

# IOWA RACING AND GAMING COMMISSION

## 2013 Annual Report



**Jeff Lamberti, *Chair***  
**Carl Heinrich, *Vice Chair***  
**Kris Kramer, *Commissioner***  
**Dolores Mertz, *Commissioner***  
**Rich Arnold, *Commissioner***

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# STATE OF IOWA

TERRY E. BRANSTAD, GOVERNOR  
KIM REYNOLDS, LT. GOVERNOR

RACING AND GAMING COMMISSION  
BRIAN J. OHORILKO, ADMINISTRATOR

February 21, 2014

The Honorable Terry Branstad  
Governor, State of Iowa  
State Capitol  
Des Moines, IA 50319

Dear Governor Branstad:

I am pleased to have the opportunity to submit the 2013 Annual Report on behalf of the Iowa Racing and Gaming Commission (the Commission). The Commission is committed to maintaining a vibrant racing and gaming industry that provides economic growth and development for the State of Iowa while continuing to promote responsible gaming and ensuring continued participation in the "Buy Iowa First" program. As always, the integrity of the racing and gaming industry in Iowa remains as our highest priority.

The casinos generated more than \$276 million in gaming taxes during 2013. Over \$39 million in contributions this year by the non-profit licensees provided significant benefits to local and surrounding communities.

In 2013, the Commission awarded an operator's license in Woodbury County to Sioux City Entertainment. Sioux City Entertainment has committed to a \$120 million investment in the area proposing a new Hard Rock branded land-based casino by revitalizing the historic Battery Building. Construction is scheduled to be completed this summer with an anticipated opening in July 2014 and is planned to provide more than 500 jobs within the community.

Also, in 2013, Harrah's Council Bluffs completed an \$8 million renovation by moving their gaming operations onto land. In addition, the Commission approved an \$18.5 million remodeling project at Prairie Meadows Racetrack and Casino that will include upgrades to the gaming floor, main entrance, concessions, and grandstand seating area. Further, the Commission approved the asset purchase of IOC Davenport d.b.a. Rhythm City Casino by Scott County Casino LLC for \$51 million just after the first of the year which will provide for an opportunity of additional development in Davenport in 2015. These examples demonstrate commitments to the Commission's desire to upgrade the facilities and to make them entertainment destinations.

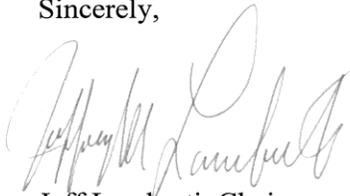
2013 also saw renewed interest in potential expansions of the industry, with license applications being submitted from Linn County and Greene County. The Commission will carefully consider any possible expansions. To that end, the Commission has selected two vendors to conduct a statewide market assessment of gaming in Iowa as part of that consideration, and we will do our best to render thoughtful decisions that are in the best interest of the people of the State of Iowa.

Lastly, the Commission received \$125,000 in funding in FY14 to conduct a socioeconomic study on the impact of gambling on Iowans pursuant to 99F.4(24). The Commission participated in a Request for Proposal process to select a vendor to complete this study. The socioeconomic study is scheduled to be completed in May of 2014.

The Commission wishes to commend its staff for their continued hard work and dedication. Along with the DCI and the Attorney General's Office, our Administrator, Brian Ohorilko and his staff provide the Commissioners, the gaming industry, the racing industry and the public thorough, timely and accurate information and analysis.

It continues to be a pleasure and privilege of the other Commissioners and me to serve at your pleasure on the Commission.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jeff Lamberti".

Jeff Lamberti, Chair

## **LIFETIME VOLUNTARY SELF-EXCLUSION PROGRAM**

This program was required by the 2004 General Assembly as part of HF2302. The Commission adopted an administrative rule, 491 – 5.4(12), requiring implementation by the licensed casino operators which became effective on November 3, 2004. The licensed casino operators launched the program on the same date.

Specifically 99D.12(23) states; To require licensees to establish a process to allow a person to be voluntarily excluded for life from a racetrack enclosure and all other licensed facilities under this chapter and chapter 99F. The process established shall require that a licensee disseminate information regarding persons voluntarily excluded to all licensees under this chapter and chapter 99F. The state and any licensee under this chapter or chapter 99F shall not be liable to any person for any claim which may arise from this process. In addition to any other penalty provided by law, any money or thing of value that has been obtained by, or is owed to, a voluntarily excluded person by a licensee as a result of wagers made by the person after the person has been voluntarily excluded shall not be paid to the person but shall be credited to the general fund of the state.

And 99F.4(22) similarly states; To require licensees to establish a process to allow a person to be voluntarily excluded for life from an excursion gambling boat and all other licensed facilities under this chapter and chapter 99D. The process established shall require that a licensee disseminate information regarding persons voluntarily excluded to all licensees under this chapter and chapter 99D. The state and any licensee under this chapter or chapter 99D shall not be liable to any person for any claim which may arise from this process. In addition to any other penalty provided by law, any money or thing of value that has been obtained by, or is owed to, a voluntarily excluded person by a licensee as a result of wagers made by the person after the person has been voluntarily excluded shall not be paid to the person but shall be credited to the general fund of the state.

To date, approximately 6,775 people have entered the program and in excess of \$1,300,000 has been forfeited.

## COMMISSION MEETINGS

During 2013, the Iowa Racing and Gaming Commission (Commission) met nine times, with two Executive Sessions being held. Minutes of each meeting are kept on file in the Commission office, and are available to the public upon request. The minutes are also available on the Commission's website: [www.iowa.gov/irgc/](http://www.iowa.gov/irgc/). Highlights of the meetings follow:

January 10, 2013: The Commission met at Prairie Meadows Racetrack & Casino (PMR&C) in Altoona, IA. The Commission approved a Notice of Intended Action on rules, approved a lease extension between Belle of Sioux City, L.P. and the City of Sioux City contingent upon the approval of same by both parties; approved the season approvals for the thoroughbred and quarter horse live racing meets at PMR&C; approved a revised Resolution regarding the state-wide self-exclusion program and heard presentations from the applicants for the land-based casino in Woodbury County.

March 6-7, 2013: The Commission met at Stoney Creek Inn in Johnston, IA. Executive Session was held the evening of March 6. During the public portion of the meeting, the Commission approved excursion gambling boat and gambling structure license renewals and any contracts contained within the renewal for the following: Iowa West Racing Association (IWRA)/Ameristar Casino Council Bluffs, Inc. d/b/a Ameristar Casino; IWRA/Harveys Iowa Management Co., Inc. d/b/a Harrah's Council Bluffs Casino Hotel (Harrah's); Worth County Development Authority/Diamond Jo Worth, LLC d/b/a Diamond Jo Worth (DJW); Washington County Riverboat Foundation, Inc./Riverside Casino & Golf Resort, LLC d/b/a Riverside Casino & Golf Resort (RCGR); Black Hawk County Gaming Association (BHCGA)/Black Hawk County, Inc. d/b/a Isle Casino Hotel Waterloo (IOC Waterloo); Dubuque Racing Association (DRA)/Diamond Jo, LLC d/b/a Diamond Jo (DJ); Lyon County Riverboat Foundation, Inc./Grand Falls Casino Resort, LLC d/b/a Grand Falls Casino Resort (GFCR); Scott County Regional Authority/Isle of Capri Bettendorf, L.C. d/b/a Isle of Capri Bettendorf (IOC Bettendorf); Riverboat Development Authority (RDA)/IOC Davenport, Inc. d/b/a Rhythm City Casino (Rhythm City); Clarke County Development Corporation/HGI-Lakeside, LLC d/b/a Lakeside Hotel Casino (Lakeside); Southeast Iowa Regional Riverboat Commission/Catfish Bend Casinos II, L.C. d/b/a Catfish Bend Casinos II (Catfish Bend); Clinton County Community Development Association (CCCCA)/Wild Rose Clinton, L.L.C. d/b/a Wild Rose Clinton; Palo Alto County Gaming Development Corporation/Wild Rose Emmetsburg, L.L.C. d/b/a Wild Rose Emmetsburg; and Upper Mississippi Gaming Corp./Isle of Capri Marquette, Inc. d/b/a Lady Luck Marquette Casino. The Commission also approved various agreements between Boyd Gaming Corporation and Boyd Acquisition, LLC; the season approvals for the live race meet at Mystique Casino/Dubuque Greyhound Park; and the allocation of purses from gaming revenue for 2013 at PMR&C. The Commission gave notice that applications for the Horse Promotion Fund were due in the Commission's office by April 8, 2013. The Commission also heard a brief report on the County Endowment Program distributions and reviewed the year-to-date economic impact reports.

March 26, 2013: The Commission toured the various sites for the proposed land-based casino in Woodbury County in the morning. In the afternoon, the Commission met at the Stoney Creek Inn in Sioux City and received public comment on the four applications, followed by a question and answer period by the Commission on each application.

April 18, 2013: The Commission met at the Mid America Center in Council Bluffs, IA. The Commission heard a presentation by Pinnacle Entertainment regarding their purchase of Ameristar Casinos, Inc.; and reviewed the licensee's financial audits, except for Mystique Casino, and those of the three horsemen's organizations. The Commission approved the payment of the unpaid purse amounts from 2012 at Bluffs Run Greyhound Park and the distribution of the Horse Promotion Fund in the amount of \$3,330.84 equally among The Legacy Harness Horse Foundation, the Thoroughbred Breeders & Owners Association and the Iowa Quarter Horse Racing Association. Following comments by each Commissioner on the Woodbury County license applications, the Commission voted 3-2 to award the license to operate a gambling structure in Woodbury County to Sioux City Entertainment, Inc. and a license to conduct gambling games in Woodbury County to Missouri River Historical Development, Inc. (MRHD), subject to conditions established by Commission staff.

June 5-6, 2013: The Commission met at Lakeside Hotel Casino. Executive Session was held the evening of June 5. The Commission approved the refinancing of Senior Secure Credit Facilities for Isle of Capri Casinos; heard updates on the sale negotiations for Rhythm City from Isle of Capri and the city of Davenport; denied the license applications of Belle of Sioux City, L.P. and Greater Siouxland Improvement Association's (GSIA) Siouxland site, Belle of Sioux City, L.P. and GSIA's Sioux City site, and Warrior Entertainment, LLC and Siouxland Strong, Inc.; approved Pinnacle Entertainment's stock purchase of Ameristar Casino, Inc.; held a discussion regarding a license in Linn County and moved to accept applications from Linn County through September 3, 2013. The Commission also directed staff to prepare a Request for Proposal (RFP) for the purpose of selecting one or two vendors to conduct a statewide market analysis. The Commission received a report on Mystique Casino's year-end financial audit, and reviewed the Horseshoe Casino-Bluff Run Greyhound Park/Iowa Greyhound Association Escrow Audit report for 2012. The Commission approved Stipulated Agreements with IOC Waterloo for a violation of Iowa Code §99F.9(6) (Credit); Argosy Casino Sioux City for a violation of Iowa Code §99F.4(22) (Self-Exclusion) and Diamond Jo for a violation of Iowa Code §99F.9(5) (Minor). The Commission approved the continuation of the regulatory fees for FY 2014 at the FY 2013 level and provided notice that applications for the Dog Racing Promotion Fund were due by June 21, 2013.

July 2, 2013: The Commission met at PMR&C. The Commission elected Jeff Lamberti and Carl Heinrich to serve as Chair and Vice Chair respectively for Fiscal Year 2014. The Commission approved the following: financing for Pinnacle Entertainment; requests from PMR&C to remodel the facility and add a race date; and distribution of the Dog Racing Promotion Fund to the Iowa Greyhound Association. The Commission directed staff to prepare a RFP to solicit bids for a vendor to conduct a study of the socioeconomic impact of gambling on Iowans pursuant to Iowa Code §99F.4(24).

August 15, 2013: The Commission met at Riverside Casino & Golf Resort. The Commission heard presentations from the three vendors who responded to the RFP to conduct a statewide market analysis; received a status report on the construction and financing for the Hard Rock Sioux City project; reviewed the financial audits for the four Isle of Capri Iowa facilities; approved shelf financing requests from Penn National Gaming, Inc. and Boyd Gaming Corp.; denied the renewal of the operator's license for Belle of Sioux City, L.P.; approved the purse supplement for 2014 at Bluffs Run Greyhound Park; approved a Stipulated Agreement with PMR&C for a violation of Iowa Code §99F.9(5) (Minor); and approved the regulatory fees for FY 2014.

October 10, 2013: The Commission met at Mystique Casino in Dubuque, IA. The Commission selected Union Gaming and GVA Marquette to conduct statewide market analysis studies; heard presentations from the three companies who submitted proposals to the RFP for the study on the socioeconomic impact of gambling on Iowans; established timeframes and deadlines for the Linn County application; established January 6, 2014 as the deadline for applications from Greene County; approved a request from the Iowa Greyhound Association to utilize funds from the escrow account for promotional activities; and approved a Stipulated Agreement with Grand Falls Casino Resort for a violation of Iowa Code §99f.4(22) (Self-Exclusion Policy).

November 21, 2013: The Commission met at Stoney Creek Inn in Johnston, IA. The Commission selected Strategic Economic Group and Spectrum Gaming to conduct the socioeconomic impact study; denied a request from Belle of Sioux City, L.P. for a stay of the issuance of the licenses to Sioux City Entertainment and MRHD and other actions of the Commission authorizing the development of the Hard Rock Sioux City Casino; heard updates on the potential purchase of IOC Davenport from Kehl Development and the city of Davenport; renewed the pari-mutuel and racetrack enclosure licenses for IWRA/Horseshoe Casino-Bluffs Run Greyhound Park, DRA/Mystique Casino, and PRM&C.

# HORSESHOE CASINO BLUFFS RUN GREYHOUND PARK



## Council Bluffs, IA

<b><u>Live Racing</u></b>	<b>2012</b>	<b>2013</b>
Racing Dates	1/1-12/30	1/1-12/31
Number of Performances	302	302
Admissions	See Simulcasting	See Simlucasting
Total Mutuel Handle	\$4,115,321	\$4,007,181
Track Commission	\$961,955	\$939,993
Breakage	\$15,641	\$14,132
Returned to Public	\$3,153,365	\$3,067,187
Total Purses Paid (all sources)	\$10,244,022	\$10,063,967

### **Simulcasting (Signals Sent-Live Greyhound)**

Simulcast Handle	\$41,314,444	\$41,867,619
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### **Simulcasting (Signals Received-Greyhounds & Horses)**

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	7,558	7,418
Admissions	2,250,703	2,091,615
Total Mutuel Handle	\$14,109,039	\$12,353,236
Breakage	\$70,018	\$54,785

### **Pari-Mutuel Revenues to State**

State Tax	\$272,070	\$250,445
Unclaimed Winnings	\$94,941	\$86,804

# MYSTIQUE CASINO



## Dubuque, IA

### Live Racing

	2012	2013
Racing Dates	4/28-10/30	4/27-10/27
Number of Performances	161	161
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$1,847,005	\$1,833,961
Track Commission	\$412,524	\$411,324
Breakage	\$10,612	\$10,257
Returned to Public	\$1,381,369	\$1,415,181
Total Purses Paid (all sources)	\$3,492,805	\$3,322,603

### Simulcasting (Signals Sent-Live Greyhound)

Simulcast Handle	\$2,855,635	\$3,415,277
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### Simulcasting (Signals Received-Greyhounds & Horses)

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	4,359	4,630
Admissions	1,076,147	979,695
Total Mutuel Handle	\$3,358,169	\$3,206,100
Breakage	\$7,584	\$6,665

### Pari-Mutuel Revenues to State

State Tax	\$89,442	\$86,456
Unclaimed Winnings	\$43,380	\$48,877

# PRAIRIE MEADOWS RACETRACK & CASINO



## Altoona, IA

<b>Live Racing</b>	<b>2012</b>	<b>2013</b>
Racing Dates	4/20-8/11	4/19-8/10
	8/18-10/27	8/17-10/12
Number of Performances	94	93
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$4,696,184	\$4,231,383
Track Commission	\$886,852	\$794,776
Breakage	\$38,459	\$33,297
Returned to Public	\$3,854,960	\$3,478,460
Total Purses Paid (all sources)	\$15,349,219	\$15,075,401

**2012** **2013**

**Simulcasting (Signals Sent-Live Horse)**

Simulcast Handle ( <i>commingled</i> )	\$26,149,985	\$28,719,466
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**2012** **2013**

**Advanced Deposit Wagering (ADW)\***

ADW Handle on Prairie Meadows live races (included in simulcast handle above)	\$169,464	\$129,647
ADW Handle on non-Prairie Meadows races	\$1,009,869	\$1,206,571

\*Advanced Deposit Wagering (ADW) was passed in legislation in 2011 and the first licensee began operating in 2012.

**2012** **2013**

**Simulcasting (Signals Received-Greyhounds & Horses)**

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	8,103	7,581
Admissions	3,008,466	2,816,357
Total Mutuel Handle	\$12,729,990	\$12,016,271
Total Mutuel Handle (Horse)	\$11,296,810	\$10,800,899
Total Mutuel Handle (Greyhound)	\$1,433,180	\$1,215,372
Breakage	\$65,437	\$55,165

**Pari-Mutuel Revenues to State**

Unclaimed Winnings	\$87,331	\$93,424
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# LABORATORY TESTING

The Iowa Racing and Gaming Commission, through comprehensive drug testing of participating animals, strives to protect the integrity of the sport of racing in Iowa. Iowa's urine and blood testing program is the backbone of the agency's policing functions. The drug testing program was conducted by Iowa State University Veterinary and Diagnostic Laboratory, the Commission's racing chemist.

Through chemical analysis of urine and blood samples collected from racing animals at the tracks, the Commission ensures that foreign substances are not being administered to racing animals pursuant to Iowa Code Chapter 99D.25.

The following is a summary of the samples tested and positive tests reported by the Laboratory in 2013 for the Commission.

## SAMPLES

	URINE	BLOOD
<b>Greyhound</b>		
Horseshoe Casino	4,172	
Mystique Casino	2,437	
<b>Horse</b>		
Prairie Meadows Racetrack & Casino	1,706	1,902

## POSITIVE TESTS

Phenylbutazone	4
Sildenafil/Desmethyisildenafil	4
Flunixin	3
Caffeine & Theophylline	3
Tranexamic Acid	2
Clenbuterol	2
Aminocaproic Acid	1
Triamcinalone	1
Theophylline	1
Testosterone	1
<b>TOTAL POSITIVES</b>	<b>22</b>

# IOWA BREEDERS FUND

The Department of Agriculture maintains a database of thoroughbred and quarterhorses that have qualified to be Iowa-foaled horses, as well as greyhounds that have qualified as Iowa-whelped dogs according to Iowa Code Chapter 99D.22 and Administrative Rules of the Department of Agriculture and Land Stewardship.

An amount equal to 12% of the winner's share of any purse won by an Iowa-foaled horse or Iowa-whelped dog is withheld by the licensee from the breakage and paid at the end of the race meeting to the Department of Agriculture and Land Stewardship for redistribution as breeders' awards.

Iowa Code Chapter 99D.11 and 12 authorize distribution of the remaining breakage as follows:

At horse tracks, 2% of the remaining breakage is distributed to the Horse Promotion Fund and the balance of the breakage at horse tracks is distributed as purse supplements to the owners of winning Iowa-bred horses.

The remainder of the breakage at greyhound tracks is divided, with 25% funding a stakes race restricted to registered Iowa-whelped greyhounds, 2% funding the Dog Promotion Fund and 73% distributed as purse supplements to the owners of winning Iowa-whelped greyhounds.

One percent of the exotic wagers, including 3 or more horses, dogs or races, is distributed as provided in 99D.12 above.

The amounts created from the total breakage and a portion of the casino revenues as statutorily required, were paid out as follows in 2013:

## THOROUGHBRED/QUARTERHORSE

### PRAIRIE MEADOWS RACETRACK & CASINO

Breeders Awards	\$743,249
Purse Supplements to Owners of Iowa Breds	\$2,304,759
Horse Racing Promotion Fund	\$2,908
Carry-Over	\$0

## GREYHOUNDS

### HORSESHOE CASINO AND BLUFFS RUN GREYHOUND PARK

Breeders Awards	\$168,683
Purse Supplements to Owners of Iowa-whelped greyhounds	\$3,362,844
Iowa Stakes	\$500,000
Carry-Over	\$0
Dog Racing Promotion Fund	\$0

### MYSTIQUE CASINO

Breeders Awards	\$9,600
Purse Supplements to Owners of Iowa-whelped greyhounds	\$699,987
Iowa Stakes	\$190,400
Carry-Over (Breakage Only)	\$18,746
Dog Racing Promotion Fund	\$17,500

# ALL IOWA RACETRACK CASINO

## GAMING TOTALS

	2012	2013
Admissions	6,335,316	5,887,667
Slot Drop	\$2,883,628,003	\$2,805,587,383
Slot Coin In	\$4,436,210,207	\$4,248,531,797
Slot Revenue	\$407,571,643	\$390,170,581
Table Drop	\$224,182,729	\$217,168,179
Table Revenue	\$52,908,702	\$51,537,272
Adjusted Gross Revenue	\$460,480,327	\$441,707,853
City Tax	\$2,176,531	\$2,208,538
County Tax	\$2,176,531	\$2,208,538
Endowment Fund	\$3,482,450	\$3,533,661
State Miscellaneous Fund	\$870,613	\$883,414
Gaming Tax	\$94,686,320	\$94,713,374
Regulatory Fee	\$4,317,953	\$4,155,236

**HORSESHOE CASINO  
BLUFFS RUN GREYHOUND PARK  
GAMING**



**Council Bluffs, IA**

	<b>2012</b>	<b>2013</b>
Admissions	2,250,703	2,091,615
Slot Drop	\$992,959,715	\$975,065,995
Slot Coin In	\$1,636,688,456	\$1,615,436,132
Slot Revenue	\$172,650,333	\$168,045,234
Table Drop	\$125,909,617	\$124,490,959
Table Revenue	\$30,963,443	\$30,793,426
Adjusted Gross Revenue	\$203,613,774	\$198,838,660
City Tax	\$966,611	\$994,193
County Tax	\$966,611	\$994,193
Endowment Fund	\$1,546,577	\$1,590,709
State Miscellaneous Fund	\$386,645	\$397,677
Gaming Tax	\$42,530,862	\$43,274,491
Regulatory Fee	\$1,324,050	\$1,258,004

# MYSTIQUE CASINO

## GAMING



**Dubuque, IA**

	<b>2012</b>	<b>2013</b>
Admissions	1,076,147	979,695
Slot Drop	\$410,080,665	\$393,499,704
Slot Coin In	\$583,927,508	\$545,929,089
Slot Revenue	\$54,249,165	\$51,124,563
Table Drop	\$19,863,694	\$19,245,853
Table Revenue	\$4,392,587	\$4,490,944
Adjusted Gross Revenue	\$58,641,745	\$55,615,507
City Tax	\$270,254	\$278,077
County Tax	\$270,254	\$278,077
Endowment Fund	\$432,407	\$444,923
State Miscellaneous Fund	\$108,101	\$111,230
Gaming Tax	\$10,810,168	\$10,713,086
Regulatory Fee	\$1,086,774	\$1,031,878

# PRAIRIE MEADOWS RACETRACK & CASINO

## GAMING



### Altoona, IA

	2012	2013
Admissions	3,008,466	2,816,357
Slot Drop	\$1,480,587,623	\$1,437,021,684
Slot Coin In	\$2,215,594,243	\$2,087,196,576
Slot Revenue	\$180,672,145	\$171,000,784
Table Drop	\$78,409,418	\$73,431,367
Table Revenue	\$17,552,672	\$16,252,902
Adjusted Gross Revenue	\$198,224,807	\$187,253,686
City Tax	\$939,666	\$936,268
County Tax	\$939,666	\$936,268
Endowment Fund	\$1,503,465	\$1,498,029
State Miscellaneous Fund	\$375,867	\$374,507
Gaming Tax	\$41,345,290	\$40,725,797
Regulatory Fee	\$1,907,129	\$1,865,354

# **IOWA'S WAGERING DOLLAR**

## **IOWA'S PARI-MUTUEL DOLLAR**

Actual percentage withheld from each wagering dollar depends on the type of wager. Chapter 99D.11(5) authorizes takeout up to eighteen percent on win, place, and show wagers; twenty-four percent on doubles (two dogs/horses/races); and twenty-five percent on triples (3+dogs/horses/races). Pari-mutuel taxes may range from 0 to six percent on live races based on increasing levels of mutuel handle. Simulcast wagering is taxed at two percent of the pari-mutuel handle. (Chapter 99D.15)

Breakage (the odd cents by which the amount payable on each dollar wagered in a pari-mutuel pool exceeds a multiple of ten cents) is distributed to the owners and breeders of Iowa-foaled horses and Iowa-whelped dogs.

## **IOWA'S GAMING DOLLAR**

Iowa's gaming industry consists of slot machines, table games, and other games of chance as authorized by the Commission. Slot machine statistics are kept on the total amount wagered and adjusted gross revenue. Each slot machine must have at least an eighty percent pay-out to the patron. Available data for table games includes the drop and the ratio of drop to the adjusted gross revenues.

The tax based on adjusted gross revenues from gambling games is: Up to \$1,000,000, five percent; above \$1,000,000 up to \$3,000,000, ten percent; above \$3,000,000 Excursion gambling boat and gambling structure – twenty-two percent; Racetrack enclosure in the same county as other licensees and issued a table games license but with adjusted gross receipts of less than \$100 million – twenty-two percent; Racetrack enclosure in the same county as other licensees, issued a table games license and with adjusted gross receipts of more than \$100 million – twenty-four percent and Racetrack enclosures with no other licensees in the same county – twenty-four percent.

This tax is distributed one-half of one percent each to the city and county, eight-tenths of one percent to the County Endowment Fund, two-tenths of one percent to the State Miscellaneous Fund and the remainder to designated state funds.

## TAX ASSESSMENT OFFSET

House File 2302 was passed during the 2004 Iowa Legislative session and imposed an assessment on the Riverboats in Iowa at 2.152% of estimated AGR for the 2004 calendar year. This tax assessment was paid in two parts, in June 2005 and June 2006 to help establish the rebuild Iowa infrastructure fund. To compensate the boats for the initial tax assessment, they are allowed to take twenty percent of the assessment paid as an offset to their tax liability commencing in the state's fiscal year 2011 for the following five fiscal years. Below is the offset that each of the boats is allowed to take for fiscal years 2011-2015.

	Offset tax each year FY2011 - FY2015
Lady Luck - Marquette	\$ 353,229
Diamond Jo - Dubuque	\$ 421,155
Wild Rose Clinton	\$ 237,202
Catfish Bend	\$ 267,623
Argosy - Sioux City	\$ 391,543
Rhythm City	\$ 654,673
Isle of Capri - Bettendorf	\$ 865,259
Ameristar II	\$ 1,423,040
Harrahs	\$ 931,945
Terrible's Lakeside	\$ 454,795

## TABLE GAMES LICENSE FEE

Iowa code section 99F.4A(8) established the right of Iowa's three racetrack casinos to begin offering table games of chance assuming they paid an initial license fee by June 1, 2005. The fee was determined by the adjusted gross receipts of the previous fiscal year. The tracks are allowed to offset the initial license fee against taxes owed during fiscal years 2009-2013. Prairie Meadows Racetrack and Casino and Horseshoe Casino/Bluffs Run Greyhound Park each paid \$10 million and are allowed an offset of \$2 million each of the five fiscal years. Mystique Casino, formerly Dubuque Greyhound Park, paid \$3 million and is allowed an offset of \$600,000 each of the five fiscal years.

## ALL IOWA EXCURSION GAMBLING BOAT/ GAMBLING STRUCTURE TOTALS

	2012	2013
Admissions	16,266,191	15,345,776
Slot Drop	\$6,452,585,698	\$6,263,982,468
Slot Coin In	\$10,119,289,657	\$9,642,754,586
Slot Revenue	\$926,769,766	\$894,071,486
Table Drop	\$370,539,183	\$379,528,175
Table Revenue	\$79,915,156	\$80,937,453
Adjusted Gross Revenue	\$1,006,684,909	\$975,008,801
City Tax	\$4,898,414	\$4,695,576
County Tax	\$4,898,414	\$4,695,576
Endowment Fund	\$7,837,475	\$7,512,962
State Miscellaneous Fund	\$1,959,369	\$1,878,229
Gaming Tax	\$191,837,109	\$181,923,050
Regulatory Fee	\$15,291,920	\$13,182,836

# HARRAH'S COUNCIL BLUFFS CASINO & HOTEL



## Council Bluffs, IA

	2012	2013
Admissions	1,053,595	1,125,112
Slot Drop	\$335,806,211	\$342,222,190
Slot Coin In	\$594,422,304	\$591,478,471
Slot Revenue	\$62,909,993	\$64,031,691
Table Drop	\$25,444,000	\$32,114,824
Table Revenue	\$4,979,847	\$6,791,121
Adjusted Gross Revenue	\$67,889,845	\$70,822,812
City Tax	\$308,951	\$323,615
County Tax	\$308,951	\$323,615
Endowment Fund	\$494,321	\$517,784
State Miscellaneous Fund	\$123,580	\$129,446
Gaming Tax	\$12,358,018	\$12,944,601
Regulatory Fee	\$1,082,922	\$887,878

# AMERISTAR II



## Council Bluffs, IA

	2012	2013
Admissions	2,147,882	1,971,368
Slot Drop	\$981,557,423	\$991,043,690
Slot Coin In	\$1,654,644,896	\$1,619,114,735
Slot Revenue	\$156,200,663	\$150,187,169
Table Drop	\$60,629,229	\$65,412,236
Table Revenue	\$13,909,381	\$14,489,157
Adjusted Gross Revenue	\$170,110,044	\$164,676,326
City Tax	\$808,890	\$781,721
County Tax	\$808,890	\$781,721
Endowment Fund	\$1,294,224	\$1,250,753
State Miscellaneous Fund	\$323,556	\$312,688
Gaming Tax	\$32,355,609	\$31,268,852
Regulatory Fee	\$1,178,286	\$1,066,268

# LADY LUCK



## Marquette, IA

	2012	2013
Admissions	344,844	313,281
Slot Drop	\$222,057,312	\$210,793,168
Slot Coin In	\$332,551,088	\$306,516,065
Slot Revenue	\$28,728,557	\$27,700,782
Table Drop	\$5,710,082	\$5,529,836
Table Revenue	\$1,095,229	\$1,085,954
Adjusted Gross Revenue	\$29,823,779	\$28,786,736
City Tax	\$149,119	\$135,905
County Tax	\$149,119	\$135,905
Endowment Fund	\$238,590	\$217,448
State Miscellaneous Fund	\$59,648	\$54,362
Gaming Tax	\$5,554,756	\$5,026,215
Regulatory Fee	\$918,512	\$803,024

# DIAMOND JO – DUBUQUE



## Dubuque, IA

	2012	2013
Admissions	1,109,727	1,100,615
Slot Drop	\$418,341,374	\$425,075,053
Slot Coin In	\$683,715,667	\$661,909,208
Slot Revenue	\$63,553,512	\$61,016,890
Table Drop	\$26,887,932	\$26,819,304
Table Revenue	\$4,904,933	\$4,947,509
Adjusted Gross Revenue	\$68,458,445	\$65,964,401
City Tax	\$323,392	\$310,932
County Tax	\$323,392	\$310,932
Endowment Fund	\$517,444	\$497,491
State Miscellaneous Fund	\$129,361	\$124,372
Gaming Tax	\$12,936,314	\$12,437,268
Regulatory Fee	\$997,946	\$872,906

# CATFISH BEND CASINO



## Burlington, IA

	2012	2013
Admissions	698,280	798,125
Slot Drop	\$245,046,608	\$242,143,262
Slot Coin In	\$391,754,286	\$379,393,811
Slot Revenue	\$35,842,184	\$34,722,622
Table Drop	\$16,651,593	\$16,180,846
Table Revenue	\$3,968,539	\$3,684,880
Adjusted Gross Revenue	\$39,810,716	\$38,407,502
City Tax	\$183,654	\$176,637
County Tax	\$183,654	\$176,637
Endowment Fund	\$293,845	\$282,619
State Miscellaneous Fund	\$73,461	\$70,655
Gaming Tax	\$7,346,121	\$7,065,466
Regulatory Fee	\$1,004,311	\$867,920

# WILD ROSE – CLINTON



## Clinton, IA

	<b>2012</b>	<b>2013</b>
Admissions	672,081	621,958
Slot Drop	\$267,773,694	\$246,910,334
Slot Coin In	\$412,007,895	\$379,168,756
Slot Revenue	\$36,794,373	\$33,475,616
Table Drop	\$9,258,506	\$8,076,187
Table Revenue	\$1,946,321	\$1,669,986
Adjusted Gross Revenue	\$38,740,699	\$35,145,642
City Tax	\$193,703	\$170,337
County Tax	\$193,703	\$170,337
Endowment Fund	\$309,926	\$272,539
State Miscellaneous Fund	\$77,481	\$68,134
Gaming Tax	\$7,338,140	\$6,403,475
Regulatory Fee	\$956,668	\$837,486

# ARGOSY – SIOUX CITY



Sioux City, IA

	2012	2013
Admissions	869,037	756,498
Slot Drop	\$320,113,544	\$275,717,047
Slot Coin In	\$544,289,506	\$460,025,340
Slot Revenue	\$53,891,210	\$46,740,612
Table Drop	\$22,997,887	\$22,082,778
Table Revenue	\$5,259,912	\$5,269,137
Adjusted Gross Revenue	\$59,151,114	\$52,009,569
City Tax	\$277,539	\$241,831
County Tax	\$277,539	\$241,831
Endowment Fund	\$444,062	\$386,929
State Miscellaneous Fund	\$111,015	\$96,732
Gaming Tax	\$11,101,548	\$9,673,224
Regulatory Fee	\$956,124	\$826,812

# RHYTHM CITY CASINO



## Davenport, IA

	2012	2013
Admissions	948,513	775,410
Slot Drop	\$368,176,461	\$326,047,317
Slot Coin In	\$584,880,350	\$498,193,334
Slot Revenue	\$48,616,485	\$43,990,494
Table Drop	\$11,086,343	\$9,552,852
Table Revenue	\$1,867,638	\$1,621,569
Adjusted Gross Revenue	\$50,484,127	\$45,612,063
City Tax	\$252,421	\$213,181
County Tax	\$252,421	\$213,181
Endowment Fund	\$403,873	\$341,129
State Miscellaneous Fund	\$100,968	\$85,273
Gaming Tax	\$9,686,825	\$8,117,243
Regulatory Fee	\$1,095,250	\$921,472

# ISLE OF CAPRI-BETTENDORF



**Bettendorf, IA**

	<b>2012</b>	<b>2013</b>
Admissions	1,071,871	991,489
Slot Drop	\$558,172,109	\$513,250,959
Slot Coin In	\$826,542,136	\$766,959,789
Slot Revenue	\$70,355,298	\$68,149,231
Table Drop	\$24,745,677	\$24,354,260
Table Revenue	\$4,759,874	\$4,594,738
Adjusted Gross Revenue	\$75,115,174	\$72,743,969
City Tax	\$375,576	\$344,054
County Tax	\$375,576	\$344,054
Endowment Fund	\$600,921	\$550,487
State Miscellaneous Fund	\$150,230	\$137,622
Gaming Tax	\$14,613,035	\$10,652,131
Regulatory Fee	\$1,082,763	\$916,970

# LAKESIDE CASINO



## Osceola, IA

	2012	2013
Admissions	683,517	653,631
Slot Drop	\$364,113,051	\$361,706,813
Slot Coin In	\$497,273,890	\$483,336,301
Slot Revenue	\$47,307,200	\$46,700,752
Table Drop	\$13,721,604	\$14,562,737
Table Revenue	\$3,283,105	\$2,903,903
Adjusted Gross Revenue	\$50,590,298	\$49,604,655
City Tax	\$242,615	\$241,190
County Tax	\$242,615	\$241,190
Endowment Fund	\$388,184	\$385,905
State Miscellaneous Fund	\$97,047	\$96,476
Gaming Tax	\$9,294,610	\$9,237,626
Regulatory Fee	\$914,284	\$799,388

# RIVERSIDE CASINO AND GOLF RESORT



Riverside, IA

	2012	2013
Admissions	1,935,155	1,868,355
Slot Drop	\$637,589,545	\$638,705,807
Slot Coin In	\$900,232,833	\$877,690,805
Slot Revenue	\$80,528,512	\$79,617,431
Table Drop	\$39,554,969	\$40,378,423
Table Revenue	\$8,690,367	\$9,030,399
Adjusted Gross Revenue	\$89,218,887	\$88,647,830
City Tax	\$446,094	\$443,239
County Tax	\$446,094	\$443,239
Endowment Fund	\$713,751	\$709,182
State Miscellaneous Fund	\$178,438	\$177,296
Gaming Tax	\$17,433,777	\$18,219,550
Regulatory Fee	\$1,087,634	\$920,806

# DIAMOND JO – WORTH



## Northwood, IA

	2012	2013
Admissions	1,407,687	1,276,811
Slot Drop	\$542,752,503	\$528,485,324
Slot Coin In	\$900,433,997	\$855,842,405
Slot Revenue	\$84,638,237	\$80,238,468
Table Drop	\$31,288,806	\$31,103,213
Table Revenue	\$6,808,172	\$6,318,666
Adjusted Gross Revenue	\$91,446,411	\$86,557,134
City Tax	\$457,232	\$432,785
County Tax	\$457,232	\$432,785
Endowment Fund	\$731,571	\$692,457
State Miscellaneous Fund	\$182,893	\$173,114
Gaming Tax	\$17,879,282	\$16,901,414
Regulatory Fee	\$974,668	\$858,688

# WILD ROSE – EMMETSBURG



## Emmetsburg, IA

	2012	2013
Admissions	536,300	517,961
Slot Drop	\$231,927,609	\$230,126,388
Slot Coin In	\$352,657,055	\$356,634,525
Slot Revenue	\$30,166,645	\$29,715,534
Table Drop	\$11,268,191	\$11,763,481
Table Revenue	\$2,045,793	\$2,338,856
Adjusted Gross Revenue	\$32,212,452	\$32,054,390
City Tax	\$161,062	\$160,271
County Tax	\$161,062	\$160,271
Endowment Fund	\$257,700	\$256,435
State Miscellaneous Fund	\$64,425	\$64,108
Gaming Tax	\$6,032,490	\$6,000,861
Regulatory Fee	\$933,690	\$840,306

# THE ISLE CASINO & HOTEL AT WATERLOO



## Waterloo, IA

	2012	2013
Admissions	1,445,545	1,343,309
Slot Drop	\$652,960,457	\$619,897,376
Slot Coin In	\$920,846,257	\$882,189,428
Slot Revenue	\$77,785,839	\$77,767,792
Table Drop	\$34,270,578	\$35,040,612
Table Revenue	\$7,791,866	\$7,900,362
Adjusted Gross Revenue	\$85,577,700	\$85,668,154
City Tax	\$427,889	\$428,340
County Tax	\$427,889	\$428,340
Endowment Fund	\$684,622	\$685,344
State Miscellaneous Fund	\$171,155	\$171,336
Gaming Tax	\$16,705,540	\$16,723,614
Regulatory Fee	\$1,077,092	\$911,400

# GRAND FALLS CASINO RESORT



## Larchwood, IA

	2012	2013
Admissions	1,342,157	1,231,853
Slot Drop	\$306,197,797	\$311,857,740
Slot Coin In	\$523,037,498	\$524,301,613
Slot Revenue	\$49,451,058	\$50,016,402
Table Drop	\$37,023,785	\$36,556,586
Table Revenue	\$8,604,179	\$8,291,216
Adjusted Gross Revenue	\$58,055,220	\$58,307,618
City Tax	\$290,276	\$291,538
County Tax	\$290,276	\$291,538
Endowment Fund	\$464,442	\$466,460
State Miscellaneous Fund	\$116,110	\$116,615
Gaming Tax	\$11,201,044	\$11,251,510
Regulatory Fee	\$1,031,770	\$851,512

**IOWA RACING AND GAMING COMMISSION  
STATEMENT OF FINANCIAL POSITION  
2013**

**EXPENDITURES FOR REGULATION**

Salary and Benefits	\$4,472,706
Travel	\$32,412
State Vehicle	\$9,047
Office Supplies/Printing/Postage	\$27,224
Equipment Maintenance	\$3,724
Communications	\$152,887
Rentals	\$76,100
Professional, Scientific & Outside Services	\$637,976
Advertising/Publicity	\$0
ITD/IT Outside Services	\$172,784
Reimbursements to Other Agencies	\$306,928
Equipment	\$82,579
<b>TOTAL</b>	<b>\$5,974,367</b>

**REVENUES TO STATE**

Annual Licensing Fees	\$173,850
IRGC and DCI Regulatory Fees	\$16,486,560
Daily License Fee	\$196,800
Occupational License Fees	\$157,050
Manufacturers/Distributors License Fees	\$32,750
Fines	\$83,050
Pari-Mutuel Tax	\$336,900
Gaming Tax	\$276,636,424
State Miscellaneous Fund	\$2,761,643
Unclaimed Winnings	\$135,681
<b>TOTAL</b>	<b>\$297,000,708</b>

**REVENUES TO LOCAL GOVERNMENT**

Gaming Taxes (City/County)	\$13,808,228
Endowment Fund	\$11,046,623

Some local governments charge an admission fee not to exceed \$.50/person as authorized under 99F.10 which is not included above.