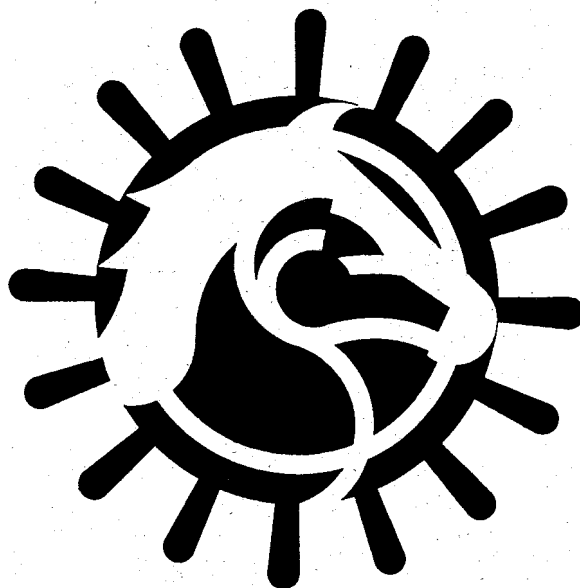


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**1991**  
**ANNUAL REPORT OF THE**



**IOWA RACING AND GAMING COMMISSION**

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The Honorable Terry E. Branstad,  
Governor of Iowa

# INTRODUCTION

IOWA RACING AND GAMING COMMISSION  
Lucas State Office Building  
Des Moines, Iowa 50319

The Honorable Terry E. Branstad  
Governor of the State of Iowa  
State House  
Des Moines, Iowa 50319

Dear Governor Branstad:

In compliance with Chapter 99D and 99F, Iowa Code, the Iowa Racing and Gaming Commission submits herewith its Eighth Annual Report, covering the period of January 1, 1991, through December 31, 1991.

Respectfully yours,



MICK LURA  
Administrator

## IOWA RACING AND GAMING COMMISSION

L. C. "Bud" Pike, Chairman  
Rita Sealock, Member  
Richard Canella, Member

Leo Monaghan, Vice-Chairman  
Lorraine May, Member  
Mick R. Lura, Administrator

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# LETTER TO THE GOVERNOR

December 31, 1991

The Honorable Terry E. Branstad  
Governor of Iowa  
Capitol  
LOCAL

Dear Governor Branstad:

1991 proved to be no exception insofar as changes are concerned in the pari-mutuel industry and Iowa's new world of riverboat casino gambling. The big news, which was covered by the media from all over the United States and from foreign countries, was the introduction for the first time in the modern history of this country, to casino gambling, riverboat style. Three newly constructed boats brought a lot of attention to our State, as they left their berths in Florida, sailed across the Gulf of Mexico to New Orleans, and then up the Mississippi River to their home ports of Dubuque, Bettendorf, and the Tri-Cities of Burlington, Ft. Madison, and Keokuk. The 60-year-old boat, well known up and down our major rivers, The President, and the Mississippi Belle II were remodeled, refitted and took their places in Davenport and Clinton. April 1, 1991, was a beautiful spring day that saw the launching of riverboat gambling in Dubuque, Davenport, and Bettendorf. Later on in the spring, two other boats made their debut at Clinton and the Tri-Cities. All the inaugurals were well attended and amid a lot of hoopla, ceremonies, and a carnival atmosphere, dignitaries paraded to the podiums to welcome a new dimension in tourism to Iowa.

An early winter that blustered into Iowa on October 31st drove the casino boats off the river into the new experience of dock-side casino gambling. Boat operators were caught short on preparing for winter gambling and had to scramble to make adjustments to this new style of gambling. However, these adjustments were made and the 1991 year was closed out on a high note as patrons welcomed in the New Year. In a capsule report, the first nine months of riverboat gambling has been a successful adventure for four of Iowa's five boats. The Emerald Lady, that serves the Tri-Cities, is under projections and faces dramatic changes if attendance and drop doesn't improve. The rest of the boats are looking forward to a new year fully aware of new competition from Illinois boats, Indian gambling in adjoining states and expanded gambling on Indian reservations in Iowa.

The pari-mutuel industry has found all of our tracks suffering from low handles and a decline in patron activity. The number-one problem has been Prairie Meadows, the horse track in Altoona. This track experienced another poor season that drove them into a Chapter 11 bankruptcy. Track management announced that they will not have live horse racing in 1992 and closed out 1991 in jeopardy of losing their license. Prairie Meadows has been allowed to simulcast greyhound and horse racing into the track and along with capital being infused by Polk County, has been able to remain in operation. During the year, a new study was completed that made some recommendations in connection with the operation of the track. Toward the end of 1991, Carole Baumgarten resigned as its president. As the year ended, the track was being offered for sale and management indicates that there are several interested parties prepared to make bids on the property. It is felt that new ownership may save the track and the horse-racing industry for our State.

During the year, the expansion of simulcasting has been approved by the Commission as follows:

- (a) Bluffs Run to Prairie Meadows - simulcasting greyhound racing.
- (b) The simulcasting of horse racing outside of Iowa into Prairie Meadows.
- (c) Simulcasting of horse racing to Waterloo and Dubuque.
- (d) Simulcasting of greyhound racing to Waterloo and Dubuque during their off-seasons.

# IOWA RACING AND GAMING COMMISSION MEMBERS



LEO K. MONAGHAN, Vice Chairman  
Manchester  
Term Expires: April 30, 1993



L.C. "BUD" PIKE, Chairman  
Grundy Center  
Term Expires: April 30, 1994



RITA SEALOCK  
Council Bluffs  
Term Expires: April 30, 1993



RICHARD CANELLA  
Fort Madison  
Term Expires: April 30, 1992

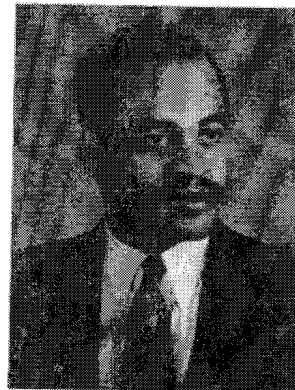


LORRAINE MAY  
Des Moines  
Term Expires: April 30, 1994

## COMMISSION EXECUTIVE STAFF



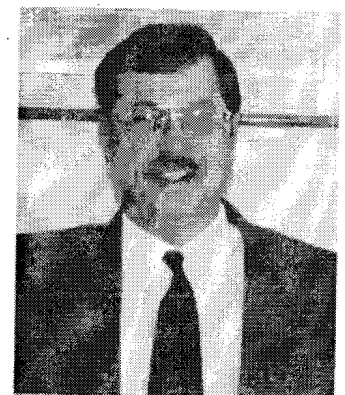
MICK LURA  
Administrator



LORENZO  
CREIGHTON  
Deputy  
Administrator



LINDA  
VANDERLOO  
Director  
Adm./Licensing



CHUCK PATTON  
Director  
Riverboat  
Gambling

# COMMISSION STAFF

## Des Moines

Mick Lura  
 Lorenzo Creighton  
 Chuck Patton  
 Linda Vanderloo  
 Jean Cook  
 Jeff Taylor  
 Jeannie Ramirez  
 Kathleen Quartana  
 Karyl Jones  
 Connie Eichhorn  
 Shirley Stokes  
 Kim Jensen

Administrator  
 Deputy Administrator  
 Director of Riverboat  
 Director of Administration and Licensing  
 Licensing Steward  
 Program Analyst  
 Administrative Assistant/Administration  
 Administrative Assistant/Riverboat  
 Administrative Assistant/Licensing  
 Secretary III  
 Administrative Assistant I  
 Pari-Mutuel Clerk

## Bluffs Run

Richard Woodsmall  
 Virginia Fuller  
 Lori Schultz  
 Lynne Rogers  
 Chris Moats  
 Prickett Veterinary Clinic

Steward  
 Steward  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Contract Veterinarian

## Dubuque Greyhound Park

Rhonda Dunbar  
 Charles Spielman  
 Cathy Dillon  
 Kathy Howard  
 Denise Kafar  
 Dr. David Pence

Steward  
 Steward  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Contract Veterinarian

## Waterloo Greyhound Park

James Anderson  
 Ramona Moody  
 Rachell Sturch  
 Deb Aalfs  
 Brookside Vet Clinic

Steward  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Contract Veterinarian

## Prairie Meadows

Lou Baranello  
 Terry Allen  
 Karla Wilson  
 Shirley McClelland  
 Dr. John Sweeney  
 Dr. Robert Stenbom

Steward  
 Steward  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Veterinarian  
 Veterinarian

## Riberboat Staff:

Terrence Hirsch  
 Betty Clark  
 Debbie Douglas  
 Amy Keese  
 Cheryl Vetsch  
 Deanna Riley  
 Paula Lee

Gaming Official  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk  
 Pari-Mutuel Clerk

Dubuque  
 Quad Cities  
 Quad Cities  
 Quad Cities  
 Dubuque  
 Ft. Madison  
 Ft. Madison

## NEW LEGISLATION

During the 75th General Assembly, there were several changes made to 99D, the part of the Iowa Code which established Pari-Mutuel Racing, and to 99F, Excursion Boat Gambling.

The following changes appear in 99D of the Iowa Code:

Section 99D.7: The Commission was given the power to provide for interstate combined wagering pools related to simulcasting horse or dog races and all related interstate pari-mutuel wagering activities.

Section 99F.9, subsection 6: A person under the age of eighteen years shall not make a wager on an excursion gambling boat and shall not be allowed in the area of the excursion boat where gambling is being conducted.

Section 99D.11, subsection 5: An increase in the deduction of the total sum wagered involving two or more dogs or horses was approved. The race tracks' "takeout" percentages allowed are now 16% on Win, Place or Show; 20% on exotic wagering involving not more than two dogs or horses; and 22% on exotic wagering involving three or more dogs or horses. One percent of the exotic wagers on three or more horses or dogs shall be distributed as provided in section 99D.12.

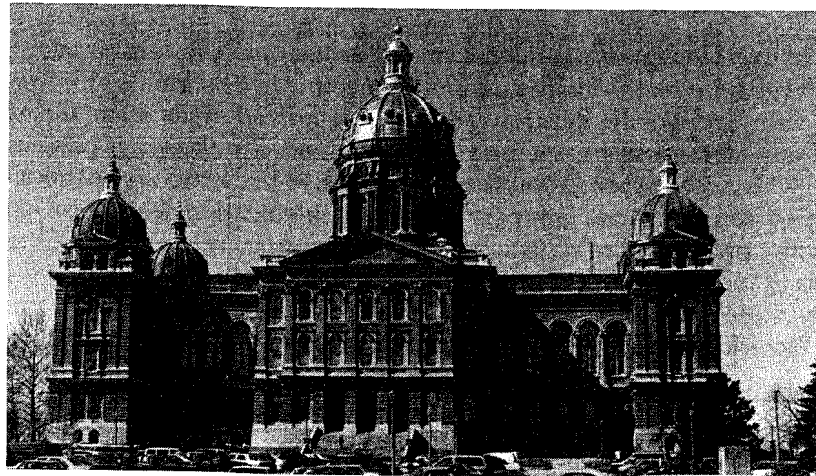
Section 99D.11, subsection 6, paragraph b: Simulcasting of any horse or dog races must be received from the race track of a licensee that schedules no less than 105 performances of 8 live races each day of the season.

Section 99D.12, subsection 2, paragraph b: Breakage shall be handled differently than in previous years. The 25% retained by the licensee for a stake race for Iowa-whelped dogs remains the same. However, 12% of the winner's share shall be set aside and distributed to the breeder of the winning greyhound and the remainder shall be apportioned as purse moneys for the stake race.

Section 99D.13, subsection 2: Previously, the unclaimed winnings from each track were being used in administering the Iowa Breeders program by the Department of Agriculture and Land Stewardship and for paying the cost of drug testing at all tracks. Any funds left at the end of the fiscal year were to be reimbursed as: 1/3 to the track, 1/3 to the city and 1/3 to the county where the track is located. The amount received by the track was to be used only for the retiring of the track's debt. New legislation now states to the extent the remainder paid to the Commission, less the cost of drug testing, is from unclaimed winnings from licensed dog tracks, the commission shall remit annually \$5,000, or an equal portion of that amount, to each licensed dog track to carry out the racing dog adoption program.

Section 99D.15, subsection 3, paragraph c: If the rate of tax imposed on a race track is 6%, one-sixth of the tax liability by the track during the racing season shall be set aside for retiring the debt or for capitol improvement of the race track.

Iowa Code 99F.13 (Excursion Boat Gambling) was amended to eliminate monthly audits of the financial transactions and condition of the licensees' operations.



*State Capitol, where legislation becomes law*



# COMMISSION MEETINGS

During 1991, the Iowa Racing and Gaming Commission met 8 times. In addition, 4 telephonic meetings were held. Minutes of each meeting are kept on file in the Commission office, and are available to the public on request. Highlights of the meetings follow:

January 16-17, 1991 - The Commission met at Bluffs Run. On the first day of the meeting, riverboat administrative rule changes were approved. The Commission also approved a 20% takeout at Waterloo Greyhound Park (WGP), with an additional \$13,500 going for the remaining stakes races. Tom Fullerton, representing Clinton County Gaming Association, asked for approval of the Clinton Excursion Boat Gambling Application. Mr. Steven Juergens, Attorney for Robert Kehl, answered questions from the Commission concerning the application. A conference call was made to Mr. Kehl. A license was granted to Clinton County Gaming Association/Mississippi Belle II. Executive Session was held.

February 1, 1991 - A telephonic meeting was held to consider adoption of a contract between the Racing and Gaming Commission and Department of Public Safety. The contract was approved with amendments. Training of DCI agents was discussed. Internal controls from all boats had been received by Chuck Patton.

March 11, 1991 - A telephonic meeting was held to review a contract approval request submitted by the Connelly Group L. P. The commitment letter between the First Bank, N.A., and J. Connelly Associates was for a \$12,000,000 loan. Approval of the loan agreement as submitted was made.

March 27, 1991 - A telephonic meeting was held to approve the 1991 Dubuque Greyhound Park season requests and to set FY91 riverboat admission fees. The Commission approved the security plan of the riverboats, subject to DCI approval. A discussion of the minimum purse at greyhound parks was held. Approved 19% for Dubuque Greyhound Park.

April 25, 1991 - The Racing and Gaming Commission met in West Des Moines, Iowa. Security at the tracks was discussed. Mick Lura, Administrator, explained simulcasting legislation currently in the legislature and Prairie Meadow's simulcast contract. The contract was approved as presented, as were additional simulcasting dates (September 4 through November 17, 1991). Lorenzo Creighton, Deputy Administrator, discussed the Darrin Fitch hearing. Mr. Fitch's license was revoked for an indefinite period and his fine dropped. Riverboat contracts were approved. Executive Session was held.

May 6, 1991 - A telephonic meeting was held. The Commission granted Prairie Meadow's request to run simulcast races, beginning May 22. Mick Lura explained the tracks' take-out requests. Take-outs of 16% on WPS; 20% on exotic wagering on not more than 2 dogs or horses; and 22% of races involving 3 or more dogs or horses were approved by the Commission, subject to Governor Branstad signing House File 651.

June 6-7, 1991 - The Commission met at Prairie Meadows. Carole Baumgarten of Prairie Meadows reported on simulcasting at the track. Dr. Sally Prickett reported on the quality assurance meeting in Cincinnati, Ohio, on May 11th. Commissioner Leo Monaghan reported on the greyhound industry study. Recommendations from the study were: establishment of a 27% purse rate of the adjusted gross revenue on all greyhound simulcasting; pari-mutuel taxes were referred to the legislative committee with a recommendation that a progressive tax structure without decreasing total revenues be considered; the committee recommended support of current medication legislation and discipline policy until national research and uniform policies were developed by the Association of Racing Commissioners International; the overlapping racing dates at Waterloo and Dubuque be eliminated or minimized; a portion of greyhound promotion funds be used for industry wide public relations; IRGC staff develop on-going focus groups; and purse rates be set at 4% for Dubuque and Waterloo, with Council Bluffs rates increasing in January 1992.

July 11, 1991 - The Commission met at Dubuque Greyhound Park. Notice of Intended Action on Chapter 22, 25, and 26 were approved. Riverboat representatives gave an update on their operations. A discussion of the proposed Sioux City boat followed. The McKinsey Report, a report on the pari-mutuel industry, was discussed. Iowa's four race tracks created a simulcast plan, which was approved on an experimental basis. Simulcasting from Prairie Meadows to Waterloo was discussed. Commissioners Sealock and Canella will research the issue. Chair and Vice-Chair elections were held. Executive Session was held.

August 15, 1991 - The Commission met in Ft. Madison. The winter schedule for the Dubuque Casino Belle was approved. A contract between the U.S. Army Corp of Engineers and the city of Bellevue was approved. The proposed procedure for schedule changes on Iowa riverboats was adopted. James Overland, of Gamblers' Assistance, gave an overview of his program. Four riverboat appeal hearings were held. The Commission heard updates from the Horse Simulcast Committee and the Admission Tax Committee. Mick Lura reported on Sioux City/Steamboat. Commissioner Monaghan requested Mr. Lura report monthly on this situation. ARCI 2039 Termination was adopted.

September 19, 1991 - The Commission met in Des Moines. Commissioner Monaghan reported on the Simulcasting Committee's study. The Committee recommended approval of the simulcast horse racing from Prairie Meadows to Waterloo Greyhound Park June through August, plus the Kentucky Derby; and approval of horse simulcasting to Council Bluffs and Dubuque from Prairie Meadows, subject to Commission approval of any requested dates. Both recommendations were approved as submitted.

Gary Wegmann, of Hyland Kennels, reported on his inability to secure a booking at Waterloo Greyhound Park. Commissioner Monaghan requested the tracks give as much preference as management permits to Iowa owners and of promoting Iowa bred dogs. Frank Sang, an independent CPA, and Augie Masciotra, General Manager of Waterloo Greyhound Park, reported on the financial situation of the park.

Steamboat's winter schedule for Bettendorf and Muscatine, the President's excursion boat development agreement between Davenport and the Connelly Group, and riverboat contracts were approved. Notice of Intended Action for rule changes were adopted. Executive session was held.

November 21, 1991 - The Commission met in Des Moines, Iowa, for final approval of the rule changes proposed. A public meeting was held November 5, 1991, with no public comment. The rule changes were adopted. Keith Hopkins, chairperson of RACI, informed the Commission of possible refinancing and restructuring of Prairie Meadows' bonds. Riverboat slot tournaments were discussed and updates given by the various boat operators. Riverboat and Dubuque Greyhound Park contracts were approved. Executive session was held.

December 12, 1991 - The Commission met at Bluffs Run in Council Bluffs, Iowa. The Chapter 11 filing by Prairie Meadows was discussed. Polk County Board of Supervisors approved \$100,000 per month to simulcast until June 30, 1992. Bluffs Run 1992 season was approved (January 3, 1992 to January 1, 1993 with 462 performances). A six-month simulcast and a six-month live season was approved for Dubuque and Waterloo effective June 30, 1992. Chapter 22 amendment requiring the registration of organizations representing employees was approved. Seven contested testosterone cases' findings were reviewed and upheld. Executive session was held.

# IOWA'S RACE TRACKS ALL BREEDS

THE 1991 SEASON SUMMARY IS AS FOLLOWS:

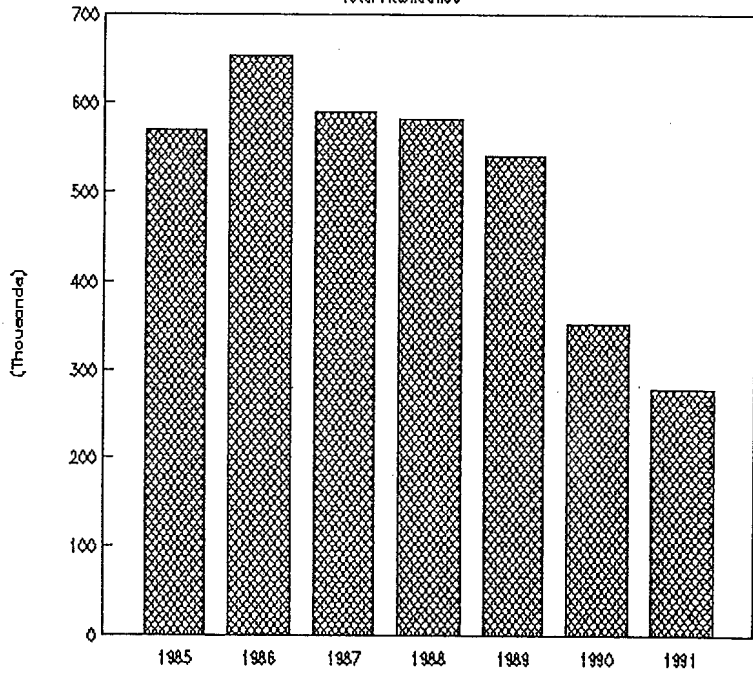
Number of Performances .....	1,029
Average Attendance Per Performance .....	1,428
Total Taxable Attendance .....	1,469,692
Daily Average Handle Per Performance .....	\$ 134,209
Total Mutuel Handle .....	\$138,101,448
Exotic Wagering .....	\$113,756,970
Track Commission .....	\$ 28,318,694
Breakage .....	\$ 621,844
State Tax .....	\$ 4,953,454
City/County Tax .....	\$ 1,205,603
Credit for New Tax Const .....	\$ 2,153,371
Returned to Public .....	\$135,040,440
Purses .....	\$ 6,210,152
Unclaimed Winnings .....	\$ 569,346
Simulcast Handle .....	\$ 17,386,600

## ALL TRACK — ALL BREEDS COMPARISON

	1985	1986	1987	1988	1989	1990
Number of Performances	198	613	857	931	1,086	1,053
Avg. Attendance/Perf.	2,875	2,893	1,735	2,128	2,029	1,627
Total Taxable Attendance	569,407	1,773,415	1,487,200	1,980,704	2,203,365	1,713,571
Daily Avg. Handle/Perf.	\$210,147	\$303,622	\$252,581	\$237,900	\$218,772	\$165,807
Total Mutuel Handle	\$41,690,178	\$186,120,064	\$216,461,928	\$221,485,277	\$237,586,123	\$174,594,844
Breakage	\$237,970	\$693,286	792,231	\$873,219	\$1,047,705	\$703,893
Unclaimed Winnings	\$257,508	\$672,841	\$860,553	\$989,437	925,087	\$754,847

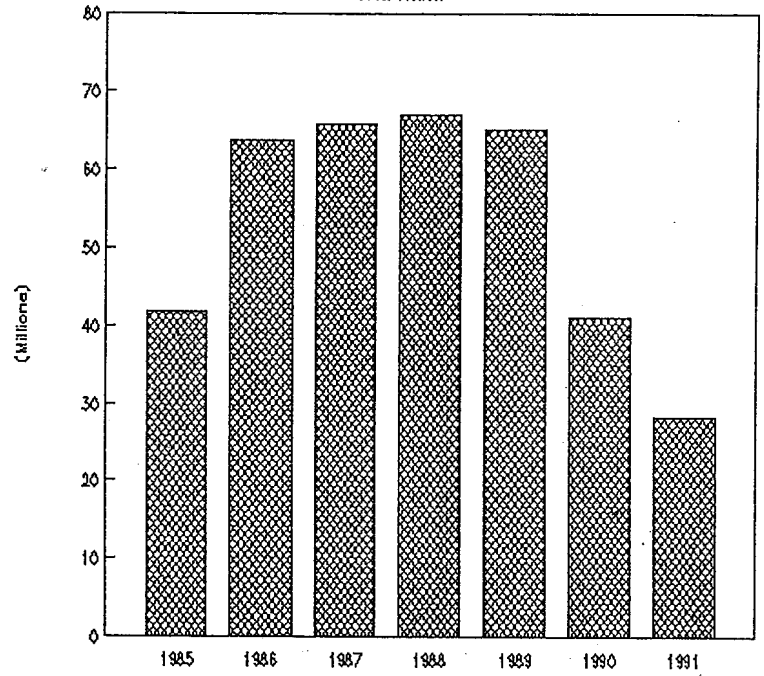
### DUBUQUE GREYHOUND PARK

Total Attendance



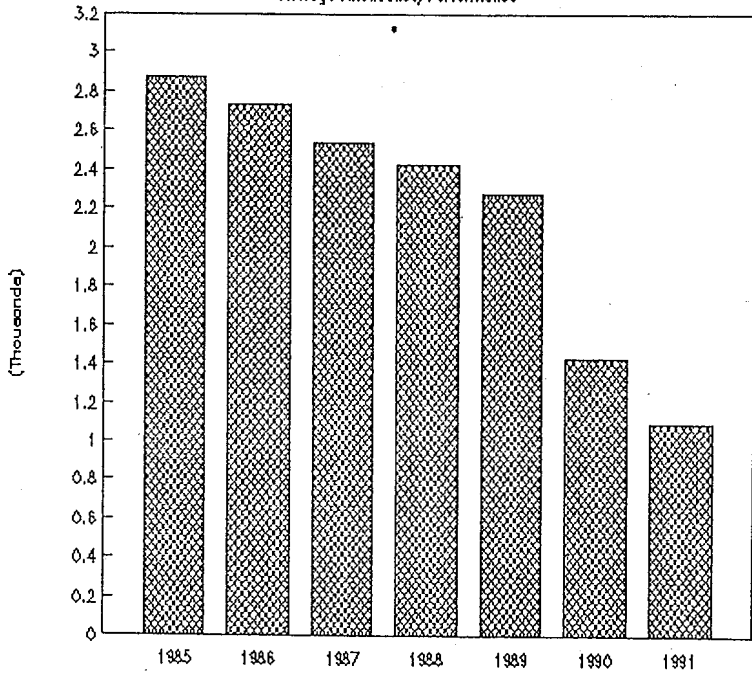
### DUBUQUE GREYHOUND PARK

Total Handle



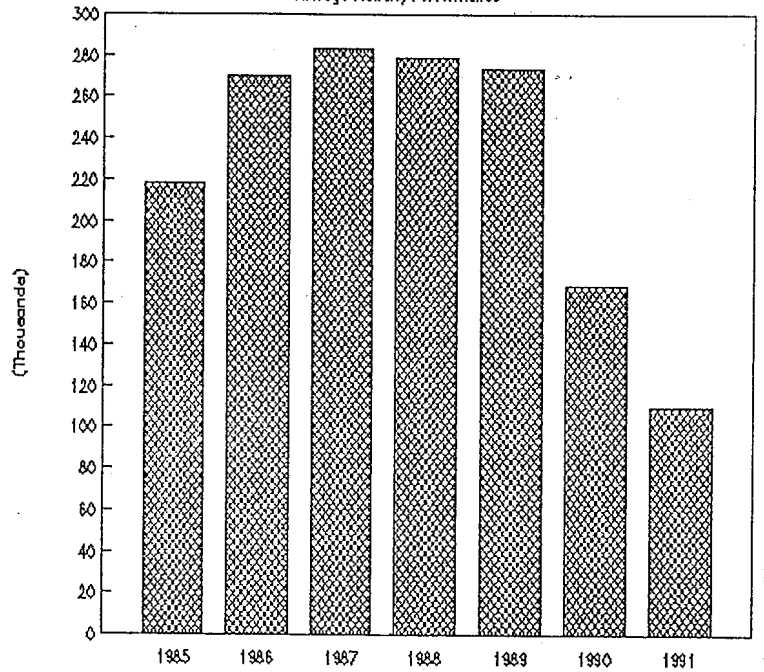
### DUBUQUE GREYHOUND PARK

Average Attendance/Performance



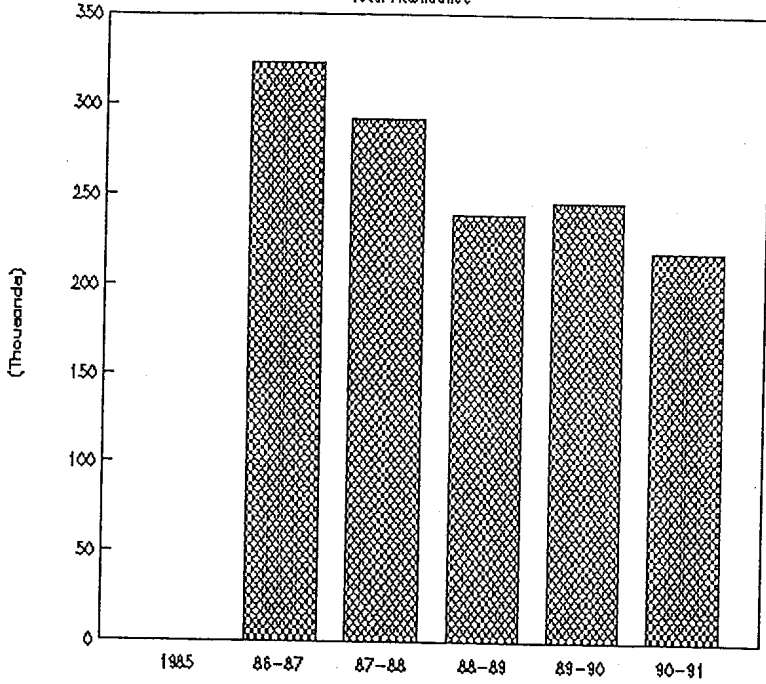
### DUBUQUE GREYHOUND PARK

Average Handle/Performance



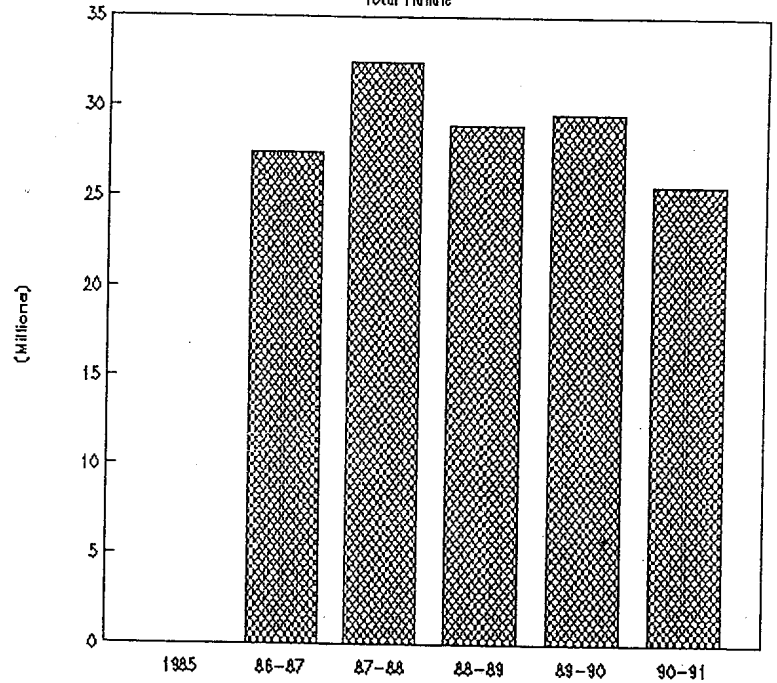
### WATERLOO GREYHOUND PARK

Total Attendance



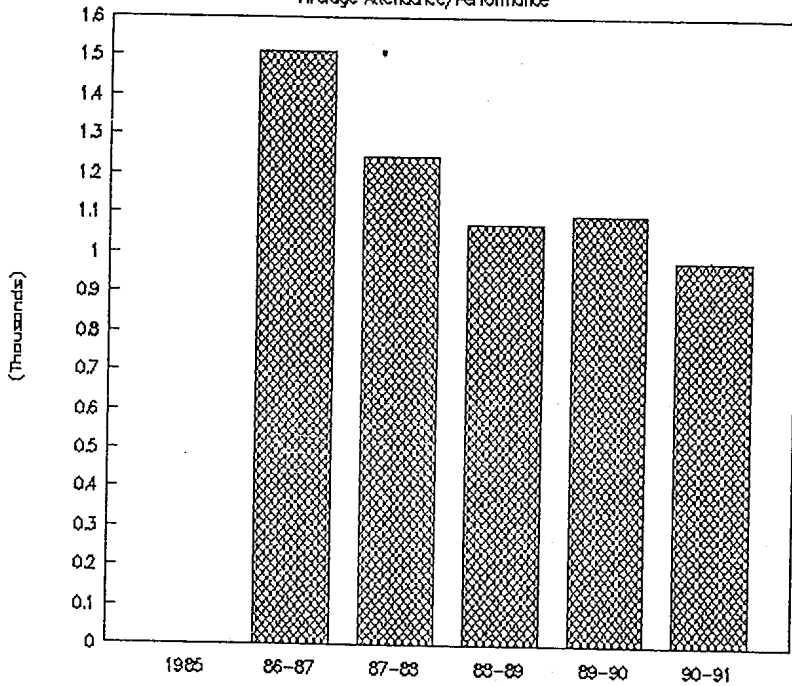
### WATERLOO GREYHOUND PARK

Total Handle



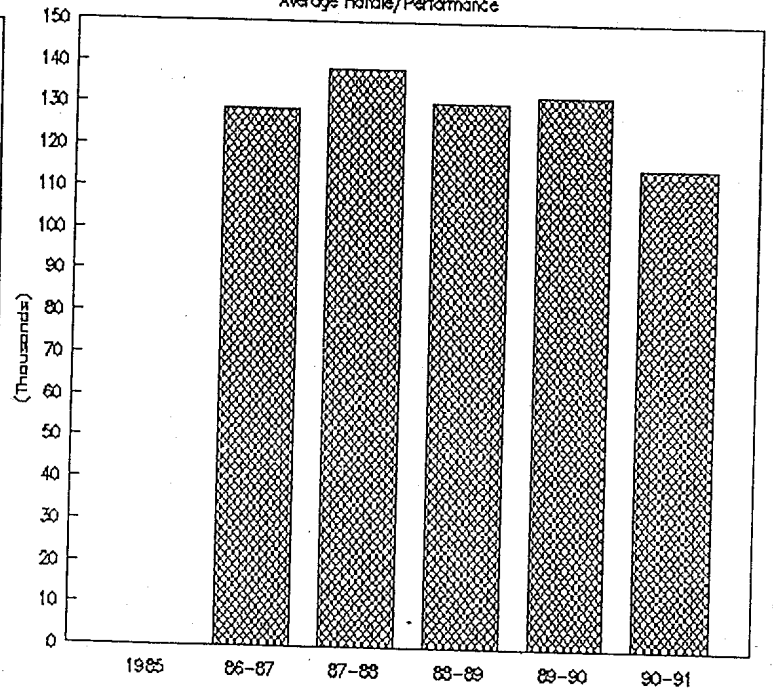
### WATERLOO GREYHOUND PARK

Average Attendance/Performance



### WATERLOO GREYHOUND PARK

Average Handle/Performance



# LABORATORY TESTING

The Iowa Racing and Gaming Commission strives to protect the integrity of the sport of racing in Iowa. Iowa's blood/urine testing program is the backbone of the agency's policing functions. The program was conducted by Iowa State University Diagnostic Laboratory, of Ames, Iowa.

It is the duty of the Iowa Racing and Gaming Commission, and its racing chemist, through chemical analysis of blood and urine samples collected from racing animals at the tracks, to insure that foreign substances are not being administered to racing animals pursuant to Iowa Code Chapter 99D.25 of the Iowa Pari-Mutuel Wagering Act. This section prohibits the administration of any foreign substance prior to a race. The Commission will continue to justify intense regulation to guarantee the racing industry in Iowa is above reproach.

The following is a summary of chemical tests conducted by the Iowa State Veterinary Diagnostic Lab in 1991 for the Iowa Racing and Gaming Commission.

	URINE	BLOOD
Horse	2,317	2,587
Greyhound	9,597	
Bluffs Run	4,514	
Dubuque Greyhound Park	2,731	
Waterloo Greyhound Park	2,352	
	POSITIVE TESTS	
	Horse	Greyhound
Procaine		40
Trimethoprim		1
DMS/DMSO2	4	
Sulfamethoxazole	1	20
Sulfadimethoxine	1	21
Sulfamethazine	1	11
Phenylbutazone	28	
Nicotinamide		1
Polyethylene Glycol	2	5
Oxyphenbutazone	27	
Dichlorophene		1
Theobromine		1
Caffeine		1
Testosterone	7	
	70	102
TOTAL POSITIVES		

# IOWA BREEDER'S FUND

## IOWA SUPPLEMENTS

The Department of Agriculture maintains a data base of thoroughbred, standardbred and quarterhorses who 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.

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. The Department of Agriculture in turn pays the breeder of the winning Iowa-foaled horse or breeder of the Iowa-whelped dog on December 31 of each year. The amounts created from the total breakage were paid out as follows in 1991:

### THOROUGHBRED/QUARTERHORSE

Breeder's Awards .....	\$ 50,760.59
Supplements .....	\$ 2,690.67

### GREYHOUNDS

#### Bluffs Run

Breeder's Awards .....	\$ 40,911.14
Supplements .....	\$280,481.28
Iowa Stakes .....	\$121,089.95
Carry-over .....	\$ 73,144.75
Dog Racing Promotion Fund .....	\$ 9,687.18

#### Dubuque Greyhound Park

Breeder's Awards .....	\$ 33,794.61
Supplements .....	\$157,408.27
Iowa Stakes .....	\$ 53,906.94
Carry-over .....	\$ 1,474.85
Dog Racing Promotion Fund .....	\$ 4,312.56

#### Waterloo Greyhound Park

1990-1991 Season

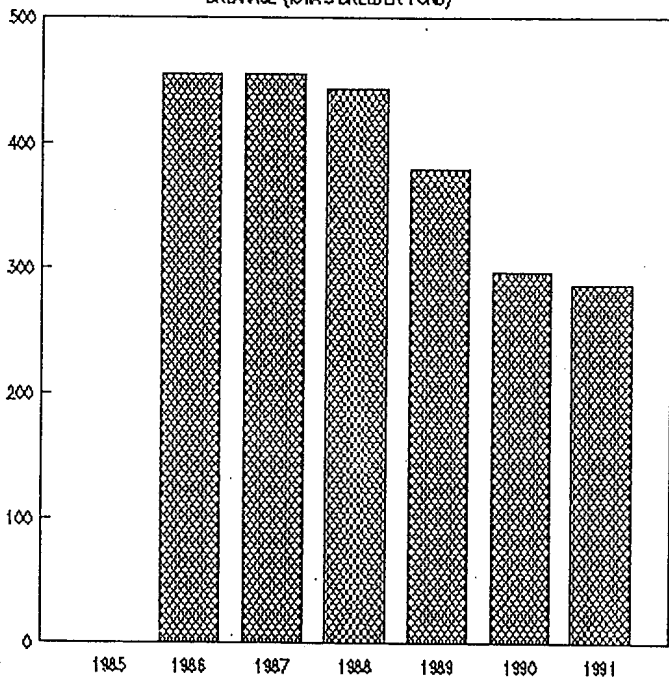
Breeder's Awards .....	\$ 17,888.00
Supplements .....	\$149,067.00
Iowa Stakes .....	\$ 12,360.53
Carry-over .....	\$ 630.94
Dog Racing Promotion Fund .....	\$ 969.34

The remainder of the breakage at the horse track is distributed as purse supplements to the owners of winning Iowa-bred horses.

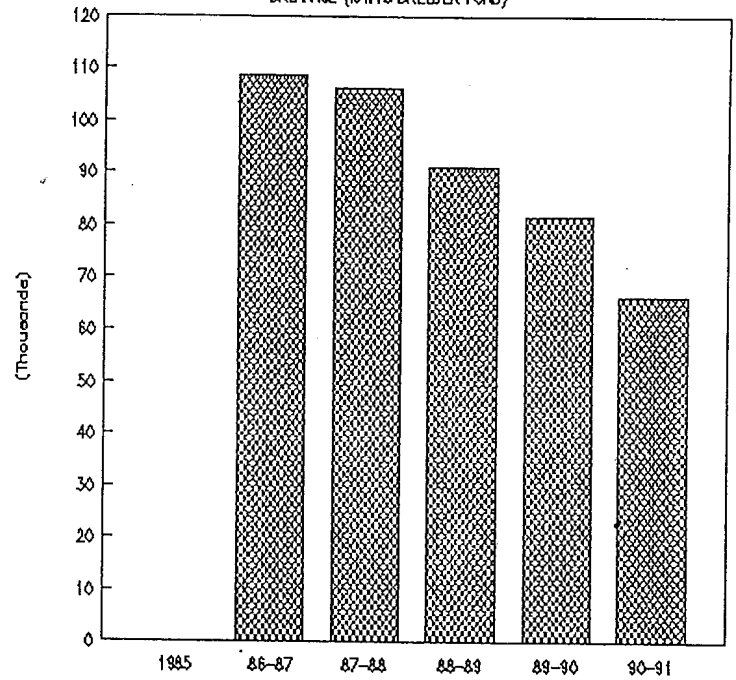
The remainder of the breakage at the greyhound tracks is divided, with 25%, funding a stakes race restricted to registered Iowa-whelped greyhounds, 2% Dog Promotion Fund and 73% distributed as purse supplements to the owners of winning Iowa-whelped greyhounds.

Each greyhound track receives up to \$5,000 to carry out the racing dog adoption program pursuant to Iowa Code 99D, section 27.

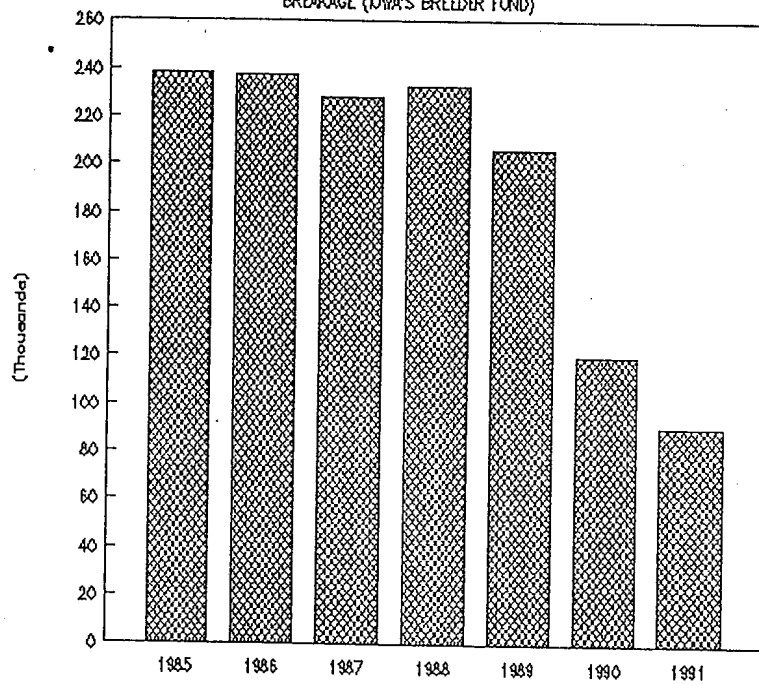
BLUFFS RUN GREYHOUND PARK  
BREAKAGE (IOWA'S BREEDER FUND)



WATERLOO GREYHOUND PARK  
BREAKAGE (IOWA'S BREEDER FUND)



DUBUQUE GREYHOUND PARK  
BREAKAGE (IOWA'S BREEDER FUND)





# STATEMENT OF OCCUPATIONAL GREYHOUND LICENSE FEES

Concession .....	287	@	5.00	1,435.00
Mutuels .....	162	@	5.00	810.00
Security .....	99	@	5.00	495.00
Parking/Admissions .....	97	@	5.00	485.00
Maintenance .....	105	@	5.00	525.00
Totalizator .....	13	@	5.00	65.00
Kennel Helper .....	116	@	5.00	580.00
Lead Out .....	168	@	5.00	840.00
Administration .....	51	@	5.00	255.00
Association Employee .....	42	@	5.00	210.00
Miscellaneous .....	4	@	5.00	20.00
Vendor Employee .....	24	@	5.00	90.00
Veterinarian Assistant .....	9	@	5.00	45.00
Announcer .....	4	@	10.00	40.00
Veterinarian .....	11	@	10.00	110.00
Owners .....	851	@	10.00	8,510.00
Officials .....	35	@	10.00	350.00
Trainers .....	74	@	10.00	740.00
Medical .....	17	@	10.00	170.00
Asst. Trainers .....	62	@	10.00	620.00
Board Members .....	25	@	10.00	250.00
Asst. Racing Secretary .....	3	@	10.00	30.00
Chart Writer .....	2	@	10.00	20.00
Miscellaneous .....	2	@	10.00	80.00
Partnerships .....	193	@	10.00	1,930.00
Trainer/Own&r .....	7	@	20.00	140.00
Mutuel Manager .....	2	@	20.00	40.00
Racing Secretary .....	3	@	20.00	60.00
Manager .....	3	@	20.00	60.00
Kennel Owner .....	47	@	20.00	940.00
Kennel Name .....	20	@	20.00	400.00
Corporations .....	23	@	20.00	460.00
Ltd. Partnership .....	1	@	20.00	20.00
Vendor .....	15	@	20.00	300.00
Duplicate Licenses .....		@	5.00	

TOTAL OCCUPATIONAL  
LICENSED

2,577

21,125.00

# STATEMENT OF OCCUPATIONAL HORSE LICENSE FEES

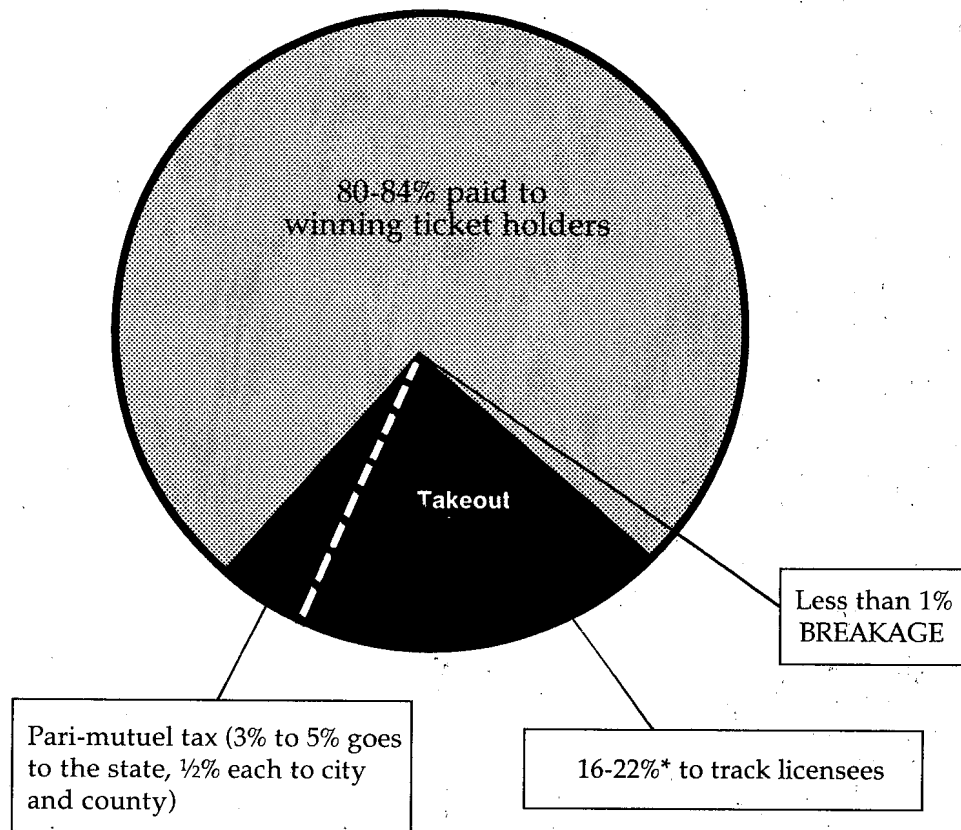
Concession .....	169	@	5.00	845.00
Vendor Employee .....	36	@	5.00	180.00
Groom .....	203	@	5.00	1,015.00
Mutuels .....	138	@	5.00	690.00
Security .....	56	@	5.00	280.00
Administration .....	69	@	5.00	345.00
Maintenance .....	67	@	5.00	335.00
Parking/Admissions .....	16	@	5.00	90.00
Totalizator .....	5	@	5.00	25.00
Valet .....	9	@	5.00	45.00
HPBA ADHOC .....	5	@	5.00	25.00
Exercise Rider .....	55	@	5.00	275.00
Pony Rider .....	41	@	5.00	210.00
Farrier .....	19	@	5.00	95.00
Hot Walker .....	10	@	5.00	50.00
Technical .....	2	@	5.00	10.00
Miscellaneous .....	10	@	5.00	50.00
Owners .....	1,175	@	10.00	11,750.00
Officials .....	11	@	10.00	110.00
Trainers .....	83	@	10.00	830.00
Jockey .....	60	@	10.00	600.00
Starter .....	1	@	10.00	10.00
Outrider .....	2	@	10.00	20.00
Partnerships .....	195	@	10.00	1,950.00
Corp. Director/Officer .....	9	@	10.00	90.00
Assistant Trainer .....	37	@	10.00	370.00
Apprentice Jockey .....	10	@	10.00	100.00
Jockey Agent .....	7	@	10.00	70.00
Stable Name .....	61	@	10.00	610.00
Authorized Agent .....	23	@	10.00	230.00
Assistant Starters .....	14	@	10.00	140.00
Veterinary Assistant .....	12	@	10.00	120.00
Medical .....	10	@	10.00	100.00
Association Director .....	4	@	20.00	80.00
Veterinarian .....	10	@	20.00	200.00
Vendor .....	25	@	20.00	500.00
Mutuel Manager .....	2	@	20.00	40.00
Racing Secretary .....	1	@	20.00	20.00
Corporations .....	21	@	20.00	420.00
Owner/Trainer .....	202	@	20.00	4,040.00

TOTAL OCCUPATIONAL  
LICENSES

2,885

\$26,965.00

# IOWA'S PARI-MUTUEL WAGERING DOLLAR



\*Actual percentage depends on type of wager. The takeout is 16% on win, place and show wagers; 20% on doubles (up to two dogs/horses racing); and 22% on exotic (3+ dogs/horses racing). Four to six percent is paid out in pari-mutuel taxes, as shown. The remaining percentage goes to the track licensee for purses, operating expenses, debt retirement and distribution to local charities, community betterment projects, scholarships, etc.

The 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 breeders of Iowa-foaled horses and Iowa whelped dogs.

# PARI-MUTUEL REVENUE AND EXPENDITURES

## PARI-MUTUEL OPERATING REVENUES

	January-June	July-December
Admission Fees	\$ 395,686.00	\$ 338,912.00
Daily License Fees	80,600.00	82,200.00
Occupational License Fees	36,247.00	10,685.00
Fines	17,808.00	13,282.00
Pari-Mutuel Tax	4,658,025.28	845,386.56
TOTAL	\$5,188,366.28	\$1,290,465.56

## EXPENDITURES FOR PARI-MUTUEL

Payroll	\$435,385.37	\$394,113.26
Travel	19,553.44	13,819.29
State Vehicle	45.09	134.79
Office Supplies	19,812.65	10,635.14
Equipment Maintenance	96.87	599.30
Professional Supplies	5,143.71	4,658.31
Other Supplies	147.61	20.43
Printing & Binding	289.03	53.20
Communications	18,932.70	7,264.54
Rentals	743.54	
Professional Services (Vets)	503,563.68	280,579.50
Outside Services	8,095.80	4,714.72
Intra Transfers	12,345.73	109.74
Advertising/Publications	288.00	265.16
Outside Repairs	4,387.44	469.85
Data Processing	23,813.67	1,414.47
Reimbursements to Other Agencies	23,559.07	4,609.32
Equipment	2,527.50	
Office Equipment	14,345.85	1,154.00
TOTAL	\$1,093,076.75	\$724,615.02

## PARI-MUTUEL REVENUE TO LOCAL GOVERNMENTS

	\$1,033,798.18	\$281,795.52
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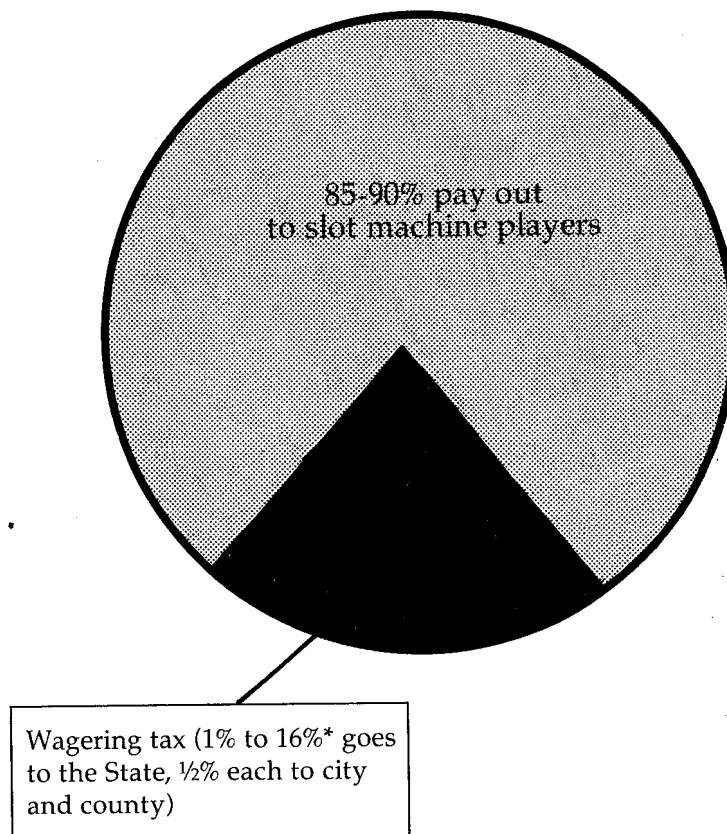
## UNCLAIMED WINNINGS

(January-December 1991)

Revenues	\$710,368
Expenditures	
Dept. of Agriculture	\$171,641
Drug Testing	385,665
Riverboats	129,000
Local Governments	16,041
Tracks	8,021
TOTAL	\$710,368

## WAGERING OF IOWA'S GAMING DOLLAR

Iowa's gaming industry consists of slot machines (and video games of chance) and table games. Table games include various styles of twenty-one, roulette, or craps — as allowed by Iowa Code. Slot machine statistics are kept on the "handle," which is the total amount wagered, and the "drop," which is cash equivalents exchanged for chips to be risked against the casinos. Handle for slot operations and the percentage of win to handle (or "takeout") may be accurately calculated because slot data systems are required which track all monies wagered in the machines. Handle at the table games cannot be calculated because there is no mechanism for tracking each bet. Available data for table games include the drop and ratios of win to drop. Therefore, the "gaming dollar" shown below indicates only the win percentage on the slot machine handle. The total handle for 1991 was \$64,970,875.



\*Actual percentage depends on the amount of adjusted annual gross receipts each riverboat produces. The taxes are based on the following revenue breakdowns: Up to \$1,000,000 = 5%; from \$1,000,001 to 3,000,000 = 10%; above \$3,000,000 = 20%. Additional admission fees up to \$.50 may be charged by the city and/or county where each riverboat docks.

# EXCURSION BOAT GAMBLING REVENUE AND EXPENDITURES

## EXPENDITURES FOR EXCURSION BOAT GAMBLING

January-June

July-December

Payroll	\$155,576.70	\$190,594.34
Travel	25,655.61	18,055.40
State Vehicle	201.28	60.17
Office Supplies	25,824.11	4,924.96
Other Supplies	12,635.24	2,547.72
Printing & Binding	615.05	
Communications	3,813.41	5,881.20
Rentals	35.00	97.00
Professional Services (Gaming Lab)	70,554.39	9,382.00
Outside Services	9,785.80	137.81
Intra Transfers	268,082.20	2,319.42
Advertising/Publications	1,862.18	
Outside Repairs	1,924.37	144.00
Data Processing	25,572.41	16.07
Reimbursements to Other Agencies	708.45	4.00
Equipment	14,291.91	
Office Equipment	33,667.80	760.92
<b>TOTAL</b>	<b>\$650,805.91</b>	<b>\$234,925.01</b>

## REVENUES TO GENERAL FUND

Admission Fees	\$466,398.00	\$603,162.00
Operator License Fee	35,335.00	35,170.00
Occupational License Fees *	59,219.00	22,510.00
Manufacturers, Distributors License Fees	10,750.00	600.00
Fines	50.00	825.00
<b>TOTAL</b>	<b>\$571,752.00</b>	<b>\$662,267.00</b>

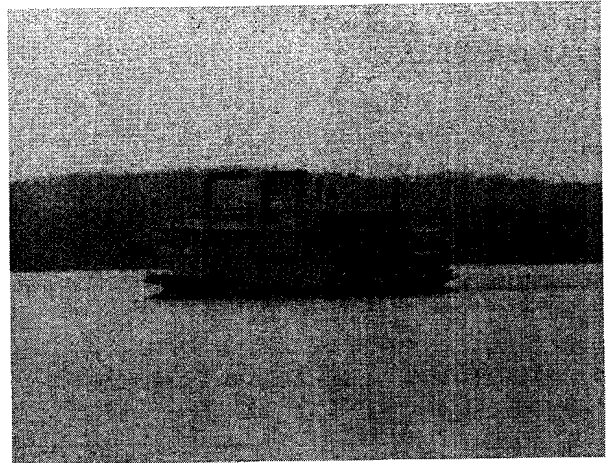
## EXCURSION BOAT TAX REVENUES

State Government	\$1,444,785.45	\$5,962,909.30
Local Government	163,709.80	485,420.82
Gambler's Assistance	538,375.16	1,397,052.42
<b>TOTAL</b>	<b>\$2,191,843.41</b>	<b>\$7,845,382.54</b>

# Iowa's Excursion Boat Industry

After two years of struggling with initial legislation governing rule making, regulatory controls, and licensing issues, Iowans saw history repeat itself. The riverboats were back on the Mississippi! Excitement flowed from the home ports of Davenport, Bettendorf, Ft. Madison, Clinton and Dubuque, as the river's banks were lined by tourists and hometown people alike. Everyone wanted to experience the thrill and pageantry of riverboat gambling.

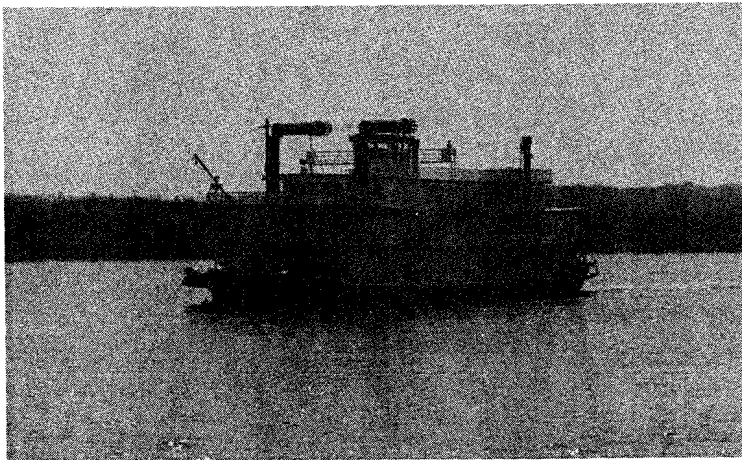
Of course, there were the normal adjustments of "what do we do when..." and "what happens if ...", but all in all, the waters were smooth as the moors were dropped and the riverboats began operation from Dubuque to Keokuk. Iowa became the first state to enter into the industry of riverboat gambling. From the beginning week, all the riverboats surpassed projections. This trend continued throughout the "prime" season and into the "off-prime" season.



*The first riverboat made its way to Iowa in April 1991.*

In 1989, when legislation was passed, no one anticipated the growth and effect riverboats would have on the Iowa economy and tourism. During the first season of excursion gambling, the State experienced an enormous boost in revenue.

Regulation has proven to be the major area of concern. Persons participating in riverboat gambling, whether as a nonprofit board member or employee, concessionaire, contract holder, representative of the boat operator, or an individual whose duties require them to be present on or regularly visit a riverboat, are required to have a license from the Iowa Racing & Gaming Commission. All licenses are temporary until completion of necessary background investigations, through the Division of Criminal Investigation and the Federal Bureau of Investigations.



*This has become a common site — a paddlewheeler moving toward the shore.*

The age requirement for employment on a riverboat is 18 years of age or older. Children are welcome to board the boats with special supervised areas for children between the ages of 3 and 12 during the cruise. No one under 18 years of age is allowed in the casinos and no one under 21 years of age is allowed to consume alcohol.

Each boat operator is required to employ adequate security to remove a person violating a provision of Iowa Code, commission rules, orders, final orders, a person deemed undesirable by Iowa Racing & Gaming Commission officials, or anyone engaging in fraudulent practices from the boat or boat support facilities. A certified peace officer must accompany each excursion.

Excursions are to be a minimum of two hours during the regular excursion season. The number of excursions per day is not limited. An excursion gambling boat must operate qualified excursions for 120 days during the season to operate during off-season. The minimum capacity for an excursion gambling boat is 500 persons with a ticket of admission.

Dice, roulette, twenty-one, and big six (roulette) are allowed as table games. Slot machines, progressive slot machines, video poker, and other video games of chances are allowed subject to approval by the Iowa Racing & Gaming Commission. A minimum of 80% payout is required on each machine game. A \$200.00 loss limit per cruise and a \$5.00 wagering limit per hand, or play, is mandated by Iowa Code. When playing twenty-one, an individual may exceed the \$5.00 per hand limit when traditional insurance, doubling or splitting of a hand occurs.

Iowa Code also states, "An excursion boat licensee shall pay to the (Iowa Racing & Gaming) Commission an admission fee for each person embarking on an excursion gambling boat with a ticket of admission." The licensee of each excursion gambling riverboat is required to pay the city and county in which their dock is located 1/2 of 1%. Gambling games are taxed on the adjusted gross receipts received annually at a rate of 5% on the first \$1,000,000; 10% on the next \$2,000,000; and 20% on any amount of adjusted gross receipts over \$3,000,000. Another 3% of the adjusted gross receipts shall be deposited in the Gamblers' Assistance Fund. The remaining amount of the adjusted gross receipts' tax is credited to the general fund of the State.



*Spectators, young and old alike, line the dock to record Iowa's historical entry into the excursion boat industry.*

Currently, Iowa has five excursion gambling riverboats licensed and operating on the Mississippi River. Licenses are granted by the Iowa Racing & Gaming Commission with consideration to which applications best promote Iowa's gaming industry and provides high gaming integrity. Various criteria are given serious consideration, such as community support, employment opportunities, economic development, tourism, and the character and reputation of the individuals identified with the ownership and operation of the gambling boat.

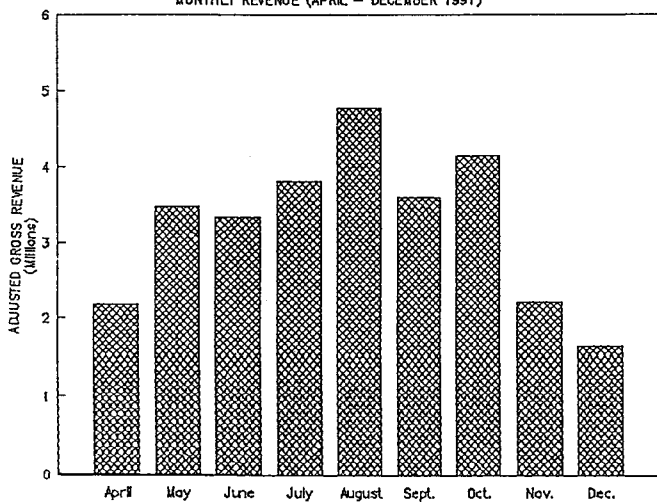
During the first eight months of operations, the State's general fund received \$7,347,533.29. Gamblers' Assistance Fund monies totaled \$1,935,391.83.

Following is a description and breakdown of the individual riverboat's statistics for 1991.

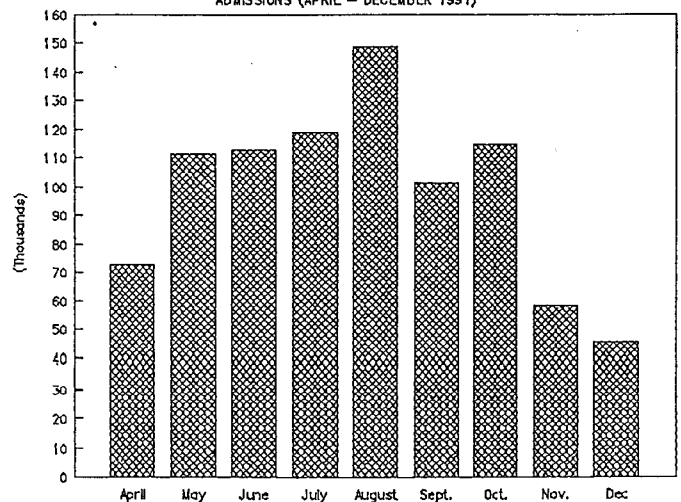
The President:

The President, whose home port is Davenport, is Iowa's largest riverboat. It is 297 feet long and 5 decks high. The approved coast guard capacity is 3,000. The Connelly Group owns and operates the President. During the first 8 months of its operation, the President recorded an attendance figure of 855,007 individuals.

PRESIDENT RIVERBOAT CASINO  
MONTHLY REVENUE (APRIL - DECEMBER 1991)



PRESIDENT RIVERBOAT CASINO  
ADMISSIONS (APRIL - DECEMBER 1991)

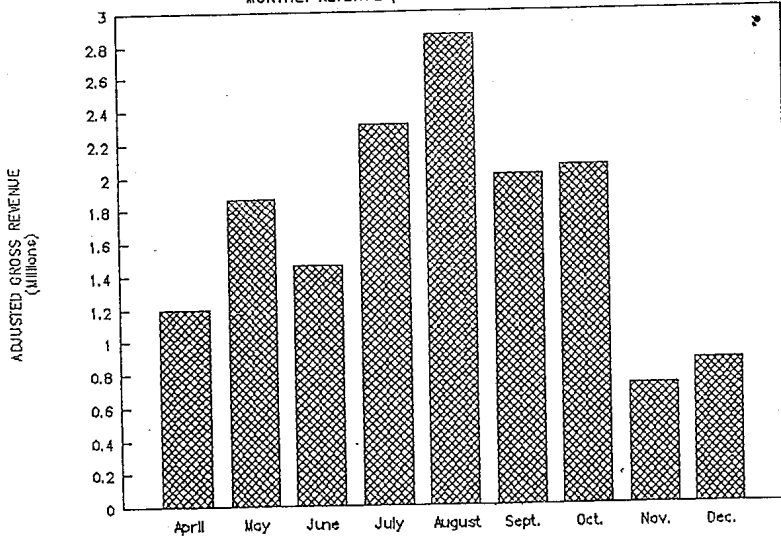




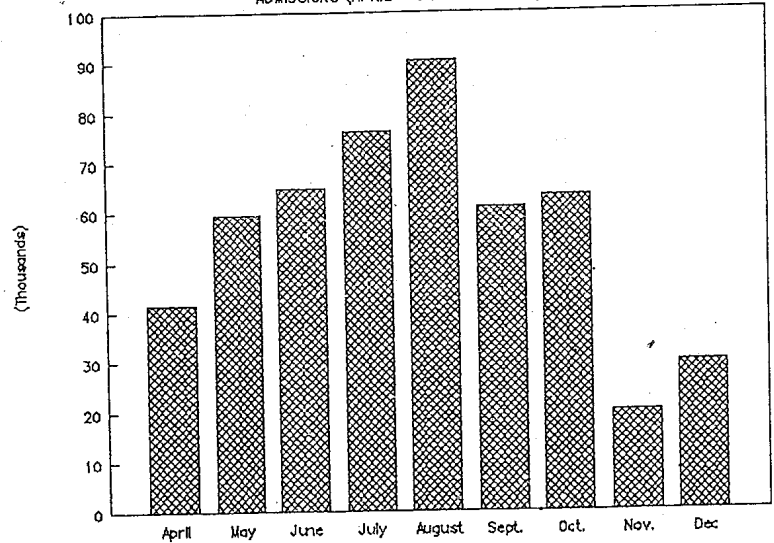
The Dubuque Casino Belle:

As its name says, the home port of the Dubuque Casino Belle is Dubuque, Iowa. It is owned and operated by Robert Kehl, of Robert's River Rides. Mr. Kehl also operates scenic dinner cruise riverboats. The capacity of the Dubuque Casino Belle is 2,000. It has 3 decks, two of which have casino operations and one that holds the restaurant facilities. Attendance on the Dubuque Casino Belle for 1991 was 505,411.

DUBUQUE CASINO BELLE RIVERBOAT  
MONTHLY REVENUE (APRIL - DECEMBER 1991)



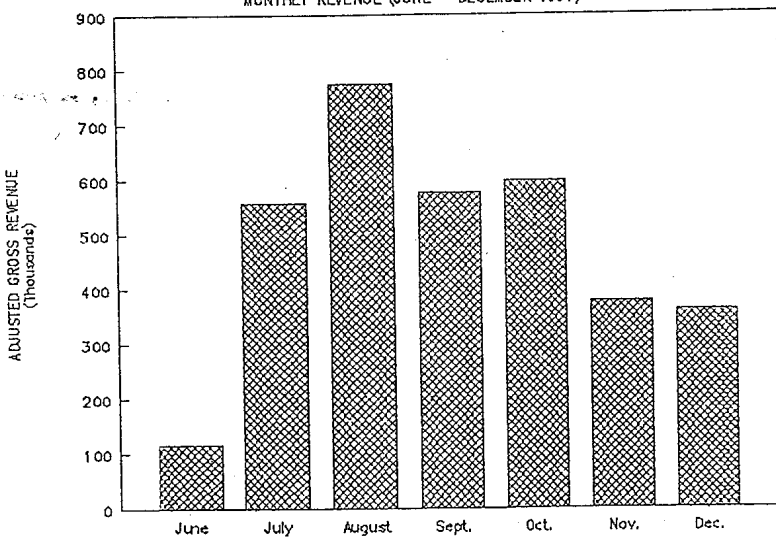
DUBUQUE CASINO BELLE RIVERBOAT  
ADMISSIONS (APRIL - DECEMBER 1991)



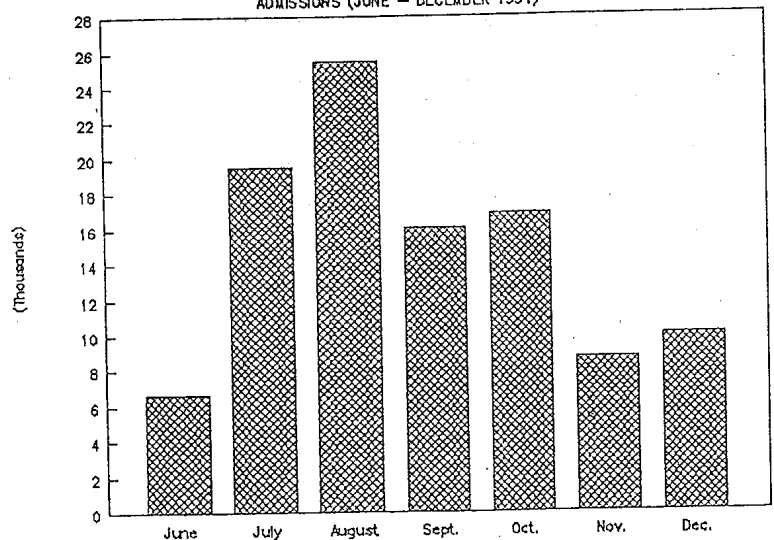
The Mississippi Belle II:

This riverboat is also owned by Robert's River Rides, but operates out of Clinton, Iowa. It is much smaller than its sister riverboat, the Dubuque Casino Belle, with a capacity of 500. The Mississippi Belle II's maiden voyage was in June 1991. Therefore, its peak season was shorter than the other four riverboats. She recorded an attendance figure of 103,279.

MISSISSIPPI BELLE II RIVERBOAT  
MONTHLY REVENUE (JUNE - DECEMBER 1991)

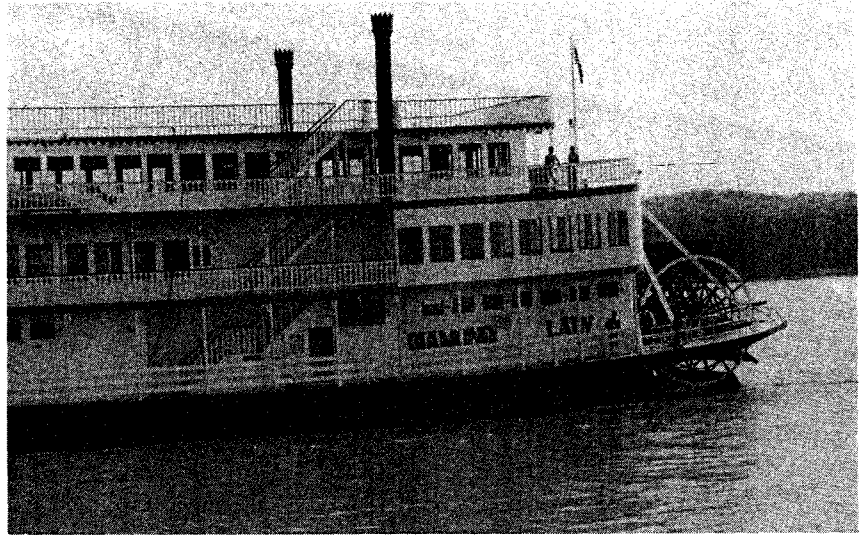


MISSISSIPPI BELLE II RIVERBOAT  
ADMISSIONS (JUNE - DECEMBER 1991)

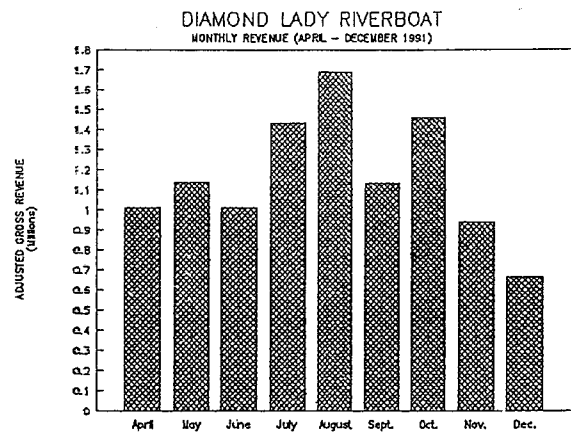
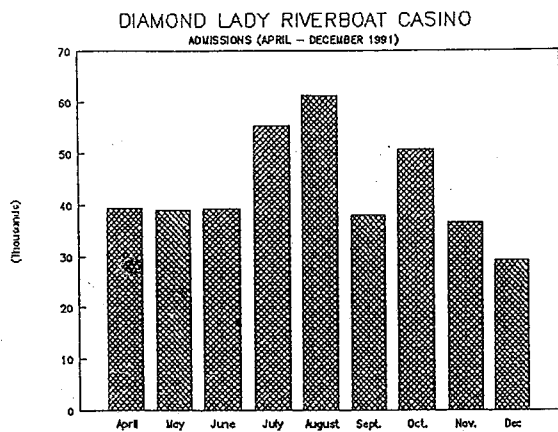


The Diamond Lady:

Steamboat Development owns and operates the Diamond Lady which graces the river bank in Bettendorf, Iowa. It has 3 decks, and its coast-guard approved capacity is 1,000. The Diamond Lady's elegance is an excellent example of the historical aspect of Iowa's riverboat past. Two of its three decks contain gambling casinos. Its attendance figure during 1991 was 387,870.

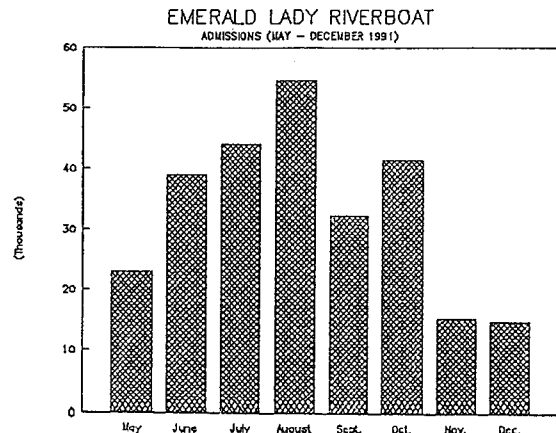
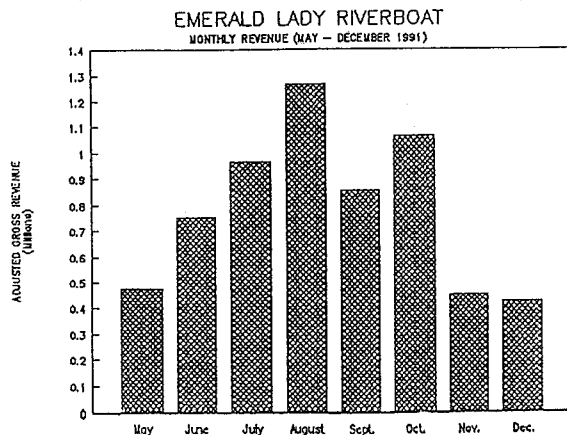


*The Diamond Lady makes her way up the Mississippi. She makes her home in Bettendorf, Iowa.*



The Emerald Lady:

The Emerald Lady is the sister to the Diamond Lady. It's summer home port is Ft. Madison, Iowa. Its physical decor, size and capacity is basically the same as the Diamond Lady's. The winter docking site of the Emerald Lady is Keokuk, Iowa. It is the only riverboat with a different summer and winter docking site. Steamboat Southeast, the owner and operator of the Emerald Lady, launched her May 10, 1991. Through December, 1991, a total of 264,243 patrons visited this Lady.





**IOWA STATE  
RACING AND GAMING COMMISSION  
Lucas Building  
Des Moines, Iowa 50319  
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