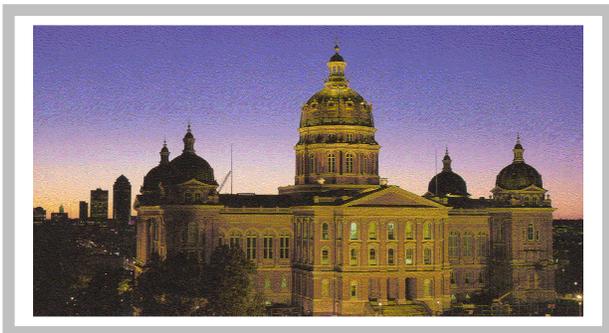


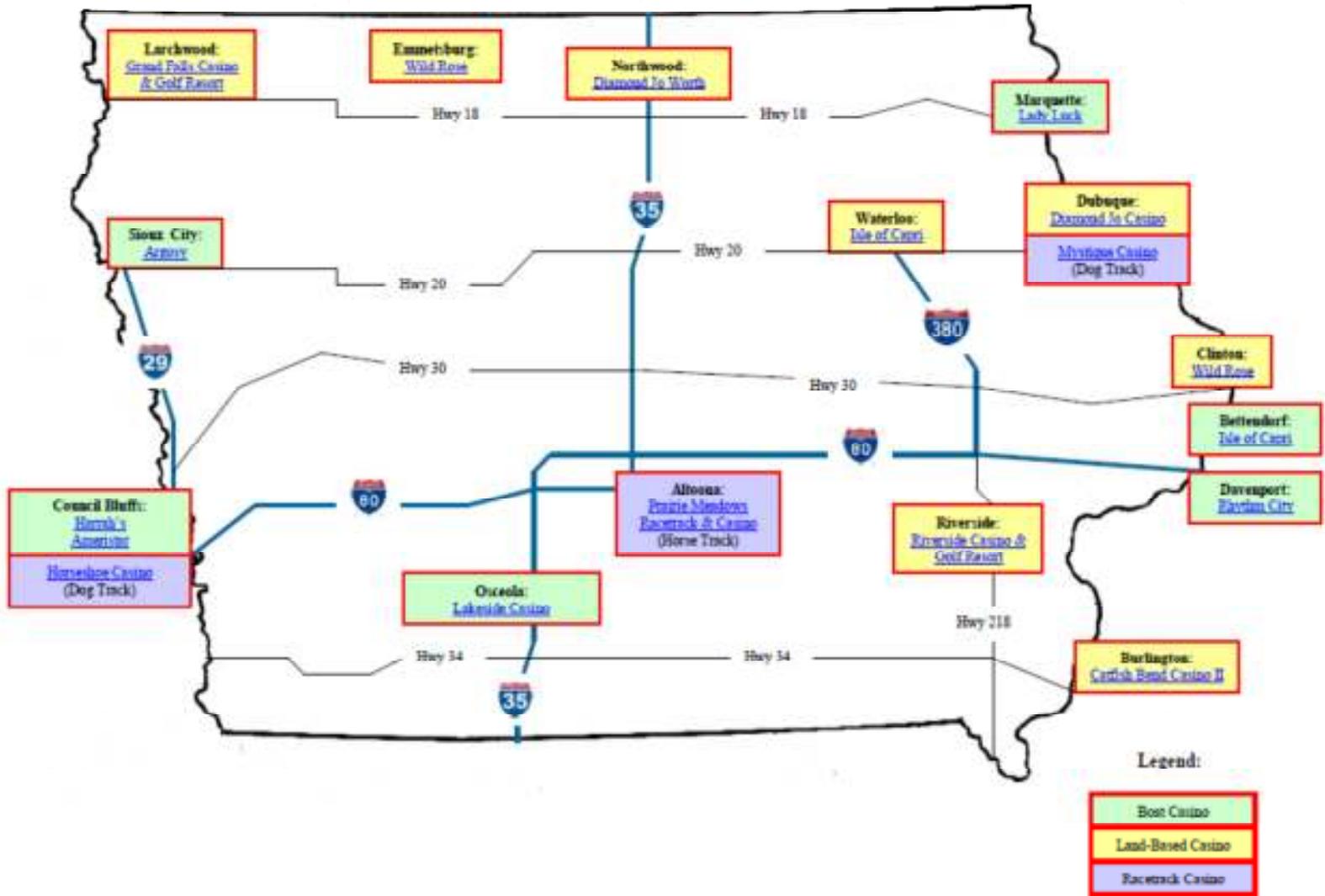
# IOWA RACING AND GAMING COMMISSION

## 2012 Annual Report



**Jeff Lamberti, *Chair***  
**Greg Seyfer, *Vice Chair***  
**Carl Heinrich, *Commissioner***  
**Kris Kramer, *Commissioner***  
**Dolores Mertz, *Commissioner***

# LOCATION OF LICENSED FACILITIES



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# STATE OF IOWA

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

RACING AND GAMING COMMISSION  
BRIAN J. OHORILKO, ADMINISTRATOR

February 19, 2013

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 2012 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.

Revenues at the casinos increased during 2012, reflecting a full year of operations of the Grand Falls Casino in Larchwood, the new hotel at Prairie Meadows, and overall better performance at our tracks. The casinos generated more than \$286 million in gaming taxes. Over \$41 million in contributions this year by the non-profit corporation licensees provided significant benefits to local and surrounding communities.

In 2012, the Commission determined that a new land-based casino should be constructed in Woodbury County. The Commission is pleased that we have received four very strong applications, and the final decision will be made in April, 2013. When completed, this facility will continue the recent effort of the commission to ensure that significant investments are made to maintain the quality of our facilities throughout the state.

Also, in 2012, the Lakeside Casino in Osceola completed a significant addition to its hotel. This also demonstrates a commitment to the Commission's desire to upgrade the facilities and to make them entertainment destinations.

2012 also saw renewed interest in potential expansions of the industry, with discussions occurring in Linn County, Polk County and elsewhere. The Commission will carefully consider any possible expansions, and will do our best to render thoughtful decisions that are in the best interest of the people of the State of Iowa.

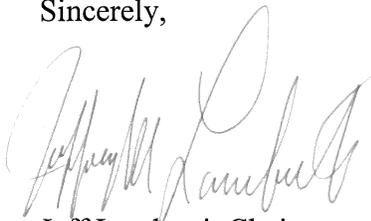
As you know, in March, 2012, our long-time Administrator, Jack Ketterer, retired after many years of distinguished service to the State.

At that time, the Commission appointed Brian Ohorilko as the new Administrator. I am pleased to report that Brian has done an outstanding job in his first year as Administrator. 2012 was an extremely busy year for the Commission, and Brian did a great job handling the many challenges that came before him.

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 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 request 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 6,100 people have entered the program and in excess of \$1,100,000 has been forfeited.

## COMMISSION MEETINGS

During 2012, the Iowa Racing & Gaming Commission (Commission) met eight times, one Executive Session was 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 12, 2012: The Commission met at Stoney Creek Inn & Conference Center in Johnston, Iowa. The Commission approved the final adoption of rules, received an update on the negotiations for the sale of the Rhythm City excursion boat in Davenport, granted race dates for the Quarter Horse meet at Prairie Meadows Racetrack & Casino (PMR&C), and approved the 45-day Plans for the Thoroughbred and Quarter Horse meets at PMR&C. The Commission approved three Stipulated Agreements: two for violations of Iowa Code §99F.4(22) (Self Exclusion) and assessed administrative penalties of \$3,000 each; and one for a violation of §99F.9(5) (Minor) and assessed an administrative penalty of \$20,000. The Commission appointed Brian Ohorilko to serve as Administrator of the Commission commencing March 30, 2012 through April 30, 2014, the balance of Jack Ketterer's current term.

March 8, 2012: The Commission met at Stoney Creek Inn & Conference Center in Johnston, Iowa. The Commission approved an agreement between Horseshoe Casino/Bluffs Run Greyhound Park (HC/BRGP) and the Iowa Greyhound Association regarding 2011 purses; approved the 45-day Plan for Mystique Casino/Dubuque Greyhound Park (MC/DGP) with contingencies; received an update on the new hotel at PMR&C; approved the allocation of purses from gaming revenue for 2012 at PMR&C; approved a Settlement Agreement and Mutual Release of All Claims between the City of Osceola, Iowa; the Osceola Water Works Board of Trustees and HGI-Lakeside; heard a report from Mark Vander Linden from the Iowa Gambling Treatment Prevention Program regarding National Problem Gambling Awareness Week and reviewed the year-to-date economic impact reports received from the licensees. 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; Washington County Riverboat Foundation, Inc./Riverside Casino & Golf Resort, LLC d/b/a Riverside Casino & Golf Resort (RCGR); Black Hawk County Gaming Association/IOC Black Hawk County, Inc. d/b/a Isle Casino & Hotel Waterloo; Worth County Development Authority/Diamond Jo Worth, LLC d/b/a Diamond Jo Worth (DJW); Dubuque Racing Association (DRA)/Diamond Jo, LLC d/b/a Diamond Jo (DJ); Missouri River Historical Development, Inc. (MRHD)/Belle of Sioux City, L.P. d/b/a Argosy Casino Sioux City (through June 7, 2012); Scott County Regional Authority/Isle of Capri Bettendorf, L.C. d/b/a Isle of Capri Bettendorf (IOCB); Riverboat Development Authority (RDA)/IOC Davenport, Inc. d/b/a Rhythm City Casino (RC); Clarke County Development Corporation (CCDC)/HGI-Lakeside, Inc. d/b/a Terrible's Lakeside Casino Resort;

Clinton County Community Development Association (CCFDA)/Wild Rose Clinton, L.L.C. d/b/a Wild Rose Clinton (WRC); Palo Alto County Gaming Development Corporation/Wild Rose Emmetsburg, L.L.C. d/b/a Wild Rose Emmetsburg; Southeast Iowa Regional Riverboat Commission (SIRRC)/Catfish Bend Casinos II, L.C. d/b/a Catfish Bend Casinos II (CBC); and Upper Mississippi Gaming Corp./Isle of Capri, Marquette, Inc. d/b/a Lady Luck Casino Marquette (LLM). The Commission approved a Stipulated Agreement for a violation of Iowa Code §99F.9(5) (Minor) and assessed an administrative penalty of \$20,000. Two were deferred until the April meeting. The Commission gave notice that applications for the Horse Promotion Fund were due in the Commission's office by April 6, 2012.

April 19, 2012: The Commission met at Ameristar Casino in Council Bluffs, Iowa. The Commission recognized Commissioners Toni Urban and Andrea Rivera for their service to the Commission; received an update on the negotiations for the sale of the Rhythm City excursion boat; and received an update on the negotiations for a new Operating Agreement between Penn National (Penn) and MRHD for the operation of the Argosy Casino Sioux City. PMR&C provided an update on Advanced Deposit Wagering and the upcoming thoroughbred meet. The Commission granted approval for a remodeling project at PMR&C; heard reports from the licensees, except for the Isle of Capri properties, on their year-end financial audits. The Commission approved the distribution of the horse promotion fund in the amount of \$3,124.74 equally among The Legacy Harness Horse Foundation, Iowa Thoroughbred Breeders and Owners Association and the Iowa Quarter Horse Racing Association (IQHRA). Two Stipulated Agreements were approved: one for a violation of Iowa Code §99F.9(7) (Credit) and assessed an administrative penalty of \$10,000; and one for violations of 491 Iowa Administrative Code 11.2(2) "h"; 11.4(5); and 11.9(3). No additional administrative penalty was assessed in the second situation.

June 7, 2012: The Commission met at Stoney Creek Inn & Conference Center in Johnston, Iowa. The Commission heard a report on the Escrow Account held by HC/BRGP and the Iowa Greyhound Association; received a report on the Horsemen's Benevolent Protection Association's national convention to be held at PMR&C June 28<sup>th</sup> through July 1<sup>st</sup>; and received an update on the negotiations for the sale of the Rhythm City excursion boat. As Penn and MRHD were unable to come to terms on an Operating Agreement for the Argosy Casino Sioux City, the Commission moved to open up the Woodbury County license for applications (both operators and non-profits) to build and operate a land-based facility in Woodbury County. In order to insure that the current facility remained open, the Commission extended the current license until March 31, 2013 and beyond, contingent upon the parties agreeing to extend the Operating Agreement through that date. The Commission approved debt refinancing for Affinity Gaming, the parent company for Lakeside; a Stipulated Agreement for a violation of Iowa Code §99F.9(5) (Minor) and assessed an administrative penalty \$20,000; provided notice that applications for the Dog Promotion Fund were due by July 2<sup>nd</sup>; approved regulatory fees for FY13 and heard a report on the 2012 Legislative session.

July 12, 2012: The Commission met at Prairie Meadows Racetrack & Casino, Altoona, Iowa. The Commission elected Jeff Lamberti and Greg Seyfer to serve as Chair and Vice Chair respectively for FY13. The Commission heard a presentation by James Maida,

President of Gaming Laboratories International (GLI), which performs a number of regulatory functions for the Commission, including technology testing, certifying gaming equipment against technical standards, field staff training in the most-up-to-date technology, network risk assessment and field testing. The Commission approved an extension of the Operating Agreement between Penn and MRHD to March 31, 2013 pending an agreement of the parties by the August 23, 2012 Commission meeting. The Commission approved distribution of the Dog Racing Promotion Fund to the Iowa Greyhound Association with contingencies. The Commission received comments from the Iowa Horsemen's Benevolent and Protective Association expressing concerns with the Advanced Deposit Wagering statute; heard a report on Responsible Gaming Week, and established the application timeline for Woodbury County.

August 23, 2012: The Commission met at Riverside Casino & Golf Resort in Riverside, Iowa. The Commission received reports on the 2011 financial audits for the Isle of Capri properties; an update on the sale of the Rhythm City excursion boat; heard a presentation by Boyd Gaming Corporation (Boyd) on the acquisition of Peninsula Gaming, LLC, and approved three stipulated agreements: two for a violation of Iowa Code §99F.4(22) (Self Exclusion) and assessed an administrative penalty of \$5,000 on each facility and one for a violation of Iowa Code §99F.9(5) (Minor) and assessed an administrative penalty of \$20,000. A request for reconsideration of the Commission's action at the July Commission meeting regarding the Operating Agreement between Penn and MRHD was made by Penn. The request for reconsideration died for the lack of a motion. The Commission stated that the license would continue by operation of law. The Commission had a discussion on the existing Statewide Voluntary Self-Exclusion Commission Resolution.

September 26-27, 2012: The Commission met at the Hotel Julien Dubuque in Dubuque, Iowa. Executive Session was held the evening of September 26, 2012. The Commission approved Boyd's acquisition of Peninsula Gaming, LLC; heard an update on the sale of the Rhythm City excursion boat; received a report on the upcoming American Quarter Horse Challenge Championships to be held at PMR&C, and approved a Stipulated Agreement for a violation of Iowa Code §99F.9(5) (Minor) and assessed an administrative penalty of \$20,000. The Commission had a discussion about statutory language from 2004 which calls for the Commission to conduct a socioeconomic impact study on the impact of gambling on Iowans every eight years commencing in calendar year 2013 and to issue a report on the study.

November 15, 2012: The Commission met at the Stoney Creek Inn and Conference Center in Johnston, Iowa. The Commission heard financing presentations by the Woodbury County license applicants; approved a request by Harrah's to convert the license to authorize the conducting of gambling games on a gambling structure upon completion of construction, approved the proposed construction at Harrah's and the renewals of the pari-mutuel and racetrack enclosure licenses for IWRA/HC-BRGP, DRA/Mystique Casino and PMR&C. Additionally, the Commission approved the 45-Day Plan for HC-BRGP and the purse supplement agreement with the Iowa Greyhound Association. For PMR&C, the Commission also received an update on the casino renovation, approved some proposed remodeling of the facility; heard a report on the recently completed quarter horse meet; received comments about the proposed race dates

for the 2013 live meets, and approved an agreement between PMR&C and the IQHRA. The Commission approved a Stipulated Agreement for a violation of Iowa Code §99F.4(22) (Self Exclusion Policy) and assessed an administrative penalty of \$5,000.

# HORSESHOE CASINO BLUFFS RUN GREYHOUND PARK



## Council Bluffs, IA

<b><u>Live Racing</u></b>	<b>2011</b>	<b>2012</b>
Racing Dates	1/1-12/31	1/1-12/30
Number of Performances	302	302
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$4,340,831	\$4,115,321
Track Commission	\$1,017,237	\$961,955
Breakage	\$15,390	\$15,641
Returned to Public	\$3,308,204	\$3,153,365
Total Purses Paid (all sources)	\$10,517,960	\$10,244,022

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

Simulcast Handle	\$40,006,495	\$41,314,444
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### **Simulcasting (Signals Received-Greyhounds & Horses)**

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	7,924	7,558
Admissions	2,335,878	2,250,703
Total Mutuel Handle	\$14,244,691	\$14,109,039
Breakage	\$71,377	\$70,018

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

State Tax	\$282,062	\$272,070
Unclaimed Winnings	\$86,711	\$94,941

# MYSTIQUE CASINO



## Dubuque, IA

### Live Racing

	2011	2012
Racing Dates	4/30-10/30	4/28-10/30
Number of Performances	161	161
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$1,880,687	\$1,847,005
Track Commission	\$420,740	\$412,524
Breakage	\$10,757	\$10,612
Returned to Public	\$1,445,328	\$1,381,369
Total Purses Paid (all sources)	\$3,552,700	\$3,302,405

### Simulcasting (Signals Sent-Live Greyhound)

Simulcast Handle	\$2,120,248	\$2,855,635
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### Simulcasting (Signals Received-Greyhounds & Horses)

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	3,780	4,359
Admissions	1,130,811	1,076,147
Total Mutuel Handle	\$3,557,034	\$3,358,169
Breakage	\$8,491	\$7,584

### Pari-Mutuel Revenues to State

State Tax	\$91,176	\$89,442
Unclaimed Winnings	\$21,037	\$43,380

# PRAIRIE MEADOWS RACETRACK & CASINO



## Altoona, IA

<b>Live Racing</b>	<b>2011</b>	<b>2012</b>
Racing Dates	4/22-8/13	4/20-8/11
	8/19-10/1	8/18-10/27
	10/7-10/22	
Number of Performances	102	94
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$4,441,164	\$4,696,184
Track Commission	\$851,360	\$886,852
Breakage	\$35,367	\$38,459
Returned to Public	\$3,570,932	\$3,854,960
Total Purses Paid (all sources)	\$15,849,363	\$15,349,219

	2011	2012
<b><u>Simulcasting (Signals Sent-Live Horse)</u></b>		
Simulcast Handle ( <i>commingled</i> )	\$36,515,889	\$26,149,985

	2011	2012
<b><u>Advanced Deposit Wagering (ADW)*</u></b>		
ADW Handle on Prairie Meadows live races (included in simulcast handle above)	\$0	\$169,464
ADW Handle on non-Prairie Meadows races	\$0	\$1,009,869

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

	2011	2012
<b><u>Simulcasting (Signals Received-Greyhounds &amp; Horses)</u></b>		
Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	8,443	8,103
Admissions	2,397,897	3,008,466
Total Mutuel Handle	\$12,089,474	\$12,729,990
Total Mutuel Handle (Horse)	\$10,606,494	\$11,296,810
Total Mutuel Handle (Greyhound)	\$1,482,980	\$1,433,180
Breakage	\$59,086	\$65,437

**Pari-Mutuel Revenues to State**

Unclaimed Winnings	\$86,935	\$87,331
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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 2012 for the Commission.

## SAMPLES

	URINE	BLOOD
<b>Greyhound</b>		
Horseshoe Casino	4,340	
Mystique Casino	2,352	
<b>Horse</b>		
Prairie Meadows Racetrack & Casino	1,715	1,932

## POSITIVE TESTS

Phenylbutazone	3
Methocarbamol	2
Flunixin	2
DMSO	1
Ibuprofen	1
Acepromazine	1
Mephentermine	1
<b>TOTAL POSITIVES</b>	<b>11</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 2012:

## THOROUGHBRED/QUARTERHORSE

### PRAIRIE MEADOWS RACETRACK & CASINO

Breeders Awards	\$766,951
Purse Supplements to Owners of Iowa Breds	\$2,576,024
Horse Racing Promotion Fund	\$3,331
Carry-Over	\$0

## GREYHOUNDS

### HORSESHOE CASINO AND BLUFFS RUN GREYHOUND PARK

Breeders Awards	\$188,934
Purse Supplements to Owners of Iowa-whelped greyhounds	\$3,256,313
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	\$714,926
Iowa Stakes	\$190,400
Carry-Over (Breakage Only)	\$31,248
Dog Racing Promotion Fund	\$18,500

# ALL IOWA RACETRACK CASINO

## GAMING TOTALS

	2011	2012
Admissions	5,864,586	6,335,316
Slot Drop	\$2,793,810,487	\$2,883,628,003
Slot Coin In	\$4,325,871,677	\$4,436,210,207
Slot Revenue	\$398,433,891	\$407,571,643
Table Drop	\$223,376,758	\$224,182,729
Table Revenue	\$49,088,732	\$52,908,702
Adjusted Gross Revenue	\$447,522,603	\$460,480,327
City Tax	\$2,109,994	\$2,176,531
County Tax	\$2,109,994	\$2,176,531
Endowment Fund	\$3,375,991	\$3,482,450
State Miscellaneous Fund	\$843,998	\$870,613
Gaming Tax	\$91,748,707	\$94,686,320
Regulatory Fee	\$3,740,132	\$4,317,953

# HORSESHOE CASINO BLUFFS RUN GREYHOUND PARK GAMING



## Council Bluffs, IA

	2011	2012
Admissions	2,335,878	2,250,703
Slot Drop	\$958,395,716	\$992,959,715
Slot Coin In	\$1,628,842,076	\$1,636,688,456
Slot Revenue	\$168,596,257	\$172,650,333
Table Drop	\$126,516,272	\$125,909,617
Table Revenue	\$27,734,920	\$30,963,443
Adjusted Gross Revenue	\$196,331,169	\$203,613,774
City Tax	\$930,198	\$966,611
County Tax	\$930,198	\$966,611
Endowment Fund	\$1,488,316	\$1,546,577
State Miscellaneous Fund	\$372,079	\$386,645
Gaming Tax	\$40,928,689	\$42,530,862
Regulatory Fee	\$1,190,050	\$1,324,050

# MYSTIQUE CASINO GAMING



## Dubuque, IA

	2011	2012
Admissions	1,130,811	1,076,147
Slot Drop	\$410,850,203	\$410,080,665
Slot Coin In	\$588,724,663	\$583,927,508
Slot Revenue	\$55,070,179	\$54,249,165
Table Drop	\$20,613,094	\$19,863,694
Table Revenue	\$4,421,188	\$4,392,587
Adjusted Gross Revenue	\$59,491,370	\$58,641,745
City Tax	\$272,754	\$270,254
County Tax	\$272,754	\$270,254
Endowment Fund	\$436,407	\$432,407
State Miscellaneous Fund	\$109,102	\$108,101
Gaming Tax	\$10,910,172	\$10,810,168
Regulatory Fee	\$949,848	\$1,086,774

# PRAIRIE MEADOWS RACETRACK AND CASINO GAMING



## Altoona, IA

	2011	2012
Admissions	2,397,897	3,008,466
Slot Drop	\$1,424,564,568	\$1,480,587,623
Slot Coin In	\$2,108,304,938	\$2,215,594,243
Slot Revenue	\$174,767,455	\$180,672,145
Table Drop	\$76,247,392	\$78,409,418
Table Revenue	\$16,932,624	\$17,552,672
Adjusted Gross Revenue	\$191,700,064	\$198,224,807
City Tax	\$907,042	\$939,666
County Tax	\$907,042	\$939,666
Endowment Fund	\$1,451,268	\$1,503,465
State Miscellaneous Fund	\$362,817	\$375,867
Gaming Tax	\$39,909,846	\$41,345,290
Regulatory Fee	\$1,600,234	\$1,907,129

# **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 – 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

	2011	2012
Admissions	16,294,614	16,266,191
Slot Drop	\$6,203,614,509	\$6,452,585,698
Slot Coin In	\$9,880,461,710	\$10,119,289,657
Slot Revenue	\$899,795,899	\$926,769,766
Table Drop	\$359,569,285	\$370,539,183
Table Revenue	\$79,679,636	\$79,915,156
Adjusted Gross Revenue	\$976,475,559	\$1,006,684,909
City Tax	\$4,701,150	\$4,898,414
County Tax	\$4,701,150	\$4,898,414
Endowment Fund	\$7,521,857	\$7,837,475
State Miscellaneous Fund	\$1,880,465	\$1,959,369
Gaming Tax	\$183,536,649	\$191,837,109
Regulatory Fee	\$14,621,369	\$15,291,920

# HARRAH'S COUNCIL BLUFFS



## Council Bluffs, IA

	2011	2012
Admissions	1,079,072	1,053,595
Slot Drop	\$338,448,481	\$335,806,211
Slot Coin In	\$606,055,516	\$594,422,304
Slot Revenue	\$64,049,868	\$62,909,993
Table Drop	\$24,914,082	\$25,444,000
Table Revenue	\$5,453,450	\$4,979,847
Adjusted Gross Revenue	\$69,503,326	\$67,889,845
City Tax	\$318,766	\$308,951
County Tax	\$318,766	\$308,951
Endowment Fund	\$510,025	\$494,321
State Miscellaneous Fund	\$127,507	\$123,580
Gaming Tax	\$12,750,636	\$12,358,018
Regulatory Fee	\$1,034,453	\$1,082,922

# AMERISTAR II



## Council Bluffs, IA

	2011	2012
Admissions	2,169,709	2,147,882
Slot Drop	\$956,019,263	\$981,557,423
Slot Coin In	\$1,648,615,521	\$1,654,644,896
Slot Revenue	\$155,469,634	\$156,200,663
Table Drop	\$59,194,508	\$60,629,229
Table Revenue	\$13,520,616	\$13,909,381
Adjusted Gross Revenue	\$168,990,249	\$170,110,044
City Tax	\$803,291	\$808,890
County Tax	\$803,291	\$808,890
Endowment Fund	\$1,285,266	\$1,294,224
State Miscellaneous Fund	\$321,316	\$323,556
Gaming Tax	\$32,131,650	\$32,355,609
Regulatory Fee	\$1,119,051	\$1,178,286

# LADY LUCK



## Marquette, IA

	2011	2012
Admissions	355,995	344,844
Slot Drop	\$213,329,986	\$222,057,312
Slot Coin In	\$336,711,005	\$332,551,088
Slot Revenue	\$28,706,483	\$28,728,557
Table Drop	\$6,343,802	\$5,710,082
Table Revenue	\$1,329,400	\$1,095,229
Adjusted Gross Revenue	\$30,035,884	\$29,823,779
City Tax	\$142,151	\$149,119
County Tax	\$142,151	\$149,119
Endowment Fund	\$227,442	\$238,590
State Miscellaneous Fund	\$56,861	\$59,648
Gaming Tax	\$5,276,060	\$5,554,756
Regulatory Fee	\$883,128	\$918,512

# DIAMOND JO



## Dubuque, IA

	2011	2012
Admissions	1,115,955	1,109,727
Slot Drop	\$416,461,984	\$418,341,374
Slot Coin In	\$685,195,749	\$683,715,667
Slot Revenue	\$63,967,936	\$63,553,512
Table Drop	\$25,050,075	\$26,887,932
Table Revenue	\$4,706,323	\$4,904,933
Adjusted Gross Revenue	\$68,674,261	\$68,458,445
City Tax	\$324,471	\$323,392
County Tax	\$324,471	\$323,392
Endowment Fund	\$519,170	\$517,444
State Miscellaneous Fund	\$129,793	\$129,361
Gaming Tax	\$12,979,477	\$12,936,314
Regulatory Fee	\$956,079	\$997,946

# CATFISH BEND CASINO



**Burlington, IA**

	<b>2011</b>	<b>2012</b>
Admissions	718,301	698,280
Slot Drop	\$240,383,675	\$245,046,608
Slot Coin In	\$381,141,180	\$391,754,286
Slot Revenue	\$35,119,758	\$35,842,184
Table Drop	\$16,775,557	\$16,651,593
Table Revenue	\$3,668,070	\$3,968,539
Adjusted Gross Revenue	\$38,787,829	\$39,810,716
City Tax	\$178,539	\$183,654
County Tax	\$178,539	\$183,654
Endowment Fund	\$285,662	\$293,845
State Miscellaneous Fund	\$71,416	\$73,461
Gaming Tax	\$7,141,544	\$7,346,121
Regulatory Fee	\$943,407	\$1,004,311

# WILD ROSE – CLINTON



## Clinton, IA

	<b>2011</b>	<b>2012</b>
Admissions	726,455	672,081
Slot Drop	\$257,785,445	\$267,773,694
Slot Coin In	\$422,950,655	\$412,007,895
Slot Revenue	\$37,912,941	\$36,794,373
Table Drop	\$9,725,993	\$9,258,506
Table Revenue	\$2,092,584	\$1,946,321
Adjusted Gross Revenue	\$40,005,522	\$38,740,699
City Tax	\$194,637	\$193,703
County Tax	\$194,637	\$193,703
Endowment Fund	\$311,418	\$309,926
State Miscellaneous Fund	\$77,855	\$77,481
Gaming Tax	\$7,375,466	\$7,338,140
Regulatory Fee	\$918,738	\$956,668

# ARGOSY – SIOUX CITY



Sioux City, IA

	2011	2012
Admissions	953,646	869,037
Slot Drop	\$326,945,135	\$320,113,544
Slot Coin In	\$573,631,024	\$544,289,506
Slot Revenue	\$55,223,598	\$53,891,210
Table Drop	\$24,314,433	\$22,997,887
Table Revenue	\$5,924,661	\$5,259,912
Adjusted Gross Revenue	\$61,148,249	\$59,151,114
City Tax	\$287,524	\$277,539
County Tax	\$287,524	\$277,539
Endowment Fund	\$460,039	\$444,062
State Miscellaneous Fund	\$115,009	\$111,015
Gaming Tax	\$11,500,975	\$11,101,548
Regulatory Fee	\$916,186	\$956,124

# RHYTHM CITY CASINO



## Davenport, IA

	2011	2012
Admissions	899,280	948,513
Slot Drop	\$349,517,682	\$368,176,461
Slot Coin In	\$556,928,476	\$584,880,350
Slot Revenue	\$46,970,384	\$48,616,485
Table Drop	\$10,071,912	\$11,086,343
Table Revenue	\$1,634,689	\$1,867,638
Adjusted Gross Revenue	\$48,605,077	\$50,484,127
City Tax	\$228,146	\$252,421
County Tax	\$228,146	\$252,421
Endowment Fund	\$365,035	\$403,873
State Miscellaneous Fund	\$91,258	\$100,968
Gaming Tax	\$8,715,858	\$9,686,825
Regulatory Fee	\$1,045,297	\$1,095,250

# ISLE OF CAPRI-BETTENDORF



**Bettendorf, IA**

	<b>2011</b>	<b>2012</b>
Admissions	1,131,143	1,071,871
Slot Drop	\$579,885,052	\$558,172,109
Slot Coin In	\$873,299,482	\$826,542,136
Slot Revenue	\$72,274,656	\$70,355,298
Table Drop	\$25,952,203	\$24,745,677
Table Revenue	\$4,883,307	\$4,759,874
Adjusted Gross Revenue	\$77,157,949	\$75,115,174
City Tax	\$366,125	\$375,576
County Tax	\$366,125	\$375,576
Endowment Fund	\$585,800	\$600,921
State Miscellaneous Fund	\$146,450	\$150,230
Gaming Tax	\$14,234,991	\$14,613,035
Regulatory Fee	\$1,034,022	\$1,082,763

# LAKESIDE CASINO



## Osceola, IA

	2011	2012
Admissions	730,005	683,517
Slot Drop	\$350,883,901	\$364,113,051
Slot Coin In	\$491,716,595	\$497,273,890
Slot Revenue	\$46,745,650	\$47,307,200
Table Drop	\$15,143,809	\$13,721,604
Table Revenue	\$2,908,776	\$3,283,105
Adjusted Gross Revenue	\$49,654,439	\$50,590,298
City Tax	\$237,936	\$242,615
County Tax	\$237,936	\$242,615
Endowment Fund	\$380,698	\$388,184
State Miscellaneous Fund	\$95,175	\$97,047
Gaming Tax	\$9,107,438	\$9,294,610
Regulatory Fee	\$878,914	\$914,284

# RIVERSIDE CASINO AND GOLF RESORT



Riverside, IA

	2011	2012
Admissions	1,971,277	1,935,155
Slot Drop	\$636,132,010	\$637,589,545
Slot Coin In	\$905,235,441	\$900,232,833
Slot Revenue	\$81,002,291	\$80,528,512
Table Drop	\$42,217,652	\$39,554,969
Table Revenue	\$8,696,710	\$8,690,367
Adjusted Gross Revenue	\$89,698,996	\$89,218,887
City Tax	\$448,495	\$446,094
County Tax	\$448,495	\$446,094
Endowment Fund	\$717,592	\$713,751
State Miscellaneous Fund	\$179,398	\$178,438
Gaming Tax	\$17,529,799	\$17,433,777
Regulatory Fee	\$1,054,878	\$1,087,634

# DIAMOND JO – WORTH



## Northwood, IA

	2011	2012
Admissions	1,449,774	1,407,687
Slot Drop	\$523,138,041	\$542,752,503
Slot Coin In	\$852,889,248	\$900,433,997
Slot Revenue	\$79,907,845	\$84,638,237
Table Drop	\$30,800,979	\$31,288,806
Table Revenue	\$7,484,793	\$6,808,172
Adjusted Gross Revenue	\$87,392,639	\$91,446,411
City Tax	\$436,963	\$457,232
County Tax	\$436,963	\$457,232
Endowment Fund	\$699,141	\$731,571
State Miscellaneous Fund	\$174,785	\$182,893
Gaming Tax	\$17,068,528	\$17,879,282
Regulatory Fee	\$929,282	\$974,668

# WILD ROSE – EMMETSBURG



**Emmetsburg, IA**

	<b>2011</b>	<b>2012</b>
Admissions	542,068	536,300
Slot Drop	\$221,419,133	\$231,927,609
Slot Coin In	\$345,988,232	\$352,657,055
Slot Revenue	\$29,160,882	\$30,166,645
Table Drop	\$12,945,352	\$11,268,191
Table Revenue	\$2,716,620	\$2,045,793
Adjusted Gross Revenue	\$31,877,520	\$32,212,452
City Tax	\$159,388	\$161,062
County Tax	\$159,388	\$161,062
Endowment Fund	\$255,020	\$257,700
State Miscellaneous Fund	\$63,755	\$64,425
Gaming Tax	\$5,965,504	\$6,032,490
Regulatory Fee	\$893,095	\$933,690

# THE ISLE CASINO & HOTEL AT WATERLOO



## Waterloo, IA

	2011	2012
Admissions	1,524,080	1,445,545
Slot Drop	\$624,203,644	\$652,960,457
Slot Coin In	\$912,289,102	\$920,846,257
Slot Revenue	\$75,420,587	\$77,785,839
Table Drop	\$32,279,904	\$34,270,578
Table Revenue	\$6,945,822	\$7,791,866
Adjusted Gross Revenue	\$82,366,417	\$85,577,700
City Tax	\$411,832	\$427,889
County Tax	\$411,832	\$427,889
Endowment Fund	\$658,931	\$684,622
State Miscellaneous Fund	\$164,733	\$171,155
Gaming Tax	\$16,063,283	\$16,705,540
Regulatory Fee	\$1,026,892	\$1,077,092

# GRAND FALLS CASINO RESORT



Larchwood, IA

Grand Falls opened on June 8, 2011

	2011	2012
Admissions	927,854	1,342,157
Slot Drop	\$169,061,077	\$306,197,797
Slot Coin In	\$287,814,484	\$523,037,498
Slot Revenue	\$27,863,386	\$49,451,058
Table Drop	\$23,839,024	\$37,023,785
Table Revenue	\$4,713,815	\$8,604,179
Adjusted Gross Revenue	\$32,577,202	\$58,055,220
City Tax	\$162,886	\$290,276
County Tax	\$162,886	\$290,276
Endowment Fund	\$260,618	\$464,442
State Miscellaneous Fund	\$65,154	\$116,110
Gaming Tax	\$5,695,440	\$11,201,044
Regulatory Fee	\$987,947	\$1,031,770

**IOWA RACING AND GAMING COMMISSION  
STATEMENT OF FINANCIAL POSITION  
2012**

**EXPENDITURES FOR REGULATION**

Salary and Benefits	\$4,716,504
Travel	\$31,730
State Vehicle	\$9,298
Office Supplies/Printing/Postage	\$40,312
Equipment Maintenance	\$7,764
Communications	\$9,733
Rentals	\$81,401
Professional, Scientific & Outside Services	\$179,663
Intra-State Transfers	\$103,924
Advertising/Publicity	\$1,280
ITD/IT Outside Services	\$75,040
Reimbursements to Other Agencies	\$188,626
Equipment	\$238,597
<b>TOTAL</b>	<b>\$5,683,872</b>

**REVENUES TO STATE**

Annual Licensing Fees	\$95,490
IRGC and DCI Regulatory Fees	\$19,609,873
Daily License Fee	\$197,200
Occupational License Fees	\$138,900
Manufacturers/Distributors License Fees	\$31,500
Fines	\$161,410
Pari-Mutuel Tax	\$361,512
Gaming Tax	\$286,523,429
State Miscellaneous Fund	\$2,829,982
Unclaimed Winnings	\$225,652
<b>TOTAL</b>	<b>\$310,174,948</b>

**REVENUES TO LOCAL GOVERNMENT**

Gaming Taxes (City/County)	\$14,149,890
Endowment Fund	\$10,014,006

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