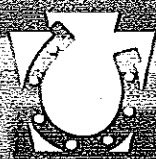




2010 Annual Report



pennsylvania
PA RACING

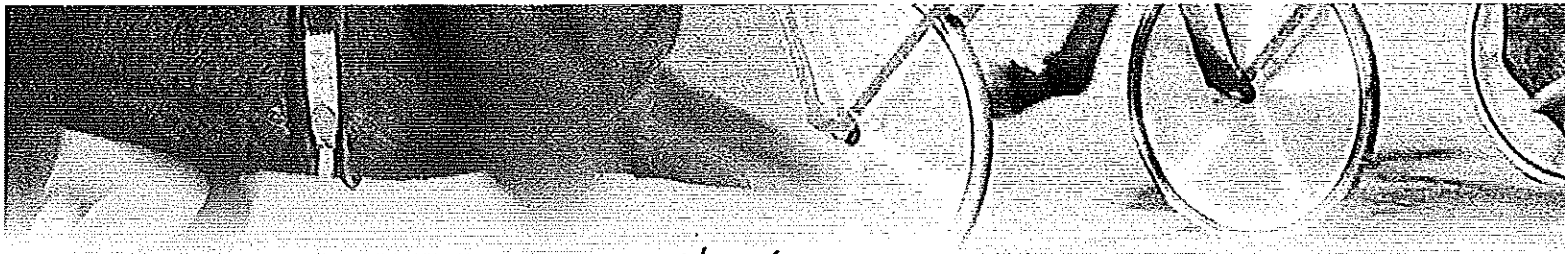


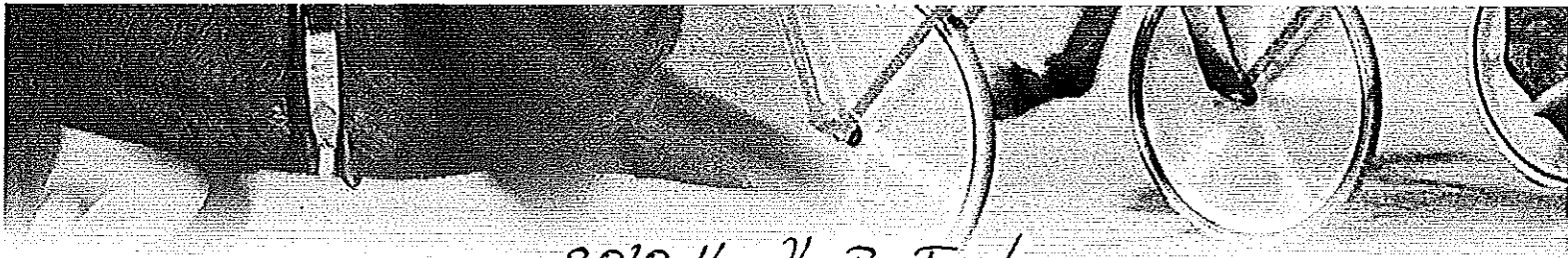
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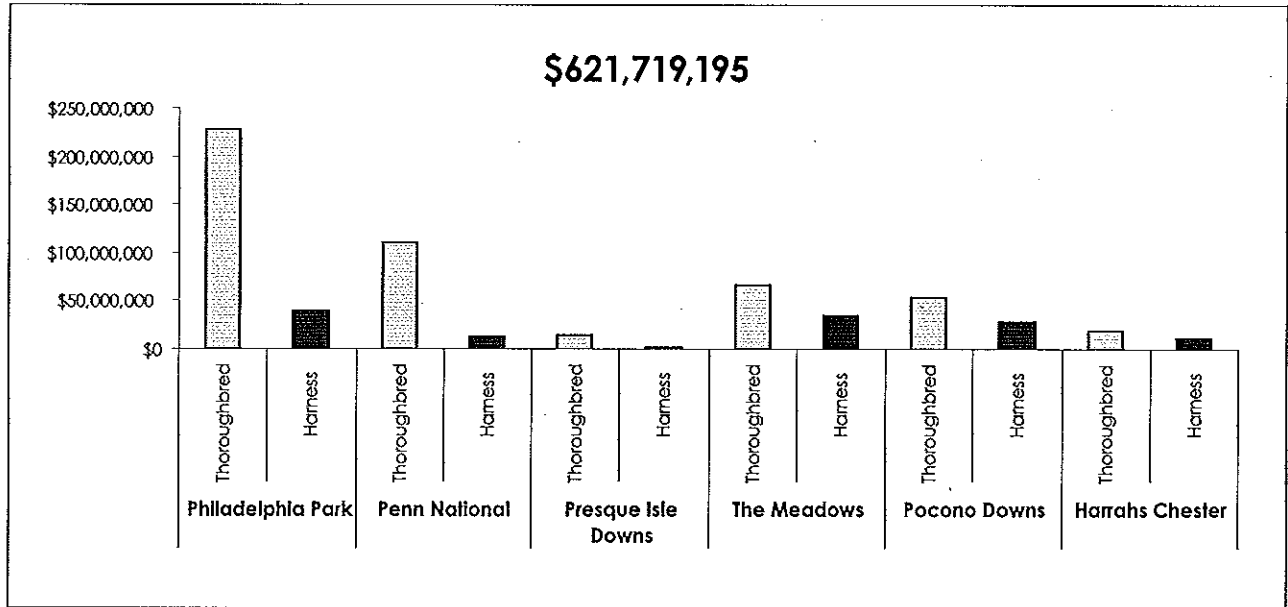
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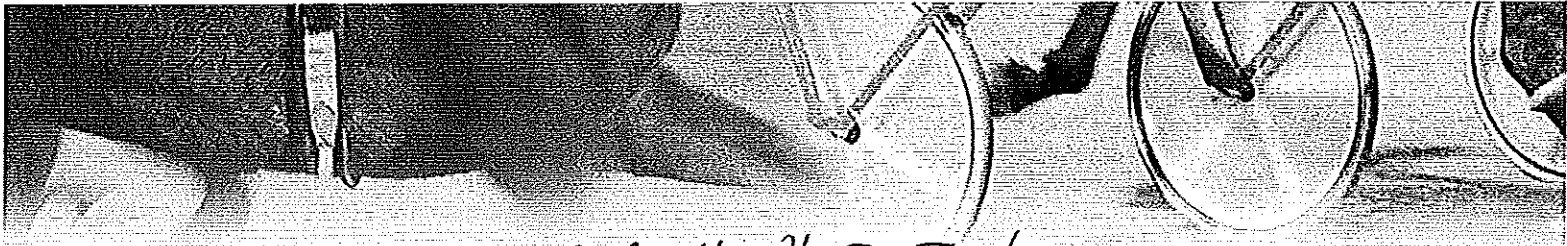
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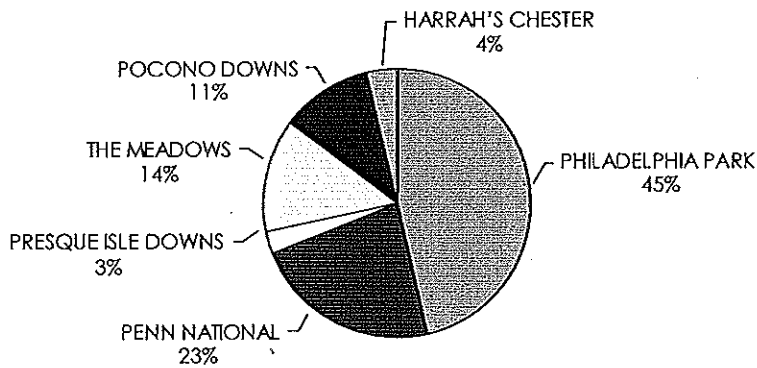
2010 Handle By Track



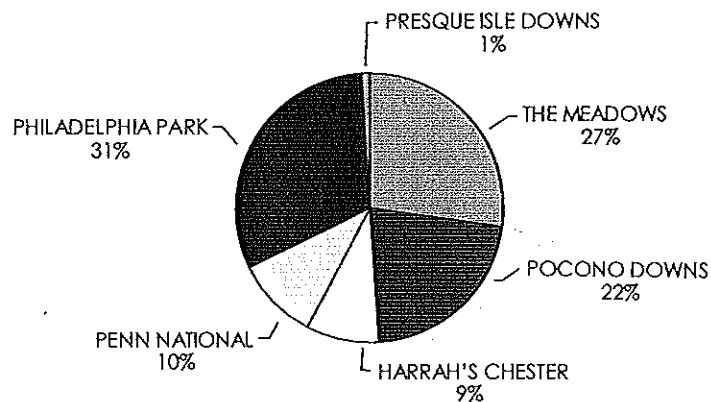


2010 Handle By Track

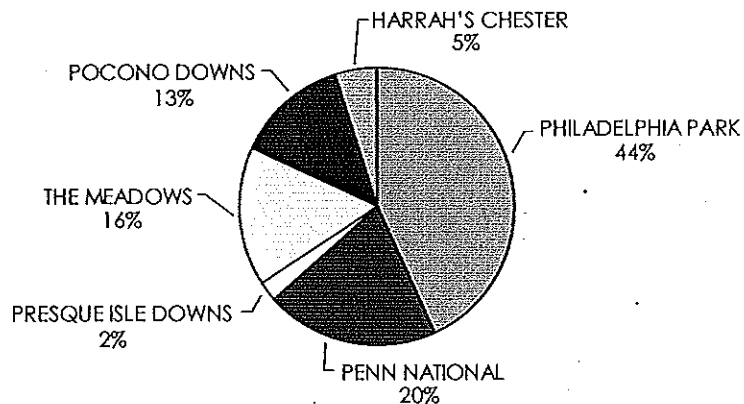
Thoroughbred Handle

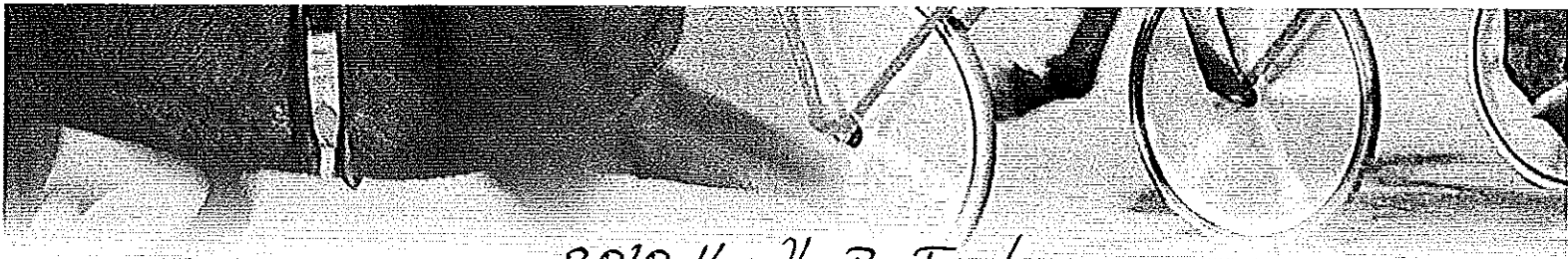


Harness Handle



Total Handle





2010 Handle By Track

Total Thoroughbred and Harness Money Wagered by Pool and Type Bet

Thoroughbred Handle

	PHILADELPHIA PARK	PENN NATIONAL	PRESQUE ISLE DOWNS	THE MEADOWS	POCONO DOWNS	HARRAH'S CHESTER	GRAND TOTAL
TOTAL HANDLE	228,401,944	111,511,746	14,115,644	66,686,013	53,648,450	18,989,594	493,353,391
Win Pool	54,313,193	23,418,513	2,883,503	10,697,516	10,893,183	3,952,502	106,158,410
Place Pool	17,904,012	8,345,905	1,083,132	3,869,350	3,724,221	1,323,386	36,250,006
Show Pool	8,073,583	6,311,062	727,537	1,964,078	3,637,288	599,179	21,312,727
D.D Pool	8,380,151	3,432,743	337,573	1,597,444	1,744,939	509,072	16,001,922
Exacta Pool	76,353,910	36,390,416	4,405,455	21,080,779	16,912,149	6,139,864	161,282,573
Triple Pool	38,530,947	20,300,378	3,591,225	15,192,716	11,090,084	6,231,425	94,936,775
Other	24,846,148	13,312,729	1,087,219	12,284,130	5,646,586	234,166	57,410,978
TOTAL	\$228,401,944	\$111,511,746	\$14,115,644	\$66,686,013	\$53,648,450	\$18,989,594	\$493,353,391

Harness Handle

	THE MEADOWS	POCONO DOWNS	HARRAH'S CHESTER	PENN NATIONAL	PHILADELPHIA PARK	PRESQUE ISLE DOWNS	GRAND TOTAL
TOTAL HANDLE	34,834,725	27,795,226	11,395,402	13,014,408	40,052,254	1,273,789	128,365,804
Win Pool	4,977,339	3,970,343	2,314,512	1,999,329	7,373,094	191,918	20,826,535
Place Pool	1,982,277	1,583,378	793,515	779,984	2,404,957	70,322	7,614,433
Show Pool	986,732	2,195,789	402,389	668,470	1,307,264	30,161	5,590,805
D.D Pool	429,836	496,720	118,831	102,739	495,606	6,719	1,650,451
Exacta Pool	11,364,472	9,710,417	3,746,342	4,184,367	13,415,707	410,905	42,832,210
Triple Pool	11,179,104	7,735,323	3,953,143	3,928,150	11,163,923	482,765	38,442,408
Other	3,914,965	2,103,256	66,670	1,351,369	3,891,703	80,999	11,408,962
TOTAL	\$34,834,725	\$27,795,226	\$11,395,402	\$13,014,408	\$40,052,254	\$1,273,789	\$128,365,804

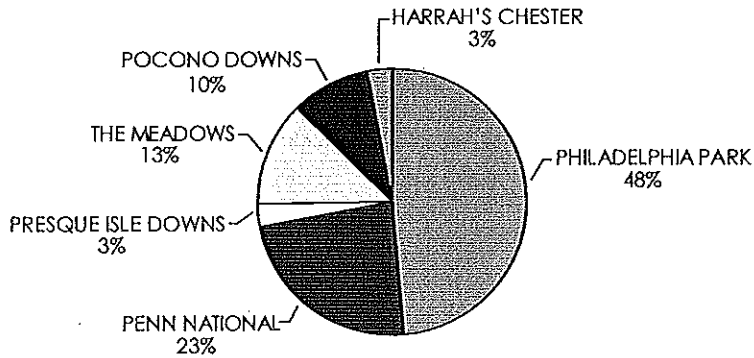
Total Handle

	PHILADELPHIA PARK	PENN NATIONAL	PRESQUE ISLE DOWNS	THE MEADOWS	POCONO DOWNS	HARRAH'S CHESTER	GRAND TOTAL
TOTAL HANDLE	268,454,198	124,526,154	15,389,433	101,520,738	81,443,676	30,384,996	621,719,195
Win Pool	61,686,287	25,417,842	3,075,421	15,674,855	14,863,526	6,267,014	126,984,945
Place Pool	20,308,969	9,125,889	1,153,454	5,851,627	5,307,599	2,116,901	43,864,439
Show Pool	9,380,847	6,979,532	757,698	2,950,810	5,833,077	1,001,568	26,903,532
D.D Pool	8,875,757	3,535,482	344,292	2,027,280	2,241,659	627,903	17,652,373
Exacta Pool	89,769,617	40,574,783	4,816,360	32,445,251	26,622,566	9,886,206	204,114,783
Triple Pool	49,694,870	24,228,528	4,073,990	26,371,820	18,825,407	10,184,568	133,379,183
Other	28,737,851	14,664,098	1,168,218	16,199,095	7,749,842	300,836	68,819,940
TOTAL	\$268,454,198	\$124,526,154	\$15,389,433	\$101,520,738	\$81,443,676	\$30,384,996	\$621,719,195

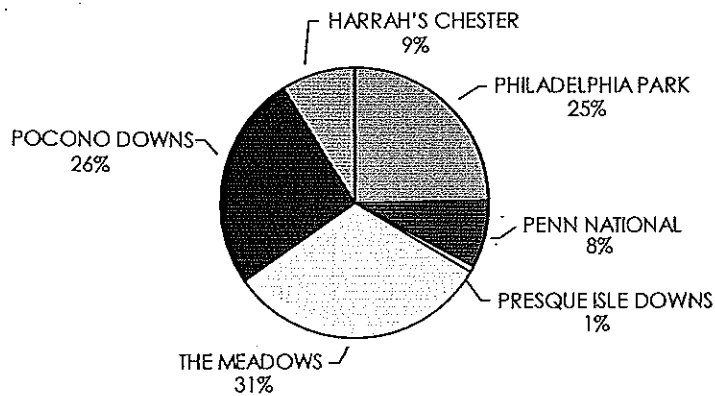


2010 Wagering Tax

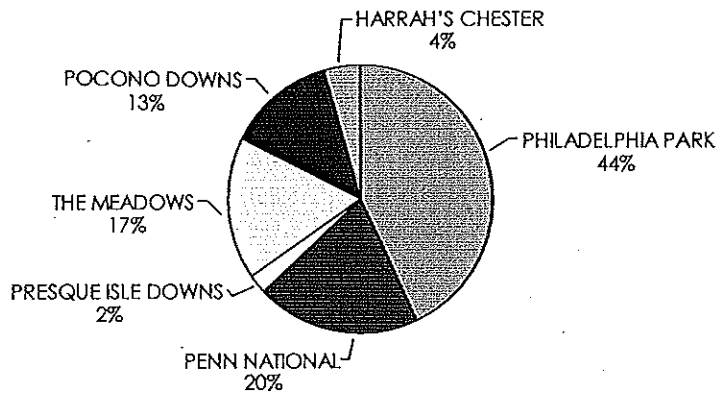
Thoroughbred Wagering Tax

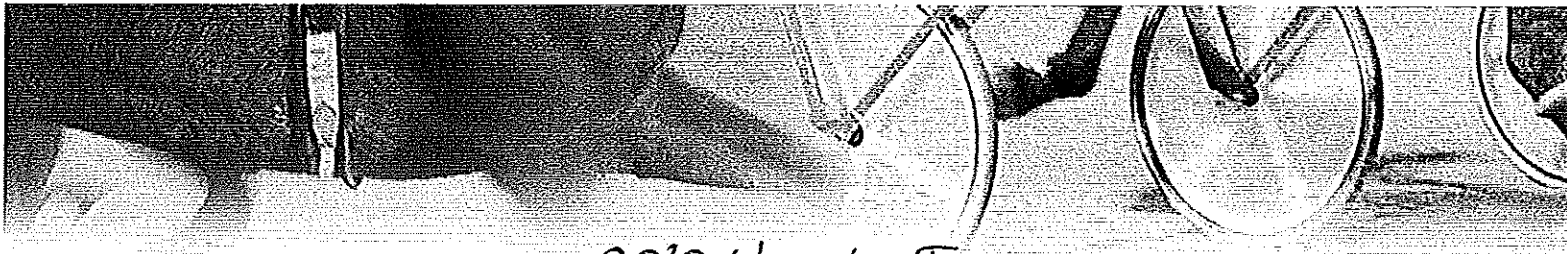


Harness Wagering Tax



Total Wagering Tax





2010 Wagering Tax

Thoroughbred Wagering Tax

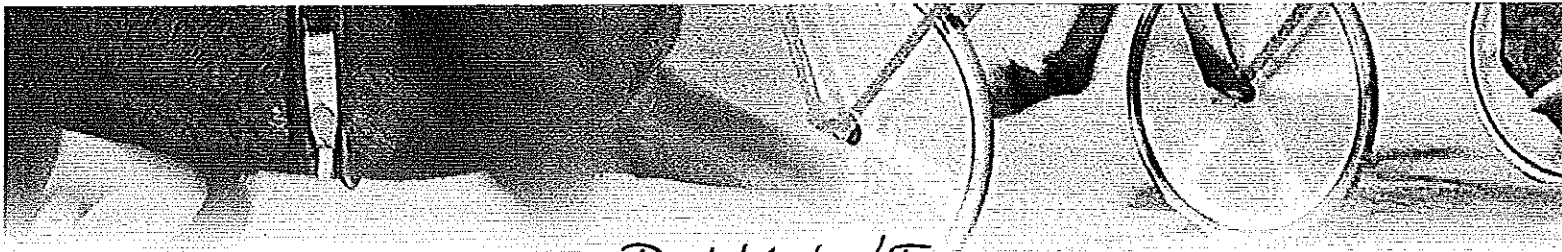
	PHILADELPHIA PARK	PENN NATIONAL	PRESQUE ISLE DOWNS	THE MEADOWS	POCONO DOWNS	HARRAHS CHESTER	GRAND TOTAL
Wagering Tax 1.5%	3,426,029	1,672,677	141,156	1,000,290	804,726	219,450	7,264,328
Pool Tax	1,481,112	734,363	94,215	501,550	356,938	131,145	3,296,323
Breakage 25%	260,816	91,634	16,391	59,858	23,478	21,202	473,379
Admission	12,699	14,328	2,911	0	0	0	29,938
2009 Outs	791,785	376,166	81,793	0	0	0	1,249,744
TOTAL	5,972,441	2,889,168	336,466	1,561,698	1,182,142	371,797	12,313,712

Harness Wagering Tax

	PHILADELPHIA PARK	PENN NATIONAL	PRESQUE ISLE DOWNS	THE MEADOWS	POCONO DOWNS	HARRAHS CHESTER	GRAND TOTAL
Wagering Tax 1.5%	600,783	195,216	12,738	522,521	416,928	130,112	1,878,298
Pool Tax	289,670	95,667	9,814	268,884	200,457	78,850	943,342
Admission	0	0	0	6,979	5,631	5,352	17,962
2009 Outs	0	0	0	343,253	300,851	107,221	751,325
TOTAL	890,453	290,883	22,552	1,141,637	923,867	321,535	3,590,927

Total Wagering Tax

	PHILADELPHIA PARK	PENN NATIONAL	PRESQUE ISLE DOWNS	THE MEADOWS	POCONO DOWNS	HARRAHS CHESTER	GRAND TOTAL
Wagering Tax 1.5%	4,026,812	1,867,893	153,894	1,522,811	1,221,654	349,562	9,142,626
Pool Tax	1,770,782	830,030	104,029	770,434	554,395	209,995	4,239,665
Breakage 25%	260,816	91,634	16,391	59,858	23,478	21,202	473,379
Admission	12,699	14,328	2,911	6,979	5,631	5,352	47,900
2009 Outs	791,785	376,166	81,793	343,253	300,851	107,221	2,001,069
TOTAL	6,862,894	3,180,051	359,018	2,703,335	2,106,009	693,332	15,904,639



Pari-Mutuel Tax

End of Year Report for 2010 Racing Season

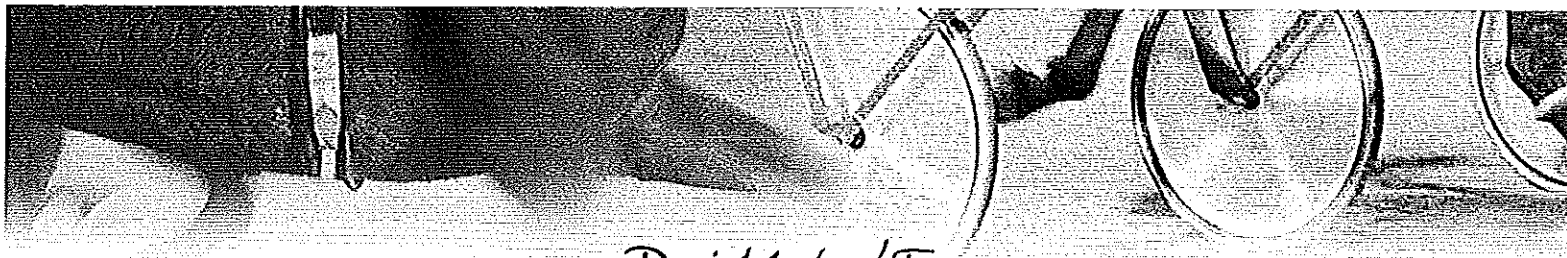
Table of Thoroughbred Income

ASSN NAME TOTAL HANDLE	Wagering Tax 1 1/2%		Total	Breakage Tax 25%	Admission Tax *	Pool Tax 1%	Total Taxes Collected	2009 Outs Collected 2010	Late Pymt/ Audit Settlement Revenue	Total Revenue Collected 2010
	Wagering Fund 1/2%	Breeders Fund 1%								
PHILADELPHIA PARK	\$1,142,009	\$2,284,020	\$3,426,029	\$260,816	\$12,699	\$1,481,112	\$5,180,656	\$791,785	\$1,231	\$5,973,672
	\$228,401,943									
PENN NATIONAL	\$557,559	\$1,115,118	\$1,672,677	\$91,634	\$14,328	\$734,363	\$2,513,002	\$376,166	\$161	\$2,889,329
	\$111,511,747									
PRESQUE ISLE DOWNS***	***	\$141,156	\$141,156	\$16,391	\$2,911	\$94,215	\$254,673	\$81,793	\$29	\$336,495
	\$14,115,643									
TOTAL	\$1,699,568	\$3,540,294	\$5,239,862	\$368,841	\$29,938	\$2,309,690	\$7,948,331	\$1,249,744	\$1,421	\$9,199,496
THE MEADOWS	\$333,430	\$666,860	\$1,000,290	\$59,858	**	\$501,550	\$1,561,698	**	**	\$1,561,698
	\$66,686,012									
POCONO DOWNS	\$268,242	\$536,484	\$804,726	\$23,478	**	\$353,938	\$1,182,142	**	**	\$1,182,142
	\$53,648,450									
HARRAH'S CHESTER***	\$29,554	\$189,896	\$219,450	\$21,202	**	\$131,145	\$371,797	**	**	\$371,797
	\$18,989,594									
TOTAL	\$631,226	\$1,393,240	\$2,024,466	\$104,538	**	\$986,633	\$3,115,637	\$0	**	\$3,115,637
GRAND TOTAL	\$2,330,794	\$4,933,534	\$7,264,328	\$473,379	\$29,938	\$3,296,323	\$11,063,968	\$1,249,744	\$1,421	\$12,315,133

* Includes Simulcast Admission Money.

** Information on Harness Report.

*** New owners granted 1/2% reduction in Wagering Tax; Presque Isle Downs Inc. 07/27/07 - 07/26/2011 and Harrah's Chester Casino & Racetrack 09/09/06 - 09/08/2010. Harrah's wagering tax figures are from 9/10/2010 - 12/31/2010.



Pari-Mutuel Tax

End of Year Report for 2010 Racing Season

Table of Harness Income

ASSOCIATION NAME	Wag. Tax 1 1/2% Sire Stakes Fund	Pool Tax 1% 1%	Admission Tax *	Total Taxes Collected	2009 Outs Collected 2010	Late Payment or Audit Settlement Revenue	Total Revenue Collected 2010
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THE MEADOWS	\$522,521	\$268,884	\$6,979	\$798,384	\$343,253	\$775	\$1,142,412
\$37,314,997							
POCONO DOWNS	\$416,928	\$200,457	\$5,631	\$623,016	\$300,851	\$1,826	\$925,693
\$33,887,923							
HARRAHS CHESTER***	\$130,112	\$78,850	\$5,352	\$214,314	\$107,221	\$204	\$321,739
\$13,053,281							
TOTAL	\$1,069,561	\$548,191	\$17,962	\$1,635,714	\$751,325	\$2,805	\$2,389,844


PENN NATIONAL	\$195,216	\$95,667	**	\$290,883	**	**	\$290,883
\$15,154,279							
PHILADELPHIA PARK	\$600,783	\$289,670	**	\$890,453	**	**	\$890,453
\$47,970,717							
PRESQUE ISLE DOWNS	\$12,738	\$9,814	**	\$22,552	**	**	\$22,552
\$1,560,885							
TOTAL	\$808,737	\$395,151	**	\$1,203,888	**	**	\$1,203,888

GRAND TOTAL	\$1,878,298	\$943,342	\$17,962	\$2,839,602	\$751,325	\$2,805	\$3,593,732
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* Admission Tax includes simulcast admission money.

** Information on Thoroughbred Report.

*** New owners granted 1/2% reduction in Wagering Tax Presque Isle Downs Inc. 07/27/07 - 07/26/2011 and Harrah's Chester Casino & Racetrack 09/09/06 - 09/08/2010 Harrah's wagering tax figures are from 9/10/2010 - 12/31/2010.



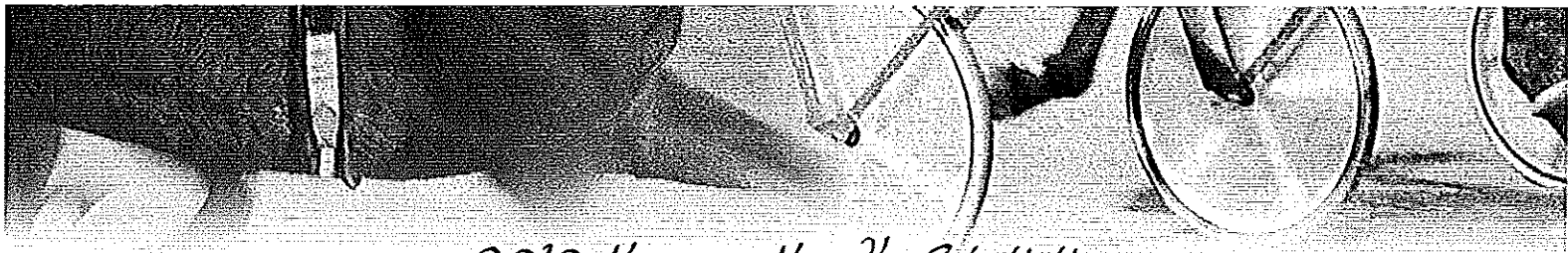
2010 Thoroughbred Handle Statistics

PHILADELPHIA PARK	
On Track	\$64,238,029
Phonebet	\$64,979,410
Center City	\$14,305,857
Upper Darby	\$5,237,598
South Philadelphia	\$51,298,750
Valley Forge	\$22,622,465
Brandywine	\$12,863,535
Northeast	\$31,758,873
In State	\$11,833,099
Out of State	\$259,549,353
TOTAL	\$538,686,969
Days Raced	198
Purses Paid	\$58,561,673

PENN NATIONAL	
On Track	\$29,035,677
Telebet	\$27,600,944
Reading	\$15,503,264
Chambersburg	\$11,681,783
York	\$22,878,867
Lancaster	\$15,991,595
In State	\$10,676,223
Out of State	\$183,087,569
TOTAL	\$316,455,922
Days Raced	198
Purses Paid	\$34,323,361

PRESQUE ISLE DOWNS	
On Track	\$15,389,431
In State	\$2,864,488
Out of State	\$38,693,202
TOTAL	\$56,947,121
Days Raced	100
Purses Paid	\$18,660,750

TOTAL BET ON THOROUGHBRED RACING	\$912,090,012
PURSES FOR LIVE PA THOROUGHBRED RACING	\$111,545,784



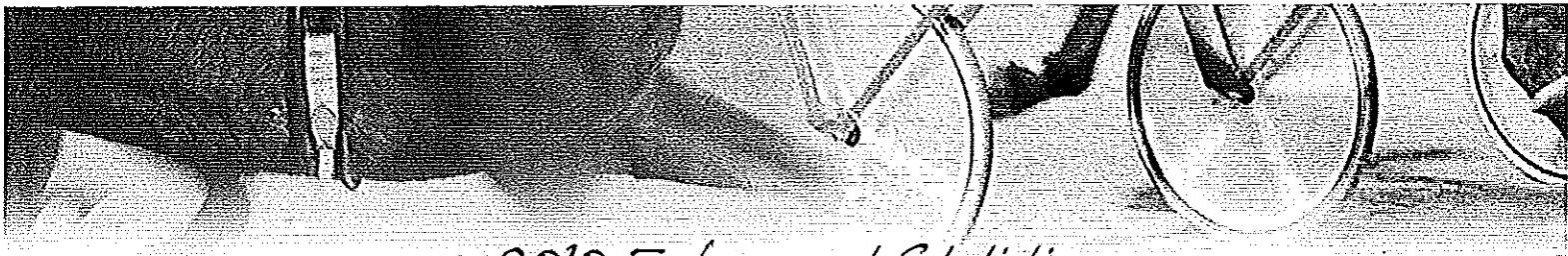
2010 Harness Handle Statistics

HARRAH'S CHESTER	
At Track	\$29,560,826
Rest of PA on Chester	\$5,775,995
Out-of-State on Chester	\$70,384,586
TOTAL	\$105,721,407
Days Raced	140
Purses Paid	\$31,162,751

POCONO DOWNS	
AT Track	\$22,739,362
Phone	\$8,599,084
Lehigh Valley OTW	\$28,376,965
Hazleton OTW	\$7,842,492
Carbondale OTW	\$8,497,712
East Stroudsburg OTW	\$10,809,105
Rest of PA on Pocono OTW	\$2,821,638
Out of State on Pocono	\$33,209,205
TOTAL	\$122,895,563
Days Raced	136
Purses Paid	\$31,783,383

MEADOWS	
At Track	\$19,271,897
New Castle OTW	\$19,300,749
Harmar OTW	\$17,229,033
Moon OTW	\$14,711,167
West Mifflin OTW	\$15,082,322
Meadows Account Wagering	\$17,078,753
Rest of PA on Meadows	\$5,173,462
Out of State on Meadows	\$76,732,944
TOTAL	\$184,580,327
Days Raced	208
Purses Paid	\$40,187,983

TOTAL BET ON HARNES RACING	\$413,197,297
PURSES FOR LIVE PA HARNES RACING	\$103,134,117

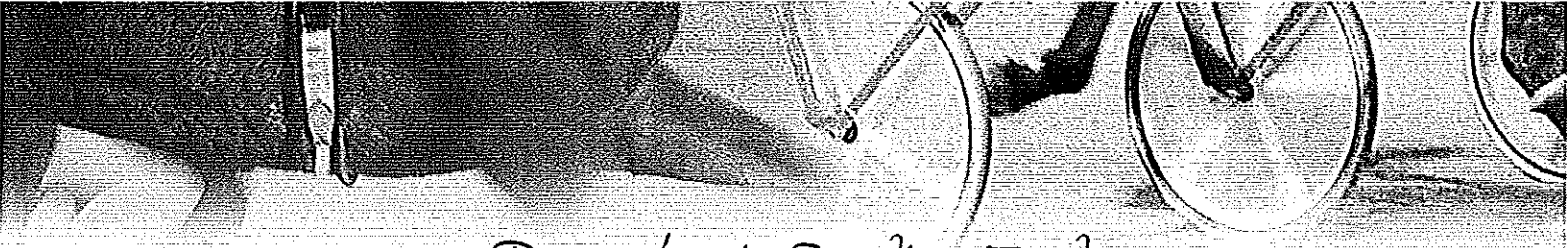


2010 Enforcement Statistics

Thoroughbred Rulings Issued	
Commission	172
Penn National	583
Philadelphia Park	388
Presque Isle Downs	130
Total	1,273

Harness Rulings Issued	
Executive Office	228
Chester	315
Pocono Downs	327
Meadows	296
Total	1,166

Total Rulings	2,439
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Pennsylvania Breeding Fund

**Department of Agriculture
Statement of Restricted Revenue**

For the Calendar Year Ended December 31, 2010

<i>Receipts:</i>	
Fiscal Year 2009-10 Allocation of Handle Revenue in Excess of Commission Administrative Needs	\$1,749,383
Transfers from Race Horse Development Fund received from January 1 to December 31, 2010	16,368,530
Less Transfers from Race Horse Development Fund in 2010 applicable to 2009	(476,672)
Add Transfers from Race Horse Development Fund in 2011 applicable to 2010	321,251
Total Revenues	<u>\$17,962,492</u>
<i>Expenditures:</i>	
Administrative and Development	\$589,769
Awards	
Breeder	6,130,732
Stallion	670,952
Owner	30,780
Total Awards	<u>6,832,464</u>
Purses	
Overnight	7,538,455
Stakes	1,685,200
Total Purses	<u>9,223,655</u>
Total Expenditures	<u>16,645,888</u>
<i>Balance:</i> December 31, 2009	1,268,324
Prior Year Balance Adjustment	1,000
<i>Balance:</i> December 31, 2010	<u><u>\$2,585,928</u></u>



*Pennsylvania Standardbred Breeders
Development Fund*

**Department of Agriculture
Statement of Restricted Revenue**

For the Calendar Year Ended December 31, 2010

<i>Receipts:</i>	
Add Transfers form Race Horse Development Fund.....	\$7,671,773
Less Transfers from Race Horse Development Fund in 2010 applicable to 2009	(226,349)
Add Transfers from Race Horse Development Fund receipts in 2011 applicable to 2010.....	\$156,924
Total Revenues.....	<u>7,602,348</u>
<i>Expenditures:</i>	
Awards:	9,582,380
Total Expenditures.....	<u>9,582,380</u>
<i>Balance</i>	
December 31, 2009	<u>\$9,799,746</u>
<i>Balance:</i> December 31, 2010.....	<u>\$7,819,714</u>
(Refer to Standardbred Breeders development Fund Chart)	

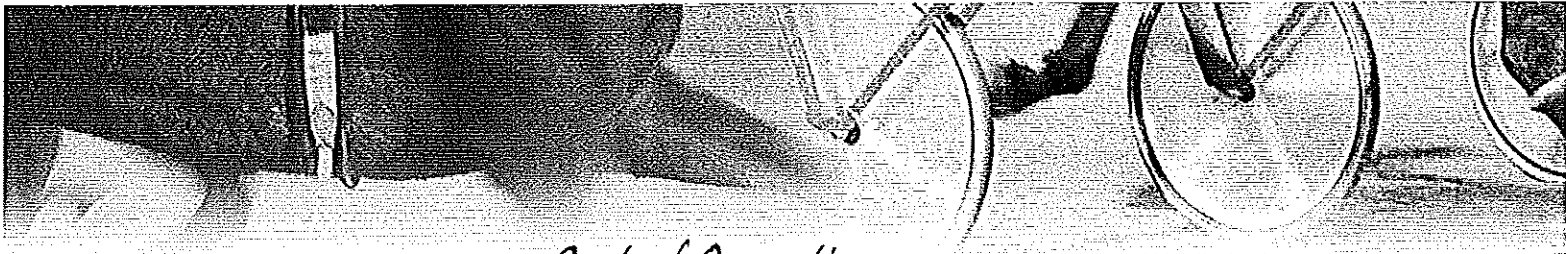


Cost of Operations

State Racing Commission Report of Expenditures

For the Period January 1, 2010 through December 31, 2010

Salaries	\$1,728,814.13
Salaries - Shift Differential	\$ 453.75
General Pay Increase - Cash Payments.....	\$11,729.00
Repay Salary Overpayment	\$ 2,898.72
Wages	\$4,397,724.41
Wages - Differential Pay.....	\$23,075.50
Wages - High-Class Pay	\$1,030.40
Repay Wage Overpayments	(\$2,298.41)
Overtime	\$60,702.31
State Share - Hospitalization Insurance	\$685,120.00
State Share - Social Security Contribution.....	\$377,035.48
State Share - Medicare	\$88,612.75
State Share - Retirement Contribution	\$209,642.31
State Workmen's Insurance Premium Payments	\$110,289.00
State Share - Employees Group Life Insurance.....	\$10,421.99
State Share - Health Benefits	\$1,082,441.00
State Share - Unemployment Compensation.....	\$260,402.03
Leave Payout Assessment	\$55,843.50
Rewards/Bonuses.....	\$5,000.00
Total Personnel Services.....	\$9,108,937.87
Travel	\$46,926.45
Training.....	\$1,972.00
Telecommunications Recurring Fixed Charges	\$53,042.48
Radio Equipment	\$4,486.58
Legal Services/Fees.....	\$16,803.39
Specialized Services.....	\$368,025.48
Other Specialized Services.....	\$74,691.76
Advertising.....	\$429,004.50
Contracted EDP Services - Vendor Provided.....	\$474,193.20
Contracted Maintenance Services - EDP	\$4,430.84
Contracted Maintenance Services - Non-EDP	\$5,746.22
Vehicles.....	\$18,006.00
Office Equipment	\$17,432.72
Other Rentals/Leases	\$3,872.56
Office Supplies.....	\$44,419.32
Publications	\$78.50



Cost of Operations continued

Miscellaneous Supplies	\$1,237.44
Laboratory Supplies.....	\$166,624.76
Other Computer Equipment.....	\$14,835.30
Furniture/Fixtures.....	\$1,473.30
Other Equipment	\$674.67
Materials and Supplies.....	\$119.00
Fuels.....	\$4,190.55
Motorized Equipment and Supplies.....	\$1,763.49
Miscellaneous Equipment and Supplies.....	\$20,821.04
Wearing Apparel.....	\$670.58
Postage.....	\$18,077.10
Freight.....	\$43,572.31
Printing.....	\$10,808.80
Subscriptions.....	\$3,902.05
Membership Dues.....	\$70,742.50
Conference Expenses.....	\$1,877.90
Wearing Apparel.....	\$2,335.72
Insurance, Surety, & Fidelity Bonds.....	\$1,877.90
Attorney General Investigations.....	\$200.00
Other Operational Expenses.....	\$8,392.94
Total Operating Expenses.....	\$1,936,706.38
Refunds.....	\$3,664.41
Refunds of Overpayments.....	\$55.00
Interfund Reimbursements.....	\$1,500,000.00
Total Non Expense Items.....	\$1,503,719.41
Grand Total.....	\$12,549,363.66

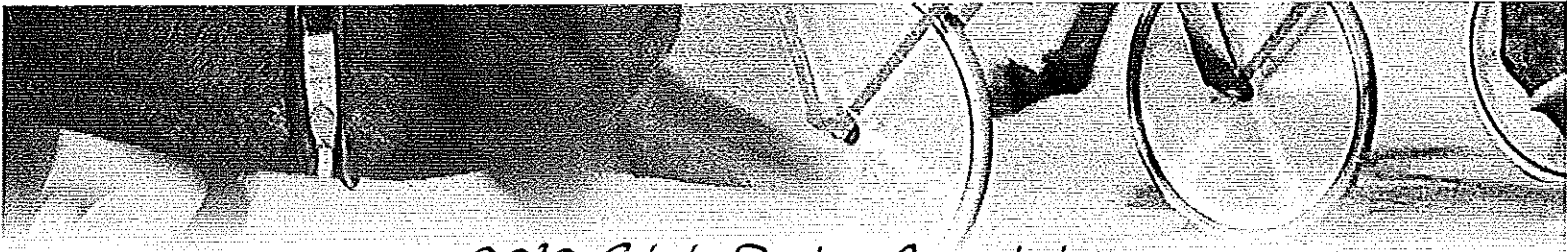


Pennsylvania Sire Stakes Fund

Report of Expenditures

For the Period January 1, 2010 through December 31, 2010

Other Specialized Services	\$3,577.15
Advertising	\$2,605.75
Office Supplies	\$63.29
Laboratory Supplies	\$900.00
Medical/Mental/Dental Services	\$1,580.00
Postage	\$57.30
Printing	\$7,495.87
TOTAL OPERATING EXPENSES	\$16,279.36
Grants to Institutions	\$10,998,283.17
TOTAL GRANTS EXPENSES	\$10,998,283.17
GRAND TOTAL	\$11,014,562.53



2010 State Racing Commission

Approved Racing Dates

Philadelphia Park (Bensalem, Bucks County)

Bensalem Racing Association	
January 1 through June 26, 2010	101 Days
Keystone Turf Club, Inc.	
June 27 through December 30, 2010	100 Days
TOTAL Approved Racing Days at Philadelphia Park.....	201 Days

Penn National Race Course (Grantville, Dauphin County)

Mountainview Thoroughbred Racing Association, Inc.	
January 2 through June 30, 2010	102 Days
Penn National Turf Club, Inc.	
July 1 through December 30, 2010	98 Days
TOTAL Approved Racing Days at Penn National.....	200 Days

Presque Isle Downs (Erie, Erie County)

Presque Isle Downs	
May 7 through September 25, 2010	100 Days
TOTAL Approved Racing Days at Presque Isle Downs.....	100 Days

The Meadows (Meadow Lands, Washington County)

Washington Trotting Association	
January 1 through April 30, 2010; September 1 - December 31	136 Days
Mountain Laurel Racing Association	
May 1 through August 31, 2010.....	72 Days
TOTAL Approved Racing Days at The Meadows	208 Days

Mohegan Sun at Pocono Downs (Wilkes-Barre, Luzerne County)

Pocono Downs	
March 23 through November 13, 2010	136 Days
TOTAL Approved Racing Days at Pocono Downs.....	136 Days

Harrah's Chester (Chester, Delaware County)

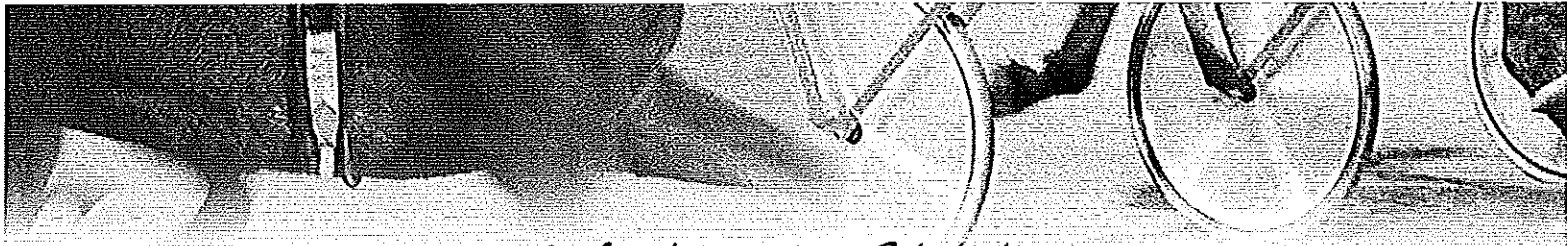
Harrah's Chester Casino & Racetrack	
April 23 through December 15, 2010	139 Days
TOTAL Approved Racing Days at Harrah's Chester	139 Days



2010 Licensing Statistics

Thoroughbred

Apprentice Jockey	24
Assistant Trainer	114
Authorized Agent	135
Colors Registration	2,506
Commonwealth Employee	10
Commonwealth Official	24
Estate	3
Executor	4
Farrier	21
Free Exercise	22
Free Pony	10
Jockey	182
Jockey Agent	40
Official	51
Open Claim	17
Owner/Trainer	230
Owner	2,409
Parimutual	123
Partnership	637
Security	178
Stable	703
Stable Employee	840
Track Employee	637
Trainer	390
Vendor	46
Vendor Employee	176
Veterinarian	19
Total Licenses Issued	9,551



2010 Licensing Statistics

Harness

Association Employee Security	177
Association Employee	492
Blacksmith	4
Commissioner	1
Concession Employee	68
Driver	36
Driver - Groom	3
Driver - Trainer - Groom	20
Groom	501
Owner - Trainer - Driver - Groom	20
Owner	1,553
Owner - Driver	21
Owner - Driver - Groom	2
Owner - Groom	80
Owner - Trainer	204
Owner - Trainer - Driver	248
Owner - Trainer - Groom	11
Pari-Mutuel	79
Racing Commission Employee	34
Track Management & Official	66
Trainer	128
Trainer - Driver	124
Trainer - Groom	26
Vendor	48
Vendor Employee	134
Veterinarian	11
Total Licenses Issued	4,091