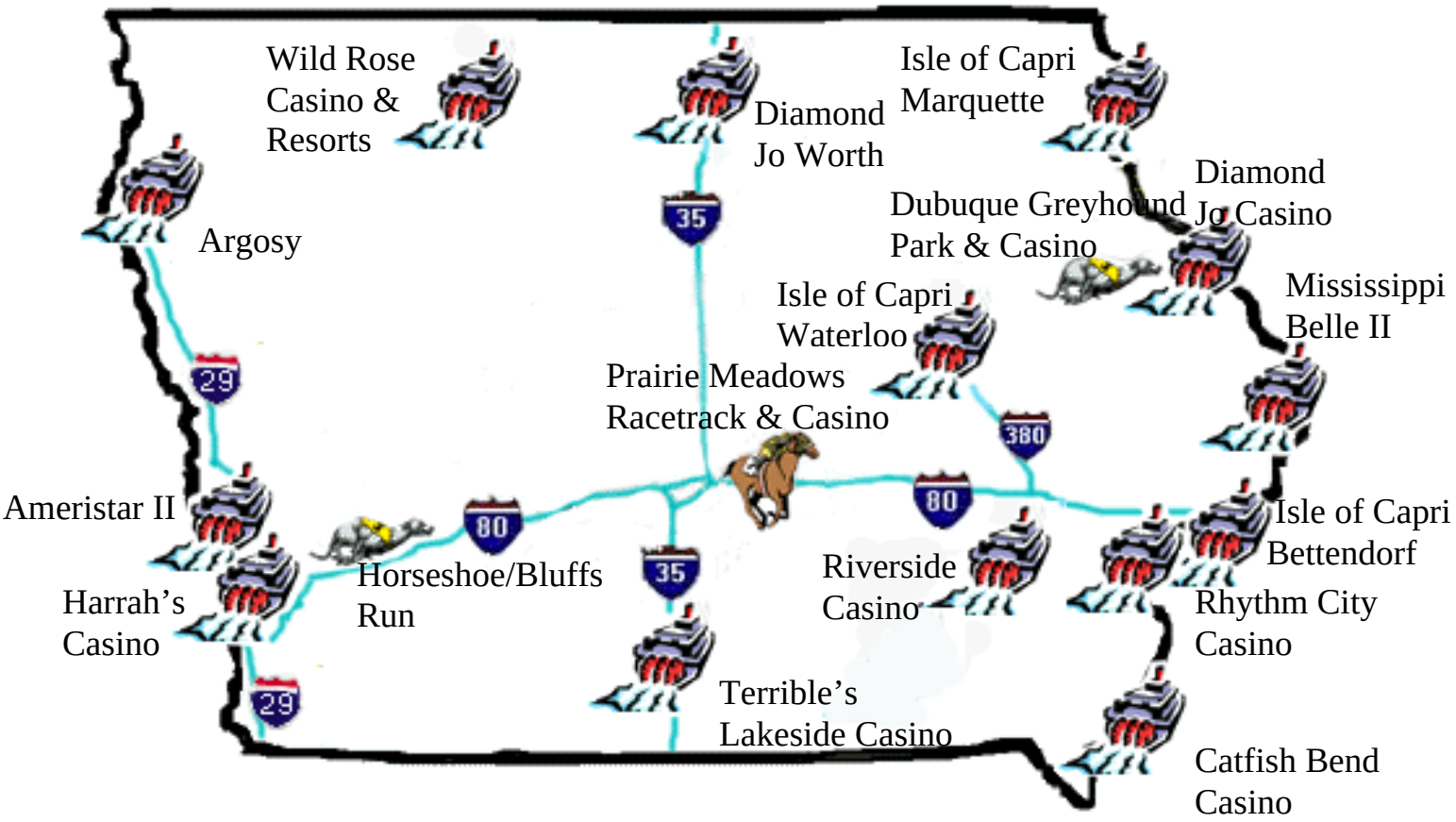
IOWA RACING AND GAMING COMMISSION

2007 Annual Report

Kate Cutler, *Chair*
Gerald Bair, *Vice Chair*
Diane Hamilton, *Commissioner*
Gregory Seyfer, *Commissioner*
Toni Urban, *Commissioner*

LOCATION OF LICENSED FACILITIES



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Fields of Opportunities

STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

RACING AND GAMING COMMISSION
JACK P. KETTERER, ADMINISTRATOR

March 1, 2008

The Honorable Chet Culver
Governor, State of Iowa
State Capitol
Des Moines, IA 50319

Dear Governor Culver:

As chair of the Iowa Racing and Gaming Commission, I am pleased to have the opportunity to submit the 2007 Annual Report. This has been a challenging and exciting year with both highlights and concerns.

The highlights of 2007 include the opening on June 30, 2007 of the newest casino, Isle of Capri Waterloo, the expansion of Diamond Jo Worth, the opening of the golf course on August 11 at Riverside Casino and Golf Resort, a new land-based casino facility in Burlington which opened June 11, 2007, and the completion of the Isle of Capri-Bettendorf's new $40 million hotel tower. Three of the four new casinos whose licenses were granted on May 11, 2005 were in operation for the entire 12 months of 2007. Riverside Casino and Golf Resort and Wild Rose Casino and Resorts met their revenue and admissions projections for the first full calendar year of operations. Diamond Jo-Worth with its expansion significantly increased admissions and adjusted gross revenue numbers.

The Economic Impact reports provide a glimpse of the magnitude of what the gaming industry means to the state contributing over $1 billion to the state's economy. The Commission focuses on whether a substantial amount of goods and services are purchased from Iowa vendors. The facilities purchased $294 million of equipment, supplies and services from Iowa vendors during 2007. Facilities paid $304.8 million to the state of Iowa in gaming taxes representing a substantial impact on state revenues. Salaries, wages and employee benefits totaled nearly $280 million. Nonprofit groups and local governments were the recipients of $80 million in charitable donations.

Concerns include a decline in admissions at Prairie Meadows Racetrack and Casino as well as at Harrah's Council Bluffs Casino & Hotel, Ameristar II, Isle of Capri-Marquette, Diamond Jo (Dubuque), Mississippi Bell II (Clinton), Rhythm City (Davenport), Isle of

Capri-Bettendorf, and Terrible's Lakeside Casino in Osceola. Catfish Bend Casino suspended operations in Fort Madison for an indefinite period of time on November 15, 2007.

The Commission addressed several issues not included above. These included review of the sanctions for violations of the state-wide voluntary self-exclusion program, acquisition of Harrah's Entertainment, Inc. by Apollo Management and Texas Pacific Group, legislative removal of the water requirements for casinos, contract negotiations with the horsemen and track and horse safety at Prairie Meadows Racetrack and Casino, and questions regarding opening a discussion for new license applications.

As always, there are not enough words to express the Commission's appreciation of its administrator, Jack Ketterer. Even with the retirement of several key staff members, Jack and his staff provide the commissioners, the industry and the public accurate, thorough and timely information and analysis. Jack and his staff's dedication, competency, integrity, and professionalism set a standard for the industry.

With warmest personal regards,

Kathryne Cutler

Kathryne Cutler
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 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.

To date, approximately 2,300 people have entered the program and in excess of $500,000 has been forfeited and sent to the Gambling Treatment Fund.

COMMISSION MEETINGS

During 2007, the Iowa Racing and Gaming Commission (Commission) met nine times, with two Executive Sessions being held. One telephonic meeting 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/. Highlights of the meetings follow:

January 11, 2007: The Commission met at Stoney Creek Inn, Johnston, Iowa. Rules were approved under Notice of Intended Action. The Commission approved financing for the Diamond Jo (DJ) Dubuque expansion project, modifications to the gaming floor plan for the Isle of Capri Waterloo (IOCW) facility, and a change to the approved racing dates at Bluffs Run Greyhound Park (BRGP). The Commission heard a presentation by Prairie Meadows Racetrack & Casino (PMR&C) concerning short and long-term parking solutions, and approved the 45-day plans for the thoroughbred and mixed meets. Stipulated Agreements with Diamond Jo Worth (DJW) and Riverside Casino & Golf Resort (RCGR) for violation of Iowa Code Section 99F.9(5) (Wagering-age restriction). A discussion was held on proposed legislation.

March 1, 2007: The Commission met at Terrible's Lakeside Resort, Osceola, Iowa. Due to a severe winter storm, this meeting was brief, with several items tabled until the April meeting. The Commission approved the 45-day plan for Dubuque Greyhound Park & Casino (DGP&C). A discussion was held, and public comment received, on whether the Commission should consider granting additional licenses. As IOCW was not yet open and the Commission could not determine the impact of the facility on other facilities, it was determined the Commission would not take this issue up again until early 2008. The Commission approved renewal of the following Excursion Gambling Boat license renewals, including any contracts, en masse: 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 (SCRA)/Isle of Capri Bettendorf, LC (IOCB) d/b/a Isle of Capri Bettendorf; Riverboat Development Authority (RDA/IOC Davenport, Inc. d/b/a Rhythm City Casino (RC); Washington County Riverboat Foundation, Inc. (WCRF)/Riverside Casino & Golf Resort, LLC d/b/a RCGR; Clarke County Development Corporation (CCDC)/HGI-Lakeside, Inc. d/b/a Terrible's Lakeside Casino Resort; Missouri River Historical Development, Inc. (MRHD)/Belle of Sioux City, L.P. d/b/a Argosy Casino Sioux City (Argosy); Worth County Development Authority (WCDA)/Diamond Jo Worth LLC d/b/a DJW; Dubuque Racing Association (DRA)/Peninsula Gaming Company, LLC d/b/a DJ; Upper Mississippi Gaming Corp./Isle of Capri Marquette, Inc. d/b/a Isle of Capri Marquette (IOCM); Southeast Iowa Regional Riverboat Commission (SIRRC)/Catfish Bend Casinos II, L.C. d/b/a Catfish Bend Casinos II (CBC); Clinton County Community Development Association (CCCDA)/Wild Rose Clinton, L.L.C. d/b/a Wild Rose Clinton (WRC) and Palo Alto County Gaming Development (PACGD)/Wild Rose Emmetsburg, L.L.C./Wild Rose Emmetsburg (WRE). Following a discussion concerning the 3-month delay in opening the IOCW facility, the Commission approved the license renewal for Black Hawk County Gaming Association (BHCGA)/IOC Black Hawk County, Inc. d/b/a the isle casino & hotel waterloo. The

Commission approved the merger of CBC and Huckleberry Entertainment, LLC into Great River Entertainment, LLC. Notice regarding the Request for Proposals for the Horse Racing Promotion Fund was given.

April 19, 2007: The Commission met at Ameristar Casino, Council Bluffs, Iowa. The Commission was welcomed to Council Bluffs by Mayor Tom Hanafan. Meeting dates for Fiscal Year 2008, except October, were approved; as were rules submitted under Final Adopt and an emergency filing. The Commission received the following reports: Mark Vander Linden, Executive Officer of the Iowa Gambling Treatment Program concerning National Problem Gambling Awareness Week and Iowa's efforts to fight problem gambling; and Jack Ketterer, IRGC Administrator, on the year-to-date economic impact reports submitted by the facilities. Two facilities had Iowa purchases below 80%. The Commission reviewed the annual financial audits submitted by the facilities, and received construction updates from CBC, DJW and IOCW. The Commission received a report from MRHD regarding compliance with Iowa Code Section 99F.5 – distributions. The Commission reviewed the financial audit of the IWRA/Iowa Greyhound Association financial audit. The Commission approved distribution of the Horse Promotion Fund in the amount of $3,839.08 to Legacy Harness Horse Foundation for the purpose of marketing harness racing at the county fairs.

June 7, 2007: The Commission met at Stoney Creek Inn, Johnston Iowa. The Commission approved rules submitted under Notice of Intended Action, and a request by IOC to refinance senior secured credit facilities. The Commission received a report from Ameristar Casino and IWRA concerning an expansion and renovation of the property. Notice was given that Requests for Proposals for the Greyhound Promotion Fund were due in the Commission's Des Moines office by June 30, 2007. The Commission approved the regulatory fees for Fiscal Year 2008. The Commission received a report from Commissioners Bair and Seyfer setting out proposed sanctions for violations of the state-wide voluntary self-exclusion program. The report and sanctions were approved. The Commission received public comment regarding a contract dispute between PMR&C and the Iowa Harness Horsemen's Association.

July 12, 2007: The Commission met at Stoney Creek Inn, Johnston, Iowa. The Commission elected a new chair and vice chair for Fiscal Year 2008. Due to a move in corporate offices from Louisiana to Missouri and different philosophies in auditing procedures, IOC requested an extension of time to file the required annual audits. The Commission granted the request for 60 days. The Commission approved a request by Wild Rose Entertainment to consolidate existing debt for Wild Rose Clinton and Wild Rose Entertainment. The Commission approved changes to an Amendment to the Management Agreement, an Amendment to Memorandum of Management Agreement, Amendment to Lease and Amendment to Memorandum of Lease between Harveys BR Management Company, Inc. and IWRA. The Commission denied a request by Horseshoe Casino (HSC)/BRGP to change races from September 20-23 to December 28-31, 2007 for the purpose of holding a concert on the infield of the track. The Commission approved the 45-day plan for the harness meet at PMR&C, including staff recommendations. The Commission approved Stipulated Agreements with IOCB and PMR&C for violations of Iowa Code Section 99F.9(5) (Wagering –age restriction) and CBC for violation of Iowa Code Section 99F.4(22) (Powers-Voluntary Self-Exclusion-

Winnings). The Commission approved the Iowa Greyhound Association as the recipient of the 2008 Dog Racing Promotion Fund, with contingencies.

August 30, 2007: The Commission met at Riverside Casino & Golf Resort, Riverside, Iowa. The Commission was welcomed to Riverside by Dan Kehl and Tim Putney, President of the Washington County Riverboat Foundation. Notice was given that license renewal applications from the racetracks and racetrack enclosures were due in the Commission's Des Moines office by September 10th, 2007. The Commission approved an Agreement Pertaining to Racing at PMR&C for the 2007 Season between PMR&C and the Iowa Harness Horsemen's Association, and a change in the post time for the harness races from 4:00 PM to 5:00 PM. The Commission received a report from PMR&C on the various synthetic racetrack surfaces that are available.

October 9, 2007: The Commission met at the isle casino & hotel, Waterloo, Iowa. Executive Session was held. The Commission was welcomed to Waterloo by Don Hoth, President of the Black Hawk County Gaming Association and Mayor Tim Hurley. The Commission approved rules submitted under Notice of Intended Action; granted IOC an additional extension of time (October 31, 2007) to file their financial audits; granted WRE's request to be treated as a Gambling Structure pursuant to Iowa Code Section 99F.4D and a contract for the removal of the water under the casino floor and construction of an amphitheater. The Commission heard a presentation by Apollo Management and Texas Pacific Group regarding their application to acquire Harrah's Entertainment, Inc. The Commission approved the renewal of the following racetrack licenses, granted race dates, and approved racetrack enclosure gambling licenses for: IWRA/BRGP/HC and DRA/DGP&C, including contracts. Action on PRM&C's licenses was postponed until the November Commission meeting. The Commission approved Stipulated Agreements with CBC for violation of Iowa Code Section 99F.9(5) (employing underage on floor) and RCGR for violation of Iowa Code Section 99F.4(22) (voluntary self-exclusion).

November 8, 2007: The Commission met at Stoney Creek Inn, Johnston, Iowa. Executive Session was held. The Commission received reports on the financial audits of IOCB, Rhythm City, and IOCM. The Commission approved a request from CBC to approve an amendment to the Southeast Iowa License and Operations Agreement, which allowed for a schedule change to the operations in Fort Madison (closing the facility). The Commission approved the 45-day plan for the 2008 race meet at HSC/BRGP. The Commission received comments from the Horsemen's Benevolent and Protective Association regarding the 2008 live race meet at PMR&C. The Commission approved the renewal of the racetrack license, granted race dates, and approved the renewal of the racetrack enclosure license for PMR&C, including contracts. The Commission approved Stipulated Agreements with RCGR for violations of Iowa Code Section 99F.4(22) (voluntary self-exclusion) and Administrative Code Section 491-4.5(8) (approval of contracts and business arrangements). The Commission heard an appeal of an Administrative Law Judge's (ALJ) Decision to uphold the Commission's decision to deny a license to Lena Gaines-Keatley. The Commission affirmed the ALJ's Decision, but moved to allow Ms. Gaines-Keatley to reapply for a license immediately with full disclosure.

December 10, 2007: The Commission held a telephonic meeting which originated in the Commission's Des Moines office. The Commission approved the acquisition of Harrah's Entertainment, Inc. by Apollo Management and Texas Pacific Group.

HORSESHOE CASINO

BLUFFS RUN GREYHOUND PARK

Council Bluffs, IA

Live Racing

	2006	2007
Racing Dates	1/1-12/31	1/1-12/31
Number of Performances	302	300
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	$5,520,758	$5,527,873
Track Commission	$1,290,474	$1,293,818
Breakage	$20,867	$20,482
Returned to Public	$4,209,417	$4,213,573
Total Purses Paid (all sources)	$9,542,847	$9,537,392

Simulcasting (Signals Sent-Live Greyhound)

Simulcast Handle	$29,141,159	$30,718,065

Simulcasting (Signals Received-Greyhounds & Horses)

Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	8,633	9,297
Admissions	2,739,386	2,911,497
Total Mutuel Handle	$13,514,763	$14,350,120
Breakage	$76,993	$77,207

Pari-Mutuel Revenues to State

State Tax	$263,012	$276,394
Gambler's Treatment	$27,080	$27,639
Unclaimed Winnings	$87,998	$63,099

DUBUQUE GREYHOUND PARK & CASINO

Dubuque, IA

	2006	2007
Live Racing		
Racing Dates	4/29-10/29	4/28-10/28
Number of Performances	163	162
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	$2,474,851	$2,197,164
Track Commission	$549,346	$489,255
Breakage	$14,696	$13,299
Returned to Public	$1,910,809	$1,694,610
Total Purses Paid (all sources)	$3,554,805	$3,911,715
Simulcasting (Signals Received-Greyhounds & Horses)		
Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	2,423	2,581
Admissions	1,448,820	1,513,477
Total Mutuel Handle	$3,511,445	$3,346,355
Breakage	$9,701	$9,123
Pari-Mutuel Revenues to State		
State Tax	$109,322	$87,738
Gambler's Treatment	$12,374	$10,986
Unclaimed Winnings	$57,688	$60,201

PRAIRIE MEADOWS RACETRACK & CASINO

Altoona, IA

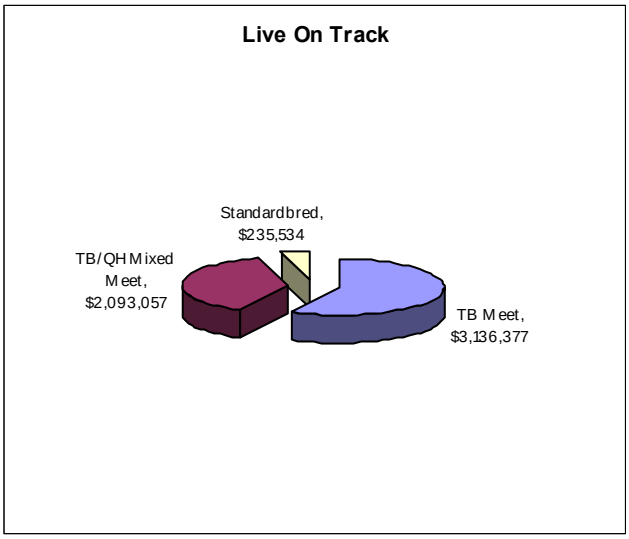
Live Racing

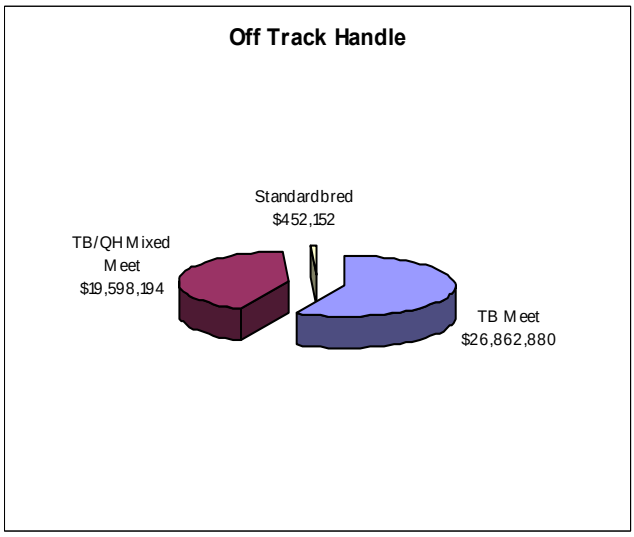
	2006	2007
Racing Dates	4/21-7/4	4/20-7/4
	7/13-9/9	7/10-9/15
	9/22-10/14	9/22-10/20
Number of Performances	95	104
Admissions	See Simulcasting	See Simulcasting
Total Mutuel Handle	$5,528,513	$5,464,968
Track Commission	$1,012,660	$1,052,495
Breakage	$44,224	$44,442
Returned to Public	$4,482,331	$4,396,915
Total Purses Paid (all sources)	$17,804,033	$18,338,161

Simulcasting (Signals Sent-Live Horse)

	2006	2007
Simulcast Handle ***(commingled)***	$37,129,002	$46,913,226

HORSE RACING HANDLE – LIVE MEET





Simulcasting (Signals Received-Greyhounds & Horses)

	2006	2007
Simulcasting Dates	1/1-12/31	1/1-12/31
Number of Performances	7,304	6,554
Admissions	2,811,897	2,508,733
Total Mutuel Handle	$14,356,589	$15,702,980
Total Mutuel Handle (Horse)	$12,278,242	$13,963,801
Total Mutuel Handle (Greyhound)	$2,078,347	$1,739,179
Breakage	$77,131	$87,118

Pari-Mutuel Revenues to State

Unclaimed Winnings	$117,511	$127,495

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 2007 for the Commission.

SAMPLES

	URINE	BLOOD
Greyhound		
Bluffs Run Casino	4,499	
Dubuque Greyhound Park & Casino	2,337	
Horse		
Prairie Meadows Racetrack & Casino	1,858	1,950

POSITIVE TESTS

Beta Hydroxy Stanozolol	2
Boldenone	4
Carprofen	2
Furosemide	2
Norpseudoephedrine	3
Pseudoephedrine	1
Desmethylpyrilamine	1
Phenylbutazone/Oxyphenbutazone >2.2 mg/ml	1
Testosterone	2
Flunixin	7
Enalapril & Enalaprilat	1
Nandrolone	2
TOTAL POSITIVES	**28**

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 2007:

THOROUGHBRED/QUARTERHORSE/STANDARDBRED

PRAIRIE MEADOWS RACETRACK & CASINO

Breeders Awards	$616,073
Purse Supplements to Owners of Iowa Breds	$2,472,986
Horse Racing Promotion Fund	$4,123
Carry-Over	$0

GREYHOUNDS

HORSESHOE CASINO AND BLUFFS RUN GREYHOUND PARK

Breeders Awards	$184,578
Purse Supplements to Owners of Iowa-whelped greyhounds	$2,953,137
Iowa Stakes	$450,000
Carry-Over	$0
Dog Racing Promotion Fund	$0

DUBUQUE GREYHOUND PARK & CASINO

Breeders Awards	$11,040
Purse Supplements to Owners of Iowa-whelped greyhounds	$771,990
Iowa Stakes	$218,960
Carry-Over (Breakage Only)	$34,380
Dog Racing Promotion Fund	$21,150

ALL IOWA RACETRACK CASINO

GAMING TOTALS

	2006	2007
Admissions	7,000,103	6,933,707
Slot Drop	$2,779,671,321	$2,911,279,679
Slot Coin In	$5,107,040,812	$5,121,327,828
Slot Revenue	$371,133,504	$409,189,174
Table Drop	$139,066,512	$213,773,242
Table Revenue	$28,476,978	$46,048,677
Adjusted Gross Revenue	$399,610,483	$455,237,855
City Tax	$1,998,053	$2,276,189
County Tax	$1,998,053	$2,276,189
Gambler’s Treatment	$1,998,053	$2,276,189
Endowment Fund	$1,998,053	$2,952,687
State Miscellaneous Fund	$0	$450,999
Gaming Tax	$83,756,686	$96,258,870
Regulatory Fee	$3,101,989	$3,216,108

HORSESHOE CASINO
BLUFFS RUN GREYHOUND PARK
GAMING

Council Bluffs, IA

	2006	2007
Admissions	2,739,386	2,911,497
Slot Drop	$937,485,842	$1,026,373,779
Slot Coin In	$1,624,622,384	$1,829,330,732
Slot Revenue	$144,205,628	$173,044,945
Table Drop	$41,125,086	$108,868,183
Table Revenue	$8,757,155	$22,672,269
Adjusted Gross Revenue	$152,962,783	$195,717,214
City Tax	$764,814	$978,585
County Tax	$764,814	$978,585
Gambler's Treatment	$764,814	$978,585
Endowment Fund	$764,814	$1,271,038
State Miscellaneous Fund	$0	$194,969
Gaming Tax	$31,688,280	$42,100,366
Admission Fee/Regulatory Fee	$1,049,659	$1,078,640

DUBUQUE GREYHOUND PARK AND CASINO GAMING

Dubuque, IA

	2006	2007
Admissions	1,448,820	1,513,477
Slot Drop	$458,102,805	$536,521,212
Slot Coin In	$893,270,338	$948,724,039
Slot Revenue	$63,926,444	$66,502,266
Table Drop	$8,934,826	$21,186,539
Table Revenue	$1,777,913	$9,726,090
Adjusted Gross Revenue	$65,704,356	$70,798,005
City Tax	$328,522	$353,991
County Tax	$328,522	$353,991
Gambler's Treatment	$328,522	$353,991
Endowment Fund	$328,522	$459,783
State Miscellaneous Fund	$0	$70,528
Gaming Tax	$12,730,871	$13,573,280
Regulatory Fee	$704,594	$784,792

PRAIRIE MEADOWS RACETRACK AND CASINO GAMING

Altoona, IA

	2006	2007
Admissions	2,811,897	2,508,733
Slot Drop	$1,384,082,674	$1,348,384,688
Slot Coin In	$2,589,148,091	$2,343,273,057
Slot Revenue	$163,001,433	$169,641,963
Table Drop	$89,006,600	$83,718,520
Table Revenue	$17,941,910	$19,080,669
Adjusted Gross Revenue	$180,943,343	$188,722,636
City Tax	$904,717	$943,613
County Tax	$904,717	$943,613
Gambler's Treatment	$904,717	$943,613
Endowment Fund	$904,717	$1,221,866
State Miscellaneous Fund	$0	$185,502
Gaming Tax	$39,337,535	$40,585,224
Regulatory Fee	$1,347,736	$1,352,676

PARI-MUTUEL REVENUE AND EXPENDITURES

2007

EXPENDITURES FOR REGULATION

Salary and Benefits	$1,864,793.74
Travel	$29,287.59
State Vehicle	$3,485.31
Office Supplies/Printing/Postage	$23,112.40
Equipment Maintenance	$10,195.23
Communications	$27.98
Rentals	$39,963.84
Professional, Scientific & Outside Services	$618,693.80
Intra State Transfers	$34,702.52
Advertising/Publicity	$0.00
ITD/IT Outside Services	$4,166.56
Reimbursements to Other Agencies	$18,885.73
Equipment	$24,623.42
TOTAL	$2,671,938.12

REVENUES TO STATE

Annual Licensing Fee	$3,000
Regulatory Fees	$3,149,128
Daily License Fees	$197,200
Occupational License Fees	$77,240
Fines	$55,755
Pari-Mutuel Tax	$382,609
Gaming Tax	$96,258,870
State Miscellaneous Fund	$450,999
Gambler's Treatment	$2,276,189
Unclaimed Winnings	$293,504
TOTAL	103,144,494

REVENUES TO LOCAL GOVERNMENT

Gaming Taxes (City/County)	$4,552,378
Endowment Fund	$2,276,189

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 the ratio of drop to the adjusted gross revenues.

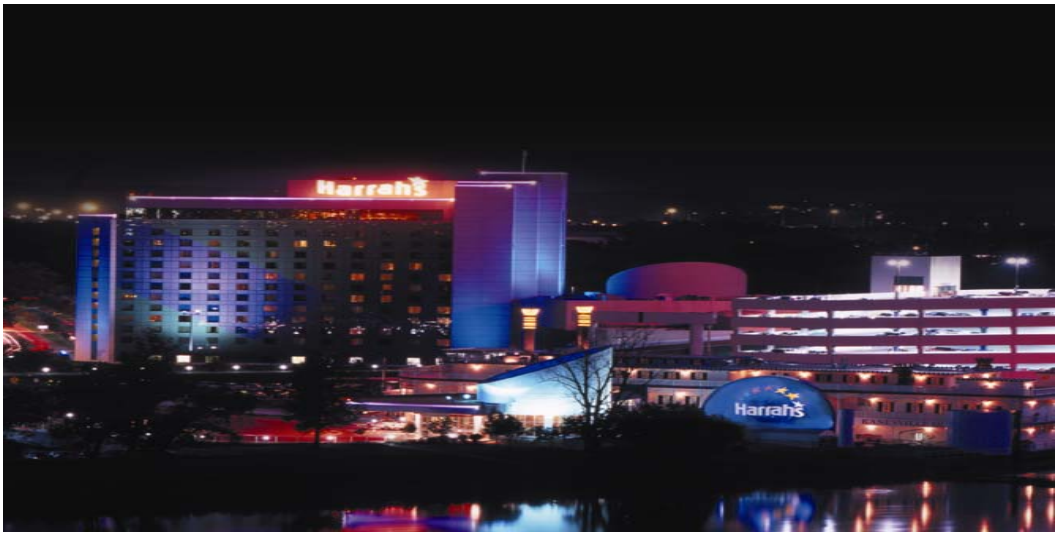
The tax based on adjusted gross revenues from gambling games is: Up to $1,000,000, 5%; above $1,000,000 to $3,000,000, 10%; above $3,000,000 Excursion gambling boat – 22%; Racetrack enclosure in the same county as other licensees and not issued a table games license – 22%; Racetrack enclosure in the 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, 4/5% to the County Endowment Fund, 1/2% to gambler’s treatment, 1/5% to the State Miscellaneous Fund and the remainder to designated state funds.

ALL IOWA EXCURSION BOAT TOTALS

	2006	2007
Admissions	13,642,777	16,425,668
Slot Drop	$4,029,590,288	$5,227,922,484
Slot Coin In	$8,717,040,055	$9,740,149,197
Slot Revenue	$691,198,742	$826,098,658
Table Drop	$370,579,847	$393,147,781
Table Revenue	$82,053,497	$81,718,081
Adjusted Gross Revenue	$773,252,240	$907,816,679
City Tax	$3,866,259	$4,539,082
County Tax	$3,866,259	$4,539,082
Gambler's Treatment	$3,866,259	$4,539,082
Endowment Fund	$3,866,259	$5,960,545
State Miscellaneous Fund	$0	$771,391
Gaming Tax	$149,249,525	$173,403,887
Regulatory Fee	$6,864,642	$10,807,406
Special Tax Assessment (RIIF)	$23,001,162	$0

HARRAH'S COUNCIL BLUFFS CASINO & HOTEL



Council Bluffs, IA

	2006	2007
Admissions	2,139,569	1,734,912
Slot Drop	$519,449,161	$471,623,064
Slot Coin In	$1,135,092,504	$970,330,009
Slot Revenue	$98,856,164	$89,742,921
Table Drop	$72,746,066	$43,448,506
Table Revenue	$16,671,251	$8,449,804
Adjusted Gross Revenue	$115,527,415	$98,192,725
City Tax	$577,637	$490,963
County Tax	$577,637	$490,963
Gambler's Treatment	$577,637	$490,963
Endowment Fund	$577,637	$636,498
State Miscellaneous Fund	$0	$97,023
Gaming Tax	$22,695,483	$18,985,987
Regulatory Fee	$688,088	$851,798
Special Tax Assessment (RIIF)	$2,329,863	$0

AMERISTAR II

Council Bluffs, IA

	2006	2007
Admissions	3,143,029	2,730,955
Slot Drop	$912,240,421	$895,551,478
Slot Coin In	$1,994,845,567	$1,754,702,594
Slot Revenue	$163,812,403	$160,596,232
Table Drop	$98,497,434	$75,973,667
Table Revenue	$21,932,406	$16,349,867
Adjusted Gross Revenue	$185,744,809	$176,946,099
City Tax	$928,724	$884,731
County Tax	$928,724	$884,731
Gambler's Treatment	$928,724	$884,731
Endowment Fund	$928,724	$1,149,108
State Miscellaneous Fund	$0	$176,252
Gaming Tax	$36,738,962	$34,538,590
Regulatory Fee	$688,088	$851,798
Special Tax Assessment (RIIF)	$3,557,600	$0

ISLE OF CAPRI-MARQUETTE

Marquette, IA

	2006	2007
Admissions	594,323	474,078
Slot Drop	$221,451,651	$215,475,409
Slot Coin In	$535,369,874	$438,693,241
Slot Revenue	$39,436,443	$34,317,843
Table Drop	$13,927,042	$5,526,927
Table Revenue	$2,755,281	$2,013,891
Adjusted Gross Revenue	$42,191,724	$36,331,734
City Tax	$210,958	$181,658
County Tax	$210,958	$181,658
Gambler's Treatment	$210,958	$181,658
Endowment Fund	$210,958	$234,732
State Miscellaneous Fund	$0	$35,382
Gaming Tax	$8,028,345	$6,767,892
Regulatory Fee	$615,272	$706,566
Special Tax Assessment (RIIF)	$883,073	$0

DIAMOND JO

Dubuque, IA

	2006	2007
Admissions	886,545	732,838
Slot Drop	$284,684,411	$250,232,970
Slot Coin In	$617,598,817	$526,338,303
Slot Revenue	$42,498,430	$37,712,771
Table Drop	$26,386,020	$16,189,333
Table Revenue	$5,601,289	$2,812,051
Adjusted Gross Revenue	$48,099,720	$40,524,792
City Tax	$240,498	$202,624
County Tax	$240,498	$202,624
Gambler's Treatment	$240,498	$202,624
Endowment Fund	$240,498	$263,536
State Miscellaneous Fund	$0	$40,608
Gaming Tax	$9,209,944	$7,593,439
Regulatory Fee	$615,272	$706,566
Special Tax Assessment (RIIF)	$1,052,888	$0

CATFISH BEND CASINO

Fort Madison, IA and Burlington, IA

New Facility in Burlington opened June 11, 2007
Boat closed operations on November 15, 2007

	2006	2007
Admissions	566,797	958,386
Slot Drop	$192,886,352	$229,356,854
Slot Coin In	$345,969,802	$381,620,059
Slot Revenue	$27,889,314	$31,743,710
Table Drop	$12,885,939	$15,077,852
Table Revenue	$2,783,567	$3,233,679
Adjusted Gross Revenue	$30,672,881	$34,977,389
City Tax	$153,365	$174,887
County Tax	$153,365	$174,887
Gambler's Treatment	$153,365	$174,887
Endowment Fund	$153,365	$234,080
State Miscellaneous Fund	$0	$39,463
Gaming Tax	$5,464,540	$6,486,821
Regulatory Fee	$615,272	$920,341
Special Tax Assessment (RIIF)	$669,057	$0

MISSISSIPPI BELLE II

Clinton, IA

	2006	2007
Admissions	466,876	432,067
Slot Drop	$156,785,512	$164,095,237
Slot Coin In	$333,863,946	$328,011,305
Slot Revenue	$25,349,986	$25,626,203
Table Drop	$10,520,198	$10,056,443
Table Revenue	$2,439,625	$2,318,406
Adjusted Gross Revenue	$27,789,612	$27,944,609
City Tax	$138,948	$139,722
County Tax	$138,948	$139,722
Gambler's Treatment	$138,948	$139,722
Endowment Fund	$138,948	$180,945
State Miscellaneous Fund	$0	$27,482
Gaming Tax	$4,899,320	$5,110,217
Regulatory Fee	$615,272	$706,566
Special Tax Assessment (RIIF)	$593,005	$0

ARGOSY – SIOUX CITY

Sioux City, IA

	2006	2007
Admissions	1172,678	1,185,898
Slot Drop	$268,889,957	$282,158,254
Slot Coin In	$601,071,679	$596,842,281
Slot Revenue	$49,028,311	$50,795,091
Table Drop	$31,919,646	$29,344,781
Table Revenue	$7,293,587	$6,678,540
Adjusted Gross Revenue	$56,321,898	$57,473,631
City Tax	$281,609	$287,368
County Tax	$281,609	$287,368
Gambler's Treatment	$281,609	$287,368
Endowment Fund	$281,609	$371,574
State Miscellaneous Fund	$0	$56,137
Gaming Tax	$10,854,380	$10,944,383
Regulatory Fee	$615,272	$706,566
Special Tax Assessment (RIIF)	$978,859	$0

RHYTHM CITY CASINO

Davenport, IA

	2006	2007
Admissions	1,351,918	1,055,087
Slot Drop	$448,152,258	$416,008,546
Slot Coin In	$953,557,849	$741,673,956
Slot Revenue	$73,972,472	$58,308,791
Table Drop	$16,918,624	$11,243,327
Table Revenue	$3,255,923	$2,214,676
Adjusted Gross Revenue	$77,228,395	$60,523,467
City Tax	$386,142	$302,618
County Tax	$386,142	$302,618
Gambler's Treatment	$386,142	$302,618
Endowment Fund	$386,142	$390,717
State Miscellaneous Fund	$0	$58,733
Gaming Tax	$15,035,679	$11,547,862
Regulatory Fee	$688,088	$812,459
Special Tax Assessment (RIIF)	$1,636,682	$0

ISLE OF CAPRI-BETTENDORF

Bettendorf, IA

	2006	2007
Admissions	1,605,810	1,438,258
Slot Drop	$486,516,581	$583,126,473
Slot Coin In	$1,170,718,327	$1,047,761,479
Slot Revenue	$88,858,996	$83,586,870
Table Drop	$43,765,690	$37,415,383
Table Revenue	$9,538,374	$8,188,475
Adjusted Gross Revenue	$98,397,370	$91,775,345
City Tax	$491,986	$458,876
County Tax	$491,986	$458,876
Gambler's Treatment	$491,986	$458,876
Endowment Fund	$491,986	$597,485
State Miscellaneous Fund	$0	$92,406
Gaming Tax	$19,269,474	$17,714,054
Regulatory Fee	$688,088	$851,798
Special Tax Assessment (RIIF)	$2,163,147	$0

TERRIBLE'S LAKESIDE CASINO

Osceola, IA

	2006	2007
Admissions	1,403,579	1,086,241
Slot Drop	$360,950,268	$357,463,995
Slot Coin In	$670,398,008	$590,792,641
Slot Revenue	$51,042,201	$52,790,776
Table Drop	$24,616,107	$22,932,268
Table Revenue	$5,907,814	$4,690,055
Adjusted Gross Revenue	$56,950,015	$57,480,831
City Tax	$284,751	$287,405
County Tax	$284,751	$287,405
Gambler's Treatment	$284,751	$287,405
Endowment Fund	$284,751	$372,246
State Miscellaneous Fund	$0	$56,561
Gaming Tax	$10,980,003	$10,944,764
Regulatory Fee	$615,272	$706,566
Special Tax Assessment (RIIF)	$1,136,988	$0

RIVERSIDE CASINO AND GOLF RESORT LLC

Riverside, IA

Riverside opened on August 31, 2006

	2006	2007
Admissions	131,773	1,759,500
Slot Drop	$46,421,650	$557,229,801
Slot Coin In	$76,275,745	$884,727,812
Slot Revenue	$6,094,571	$74,354,794
Table Drop	$5,640,861	$57,220,908
Table Revenue	$1,243,209	$12,332,197
Adjusted Gross Revenue	$7,337,780	$86,686,991
City Tax	$36,689	$433,435
County Tax	$36,689	$433,435
Gambler's Treatment	$36,689	$433,435
Endowment Fund	$36,689	$562,442
State Miscellaneous Fund	$0	$86,005
Gaming Tax	$1,467,556	$16,712,379
Regulatory Fee	$62,136	$816,930
Special Tax Assessment (RIIF)	$2,000,000	$0

DIAMOND JO – WORTH

Northwood, IA

Diamond Jo – Worth opened on April 6, 2006

	2006	2007
Admissions	407,810	1,256,092
Slot Drop	$104,284,891	$385,303,447
Slot Coin In	$240,131,829	$758,368,527
Slot Revenue	$20,013,636	$67,853,301
Table Drop	$10,021,000	$31,185,143
Table Revenue	$2,057,278	$6,107,291
Adjusted Gross Revenue	$22,070,914	$73,960,592
City Tax	$110,354	$369,803
County Tax	$110,354	$369,803
Gambler's Treatment	$110,354	$369,803
Endowment Fund	$110,354	$486,714
State Miscellaneous Fund	$0	$77,941
Gaming Tax	$4,004,183	$14,187,266
Regulatory Fee	$221,095	$706,566
Special Tax Assessment (RIIF)	$1,000,000	$0

WILD ROSE CASINO & RESORTS

Emmetsburg, IA

Wild Rose opened on May 27, 2006

	2006	2007
Admissions	132,070	587,908
Slot Drop	$26,877,177	$149,758,959
Slot Coin In	$52,146,107	$279,171,091
Slot Revenue	$4,345,815	$23,293,605
Table Drop	$2,735,221	$13,777,884
Table Revenue	$573,893	$2,726,701
Adjusted Gross Revenue	$4,919,708	$26,020,306
City Tax	$24,598	$130,101
County Tax	$24,598	$130,101
Gambler's Treatment	$24,598	$130,101
Endowment Fund	$24,598	$169,530
State Miscellaneous Fund	$0	$26,286
Gaming Tax	$601,657	$4,728,347
Regulatory Fee	$137,426	$706,566
Special Tax Assessment (RIIF)	$1,000,000	$0

THE ISLE CASINO & HOTEL AT WATERLOO

Waterloo, IA

The Isle at Waterloo opened on June 30, 2007

	2007	
Admissions	993,448	
Slot Drop	$270,537,997	
Slot Coin In	$441,115,899	
Slot Revenue	$35,375,750	
Table Drop	$19,556,196	
Table Revenue	$3,602,418	
Adjusted Gross Revenue	$38,978,168	
City Tax	$194,891	
County Tax	$194,891	
Gambler's Treatment	$194,891	
Endowment Fund	$310,938	
State Miscellaneous Fund	$77,364	
Gaming Tax	$7,141,886	
Regulatory Fee	$756,320	
Special Tax Assessment (RIIF)	$0	

EXCURSION BOAT REVENUE AND EXPENDITURES
2007

EXPENDITURES FOR REGULATION

Salary and Benefits	$2,474,764.30
Travel	$28,730.49
State Vehicle	$5,394.14
Office Supplies/Printing/Postage	$34,007.49
Equipment Maintenance	$43,201.36
Communications	$117,585.34
Rentals	$38,105.40
Professional, Scientific & Outside Services	($70,808.98)
Intra-State Transfers	$34,702.48
Advertising/Publicity	$0
ITD/IT Outside Services	$141,794.69
Reimbursements to Other Agencies	$24,601.18
Equipment	$132,462.31
TOTAL	$3,004,540.20

REVENUES TO STATE

Annual Licensing Fees	$190,800
Regulatory Fees	$10,807,406
Initial Application Fees	$0
Occupational License Fees	$125,130
Manufacturers/Distributors License Fees	$31,500
Fines	$173,175
Gaming Tax	$173,403,887
Gambler's Treatment	$4,539,082
State Miscellaneous Fund	$947,643
Special Tax Assessment (RIIF)	$0
TOTAL	$190,218,623

REVENUES TO LOCAL GOVERNMENT

Gaming Taxes (City/County)	$9,078,164
Endowment Fund	$4,539,082

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