

IOWA RACING AND GAMING COMMISSION

2004 Annual Report



Diane Hamilton, *Chair*
Kate Cutler, *Vice Chair*
Gerald Bair, *Commissioner*
Joyce Jarding, *Commissioner*
Mike Mahaffey, *Commissioner*

LOCATION OF LICENSED FACILITIES

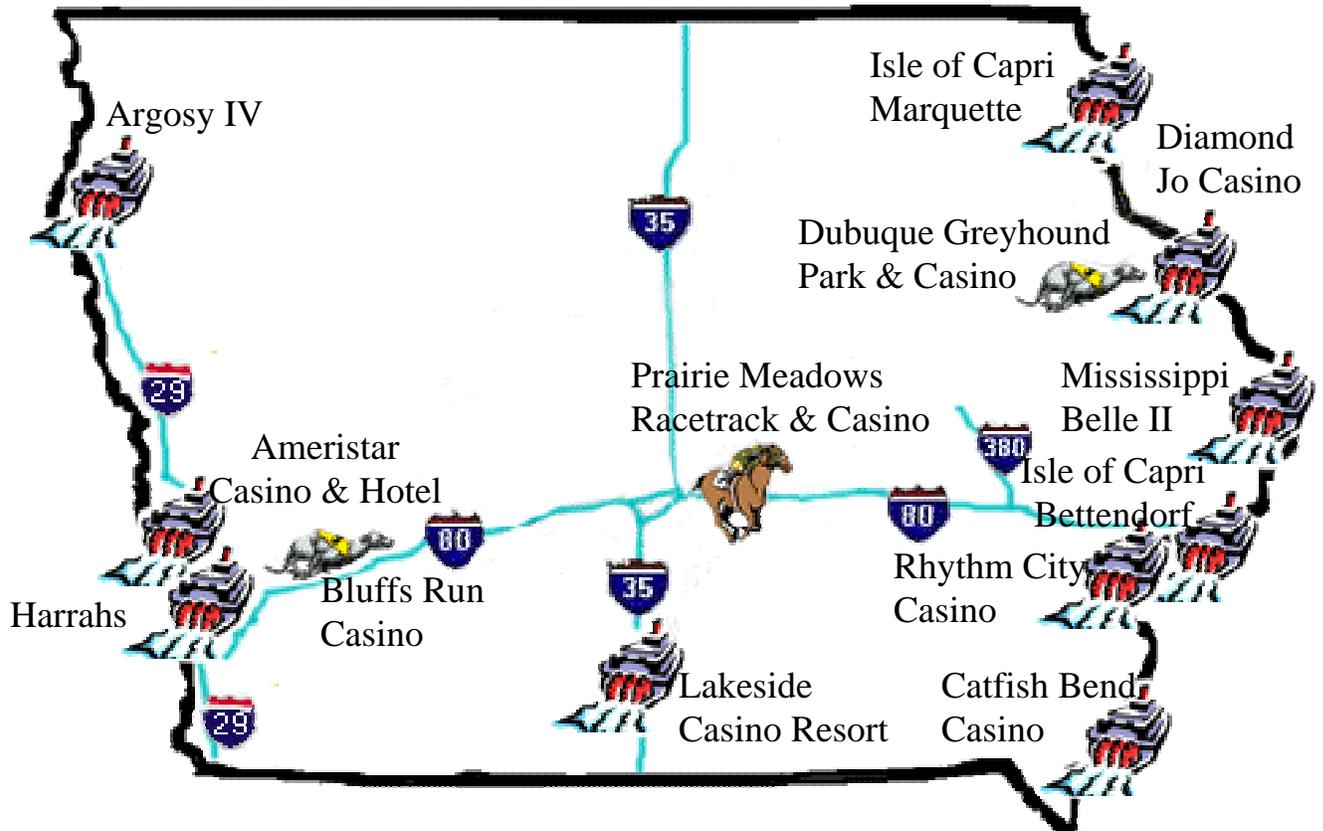


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STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

RACING AND GAMING COMMISSION
JACK P. KETTERER, ADMINISTRATOR

December 31, 2004

The Honorable Thomas Vilsack
Governor, State of Iowa
State Capitol
Des Moines, IA 50319

Dear Governor Vilsack:

It is my pleasure to tell you that the gaming industry continues to be a strong industry in Iowa.

There is considerable interest within the industry toward expansion. As you know, there are approximately ten candidates who have applied for licenses. The legislature has left to our discretion when or if to issue new licenses. Undoubtedly, some licenses will be issued but the number is not known.

Some of the venues have demonstrated very strong community support for a gaming establishment. The Commission and its staff have preliminarily reviewed all of the information provided and the applicants are quite promising. This was not an easy task as the information is voluminous and reviewing it is time consuming.

The Commission wishes to commend its staff for the hard work and smooth transition the staff has provided into this new level of responsibility for this Commission.

Jack Ketterer and his staff once again have done a terrific job.

If you have any questions, do not hesitate to contact this Commission.

Yours truly,

A handwritten signature in cursive script that reads "Diane L. Hamilton".

Diane L. Hamilton

NEW LEGISLATION

The following legislative changes were made during the 2004 session (primarily HF 2302) affecting Chapter 99D (pari-mutuel) and chapter 99F (excursion boat gambling):

- Provided for a County Endowment Fund under the control of the Department of Revenue in which one-half of one percent of adjusted gross receipts from the gaming tax goes into the Fund. The Fund will have a separate account for each county in which no licensee under chapter 99F exists.
- Required licensees to establish a voluntarily exclusion program, whereby a person may voluntarily ban themselves from all facilities licensed under 99D and 99F for life.
- Prohibited cash and credit devices in the wagering area or on the gaming floor.
- Provided a \$500 penalty for an underage person who makes or attempts to make a wager under 99D and 99F.
- Removed the fifty-cent admission fee per person entering a racetrack enclosure and established a regulatory fee similar to excursion gambling boats.
- Changed the amount of money from the gaming tax going into the Gambling Treatment Fund from three-tenths of one percent to one-half of one percent of the adjusted gross receipts.
- Required that the CPA conducting the annual audit be selected by the board of supervisors of the licensee's county.
- Defined "Excursion gambling boat" to include a moored barge.
- Authorized table games, which include video machines that simulate table games, at racetrack enclosures.
- Required that any new operating agreement between a qualified sponsoring organization and an operator provide for a minimum distribution for charitable purposes of at least three percent of the adjusted gross receipts for each license year.
- Set the minimum percentages for annual purses for horse racing between January 1, 2006 and January 1, 2021 at 11% for net receipts of \$200m or less and at 6% for net receipts over \$200m. Net receipts are defined as the annual adjusted gross receipts from all gambling games less the annual amount of money pledged by the owner of the facility to fund a project approved to receive Vision Iowa funds.
- Provided that an excursion gambling boat may be located or operated on a natural or man-made lake or reservoir, as long as the size would accommodate recreational activity; and also providing that a boat may be located on a body of water adjacent to a river within 1000 feet from the high water mark of the river.
- Required a licensee to indicate by June 30 of each year if they will operate a barge, a boat that will cruise or a boat that will not cruise.
- Removed the requirement that a licensee must have a section reserved solely for underage persons.
- Provided that following a "no" vote, a referendum cannot be held for at least eight years.
- Provided for an initial license fee for new licenses which shall be paid in one-fifth installments over a four year period beginning with the date the license is granted: \$5 million-county population of 15,000 or less; \$10 million-county

- population of more than 15,000 and less than 100,000; and \$20 million-county population of 100,000 or more.
- Provided for a revised wagering tax structure that is imposed on a fiscal year basis rather than a calendar year basis. The new tax structure is as follows: Excursion gambling boat – 22%; Racetrack enclosure in the same county as other licensees and not issued a table games license – 22%; 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 – 22%; Racetrack enclosure in the same county as other licensees, issued a table games license and with adjusted gross receipts of more than \$100 million – 24% and Racetrack enclosures with no other licensees in the same county – 24%.
 - Provided for the Legislative Council to commission a socioeconomic study of gambling with the report available by July 1, 2005.

LIFETIME VOLUNTARY SELF-EXCLUSION PROGRAM

This program was required by the 2004 General Assembly as part of HF2302. The Commission adopted an administrative rule 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.

Information on persons entering the program must be disseminated to all other licensees in Iowa. The individual is banned at every licensed casino in Iowa and if the individual is discovered in any licensed casino, any winnings will be forfeited and sent to the Iowa Gambling Treatment Fund.

As of December 31, 2004, 147 people had entered the program and \$84,628 had been forfeited and sent to the Gambling Treatment Fund.

COMMISSION MEETINGS

During 2004, the Iowa Racing and Gaming Commission (IRGC) met eight times. 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.state.ia.us/irgc/. Highlights of the meetings follow:

January 15, 2004 - The Commission met at Stoney Creek Inn, Johnston, Iowa. The Commission approved the Notice of Intended Action to amend numerous rules; approved the season approval request for the thoroughbred and mixed meets at Prairie Meadows Racetrack & Casino (PMR&C), and approved a capital improvement plan, including additional gaming positions, at Dubuque Greyhound Park & Casino (DGP&C).

March 4, 2004 - The Commission met at Stoney Creek Inn, Johnston, Iowa. The Commission heard a presentation concerning National Problem Gambling Awareness Week, and approved capital improvements at Bluffs Run Casino (BRC), including additional gaming positions. Excursion gambling boat licenses were renewed 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; Scott County Regional Authority/Isle of Capri Bettendorf, L.C. d/b/a Isle of Capri Bettendorf; Riverboat Development Authority/IOC Davenport, Inc. d/b/a Rhythm City Casino; Clarke County Development Corporation/Southern Iowa Gaming Company d/b/a Lakeside Casino Resort; Dubuque Racing Association (DRA)/Peninsula Gaming Company, LLC d/b/a Dubuque Diamond Jo; Missouri River Historical Development, Inc./Belle of Sioux City, L.P. (BSC) d/b/a Argosy Casino Sioux City; Upper Mississippi Gaming Corp./Isle of Capri Marquette, Inc. d/b/a Isle of Capri Marquette; Southeast Iowa Regional Riverboat Commission/Catfish Bend Casino, L.C. d/b/a Catfish Bend Casinos (CBC); and Clinton County Gaming Association, LTD/Mississippi Belle II Employees Ownership Co. d/b/a Mississippi Belle II (MB II).

April 15, 2004 - The Commission met at Harrah's Casino, Council Bluffs, Iowa. The Commission approved the Final Adoption of several amendments to rules. The Commission reviewed the year-end financial audits of the licensees operating on a calendar year. Other action taken by the Commission included the approval of the following: revised capital improvements at DGP&C; replace the existing riverboat and increase the number of gaming positions at Argosy Casino Sioux City; increase the number of gaming positions at CBC and MB II; name change for Peninsula Gaming, and various contracts associated with their purchase of Old Evangeline Downs; distribution of the Horse Racing Promotion Fund.

June 10, 2004 - The Commission met at Stoney Creek Inn, Johnston, Iowa. The Commission heard an appeal from Lynnell Haynes on the denial of a kennel owner's license. The Commission upheld the Administrative Law Judge's Decision. The Commission received public comment on the Notice of Intended Action concerning the lifting of the moratorium rule; which the Commission approved. The Commission also approved the Notice of Intended Action on several additional rules, and the regulatory fees for FY 2005. PMR&C sought approval to add table games to their gaming license, as well as an additional 500 slot machines. The Commission deferred action until the July

meeting on both until PMR&C has received approval from Polk County. Notice was given that requests for the Greyhound Promotion Fund were due in the Commission's office by June 28, 2004.

July 15, 2004 - The Commission met at Stoney Creek Inn, Johnston, Iowa. The Commission elected Diane Hamilton and Kate Cutler to serve as Chair and Vice Chair respectively for the upcoming fiscal year. Wes Ehrecke, Executive Director of the Iowa Gaming Association, presented information concerning Responsible Gaming Education Week, August 2-6, 2004. The Commission heard comments concerning a request from Ameristar Casino to change the application deadline for the excursion gambling boat applications from November 10, 2004 to December 31, 2004. The Commission left the date at November 10, 2004. The Commission approved distribution of the Dog Promotion Fund to the Iowa Greyhound Association. In other action, the Commission approved the following: Argosy's request to refinance their revolving line of credit and term loan; and an expansion and renovation request from Ameristar Casino, including an additional 250 gaming positions. PMR&C submitted a revised license application for table games and withdrew their request for an additional 500 slot machines. The Commission granted the request to add table games. The Commission approved a Stipulated Agreement with PMR&C on a violation of Administrative Rule 491-12.3 (Internal Controls), which levied an administrative penalty of \$10,000. An appeal for James Schulthess was continued at his request.

September 2, 2004 - The Commission met at Stoney Creek Inn, Johnston, Iowa. The Commission approved the Final Adoption of changes to numerous rules, and the lifting of the moratorium rule. The Commissioners provided brief comments as to what they would be looking for in the excursion gambling boat applications that will be submitted in November. The Commission reviewed the financial audits for the three Isle of Capri properties. The Commission approved a Stipulated Agreement with Bluffs Run Casino (BRC) regarding a violation of Iowa Code Section 99F.9 (Wagering - Age Restriction), which resulted in an administrative fine of \$10,000. The Commission upheld the Administrative Law Judge Decision in an appeal filed by James Schulthess.

October 14, 2004 - The Commission met at the Isle of Capri Bettendorf, Bettendorf, Iowa. The Commission approved the Final Adoption of a rule establishing a definition of a moored barge. Mr. Ehrecke provided information concerning the Iowa Gaming Association's Statewide Self-Exclusion Program and allocation of gaming tax revenue. The Commission approved a concept plan submitted by MB II to operate as a moored barge. The Commission approved the renewal of the pari-mutuel and racetrack enclosure licenses for IWRA and DRA, as well as the requested race dates for the 2005 live racing season. The Commission approved the renewal of the pari-mutuel and racetrack enclosure licenses for PMR&C, but deferred action on the requested race dates until the November Commission meeting.

November 17-18, 2004 - The Commission met at Hilton Garden Inn and Stoney Creek Inn, respectively, in Johnston, Iowa. Executive Session was held November 17, 2004. A licensing timeline, subject to change, for the applicants for the new excursion gambling boats was announced. The Commission approved the license application of Herbst Gaming, Inc. to acquire Lakeside Casino Resort in Osceola. With regard to IWRA/BRC,

the Commission approved the 45-day plan for the 2005 live race meet and a capital development plan. IWRA requested and received Commission approval to dissolve the Iowa West Foundation, Amended and Restated Excursion Boat Sponsorship and Operating Agreements with Ameristar and Harvey's Iowa Management, Inc., and By-Laws for IWRA. Leroy Gessman, President of the Iowa Horsemen's Benevolent & Protective Association, provided an industry update. Laverne Schroeder, lobbyist for the Iowa Harness Horsemen's Association, gave a presentation concerning the purse structure at PMR&C with regard to the three breeds that race at PMR&C. PMR&C submitted an amended racing schedule for 2005, which the Commission approved.

BLUFFS RUN CASINO



Council Bluffs, IA

2003

2004

Live Racing

Racing Dates	1/1-12/31	1/1-12/31
Number of Performances	347	301
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$6,985,876	\$6,206,325
Track Commission	\$1,628,427	\$1,446,562
Breakage	\$88,734	\$23,573
Returned to Public	\$5,268,716	\$4,736,189
Total Purses Paid (all sources)	\$9,375,817	\$9,200,301

Simulcasting (Signals Sent-Live Greyhound)

Simulcast Handle	\$18,777,292	\$20,012,756
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Simulcasting (Signals Received-Greyhounds & Horses)

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	9,852	9,492
Admissions	3,004,569	2,915,452
Total Mutuel Handle	\$16,122,342	\$14,027,396
Breakage	\$30,777	\$81,344

Pari-Mutuel Revenues to State

State Tax	\$348,900	\$306,367
Gambler's Treatment	\$76,949	\$46,826
Unclaimed Winnings	\$126,170	\$94,001

DUBUQUE GREYHOUND PARK & CASINO



Dubuque, IA

2003

2004

Live Racing

Racing Dates	4/26-10/26	5/1-10/3
Number of Performances	162	162
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$2,881,049	\$2,485,311
Track Commission	\$653,246	\$562,494
Breakage	\$15,460	\$13,612
Returned to Public	\$2,212,343	\$1,909,205
Total Purses Paid (all sources)	\$3,670,411	\$3,065,243

Simulcasting (Signals Received-Greyhounds & Horses)

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	1,981	2,245
Admissions	1,025,881	955,874
Total Mutuel Handle	\$4,621,512	\$3,764,070
Breakage	\$13,796	\$11,233

Pari-Mutuel Revenues to State

State Tax	\$112,461	\$91,498
Gambler's Treatment	\$23,503	\$20,776
Unclaimed Winnings	\$99,880	\$16,281

A portion of Dubuque's 2004 unclaimed winnings were paid in 2003.

PRAIRIE MEADOWS RACETRACK & CASINO



Altoona, IA

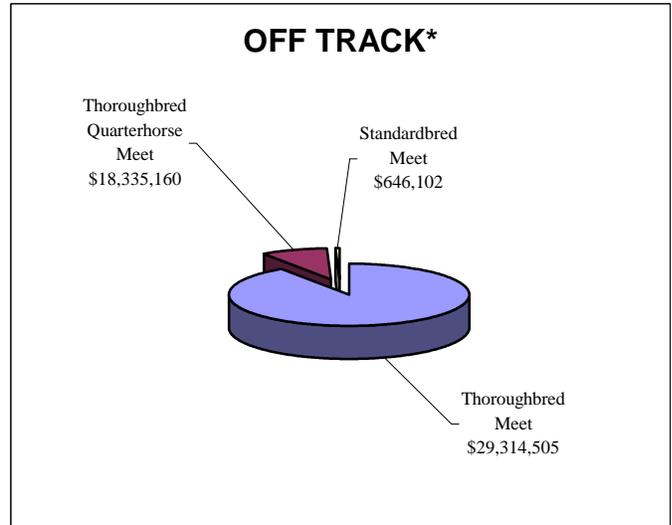
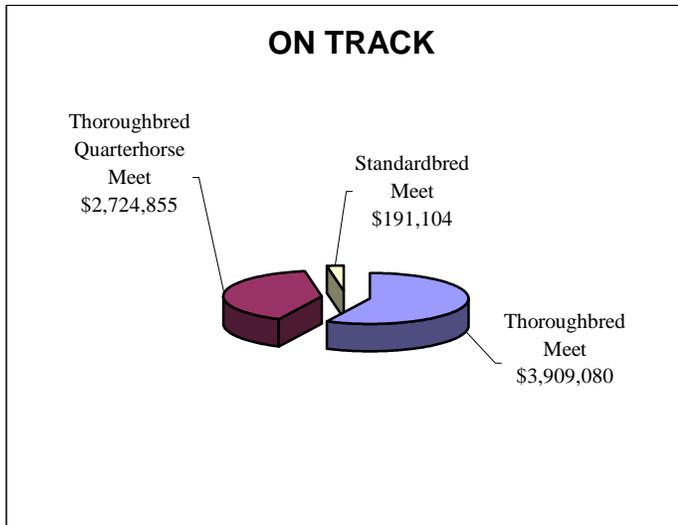
	2003	2004
<u>Live Racing</u>		
Racing Dates	4/18-6/28	4/16-7/4
	7/4-9/13	7/9-9/25
	9/22-10/20	10/4-11/1
Number of Performances	117	113
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	\$7,156,017	\$6,825,039
Track Commission	\$1,263,891	\$1,223,927
Breakage	\$60,750	\$58,118
Returned to Public	\$5,831,375	\$5,542,993
Total Purses Paid (all sources)	\$15,985,006	\$14,984,749

2003 **2004**

Simulcasting (Signals Sent-Live Horse)

Simulcast Handle (commingled)	50,658,205	\$48,295,767
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HORSE RACING HANDLE – LIVE MEET



**Off track handle does not include \$3,130,316 non-commingled handle*

2003 **2004**

Simulcasting (Signals Received-Greyhounds & Horses)

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	6,579	6,657
Admissions	2,647,755	2,530,482
Total Mutuel Handle	\$17,701,156	\$15,186,705
Total Mutuel Handle (Horse)	\$14,376,163	\$12,512,579
Total Mutuel Handle (Greyhound)	\$3,324,993	\$2,674,126
Breakage	\$81,268	\$84,763

Pari-Mutuel Revenues to State

Unclaimed Winnings	\$138,387	\$130,696
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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 2004 for the Commission.

SAMPLES

	URINE	BLOOD
Greyhound		
Bluffs Run Casino	4,500	
Dubuque Greyhound Park & Casino	2,349	
Horse		
Prairie Meadows Racetrack & Casino	2,047	2,562

POSITIVE TESTS

Caffeine/Theophylline	6
Ketoprofen	2
Methamphetamine	1
Methocarbamol/Guaifenesin	2
Methylprednisolone	8
Norpseudoephedrin	1
Perindopril	1
Phenylbutazone/Oxyphenbutazone >2.2 mg/ml	12
Salix	1
Testosterone	3
Triamcinolone	2
TOTAL POSITIVES	39

IOWA BREEDERS' FUND

The Department of Agriculture maintains a database of thoroughbred, standardbred 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 2004:

THOROUGHBRED/QUARTERHORSE/STANDARD BRED

PRAIRIE MEADOWS RACETRACK & CASINO

Breeders Awards	\$549,235
Purse Supplements to Owners of Iowa Breds	\$1,960,997
Horse Racing Promotion Fund	\$4,383
Carry-Over	\$0

GREYHOUNDS

BLUFFS RUN CASINO

Breeders Awards	\$230,818
Purse Supplements to Owners of Iowa-whelped greyhounds	\$2,297,976
Iowa Stakes	\$400,000
Carry-Over	\$0
Dog Racing Promotion Fund	\$0

DUBUQUE GREYHOUND PARK & CASINO

Breeders Awards	\$99,824
Purse Supplements to Owners of Iowa-whelped greyhounds	\$627,033
Iowa Stakes	\$204,430
Carry-Over (Breakage Only)	\$2,181
Dog Racing Promotion Fund	\$17,179

ALL IOWA RACETRACK CASINO GAMING TOTALS

	2003	2004
Admissions	6,678,206	6,401,808
Slot Drop	\$1,496,926,007	\$2,285,892,374
Slot Coin In	\$5,094,469,648	\$4,893,401,866
Slot Revenue	\$330,312,332	\$336,660,705
Table Drop	N/A	\$4,651,584
Table Revenue	N/A	\$816,218
Adjusted Gross Revenue	\$330,312,332	\$337,476,924
City Tax	\$1,651,560	\$1,687,386
County Tax	\$1,651,560	\$1,687,386
Gambler's Treatment	\$990,937	\$1,357,523
Endowment Fund	N/A	\$862,731
Gaming Tax	\$60,718,407	\$89,431,505
Admission Fee Tax/Regulatory Fee	\$3,339,103	\$3,080,766

Includes retroactive Gambling Games Tax on revenues received in FY2003 and FY2004 as required by HF2302. One-time payments received in May for each racetrack were: Prairie Meadows \$11,321,767, Bluffs Run \$8,932,373, Dubuque \$1,446,860.

Admission Fee (1/1/04-6/30/04) \$1,576,272; Regulatory Fee (7/1/04-12/31/04) \$1,504,494.

Table games began operation December 13, 2004 at Prairie Meadows.

Prairie Meadows was the only racetrack that applied for a table games license and the only racetrack that received a table games license in 2004.

BLUFFS RUN CASINO GAMING



Council Bluffs, IA

	2003	2004
Admissions	3,004,569	2,915,452
Slot Drop	\$487,160,116	\$903,445,730
Slot Coin In	\$1,811,529,028	\$1,723,806,418
Slot Revenue	\$124,896,802	\$133,825,280
Adjusted Gross Revenue	\$124,896,802	\$133,825,280
City Tax	\$624,483	\$669,127
County Tax	\$624,483	\$669,127
Gambler's Treatment	\$374,690	\$538,782
Endowment Fund	N/A	\$343,267
Gaming Tax	\$23,005,702	\$35,297,951
Admission Fee/Regulatory Fee	\$1,502,284	\$1,218,365

Admission Fee (1/1/04-6/30/04) \$720,404; Regulatory Fee (7/1/04-12/31/04) \$497,961

DUBUQUE GREYHOUND PARK AND CASINO GAMING



Dubuque, IA

	2003	2004
Admissions	1,025,881	955,874
Slot Drop	\$201,929,976	\$251,222,790
Slot Coin In	\$645,214,463	\$641,653,231
Slot Revenue	\$43,657,066	\$42,801,481
Adjusted Gross Revenue	\$43,657,066	\$42,801,481
City Tax	\$218,285	\$214,008
County Tax	\$218,285	\$214,008
Gambler's Treatment	\$130,971	\$171,890
Endowment Fund	N/A	\$108,713
Gaming Tax	\$7,813,872	\$9,465,434
Admission Fee/Regulatory Fee	\$512,941	\$610,425

Admission Fee (1/1/04-6/30/04) \$234,963; Regulatory Fee (7/1/04-12/31/04) \$375,462

PRAIRIE MEADOWS RACETRACK AND CASINO GAMING



Altoona, IA

	2003	2004
Admissions	2,647,756	2,530,482
Slot Drop	\$807,835,915	\$1,131,223,853
Slot Coin In	\$2,637,726,157	\$2,527,942,216
Slot Revenue	\$161,758,464	\$160,033,944
Table Drop	N/A	\$4,651,584
Table Revenue	N/A	\$816,218
Adjusted Gross Revenue	\$161,758,464	\$160,850,163
City Tax	\$808,792	\$804,251
County Tax	\$808,792	\$804,251
Gambler's Treatment	\$485,276	\$646,851
Endowment Fund	N/A	\$410,751
Gaming Tax	\$29,898,833	\$44,668,120
Admission Fee/Regulatory Fee	\$1,323,878	\$1,251,976

Admission Fee (1/1/04-6/30/04) \$620,905; Regulatory Fee (7/1/04-12/31/04) \$631,071

Table Games were implemented at Prairie Meadows on December 13, 2004

PARI-MUTUEL REVENUE AND EXPENDITURES

2004

EXPENDITURES FOR REGULATION

Salary and Benefits	\$1,348,214
Travel	\$16,935
State Vehicle	\$4,482
Office Supplies	\$21,859
Equipment Maintenance	\$8,144
Rentals	\$45,158
Professional, Scientific & Outside Services	\$597,205
Intra State Transfers	\$31,983
Advertising/Publicity	\$62
Data Processing	\$95,388
Reimbursements to Other Agencies	\$12,214
Equipment	\$19,223
TOTAL	\$2,200,867

REVENUES TO STATE

Annual Licensing Fee	\$3,000
Initial Table Games Application Fee	\$10,000,000
Admission Fees (1/1/04-6/30/04)	\$1,576,272
Regulatory Fees (7/1/04-12/31/04)	\$1,504,494
Daily License Fees	\$197,800
Occupational License Fees	\$44,220
Fines	\$47,875
Pari-Mutuel Tax	\$397,865
Gaming Tax	\$89,431,505
Gambler's Treatment	\$1,425,125
Unclaimed Winnings	\$240,978
TOTAL	\$104,869,133

REVENUES TO LOCAL GOVERNMENT

Gaming Taxes (City/County)	\$3,374,772
Endowment Fund (effective 7/1/04)	\$862,731

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 18% on win, place, and show wagers; 24% on doubles (two dogs/horses/races); and 25% on triples (3+dogs/horses/races). Pari-mutuel taxes may range from 0 to 6% on live races based on increasing levels of mutuel handle. Simulcast wagering is taxed at 2% 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 80% pay-out to the patron. Available data for table games includes the drop and ratio of adjusted gross revenues to the drop.

The tax based on adjusted gross revenues from gambling games is: Up to \$1,000,000, 5%; above \$1,000,000 to \$3,000,000, 10%; above \$3,000,000 Excursion gambling boat – 22%; Racetrack enclosure in the same county as other licensees and not issued a table games license – 22%; 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 – 22%; Racetrack enclosure in the same county as other licensees, issued a table games license and with adjusted gross receipts of more than \$100 million – 24% and Racetrack enclosures with no other licensees in the same county – 24%.

This tax is distributed 1/2% each to the city and county, 1/2% to the County Endowment Fund, .5% to gambler's treatment, and the remainder to designated state funds.

ALL IOWA EXCURSION BOAT TOTALS

	2003	2004
Admissions	12,723,754	13,146,841
Slot Drop	\$2,370,047,240	\$3,221,845,673
Slot Coin In	\$8,843,363,862	\$8,973,625,624
Slot Revenue	\$610,545,614	\$641,430,650
Table Drop	\$408,003,479	\$415,529,706
Table Revenue	\$83,756,708	\$85,492,148
Adjusted Gross Revenue	\$694,302,322	\$726,922,798
City Tax	\$3,471,511	\$3,634,613
County Tax	\$3,471,511	\$3,634,613
Gambler's Treatment	\$2,082,907	\$2,920,229
Endowment Fund	N/A	\$1,848,653
Gaming Tax	\$126,334,534	\$136,641,062
Regulatory Fee	\$6,007,840	\$5,682,700

HARRAH'S CASINO & HOTEL



Council Bluffs, IA

	2003	2004
Admissions	2,109,656	2,161,039
Slot Drop	\$326,440,447	\$522,194,345
Slot Coin In	\$1,327,985,342	\$1,261,087,954
Slot Revenue	\$93,900,208	\$94,607,215
Table Drop	\$78,257,618	\$85,117,716
Table Revenue	\$17,162,730	\$18,582,281
Adjusted Gross Revenue	\$111,062,938	\$113,189,496
City Tax	\$555,314	\$565,947
County Tax	\$555,314	\$565,947
Gambler's Treatment	\$333,189	\$455,111
Endowment Fund	N/A	\$288,858
Gaming Tax	\$20,418,769	\$21,507,468
Regulatory Fee	\$600,784	\$568,270

AMERISTAR CASINO & HOTEL



Council Bluffs, IA

	2003	2004
Admissions	2,748,566	3,098,631
Slot Drop	\$511,653,685	\$788,462,669
Slot Coin In	\$1,876,193,944	\$2,079,489,524
Slot Revenue	\$131,678,950	\$149,675,559
Table Drop	\$101,787,113	\$107,311,508
Table Revenue	\$20,430,599	\$21,378,821
Adjusted Gross Revenue	\$152,109,549	\$171,054,380
City Tax	\$760,548	\$855,272
County Tax	\$760,548	\$855,272
Gambler's Treatment	\$456,328	\$685,303
Endowment Fund	N/A	\$430,348
Gaming Tax	\$28,094,485	\$32,696,073
Regulatory Fee	\$600,784	\$568,270

ISLE OF CAPRI-MARQUETTE



Marquette, IA

	2003	2004
Admissions	649,203	635,946
Slot Drop	\$139,580,306	\$179,579,293
Slot Coin In	\$575,372,195	\$593,700,166
Slot Revenue	\$38,566,573	\$39,351,947
Table Drop	\$17,404,981	\$15,865,211
Table Revenue	\$3,131,191	\$2,935,620
Adjusted Gross Revenue	\$41,697,764	\$42,287,567
City Tax	\$208,489	\$211,438
County Tax	\$208,489	\$211,438
Gambler's Treatment	\$125,093	\$170,339
Endowment Fund	N/A	\$108,689
Gaming Tax	\$7,447,482	\$7,780,366
Regulatory Fee	\$600,784	\$568,270

DIAMOND JO CASINO



Dubuque, IA

	2003	2004
Admissions	1,054,350	1,041,901
Slot Drop	\$188,928,155	\$215,954,648
Slot Coin In	\$705,541,914	\$670,449,133
Slot Revenue	\$46,865,610	\$45,219,269
Table Drop	\$32,954,028	\$30,795,529
Table Revenue	\$6,663,250	\$5,741,337
Adjusted Gross Revenue	\$53,528,860	\$50,960,606
City Tax	\$267,644	\$254,803
County Tax	\$267,644	\$254,803
Gambler's Treatment	\$160,587	\$205,973
Endowment Fund	N/A	\$132,728
Gaming Tax	\$9,659,897	\$9,464,727
Regulatory Fee	\$600,784	\$568,270

CATFISH BEND CASINO



Fort Madison, IA (Summer) Burlington, IA (Winter)

	2003	2004
Admissions	537,229	567,822
Slot Drop	\$84,066,263	\$179,964,600
Slot Coin In	\$350,988,949	\$362,102,704
Slot Revenue	\$25,470,273	\$28,180,374
Table Drop	\$15,552,347	\$14,666,129
Table Revenue	\$3,577,269	\$3,310,154
Adjusted Gross Revenue	\$29,047,542	\$31,490,528
City Tax	\$145,238	\$157,453
County Tax	\$145,238	\$157,453
Gambler's Treatment	\$87,142	\$125,302
Endowment Fund	N/A	\$77,075
Gaming Tax	\$5,081,890	\$5,679,123
Regulatory Fee	\$600,784	\$568,270

MISSISSIPPI BELLE II



Clinton, IA

	2003	2004
Admissions	558,444	512,658
Slot Drop	\$83,247,168	\$115,864,441
Slot Coin In	\$365,682,125	\$338,023,393
Slot Revenue	\$25,660,786	\$24,491,364
Table Drop	\$11,451,377	\$11,201,157
Table Revenue	\$2,567,545	\$2,504,980
Adjusted Gross Revenue	\$28,228,331	\$26,996,344
City Tax	\$141,141	\$134,982
County Tax	\$141,141	\$134,982
Gambler's Treatment	\$84,685	\$107,494
Endowment Fund	N/A	\$66,264
Gaming Tax	\$4,928,697	\$4,810,604
Regulatory Fee	\$600,784	\$568,270

ARGOSY IV



Sioux City, IA

	2003	2004
Admissions	839,226	972,887
Slot Drop	\$155,183,489	\$213,146,790
Slot Coin In	\$524,699,378	\$593,069,616
Slot Revenue	\$36,689,180	\$43,815,807
Table Drop	\$23,917,863	\$28,281,502
Table Revenue	\$5,702,621	\$5,853,802
Adjusted Gross Revenue	\$42,391,801	\$49,669,609
City Tax	\$211,959	\$248,347
County Tax	\$211,959	\$248,347
Gambler's Treatment	\$127,176	\$202,569
Endowment Fund	N/A	\$133,902
Gaming Tax	\$7,577,267	\$9,226,363
Regulatory Fee	\$600,784	\$568,270

RHYTHM CITY CASINO



Davenport, IA

	2003	2004
Admissions	1,390,606	1,425,475
Slot Drop	\$300,174,499	\$378,812,437
Slot Coin In	\$996,759,052	\$1,023,713,310
Slot Revenue	\$67,867,624	\$73,561,834
Table Drop	\$22,636,092	\$22,740,911
Table Revenue	\$3,860,333	\$4,294,976
Adjusted Gross Revenue	\$71,727,957	\$77,856,810
City Tax	\$358,640	\$389,284
County Tax	\$358,640	\$389,284
Gambler's Treatment	\$215,184	\$313,189
Endowment Fund	N/A	\$199,047
Gaming Tax	\$13,063,128	\$14,666,745
Regulatory Fee	\$600,784	\$568,270

ISLE OF CAPRI-BETTENDORF



Bettendorf, IA

	2003	2004
Admissions	1,761,382	1,767,712
Slot Drop	\$391,231,550	\$444,521,437
Slot Coin In	\$1,415,631,462	\$1,368,488,976
Slot Revenue	\$94,036,760	\$94,313,498
Table Drop	\$50,667,518	\$50,709,996
Table Revenue	\$10,051,251	\$10,437,614
Adjusted Gross Revenue	\$104,088,011	\$104,751,112
City Tax	\$520,440	\$523,755
County Tax	\$520,440	\$523,755
Gambler's Treatment	\$312,265	\$420,292
Endowment Fund	N/A	\$265,098
Gaming Tax	\$19,114,459	\$19,867,713
Regulatory Fee	\$600,784	\$568,270

LAKESIDE CASINO RESORT



Osceola, IA

	2003	2004
Admissions	1,012,522	962,770
Slot Drop	\$189,541,678	\$183,345,013
Slot Coin In	\$704,809,501	\$683,500,848
Slot Revenue	\$49,809,650	\$48,213,783
Table Drop	\$53,374,542	\$48,840,047
Table Revenue	\$10,609,919	\$10,452,563
Adjusted Gross Revenue	\$60,419,569	\$58,666,346
City Tax	\$302,098	\$293,332
County Tax	\$302,098	\$293,332
Gambler's Treatment	\$181,258	\$234,657
Endowment Fund	N/A	\$146,644
Gaming Tax	\$10,948,460	\$10,941,880
Regulatory Fee	\$600,784	\$568,270

EXCURSION BOAT REVENUE AND EXPENDITURES 2004

EXPENDITURES FOR REGULATION

Salary and Benefits	\$1,538,639
Travel	\$14,042
State Vehicle	\$4,446
Office Supplies	\$11,074
Equipment Maintenance	\$3,473
Communications	\$14,373
Rentals	\$33,350
Professional, Scientific & Outside Services	\$2,205
Intrastate Transfers	\$31,367
Advertising/Publicity	\$62
Data Processing	\$34,502
Reimbursements to Other Agencies	\$16,559
Office Equipment	\$16,015
TOTAL	\$1,720,107

REVENUES TO STATE

Annual Licensing Fees	\$96,935
Regulatory Fees	\$5,682,700
Initial Application Fees	\$275,000
Occupational License Fees	\$52,790
Manufacturers/Distributors License Fees	\$25,500
Fines	\$8,900
Gaming Tax	\$136,641,062
Gambler's Treatment	\$2,920,229
TOTAL	\$145,703,116

REVENUES TO LOCAL GOVERNMENT

Gaming Taxes (City/County)	\$7,269,226
Endowment Fund (effective 7/1/04)	\$1,848,653

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