



Washington Trotting Association, Inc.

Public Input Hearing Presentation

May 4, 2011

Presenters

**Sean Sullivan, Vice President & General Manager
Washington Trotting Association, Inc.**

**Mike Jeannot, President of Meadows Racing
Washington Trotting Association, Inc.**

I. Management Team

- **Phil Barnett**, Assistant General Manager
- **Brian Beinhauer**, Director of Information Technology
- **Heidi Hamers**, Director of Marketing
- **Mike Keelon**, Director of Compliance
- **Camille Kobrys**, Director of Player Development
- **Kathie Prieto**, Director of Human Resources
- **David Wiegmann**, Director of Accounting
- **Lance Young**, Director of Table Games

II. Registered Speakers

- **Larry Maggi**, Commissioner – Washington County
- **Diana Irey Vaughan**, Commissioner – Washington County
- **Greg Sulc**, Chairman – North Strabane Township Board of Supervisors
- **Joe Forrester**, President – Community College of Beaver County
- **Jeff M. Kotula**, President – Washington County Chamber of Commerce
- **William R. McGowen**, Executive Director – Redevelopment Authority of Washington Co.
- **Joe Manning**, Councilman & Past Fire Chief – City of Washington
- **Peg W. Wilson** – Greater Washington County Food Bank

III. Written Testimony

- **Tim Solobay**, Senator – Commonwealth of Pennsylvania
- **Bracken Burns**, Commissioner – Washington County
- **Mark Grimm**, Deputy Fire Chief – North Strabane Township
- **Ron Mader**, General Manager – Double Tree Inn

IV. Amenities Offered

- The following amenities have been offered since the opening of the permanent facility:
 - 51 Table Games (Blackjack, Roulette, Craps, Minibaccarat, Big 6 Wheel, Pai Gow Poker, 4 Card Poker, Let it Ride, Texas Hold 'em Poker and 3 Card Poker)
 - 20 Poker Tables
 - High Limit Slot Area
 - Adios Lounge
 - Bistecca Restaurant
 - Terrace Café
 - Food Court
 - Racing
 - Bowling

V. Harness Racing



Act 71 and The Meadows Horse Racing

- On-Track Handle Up 4.1% in 2010 vs. 2009
- Signal Sales to 16.1% 2010 vs. 2009
- 225 Racing Jobs Saved
- 600 Horsemen Rely on Racing
- \$150,000 Daily Purses

V. Harness Racing (cont.)



\$5 million Investment in Backside

- 6 New Barns Planned (2 about to open)
- All Other Barns & Backside Renovated
- Cooperative Effort with the MSOA

VI. Economic Impact Since June 2007

- As of March 31, 2011 – The Meadows’ Gross Terminal Revenue totaled \$957.8 million.
 - 59% of the \$957.8 million in revenues has been distributed to the Commonwealth and the Pennsylvania Racehorse Development Fund for purse enhancements.

- Since opening on June 11, 2007, The Meadows has contributed over **\$448.4** million in taxes/fees and **\$114.5** million in harness racing purse funds. These amounts have been distributed to the following entities:

- Commonwealth of Pennsylvania:	\$325.7 million
- Washington County Local Share Assessment:	\$38.3 million
- Economic Development Fund:	\$47.9 million
- Administrative Fees to the Commonwealth:	\$16 million
- North Strabane Township Local Assessment :	\$1.2 million
- Local Share Assessment:	\$17.6 million
- Gaming License Costs:	\$51.7 million
- Pennsylvania Racehorse Development Fund:	\$114.5 million
➤ Total Taxes and PRDF Purse Contributions Paid:	\$612.9 million

VI. Economic Impact Since June 2007 (cont.)

- **Table Games and Poker (Since July 2010)**
 - Drop: \$117 million
 - Win: \$23.5 million

- **Total Taxes Paid: \$20.6 million**
 - Commonwealth of Pennsylvania: \$3.3 million
 - Washington County Local Share: \$235 thousand
 - North Strabane Township Local Share: \$235 thousand
 - Administrative Fees to the Commonwealth: \$349 thousand
 - Gaming License Costs: \$16.5 million

VII. Community Support

➤ Meadows Corporate Citizenship – Over \$1 million contributed toward philanthropic support since June 2007:

- North Strabane Township VFD
- United Way of Washington County
- Children’s Hospital Free Care Fund
- Washington City Mission
- Washington Women’s Shelter
- Washington County Food Bank
- The Washington Hospital Foundation
- Washington County Children’s Advocacy Center
- The Uniontown YMCA
- Senior Olympics of Western PA, Inc.
- Muscular Dystrophy Association
- PA Women Work
- Special Olympics Pennsylvania
- The Canonsburg July Fourth Celebration, Inc.
- Mental Health Association
- Ss. Simon and Jude School
- American Legion Auxiliary
- Disabled American Veterans of Pittsburgh
- Washington County Senior Center
- The Watchful Shepherd, (a United Way Participant)
- Breast Cancer Research Foundation
- Mel Blount Youth Foundation
- Soroptimist International of Pittsburgh
- The Pennsylvania Trolley Museum
- Washington Christian Outreach

Washington Trotting Association, Inc.

VIII. Neighborhood Partners

- The Meadows Neighborhood Partners – Over \$3.1 million spent by The Meadows:
 - Accents at the Quail
 - Auggie’s Roadhouse
 - Big Red Wrestling
 - Bob Evans
 - Bruster’s Ice Cream
 - Claysville Elementary School
 - Giant Eagle
 - Grammy Rose’s Bed n Breakfast
 - Hotels - Hampton/Holiday Inn/George Washington/Springhill Suites by Marriot/Hilton Garden
 - Jackson’s Restaurant
 - John F. Kennedy Catholic School
 - Lucia Rosa’s Pizzeria
 - Mr. Gyros
 - Palazzo 1837 Ristorante
 - Peter’s Township School District
 - Phyllis’s Fashions
 - Roses of Perris
 - Shelley’s Pike Inn Restaurant
 - Sorbara and Sons
 - St. Patrick’s School
 - Starting Line Racing Café
 - Steel City Harley
 - Sunoco Canonsburg/South Fayette
 - Tanger Outlets
 - Tim’s Car Wash
 - Vitullo Travel Agency
 - Xtreme Auto Glass

IX. Family Sustaining Jobs

➤ As of March 31, 2011, the Meadows casino employed 1,223 employees.

➤ Sample of average compensation by area:

- Gift Shop	\$10.51/hr	- Surveillance	\$14.06/hr
- Cage/Credit	\$14.09/hr	- Terrace Café (FOH)	\$12.55/hr
- Accounting	\$14.76/hr	- Terrace Café (BOH)	\$11.83/hr
- Information Tech	\$18.52/hr	- Beverage Server	\$10.53/hr
- Table Games	\$28.38/hr	- Security	\$12.38/hr
- Slot Operations	\$25.85/hr	- Valet	\$10.92/hr
- Player's Club	\$11.54/hr	- Count Room	\$12.62/hr

➤ Other benefits include:

- | | |
|--------------------------------------|---|
| - Free meals in employee dining room | - Comprehensive medical, dental & vision benefits |
| - 401K matching | - Paid vacation |
| - Payment of employee licensing fees | |

X. Training

- The Meadows trains its workforce in the following areas:
 - ✓ TiPS alcohol awareness
 - ✓ Compulsive and Problem Gambling
 - ✓ Bank Secrecy Act - Title 31
 - ✓ Harassment and Diversity
 - ✓ Internal Controls
 - ✓ Fundamentals of Management
 - Corrective Counseling
 - Effective Communication
 - Motivating for Optimum Performance
 - Appraising/Reviewing Job Performance
 - Legal Interviewing & Employment Law
 - Back to Basics
 - ✓ Certified Coaching

XI. Diversity

➤ Employee Diversity:

- Gender

- 49% of Meadows' workforce is female (51.9% for Washington County)
- 41% of Meadows' management team is female

- Minority

- 6% of Meadows' workforce (4.8% for Washington County)
- 5.1% of Meadows' management team

- Residency

- 1,101 employees currently reside in Pennsylvania (90%)

➤ Vendor Diversity:

- The Meadows Purchasing Department works closely with other departments to promote ordering from MBE/WBE vendors
- The Meadows Purchasing Department encourages vendors which qualify as MBE/WBE to register on the Pennsylvania Department of General Services' web site

XII. Compulsive & Problem Gaming

- Partnered with the Council on Compulsive Gambling of Pennsylvania to provide public education, awareness and training regarding compulsive and problem gambling and the treatment and prevention of compulsive and problem gambling.
- Worked with the Council on Compulsive Gambling of Pennsylvania and the Board's Director of the Office of Compulsive and Problem Gambling to develop and implement a comprehensive training program, training materials and ensure that all employees receive training on compulsive and problem gambling.
- Signage and brochures are available throughout the facility which inform our customers that help is available and how to obtain it.
- Procedures are in place to prevent underage gaming:
 - Patrons are met with signage at each entrance stating "NO one under 21 is Permitted".
 - Traffic flow devices are at each entrance to funnel patrons past Security posts.
 - Identification is requested from all persons who appear to be younger than the age of 30.
 - Electronic ID verification system to scan and determine the validity of a patron's identification.



XIII. Challenges

- Traffic
 - Construction on redesigned interchange from I-79

- Power Issues
 - Load Shed
 - Automated Power Switch
 - UPS Backups on all critical systems

- Minors
 - 20 Point Plan

XIV. Violations of the Act/Enforcement Actions

- The Meadows has entered into 5 consent agreements with OEC which have been approved by the Board.

- Meadows has received approximately 22 warning letters on various topics such as:
 - Underage gaming and access to gaming floor
 - Issues associated with licensing and staffing
 - Failure to provide Board with certain notifications
 - Certain issues regarding game approvals
 - Mailing of promotional materials to two self-excluded patrons

- Corrective actions were taken immediately to ensure compliance and were subsequently addressed in timely correspondence with the PGCB/OEC.

XV. The Future



The Best is Yet to Come

XV. The Future (cont.)

Ops-15 Floor Plan



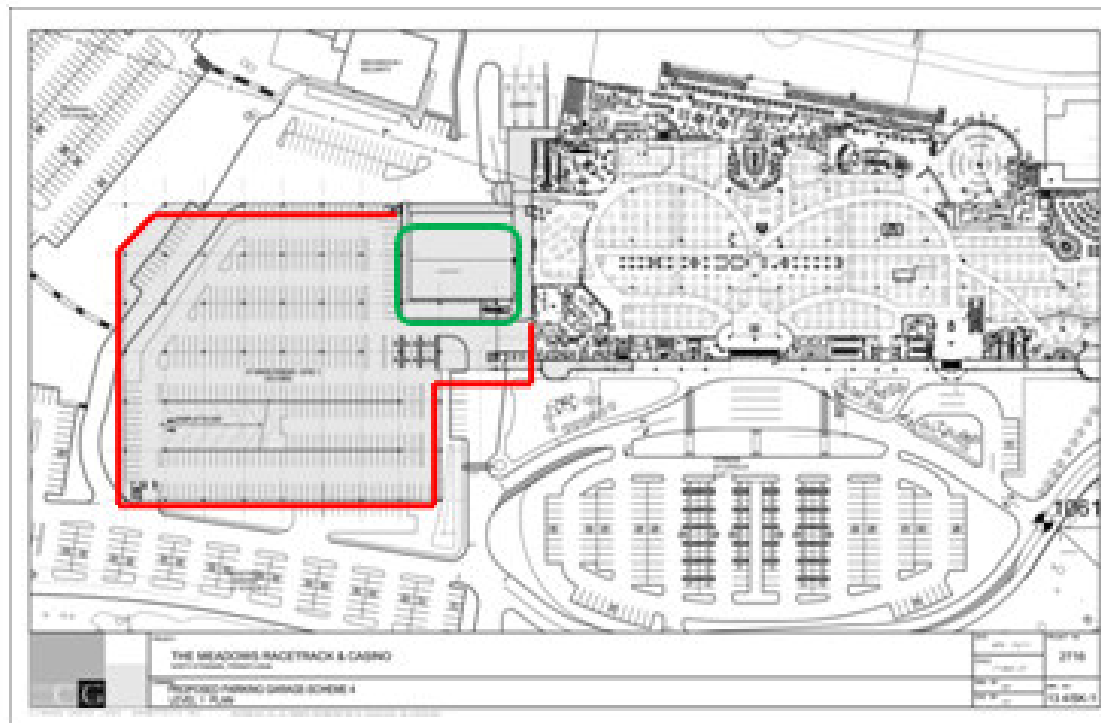
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XV. The Future (cont.)



Proposed Parking Garage & Multipurpose Center



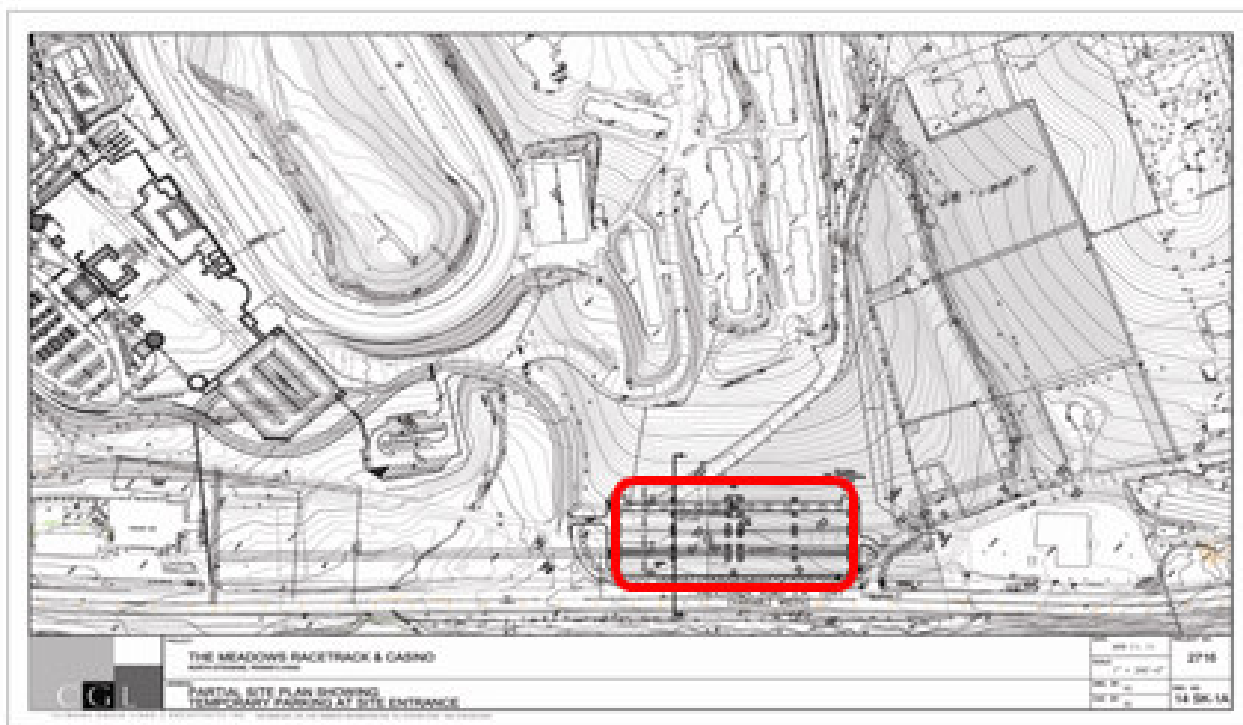
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XV. The Future (cont.)



550 Additional Surface Parking Places 22-Acres to be Developed



03/04/2011

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XVI. Summary

- The Management team and Ownership at The Meadows is deeply committed to its partnership with the Community, Horseman, the PGCB and the Commonwealth.
- \$633.5m Total Taxes and PRDF Purse Contributions Paid
- \$1m Community Support
- \$3.1m Neighborhood Partners
- 1,223 Employees - Family Sustaining Jobs
- Committed to our Compulsive & Problem Gaming Plan
- Challenges Overcome
- Violations Understood and Mitigated
- The Best is Yet to Come:
 - \$25m Investment