park	47,233			47,233
Pimlico	90,401			90,401
Meadowlands	1,165			1,165
Santa Anita	4,695			4,695
Tampa Bay	0			0
Monmouth	172,176			172,176
Hollywood	0			0
<b>TOTAL OUT-OF-STATE THOROUGHBRED</b>	<b>\$1,444,299</b>			<b>\$1,444,299</b>
<b>SPECIAL EVENTS THOROUGHBRED</b>				
Breeders Cup	\$191,271			\$191,271
Kentucky Derby	444,261			444,261
Preakness Stakes	270,050			270,050
Others	1,039,876			1,039,876
<b>TOTAL SPECIAL EVENTS THOROUGHBRED</b>	<b>\$1,945,458</b>			<b>\$1,945,458</b>
<b>TOTAL THOROUGHBRED</b>	<b>\$60,690,554</b>	<b>\$2,329,197</b>	<b>\$8,796,959</b>	<b>\$71,816,710</b>
<b>IN-STATE HARNESS</b>				
Yonkers Raceway	\$7,598,198	\$1,163,138	\$753,173	\$9,514,509
Monticello	2,360,254	1,183,104	0	3,543,358
Saratoga Harness	531,359	3,738,510	165,234	4,435,103
Vernon Downs	418,750	1,088,114	113,752	1,620,616
Batavia Downs	719,939	1,183,946	184,988	2,088,873
Buffalo Raceway	1,278,661	1,190,354	419,858	2,888,873
Syracuse Mile	2,743	0	0	2,743
<b>TOTAL IN-STATE HARNESS</b>	<b>\$12,909,904</b>	<b>\$9,547,166</b>	<b>\$1,637,005</b>	<b>\$24,094,075</b>
<b>SPECIAL EVENTS-HARNESS</b>				
Breeders Crown	\$28,728			\$28,728
Hambletonian	2,425			2,425
Others	6,807			6,807
<b>TOTAL SPECIAL EVENTS-HARNESS</b>	<b>\$37,960</b>			<b>\$37,960</b>
<b>TOTAL HARNESS</b>	<b>\$12,947,864</b>	<b>\$9,547,166</b>	<b>\$1,637,005</b>	<b>\$24,132,035</b>
<b>TOTAL THOROUGHBRED AND HARNESS</b>	<b>\$73,638,418</b>	<b>\$11,876,363</b>	<b>\$10,433,964</b>	<b>\$95,948,745</b>

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1993 OTB PAYMENTS TO THOROUGHBRED AND HARNESS BREEDERS FUND

	NEW YORK	NASSAU	SUFFOLK	CATSKILL	CAPITAL	WESTERN	TOTAL
IN-STATE THOROUGHBRED							
NYRA							
Aqueduct	\$1,464,033	\$346,416	\$333,921	\$178,241	\$317,934	\$237,068	\$2,877,613
Belmont	1,136,904	244,030	240,578	133,341	235,152	123,927	2,113,932
Saratoga	311,646	77,551	68,948	41,989	117,904	38,308	656,346
NYRA TOTAL HANDLE	\$2,912,583	\$667,997	\$643,447	\$353,571	\$670,990	\$399,303	\$5,647,891
Finger Lakes	128,529	27,795	21,229	62,741	124,842	\$206,910	572,046
TOTAL IN-STATE THOROUGHBRED	\$3,041,112	\$695,792	\$664,676	\$416,312	\$795,832	\$606,213	\$6,219,937
OUT-OF-STATE THOROUGHBRED							
SPECIAL EVENTS THOROUGHBRED	193,040	35,599	25,385	21,882	34,386	32,581	342,973
TOTAL OUT-OF-STATE THOROUGHBRED	\$315,301	\$66,253	\$51,585	\$42,233	\$69,770	\$57,198	\$602,340
TOTAL THOROUGHBRED	\$3,356,413	\$762,045	\$716,261	\$458,545	\$865,602	\$663,411	\$6,822,277
IN-STATE HARNESS							
Yonkers Raceway	\$809,310	\$278,671	\$262,302	\$186,297	\$137,343	\$60,356	\$1,734,279
Monticello Raceway	250,032	63,546	48,219	74,243	33,969	12,573	482,582
Saratoga Raceway	23406	8,432	8,680	7,225	108,805	16,392	108,805
Vernon Downs					46,881	132,128	111,016
Batavia Downs					13,916	222,306	146,044
Buffalo Raceway	5222	2,097	1,992	1,565	38,622		271,804
Syracuse Mile					313	1,344	1,657
TOTAL IN-STATE HARNESS	\$1,087,970	\$352,746	\$321,193	\$269,330	\$379,849	\$445,089	\$2,856,187
SPECIAL EVENTS HARNESS	3,249	1,281	1,079	821	731	879	\$8,040
TOTAL HARNESS	\$1,091,219	\$354,027	\$322,272	\$270,151	\$380,580	\$445,978	\$2,864,227
TOTAL THOROUGHBRED AND HARNESS	\$4,447,632	\$1,116,072	\$1,038,533	\$728,696	\$1,246,182	\$1,109,389	\$9,686,504

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1993 STATE OF CONNECTICUT OFF-TRACK BETTING ON NEW YORK RACES

<u>NEW YORK STATE THOROUGHBRED</u>	<u>TOTAL HANDLE</u>	<u>TRACK COMMISSION</u>	<u>LESS N.Y.S. STATE TAX*</u>	<u>NET TRACK REVENUE</u>
NYRA	\$92,076,274	\$4,717,504	\$0	\$4,717,504
<u>NEW YORK STATE HARNESS</u>				
YONKERS	\$9,159,564	\$412,182	\$135,207	\$276,975
MONTICELLO	355,820	12,207	0	12,207
TOTAL HARNESS	\$9,515,384	\$424,389	\$135,207	\$289,182
<u>TOTAL THOROUGHBRED AND HARNESS</u>	<u>\$101,591,658</u>	<u>\$5,141,893</u>	<u>\$135,207</u>	<u>\$5,006,686</u>

CONNECTICUT OFF-TRACK BETTING HANDLE AND NEW YORK STATE REVENUE SINCE INCEPTION

<u>YEAR</u>	<u>HANDLE</u>	<u>STATE TAX</u>
1976	\$50,485,928	\$736,116
1977	102,810,257	1,461,454
1978	103,167,802	1,459,071
1979	123,075,567	1,734,870
1980	173,087,567	2,440,514
1981	179,111,092	2,525,957
1982	179,974,954	1,817,683
1983	177,160,735	718,301
1984	174,779,781	0
1985	170,910,815	0
1986	173,523,988	0
1987	164,711,542	0
1988	166,396,335	328,469
1989	157,194,647	573,791
1990	152,614,950	438,009
1991	142,859,569	388,986
1992	117,000,928	241,248
1993	101,591,658	135,207

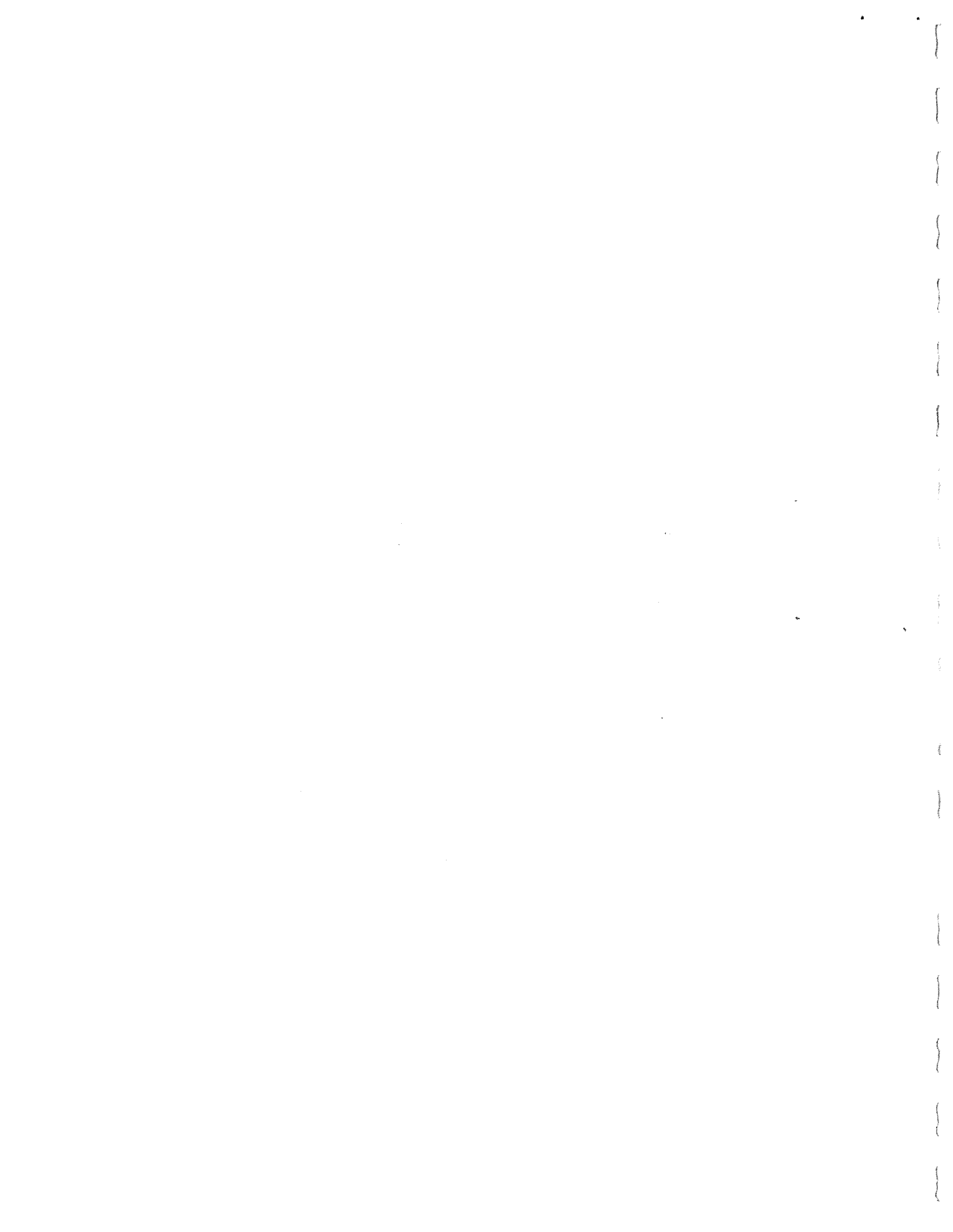
\* No state tax has been applied to NYRA commissions since July 1, 1983. The state tax on Yonkers commissions became effective April 1, 1988. The State tax paid by Yonkers Raceway from mid 1982 through 1987 were refunded following a court decision and are not included above. Monticello commissions are not subject to a State tax.

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**PART II**

**SIMULCAST REPORT**



## INTRODUCTION

Nineteen hundred and ninety-three was the ninth full calendar year of comprehensive statewide simulcasting of horse races within New York State. It was the third full year under the permanent statutory authorization of simulcasting. "Simulcasting" is the display of live televised horse races on which pari-mutuel betting is permitted at a site other than the track where the race is held.

It was authorized by Governor Cuomo and the Legislature in July 1984, on a one-year experimental basis. The one-year experimental scheme for simulcasting ran from July 1, 1984 to June 30, 1985, pursuant to Chapter 363 of the Laws of 1984.

The Legislature then passed and Governor Cuomo approved, Chapters 286 and 287 of the Laws of 1985. The 1985 laws amended the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law and authorized comprehensive statewide simulcasting for five years through June 30, 1990.

Amendments relating to simulcasting were enacted during the 1986, 1988, and 1989 legislative sessions. These amendments expanded the type of services and amenities off-track betting corporations could offer in designated simulcast facilities, limiting the occasions when track consents are required for simulcasting, and expanded wagering and simulcasting opportunities on two major series of races, the Breeders Cup (thoroughbred) and the Breeders' Crown (harness).

On July 1, 1990, all simulcasting within New York State ceased (law expired). On July 1 and 2, 1990, the Legislature considered an omnibus bill. It was passed by the Legislature and signed into law by the Governor on July 2, 1990 as Chapter 346 of the Laws of 1990.

A revised statutory authorization authorizing simulcasting on a permanent basis was enacted. It was intended to provide for a more orderly implementation and expansion of simulcasting by establishing an arbitration mechanism for settling disputes. The broad-based legislation also included provisions for a more efficient workers' compensation plan for jockeys, financial restructuring of the New York Racing Association (NYRA), incentives and protection for the opening of Tioga Park, as well as other provisions to expand simulcasting for the benefit of the racing and breeding industry and State and local governments. The law was designed specifically to remove statutory obstacles to growth and establish a framework to force race tracks and off-track betting corporations to work together and negotiate positions in good faith for the benefit of racing and government.

The 1991 legislative session saw only minor changes to the statutory framework. In addition to allowing the Board to combine this report with the tax credit report, the Legislature and the Governor approved simulcasting the Kentucky Derby, Preakness Stakes and the Breeders' Cup races to all pari-mutuel facilities. In addition, wagering on Finger Lakes' premier race, "The New York Derby", was allowed at OTB corporations throughout the State.

In 1992 the Legislature enacted several significant changes to the law.

Simulcasting of up to 50 out-of-state thoroughbred special events was authorized for tracks and OTB corporations, and simulcasts of out-of-state races into NYRA, its satellite receivers and OTBs were authorized on NYRA "dark" or days that NYRA races were curtailed or called off for safety reasons.

The latter provisions were never fully implemented and were let to expire on March 31, 1993.

#### Legislative Changes/Additions for 1993:

In 1993 significant legislation was enacted:

1. To repeal state and local withholding taxes on winning pari-mutuel payoffs.
2. To supplement the state's treaty with the Oneida Indian Nation to regulate some casino type gambling on its reservation near Syracuse, New York.
3. To authorize a track to supplement its regular race card with simulcasts from another in-state track if authorized by the horsemen at the receiving track.
4. To authorize (for the first three months of 1994) the simulcasting of five live out-of-state races combined with seven NYRA races on days NYRA raced; to authorize unlimited simulcasting of out-of-state thoroughbred races on NYRA dark days; and in a special experiment to allow unlimited simulcasting in three western New York counties and at the three western New York race tracks even on days NYRA was racing:

## DEFINITIONS

In order to better understand this report on simulcasting, several specialized technical terms are defined.

A SIMULCAST is the display of live audio and visual signals of thoroughbred, harness or quarterhorse races for the purposes of pari-mutuel wagering at a site away from the track where the races are held.

A SENDING TRACK is the race track holding the races from which simulcasts originate.

There are three types of SIMULCAST RECEIVING FACILITIES - an OTB SIMULCAST BRANCH (including an OTB telebranch and an OTB enhanced telebranch), a RECEIVING TRACK or a SIMULCAST THEATER (including demonstration projects).

An OTB branch is the ordinary operating component of an OTB corporation, which is authorized to accept wagers. When simulcasting is permitted, it is then licensed as an OTB SIMULCAST BRANCH. This type of facility only offers the audio-visual signal of the races.

During 1985, a special type of OTB branch was developed, called a TELEBRANCH. A telebranch is a licensed OTB branch with additional amenities for patrons, including larger screens, food and non-alcoholic beverage service.

Chapter 919 of the Laws of 1986 as amended by Chapter 467 of the Laws of 1989 created a third category of OTB branch which offers simulcasting. The Board has classified this category as ENHANCED TELEBRANCH. An enhanced telebranch has all the amenities of a telebranch. In addition, an enhanced telebranch serves alcoholic beverages with the approval of the Board and issuance of appropriate licenses by the New York State Liquor Authority. The statute authorizes 15 enhanced telebranches in New York City and no more than three (3) such facilities per county for all other regions. The statute sets forth the minimum seating requirements in a restaurant setting for this new type of facility and authorizes the use of credit cards for the purchase of food and beverages. In telebranches (none) and enhanced telebranches (two), OTB corporations have exercised the option to charge an admission fee. Such fee is subject to the approval of the Board, and subject to state and local admission taxes.

A RECEIVING TRACK is a licensed pari-mutuel race track where simulcasts, which originate from another licensed pari-mutuel track, are displayed.

A SIMULCAST THEATER is defined as a public entertainment and wagering facility. It has such amenities as a large projection screen, a display system for odds, pools, and payout prices, areas for viewing and seating, food, alcoholic and non-alcoholic beverage service. An admission fee is charged, and winning wagers on simulcast races are not subject to the OTB surcharge. All seven authorized simulcast theater licenses have been granted.

In the July 1985 legislation, special types of simulcast theaters called SPECIAL DEMONSTRATION PROJECTS were created for purposes of stimulating economic development, employment opportunities and state and local revenues. These special demonstration projects were authorized only in privately owned hotels in Sullivan and Ulster Counties for the exclusive use of guests of the hotel. Hotels in Greene County were made eligible by a 1986 statutory amendment. Additionally, one such special demonstration project was authorized within the City of New York. These facilities were authorized to be operated (a) by an OTB corporation or (b) jointly by an OTB corporation and a track. In either case, an outside or third party may participate in the operation of these facilities. Only one such facility, Friar Tuck Inn in Greene County, is in operation.

Simulcasting uses the existing PARI-MUTUEL SYSTEM of betting (the only legalized form within the State of New York). In that system, all monies bet on a given race go into a pool. Odds on each horse or combination of horses are based upon the amount of money bet on each horse or combination in relation to the amount of the pool. Neither the track at which the races are run nor OTB contributes any funds to the pool from which winning bets are paid.

CANNIBALIZATION is the reallocation of bettors and their dollars to a simulcast facility from nearby OTB branches which do not have simulcasting. Simply put, simulcast branches tend to draw customers from non-simulcast branches.

SIMULCAST HANDLE is defined as the entire handle of OTB simulcast branches simulcast theaters and receiving tracks on the races which are simulcast.



## APPLICATION PROCESS AND GUIDELINES

In authorizing simulcasting, the Legislature mandated that each track or off-track betting corporation must apply for an annual license to operate a simulcast facility. Such a facility may be a race track, an OTB branch or a simulcast theater.

Applications for annual licenses shall be in such form as may be prescribed by the Board and contain such information, material or other evidence the Board may require. The Board has established an annual licensing cycle of July 1 through June 30 of the following year. This sequence follows the sunset provisions of both the experiment's statutory authority, as well as certain provisions of the permanent authorization. The Legislature prescribed a \$500 per year license fee for each simulcast facility to be paid by the licensee.

The application itself must contain a SIMULCAST PLAN OF OPERATION which is subject to the review and approval of the Board. Section 1003(2) of the Racing Law specifies the contents of such plan.

Each applicant must also submit a feasibility study projecting the estimated revenues and costs to operate a simulcast facility. To be included in the study is the following information:

1. the number of simulcast races to be displayed;
2. the types of wagering to be offered;
3. the level of attendance expected and the area from which such attendance will be drawn;
4. the level of anticipated wagering activity;
5. the source and amount of revenues expected from other than pari-mutuel wagering;
6. the costs of operating the simulcast facility and the identification of costs to be amortized and the method of amortization of such costs;
7. the amount and source of revenues needed for financing the simulcast facility; and
8. the probable impact of the proposed operation on revenues to local government.

In addition to the feasibility study, the Simulcast Plan of Operation details the security measures to be used to protect the facility, control crowds, safeguard the transmission of simulcast signals and accomplish the transmission of wagering data to effectuate common wagering pools. Information on the type of data processing, communication and transmission equipment to be utilized must also be provided. The applicant is required to describe the management groups responsible for the operation of the simulcast facility and the system of

accounts employed to maintain a separate record of revenues collected by the simulcast facility, the distribution of such revenues and the accounting costs relative to the simulcast operation. The Simulcast Plan of Operation also specifies the location of each facility and includes written confirmation from the appropriate local authorities that the location of the simulcast facility and the number of patrons expected to occupy such facility are in compliance with all applicable local ordinances.

The final requirement of Section 1003 states that an applicant must submit the written agreements or letters of consent by those parties specified in Sections 1007, 1008 and 1009 of the Racing Law (including as the case may be, race tracks, off-track betting corporations and/or local governments).

Chapter 346 of the Laws of 1990 added a new Section 1013, which provides for binding arbitration whenever a written agreement is required from a sending track in simulcast districts one or two, and such agreement has been unreasonably refused, declined or denied. This procedure expires on July 15, 1994.

In addition, Section 1010 mandates that the Simulcast Plan of Operation shall include provision for job security for race track and OTB corporation employees within the simulcast district where the simulcast facility is located.

The Board has imposed additional requirements for licensing a simulcast facility. During the course of preparing for litigation, the Board was advised that it must insure compliance with the State Environmental Quality Act with respect to the determination of the environmental impact relating to a simulcast facility. The Board now requires the submission of an Environmental Assessment Statement in a prescribed format for each new simulcast facility.

In 1986, the Board began an intensive effort to insure that all off-track betting facilities (including simulcast facilities) were in compliance with the New York State Uniform Fire Prevention and Building Code. A similar effort with respect to track facilities was also undertaken. With respect to race tracks, the appropriate local governments' code enforcement officer inspects the facility to insure compliance with the State's Uniform Code. Responsibility for the administration and enforcement of the Uniform Code at facilities operated by off-track betting corporations is that of the participating county and/or city.

The procedures adopted by the Board to effectuate these statutory guidelines recognized that the Governor and Legislature wished to encourage the broadest possible utilization of simulcasting. Basically, applicants are required to submit the principal elements of the Simulcast Plan of Operation and feasibility study to the Board, together with proof of agreement by all the necessary and required parties. Upon receipt of the above, the Board reviews a submission and makes a determination thereon. In several instances, temporary licenses have been issued contingent upon the receipt of further documentation. For the Board, "a meeting of the minds" between the essential players in this arrangement is critical in making a determination to authorize a specific simulcast operation. Of course, a speedy submission of the necessary written materials is always required.

## SIMULCAST FACILITY LICENSING

In accordance with the provisions of Section 1002(1) of the Racing Law, the Board issued guidelines for applications for simulcast facility licenses. An annual licensing cycle of July 1 through June 30 of the following year was established to coincide with the statutory authorization concerning Article X.

With the effective date of the revised Article X in 1985, the Board required each applicant to apply for a new simulcast facility license for the year July 1, 1985 through June 30, 1986. accordingly, renewal procedures were implemented for each licensing year beginning July 1, 1986. With the enactment of Chapter 346 of the Laws of 1990 on July 2nd, the cycle was reestablished for the year July 2, 1990 through June 30, 1992. July 1, 1993 commenced the 1993-94 licensing year. Under this procedure, 201 simulcast facility licenses were issued and a total of \$102,000 in fees was received and remitted to the State's general fund as of December 31, 1992.

A breakdown by applicant is set forth below:

### 1993 - 1994 LICENSING YEAR (JULY 1 - June 30, 1994)

<u>APPLICANTS</u>	<u>NUMBER OF</u> <u>LICENSES ISSUED</u>	<u>FEE PAID</u>
New York City OTB	51	\$25,500
Nassau OTB	13	6,500
Suffolk OTB	12	6,000
Catskill OTB	21	10,500
Capital OTB	48	24,000
Western OTB	48	24,000
New York Racing Assn.	1	500
Finger Lakes Race Track	1	500
Yonkers Raceway	1	500
Saratoga Raceway	1	500
Vernon Downs	1	500
Batavia Downs	1	500
Buffalo Raceway	1	500
Monticello Raceway	<u>1</u>	<u>500</u>
TOTAL	201	\$100,500

Three simulcast facility licenses were also issued during the first half of 1993 for the balance of the fiscal year, generating \$1,500 in fees.

Therefore, during calendar year 1993, a total of 204 simulcast facility licenses were issued, and fees totaling \$102,000 were received by the Board and paid to New York State's general fund, pursuant to Section 1003 of the Racing Law.

## SIMULCASTING OPERATIONS BY OFF-TRACK BETTING CORPORATIONS AND RACE TRACKS DURING 1993

During 1993, the ninth full year of the simulcast experiment, each of the State's race tracks (with the exception of the Syracuse Mile) made a simulcast signals of its races available to some or all of the State's six off-track betting corporations. Eight of the State's 11 race tracks also were receiving tracks for simulcast signals.

The simulcasting of NYRA races was continued to Yonkers (for 303 days), Saratoga Raceway (for 274 days), Finger Lakes (for 130 days), Vernon Downs (for 303 days), Monticello Raceway (for 303 days), Batavia Downs (for 298 days), Buffalo Raceway (for 302 days), as well as Aqueduct's simulcasting of the 30-day Saratoga meet. Finger Lakes races were simulcast to Saratoga Raceway (on Tuesdays during the Saratoga Race Track meet for six days), Vernon Downs (for 158 days), Monticello Raceway (for 158 days), Batavia Downs (for 157 days), and Buffalo Raceway for 158 days). Vernon Downs races were simulcast to Batavia Downs (for 15 days) and Buffalo Raceway (for 15 days). Monticello Raceway races were simulcast only to Vernon Downs (for six days). Batavia Downs races were simulcast to Finger Lakes Race Track (FLRT) (for four days), Vernon Downs (for 22 days), and Buffalo Raceway (for 98 days). Buffalo Raceway races were simulcast to Finger Lakes Race Track (for six days), Vernon Downs (for 95 days), and Batavia Downs (for 153 days). Yonkers Raceway also simulcast races in 1993 to Saratoga Raceway (for 86 days), Vernon Downs (for 131 days), and to Batavia Downs (for one day).

Simulcasting of in-state races to all authorized off-track betting corporations continued on races from NYRA, Finger Lakes, Monticello, Vernon Downs, Buffalo and Yonkers Raceways. Capital OTB continued to simulcast Saratoga Raceway races and simulcasting of Batavia Downs and harness races took place in the Capital and Western regions.

In 1993, the combined statewide on and off-track handle for all tracks fell by \$232.5 million (7.53%), compared to 1992. On-track thoroughbred handle declined by 4.98%, while on-track harness handle fell 19.62%. Total off-track handle fell 6.95%. Total simulcast handle, however, continued to rise. During 1993, 42.6 % of the State's total betting handle was wagered at simulcast facilities compared to 41.7% in 1992.

A total of 201 simulcast facility licenses were issued in 1993, three more than in 1992. Eight were issued to race tracks (Aqueduct Race Track, Yonkers Raceway, Saratoga Raceway, Monticello Raceway, Batavia Downs, Buffalo Raceway, Vernon Downs and Finger Lakes Race Track): Seven to simulcast theaters (three in New York City, one each in Albany, Hauppauge, Hillburn and Niagara Falls), one to a special demonstration project, the Friar Tuck Inn in Catskill and 185 to off-track betting branches throughout the State.

Total simulcast handle during 1993 to each class was: Track to Track, \$201 million (down 3.7% compared to 1992; OTB Branches, \$866 million (down 7.7%) and Simulcast Theaters, \$162 million (up 14.4%).\*

\*Three additional Simulcast Theaters opened in 1993.

## WESTERN REGIONAL OFF-TRACK BETTING CORPORATION

The Western Regional Off-Track Betting Corporation, located in western New York State, is comprised of 18 counties, 15 of which participate in the management of off-track betting. The two major cities in the Western area, Buffalo and Rochester, also participate as full members of OTB.

In 1993, Western relocated two branches into newly constructed buildings, one is owned and the other leased. Western opened their first simulcast theater, which is located in Niagara Falls. The Buffalo Airport branch was closed July 31, 1993. Ripley and the Tel-A-Bet Centre were closed December 31, 1993. Western began the year with 48 branches and the Tel-A-Bet Centre and ended the year with 46 branches and the simulcast theater.

Within its region Western OTB contains a thoroughbred track, Finger Lakes Race Track, and two harness tracks, Buffalo Raceway and Batavia Downs.

In 1993, Western OTB handled \$131.8 million on thoroughbred races and \$44.6 million on harness races for a total of \$176.4 million, a decrease of \$8.6 million or 4.6% as compared to 1992. This total accounts for 10.8% of all New York State OTB handle in 1993. Western ranks fourth in the State in terms of total off-track betting handle.

Of Western OTB's total corporate handle, \$158.2 million or 89.7% was wagered on simulcast races. This represents a decrease in simulcast handle of \$8.8 million or 5.3% from 1992.

Western OTB also accepted wagers on various out-of-state race tracks. The Racing Law authorized OTB corporations to accept wagers (not simulcasts) on out-of-state thoroughbred race tracks, when the non-profit racing association (NYRA) is not conducting racing. For late 1992 and early 1993 an amendment to the Racing Law allowed the simulcast of out-of-state thoroughbred tracks when there was no in-state thoroughbred racing (dark days) under certain conditions. The conditions were deemed undesirable and so, this provision was never employed. The amendment also allowed for simulcasts of out-of-state races by OTB when NYRA canceled racing and substituted an out-of-state simulcast track. In 1993 Western simulcast Philadelphia Park on February 1, 1993 and Gulfstream on February 6 and 13, 1993 when NYRA canceled its card. Total handle on these three days was \$452,000. During 1993 Western accepted wagers on nine out-of-state tracks on NYRA dark days. Total handle for these dark day tracks was \$6.5 million. This compares to eight out-of-state tracks, with a total non-simulcast handle of \$4.9 million in 1992, an increase of \$1.6 million or 33.5%.

Recent changes in the Law (see Section 905 & 905-a) in chapters 503 and 764 of the Laws of 1992 have expanded the number of thoroughbred special events upon which wagers and simulcast signals may be accepted from fifteen (15) to fifty (50). The Kentucky Derby, the

Preakness and the Breeders' Cup (seven races in one day) are separate from the other 47 races designated of special interest.

The number of harness races of special interest which an OTB is allowed to take wagers on remains at five. The Breeders Crown and the Hambletonian, which may be simulcast, do not count against the five harness races of special interest an OTB can take.

Wagering was conducted on 49 thoroughbred races of special interest and seven harness races of special interest. Western OTB's handle totaled \$4.1 million for the 56 special events, an increase of \$841,000 or 25.9% over 1992. All out-of-state wagering amounted to \$10.6 million for Western OTB, an increase of \$2.5 million or 30.5% over 1992.

Western attributes the trend of declining or stagnating handle over the last two years largely to the proliferation of inter track wagering at Buffalo Raceway, Batavia Downs and Finger Lakes Race Track. Western indicates that over \$20 million was handled at these inter-track wagering sites, a large portion of which Western believes would have otherwise been wagered with them. This figure does not include business lost to Pennsylvania OTB and inter-track wagering at Fort Erie Race Track in Ontario which began in October of 1992. Inclement weather impacted handle in the winter of 1993. There were numerous cancellations of NYRA, including three days in which Western's branches were closed completely. In addition, the opening of the Oneida Indian casino in Vernon increased competition for the gambling dollar in the Western region.

Western paid NYRA \$2 million in statutory payments, based on simulcast handle and \$1 million in simulcast contractual payments. On July 15, 1991 Western signed a new contract with NYRA which extended through July 13, 1993. This agreement called for Western to pay NYRA 1.25% of the daily net handle generated by all wagers at all simulcast branches. NYRA will pay for the uplink. On September 16, 1993 Western signed a contract with NYRA which runs from July 14, 1993 through July 13, 1994. The terms of this contract are basically the same as the previous contract. However, Western will pay 6.5% of the net daily handle generated on all wagers at the Niagara Falls simulcast theater.

Finger Lakes was paid \$2.3 million in statutory payments, based on simulcast handle and \$434,000 in simulcast contractual payments. Based on Western's contract with Finger Lakes which began with the April 1993 meet and extends through December 31, 1997, Western will pay Finger Lakes 1.1% over statutory commissions\* of simulcast handle for each of the years 1993 through 1997. Finger Lakes will pay for the uplink.

Buffalo Raceway was paid \$1 million in statutory payments, based on simulcast handle and \$396,000 in simulcast contractual payments. On January 13, 1992, Western and Buffalo Raceway entered into a contract beginning April 22, 1992 and running through the 1997 winter meet. Under the terms of the agreement, Western will pay Buffalo Raceway 2% of the net simulcast handle for the six year term of the contract. Payments will not be less than 1.5% of

\*Except where noted, infra, these amounts are in addition to statutory payments.

the total net handle wagered in Western branches, except that Sunday evening handle, which is not simulcast to Western, shall not be subject to the agreement. For any meet in which the payment does not equal or exceed 1.5% of total net handle, Western agreed that an additional payment will be made to Buffalo Raceway to bring total payment to an amount equal to 1.5% of total net handle for the year. Buffalo Raceway will pay the uplink. The simulcast payments include consideration paid by Western to Buffalo Raceway to establish the simulcast theater in Niagara County.

Batavia Downs was paid \$608,000 in statutory payments, based on simulcast handle and \$174,000 in simulcast contractual payments. On February 24, 1993 Western signed a simulcast agreement with Batavia Downs which extends through Batavia's fall meet of 1994. There is an option to extend the agreement upon the same terms for three consecutive one-year renewals at the mutual concurrence of Western and Batavia Downs. Western will pay Batavia 1.5% of net simulcast handle on all wagers. Batavia Downs will pay for the uplink.

Yonkers was paid \$123,000 in statutory payments, based on simulcast handle and \$174,000 in simulcast contractual payments. Western's simulcast contract with Yonkers is open-ended. Western can accept Yonkers simulcasts anytime it would not interfere with racing at a regional harness track. Under the terms of the contract, Western pays Yonkers 0.5% of net wagers generated at simulcast branches on the first \$100,000 and 1% on anything over \$100,000.

Monticello Raceway was paid \$27,000 in statutory payments based on simulcast handle and no simulcast contractual payments. There is no written contract with Monticello Raceway. Monticello pays for the uplink.

Vernon Downs began simulcasting for the first time to Western on April 3, 1993. Simulcasting was limited to four branches: Oswego, Central Square, Phoenix and Auburn. Vernon Downs was paid \$70,000 in statutory payments based on simulcast handle and \$20,000 in simulcast contractual payments. On March 31, 1993 Western signed a simulcast agreement with Vernon Downs which ran through the 1993 fall meet. Western paid Vernon 1.5% of net simulcast handle on all wagers. Vernon Downs paid for the uplink.

Wagering at Western OTB has produced significant payments both to in-region and out-of-region municipalities. Surcharge generated by wagering on NYRA, was \$3.7 million, Finger Lakes - \$1.9 million, Batavia - \$590,000, Buffalo - \$1 million, Yonkers - \$277,000, Monticello - \$56,000 and Vernon - \$75,000.

A 1985 amendment to Section 532 of the Racing Law provided that when Finger Lakes simulcasts outside the special betting district, the 50% share of the surcharge allocated to Ontario county (in which such track is located) shall be re-allocated 90% to the OTB corporation and 10% to the county. Under the terms of this statute Western received \$292,000 in revenue.

For the signal from Yonkers Raceway, Western paid a total of \$144,000 to a simulcast vendor. The cost of the signals from Finger Lakes Race Track, NYRA, Batavia and Vernon Downs, Buffalo and Monticello Raceways was included in the contractual payments made to the tracks by Western OTB.

Beginning in May 1991, Western began the installation of Self-Vending Terminals (SVTs) in its branches. By the end of 1993 Western had 50 SVTs operating in 25 branches. Total handle for these SVTs was \$8.7 million, an increase of \$1.9 million or 27.6%.

Effective April 3, 1991 Western began offering surcharge-free wagering to its telephone betting account customers who must maintain a minimum balance (currently \$300) in their account at the time of the wager, in accordance with the provisions of Section 1012 of the Racing Law. By the end of 1993 Western had 249 surcharge-free accounts. Total handle for these accounts was \$3.1 million. Telephone betting increased overall \$153,000 or 2.5% over 1992 to \$6.1 million.

The Tel-A-Bet Centre which opened in February 1992 to service surcharge-free telephone betting account holders closed on December 31, 1993. The Tel-A-Bet Centre suffered a severe drop in handle after the opening of the Niagara Falls Simulcast theater. While never experiencing a large handle, the simulcast theater made the Tel-A-Bet Centre obsolete in the Niagara Falls area. The handle dropped from an average weekly handle of \$18,893 prior to the opening of the Simulcast theater to \$4,132 after the opening, a decrease of 78.1%.

Another innovative branch operation, located in the Buffalo Airport terminal, closed in July of 1993. This operation was the only OTB facility located in an airport in the country. This facility, which opened in November of 1992 had an average weekly handle of \$4,983 and total losses in excess of \$69,000. The failure of this branch can partially be attributed to the fact that the airport is split into two non-connected terminals and to the high overhead at the airport.

In 1993, Western set up branch operations in two newly constructed buildings on W. Broad St., Rochester and Empire Blvd, Webster. Western owns the W. Broad St. facility and leases the Webster facility.

Western has acquired 21 properties through December of 1993 at a total cost of \$12.4 million including costs for land, buildings, renovations and improvements. Western used the sale of bond anticipation notes from 1987 through 1989 to finance construction. As of December 31, 1993 total corporate debt from the bonds and notes totaled \$617,000.

A new financing vehicle became available to Western in 1989. The New York State Legislature enacted legislation which allows all off-track betting corporations to establish a Capital Acquisition Fund to finance the acquisition, construction and equipping of facilities of the corporation. No contributions may exceed the lesser of 1% of the corporation's quarterly net handle or 50% of the corporation's quarterly net revenue, exclusive of surcharge. The



balance of the fund may not exceed the lesser of 1% of total pari-mutuel wagering pools for the previous 12 months or the undepreciated value of the corporation's offices, facilities and premises. During 1993, Western made no contributions to the Fund. They earned \$2,000 in interest on an average balance of \$92,940.

On July 2, 1990, the State Legislature mandated the imposition of a 1% supplemental surcharge on wagering pools of multiple, exotic and super-exotic wagers and provided that sums derived from the supplemental surcharge be distributed to its Capital Acquisition Fund. With this fund the corporation could make new capital acquisitions or pay off existing loans. In 1993, Western accrued \$1.1 million from the supplemental surcharge and an additional \$11,700 in interest.

Western has accrued a total of \$1.1 million from both sources in 1993. Since inception, Western has accrued a total of \$8 million in the fund and expended \$7.4 million leaving \$615,000 in the fund at year's end.

In 1985 Western executed a contract with Control Data Corporation (CDC) to provide tote services to its branches. This contract extended through December 31, 1992 with an option to extend it through December 31, 1994. On February 28, 1991 Western signed an amendment to the contract extending it through December 31, 1994. In consideration of Western granting the extension they received a reduced rate schedule for the years 1991 through 1994. Total cost of the contract over the four years is estimated to be \$9.4 million. Western estimates it will save more than \$1.4 million over the four year period. Both parties may, on or before September 1, 1994, mutually agree to extend the contract through 1995.

CDC sold its automated wagering division to Video Lottery Technology (VLT) on June 23, 1992. Western assigned its contract with CDC to Automated Wagering International, a subsidiary of VLT in accordance with that agreement.

On January 27, 1994 Western's Board voted to award a new 10 year tote contract to United Tote beginning with the expiration of its current contract with Automated Wagering. Western will pay United Tote 0.35% of all pari-mutuel wagers. Western estimates they will save \$2.2 million annually in tote expenses by entering into this contract. Since this contract, United was acquired by AWI.

### SIMULCAST THEATER

Western opened its first simulcast theater on May 1, 1993 at the Rainbow Center Mall in Niagara Falls. This facility, which charges a \$3 admission, seats 240 people, offers restaurant service including alcoholic beverages and has no dress code. Winning wagers on simulcast races are not subject to the OTB surcharge. Winning wagers on non-simulcast wagers are subject to the surcharge. The 1993 handle for the simulcast theater was \$6.1 million. The simulcast theater has generated \$37,000 in admission fees and has paid \$1,500 in state admission taxes. Admissions in 1993 totaled 33,924. Western received \$5,400 from the concessionaire in rental

income. Pursuant to Section 1009(10) of the Racing Law, Western OTB paid the City of Niagara Falls \$61,000 in 1993. This payment is derived from an agreement with the City of Niagara Falls to pay them 1% of simulcast theater handle in lieu of any other local tax.

### **CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION**

Capital District Regional Off-Track Betting Corporation is located in the northeastern portion of New York State. The major cities located within Capital OTB are Albany, Schenectady, Troy and Utica. Also located within Capital OTB is one thoroughbred track, Saratoga Race Track of the New York Racing Association (NYRA) and two harness tracks, Saratoga Raceway and Vernon Downs. The region is comprised of 21 counties; 15 of these counties as well as the City of Schenectady participate in off-track betting.

Capital OTB operated 53 branches and two simulcast theaters (one a special demonstration project in Greene County) during 1993. Capital has 48 simulcast branches which simulcast races from NYRA and Finger Lakes Race Track. Depending on which harness tracks are open, Capital simulcasts Batavia Downs, Vernon Downs, Saratoga, Buffalo, Monticello and Yonkers Raceways on various days. On two occasions Capital simulcast races from Gulfstream Park and once from Philadelphia Park.

In 1993, Capital OTB handled \$171.2 million on thoroughbred races and \$38.1 million on harness races for a total handle of \$209.3 million, a decrease of \$11.5 million or 5.2% as compared to 1992. Capital OTB ranks second in the State in terms of total off-track betting handle with 12.8% of the statewide handle.

Of Capital OTB's 1993 total handle, \$170.1 million or 81.3% was wagered on simulcast races. This is a decrease of \$7.7 million or 4.3% as compared to 1992.

Capital OTB also accepted wagers on various non-simulcast out-of-state races. The Racing Law authorized OTB corporations to accept wagers (not simulcasts) on out-of-state thoroughbred race tracks, when the non-profit racing association (NYRA) is not conducting racing. For late 1992 and early 1993 an amendment to the Racing Law allowed the simulcast of out-of-state thoroughbred race tracks when there was no in-state thoroughbred racing (dark day) under certain conditions. The conditions were deemed undesirable and so, this provision was never employed. The amendment also allowed for simulcasts of out-of-state races by OTB when NYRA canceled racing and substituted an out-of-state simulcast track. In 1993, Capital simulcast Gulfstream Park and Philadelphia Park when NYRA canceled its card. Capital's daily average handle on Gulfstream was \$282,000 (\$251,000 simulcast and \$31,000 non-simulcast) on the two Saturdays it simulcast. The daily average handle on Gulfstream Park (Tuesdays) without simulcasting was \$190,000 in 1993 (on these days Capital offered wagering on more than one track). Capital's handle on its one simulcast of Philadelphia Park, a Monday, was \$160,000 (\$129,000 simulcast and \$31,000 non-simulcast). On the only other day, a Tuesday, Capital took Philadelphia (no simulcast) its handle was \$86,000 (Philadelphia was the only track taken).

During 1993, Capital accepted wagers on nine out-of-state tracks on NYRA dark days. Total handle for these dark day tracks was \$6.9 million, an increase of \$1.6 million or 29.2% as compared to 1992.

Other recent changes in the law (see Section 905 and 905-a) in Chapters 503 and 764 of the Laws of 1992 have expanded the number of thoroughbred special events which may be simulcast and wagers accepted on from fifteen (15) to fifty (50). The Kentucky Derby, the Preakness and the Breeders' Cup (seven races in one day) are separate from the other 47 races designated of special interest.

The number of harness races of special interest upon which an OTB is allowed to take wagers (not simulcasts) remains at five (5). In-state harness tracks are also allowed to accept wagers on five (5) out-of-state harness races of special interest. The OTB's were also allowed to take these races (no simulcasting) without counting towards their allowed five races of special interest. The Breeders' Crown and the Hambletonian, which may be simulcast, do not count against the five (5) out-of-state harness races of special interest.

Capital handled 49 thoroughbred and 8 harness special events in 1993. Capital's handle totaled \$5.2 million for the 57 special events, compared to \$4 million in 1992 (45 special events). All out-of-state wagering amounted to \$12.1 million, compared to \$9.4 million in 1992, an increase of \$2.8 million or 29.6%.

Capital OTB on certain occasions (NYRA dark days and cancellations) has shown delayed telecasts of out-of-state races. These delayed broadcasts were allowed in an attempt to increase interest in racing and permitted with certain restrictions. The replay was not shown until after the race was official and all OTB payouts were posted. During the replay the screen has to be clearly labeled "replay". These restrictions were imposed to insure the integrity of the pari-mutuel system and to protect the interests of the racing fans.

In October, 1993 Capital requested, from the Board, permission to accept wagers and replay a delayed picture of races from the Meadowlands. This request was for three consecutive Tuesday nights, starting October 19, while Monticello was operating. Permission was granted to Capital (and to Western), with Monticello's consent. After the first occasion, Monticello, its horsemen and Yonkers horsemen objected to any further Meadowland wagering. Capital thereupon withdrew its request for any continuation. Since there was only one night of Meadowland's racing a reliable comparison cannot be made.

In 1993, Capital OTB's handle for telephone accounts was \$17 million, a decrease of \$1 million or 5.5% as compared to 1992. Regular accounts handled \$15.3 million and surcharge-free accounts, those with a minimum balance of \$300 at all times, had a total handle of \$1.7 million in 1993.

Capital OTB's handle may have been affected by two situations unique to the upstate area. The opening of the Oneida Indian casino in Verona (Oneida County) on July 20, 1993 and the

commencement of simulcasting at Blue Bonnets Race Track in Montreal, Canada on July 21, 1993.

Clinton County is most affected by the Blue Bonnets simulcast. The Champlain branch's handle decreased \$3,019 per day or 53.4% (as compared to 1992) for the period July 21, 1993 through December 31, 1993. Plattsburgh's handle for the same period decreased \$920 per day or 5.8%. This made for a combined decrease of \$13,267 per day or 18.4% (excluding telephone wagering). All other branches combined experienced a decrease of 2.2% for the same period. (It should also be noted that when NYRA simulcasts to Blue Bonnets, with an approximate daily handle of \$300,000, both the track and its horsemen benefit from the commissions.)

The new Indian casino affected 12 Capital branches (including telephone wagering). Since the casino opened, Capital's 12 branches located within 40 miles of the casino have shown a combined decrease of \$2 million or 12.4%. All other branches have shown a combined decrease of 1.1% for the same period. No two branches were affected the same way. For example, one branch had an increase of \$99,000 or 9.2%, while another experienced a decrease of \$90,000 or 19.7%. It would seem that the casino would adversely affect Capital OTB but it is difficult to pinpoint exactly how.

Capital OTB distributed \$4.7 million in surcharge revenue from winning NYRA wagers. Statutory payments, based on simulcast handle, to NYRA in 1993 were \$3.1 million. Simulcast contractual payments in 1993 added \$1.1 million. Capital OTB's six-year contract calls for Capital to pay NYRA 2.75% of NYRA daily net handle at simulcast branches for the period of January 1, 1990 through December 31, 1992. From January 1, 1993 to December 31, 1995, the percentage will increase to 2.85%. Capital OTB pays 6.5% of NYRA daily net handle at the simulcast theaters. All percentages include statutory payments. Capital pays NYRA \$35,000 a year for the rights to broadcast the live call over commercial radio. In August 1992, Capital OTB's contract with NYRA was amended. This amendment resulted from Capital broadcasting the live audio call of the NYRA racing program, the "NYRA Pre-Race Show" and video replays of the daily NYRA races on the Off-Track Betting Communications Network, both within and outside of the Capital region. The agreement continued Capital's right to broadcast the live call over commercial radio. In addition the agreement allows Capital the right to broadcast the live audio race call and/or the "NYRA Pre-Race Show", at the option of Capital on the Off-Track Betting Communications Network in the Capital region only, at an annual rights fee of \$15,000.

Capital OTB distributed \$368,000 in surcharge revenue from winning Saratoga Raceway wagers. Statutory payments, based on simulcast handle, to Saratoga Raceway in 1993 were \$207,000. Simulcast contractual payments added \$154,000 in 1993. The term of Capital's contract with Saratoga Raceway is five years commencing July 1, 1993. The contract calls for Capital to pay \$105,000 annually in equal monthly payments. Capital will also pay 1% of the cumulative excess of wagers placed at four simulcast branches and the simulcast theater on Saratoga Raceway programs during each respective year, over such wagers placed at such facilities during the calendar year 1988 (the base year). The contract also allows Capital to simulcast other tracks into certain branches within Saratoga Raceway's region when that track

is racing. The Friar Tuck Inn (a special demonstration project), New Lebanon, Plattsburgh and Lake George were allowed to simulcast other harness tracks when Saratoga Raceway was racing because of an inability to microwave simulcasts of Saratoga to these branches.

In 1993, Vernon Downs started simulcasting its races. Capital distributed \$185,000 in surcharge revenue from winning Vernon Downs wagers in 1993. Statutory payments, based on simulcast handle, to Vernon Downs in 1993 were \$181,000. Simulcast contractual payments totaled \$93,000 in 1993. Capital's agreement with Vernon Downs has an indefinite term commencing on April 1, 1993. The agreement requires Capital to pay \$255 plus 1.5% of the incremental handle which exceeds \$17,000 in the Vernon region, for each night of simulcasting. When Capital simulcasts Vernon into the Saratoga Raceway region there will be no additional charges beyond the statutory payments. Vernon Downs pays all of the uplink costs.

Capital OTB distributed \$898,000 in surcharge revenue from winning Finger Lakes wagers. Of this, \$404,000 was included in Capital OTB's regular earnings under the Board's interpretation of Section 532(3)(b)(v) of the Racing Law. A 1985 amendment to Section 532 of the Racing Law provided that, when Finger Lakes simulcasts outside its special betting district, the 50% share of surcharge allocated to the county in which such track is located shall be re-allocated 90% to the OTB corporation (as regular earnings) and 10% to the county. Statutory payments, based on simulcast handle, to Finger Lakes in 1993 were \$789,000. Simulcast contractual payments totaled \$250,000 in 1993. Capital OTB had an agreement with Finger Lakes for the 1993 season, April 9 to November 30. Under this agreement Capital paid Finger Lakes an extra 1% of the corporation's net handle. Finger Lakes was responsible for the uplink and Capital for the downlink. The track provided Capital the necessary decoding devices.

Capital OTB distributed \$451,000 in surcharge revenue from winning Yonkers wagers. Statutory payments, based on simulcast handle, to Yonkers in 1993 were \$266,000. Simulcast contractual payments totaled \$56,000 in 1993. The contractual payment is 0.5% of the total daily Yonkers handle which exceeds \$83,000 for each race day. Capital OTB also pays Yonkers an annual fee of \$50,000. While there is no written contract, Capital OTB does have a verbal agreement with Yonkers.

Capital OTB distributed \$50,000 in surcharge revenue from winning Batavia pay-offs. Statutory payments, based on simulcast handle, to Batavia in 1993 were \$33,000. Simulcast contractual payments totaled \$11,000 in 1993. Capital OTB paid Batavia \$300 per race date, when both of Capital's regional tracks were dark, and \$150 per race date when one regional track was dark. There was no simulcasting when both regional tracks were conducting racing.

Capital OTB distributed \$139,000 in surcharge revenue from winning Buffalo wagers. Statutory payments, based on simulcast handle, to Buffalo in 1993 were \$91,000. Simulcast contractual payments totaled \$24,000 in 1993. Capital OTB paid Buffalo Raceway \$300 per race date, when both of its regional tracks were dark, and \$150 per race date when one regional track was dark. There was no simulcasting when both regional tracks were conducting racing.

Capital OTB distributed \$122,000 in surcharge revenue from winning Monticello wagers. Statutory payments, based on simulcast handle, to Monticello in 1993 were \$58,000. Capital OTB agreed to pay Monticello \$250 per race date for the right to simulcast, but no simulcast contractual payments were paid in 1993.

Capital OTB paid a fee of \$154,000 in 1993 to the simulcast vendor for satellite transmission time for various race tracks.

Capital finances many of its projects through loans and leases. At the end of 1993, Capital OTB had six outstanding obligations:

<u>BANK</u>	<u>LOAN AMOUNT</u>	<u>OUTSTANDING BALANCE</u>	<u>PURPOSE</u>
Fleet	\$7,500,000	\$4,690,000	Leasehold improvements
	290,000	152,250	Expand simulcast theater parking lot
	590,000	220,021	Mortgage (Imperial Racing Center)
Adirondack Leasing	38,106*	10,797*	Restaurant equipment
CIT Equipment	120,274*	92,554*	Bowlingo games
Financing, Inc.	115,014*	87,753*	Projector equipment

In June 1993, CIT assumed the Amplicon Financial lease payable.

(\*Includes principal and interest)

Capital's largest loan is with Fleet Bank. In early 1993 Capital renegotiated this loan. The new terms call for the loan to be paid in full by 1997. The rate of interest for all of the Fleet Bank loans is 75% of the prime rate adjusted quarterly. There is a 12% maximum and a 5% (6% for the mortgage) minimum rate of interest. The interest rate as of December 31, 1993 was 5% (6% for the mortgage). The interest rate on the Adirondack Leasing loan is 11%. The CIT and Amplicon obligations are leases with a payment schedule that includes principal and finance charges.

On July 2, 1990, the State Legislature mandated the imposition of a 1% supplemental surcharge on wagering pools of multiple, exotic and super-exotic wagers and provided that sums derived from the supplemental surcharge be distributed to a Capital Acquisition Fund. With this Fund, the corporations can make new capital acquisitions or pay off existing loans. Capital OTB has established such a fund and contributed \$1 million during 1993 and expended the same amount. A similar provision allows OTB's to further contribute to this fund, up to 1% of the quarterly net handle or 50% of the quarterly net revenue, whichever is lower. Capital has yet to avail itself of this provision in the Law.

Capital presently has 120 player activated machines, which they refer to as VLCs. These VLCs are leased from Video Lottery Technologies, Inc. The lease calls for Capital to pay \$5.00

per day per machine for four (4) years, at which time Capital will own the machines. The VLCs had a total handle of \$28.9 million in 1993, 13.8% of Capital's total handle.

At the end of 1993, Capital OTB was operating 21 telebranches. These telebranches offered table service, deli food or vending machines. Capital OTB also operates 12 enhanced telebranches in 11 different counties. All of these enhanced telebranches offer patrons a comfortable simulcast viewing area and food service with alcoholic beverages. The food service offered by these branches varies from table service to deli style to a combination of both.

### TELEPLEX RACING CENTER - 1993 UPDATE

The Teleplex Racing Center is a single building and contains two OTB facilities. One is an enhanced telebranch; the other, a simulcast theater. The enhanced telebranch offers food and alcoholic beverages and has no dress code. The telebranch does not charge an admission fee and winning wagers are subject to the OTB surcharge.

Handle at this facility was \$11.5 million, a decrease of \$1 million or 8.2%. The rate of decrease for all other branches (combined) is 5%. It appears that the Scoreboard has been unable to stymie the annual decline in handle at this facility. Capital received \$268,000 from its concessionaire and \$211,000 from various arcade and golf games.

In 1992, the Board authorized Capital OTB to charge an admission fee at the Scoreboard section of the Telebranch. Capital was allowed to charge \$1.00 on Wednesday, Friday and Saturday as well as a higher amount on special occasions, i.e. New Years Eve, concerts, etc. Capital uses the admission fee as a way of controlling the number of patrons at the Scoreboard, so the fee is not in effect on every Wednesday, Friday and/or Saturday night. The fee for concerts and other similar events is used to cover the expenses of such an event. In 1993, Capital collected \$43,000 in admission fees which generated \$1,731 in State admission taxes.

The simulcast theater charges \$3 per person for admission and winning wagers on simulcast races are not subject to the OTB surcharge. All non-simulcast races are subject to the OTB surcharge. This entertainment center offers food, alcoholic beverages, electronic sports information boards, special sporting events and assorted patron amenities. A dress code has been established. Capital received \$35,000 from concession sales at the theater.

The Teleplex Racing Center's handle for 1993 was \$43.5 million. The simulcast theater's handle for 1993 was \$32 million (telebranch's handle \$11.5 million). Handle at the simulcast theater increased \$1.8 million or 6.1%. It was one of nine branches which increased in 1993. In 1993, 20.8% of Capital OTB's total handle resulted from wagers placed at this unique facility. During this year Capital OTB spent \$104,000 on capital improvements at the simulcast theater and \$79,000 at the telebranch, which includes the sports bar.

The simulcast theater has generated additional revenue for state and local governments. Capital OTB collected \$106,000 in admission fees (a decrease of \$13,000) and paid \$4,067 in

State admission taxes. Total attendance at the simulcast theater was 118,434. Capital OTB paid the City of Albany \$320,000 in 1993. This payment is derived from an agreement with the City of Albany to pay 1% of the simulcast theater handle, in lieu of any other local tax.

### **SPECIAL DEMONSTRATION PROJECT-1993 UPDATE**

On June 29, 1990, Capital OTB opened a simulcast theater in the Friar Tuck Inn (Greene County). The simulcast theater has an admission charge of \$3 per person and winning wagers on simulcast races are not subject to the OTB surcharge. This theater offers food, alcoholic beverages and a simulcast viewing area. The handle for 1993 in this facility was \$3.1 million. Total attendance at the project was 10,192 generating \$30,576 in admission fees, and resulting in \$1,177 in State admission taxes. Under the agreement between Capital and Friar Tuck, the hotel retains any income from the restaurant's operations.

The theater is open year round except for two weeks (April 4 to April 14 in 1993) when a private organization, which disapproves of gambling, rents the entire hotel.

### **CATSKILL REGIONAL OFF-TRACK BETTING CORPORATION**

Catskill Regional Off-Track Betting Corporation is comprised of 13 counties located in the eastern and southern regions of the State. Nine of these counties participate as members of this corporation. They are Broome, Chemung, Chenango, Dutchess, Orange, Putnam, Rockland, Tioga and Ulster. Some of the larger cities served by Catskill OTB are Binghamton, Kingston, Middletown, Newburgh, Poughkeepsie and Suffern. Many of Catskill's branches are bordering Connecticut, New Jersey and Pennsylvania and attempt to draw customers from those states. Pawling and Brewster have branches near the Connecticut border. Pearl River, Nyack, Nanuet, Suffern and Hillburn are near the New Jersey state line as is Port Jervis which borders New Jersey and Pennsylvania. Additionally, the Waverly and Elmira branches draw some customers from Pennsylvania.

In the Catskill region there are two operating race tracks both of which are harness tracks. Sullivan County is the home of Monticello Raceway with the closest OTB branches being in Ellenville and in Port Jervis. Yonkers Raceway is in Westchester County. Participating Tioga County in the state's southern tier region has a race track, Tioga Park. Although encouraged by the last three New York State legislative sessions to reopen, Tioga Park has remained dormant.

Catskill OTB operated 30 branches during 1993. The first simulcast theater in the Catskill region was opened on April 30 in Hillburn on the top of a mountain (near Suffern) in the Mt. Fuji restaurant. On July 15, Catskill relocated its Poughkeepsie branch, a non-simulcast branch to the Derby Restaurant. The new branch became an enhanced simulcast branch. On November 6, Catskill closed a non-simulcast branch in Highland Falls near West Point. Therefore, Catskill ended 1993 operating 29 branches including one simulcast theater.



Catskill's 1993 handle was \$118 million, a decrease of \$7.2 million or 5.8% from 1992. Of that total \$91 million was wagered on thoroughbred races and \$27 million on harness races. The total handle for Catskill OTB represents 7.2% of all New York Off-Track Betting handle in 1993. Catskill ranks sixth in the state in terms of total betting handle.

Of Catskill's \$118 million handle, \$96.6 million or 81.9% was wagered on simulcast races. This is a decrease of \$5.1 million or 4.7% as compared to 1992. Of the 29 Catskill branches, 22 simulcast the races from varying New York race tracks as allowed by state law and by contract with each individual track. Thoroughbred simulcast handle at these 22 branches resulted in \$75.1 million in 1993.

Harness racing handle declined once again at the simulcast branches and mirrored the decline in harness racing throughout New York State both on and off track. Catskill handled \$21.5 million at its simulcast branches, down \$1.5 million from 1992.

Yonkers now races year around since the closing of the other metropolitan harness track (Roosevelt Raceway). Previously, Yonkers raced half the year and Roosevelt raced the other half. As recently as 1987, Catskill handled \$39.9 million on the Yonkers/Roosevelt season including over \$20 million on Yonkers alone (in a six month period). To put the startling harness wagering decline in perspective, Catskill in 1993 handled less money in a full year's racing at Yonkers (\$17.8 million), than it did in 1987 with just six months (\$20 million) of Yonkers racing!

It certainly appears that current racing law regarding special betting districts and regional track status is not working when it comes to harness racing. Intended to keep the harness tracks from losing their on-track customers, this clearly has not been the case with the dwindling attendance figures from all New York race tracks. Catskill OTB has been steadily losing ground with its harness racing product too. Today it is very difficult to get customers to attend a night of harness racing either on or off track.

Catskill has experienced outstanding success on three separate days of continuous racing action. The first was on December 23, 1992 when it carried both of its regional harness tracks because of a fluke in scheduling. Monticello had a scheduled twilight card and Yonkers originally was going to be dark but at the last minute decided to race. Catskill's \$151,000 combined handle that day exceeded any previous harness handle record.

A year later on December 22 and 23, 1993, Monticello again followed Aqueduct with a twilight card that preceded Yonkers evening races and \$116,000 was wagered on the Wednesday and \$155,000 on Thursday on harness racing alone. This latter figure set a new handle record for any one day of harness racing at Catskill OTB.

Monticello Raceway simulcast 53 more programs into the Catskill region than in 1992. The schedule of racing at Monticello seemed to confuse everyone. The track, normally a night time harness track, raced twilight cards much of the year. From March through June and again

from mid-October through December, Tuesday night cards were simulcast (unless Yonkers raced). In the past Monticello has had many matinees and even has tried racing in the morning. In general, Monticello simulcast race cards when Yonkers did not.

Catskill OTB also accepted wagers on various out-of-state tracks. The Racing Law authorized OTB corporations to accept wagers (not simulcasts) on out-of-state thoroughbred race tracks, when the non-profit racing association (NYRA) is not conducting racing. For late 1992 and early 1993, an amendment to the Racing Law allowed the simulcasts of out-of-state thoroughbred race tracks when there was no in-state thoroughbred racing (dark days) under certain conditions. However, those conditions were deemed undesirable and so this provision was never employed. The amendment also allows for simulcast of out-of-state races by an OTB when NYRA canceled racing and substituted an out-of-state simulcast track. On three occasions in early 1993 Catskill simulcast a full card of races from out of state tracks. On Monday, February 1, Philadelphia Park was simulcast and on the successive Saturdays of February 6 and February 13, Gulfstream Park was simulcast.

Other recent changes in the Law (See Section 905 & 905-a) in Chapters 503 and 764 of the Laws of 1992 have expanded the number of thoroughbred special events upon which wagers and simulcast signals may be accepted from fifteen (15) to fifty (50). The Kentucky Derby, the Preakness and the Breeders' Cup (seven races in one day) are separate from the other 47 races designated of special interest. Catskill OTB conducted wagering on 48 thoroughbred special events in 1993.

The number of harness races of special interest upon which an OTB is allowed to take wagers remains at five. The Breeders' Crown and the Hambletonian, which may be simulcast, do not count against the five harness races of special interest. Catskill OTB conducted wagering on five harness special events in 1993.

All out-of-state wagering in 1993 for Catskill OTB amounted to \$7.8 million, an increase of \$1.7 million or 27.9% over 1992.

In 1993, Catskill's expenses associated with simulcasting once again increased. The corporation's lone simulcast vendor was paid \$350,000 for its services in 1993.

Catskill has a multi-year simulcast contract with NYRA. The NYRA contract in effect calls upon Catskill OTB to pay NYRA 6.5% (including statutory payments) on total simulcast handle. This contract executed on November 30, 1990 extends through January 15, 1996. Catskill paid NYRA over \$4 million in statutory payments based on simulcast handle. Contractual payments to NYRA totaled \$880,000. Surcharge revenue of \$2.9 million was generated on winning NYRA wagers.

Catskill's contract with Finger Lakes has been on a year to year basis coinciding with the Finger Lakes racing season. The Finger Lakes contract calls for Catskill OTB to pay a 1% premium commission on total simulcast handle for the Finger Lakes simulcast. Finger Lakes

received \$351,000 in statutory payments based on simulcast handle and \$126,000 in contractual payments. Surcharge revenue of \$279,000 was generated on winning Finger Lakes wagers.

Catskill does not pay Monticello a premium for its simulcast but does pay a per card fee towards the cost of the simulcast uplink (\$250 per simulcast program). Monticello received \$193,000 in statutory payments based on simulcast handle. Monticello also received \$250 per simulcast card or \$16,800 in contractual payments. Catskill distributed \$297,000 in surcharge revenue from, winning Monticello wagers..

Catskill has not had a contract with Yonkers since 1990 and has just received the result of binding arbitration with Yonkers. No agreement to a contract was forthcoming in either 1991 or 1992. In April of 1992, Catskill informed the Racing and Wagering Board of a pending arbitration request. On May 1, the Board reimposed the since terminated and expired March 5, 1986 agreement between Yonkers and Catskill. In July of 1993, binding arbitration procedures were initiated. In late 1993, each side made it's "best last offer". The arbitrator's decision rendered in March of 1994 sided with Yonkers.

Under the old contract Yonkers received \$340,000 in statutory payments based on simulcast handle in 1993. Since there was no executed contract with Yonkers, no contractual payments have been made. Catskill has an escrow account set up and made payments into this account of \$100,000 in 1991, \$65,000 in 1992 and \$80,000 in 1993 to be used toward eventual contractual commissions that will be due Yonkers. Catskill distributed \$750,000 in surcharge revenue from winning Yonkers wagers.

In 1989, the New York State Legislature enacted a law which allowed OTB corporations to establish a Capital Acquisition Fund. From this Fund an OTB corporation could finance an acquisition and fund the construction and equipping of facilities of the OTB. No contribution to the fund shall exceed the lesser of 1% of the OTB corporation's quarterly net handle or 50% of the corporation's quarterly net revenue, exclusive of surcharge. The balance of the Fund shall not exceed the lesser of the total pari-mutuel wagering for the previous 12 months or the undepreciated values of the corporation's offices, facilities and premises. Catskill OTB had its Capital Acquisition Fund in place in 1989.

On July 2, 1990, the State Legislature mandated the imposition of a 1% supplemental surcharge on wagering pools of multiple, exotic and super-exotic wagers and provided that sums derived from the supplemental surcharge be distributed to the Capital Acquisition Fund. There was a carryover balance to 1993 of \$2.6 million. During 1993, \$953,000 was generated for this Fund by wagering at Catskill. During 1993, \$362,000 was expended by Catskill on various capital projects, leaving a balance of \$3.3 million in it's Capital Acquisition Fund at year's end.

Telephone betting in 1993 for Catskill OTB totaled \$2.2 million. Account holders who maintain a balance of \$300 or more are exempt from the surcharge normally placed on winning wagers. Of the 6,000 Catskill telephone account holders, 200 maintain a \$300 minimum balance in order to avoid the surcharge on winning wagers.

Catskill made a corporate decision in 1993 to start its own computer-totalisator system. Previously, Catskill obtained this service from New York City OTB which utilized the pari-mutuel services of AmTote. The basis for this decision was the uncertain future of New York City OTB and the desire to upgrade services for Catskill's customers.

Catskill has signed a contract with a new pari-mutuel corporation, Autotote. In addition to having the latest in pari-mutuel equipment, Catskill has the capacity to service other pari-mutuel facilities should any future contracts be forthcoming. The new system has proven to be most beneficial to both Catskill and its customers.

### SIMULCAST THEATER

The Mt. Fuji restaurant in Hillburn, N.Y. (near Suffern and adjacent to the New York State Thruway) became Catskill's first and only simulcast theater. It was opened on April 30, 1993, just in time for the Kentucky Derby. In its first eight months of operation, a total of \$3.2 million in simulcast handle was wagered on races from NYRA, Finger Lakes, Yonkers and Monticello. Currently there is a five dollar admission charge. On-track pari-mutuel prices are paid with no surcharge on winning wagers.

### SUFFOLK REGIONAL OFF-TRACK BETTING CORPORATION

Suffolk Regional Off-Track Betting Corporation, located in Suffolk County, had 16 branches and a simulcast theater operating in 1993. Eleven branches and a simulcast theater simulcast races from the New York Racing Association (NYRA), Finger Lakes, Philadelphia Park, and Gulfstream Park. Harness races from Yonkers, Monticello and for the first time Vernon Downs and Buffalo Raceway were also simulcast in 1993.

In 1993, Suffolk handled \$142.3 million on thoroughbred races and \$32.1 million on harness races, for a total of \$174.4 million, a decrease of \$4.3 million or 2.4% compared to a total handle of \$178.7 million in 1992. Handle in Suffolk has dropped for the fourth consecutive year from a high of \$206.8 million in 1989 to its current level. In terms of total betting handle, Suffolk OTB ranks fifth in the State, with 10.6% of all New York State off-track betting handle.

Of Suffolk OTB's total handle, \$142.5 million, or 81.7% was wagered on simulcast races. This represents a decrease in simulcast handle of \$3.2 million, or 2.2% from 1992.

NYRA races were simulcast into 12 Suffolk OTB facilities, including one simulcast theater. Suffolk's contract with NYRA is for the period from June 30, 1992 through June 30, 1997. The contract provides for payment of 1.5% of net simulcast handle over the statutory rate, not to exceed 6.5% at simulcast branches, and 2% over statutory rates, not to exceed 7% at the simulcast theater. Under the terms of the contract, Suffolk paid NYRA \$1.7 million in contractual payments and \$5.5 million in statutory payments based on simulcast handle. Suffolk distributed \$3.2 million in NYRA surcharge revenue on total winning NYRA wagers.

Finger Lakes was simulcast into 12 branches and the simulcast theater for 32 NYRA dark days from April 20 through November 30, and for 25 additional days during the NYRA Saratoga meet. The terms of its 1993 agreement with Finger Lakes calls for Suffolk to pay 1.15% more of net handle. Transmission costs are assumed by Finger Lakes. Finger Lakes received \$116,000 in statutory payments and \$42,000 in contractual payments based on simulcast handle during 1993. Suffolk distributed \$144,000 in surcharge revenue from Finger Lakes based on all winning Finger Lakes wagers.

Suffolk simulcast Monticello races for 67 days. Suffolk distributed \$82,000 in surcharge revenue on all Monticello winning wagers and paid \$87,000 in statutory payments. There were no contractual payments.

Harness races from Yonkers were simulcast into 11 branches and one simulcast theater during 1993. The written contract with Yonkers expired on February 28, 1990. Simulcasting continues under the terms of the lapsed contract. Suffolk pays a minimum of \$500 per evening, except for Sunday evenings when Yonkers receives 0.5% more of simulcast handle. Payments are on an ascending scale, from 0.5% of handle (up to \$90,000) to 1.3% of handle (over \$210,000) for all wagers placed after 7 p.m. Yonkers received \$118,000 in contractual payments and \$1.2 million in statutory payments based on simulcast handle during 1993. Suffolk distributed \$824,000 in surcharge revenue from all winning Yonkers wagers. Negotiations for a new written agreement continue.

Suffolk OTB began the simulcasting of races from Vernon Downs in 1993. Suffolk paid \$44,000 in statutory payments. There were no contractual payments made. Suffolk distributed \$26,000 in surcharge revenue on all winning Vernon Downs wagers.

Suffolk OTB began the simulcasting of races from Buffalo Raceway in 1993 into its simulcast branches. Suffolk paid \$11,000 in statutory payments. There were no contractual payments made. Suffolk distributed \$6,000 in surcharge revenue on all winning Buffalo wagers.

Suffolk OTB also accepted wagers on various out-of-state race tracks. The Racing Law authorized OTB corporations to accept wagers (not simulcasts) on out-of-state thoroughbred race tracks, when the non-profit racing association (NYRA) is not conducting racing. For late 1992 and early 1993 an amendment to the Racing Law allowed the simulcast of out-of-state thoroughbred tracks when there was no in-state thoroughbred racing (dark day) under certain conditions. The conditions were deemed undesirable and so, this provision was never employed. The amendment also allowed for simulcast of out-of-state races by OTB when NYRA canceled racing and substituted an out-of-state simulcast track. In 1993, Suffolk simulcast Gulfstream Park and Philadelphia Park when NYRA canceled its card. Suffolk's simulcast handle on Monday, February 1, 1993 when only Philadelphia Park wagers were accepted was \$109,000. Suffolk's average simulcast thoroughbred handle for Saturdays, February 6 & 13, 1993 when only Gulfstream Park wagers were accepted was \$167,000. Suffolk OTB accepted wagers on six out-of-state tracks on NYRA dark days during 1993. Total handle for these dark day tracks

was \$5.1 million compared to a total handle of \$3.7 million in 1992, an increase of \$1.4 million or 37% in 1993.

Other recent changes in the law (see Section 905 & 905-a) in Chapters 503 and 764 of the Laws of 1992 have expanded the number of thoroughbred special events which may be simulcast and wagers accepted on from fifteen (15) to fifty (50). The Kentucky Derby, the Preakness and the Breeders' Cup are separate from the other 47 races designated of special interest.

The number of harness races of special interest upon which an OTB is allowed to take wagers (not simulcasts) remains at five. The Breeders' Crown and the Hambletonian which may be simulcast do not count against the five out-of-state harness races of special interest.

Wagering was conducted on 43 thoroughbred races of special interest and six harness races of special interest. Suffolk OTB's handle totaled \$4.3 million for the 49 special events, an increase of \$1.4 million or 48.3% compared to 1992 (26 special events). All out-of-state wagering amounted to \$9.4 million.

On July 2, 1990, the State Legislature mandated the imposition of a 1% supplemental surcharge on wagering pools of multiple, exotic and super-exotic wagers and provided that sums derived from the supplemental surcharge be distributed to the Capital Acquisition Fund. Suffolk OTB received \$723,000 from the supplemental surcharge in 1993.

A similar provision allows OTBs to further contribute to this Fund up to 1% of the quarterly net handle or 50% of the quarterly net revenue, whichever is lower. Suffolk did not employ this provision in 1993.

In addition to payments made to the tracks for simulcasting, the corporation has a simulcast vendor who is responsible for the encoding, uplink and satellite transmission of Yonkers simulcasts. This vendor also provides the downlink for all other harness simulcasts at Suffolk facilities. Suffolk paid \$257,000 for this service in 1993.

There are a total of 47 screen activated machines (SAMs) currently in use in 15 Suffolk branches. A "bill acceptor" is available at Tel-A-Race which enables customers to purchase a voucher without standing in line at a teller's window. Observation indicates that customers in the simulcast theater have been more accepting of the SAMs than customers in OTB branches in general. Prior to 1993, Suffolk did not keep statistics on the use of SAMs. In January 1993, Suffolk began reviewing handle statistics on the SAMs. These numbers indicate that the SAMs which cost \$12.50 per day each, are at least self-sustaining.

In 1990, 15 Tiny Tims were installed at the simulcast theater. These individual terminals permit customers who have telephone betting accounts or have opened a "daily" account to make wagers while sitting at the bar or in the restaurant at the simulcast theater. Only seven Tiny Tims remain at the theater. There are four more Tiny Tims at "remote" locations, i.e. home or

office. Total Tiny Tim handle in 1993 was \$516,000, of which \$283,000 was from remote units.

There are 2,604 telephone betting accounts at Suffolk, and the account holders wagered \$5.7 million in 1993, compared to \$4.9 million in 1992, an increase of \$800,000, or 16%.

### TEL-A-RACE - 1993 UPDATE

Suffolk's simulcast theater, called "Tel-A-Race", opened in May 1986. The facility offers a full size restaurant, a snack bar, two large theater areas, a bar with alcoholic beverage service, a small lounge area and an additional open area. The two theater areas have large screen televisions, and many more televisions are scattered throughout the facility. The theater pays track prices on all simulcast races. There is an admission charge of \$5.00 and a dress code. The simulcast theater accounts for 28% of total handle in Suffolk.

During 1993, total handle was \$45.8 million, an increase of \$3.4 million or 7.4%. Admission income in 1993 totaled \$193,871. The sale of the racing newspapers in all branches, "tip sheets", and jacket rental at Tel-A-Race generated \$151,000 in additional income. Suffolk received \$175,542 from the restaurant vendor in lease payments. The restaurant's furnishings and equipment are owned by Suffolk and leased to the concessionaire.

### NASSAU REGIONAL OFF-TRACK BETTING CORPORATION

Nassau Regional Off-Track Betting Corporation consists of one county, Nassau, on Long Island. Nassau OTB operated 20 branches in 1993. Twelve branches simulcast thoroughbred races from the New York Racing Association (NYRA). Thirteen branches simulcast thoroughbred races from Finger Lakes Race Track. Thirteen branches also simulcast thoroughbred races from Gulfstream Park on two occasions and from Philadelphia Park once. Thirteen branches simulcast harness races from Yonkers and Monticello Raceways. Eight of these branches also simulcast harness races from Vernon Downs and Buffalo Raceway.

One track, NYRA's Belmont Park, is located in Nassau County. Within its region, Nassau OTB handles wagers on the three NYRA tracks (Belmont, Aqueduct, Saratoga) and two harness tracks (Yonkers, Monticello). Simulcast operations at Nassau OTB remain limited because of the statutory track consent requirements, the proximity of Nassau OTB's branches to the local tracks, and partly because of Nassau's own business decision that additional simulcast locations would not generate enough additional income to offset the additional costs.

In 1993, Nassau OTB handled \$151.1 million on thoroughbred races and \$35.4 million on harness races for a total of \$186.5 million (as compared to \$193.6 million in 1992), a decrease of \$7.1 million or 3.6% from 1992. This total accounts for 11.4% of all the New York State OTB handle in 1993. Nassau OTB ranks third in the State in terms of total betting handle.

Of Nassau OTB's 1993 total handle, \$110.5 million or 59.2% was wagered on simulcast races. This is a decrease of \$8.4 million or 7.1% from 1992.

Nassau OTB also accepted wagers on various out-of-state race tracks. The Racing Law authorized OTB corporations to accept wagers (not simulcasts) on out-of-state thoroughbred race tracks, when the non-profit racing association (NYRA) is not conducting racing. For late 1992 and early 1993 an amendment to the Racing Law allowed the simulcast of out-of-state thoroughbred tracks when there was no in-state thoroughbred racing (dark day) under certain conditions. The conditions were deemed undesirable and so, this provision was never employed. The amendment also allowed for simulcast of out-of-state races by OTB when NYRA canceled racing and substituted an out-of-state simulcast track. In 1993 Nassau simulcast Gulfstream Park and Philadelphia Park when NYRA canceled its card. Nassau's simulcast thoroughbred handle on Monday February 1, 1993 when only Philadelphia Park wagers were accepted was \$90,000. The daily average handle without simulcasting was \$56,000 in 1993. Nassau's average simulcast thoroughbred handle for Saturdays February 6 & 13, 1993 when only Gulfstream Park wagers were accepted was \$191,000. The daily average handle without simulcasting was \$190,000 in 1993. Nassau OTB accepted wagers on six out-of-state tracks on NYRA dark days during 1993. Total handle for these dark-day tracks was \$7.1 million; this compares to a total handle of \$5.2 million in 1992, an increase of \$1.9 million or 36% over 1992.

Other recent changes in the law (see Section 905 and 905-a) in Chapters 503 and 764 of the Laws of 1992 have expanded the number of thoroughbred special events which may be simulcast and wagers accepted on from fifteen (15) to fifty (50). The Kentucky Derby, the Preakness and the Breeders' Cup are separate from the other 47 races designated of special interest.

The number of harness races of special interest upon which an OTB is allowed to take wagers (not simulcasts) remains at five. The Breeders' Crown and the Hambletonian, which may be simulcast, do not count against the five out-of-state harness races of special interest.

Wagering was conducted on 43 thoroughbred races of special interest and six harness races of special interest. Nassau OTB's handle totaled \$5 million for the 49 special events, compared to \$3.4 million in 1992 (26 special events). All out-of-state wagering amounted to \$12.1 million for Nassau OTB, compared to \$8.6 million in 1992, an increase of \$3.5 million or 40.7%.

Nassau's contract with NYRA covers the period from June 30, 1992 through June 30, 1995. The arrangement called for Nassau to pay 1.5% above the statutory rate on all NYRA wagers in simulcast branches. Based on this contract, Nassau OTB paid NYRA \$1.1 million in simulcast contractual payments and \$4.1 million in statutory payments based on simulcast handle for the 12 branches. Nassau OTB distributed a total of \$4.9 million in surcharge revenue on all NYRA winning wagers.



Nassau OTB negotiated a contract with Finger Lakes Race Track, effective March 31, 1993 through December 31, 1993, to simulcast the entire Finger Lakes card each Tuesday and five days a week during NYRA's Saratoga meet. The agreement called for statutory payments, plus a simulcast commission of one percent regardless of the number of simulcast branches. On this basis, Nassau OTB paid Finger Lakes \$151,000 in statutory payments based on simulcast handle and \$45,000 in simulcast contractual payments. Surcharge revenue on all Finger Lakes winning wagers in 1993 totaled \$195,000.

Nassau OTB has no written contract with Yonkers Raceway. It continues to simulcast on a day-to-day basis. Compensation based on the prior agreement calls for a minimum payment of \$300 a day with an additional 0.5% above the statutory rate for all wagers placed after 7 p.m., up to \$90,000 a day. The percentage increases as the handle increases. As a result of this ascending scale agreement, Nassau OTB paid Yonkers Raceway \$95,000 in simulcast contractual payments and \$1 million in statutory payments based on simulcast handle. Nassau OTB distributed a total of \$1 million in surcharge revenue on all Yonkers winning wagers.

Nassau OTB's agreement with Monticello Raceway called for no simulcast contractual payments. Nassau OTB paid \$150,000 to Monticello in statutory payments based on simulcast handle, and distributed \$213,000 in surcharge revenue on all Monticello winning wagers during 1993.

Nassau OTB's 1993 agreement with Vernon Downs called for no simulcast contractual payments. Nassau OTB paid \$11,900 to Vernon Downs in statutory payments based on simulcast handle, and also distributed \$29,000 in surcharge revenue on all Vernon Downs winning wagers.

Nassau OTB's 1993 agreement with Buffalo Raceway also called for no simulcast contractual payments. Nassau OTB paid \$3,100 to Buffalo Raceway in statutory payments based on simulcast handle and distributed \$7,000 in surcharge revenue on all Buffalo winning wagers.

A new financing vehicle became available to Nassau OTB in 1989. The New York State Legislature enacted legislation which allows all off-track betting corporations to establish a Capital Acquisition Fund to finance the acquisition, construction and equipping of facilities of the corporation. No contributions shall exceed the lesser of 1% of the corporation's quarterly net handle or 50% of the corporation's net revenue, exclusive of surcharge. The balance of the Fund shall not exceed the lesser of 1% of total pari-mutuel wagering pools for the previous 12 months or the undepreciated value of the corporation's office, facilities and premises. To date Nassau OTB has not availed itself of this Fund.

On July 2, 1990, the State Legislature mandated the imposition of a 1% supplemental surcharge on wagering pools of multiple, exotic and super-exotic wagers and provided that sums derived from the supplemental surcharge be distributed to the Capital Acquisition Fund. Nassau OTB has established such a Fund and contributed \$1 million to it in 1993.

Nassau OTB's simulcast vendor was paid a total of \$235,000 in 1993 for providing the simulcast signal and other services.

Nassau OTB's commitment to screen activated machines (SAMs) continues. At the close of 1993, 18 branches had 180 SAMs as compared to the close of 1992 when 18 branches had 170 of these machines. Nassau states that approximately 32% of handle is wagered on SAMs; its goal is 50%. In addition, 18 branches have 25 automated machines which convert cash into SAM vouchers.

Nassau does not offer beverages, food or the lottery in any branch. The only amenity in its branches is seating at five locations (Green Acres, Hicksville, Jericho, Franklin Square and Farmingdale).

Nassau OTB ended 1993 with 35 Tiny Tims in 18 branches as compared to 28 in 14 branches in 1992. These Tiny Tims generated a handle of \$12.8 million as compared to \$5.9 million in 1992, an increase of 116.9%. There are also 40 Tiny Tims in homes, which generated handle of \$1.7 million.

Nassau has 5,003 telephone betting accounts, which generated \$13.7 million in additional handle in 1993. Telephone betting accounts are heavily promoted. The number of surcharge-free accounts can not accurately be determined due to the fact that a customer must have a \$300 balance in his account at the time he places his wager and his balance will change after each bet depending on whether he wins or loses.

In the area of improvements and capital investments, Nassau OTB renovated its Franklin Square simulcast branch at an estimated cost of \$350,000. The expanded parlor now includes a smoking section with seating for 27 and a theater area with 16 televisions and seating for 72 people. It relocated its Jericho simulcast branch to an expanded site only 200 feet away. The move was made to accommodate the Home Depot Corporation in order to alleviate a parking problem at its store and was paid for by Home Depot. Nassau OTB also moved its Garden City Park branch at a cost of \$200,000 to a new location approximately 1/4 of a mile from the previous site. Nassau OTB completed the installation of its Auto Trak II central computer system, with 82 "Probe" terminals in its 20 branches. These terminals permit teller operation but can be easily converted to a patron operated touch screen. The equipment is supplied by Nassau OTB's totalisator vendor Autotote Systems Inc.

### **NEW YORK CITY OFF-TRACK BETTING CORPORATION**

The New York City Off-Track Betting Corporation (NYCOTB), located entirely within the City of New York, is comprised of its five counties (New York, Kings, Richmond, Bronx and Queens). NYCOTB began 1993 with 94 branches (including two simulcast theaters) and ended the year with 90 branches (including three simulcast theaters). NYCOTB is part of the downstate OTB region which also includes the Nassau, Suffolk and Catskill OTB Corporations.

The regional tracks for NYCOTB are the three NYRA thoroughbred tracks (Aqueduct, Belmont and Saratoga) and the two privately owned harness tracks, Yonkers and Monticello Raceways.

In 1993, the handle at NYCOTB totaled \$775.3 million. This is a decrease of \$83.7 million or 9.7% as compared to 1992. NYCOTB handled \$666.2 million in thoroughbred races and \$109.1 million on harness races. This total accounts for 47.3% of the total money wagered off-track in the State.

Of NYCOTB's total corporate handle, \$362.3 million or 46.7% was wagered on simulcast races. This is a decrease of \$12.5 million or 3.3% from 1992. NYCOTB still ranks first in the State in terms of total betting handle.

As is the case throughout the State, NYRA is the most popular racing entity to be offered. However, NYRA allows NYCOTB to simulcast its races to a select few of its branches. Although all 90 branches have the live call of each NYRA race, only 27 branches can offer the simulcast from Aqueduct and Belmont. This number rose to 42 branches for the Saratoga Race Track meet which operated just five weeks from late July through August. The boroughs of Brooklyn and Queens receive no Aqueduct nor Belmont simulcasts. On NYRA dark days, 48 branches simulcast from Finger Lakes.

During the evening, harness racing from Yonkers is simulcast to only 16 of the 90 branches. The number increases to 35 for matinees at Yonkers. Simulcasting into all of the Bronx and some Queens and Manhattan OTBs is restricted by Yonkers. These Yonkers' restrictions could be a major reason why NYCOTB's Yonkers handle has been dwindling the past few years. Many customers opt not to go to the OTB branch unable to view the live race. Monticello simulcasts harness racing when Yonkers is dark. On these occasions, up to 48 NYCOTB branches simulcast Monticello.

Other upstate harness races were simulcast into NYCOTB on occasion during 1993. These races originating at Vernon Downs and Buffalo Raceway supplemented shortened Yonkers programs when the Westchester County track lacked sufficient entries to conduct a full card of harness racing.

NYCOTB accepted wagers on various out-of-state tracks. The Racing Law authorized OTB corporations to accept wagers (not simulcasts) on out-of-state thoroughbred race tracks, when the non-profit racing association (NYRA) is not conducting racing. For late 1992, and early 1993, an amendment to the Racing Law allowed the simulcasts of out-of-state thoroughbred tracks when there was no in-state thoroughbred racing (dark days) under certain conditions. Those conditions were deemed undesirable so this provision was never employed. The amendment also allows for simulcast of out-of-state races by an OTB corporation when NYRA canceled racing and substituted an out-of-state simulcast track. Although the other OTB corporations in the State simulcast races from Philadelphia Park on February 1 and from Gulfstream Park on February 6 & 13, NYCOTB maintains that these races were not simulcast into its branches.

Total handle for the six out-of-state tracks on NYRA dark days was \$38.6 million. This was an increase of \$3 million or 8.4% over 1992.

Other recent changes in the Law (see Section 905 & 905-a) in Chapters 503 and 764 of the Laws of 1992 have expanded the number of thoroughbred special events upon which wagers and simulcast signals may be accepted from fifteen (15) to fifty (50). The Kentucky Derby, the Preakness and the Breeders' Cup (seven races in one day) are separate from the other 47 races designated of special interest.

The number of harness races of special interest upon which an OTB is allowed to take wagers (not simulcasts) remains at five. The Breeders' Crown and the Hambletonian, which may be simulcast, do not count against the five out-of-state harness races of special interest.

Wagering was conducted on 43 thoroughbred races of special interest and five harness races of special interest. NYCOTB's handle totaled \$19.6 million for the 48 special events, compared to \$14.7 million in 1992 (18 special events). All out-of-state wagering amounted to \$63.1 million for NYCOTB, compared to \$50.3 million in 1992, an increase of \$12.8 million or 25.4%.

NYCOTB has a contract with NYRA under which it pays NYRA \$1 million per year for its simulcasting rights. This sum is paid in advance on a quarterly basis and is in addition to statutory payments. A 6.5% premium on all simulcast theater wagering is in effect. NYCOTB paid NYRA \$14.2 million in statutory payments based on simulcast handle and \$1.8 million in simulcast contractual payments. NYCOTB distributed \$21.1 million in surcharge revenue based on all winning NYRA wagers.

NYCOTB's contract with Finger Lakes calls for NYCOTB to pay \$2,000 per day. There is no charge during the Saratoga meet, Finger Lakes pays all transmission costs. NYCOTB paid Finger Lakes \$574,000 in statutory payments based on simulcast handle and \$68,000 in simulcast contractual payments. NYCOTB distributed \$960,000 in surcharge revenue based on all winning Finger Lakes wagers.

A contract with Yonkers Raceway was signed on May 8, 1992. Retroactive to July 1, 1990, this contract extends through June 30, 1995. NYCOTB makes an annual premium payment of \$355,000 for the simulcasting rights of Yonkers races. This is in addition to the required statutory payments. In 1993, NYCOTB paid Yonkers \$2.6 million in statutory payments, based on simulcast handle and a contractual premium of \$355,000. Surcharge revenue of \$2.6 million was generated based on all Yonkers winning wagers.

There is no formal contract with Monticello Raceway. Statutory payments totaling \$473,000 were made in 1993. Surcharge revenue of \$884,000 was generated based on all winning Monticello wagers.

NYCOTB began the simulcasting of races from Vernon Downs in 1993 into its simulcast branches. These races were taken to supplement the Yonkers racing card. NYCOTB paid Vernon Downs \$31,700 in statutory payments. There were no contractual payments made. NYCOTB distributed \$75,000 in surcharge revenue based on all winning Vernon Downs wagers.

NYCOTB also began the simulcasting of races from Buffalo Raceway in 1993. NYCOTB paid Buffalo Raceway \$7,300 in statutory payments. There were no contractual payments made. NYCOTB distributed \$18,000 in surcharge revenue based on all winning Buffalo Raceway wagers.

NYCOTB contracts with multiple simulcast vendors that are necessary to make simulcasting in the City possible. For one vendor which makes the Yonkers simulcast available, a fee of \$1,150 per Yonkers program is charged. NYCOTB is currently in the second and final option year on this contract.

Due to the height of the skyscrapers in Manhattan a special set of technical problems is encountered in distributing the satellite downlink. To counter this problem, NYCOTB has contracted with Manhattan Cable Company to provide the signal. The contract with this company runs from October 13, 1989 through October 12, 1994. The company is paid \$2,000 per month for the downlink alone. In addition, Manhattan Cable receives between \$2,000 and \$2,750 per month depending on the number of tracks the branches receive. NYCOTB also has to pay 51.375% of all costs associated with encoding and decoding equipment. In 1993, all the simulcast vendors were paid a total of \$735,000 for their services.

In 1993, NYCOTB had 24,730 telephone betting accounts which generated a total telephone betting handle of \$34.4 million which is 4.4% of the total corporate handle. This is a decrease of \$5.6 million or 14% over 1992. Of the six State OTB corporations, only NYCOTB has the right to offer surcharge-free accounts with no minimum balances to be maintained.

A new financing vehicle became available to NYCOTB in 1989. The New York State Legislature enacted legislation which allows all off-track betting corporations to establish a Capital Acquisition Fund to finance the acquisition, construction and equipping of facilities of the corporation. No contributions shall exceed the lesser of 1% of the corporation's quarterly net handle or 50% of the corporation's quarterly net revenue, exclusive of surcharge. The balance of the Fund shall not exceed the lesser of 1% of total pari-mutuel wagering pools for the previous 12 months or the undepreciated value of the corporation's offices, facilities and premises. To date NYCOTB has not availed itself of this Fund.

On July 2, 1990, the State Legislature mandated the imposition of a 1% supplemental surcharge on wagering pools of multiple, exotic and super-exotic wagers and provided that sums derived from the supplemental surcharge be distributed to the Capital Acquisition Fund. In 1993, NYCOTB has established such a Fund and contributed \$4 million to it in 1993.

## SIMULCAST THEATERS - 1993 UPDATE

NYCOTB now has three simulcast theaters each of which has a \$5.00 admission charge. As there is no surcharge on winning wagers, track prices are paid on simulcast races. Combined, the three simulcast theaters generated over \$1 million in non-wagering revenue, \$540,000 of which came from admissions. The total simulcast handle for the three simulcast theaters was \$73.3 million which is 20.2% of the total NYCOTB simulcast handle.

### THE WINNERS CIRCLE

NYCOTB opened its third simulcast theater on March 26, 1993 in midtown Manhattan near the famed Madison Square Garden at 515 Seventh Avenue. There is a simulcast branch on the ground floor while the simulcast theater occupies the upper floor of the building and has a separate entrance. This newest simulcast theater has many customer amenities including a fancy restaurant and large bar with comfortable seating. Total paid attendance for slightly more than nine months of operation in 1993 was 24,500 which produced \$123,000 in admission fees. During 1993 the total simulcast handle was \$17.1 million.

### THE INSIDE TRACK

The Inside Track is located on the upper eastside of Manhattan at 1011 Second Avenue. It has seating for nearly 150 people. It offers full restaurant service including alcoholic beverages. During 1993 the total simulcast handle was \$32.7 million. This was a decrease of \$4 million or 10.9% from 1992. This simulcast theater has the largest handle of any NYCOTB facility. Total paid attendance for 1993 was 43,784 as compared to 56,073 in 1992, a decrease of 12,289 or 21.9%. Total fees from all 1993 admissions were \$219,000.

### THE SELECT CLUB

The Select Club is located in lower Manhattan near the financial district at 165 Water Street. It accommodates 350 patrons. Alcoholic beverages and full restaurant service is available in a modern attractive setting. Total simulcast handle in 1993 was \$23.6 million. This was a decrease of \$7.2 million or 23.4% from 1992. Total paid attendance for 1993 were 40,130, a decrease of 6,787 or 14.5% from 1992. Total fees from 1993 admissions were \$201,000.

## TRACK TO TRACK SIMULCASTING WITHIN NEW YORK STATE

### NEW YORK RACING ASSOCIATION (NYRA) - SARATOGA TO AQUEDUCT

NYRA's 1993 Saratoga thoroughbred meet covered a 30-day period between July 28 and August 30, 1993. The 1993 total attendance for the simulcast dates at Aqueduct was 214,319, compared to the 1992 total attendance of 206,500, an increase of 7,819 or 3.8%. The total simulcast handle was \$38 million as compared to \$38.3 million in 1992, a decrease of \$250,000 or 0.6%. Daily average attendance was 7,143 (6,876 in 1992) and daily average simulcast handle was \$1.2 million, comparable to 1992, resulting in a \$177 daily average per capita betting (\$186 in 1992). During this period, Saratoga Race Track's on-track handle was \$112.3 million, an increase of \$9 million over the corresponding period in 1992, while the total on-track attendance increased 21,443, resulting in a daily average of \$3.7 million and 26,112 respectively.

### TRACK TO TRACK SIMULCASTING: NYRA TO FINGER LAKES

Finger Lakes conducted simulcasting on NYRA races for 130 days during the periods January 1 through April 8, and December 1 through December 31, 1993. The 1993 total attendance was 42,100, compared to 39,410 (114 days) in 1992, a increase of 2,690 or 6.8%. Daily average attendance was 324 (346 in 1992), a 6.4% decrease. The daily average simulcast handle was \$52,340 (\$58,930 in 1992), a 11.1% decrease. Daily average per capita betting was \$161. The total simulcast handle in 1993 was \$6.8 million, as compared to \$6.7 million in 1992, an increase of \$86,000 or 1.28%.

### TRACK TO TRACK SIMULCASTING: BATAVIA DOWNS TO FINGER LAKES

Finger Lakes conducted four days of simulcasting Batavia Downs races in 1993. Total simulcast handle was \$35,238.

### TRACK TO TRACK SIMULCASTS: BUFFALO RACEWAY TO FINGER LAKES

Finger Lakes (FLRT) conducted simulcasting on Buffalo Raceway races on six days with a total simulcast handle of \$63,981 in 1993, compared to 10 programs and a total simulcast handle of \$129,461 in 1992. Daily average simulcast handle was \$10,663 (\$12,946 in 1992).

### TRACK TO TRACK SIMULCASTING: NYRA TO BATAVIA DOWNS

Batavia Downs conducted 298 days of simulcasting NYRA races in 1993 compared to 311 days in 1992. No attendance figures were available. The total simulcast handle was \$5.1 million compared to \$5.2 million in 1992, a decrease of \$108,000 or 2%. On-track harness handle decreased \$4.5 million to \$10.4 million, a 30.1% decline while attendance increased 2,010 to 122,256, with 31 fewer days scheduled.

### TRACK TO TRACK SIMULCASTING: FINGER LAKES TO BATAVIA DOWNS

Batavia Downs conducted 157 days of simulcasting Finger Lakes (FLRA) races in 1993 compared to 171 days in 1992. No attendance figures were available. The 1993 total simulcast handle was \$1.7 million compared to \$1.5 million in 1992, an increase of \$180,615 or 12%.

### TRACK TO TRACK SIMULCASTING: BUFFALO RACEWAY TO BATAVIA DOWNS

Batavia Downs conducted 153 days of simulcasting Buffalo races during 1993 compared to 126 days in 1992. Attendance figures weren't available. Total simulcast handle was \$2 million in 1993, identical to 1992. Daily average simulcast handle was \$13,260 (\$16,338 in 1992).

### TRACK TO TRACK SIMULCASTING: VERNON DOWNS TO BATAVIA DOWNS

Batavia Downs conducted 15 days of simulcasting Vernon Downs' races in 1993. Attendance figures weren't available. Total simulcast handle was \$22,155.

### TRACK TO TRACK SIMULCASTING: YONKERS RACEWAY TO BATAVIA DOWNS

Batavia Downs conducted one day of simulcasting Yonkers Raceway races in 1993. Attendance figures weren't available. Total simulcast handle was \$643.

### TRACK TO TRACK SIMULCASTING: NYRA TO BUFFALO RACEWAY

Buffalo Raceway conducted 302 days of simulcasting NYRA races in 1993 compared to 310 days in 1992. The 1993 total attendance was 12,616 compared to 26,212 in 1992, a decrease of 13,596 or 51.8%. The 1993 total simulcast handle was \$5.5 million compared to \$5.6 million in 1992, a decrease of \$45,000 million or 0.8%. Daily average attendance was 42 and daily average simulcast handle was \$18,460. Daily average per capita betting was \$440. Buffalo Raceway conducted 153 days of harness racing compared to 126 days in 1992. On-track handle increased \$392,000 to \$21.3 million and attendance increased 3,611 to 207,646 in 1993.

### TRACK TO TRACK SIMULCASTING: FINGER LAKES TO BUFFALO RACEWAY

Buffalo Raceway conducted 158 days of simulcasting FLRT races in 1993, compared to 170 days in 1992. The 1993 total attendance was 11,757 compared to 10,947 in 1992, an increase of 810 or 7.4%. The 1993 total simulcast handle was \$2.2 million, compared to \$2.1 million in 1992, an increase of \$113,000 or 5.4%. Daily average attendance was 74; daily average simulcast handle was \$13,842. Daily average per capita betting was \$187.



#### TRACK TO TRACK SIMULCASTING: BATAVIA DOWNS TO BUFFALO RACEWAY

Buffalo Raceway conducted 98 days of simulcasting Batavia races in 1993 compared to 125 days in 1992. The total attendance was 31,875 compared to 41,075, a decrease of 9,200 or 22.4%. Total simulcast handle was \$3.7 million in 1993 compared to \$4.7 million in 1992, a decrease of \$1 million or 22.9%. Daily average attendance was 325 and daily average simulcast handle was \$37,499. Daily average per capita betting was \$115.

#### TRACK TO TRACK SIMULCASTING - VERNON DOWNS TO BUFFALO RACEWAY

Buffalo Raceway conducted 15 days of simulcasting Vernon Downs' races in 1993. Attendance figures weren't available. Total simulcast handle was \$183,974.

#### TRACK TO TRACK SIMULCASTING: NYRA TO MONTICELLO RACEWAY

Monticello Raceway conducted 303 days of simulcasting NYRA races in 1993, compared to 310 days in 1992. The 1993 total attendance was 34,723 compared to 38,817 in 1992, a decrease of 4,094 or 10.5%. The 1993 total simulcast handle was \$6.2 million, compared to the \$6.1 million in 1992, an increase of \$140,000 or 2.3%. Daily average attendance dropped from 125 in 1992 to 114 in 1993. Daily average per capita betting rose from \$157 in 1992 to \$179 in 1993. On-track handle increased \$408,000 to \$3.5 million, while attendance decreased by 37,061 to 243,953 in 1993. There were 213 on-track racing days in 1993 compared to 206 in 1992. Comparisons by date show on-track harness racing's daily average attendance declined by 219, a 16% decrease from 1992, and a decrease in daily average handle of \$3,833 or 2.3%.

#### TRACK TO TRACK SIMULCASTING: FINGER LAKES TO MONTICELLO RACEWAY

Monticello Raceway conducted 158 days of simulcasting Finger Lakes races during 1993 compared to 171 days in 1992. The simulcast was in conjunction with the NYRA simulcast, thus separate attendance figures weren't available. The 1993 total simulcast handle was \$1.4 million compared to \$1.2 million in 1992, an increase of \$208,815 or 16.7%. Daily average simulcast handle was \$9,197 compared to \$7,276 in 1992.

#### TRACK TO TRACK SIMULCASTING: NYRA TO SARATOGA RACEWAY

Saratoga Raceway conducted 274 days of simulcasting NYRA races during 1993, compared to 281 days in 1992. The 1993 total attendance was 80,237 compared to 89,248 in 1992, a decrease of 9,011 or 10.1%. The 1993 total simulcast handle was \$18.8 million, an increase of \$400,000 or 2%. Daily average attendance dropped from 318 in 1992 to 292 in 1993. The daily average simulcast handle was \$68,707 (\$65,627 in 1992). Daily average per capita betting rose to \$235 from \$206 in 1992. On-track harness handle was \$20.9 million, a decrease of \$4 million, while attendance decreased 33,661 to 266,051 in 1993. Comparisons

of the on-track harness dates (14 fewer days) show a daily average decrease in attendance of 63 or 3.8% from 1992 and a decrease in daily average handle of \$12,184 or 9% from 1992.

#### TRACK TO TRACK SIMULCASTING: FINGER LAKES TO SARATOGA RACEWAY

Saratoga Raceway conducted six days of simulcasting Finger Lakes races in 1993, compared to seven days in 1992. The total simulcast handle was \$215,114 compared to \$203,175 an increase of \$11,939 or 5.8%. The total attendance was 838 in 1993 compared to 792 in 1992, an increase of 46 or 5.8%. Daily average per capita betting was \$256, identical to 1992.

#### TRACK TO TRACK SIMULCASTING: YONKERS RACEWAY TO SARATOGA RACEWAY

Saratoga Raceway conducted 86 days of simulcasting Yonkers Raceway races during 1993, compared to 20 days in 1992. The 1993 total attendance was 9,294 compared to 2,246 in 1992, an increase of 7,048 or 313%. The total simulcast handle was \$1.5 million compared to \$410,000 in 1992, an increase of \$1.1 million or 294%. Daily average attendance dropped from 112 in 1992 to 108 in 1993. The daily average simulcast handle was \$17,383 (\$18,993 in 1992). Daily average per capita betting dropped from \$169 to \$160 in 1993.

#### TRACK TO TRACK SIMULCASTING: NYRA TO VERNON DOWNS

Vernon Downs conducted 303 days of simulcasting NYRA races during 1993, compared to 310 days in 1992. The 1993 total attendance was 41,098 compared to 49,343 in 1992, a decrease of 8,245 or 16.7%. The 1993 total simulcast handle was \$4 million compared to \$4.3 million in 1992, a decrease of \$286,243 or 6.6%. Daily average attendance decreased from 159 in 1992 to 135 in 1993. The daily average simulcast handle was \$13,275 (\$13,899 in 1992). Daily average per capita betting increased from \$87 in 1992 to \$98 in 1993. On track harness handle was \$19.8 million, a decrease of \$4.1 million, while attendance decreased 31,342 to 249,711 in 1993. Comparisons of on-track harness dates (14 fewer days) show a daily average attendance decrease of 34 or 1.7% from 1992 and a decrease in daily average handle of \$13,700 or 8.4%.

#### TRACK TO TRACK SIMULCASTING: FINGER LAKES TO VERNON DOWNS

Vernon Downs conducted 158 days of simulcasting Finger Lakes races in 1993 compared to 171 days in 1992. The total simulcast handle was \$1.2 million in 1993 compared to \$1.3 million in 1992, a decrease of \$119,268 or 8.9%. The simulcast was in conjunction with the NYRA simulcast, thus separate attendance figures weren't available.

#### TRACK TO TRACK SIMULCASTING: BUFFALO RACEWAY TO VERNON DOWNS

Vernon Downs conducted 95 days of simulcasting Buffalo Raceway's races in 1993, compared to 56 days in 1992. Attendance figures weren't available. The total simulcast handle

was \$1.1 million, compared to \$600,000 in 1992, an increase of \$524,320 or 93.5%. Daily average simulcast handle was \$11,418 compared to \$10,008 in 1992.

#### TRACK TO TRACK SIMULCASTING: BATAVIA DOWNS TO VERNON DOWNS

Vernon Downs conducted 22 days of simulcasting Batavia Downs races in 1993 compared to 38 days in 1992. Total simulcast handle was \$266,336 in 1993 compared to \$414,307 in 1992, a decrease of \$148,565 or 35.8%. Daily average simulcast handle was \$12,106 compared to \$10,918.

#### TRACK TO TRACK SIMULCASTING: YONKERS RACEWAY TO VERNON DOWNS

Vernon Downs conducted 131 days of simulcasting Yonkers' races in 1993, identical to 1992. The total simulcast handle was \$1.5 million compared to \$1.6 million in 1992, a decrease of \$142,960 or 8.7%. The total attendance was 15,200 compared to 18,864, a decrease of 3,664 or 19.4%. Daily average attendance was 116 (144 in 1992). Daily average per capita betting was \$97. (\$86 in 1992). Daily average simulcast handle was \$11,356 (\$12,448 in 1992).

#### TRACK TO TRACK SIMULCASTING - MONTICELLO RACEWAY TO VERNON DOWNS

Vernon Downs conducted six days of simulcasting Monticello Raceway races in 1993. Total simulcast handle was \$39,903.

#### TRACK TO TRACK SIMULCASTING: NYRA TO YONKERS RACEWAY

Yonkers Raceway conducted 303 days of simulcasting NYRA races during 1993, compared to 311 days in 1992. The 1993 total attendance was 603,200, compared to the prior year's attendance of 621,946. The 1993 total simulcast handle was \$99.2 million compared to \$107.7 million in 1992, a decrease of \$8.5 million or 16.7%. Daily average attendance was 2,000 in 1993 comparable to 1992. Daily average simulcast handle decreased from \$346,520 in 1992 to \$327,644 in 1993, a decrease of \$18,876 or 5.4%. On track harness handle was \$122.2 million, a decrease of \$48 million, while attendance decreased 199,591 to 517,388 in 1993. Comparison of on track harness dates (69 fewer days) show a daily average decrease in attendance of 212 or 10.5% from 1992, and a decrease in daily average handle of \$51,809 or 10.8% from 1992.

### SIMULCASTING OF NEW YORK RACES TO OTHER JURISDICTIONS

#### CONNECTICUT OFF-TRACK BETTING

Off-track betting on New York State racing began in the State of Connecticut on April 29, 1976, at 11 off-track betting branches. Agreements were signed with the New York Racing

Association (NYRA), Yonkers Raceway, Roosevelt Raceway, American Totalizator (AmTote) and the State of Connecticut. These agreements were approved by the Board.

During the succeeding years the number of off-track betting branches has fluctuated between a high of 16 to the present nine facilities. In October 1979, the country's first teletheater - "Teletrack" - opened in New Haven and began simulcasting New York races into its facility. AmTote, a division of General Instruments, owned and operated Teletrack. In October 1990, a second teletheater was opened in Windsor Locks.

Connecticut's contract with AmTote expired on April 1, 1990. AmTote continued to provide services on a cost-plus basis until a "request for proposal"(RFP) was prepared and bids submitted. The low bidder was Auto Management, a partnership between Autotote and Connecticut Yankee Greyhound Park in Plainfield, Connecticut. The AmTote cost-plus contract expired on February 29, 1992. Auto Management's contract started on March 1, 1992 and was to be on an interim basis, until a full-scale RFP was completed.

As a result of the contract with Auto-Management, a new and down-sized New Haven Teletheater was opened on March 1, 1992 to replace the original AmTote-owned Teletrack. A third simulcast facility, privately operated, commenced operations at the Plainfield Greyhound Park on November 1, 1991. A fourth simulcast facility, also privately operated, was opened at the Bridgeport Jai Alai on December 26, 1992.

The contract with Auto-Management ended on October 31, 1992. New agreements between the State and Autotote of Delaware for tote services, and Sports Vision Productions of California for simulcast services, started on November 1, 1992. This was an interim contract while the State considered privatization. The hub of the central OTB system was moved to division headquarters in Newington, CT.

On July 1, 1993, the state-run OTB system was sold to Autotote Enterprises, Inc. a subsidiary of Autotote. Common pool wagering is in place with almost every track and NYRA no longer holds an exclusive contract for daytime thoroughbred racing.

Total 1993 simulcast handle in the State of Connecticut was \$173.2 million. Of that amount, \$96.2 million was wagered on New York races, \$87.2 million on NYRA, \$8.6 million on Yonkers and \$400,000 on Monticello. NYRA received \$4.5 million, Yonkers received \$377,000 and Monticello received \$12,000 in Connecticut commissions.

#### NEVADA

In January 1992, NYRA and the Las Vegas Dissemination Company (LVDC), entered into an agreement to simulcast NYRA races into hotels and race books in Nevada.

This agreement gave LVDC the exclusive right to the signal in the State of Nevada, including the right to disseminate the signal to other locations in Nevada. There are presently 50 licensed race books receiving the NYRA signal in Nevada.

The contract ran through December 31, 1993 and called for NYRA to assume all transmission costs. In 1993, LVDC paid a fixed fee of \$5,850 per day. NYRA received \$1.7 million under this agreement in 1993, while expending \$321,000 in transmission costs.

In 1993, there was also simulcasting of Yonkers Raceway harness races to several hotels in the State of Nevada. Yonkers Raceway received \$5,200 and its horsemen received half.

### INTERNATIONAL SIMULCASTING

NYRA has an agreement with Caliente Race Track and five affiliated Mexican race books to simulcast NYRA races daily. On April 1, the daily fee rose to \$1,740. In 1993, Caliente paid NYRA \$518,000 under the agreement.

Also in Mexico, NYRA simulcast to three race books in Juarez from August through December 1993. These race books paid NYRA \$14,000 or \$330 per day.

NYRA continued simulcasting selected graded stakes to 12 Canadian race tracks during 1993. Total simulcast handle on those races was \$35.7 million.

In addition, NYRA continued simulcasting its races into various race book locations (approximately 40) in the Caribbean. During 1993, NYRA received a daily fee of \$50 per race book for a total of \$181,000, compared to \$358,000 in 1992, a decrease of \$177,000 or 49.4%.

### SPECIAL EVENTS

On numerous occasions, New York stakes and feature races are simulcast to various out-of-state tracks. These simulcasts are the subject of specially negotiated agreements, approved by the Board, generally on a month-to-month basis. These agreements must comply with the provisions of the federal Interstate Horseracing Act of 1978 (15 U.S.C. Section 3001).

NYRA simulcast selected races during 1993 to 100 out-of-state tracks or inter-track wagering sites (ITWs). The guest or receiving track and its ITW's pay all charges to receive the race. NYRA is paid various commissions on the total pari-mutuel handle of that race. The total simulcast handle was \$197.8 million, compared to \$136 million in 1992, an increase of \$61.8 million or 45.4%.

Similarly, Yonkers Raceway simulcast many of its feature races to out-of-state tracks on a commingled and non-commingled basis. The simulcast handle on these races was \$10.4 million.

## RECOMMENDATIONS

In accordance with the provisions of Section 1002(2) of the Racing, Pari-Mutuel Wagering and Breeding Law, the New York State Racing and Wagering Board respectfully submits the following recommendations for consideration and appropriate action by the Governor and the Legislature:

### RECOMMENDATION #1

In the course of reviewing the statute, some minor, relatively technical problems have been identified.

The Board's annual certification requirement to the Commissioner of Taxation and Finance should be deleted when no credit for pari-mutuel taxes at harness tracks is applicable. This was introduced as S.2896/A.6621 and A.238. It would eliminate a time consuming and costly process which offers no benefit to any entity. With the advent of simulcasting and resulting growth in OTB handle, no credit has been applicable for the past five years and none is anticipated in the foreseeable future.

Another Board proposal, A.6127, would clarify an ambiguous situation relating to the imposition of the OTB surcharge on winning wagers on races that are not simulcast at simulcast theaters. The current law is completely silent with respect to the imposition or non-imposition of surcharge on such events. The Board's bill would merely codify existing practice. It would explicitly authorize OTB Corporations which operate simulcast theaters to offer wagering opportunities on non-simulcast events, in conjunction with simulcast programs (like an OTB branch) and require surcharge to apply to these non-simulcast events.

Additional modifications to clarify the language of the statute have emerged during the Board's preparation of this report. The Board recommends that the Legislature modify the language contained in Section 1000 to reflect the end of the experimental period and declare simulcasting to be a permanent integral part of the racing and wagering framework in New York State.

### RECOMMENDATION #2

During the past several years, both the State and the racing and wagering industry have focused a great deal of attention on the issues of integrity and accountability. The Board has recommended, as departmental legislation since 1989, a series of proposals which would enhance the Board's oversight and regulatory functions with respect to OTB and help insure the integrity and accountability of this State's system of off-track betting.

The first proposal (S.2894/A.6123) would amend the Racing Law to empower the Board to impose monetary fines on off-track betting corporations and other persons or corporations

participating in off-track betting. These fines could be imposed for violations of any provision of the Racing Law, the Board's Rules, Regulations and Directives, or the approved Plan of Operation for the conduct of off-track betting. Currently, the only sanction the Board can impose for a violation of the legal authority governing off-track betting is to suspend the entire Plan of Operation for a given corporation. This is clearly impractical. The Board believes that it makes sense to hold individuals at OTB accountable for their own actions. Accordingly, the Board recommends the prompt enactment of this legislation.

The second proposal, S.2895/A.6124 would authorize the Chairman of the Board to designate a Board officer to preside at off-track betting hearings. Currently, the statute provides that the Chairman, a Board Member or the Board sitting en banc must preside at hearings involving off-track betting. This proposal will better facilitate the prompt scheduling of such hearings because of the availability of a greater number of individuals who may preside on a continuing basis. The Board would still be required to review the report and recommendation of the hearing officer, and only the Board could make findings of fact and the final determination.

With respect to the issue of accountability and integrity in the management of off-track betting, the Board has recommended the enactment of legislation which would bar a director of a regional off-track betting corporation from holding any position of employment with that off-track betting corporation.

The Board of Directors of an off-track betting corporation is responsible for the management of that corporation, including the appointment of its officers. It is not in the public interest to have directors also serve as paid employees of that corporation including the position of president and chief executive officer.

Under the common law doctrine of compatibility of office, dual employment is found to be contrary to public policy. In Formal Opinion No. 88-F1, Attorney General Abrams wrote:

"A director cannot effectively and impartially supervise himself nor can his colleagues on the board of directors exercise such supervision. Additionally, an appearance of impropriety would result. This dual employment would erode the natural checks and balances that flow from the employer-employee relationship to the detriment of corporate operations and public trust. Were this not prohibited, an entire board could serve as employees of the corporation creating conflicting interests and raising questions as to whether board decisions are made solely in the public interest".

The New York State Comptroller shares this concern. In recent audit reports, he concludes that service as a director of an off-track betting corporation, as well as its president and chief executive officer, is contrary to the doctrine of compatibility of office.

For the reasons set forth above, the Board recommends the enactment of S.2899/A.6125 in order to clarify the legal status of directors as employees, as well as insure that a system of internal checks and balances is present within the decision-making structure of off-track betting corporations.

Another integrity proposal limits the amendment made by Chapter 908 of the Laws of 1990. Under that amendment, a public official or party officer who is ineligible for licensure under Section 107 of the Racing Law can defeat the purposes of that section by obtaining employment with an OTB corporation, thereby becoming eligible to participate in racing through Section 502. The 1990 law was not intended to let in everyone excluded under Section 107 through this new OTB exception.

To clarify this overly broad provision, the Board has submitted a Departmental Bill which has been introduced as A.6126, to prevent unintended consequences created by the overly broad provision. It would also consolidate all restrictions on licensing in Section 107 where they properly belong.

The Board has a financial accountability proposal which is comprehensive legislation to improve certain financial and accounting practices of the State's off-track betting corporations. The Board urges the enactment of S.2900/A.6122, which reflects many recommendations made by the State Comptroller.

The State Comptroller has reported that certain current statutory authorizations result in confusion with respect to the accounting and financial reporting practices of the State's six off-track betting corporations. This proposal is designed to require uniform reporting of financial data (both on a monthly and annual basis), as well as require off-track betting corporations to conduct their financial activities in accordance with generally accepted accounting practices (GAAP), as promulgated by the State Comptroller.

The Board's legislative proposal S.2898 would require OTB corporations to establish a system of internal controls, including administrative and accounting controls to insure the integrity of operations. It would amend Section 2930.5 of the Public Authorities Law, to require each OTB corporation to implement a comprehensive system of internal controls, pursuant to the "Accountability, Audit and Internal Control Act" (Section 6 of Chapter 814 of the Laws of 1988). With OTB corporations handling millions of dollars daily, and subject to only limited oversight by the local governments, the potential benefit of enacting this legislation is significant.

Taken together, this recommended package of legislation would provide a firm basis by which the State of New York can insure that its system of off-track pari-mutuel wagering operates in an effective and efficient manner. These proposals are important to the Board, to enable it to exercise enhanced oversight and regulatory authority, as well as essential to maintain the public's trust and confidence in racing and wagering activities.



### RECOMMENDATION #3

Up until 1993, the Law barred a track from simulcasting races of the same type as those conducted on track, except special events, regardless of the circumstances. At least two harness tracks have, with their horsemen's approval, requested the Board to allow them to supplement their racing programs, abbreviated due to a shortage of horses, with simulcast races from other New York tracks.

The Board recommended that this situation be remedied in 1993 and the Legislature permitted the tracks to receive other in-state track simulcasts with the consent of both tracks and their horsemen.

This year we believe that the Law could be fine tuned to allow more out-of-state special events and even full or partial out-of-state racing programs. This would be allowed only with the permission of the affected in-state interests and only if these interests felt they were not adversely affected.

### RECOMMENDATION #4

The 1991 in-home simulcast experiment conducted by Saratoga Raceway and Capital District Regional Off-Track Betting Corporation (discussed in detail in the Capital OTB section, supra) was inadequate to fully assess the potential of this technology.

Simulcasts directly into homes, businesses and commercial establishments may accommodate the shifting racing fan base. It appears that more and more fans desire to wager away from the track, as well as to have better access to wagering information and opportunities. However, to more fully understand this impact on pari-mutuel betting handle and attendance at existing race tracks and OTB facilities, a more extensive, comprehensive and consistent experiment is needed. The results of the limited experiment are inconclusive.

Therefore, the Board recommends that a more comprehensive one-year experiment allowing a regional OTB and a regional track be conducted. The experiment would be required to be conducted in a manner which would generate sufficient empirical data to enable the State's policymakers to make an intelligent determination for future activity. It would be desirable if a partnership concept between OTB and the track could be maintained, but not absolutely mandatory.

### RECOMMENDATION #5

Some technological problems of simulcasting have inhibited its development and have been highlighted in prior Simulcast Reports, as well as the 1987 Report of the Legislative Commission on Science and Technology. They concern simulcast signal security and the efficient and effective transmission of wagering data.

The Board has concluded that a high level of integrity and security must be maintained. We recommend that Article X be amended to give the Board explicit statutory authority to prescribe and enforce minimum standards in relation to the methodology, equipment and means employed to safeguard and control the transmission of simulcast signals and wagering data.

#### RECOMMENDATION #6

Section 907 of the Law authorizes the combining of New York wagers on horse races conducted in other states or foreign countries with wagers on such races made in those states only for those races of special interest designated in Section 905, 905-a and 906 of the Racing Law and pursuant to Section 1014 (now expired). The Board believes that this provision of the Racing Law should be extended to other out-of-state racing events.

#### RECOMMENDATION #7

With the tremendous expansion of interstate inter-track simulcasting, New York's market areas are being invaded from New Jersey (Atlantic City, Monmouth & Meadowlands), Connecticut (Teletheaters & Foxwoods), New Hampshire (Hinsdale), Quebec (Blue Bonnets), and Ontario (Fort Erie). During the recent Aqueduct winter meeting, Meadowlands offered simulcasting wagering on Gulfstream and Hialeah (Florida), Laurel and Rosecroft (Maryland), Oaklawn (Arkansas), Philadelphia (Pennsylvania), Suffolk Downs (Massachusetts), Sportsman's Park (Illinois) and Bay Meadows and Santa Anita (California) races - competing directly against NYRA's seven race daily card combined with five races from Florida, both on-track and off-track in New York City and the Catskill region.

This competition has already been significant (New York City OTB estimates they have lost more than \$100,000 in daily NYRA handle to this competition) and it threatens to become overwhelming unless New York's tracks and OTB'S are given the authority to compete in the same fashion.

We recommend that the Legislature act speedily in this regard to deal with this recent development in racing.

## CONCLUSION

The foregoing has been a detailed analysis of simulcast operations during 1993. Significant investments in simulcasting and related facilities have been made by the various off-track betting corporations and race tracks. In the Board's view, these investments have generally yielded positive results. Simulcasting has been given the opportunity to develop. It has been the key element in stabilizing the total handle in New York State.

Many of the technical problems associated with simulcasting have been surmounted. Of more concern to the Board is the on-going conflict among various segments of the industry. A sense of apprehension and distrust pervades virtually all the relationships that exist within the racing and pari-mutuel wagering community. Several specific instances have been described in this and prior reports.

Clearly, the statutory system prior to 1990 did not function as well as it was designed to. In enacting Chapter 346 of the Laws of 1990, the State sought to establish a workable mechanism to resolve disputes by arbitration. The key element in this new system was its "make available" provision (i.e. a beneficiary of simulcasting must make simulcasting of its own races available to others). There have been indications that this policy was somewhat effective, although widespread mutual cooperation is still far from a realization.

Regrettably, various segments of the industry continue to act only for narrow, parochial and selfish gains and, we believe, mistakenly refuse to cooperate to further the public interest. The disappointing 1993 results, following equally disappointing 1992 results indicate that industry leaders should meet together to devise mutual strategies to further the racing industry for the benefit of all. We will continue to try to bring about this necessary harmony.

## **APPENDICES**

The following charts summarize both handle information and financial results during the calendar year ending December 31, 1993. All figures are unaudited and tentative. As such, they are subject to revision and correction.

SIMULCAST PARI-MUTUEL HANDLES BY SIMULCAST LOCATIONS IN NEW YORK STATE 1983/1992  
(In Thousands)

LOCATION TRACK TO TRACK:	COMBINED TOTAL											
	1983	1982	1983	1982	NYRA	Finger Lakes	Yonkers	Monticello	Saratoga Raceway	Buffalo Raceway	Batavia Downs	Vernon Downs
	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
Aqueduct*	\$38,027	\$38,279	98,027	\$38,279								
Yonkers	\$89,276	\$107,768	89,276	107,768								
Saratoga Raceway	\$20,536	\$19,024	18,826	18,441	203	380						
Finger Lakes	\$6,913	\$6,847	6,804	6,718								
Vernon Downs	\$8,124	\$8,257	4,023	4,309	1,341	1,488	1,631	40	64	129	45	
Monticello Raceway	\$7,685	\$7,336	6,232	6,092	1,453	1,244			1,085	561	268	415
Batavia Downs	\$8,990	\$8,925	5,181	5,289	1,577	1,577	1		2,029	2,059	3,675	22
Buffalo Raceway	\$11,621	\$12,487	5,575	5,621	2,187	2,074	75				4,717	184
TOTAL	\$201,172	\$208,923	\$183,944	\$192,517	\$6,834	\$6,439	\$2,984	\$2,088	\$0	\$0	\$3,986	\$5,132
												\$0
AT OTB BRANCHES:												
New York City OTB	\$288,948	\$307,282	\$218,914	\$233,855	\$16,230	\$14,779	\$44,034	\$56,485	\$8,171	\$2,183	\$348	\$1,549
Nassau OTB	\$108,986	\$118,734	80,180	85,242	4,478	3,989	21,508	28,882	2,925	821	180	716
Suffolk OTB	\$89,135	\$104,315	89,080	76,351	2,780	2,841	18,243	24,742	1,420	381	193	839
Catskill OTB	\$83,488	\$101,702	81,312	67,237	11,313	11,482	17,131	22,148	3,833	835	0	97
Capital OTB	\$131,472	\$141,929	91,835	100,388	18,991	20,944	9,157	12,764	1,790	375	2,839	3,634
Western OTB	\$148,733	\$163,812	72,331	77,532	38,171	44,627	5,507	7,270	1,043	169	19,047	13,865
TOTAL	\$865,758	\$937,774	\$593,932	\$640,583	\$91,984	\$98,682	\$115,578	\$152,271	\$18,982	\$4,564	\$22,607	\$16,374
												\$8,200
OTB TELETHEATERS:												
New York City OTB	\$79,344	\$87,532	\$58,712	\$52,841	\$1,842	\$1,598	\$11,224	\$12,872	\$1,112	\$220	\$83	\$371
Suffolk OTB	\$45,844	\$41,403	38,431	31,715	835	983	8,288	8,628	280	97		
Catskill OTB	\$3,209	\$0	2,153	642	338	642			76			
Capital OTB	\$33,660	\$31,986	23,711	22,144	3,571	3,712	3,013	3,021	358	43	2,088	174
Western OTB	\$5,758	\$0	3,181	1,268	1,268		208		19		761	
TOTAL	\$161,815	\$140,921	\$126,188	\$108,700	\$7,854	\$6,274	\$21,383	\$24,521	\$1,845	\$360	\$2,571	\$545
												\$183
STATEWIDE TOTAL	\$1,228,745	\$1,287,818	\$904,064	\$939,800	\$108,652	\$111,375	\$139,945	\$178,878	\$4,240	\$6,434	\$22,538	\$16,814
												\$8,951

\*Saratoga to Aqueduct

NOTE: In addition \$42.1 million was wagered on those out-of-state races of special interest (which are permitted by law to be simulcast) at OTB facilities (including simulcast theaters).

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5 Year Comparison of Combined On-Track and Simulcast Handles and Racing Days

	On-Track Own Racing Days	On-Track Racing Handle	Simulcasts Of Days	Simulcasts Of Days	Simulcasts From Other Days	Simulcasts From Other Days	Combined Handles
<b>YONKERS RACEWAY</b>							
1989	365	\$239,398,187	306	\$105,772,633			\$345,170,820
(Decrease) 1990		\$31,993,650)		\$49,387,362)			(\$1,381,012)
1990	353	\$207,404,537	167	\$56,385,271			\$263,789,808
(Decrease) Increase 1991		\$20,401,832)		\$46,488,886)			\$289,876,862
1991	364	\$187,002,705	310	\$102,874,157			\$289,876,862
(Decrease) Increase 1992		\$17,070,122)		\$4,893,883)			(\$12,176,439)
1992	357	\$169,932,583	311	\$107,767,840			\$277,700,423
(Decrease) Increase 1992		\$52,173,869)		\$8,491,549)			(\$56,139,646)
1993	288	\$117,758,714	303	\$99,276,291			\$221,560,777
<b>SARATOGA RACEWAY</b>							
1989	197	\$31,407,914	282	\$18,883,432			\$50,291,346
(Decrease) 1990		\$2,437,850)		\$19,991,555)			(\$1,446,595)
1990	179	\$28,970,064	287	\$19,874,887			\$48,844,951
(Decrease) Increase 1991		\$2,065,619)		\$18,449,259)			\$3,287,574)
1991	187	\$26,904,445	208	\$18,449,728			\$45,354,173
(Decrease) Increase 1992		\$2,044,353)		\$8,440)			\$45,557,777
1992	184	\$24,860,092	281	\$18,441,288			\$43,301,380
(Decrease) Increase 1993		\$4,103,906)		\$384,498)			\$43,884,416)
1993	170	\$20,756,186	274	\$18,825,786			\$39,581,972
<b>FINGER LAKES</b>							
1989	168	\$47,129,906	88	\$5,893,422			\$53,023,328
(Decrease) 1990		\$3,611,341)		\$3,089,437)			(\$52,521,904)
1990	161	\$43,518,565	110	\$8,982,859			\$52,501,424
(Decrease) Increase 1991		\$45,036,105)		\$8,063,416)			\$53,100,521
1991	170	\$43,350,149	114	\$6,718,132			\$50,068,281
(Decrease) Increase 1992		\$5,293,216)		\$6,804,322)			\$5,227,268)
1992	171	\$41,685,956	130	\$6,804,322			\$48,490,278
(Decrease) Increase 1993		\$36,392,740)		\$5,893,422)			\$43,306,281
1993	158	\$36,392,740	130	\$5,893,422			\$42,286,162
<b>MONTICELLO RACEWAY</b>							
1989	210	\$41,894,204		\$1,680,171			\$43,574,375
(Decrease) 1990		\$2,975,260)		\$4,974,712)			(\$4,511,431)
1990	230	\$44,725,464	89	\$6,654,883			\$51,380,347
(Decrease) Increase 1991		\$34,896,296)		\$6,092,272)			\$41,951,179)
1991	210	\$34,896,296	310	\$6,092,272			\$41,951,179
(Decrease) Increase 1992		\$34,650,199)		\$140,153)			\$41,855,633)
1992	206	\$34,650,199	310	\$6,092,272			\$40,742,471
(Decrease) Increase 1992		\$35,057,864)		\$6,232,425)			\$41,829,665)
1993	213	\$35,057,864	303	\$6,232,425			\$41,290,289
<b>VERNON DOWNS</b>							
1989	159	\$31,356,732	138	\$2,151,394			\$33,508,126
(Decrease) Increase 1990		\$30,452,240)		\$2,046,845)			\$32,499,085
1990	155	\$30,452,240	112	\$336,978			\$30,789,218
(Decrease) Increase 1991		\$28,000,214)		\$1,925,219)			\$29,925,433
1991	155	\$28,000,214	133	\$1,925,219			\$29,925,433
(Decrease) Increase 1992		\$23,927,077)		\$4,286,243)			\$28,213,320
1992	146	\$23,927,077	310	\$4,286,243			\$28,213,320
(Decrease) Increase 1993		\$19,824,295)		\$4,022,504)			\$23,846,799
1993	132	\$19,824,295	303	\$4,022,504			\$23,846,799
<b>BATAVIA DOWNS</b>							
1989	142	\$20,791,055		\$124,193			\$20,915,248
(Decrease) Increase 1990		\$19,567,286)		\$2,864,502)			\$22,431,788
1990	133	\$19,567,286	23	\$2,864,502			\$22,431,788
(Decrease) Increase 1991		\$2,713,407)		\$3,320,114)			\$26,133,516
1991	129	\$16,851,608	264	\$3,320,114			\$20,171,722
(Decrease) Increase 1992		\$14,598,754)		\$107,930)			\$14,606,688
1992	125	\$14,598,754	311	\$107,930			\$14,706,684
(Decrease) Increase 1993		\$10,475,909)		\$5,180,879)			\$15,656,788
1993	94	\$10,475,909	298	\$5,180,879			\$15,656,788
<b>BUFFALO RACEWAY</b>							
1989	127	\$23,772,040		\$1,330,539			\$25,102,579
(Decrease) Increase 1990		\$23,375,818)		\$4,505,007)			\$27,880,825
1990	128	\$23,375,818	40	\$4,505,007			\$27,880,825
(Decrease) Increase 1991		\$20,691,158)		\$3,385,835)			\$24,077,000
1991	127	\$20,691,158	254	\$3,385,835			\$24,077,000
(Decrease) Increase 1992		\$20,987,001)		\$5,620,616)			\$26,607,617
1992	126	\$20,987,001	310	\$5,620,616			\$26,607,617
(Decrease) Increase 1993		\$21,337,322)		\$5,575,118)			\$26,912,440
1993	153	\$21,337,322	302	\$5,575,118			\$26,912,440

**NEW YORK RACING ASSOCIATION**  
**1993 SARATOGA THOROUGHBRED SIMULCAST TRANSMISSION TO AQUEDUCT**

Dates Raced      July 26 through August 30, 1993

Days                      30

Attendance          214,319 Total                                      7,144 Per Day

HANDLE:	<u>AMOUNT</u>	<u>AVERAGE PER DAY</u>	<u>% OF HANDLE</u>
Regular	\$9,438,000	\$314,600	24.82
Multiple	23,087,237	769,574	60.71
Exotic	3,193,194	106,440	8.40
Super Exotic	<u>2,308,588</u>	<u>76,953</u>	<u>6.07</u>
Handle at Aqueduct	<u>\$38,027,019</u>	<u>\$1,267,567</u>	<u>100%</u>

**DIVISION OF HANDLE:**

State Tax	\$1,144,192	\$38,140	3.01
Breeders Fund	186,818	6,227	.49
Track Share	<u>5,624,996</u>	<u>187,500</u>	<u>14.79</u>
Takeout	6,956,006	231,867	18.29
Bettors Share	<u>31,071,013</u>	<u>1,035,700</u>	<u>81.71</u>
Handle	<u>\$38,027,019</u>	<u>\$1,267,567</u>	<u>100%</u>

Average Bet Per Patron                                      \$177

**5 YEAR COMPARISON OF HANDLE - SARATOGA SIMULCAST TO AQUEDUCT**

	Days	Handle	Average Per Day	%Change
<u>1989 Aug. 2 - Aug. 28</u>	24	\$29,092,608	\$1,212,192	
Increase 1990		<u>801,457</u>	<u>33,394</u>	<u>2.75%</u>
1990 Aug. 1 - Aug. 27	24	\$29,894,065	\$1,245,586	
Increase 1991	6	<u>6,801,780</u>	<u>( 22,391)</u>	<u>(1.80%)</u>
1991 Jul. 24 - Aug. 26	30	\$36,695,845	\$1,223,195	
Increase 1992		<u>1,583,583</u>	<u>52,786</u>	<u>4.32%</u>
1992 Jul. 29 - Aug. 31	30	\$38,279,428	\$1,275,981	
(Decrease) 1993		<u>( 252,409)</u>	<u>( 8,414)</u>	<u>(0.66%)</u>
1993 Jul. 28 - Aug. 30	30	<u>\$38,027,019</u>	<u>\$1,267,567</u>	

SARATOGA THOROUGHBRED MEETS of the New York Racing Association and Selected Simulcasts  
 Comparisons of Handle and Attendance - Totals, Daily Averages and Increases and Decreases

ON -TRACK HANDLE AT SARATOGA - 5 YEAR COMPARISON  
HANDLE ATTENDANCE

DATES	DAYS	TOTAL FOR MEET	AVERAGE PER DAY AMOUNT & CHANGE	TOTAL FOR MEET	AVERAGE PER DAY AMOUNT	AVERAGE PER DAY CHANGE
1989 Aug. 2-Aug. 28	24	\$ 85,072,123	\$3,544,672	726,741	30,281	---
Increase (Decrease) 1990		4,361,704	181,737	( 20,876)	( 870)	( 2.87%)
1990 Aug. 1-Aug. 27	24	\$ 89,433,827	\$3,726,409	705,865	29,411	
Increase (Decrease) 1991		10,787,427	( 385,701)	25,530	( 5,031)	(17.11%)
1991 Jul. 24-Aug. 26	30	\$100,221,254	\$3,340,708	731,395	24,380	
Increase 1992		3,110,873	103,696	30,536	1,018	4.18%
1992 Jul. 29-Aug. 31	30	\$103,332,127	\$3,444,404	\$761,931	\$25,398	
Increase 1993		8,951,077	298,369	21,443	714	2.81%
1993 Jul. 28-Aug. 30	30	112,283,204	3,742,773	783,374	26,112	

NEW YORK CITY OTB SARATOGA THOROUGHBRED RACING - 5 YEAR COMPARISON  
 AVERAGE PER DAY

	NYC OTB HANDLE	DAYS RACED	AMOUNT & CHANGE
1989 Aug. 2 Aug. 28	\$58,152,758	24	\$2,423,032
Increase 1990	1,628,257		67,844
1990 Aug. 2-Aug. 27	\$59,781,015	24	\$2,490,876
Increase (Decrease) 1991	11,541,369		( 113,464)
1991 Jul. 21-Aug. 26	\$71,322,384	30	\$2,377,412
(Decrease) 1992	( 5,290,058)		( 176,334)
1992 Jul. 21-Aug. 31	\$66,032,326	30	\$2,201,078
(Decrease) 1992	( 3,702,957)		( 123,432)
1993 Jul. 28-Aug. 30	62,329,369	30	2,077,646

AT YONKERS RACEWAY - SARATOGA THOROUGHBRED RACING - 5 YEAR COMPARISON  
 AVERAGE PER DAY

	YONKERS OTB HANDLE	DAYS RACED	AMOUNT & CHANGE
1989 Aug. 2-Aug. 28	\$ 9,275,995	24	\$ 386,500
Increase 1990	546,497		22,771
1990 Aug. 1-Aug. 27	\$ 9,822,492	24	\$ 409,271
Increase (Decrease) 1991	1,689,897		( 25,525)
1991 Jul. 24-Aug. 26	\$11,512,389	30	\$ 383,746
Increase 1992	15,153		505
1992 Jul. 29-Aug. 31	\$11,527,542	30	\$ 384,251
Increase 1993	692,219		23,074
1993 Jul. 28-Aug. 30	\$12,219,761	30	407,325



**PART III**

**TRACK OPERATIONS REPORTS**



REPORT ON THE FINANCIAL OPERATIONS OF THE RACETRACK CORPORATIONS  
PURSUANT TO SECTIONS 228(2) AND 318(1) OF THE RACING, PARI-MUTUEL  
WAGERING AND BREEDING LAW

Sections 228(2) and 318(1) direct this Board to report on the financial operations of six licensed harness race tracks and the Finger Lakes Racing Association, the one thoroughbred track licensee, (NYRA being a "franchisee"), as follows:

"The racing and wagering board shall report annually, on or before March thirty-first, to the director of the budget, the chairman of senate finance committee and the chairman of the assembly ways and means committee the extent to which such corporation or association utilized such retained percentages and breakage for operations, maintenance, capital improvements, advertising and promotion, administration and general overhead, and evaluate the effectiveness and make recommendations with respect to the application of the reduced rates of taxation as provided for in subparagraph (1) of this paragraph in accomplishing the objectives stated therein. (Ed. Note: The "reduced rates" refer to the rates amended by Laws 1988, Chap. 261.) Such report shall also specify the amount of such retained percentages and breakage used for investments not directly related to racing activities and such amounts used to declare dividends or other profit distributions, additions to retained earnings. Such report shall also include an analysis of any such agreements or proposals to conduct or otherwise expand wagers authorized under article ten of this chapter and presents its conclusions with respect to the conduct of such wagering, the nature of such proposals and agreements, and recommendations to ensure the future maintenance of the intent of this article and article ten of this chapter."

Because of the short time interval from the end of the calendar year to the due date of this report, it is not possible to compile and submit official and audited financial data. In order to comply with the reporting requirements set forth in Sections 228(2) and 318(1) of the laws, the Board notified all of the harness tracks and Finger Lakes Race Track (the beneficiaries of tax reductions and credits enacted in 1988) of the explicit legislative mandate, and directed these entities to compile and forward the required data. In addition, because off-track betting simulcasting is an integral part of the data to be furnished, we similarly directed the State's six regional off-track betting corporation to furnish relevant data.

While the Board attempted to have the reports prepared in a uniform format, this was not fully possible, since many of the affected entities have different accounting systems and statistical compilations. In addition, the reporting techniques were not consistent in all cases. Therefore, only minimal analysis by the Board has been possible and only preliminary observations can be made in limited areas.

The Board's staff has prepared separate track by track comparisons of the financial data for four years. The information was compiled from audited reports except for 1993 which is from preliminary unaudited data and is subject to change after audited financial statements are

At Batavia simulcasts accounted for \$8,989,933 of the \$19,465,742 total; and at Buffalo the simulcast handle of \$11,621,204 reflected 35.22% of the \$32,999,706 total.

### STATUTORY OBJECTIVES OF REDUCED TAX

As previously stated, the statute requires the Board to evaluate the effectiveness of the reduced rates of taxation in stimulating the tracks to meet the objectives defined in 1985 and 1988. These objectives have been made conditions for continued receipt of the full amount of such relief.

Effective for 1989 and each subsequent year, the Board is required to certify to the Commissioner of Taxation and Finance, no later than eighty days after the close of each calendar year, whether each track (other than NYRA) has expended an amount equal to a least one-half of one percent of its prior year's on-track handle for "enhancements" as defined in Sections 228 and 318 of the Racing Law. "Enhancements" consist of: (1) capital improvements as defined by Sections 228-a or 319; (2) repairs to the physical plant, structures and equipment used in racing or wagering operations; and (3) up to five special events not otherwise conducted in the ordinary course of business, for the purpose of encouraging, attracting and promoting new and continued track attendance. These events must be approved by the Board.

The Board has certified that all of the affected tracks did expend for enhancements during 1993 at least one-half of 1% of their respective on-track bets during 1993.

Five of the seven reporting tracks, Monticello, Vernon, Buffalo, Batavia and Finger Lakes reflect sizable "losses from racing" in 1993. All of the tracks except Vernon and Batavia indicate profits with the capital improvement commissions. Monticello's "profit" was derived fully from the \$449,916 in capital improvement commissions. In 1992 four tracks reflected sizable losses from racing, and all tracks except Vernon showed profits with the capital improvement commissions.

The 1993 figures are preliminary unaudited figures subject to change when audited reports are submitted by the tracks.

It should be noted that while capital improvement fund commissions eliminated the losses from racing in many cases, those revenues are restricted in use and are not available to cover operating expenses.

As previously stated, the other components of this report, i.e. tracks' expenditures for operations, maintenance, capital improvements, advertising and promotions, administrations and general overhead are set forth in the enclosed charts compiled by the Board's staff from the tracks' unaudited 1993 financial statements and their prior year audited financial statements going back to 1990.

REVENUES AND EXPENSES 1993 ALL TRACKS COMPARED (UNAUDITED FIGURES)

	<u>YONKERS</u>	<u>MONTICELLO</u>	<u>SARATOGA</u>	<u>VERNON</u>	<u>BATAVIA</u>	<u>BUFFALO</u>	<u>FINGER LAKES</u>
	<u>1993</u>	<u>1993</u>	<u>1993</u>	<u>1993</u>	<u>1993</u>	<u>1993</u>	<u>1993</u>
<u>OPERATING INCOME</u>							
On-Track Commissions and Breakage	\$20,792,214	\$6,062,044	\$3,568,034	\$3,636,000	\$1,815,520	\$3,688,993	\$6,356,676
Off-Track Commissions	8,770,080	3,199,572	4,225,820	1,448,000	1,852,107	2,363,232	4,644,822
Simulcast Commissions and Breakage	10,472,337	827,349	2,247,473	1,476,000	1,416,319	1,918,890	2,013,215
Simulcast tax Credits	<u>1,642,385</u>	<u>94,265</u>	<u>41,402</u>	<u>0</u>	<u>92,502</u>	<u>180,323</u>	<u>358,586</u>
Total Pari-Mutuel Revenues	\$41,677,016	\$10,183,230	\$10,082,729	6,560,000	\$5,176,448	\$8,151,438	\$13,373,299
Other Operating Income	2,599,512	705,769	1,589,723	1,222,956	392,432	515,765	703,923
Total Operating Income	<u>\$44,276,528</u>	<u>\$10,888,999</u>	<u>\$11,672,452</u>	<u>\$7,782,956</u>	<u>5,568,880</u>	<u>\$8,667,203</u>	<u>\$14,077,222</u>

OPERATING EXPENSES

Purse and Horsemen Benefits	\$17,474,054	\$4,798,592	\$3,939,084	\$2,780,000	\$2,138,306	\$3,537,131	\$7,234,304
Racing Department	1,017,854	287,349	300,074	206,000	224,594	347,669	1,317,904
Pari-Mutuel Expenses	4,276,889	879,516	1,174,310	1,325,000	734,066	1,641,888	1,475,613
Advertising and Promotion	1,058,599	211,974	457,843	280,000	69,218	618,630	642,089
Maintenance and Cleaning	6,672,098	1,315,769	1,192,829	645,000	545,901	718,130	1,382,953
Patron and Security	2,083,171	463,714	688,351	500,000	165,678	626,847	530,785
General and Administrative	10,710,227	2,583,621	2,878,477	2,207,398	<u>1,664,425</u>	<u>1,198,024</u>	<u>1,806,077</u>
Total Operating Expenses	\$43,292,892	\$10,540,535	\$10,630,968	\$7,943,398	5,542,186	\$8,686,319	\$14,389,725
Depreciation	555,483	382,332	610,056	230,000	210,000	182,942	705,216
Total Racing Expenses	<u>\$43,848,375</u>	<u>\$10,922,867</u>	<u>\$11,241,024</u>	<u>\$8,173,398</u>	<u>\$5,752,186</u>	<u>\$8,871,261</u>	<u>\$15,094,941</u>

Profit from Racing	\$428,153	(\$33,868)	\$431,428	(390,442)	(183,308)	(\$204,058)	(\$1,017,719)
Capital Improvements	0	449,916	216,544	191,825	129,860	250,488	718,854
Profit from Racing Cap. Improv.	\$428,153	\$416,048	\$647,972	(198,617)	(53,448)	\$46,430	(\$298,865)

Net other Income	(\$4,156,554)	\$225,833	(\$348,393)	112,000	(89,613)	(\$464,050)	\$58,969
Income or Expense Before Taxes	(\$3,728,401)	641,881	299,579	(86,617)	(143,061)	(\$417,620)	(239,896)
Less: prov. for Income Taxes	(1,469,123)	256,752	13,077	0	0	\$0	(120,234)
Net Income(Loss)	<u>(\$2,259,278)</u>	<u>\$385,129</u>	<u>\$286,502</u>	<u>(86,617)</u>	<u>(\$143,061)</u>	<u>(\$417,620)</u>	<u>(\$119,662)</u>

SELECTED BALANCE SHEET CHANGES

Fixed Asset Additions	\$560,999	\$381,282	\$727,021	\$191,064	\$58,167	\$229,227	\$558,217
Dividends or Distributions	\$0	\$0	\$106,244	50,077	0	\$0	0
Capital Stock reacquired	\$0	\$0	\$0	0	0	\$0	0
Non-Operating Investments	\$0	\$661,984	\$0	0	0	\$0	0
Net Change Retained Earnings	(\$2,259,278)	\$385,129	\$286,502	(86,617)	(143,061)	(\$417,620)	(\$119,662)

REVENUES AND EXPENSES 1992- ALL TRACKS COMPARED (FINAL AUDITED FIGURES)

	<u>YONKERS</u> 1992	<u>MONTICELLO</u> 1992	<u>SARATOGA</u> 1992	<u>VERNON</u> 1992	<u>BATAVIA</u> 1992	<u>BUFFALO</u> 1992	<u>FINGER LAKES</u> 1992
<b>OPERATING INCOME</b>							
On-Track Commissions and Breakege	\$28,773,142	\$5,972,695	\$4,239,003	\$4,122,842	\$2,584,555	\$3,616,685	\$7,264,063
Off-Track Commissions	11,170,787	2,341,957	4,496,057	1,407,755	2,317,599	2,105,245	5,006,267
Simulcast Commissions and Breakege	11,740,684	769,071	2,035,529	920,760	1,557,569	1,901,978	2,041,050
Simulcast Tax Credits	<u>\$2,109,246</u>	<u>\$16,956</u>	<u>\$53,515</u>	\$0	<u>\$130,443</u>	<u>\$169,353</u>	<u>\$414,235</u>
Total Pari-Mutuel Revenues	\$53,793,859	\$9,100,679	\$10,824,104	\$6,451,357	\$6,590,166	\$7,793,261	\$14,725,635
Other Operating Income	3,307,002	765,917	1,608,305	1,079,713	434,049	555,515	753,443
Total Operating Income	<u>\$57,100,861</u>	<u>\$9,866,596</u>	<u>\$12,432,409</u>	<u>\$7,531,070</u>	<u>\$7,024,215</u>	<u>\$8,348,776</u>	<u>\$15,479,078</u>
<b>OPERATING EXPENSES</b>							
Purse and Horsemen Benefits	\$23,011,212	\$4,296,587	\$4,393,319	\$2,938,706	\$2,756,488	\$3,293,052	\$7,878,931
Racing Department	1,238,789	259,973	266,285	248,970	268,753	390,946	1,489,951
Pari-Mutuel Expenses	5,057,184	764,172	1,334,901	1,249,965	1,018,920	1,414,560	1,629,658
Advertising and Promotion	1,345,485	198,673	792,349	269,082	185,996	520,224	622,485
Maintenance and Cleaning	8,387,928	1,175,132	1,298,056	624,253	600,863	690,083	1,512,020
Patron and Security	2,542,096	459,755	704,672	502,014	233,459	554,383	544,356
General and Administrative	11,115,443	2,651,065	2,766,209	1,839,745	1,786,681	1,092,551	1,915,849
Total Operating Expenses	\$52,698,137	\$9,805,357	\$11,555,791	\$7,672,735	\$6,851,160	\$7,955,799	\$15,593,250
Depreciation	2,888,060	389,797	600,694	212,526	232,624	157,668	679,909
Total Racing Expenses	<u>\$55,586,197</u>	<u>\$10,195,154</u>	<u>\$12,156,485</u>	<u>\$7,885,261</u>	<u>\$7,083,784</u>	<u>\$8,113,467</u>	<u>\$16,273,159</u>
Profit from Racing	\$1,514,664	(\$328,558)	\$275,924	(\$354,191)	(\$59,569)	\$235,309	(\$794,081)
Capital Improvement Commissions	0	371,871	262,399	205,256	185,628	234,750	811,918
Profit From Racing & Cap. Improv.	\$1,514,664	\$43,313	\$538,323	(\$148,935)	\$126,059	\$470,059	\$17,837
Net Other Income or (Expense)	(\$3,179,457)	\$447,473	(\$349,780)	\$140,006	(\$128,363)	(\$446,298)	\$193,701
Income (Loss) Before Taxes	(1,664,793)	490,786	188,543	(8,929)	(2,304)	23,761	211,538
Less: Prov. for Income Taxes(Credit)	(337,272)	160,000	8,206	(19,690)	(1,340)	604	40,815
Net Income (Loss)	<u>(\$1,327,521)</u>	<u>\$330,786</u>	<u>\$180,337</u>	<u>\$10,761</u>	<u>(\$964)</u>	<u>\$23,157</u>	<u>\$170,723</u>
<b>SELECTED BALANCE SHEET CHANGES</b>							
Fixed Asset Additions	\$2,085,586	\$223,906	\$182,235	\$234,819	\$205,737	\$119,489	\$793,082
Dividends or Distributions	\$0	\$0	\$113,502	\$175,270	\$0	\$0	\$0
Capital Stock Reacquired	\$0	\$0	\$434,459	\$24,814	\$0	\$0	\$0
Non-Operating Investments	\$0	(\$101,167)	\$0	\$0	\$0	\$0	\$0
Net Change Retained Earnings	(\$1,327,521)	\$330,786	\$95,624	(\$354,514)	(\$964)	\$23,157	\$170,723

SUPPLEMENT TO TRACK REVENUES AND EXPENSES SCHEDULES  
FOR NET OTHER INCOME OR EXPENSES  
DETAIL OF SUMMARY FIGURES SHOWN FOR EACH TRACK

	YONKERS RACEWAY		MONTICELLO		SARATOGA RACEWAY		VERNON DOWNS		BATAVIA		BUFFALO RACEWAY		FINGER LAKES	
	1993	1992	1993	1992	1993	1992	1993	1992	1993	1992	1993	1992	1993	1992
<u>OTHER INCOME</u>														
Interest or Investment Income	---	\$18,870	\$224,833	\$243,951	\$84,167	\$88,991	\$112,000	\$140,006	\$2,304	---	---	\$6,662	\$45,739	\$53,701
Rental of Facilities- Non-Racing Activities	492,865	481,190	---	\$74,143	---	---	---	---	---	---	---	---	---	---
Gain on Sale of Property	---	---	1,000	---	3,686	12,036	---	---	---	---	---	---	13,230	8,450
Capital Improvement Comm. Deferred Reversed	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Other	---	194,548	---	200,000	28,936	77,121	---	---	---	36,409	---	---	---	131,550
<b>TOTAL OTHER INCOME</b>	<b>\$492,865</b>	<b>\$892,408</b>	<b>\$225,833</b>	<b>\$518,094</b>	<b>\$96,689</b>	<b>\$178,148</b>	<b>\$112,000</b>	<b>\$140,006</b>	<b>\$2,304</b>	<b>\$36,409</b>	<b>\$0</b>	<b>\$6,662</b>	<b>\$58,969</b>	<b>\$193,701</b>
<u>OTHER EXPENSES</u>														
Interest Expense	\$523,149	\$399,710	---	---	\$406,720	\$437,244	---	---	91,917	132,640	\$89,039	\$95,031	---	---
Lease Expense	3,189,600	2,257,257	---	---	---	---	---	---	---	---	123,482	119,417	---	---
Capital Improvement Comm. Deferred	---	---	---	---	38,362	90,684	---	---	---	32,133	250,489	234,750	---	---
Subsidiary Loss	750,000	958,761	---	67,299	---	---	---	---	---	---	---	---	---	---
Other	188,670	250,137	---	3,321	---	---	---	---	---	---	1,040	3,762	---	---
<b>TOTAL OTHER EXPENSES</b>	<b>\$4,649,419</b>	<b>\$3,871,865</b>	<b>---</b>	<b>\$70,620</b>	<b>\$445,082</b>	<b>\$527,928</b>	<b>---</b>	<b>---</b>	<b>\$91,917</b>	<b>\$164,773</b>	<b>\$464,050</b>	<b>\$452,960</b>	<b>---</b>	<b>---</b>
<b>NET OTHER INCOME (EXPENSE)</b>	<b>(\$4,156,554)</b>	<b>(\$3,179,457)</b>	<b>\$225,833</b>	<b>\$447,474</b>	<b>(\$348,393)</b>	<b>(\$349,780)</b>	<b>\$112,000</b>	<b>\$140,006</b>	<b>(\$89,613)</b>	<b>(\$128,364)</b>	<b>(\$464,050)</b>	<b>(\$446,298)</b>	<b>\$58,969</b>	<b>\$193,701</b>

NET93REV

YONKERS RACEWAY  
REVENUES AND EXPENSE 1993-1990

	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1993-1992</u> <u>INCREASE</u> <u>(DECREASE)</u>
<b>OPERATING INCOME</b>					
On-Track Commissions and Breakege	\$20,792,214	\$28,773,142	\$31,533,962	\$35,007,784	(\$7,980,928)
Off-Track Commissions	\$8,770,080	\$11,170,787	\$12,149,023	\$12,776,580	(\$2,400,707)
Simulcast Commissions and Breakege	\$10,472,337	\$11,740,684	\$11,555,147	\$7,121,824	(\$1,268,347)
Simulcast Tax Credit	\$1,642,385	\$2,109,246	\$2,150,159	\$2,297,527	(\$466,861)
Total Pari-Mutuel Revenues	\$41,677,016	\$53,793,859	\$57,388,291	\$57,203,715	(\$12,116,843)
Other Operating Income	\$2,599,512	\$3,307,002	\$3,806,945	\$3,466,782	(\$707,490)
Total Operating Income	<u>\$44,276,528</u>	<u>\$57,100,861</u>	<u>\$61,195,236</u>	<u>\$60,670,497</u>	<u>(\$12,824,333)</u>
<b>OPERATING EXPENSES</b>					
Purse and Horsemen Benefits	\$17,474,054	\$23,011,212	\$24,717,105	\$25,247,285	(\$5,537,158)
Racing Department	\$1,017,854	\$1,238,789	\$1,337,935	\$1,232,349	(\$220,935)
Pari-Mutuel Expenses	\$4,276,889	\$5,057,184	\$5,247,868	\$4,752,003	(\$780,295)
Advertising and Promotions	\$1,058,599	\$1,345,485	\$1,494,174	\$2,131,534	(\$286,886)
Maintenance and Cleaning	\$6,672,098	\$8,387,928	\$8,253,737	\$7,910,735	(\$1,715,830)
Patron and Security	\$2,083,171	\$2,542,096	\$2,726,167	\$2,381,415	(\$458,925)
General and Administrative	\$10,710,227	\$11,115,443	\$11,303,956	\$10,978,677	(\$405,216)
Total Operating Expenses	\$43,292,892	\$52,698,137	\$55,080,932	\$54,633,998	(\$9,405,245)
Depreciation	\$555,483	\$2,888,060	\$3,388,918	\$3,117,020	(\$2,332,577)
Total Racing Expenses	<u>\$43,848,375</u>	<u>\$55,586,197</u>	<u>\$58,469,850</u>	<u>\$57,751,018</u>	<u>(\$11,737,822)</u>
Profit From Racing	\$428,153	\$1,514,664	\$2,725,386	\$2,919,479	(\$1,086,511)
Capital Improvement Commissions	\$0	\$0	\$0	\$0	\$0
Profit From Racing & Cap. Improv.	\$428,153	\$1,514,664	\$2,725,386	\$2,919,479	(\$1,086,511)
Net Other Income or (Expense)	(\$4,156,554)	(\$3,179,457)	(\$33,830)	(\$2,029,994)	(\$977,097)
Income (Loss) Before Taxes	(\$3,728,401)	(\$1,664,793)	\$2,691,556	\$889,485	(\$2,063,608)
Less: Prov. for Income Taxes(Credit)	\$1,469,123	(\$337,272)	\$1,476,682	\$651,602	(\$1,131,851)
Net Income (Loss)	<u>(\$2,259,278)</u>	<u>(\$1,327,521)</u>	<u>\$1,214,874</u>	<u>\$237,883</u>	<u>(\$931,757)</u>
<b>SELECTED BALANCE SHEET CHANGES</b>					
Fixed Asset Additions	\$560,999	\$2,085,586	\$1,002,944	\$1,985,103	(\$1,524,587)
Dividends or Distributions	\$0	\$0	\$0	\$0	\$0
Capital Stock Reacquired	\$0	\$0	\$0	\$0	\$0
Non-Operating Investments	\$0	\$0	\$0	\$126,774	\$0
Net Change Retained Earnings	(\$2,259,278)	(\$1,327,521)	\$1,214,874	\$237,883	(\$931,757)

YON93



**MONTICELLO RACEWAY**

**REVENUES AND EXPENSE 1993-1990**

1993-1992  
INCREASE  
(DECREASE)

1990

1991

1992

1993

**OPERATING INCOME**

On-Track Commissions and Breakage  
Off-Track Commissions  
Simulcast Commissions and Breakage  
Simulcast Tax Credits  
Total Pari-Mutuel  
Other Operating Income  
Total Operating Income

\$6,062,044	\$5,972,695	\$5,991,245	\$7,686,546
3,199,572	2,341,957	2,052,969	2,448,691
827,349	769,071	659,764	169,629
94,265	16,956	13,109	62,761
\$10,183,230	\$9,100,679	\$8,717,087	\$10,367,627
705,769	765,917	810,011	826,625
<u>\$10,888,999</u>	<u>\$9,866,596</u>	<u>\$9,527,098</u>	<u>\$11,194,252</u>

**OPERATING EXPENSES**

Purse and Horsemen Benefits  
Racing Department  
Pari-Mutuel Expenses  
Advertising and Promotion  
Maintenance and Cleaning  
Patron and Security  
General and Administrative  
Total Operating Expenses  
Depreciation  
Total Racing Expenses

\$4,798,592	\$4,296,587	\$4,710,465	\$5,012,647
287,349	259,973	300,630	337,366
879,516	764,172	742,165	845,153
211,974	198,673	202,382	224,401
1,315,769	1,175,132	1,162,372	1,339,747
463,714	459,755	490,025	483,938
2,583,621	2,651,065	2,828,862	2,903,770
\$10,540,535	\$9,805,357	\$10,436,901	\$11,147,022
382,332	389,797	353,514	372,942
<u>\$10,922,867</u>	<u>\$10,195,154</u>	<u>\$10,790,415</u>	<u>\$11,519,964</u>

Profit From Racing  
Capital Improvement Commissions  
PROFIT(LOSS) FROM RACING & CAP. IMPROV.

(\$33,868)	(\$328,558)	(\$1,263,317)	(\$325,712)
449,916	371,871	360,573	469,678
\$416,048	\$43,313	(\$902,744)	\$143,966

Net Other Income or (Expense)  
Income (Loss) Before Taxes  
Less Prov. For Income Taxes (Credit)  
Net Income (Loss)

225,833	447,473	(737,957)	293,458
\$641,881	\$490,786	(\$1,640,701)	\$437,424
256,752	160,000	(275,000)	175,000
<u>\$385,129</u>	<u>\$330,786</u>	<u>(\$1,365,701)</u>	<u>\$262,424</u>

**SELECTED BALANCE SHEET CHANGES**

Fixed Assets Additions  
Dividends or Distributions  
Capital Stock Required  
Non-Operating Investments  
Net Change Retained Earnings

\$381,282	\$223,906	\$342,575	\$399,295
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$661,984	(\$101,167)	(\$470,604)	\$401,321
\$385,129	\$330,786	(\$1,365,701)	\$262,424

MONTCPA

SARATOGA RACEWAY  
REVENUES AND EXPENSES 1993-1990

	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1993-1992</u> <u>INCREASE</u>
<u>OPERATING INCOME</u>					
On-Track Commissions & Breakage	\$3,568,034	\$4,239,003	\$4,576,586	\$4,917,763	(\$670,969)
Off-Track Commissions	4,225,820	4,496,057	4,664,477	4,770,526	(\$270,237)
Simulcast Commissions & Breakage	2,247,473	2,035,529	1,993,184	1,986,513	\$211,944
Simulcast Tax Credits	<u>41,402</u>	<u>53,515</u>	<u>57,060</u>	<u>60,067</u>	<u>(\$12,113)</u>
Total Pari-Mutuel Revenues	\$10,082,729	\$10,824,104	\$11,291,307	\$11,734,869	(\$741,375)
Other Operating Income	1,589,723	1,608,305	1,682,616	1,885,205	(\$18,582)
Total Operating Income	<u>\$11,672,452</u>	<u>\$12,432,409</u>	<u>\$12,973,923</u>	<u>\$13,620,074</u>	<u>(\$759,957)</u>

<u>OPERATING EXPENSES</u>					
Purse and Horsemen Benefits	\$3,939,084	\$4,393,319	\$4,572,806	\$4,588,556	(\$454,235)
Racing Department	300,074	266,285	278,107	287,528	\$33,789
Pari-Mutuel Expenses	1,174,310	1,334,901	1,358,301	1,417,567	(\$160,591)
Advertising and Promotion	457,843	792,349	603,010	630,951	(\$334,506)
Maintenance and Cleaning	1,192,829	1,298,056	1,325,906	1,339,518	(\$105,227)
Patron and Security Expenses	688,351	704,672	689,703	711,570	(\$16,321)
General and Administrative	2,878,477	2,766,209	2,905,107	3,161,846	\$112,268
Total Operating Expenses	<u>\$10,630,968</u>	<u>\$11,555,791</u>	<u>\$11,732,940</u>	<u>\$12,137,536</u>	<u>(\$924,823)</u>
Depreciation	610,056	600,694	681,019	701,943	\$9,362
Total Racing Expenses	<u>\$11,241,024</u>	<u>\$12,156,485</u>	<u>\$12,413,959</u>	<u>\$12,839,479</u>	<u>(\$915,461)</u>

Profit from Racing	\$431,428	\$275,924	\$559,984	\$780,595	\$155,504
Capital Improvements	<u>216,544</u>	<u>262,399</u>	<u>287,904</u>	<u>309,501</u>	<u>(\$45,855)</u>
Profit Racing & Cap. Improv.	\$647,972	\$538,323	\$847,868	\$1,090,096	\$109,649
Net Other Income or (Expense)	<u>(\$348,393)</u>	<u>(\$349,780)</u>	<u>(\$319,275)</u>	<u>(\$179,129)</u>	<u>\$1,387</u>
Income (Loss) Before Taxes	299,579	188,543	528,593	910,967	\$111,036
Less: Prov. for Income Taxes (Credit)	<u>13,077</u>	<u>8,206</u>	<u>14,371</u>	<u>26,510</u>	<u>\$4,871</u>
Net Income (Loss)	<u>\$286,502</u>	<u>\$180,337</u>	<u>\$514,222</u>	<u>\$884,457</u>	<u>\$106,165</u>

SELECTED BALANCE SHEET CHANGES

Fixed Asset Additions	\$727,021	\$182,235	\$236,136	\$352,116	\$544,786
Dividends or Distributions	\$106,244	\$113,502	\$374,126	\$602,896	(\$7,258)
Capital Stock reacquired	\$0	\$434,459	\$350,000	\$0	(\$434,459)
Non-Operating Investments	\$0	\$0	\$0	\$0	\$0
Net Change Retained Earnings	\$286,502	\$95,624	\$73,896	\$281,561	\$190,878

SAR92CPA

VERNON DOWNS  
EXPENSE AND REVENUES 1993-1990

	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	1993-1992 <u>INCREASE</u> <u>DECREASE</u>
<b>OPERATING INCOME</b>					
On-Track Commissions and Breakage	\$3,636,000	\$4,122,842	\$4,805,065	\$5,227,426	(\$486,842)
Off-Track Commissions	1,448,000	1,407,755	1,480,475	1,544,941	\$40,245
Simulcast Commissions and Breakage	1,476,000	920,760	503,806	353,464	\$555,240
Simulcast Tax Credits	0	0	0	0	\$0
Total Pari-Mutuel Revenues	6,560,000	6,451,357	6,789,346	7,125,831	\$108,643
Other Operating Income	1,222,956	1,079,713	1,255,231	1,378,428	\$143,243
Total Operating Income	<u>\$7,782,956</u>	<u>\$7,531,070</u>	<u>\$8,044,577</u>	<u>\$8,504,259</u>	<u>\$251,886</u>
<b>OPERATING EXPENSES</b>					
Purse and Horsemen Benefits	\$2,780,000	\$2,938,706	\$3,201,320	\$3,693,856	(\$158,706)
Racing Department	206,000	248,970	262,997	260,822	(\$42,970)
Pari-Mutuel Expenses	1,325,000	1,249,965	976,237	943,643	\$75,035
Advertising and Promotion	280,000	269,082	241,376	273,328	\$10,918
Maintenance and Cleaning	645,000	624,253	677,992	684,769	\$20,747
Patron and Security	500,000	502,014	565,428	554,897	(\$2,014)
General and Administrative	2,207,398	1,839,745	2,111,484	2,063,973	\$367,653
Total Operating Expenses	<u>\$7,943,398</u>	<u>\$7,672,735</u>	<u>\$8,036,834</u>	<u>\$8,475,288</u>	<u>\$270,663</u>
Depreciation	230,000	212,526	255,633	284,058	\$17,474
Total Racing Expenses	<u>\$8,173,398</u>	<u>\$7,885,261</u>	<u>\$8,292,467</u>	<u>\$8,759,346</u>	<u>\$288,137</u>
Profit from Racing	(390,442)	(354,191)	(247,890)	(255,087)	(\$36,251)
Capital Improvement Commissions	191,825	205,256	231,818	246,857	(\$13,431)
Profit From Racing & Capital Improv.	<u>(198,617)</u>	<u>(148,935)</u>	<u>(16,072)</u>	<u>(8,230)</u>	<u>(\$49,682)</u>
Net Other Income or (Expense)	112,000	140,006	170,493	202,024	(28,006)
Income (Loss) Before Taxes	(\$86,617)	(\$8,929)	\$154,421	\$193,794	(\$77,688)
Less: Prov. for Income Tax Credits	0	(19,690)	16,229	13,723	\$19,690
Net Income (Loss)	<u>(\$86,617)</u>	<u>\$10,761</u>	<u>\$138,192</u>	<u>\$180,071</u>	<u>(\$97,378)</u>
<b>SELECTED BALANCE SHEET CHANGES</b>					
Fixed Asset Additions	\$191,064	\$234,819	\$80,903	\$174,912	(\$43,755)
Dividends or Distributions	\$50,077	\$175,270	\$201,566	\$241,043	(\$125,193)
Capital Stock reacquired	\$0	\$24,814	\$32,335	\$20,641	(\$24,814)
Non-Operating Investments	\$0	\$0	\$0	\$0	\$0
Net Change Retained Earnings	<u>(\$86,617)</u>	<u>(\$354,514)</u>	<u>(\$93,778)</u>	<u>(\$80,369)</u>	<u>\$267,897</u>

VERCPA93

BATAVIA RACEWAY  
REVENUES AND EXPENSES 1993-1990

	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>INCREASE (DECREASE)</u>
<b>OPERATING INCOME</b>					
On-Track Commissions & Breakage	\$1,615,520	\$2,584,555	\$2,894,589	\$3,356,643	(\$769,035)
Off-Track Commissions	1,852,107	2,317,599	2,376,005	2,664,033	(485,492)
Simulcast Commissions & Breakage	1,416,319	1,557,569	1,179,540	531,563	(141,250)
Simulcast Tax Credit	92,502	130,443	134,818	152,764	(37,941)
Total Pari-Mutuel Revenues	\$5,176,448	\$6,590,166	\$6,578,952	\$6,705,003	(1,413,718)
Other Operating Income	392,432	434,049	535,941	707,090	(41,617)
Total Operating Income	<u>\$5,568,880</u>	<u>\$7,024,215</u>	<u>\$7,114,893</u>	<u>\$7,412,093</u>	<u>(\$1,455,335)</u>

<b>OPERATING EXPENSES</b>					
Purse and Horsemen Benefits	\$2,138,306	\$2,758,486	\$2,848,078	\$3,167,659	(\$616,162)
Racing Department	224,594	268,753	272,698	308,866	(44,159)
Pari-Mutuel Expenses	734,066	1,018,920	1,032,306	900,689	(284,854)
Advertising and Promotion	68,218	185,986	160,543	133,401	(116,778)
Maintenance and Cleaning	545,901	600,863	587,160	552,199	(54,962)
Patron and Security	165,678	233,459	232,254	242,124	(67,761)
General and Administrative	1,664,425	1,766,681	1,973,912	1,934,151	(122,256)
Total Operating Expenses	\$5,542,188	\$6,851,160	\$7,066,951	\$7,240,069	(1,308,972)
Depreciation	210,000	232,624	209,300	239,511	(22,824)
Total Racing Expenses	<u>\$5,752,188</u>	<u>\$7,083,784</u>	<u>\$7,276,251</u>	<u>\$7,479,600</u>	<u>(\$1,331,596)</u>

Profit from Racing	(\$163,308)	(\$59,569)	(\$161,658)	(\$67,507)	(\$123,739)
Capital Improvement Commissions	129,660	185,628	209,280	242,968	(55,768)
Profit From Racing & Cap. Improv.	(\$33,648)	\$126,059	\$27,622	\$175,461	(\$179,507)
Net Other Income or (Expense)	(89,613)	(128,383)	513,364	(260,461)	38,750
Income (Loss) Before Taxes	(\$143,061)	(\$2,304)	\$540,986	(\$85,000)	(\$140,757)
Less: Prov. for Income Taxes (Credit)	0	(1,340)	243,909	(42,494)	\$1,340
Net Income (Loss)	<u>(\$143,061)</u>	<u>(\$964)</u>	<u>\$297,077</u>	<u>(\$42,506)</u>	<u>(\$142,097)</u>

SELECTED BALANCE SHEET CHANGES

Fixed Asset Additions	\$58,167	\$205,737	\$126,924	\$286,954	(\$147,570)
Dividends or Distributions	\$0	\$0	\$0	\$0	\$0
Capital Stock Recquired	\$0	\$0	\$0	\$0	\$0
Non-Operating Investments	\$0	\$0	\$0	\$0	\$0
Net Change Retained Earnings	(\$143,061)	(\$964)	\$297,077	(\$42,506)	(\$142,097)

BUFFALO RACEWAY  
REVENUES AND EXPENSES 1993-1990

1993-1992  
INCREASE  
(DECREASE)

	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	
<b>OPERATING INCOME</b>					
On-Track Commissions and Breakage	\$3,688,993	\$3,616,685	\$3,543,811	\$3,993,579	\$72,308
Off-Track Commissions	2,363,232	2,105,245	1,996,846	2,186,603	257,987
Simulcast Commissions and Breakage	1,918,890	1,901,978	1,515,626	606,626	16,912
Simulcast Tax Credits	180,323	169,353	152,534	167,168	10,970
Total Pari-Mutuel Commissions	\$8,151,438	\$7,793,261	\$7,208,817	\$6,953,976	\$358,177
Other Operating Income	515,765	555,515	530,292	517,069	(39,750)
Total Operating Income	<u>\$8,667,203</u>	<u>\$8,348,776</u>	<u>\$7,739,109</u>	<u>\$7,471,045</u>	<u>\$318,427</u>

<b>OPERATING EXPENSES</b>					
Purse and Horsemen Benefits	\$3,537,131	\$3,293,052	\$3,108,741	\$3,392,966	\$244,079
Racing Department	347,669	390,946	418,942	329,555	(43,277)
Pari-Mutuel Expenses	1,641,888	1,414,560	1,308,270	920,818	227,328
Advertising and Promotion	618,630	520,224	495,965	532,385	98,406
Maintenance and Cleaning	718,130	690,083	714,771	646,719	28,047
Patron and Security	626,847	554,383	499,618	457,525	72,464
General and Administrative	1,198,024	1,092,551	1,033,802	1,158,375	105,473
Total Operating Expenses	\$8,688,319	\$7,955,799	\$7,580,109	\$7,438,343	\$732,520
Depreciation	182,942	157,668	126,489	225,039	25,274
Total Racing Expenses	<u>\$8,871,261</u>	<u>\$8,113,467</u>	<u>\$7,706,598</u>	<u>\$7,663,382</u>	<u>\$757,794</u>

Profit from Racing	(\$204,058)	\$235,309	\$32,511	(\$192,337)	(\$439,367)
Capital Improvement Commissions	250,488	234,750	241,879	272,447	15,738
<b>PROFIT FROM RACING &amp; CAP. IMPROV.</b>	\$46,430	\$470,059	\$274,390	\$60,110	(\$423,629)

Net Other Income or (Expense)	(\$464,050)	(\$446,298)	(\$465,354)	(\$287,570)	(\$17,752)
Income (Loss) Before Taxes	(\$417,620)	\$23,761	(\$191,004)	(\$207,460)	(\$441,381)
Less: Prov. for Income Taxes (Credit)	\$0	\$604	\$364	\$7,600	(604)
Net Income (Loss)	<u>(\$417,620)</u>	<u>\$23,157</u>	<u>(\$191,368)</u>	<u>(\$215,060)</u>	<u>(\$440,777)</u>

SELECTED BALANCE SHEET CHANGES

Fixed Asset Additions	\$229,227	\$119,489	\$776,373	\$143,575	\$109,738
Dividends or Distributions	\$0	\$0	\$0	\$2,149,982	\$0
Capital Stock reacquired	\$0	\$0	\$0	\$0	\$0
Non-Operating Investments	\$0	\$0	\$0	\$0	\$0
Net Change Retained Earnings	(\$417,620)	\$23,157	(\$191,368)	(\$3,776,226)	(\$440,777)

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**FINGER LAKES RACETRACK  
REVENUES AND EXPENSES 1993-1990**

	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	1993-1992 INCREASE (DECREASE)
<b><u>OPERATING INCOME</u></b>					
On-Track Commissions and Breakage	\$6,356,676	\$7,264,083	\$7,836,486	\$7,529,172	(\$907,407)
Off-Track Commissions	4,644,822	5,006,267	5,000,792	4,940,058	(\$361,445)
Simulcast Commissions and Breakage	2,013,215	2,041,050	2,005,820	1,768,263	(\$27,835)
Simulcast Tax Credits	358,588	414,235	446,141	424,250	(\$55,649)
Total Pari-Mutuel	\$13,373,299	\$14,725,635	\$15,289,239	\$14,661,743	(\$1,352,336)
Other Operating Income	703,923	753,443	805,961	820,226	(\$49,520)
Total Operating Income	<u>\$14,077,222</u>	<u>\$15,479,078</u>	<u>\$16,095,200</u>	<u>\$15,481,969</u>	(\$1,401,856)

<b><u>OPERATING EXPENSES</u></b>	
Puree and Horsemen Benefits	\$7,812,526
Racing Department	1,338,640
Pari-Mutuel Expenses	1,753,841
Advertising and Promotion	551,510
Maintenance and Cleaning	1,419,795
Patron and Security	491,263
General and Administrative	1,314,969
Total Operating Expenses	<u>\$14,682,544</u>
Depreciation	692,118
Total Racing Expenses	<u>\$15,374,662</u>

Profit from Racing	\$107,307	(\$223,638)
Capital Improvement Commissions	838,959	(\$93,064)
<b>PROFIT FROM RACING &amp; CAP. IMPROV.</b>	<u>\$944,266</u>	<u>(\$316,702)</u>

Net Other Income or (Expense)	\$58,235	(\$134,732)
Income (Loss) Before Taxes	1,002,501	(\$451,434)
Less: Prov. for Income Taxes (Credit)	412,622	(\$161,049)
Net Income (Loss)	<u>\$589,879</u>	<u>(\$290,385)</u>

<b>SELECTED BALANCE SHEET CHANGES</b>	
Fixed Asset Additions	591,441
Dividends or Distributions	0
Capital Stock	0
Non-Operating Investments	0
Net Change Retained Earnings	589,879

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**1993 REPORT STAFF**

**EDITOR:**

**John M. Dailey  
Director of Racing  
and Off-Track Betting**

**COORDINATORS:**

**Arthur Schechter  
James J. Gallagher  
Robert A. Feuerstein  
Ted Garrison  
Bruce Samboy  
Eileen M. Clarke-Brady**

**Chief of Audits & Investigations  
Chief of Racing Operations  
Counsel  
Director of Wagering Systems  
Bureau Chief of Indian Gaming  
Assistant Chief of OTB Operations**

**WRITERS AND RESEARCHERS:**

**Joseph Lynch  
Thomas J. Martin  
Joseph P. Sorbello  
Joseph S. Ryan  
Winnifred E. Donohue  
Dolores C. Bohannon**

**OTB Operations Analyst  
OTB Operations Analyst  
OTB Operations Analyst  
OTB Operations Analyst  
Associate Accountant  
Associate Accountant**

**TECHNICAL SERVICES:**

**Bonnie W. Cooper**

**Elena Mercado  
Frank R. Massimo  
Arvind S. Patel  
Cathy A. Badner**

**Georgette Hibbert  
Ronald S. Sommer  
Hector Soto**

