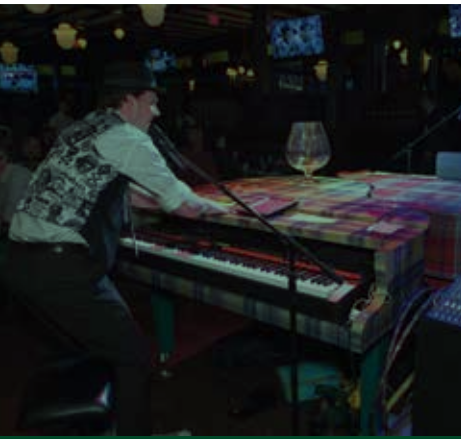




NEW YORK GAMING ASSOCIATION



2014
ANNUAL
REPORT



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MESSAGE FROM THE PRESIDENT

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Welcome to the New York Gaming Association's (NYGA's) 2014 Annual Report. The past year saw big changes in New York's gaming landscape with the approval of three new commercial casinos. Though the effects of these newcomers have yet to be realized, our members continue to have a positive impact on the economic health and well-being of our state and host communities.

It's been a decade since the state's first Video Lottery Terminals (VLTs) began generating income at Saratoga Casino and Raceway. Our nine member properties have grown into a \$3 billion industry that supports a myriad of local small businesses, from bakeries and dry cleaners to family farms and breeders, that help anchor local economies across the state. This past year, our members generated nearly \$900 million for schools, supported 30,000 jobs, and paid more than \$76 million in state and local taxes and aid.

We look forward to continuing our successful partnership with the state, and the many cities and towns that our members call home. Most importantly, we hope this report helps highlight some of the many individuals, families and businesses that benefit from the presence of an NYGA property in their community.

James Featherstonhaugh
President, New York Gaming Association



\$3 BILLION IMPACT

NYGA's nine member properties have a combined annual economic impact of approximately \$3 billion.

NYGA MEMBER



GAMING 2011



“Resorts World NYC has been an extraordinary partner, committed to the economic well-being of its local community and employees. Because of the good wages and benefits it offers, these hardworking men and women are able to build a brighter future for themselves, their families and the communities they live in.”

– Peter Ward
President of the NY Hotel &
Motel Trades Council

1,531
EMPLOYEES

\$1.1 BILLION
ECONOMIC IMPACT

\$864 MILLION FOR EDUCATION

Since 2004, NYGA members have generated nearly \$5.5 billion for our schools, including \$864 million in 2014 alone.

EMPIRE CITY
CASINO

GAMING 2006, RACING 1972



“Empire City generates much-needed revenue for our city’s schools. Since 2006, more than \$157 million has gone directly to Yonkers schools.”

– Mike Spano, Mayor
Yonkers, NY

NYGA MEMBER

1,221
EMPLOYEES

\$829 MILLION
ECONOMIC IMPACT

30,000 TOTAL JOBS

NYGA members directly and indirectly support 30,000 jobs throughout our communities.



GAMING 2004, RACING 1941



"Thanks to steady work from the casino and raceway, I've been able to grow my firm and support our employees and their families. In turn, business from the facility ripples out to our vendors and other local businesses."

– Denise Desmond, Owner,
Desmond Media & Marketing

NYGA MEMBER

593
EMPLOYEES

\$245 MILLION
ECONOMIC IMPACT

\$26 MILLION FOR BREEDING

Since 2004, NYGA members have generated over \$147 million in support of the breeding industry and agricultural-related businesses such as family farms, feed producers and veterinarians.



GAMING 2004, RACING 1962



"The revenue generated at Finger Lakes Racetrack over the years has supported our breeders and farms, along with injecting much-needed revenue and jobs in upstate communities like the Finger Lakes region."

– Jeff Cannizzo,
Executive Director, NY
Thoroughbred Breeders

NYGA MEMBER

517
EMPLOYEES

\$183 MILLION
ECONOMIC IMPACT

\$51 MILLION IN CAPITAL INVESTMENTS

Since 2004, NYGA members have initiated a wide range of capital improvements reaching approximately \$1.5 billion.



GAMING 2006, RACING 1953



“The construction of the casino parking enclosure and sheltered walkway has continued as planned, on schedule and on budget! This project has employed a good-sized crew of our tradesmen and subcontractors all winter long, and they too are most appreciative.”

— Jim Herr,
President of Construction,
VIP Structures

NYGA MEMBER

492
EMPLOYEES

\$85 MILLION
ECONOMIC IMPACT

\$76 MILLION IN AID FOR STATE AND LOCAL GOVERNMENTS

NYGA member properties are an important source of tax revenue and aid for state and local governments, generating over \$227 million since 2007.



GAMING 2005, RACING 1940

“Our community is stronger because of the revenue that Batavia Downs generates for local governments. It’s much-needed funding that relieves the pressure on taxpayers and helps pay for libraries, road repair, and police and fire services.”

– Annie M. Lawrence,
Vice Chairperson, Genesee County Legislature



NYGA MEMBER

257
EMPLOYEES

\$97 MILLION
ECONOMIC IMPACT

6,000 DIRECT EMPLOYEES

NYGA members directly employ a diverse workforce of nearly 6,000 employees. Our employees include a mix of management and union professionals.



MONTICELLO
CASINO | RACEWAY

GAMING 2004, RACING 1958



**ROSS
ELECTRIC**

“Monticello Casino & Raceway is one of the largest employers in our county. My family business counts on reliable, repeat customers like the casino to keep my team employed.”

– Kenny Ross,
Owner, Ross Electric

NYGA MEMBER

**280
EMPLOYEES**

**\$95 MILLION
ECONOMIC IMPACT**

\$1.5 MILLION IN CHARITABLE GIVING

Since 2012, NYGA members have provided nearly \$7.3 million in support to hundreds of charitable organizations across the state.

TIOGA DOWNS
Casino
Racing & Entertainment



GAMING 2006, RACING 1976



“Tioga Downs’ annual concert has raised and donated over \$335,000 in support of veterans in the Southern Tier. I am so happy to give testimony to the great work that Tioga Downs has done in our community on behalf of our veterans.”

— Al Eaton, President,
Southern Tier
Veterans Support Group Inc.

NYGA MEMBER

436
EMPLOYEES

\$119 MILLION
ECONOMIC IMPACT

\$213 MILLION IN RACING SUPPORT

Since 2004, NYGA members have generated approximately \$1.2 billion in support of New York's storied racing industry – both standardbred and thoroughbred.



GAMING 2004, RACING 1942



"Our industry continues to flourish thanks to the support we receive from VLTs. Here in WNY, that support allows us to continue our racing program and maintain the jobs around the racetrack."

Pete Arrigenna,
Standardbred Owner/Trainer

NYGA MEMBER

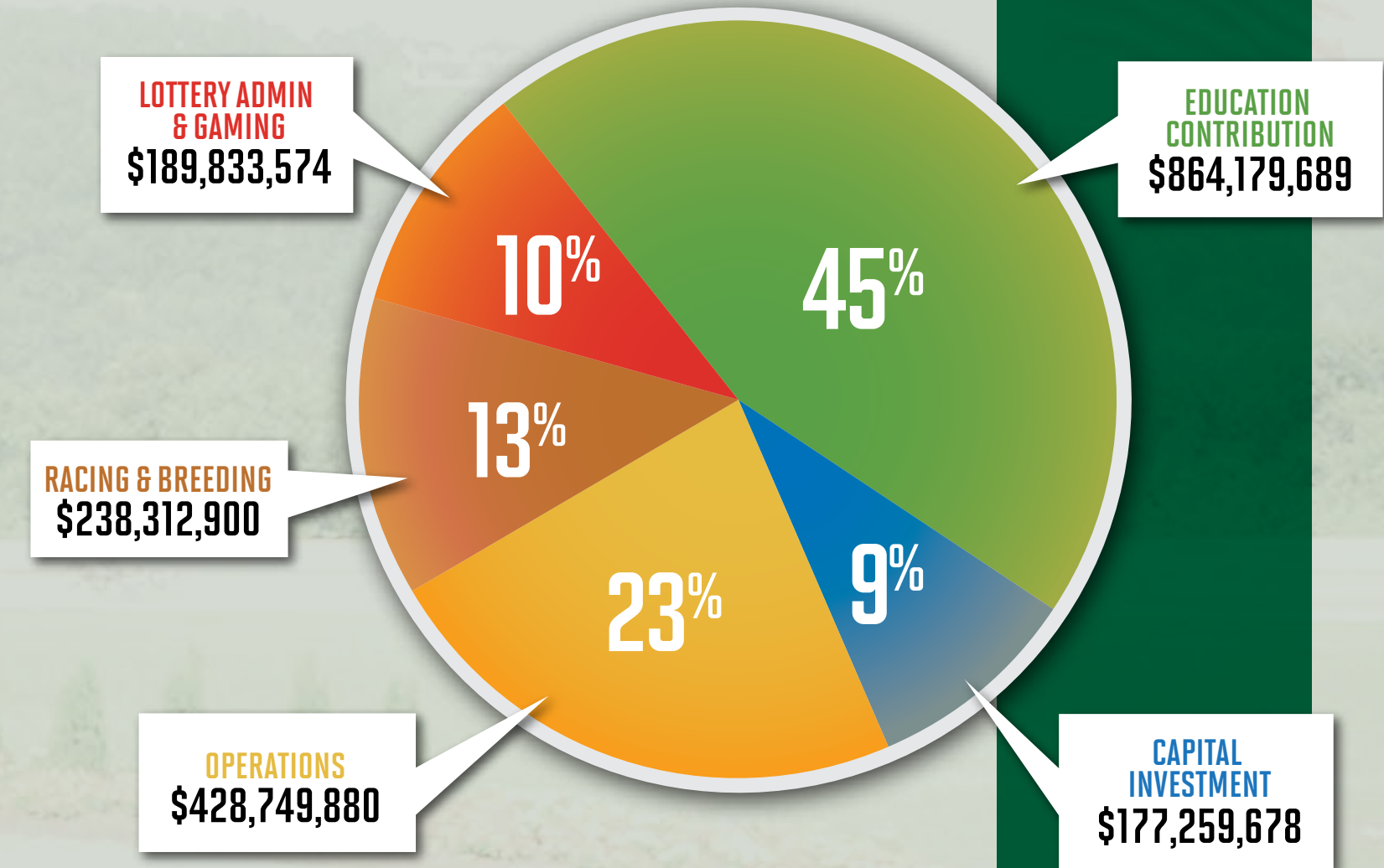
277
EMPLOYEES

\$76 MILLION
ECONOMIC IMPACT

2014 DISTRIBUTION OF GROSS GAMING REVENUE

68% of revenues generated by NYGA members support education, racing and breeding, and video lottery operations.

2014 GGR = 100% = \$1.9 BILLION



STATEWIDE ECONOMIC IMPACT

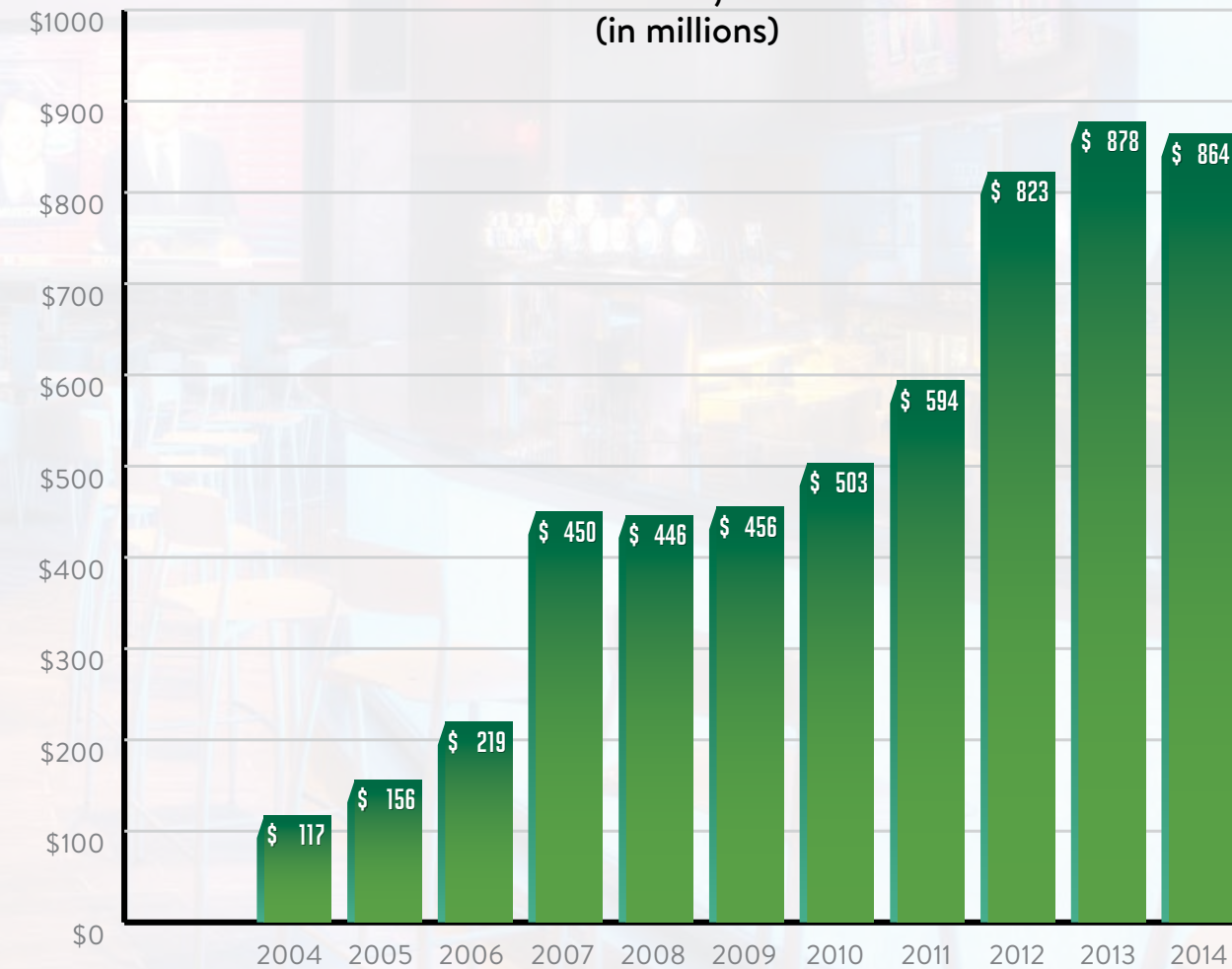
Total Economic Impact of NYGA Members in New York State, CY 2014 (jobs in FTEs; wages and output in \$000s)

NYGA Member Operations			
Direct employment	5,604	\$184,044.5	\$184,044.5
Purchasing and construction	956	\$74,111.3	\$197,424.9
Indirect and induced effects	2,003	\$126,029.7	\$326,377.5
Subtotal	8,563	\$384,185.4	\$707,846.9
State Lottery Division Contracts			
Direct impact	122	\$13,822.3	\$42,212.0
Indirect and induced effects	145	\$9,172.9	\$23,628.7
Subtotal	267	\$22,995.2	\$65,840.7
Support for Racing and Breeding			
Direct impact	4,020	\$125,889.9	\$238,312.9
Indirect and induced effects	1,700	\$98,618.0	\$249,012.1
Subtotal	5,720	\$224,507.9	\$487,325.0
Revenue for Education			
Direct impact	9,613	\$718,821.4	\$864,179.7
Indirect and induced effects	4,026	\$241,592.4	\$640,444.3
Subtotal	13,638	\$960,413.8	\$1,504,624.0
Out-of-State-Visitor Spending			
Direct impact	1,355	\$42,010.4	\$105,432.3
Indirect and induced effects	516	\$33,561.9	\$88,954.2
Subtotal	1,871	\$75,572.3	\$194,386.5
Total	30,059	\$1,667,674.6	\$2,960,023.1

*Output includes wages, salaries and benefits, and the purchase of goods and services.

EDUCATION REVENUE

Revenue for Education, CY 2004-CY 2014 (in millions)



ECONOMIC IMPACT OF RACING AND BREEDING

Economic Impact of Racing and Breeding, CY 2014

(jobs in FTEs; wages and output in \$000s)

Support for Racing and Breeding			
Direct impact	4,020	\$125,889.9	\$238,312.9
Indirect and induced impact	1,700	\$98,618.0	\$249,012.1
Total	5,721	\$224,507.9	\$487,325.0

*Output includes wages, salaries and benefits, and the purchase of goods and services.

Percent Distribution of Total Support to Racing/Breeding/NYRA, CY 2014

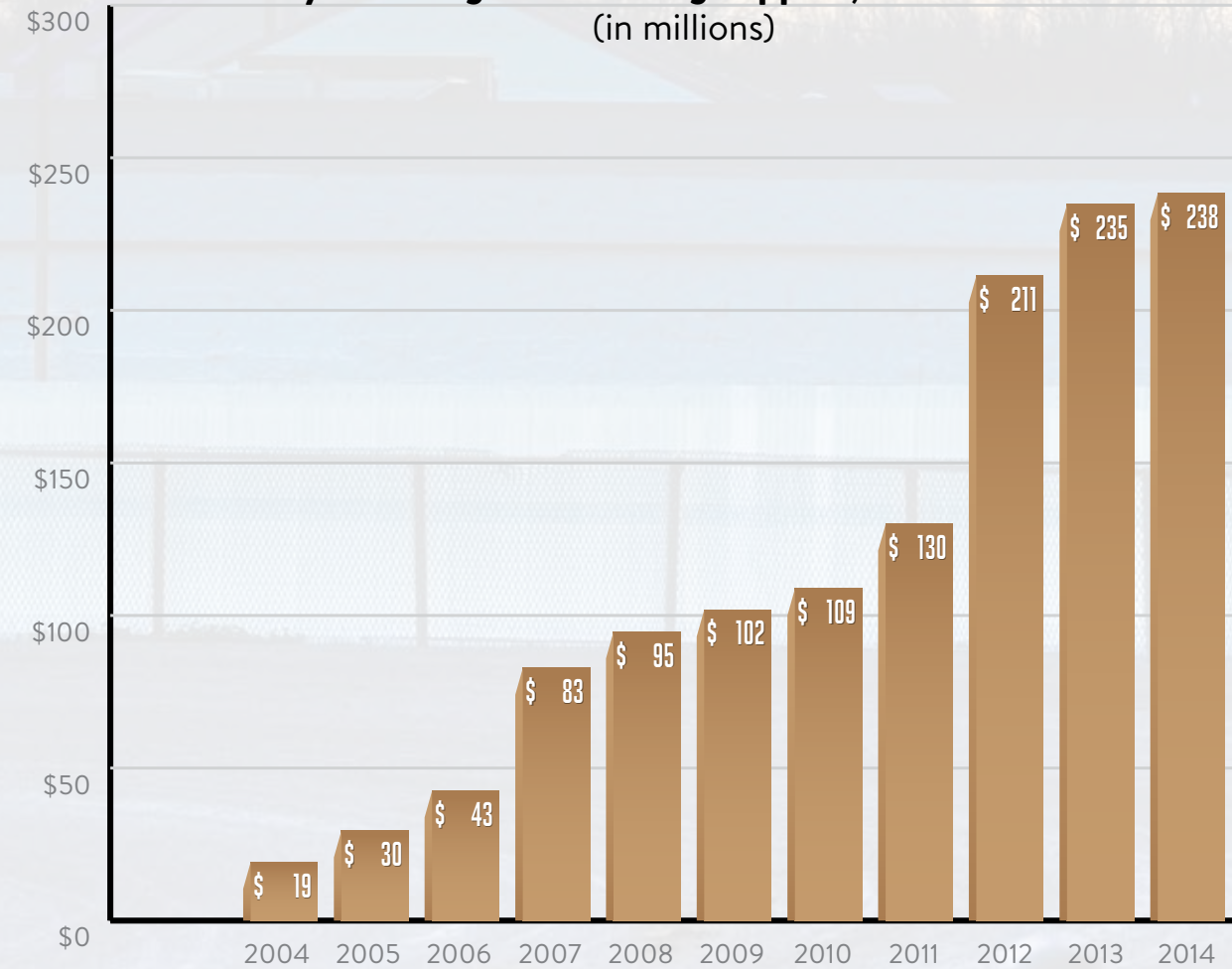
(in \$000s)

Standardbred purses	8.75%	\$84,524.6
Standardbred breeding fund	1.25%	\$12,074.9
Finger Lakes thoroughbred purses	8.75%	\$10,880.7
Thoroughbred breeding fund	1.25%	\$1,554.4
NYRA thoroughbred purses	7.50%	\$60,599.2
Thoroughbred breeding fund	1.50%	\$12,119.8
NYRA operations fund	3.00%	\$24,239.7
NYRA capital expenditure fund	4.00%	\$32,319.6
Subtotal, purses		\$156,004.5
Subtotal, breeding		\$25,749.2
Total Racing and Breeding Support		\$238,312.9

RACING AND BREEDING SUPPORT

History of Racing and Breeding Support, CY 2004-CY 2014

(in millions)



IMPACT ON CAPITAL INVESTMENT

Economic Impact of Construction Spending at Racetrack Gaming Facilities, CY 2014 (jobs in FTEs; wages and output in \$000s)

Construction Spending			
Direct impact	251	\$16,982.9	\$42,597.3
Indirect and induced impact	191	\$12,701.4	\$32,519.4
Total	442	\$29,684.3	\$75,116.6

State and Local Taxes			
Income tax	\$959.0	\$640.1	\$1,599.1
Sales tax	\$1,703.9	\$302.4	\$2,006.3
Total	\$2,662.9	\$942.5	\$3,605.4

*Output includes wages, salaries and benefits, and the purchase of goods and services.

IMPACT ON STATE AND LOCAL REVENUES

State			
Education revenue	\$864,179.7	-	\$864,179.7
Lottery administration & gaming operations	\$189,833.6	-	\$189,833.6
State income tax	\$7,618.8	\$21,451.9	\$29,070.7
State sales tax	\$4,390.9	\$6,306.2	\$10,697.1
State corporate tax	\$1,415.2	\$1,379.9	\$2,795.1
Pari-mutuel tax	\$2,775.7	-	\$2,775.7
Unemployment insurance taxes	\$1,750.4	-	\$1,750.4
Subtotal	\$1,071,964.3	\$29,138.0	\$1,101,102.3
Local			
Aid to municipalities	\$29,331.2	-	\$29,331.2
Local income tax	\$2,115.6	\$3,268.3	\$5,383.9
Local sales tax	\$4,266.3	\$6,127.3	\$10,393.6
Real property tax	\$19,139.1	-	\$19,139.1
Other local taxes, fees & payments to municipalities	\$3,622.3	\$1,690.1	\$5,312.4
Subtotal	\$58,474.5	\$11,085.7	\$69,560.2
Total	\$1,130,438.8	\$40,223.7	\$1,170,662.5



Resorts World Casino New York City is owned by the Genting Group, the world's largest destination casino resort operator. The Genting Group has a combined market capitalization of \$40 billion and employs more than 50,000 people worldwide at locations including Singapore, London and soon Las Vegas. Located at the historic Aqueduct Racetrack, Resorts World Casino New York City opened in October 2011 and now boasts more than 5,000 slot and table game machines.



Yonkers Raceway was founded in 1899, with famous thoroughbreds including Seabiscuit gracing the track over the years. The fabled Rooney family acquired Yonkers Raceway in 1972 and opened Empire City Casino in October 2006, adding to their East Coast gaming operations. The facility now offers 5,300 slot and table game machines, live entertainment and trackside dining.



Owned by Nichols, NY-based American Racing and Entertainment, LLC, and located in the heart of the Southern Tier, Tioga Downs Casino offers live entertainment and dining in addition to gaming. The track first opened in the 1970s and reopened in 2006. Since Tioga Downs Casino opened its doors in July 2006, it has grown to include more than 800 slot and table game machines.



Vernon Downs Casino & Hotel, also owned by American Racing and Entertainment, LLC, opened in October 2006 and now has 760 slot and table game machines. Set in idyllic farm country, the hotel's 150 suites feature trackside rooms with stunning views. A recent facilities expansion resulted in the creation of a 15,000-sq.-ft. banquet room that includes an outdoor rooftop terrace overlooking the racetrack and surrounding countryside.



Batavia Downs is the oldest lighted harness track in North America, opening in 1940. Owned and operated by Western Regional Off Track Betting Corporation, Batavia Downs opened its gaming facility doors in May 2005 and offers more than 785 gaming machines to choose from. The facility also includes three great restaurants for patrons.



Managed by Delaware North Companies, Hamburg Gaming at Buffalo Raceway traces its origins as a harness racing track to 1942. Located on the Erie County Fairgrounds, it opened in March 2004 and has 940 video gaming machines. Buffalo Raceway became a harness racing fixture with the start of the 1960s and was considered one of the top ten tracks in America. The New York Sires Stakes, a series of statewide races for two- and three-year-old New York-bred horses, made their debut at the raceway in 1961. This stakes series remains a part of the current raceway program.



Monticello Casino & Raceway is owned by Empire Resorts, a publicly traded gaming and entertainment company. The track has hosted harness racing since 1958, and the casino opened its doors in June 2004. The facility boasts more than 1,100 slots and has already hosted more than 5.5 million visitors. In January 2013, the town of Thompson approved a multiphase development plan that would see Monticello Casino & Raceway move to the famed Concord Resort site in the Catskills.



Saratoga Casino and Raceway traces its history back to 1941, when the first harness racing program was run. In January 2004, Saratoga Casino and Raceway became the first of NYGA's members to open its doors and now boasts more than 1,800 slot and table game machines. Recently the company purchased a casino in Colorado and also operates a thoroughbred track in Kentucky.



Finger Lakes Gaming & Racetrack is owned by Delaware North Companies, a Buffalo, NY-based global leader in hospitality and food service. Owned by the Jacobs family, Delaware North is one of the largest privately owned corporations in America with more than \$2 billion in annual revenue and 55,000 employees. Delaware North operates gaming and racing facilities in six other states across the country. Opened in February 2004, the facility has nearly 1,550 video gaming machines.

PROMOTING RESPONSIBLE GAMING

The New York Gaming Association is a member of the National Council on Problem Gambling. In addition, NYGA is working with the NY Council on Problem Gambling to establish industry-wide programs and standards to address problem gambling and enhance programs already in place that provide referral information to resources in New York State for problem gamblers, including the state's 24-hour hotline. Each facility has its own voluntary self-exclusion programs that are open to anyone who feels it is necessary. Further assistance is available from the Office of Alcoholism and Substance Abuse Services, which can be reached at **1-877-8-HOPENY** or by visiting www.oasas.ny.gov.

The Association and its members are active and committed to working with the state and other service providers to ensure that assistance for problem gamblers is readily available to any and all individuals who require it.

For more information about problem gambling and the resources available to help, please visit KnowTheOdds.org.



If you or someone you know has a gambling problem, call
1-877-8-HOPENY



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