



PUBLIC INPUT HEARING
March 10, 2010

Introduction & Opening Statement

David Jonas, COO

Kathleen Meci, Vice President Tables Games

Ronald W. Davis, Chief Diversity Officer

Joseph Wilson, COO Philadelphia Park Racetrack



Topics to be Presented

- ❖ **Overview of Table Games Expansion**
- ❖ **Table Games Implementation Plan**
- ❖ **Number and Types of Table Games**
- ❖ **Jobs Created**
- ❖ **Staffing and Training**
- ❖ **Economic Impact**
- ❖ **Business Experience and Ability**
- ❖ **Diversity and Compulsive Gambling**
- ❖ **Community Involvement**
- ❖ **Thoroughbred Racing Operation**

Growth of Slot Market

Philadelphia Park Casino

- December 2006 2,076 slot machines
- May 2007 2,402 slot machines
- January 2008 2,430 slot machines
- February 2008 2,703 slot machines
- May 2008 2,912 slot machines

Parx Casino

- December 2009 3,294 slot machines



Overview of Table Games Expansion

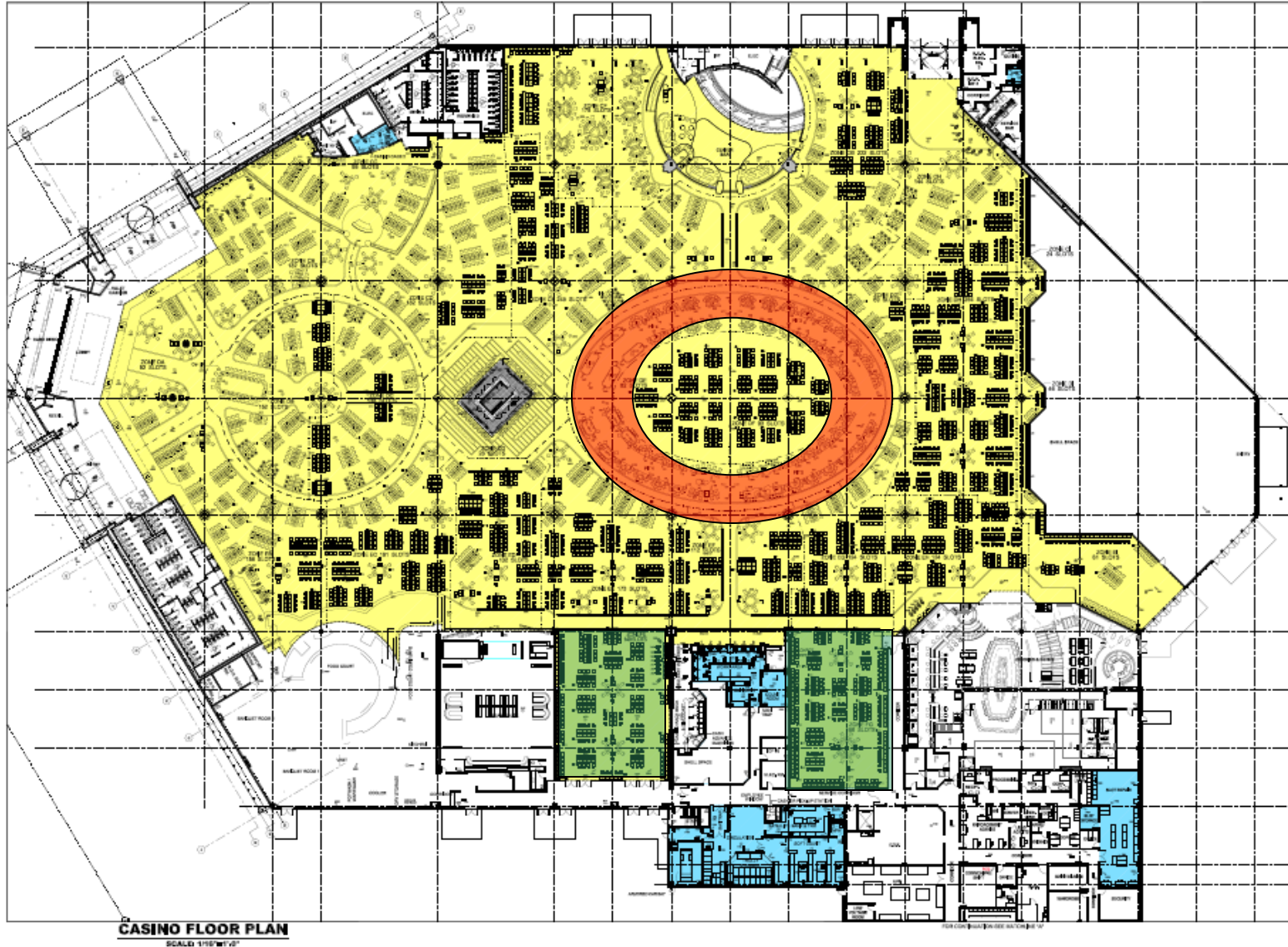
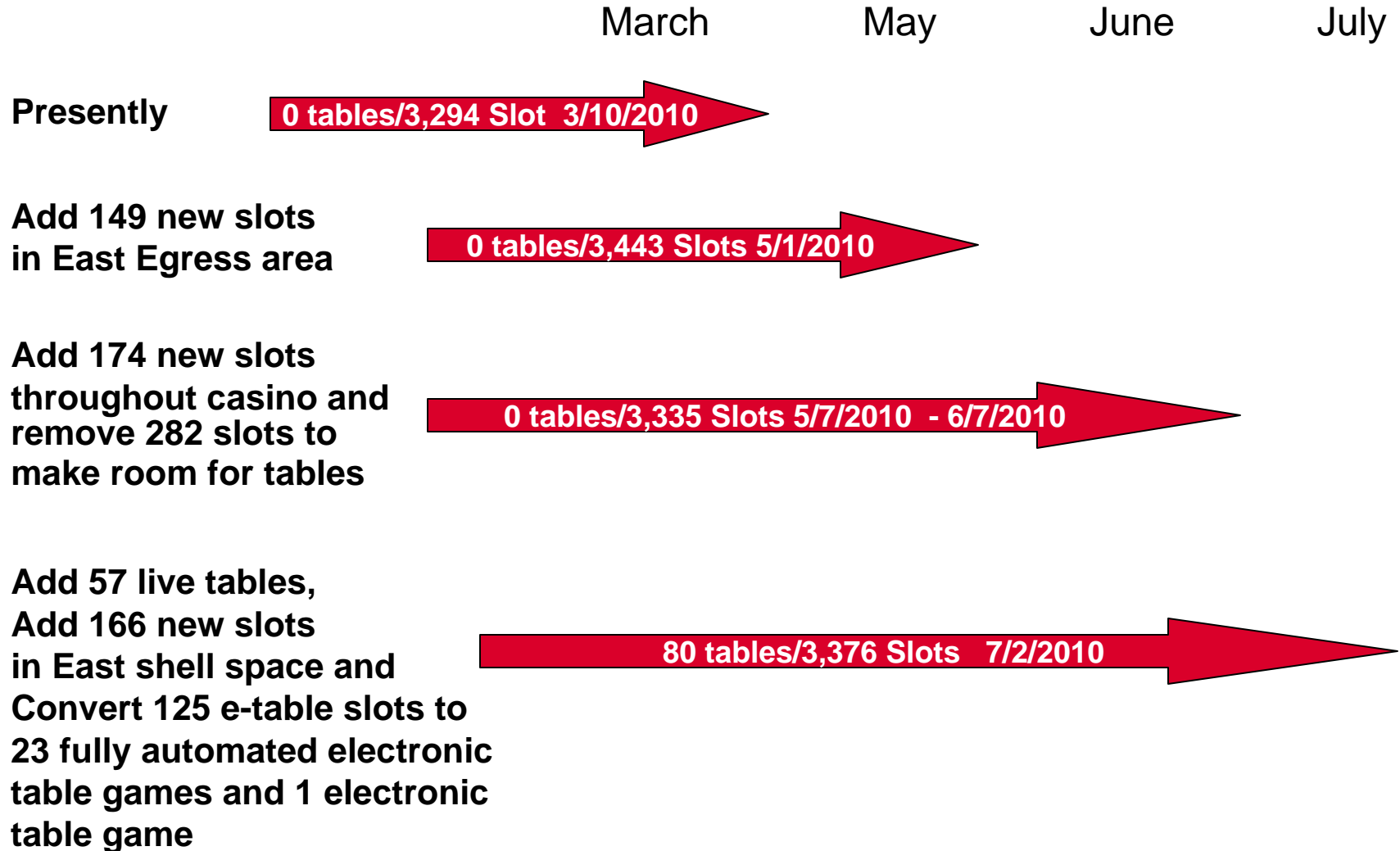


Table Games Implementation Milestones



Note: All dates are estimates and subject to change.

Economic Impact

■ Licensing Fee	\$16,500,000
■ Annual Table Games Taxes	\$14,400,000
■ Incremental Annual Slots Taxes	\$ 5,270,000
■ Additional Annual Table Games Wages	\$20,000,000
■ Anticipated Capital Investment (Excluding Licensing Fee)	\$20,000,000

Business Experience & Ability

- **Parx Casino** has consistently been the top revenue producer in the Commonwealth.
 - The Parx Casino operation comprises 11% of the industry licensees but currently produces 19% of the industry gross terminal revenue.
- **Greenwood Racing, Inc.** has become a leader in North American pari-mutuel wagering for both live and simulcast racing, in both thoroughbred and harness formats.
 - In Pennsylvania and New Jersey, Greenwood operates three live racing venues and eight off track wagering facilities.
- An experienced senior management team produces results.
 - **Robert W. Green (Chairman) and William E. Hogwood (CEO)** have a combined 80 years of experience in the gaming and wagering industries.
 - **David Jonas (COO)** has over 25 years of experience in the New Jersey and Pennsylvania casino industries, having served as Harrah's Regional President with responsibility for the operation of four casino hotels in Atlantic City (Harrah's Marina, Showboat, Bally's and Caesar's).
 - **Kathleen Meci (VP Table Games)** has over 30 years of experience in the US and International gaming markets, having recently opened and served as Vice President of Casino Operations for Wynn Resorts in Macau.

Number and Types of Table Games

80 Total Table Games

Banking

- 4 Baccarat
 - 4 Craps
 - 4 Roulette
 - 1 Rapid Roulette iGame
 - 33 Blackjack
 - 6 Blackjack iGame
 - 3 Three Card Poker
 - 2 Three Card Poker iGame
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57 Total

Fully Automated

12 Blackjack

10 Poker

1 Baccarat

23 Total

Jobs Created

Estimated Hiring: Approximately 385 full-time Employees
335 Table Games Personnel and 50 Support Personnel

Positions Include

- Vice President, Table Games
- Director, Table Games
- Shift Managers, Table Games
- Floor Managers, Table Games
- Supervisors, Table Games
- Table Games Dealers
- Casino Host
- Count Room Clerks

Jobs Created

Growth of Existing Organization

- Finance
- Food/Beverage
- Security
- Cage & Count
- Surveillance
- Revenue Audit
- Marketing
- Beverage Server
- Environmental Services

Staffing & Training

Current Status

- Hired Table Games Vice President, Director & Shift Managers
- 250 future dealers to be selected and admitted into Dealer School
- Training to be provided on the third floor of the Parx Racing grandstand in a secure facility approved by PGCB
- Training facility to be completed and ready to begin training in May 2010
- Table games Training Plan Summary was submitted to PGCB in February

Parx Casino

Success in Diversity Initiatives

- Employment
- Contracting
- Diversity Highlights



Parx Casino

Workforce Summary

As of December 31, 2009

- 593 employees in the gaming operation ¹
- 508 employees (86%) are Pennsylvania residents ¹
- Approximately 30% of our employees are representatives of various minority groups ²
- 40% of our employees are women ²

¹ Jan. 20, 2010 Quarterly Compliance Report filed with PGCB.

² Sept. 2009 report filed with U.S. Department of Labor.



Parx Casino

Workforce Highlights in Existing Slots Operations

- Creation of 125 Full Time Permanent Executive, Managerial and Professional Positions.
- 70% of All Advancement Opportunities Filled Internally, approximately 35 Individuals in 3 years.
- Development of New Casino professions including:

Finance

Slot Operations

Security

Info. Technology

Human Resources

Surveillance

Food/Beverage

Environmental Services

Facilities

Warehouse

Marketing

- 86% Reside in Pennsylvania.

Parx Casino

Diversity in Employment

Minority

- Approximately 30% of Total Employee Workforce
 - Local MSA is 10%.

Female

- Approximately 40% of Total Employee Workforce

Parx Casino

Diversity in Contracting

- 30% of Total Expenditures for New Casino Project allocated to MBE/WBE's.
- Maintain Active Membership with Minority Supplier Development Council of PA-DE-NJ.

Parx Casino

Diversity Highlights

- We are an active member of various local business development groups:
 - Hispanic Chamber of Greater Philadelphia
 - African American Chamber of Commerce
 - Asian American Chamber of Commerce
 - Lower Bucks Chamber of Commerce
 - Bucks County Conference and Visitors Bureau
 - Women's Business Enterprise Council
- Through Pennsylvania's Educational Improvement Tax Credit (EITC) Program, contribute annual maximum of \$250,000 for benefit of local schools
- Award scholarships annually to graduates of:
 - Bucks County Technical High School
 - Bensalem High School
 - Conwell-Egan Catholic High School
- Meet monthly with Bensalem Gaming Advisory Board to ensure that citizens advisory committee is informed about current operations and conversant with future plans.

Parx Casino

Community Involvement

Since 2006 we have made donations and established sponsorships totaling almost \$8 million to over 200 individuals and organizations. These donations were made to international, national, and local groups that support many varied causes, including:

- UNICEF
- Red Cross – Haiti Relief
- Red Cross – Chile Relief
- Nancy Davis Foundation for Multiple Sclerosis
- UCLA Medical Center, Division for Digestive Diseases
- Elton John Aids Foundation
- Living Beyond Breast Cancer
- Hero Scholarship Fund
- Council on Compulsive Gambling
- Special Olympics
- Bensalem Summer Concert Series
- Bensalem Pride Day
- NAACP Bucks County Annual Dinner
- Children’s Diabetes Foundation
- Historic Philadelphia, Inc.
- Thoroughbred Retirement Foundation / Turning for Home, Inc.
- Bensalem Township EMS
- Scholarship awards to Bensalem High School graduates
- Several local elementary and high schools through the PA EITC program, including:
 - Father Judge High School
 - St. Ephrem School
 - Our Lady of Fatima School
 - St. Charles Borromeo School
 - St. Elizabeth Ann Seton School

Compulsive & Problem Gambling Highlights

- Worked with representatives of the Council on Compulsive Gambling of Pennsylvania (CCGPa) to establish Comprehensive Compulsive Gambling training.
- Incorporated Compulsive Gambling Training into employee orientation to ensure All Team Members are trained and aware.
- Yearly Contributor to the CCGPa.

Parx Casino

Thoroughbred Racing Operation

Live Racing – Year Round

- Racing has been continuous at Philadelphia Park for 35 years, and has been conducted by current ownership for the past 20 years.
- Saturday, Sunday, Monday and Tuesday
- 12:25 p.m. First Race

Simulcast – Daily

- 11:00 a.m. – 2:00 a.m.



Parx Casino

Commitment to Thoroughbred Racing

- New state of the art 47 foot HD infield video screen at a cost of \$1.2 million.
- Raised race purses from \$120,000 per day to \$350,000 per day - the highest annual purses of any racetrack in the United States.

Racing

Nothing equals the thrill of live thoroughbred racing. You can feel the anticipation in the air as your favorite horse passes the other hard-charging leaders and their jockeys in pursuit of the finish line. It's nose to nose down to the wire, with the kind of adrenaline rush that sets your spirits soaring.



- More than doubled racing purses in one year.
- Total purse distribution was \$70 million for 214 racing days in 2009.
- Encouraged increased wagering in the simulcast export market.

Parx Casino

Benefits of Gaming Legislation to Breeders

- Breeding fund was \$18 million in 2009.
- Up to 40% in PA Bred bonuses.
- PA Derby becomes Pennsylvania's first \$1,000,000 race.

Parx Casino

Racing's Future at Parx

Backstretch Improvements

- As part of a 10 year Purse Agreement, Philadelphia Park has committed over \$25 million for stable area renovations, which is \$15 million more than the gaming law requires.
- All 36 barns and 12 dormitories will be renovated.
- We also will build one new barn.

Front Side Improvements

- Grandstand renovation project is under way.

Parx Casino

Project Overview

“A Promise Delivered”

Parx Casino

Delivered on a Promise

Commitments Accomplished

- Foster and promote the horse racing industry in Pennsylvania.
- Job Creation
- Generation of New Business for Local Suppliers and Vendors
- Recapture Dollars Leaving State
- Catalyst for Future Capital Investment in Pennsylvania
- Significant Tax Benefits to the State
- Physical Improvement to the Track Amenities and Backside
- Employer of Choice
- Involvement with Community Organizations
- Charitable Donations
- Hiring Locally and Utilization of Local Businesses
- Partnership with Educational Institutions
- Commitment to Participate in Efforts to Grow Area
- Open Communication with Local Authorities, Businesses and Residents of Area
- Compulsive Gambling Program and Training



Parx Casino

Tax Contribution to the Commonwealth

	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010 (through 2/28/10)	TOTAL
State Gaming Taxes	\$49,057,000	\$110,557,000	\$121,127,000	\$ 82,076,000	\$362,817,000
County & Township Gaming Taxes	\$ 5,771,000	\$ 13,006,000	\$ 14,250,000	\$ 9,656,000	\$ 42,684,000
Economic Development & Tourism Fund	\$ 7,214,000	\$ 16,258,000	\$ 17,812,000	\$ 12,070,000	\$ 53,355,000
Pa. Race Horse Development Fund	\$17,314,000	\$ 39,020,000	\$ 42,750,000	\$ 28,960,000	\$128,045,000
Grand Total					\$586,901,000