

Louisiana Gaming Control Board

**Report to the
Louisiana State Legislature**



2003 - 2004



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

HILLARY J. CRAIN
CHARIMAN

**MISSION STATEMENT OF THE
LOUISIANA GAMING CONTROL BOARD**

To regulate all gaming activities under its jurisdiction in a manner which instills public confidence and trust that gaming activities are conducted honestly and free from criminal and corruptive elements; to insure the integrity of individual gaming activities by the regulation of persons, practices, associations and activities within the gaming industry.

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**Mr. President, Mr. Speaker and
Members of the Louisiana Legislature**

In compliance with La. R.S. 27:15(B)(9)(b), the Louisiana Gaming Control Board submits its annual report. This report is the seventh submitted by this Board, and attempts to report the status of gaming as it currently exists in Louisiana. The revenue from all sources is detailed with comparison to other states with similar forms of gaming. The report also details economic data in terms of employment, purchasing and local assistance.

The figures appear to reflect a "mature" gaming industry in this state, with nine of the fourteen riverboat licensees showing a decline in revenue for fiscal year 2002-2003 compared with two in 2002. Gaming revenue to the state has not decreased because additional gaming facilities have been added at the racetracks at Louisiana Downs and Evangeline Downs. However, there has been a decrease in revenue derived from the riverboat casinos. The Bossier - Caddo area is down overall. This area is largely dependent on the Dallas - Fort Worth market which is being impacted by an Indian casino which opened last year in Oklahoma. The location is closer to Dallas - Fort Worth than Shreveport. The opening of slots at the Louisiana Downs racetrack has not created a new market and is draining from the existing riverboat market. A major shift in ownership is pending. There is a proposed sale of Horseshoe to Harrah's and Harrah's existing riverboat casino to Boyd Gaming, which presently owns the Treasure Chest in Kenner and the slots facility at Delta Downs racetrack. Penn Gaming, which runs the Hollywood casino is in default on the Hollywood bonds and is seeking bids for a buyer. The Bossier - Caddo market will be pushed to maintain its present revenue stream.

The Lake Charles riverboat market continues to decline. When there was a sailing requirement two licenses were granted to each of the companies presently owned by Harrah's and Isle of Capri. This enabled the companies to keep one boat dockside at all times. Presently, with no sailing requirement, one of the Harrah's boats and one of the Isle's boats are minimal revenue producers since both companies are handling the majority of their customers on one boat. The slots at the Delta Downs racetrack continues to maintain a stable revenue stream which offsets the loss of state revenue from the riverboats. Additionally, the 300 million dollar Pinnacle project is on schedule and will provide Lake Charles with a tremendous facility separate and apart from the gaming.

**Mr. President, Mr. Speaker and
Members of the Louisiana Legislature**

The Baton Rouge and New Orleans markets reflect little change. The legislature should be aware of the decline in riverboat casino revenue. Although other gaming revenue presently offsets the general revenue loss to the state, the SELF fund is tied to riverboat casino revenue and will be affected by the decline.

Video poker reflects an increase of approximately 7 million dollars in franchise fees paid to the state and an additional 1000 video gaming devices in play over fiscal year 2001-2002. The number of locations remains constant with a slight decrease in bars and lounges and an additional 17 truckstops.

The landbased casino in New Orleans continues to increase production grossing approximately 10 million more in 2002-2003 compared to 2001-2002.

In summary, video poker gaming continues to produce a relatively stable franchise fee to the state. The landbased casino pays its required 60 million and continues to show increased gross income. The riverboat casino segment is showing a decline based in large part on additional competition in state from the adding of slot machines at racetracks, and in the major Shreveport market area increased competition out of state. There are now three racetrack facilities with slot machines, two of which have not operated a full fiscal year. Their production and effect on the overall gaming revenue will be more apparent in the next fiscal year.

Respectfully submitted:

**Hillary J. Crain, Chairman
Robert M. Fleming, Vice-Chairman
James G. Boyer, Secretary/Treasurer
Gen. Sherian G. Cadoria
Dennis R. Kinchen
William D. Lastrapes
Marcia D. Morgan
Rupert R. Richardson
M.J. "Kelly" Simoneaux
Cynthia Bridges
Col. Henry Whitehorn**



ATTORNEY GENERAL'S GAMING DIVISION

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Tom Warner, Senior Counsel
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Section Chiefs

Anne L. Neeb, Landbased Casino
Melinda Tucker, Racetrack Gaming
Claudeidra Minor, Licensing and Compliance
Michael Daniels, Adjudications
James A. Smith, Indian Gaming

LOUISIANA STATE POLICE GAMING ENFORCEMENT DIVISION

Lt. Colonel Geoffrey Bordelon, Deputy Superintendent, Investigations
Major Russell Robinson, Commander
Captain Genny May, General Gaming Section
Captain Dane Morgan, Casino Gaming Section
Susan Demouy, Director, Audit Section

Lt. Rhett Trahan, Casino Gaming Section, Administrative
Lt. Scott Reggio, Casino Gaming Section, Operations
Lt. George Dean, Casino Gaming Section, Indian Enforcement
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Lt. Rick Chargois, Suitability Unit



ACKNOWLEDGMENTS

The Board wishes to acknowledge those who made special contributions to the preparation of this report:

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Tomy Acosta, Law Clerk

Department of Justice, MIS Section

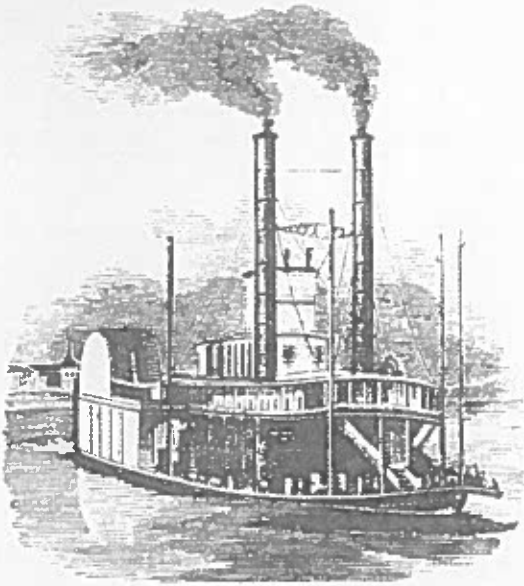
Connie O. Vaughn, MIS Specialist

Louisiana State Police

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Charlotte McGarr, Audit Manager
Jeff Traylor, Audit Manager
Janice Adolph, Audit Supervisor
Donna Jackson, Audit Supervisor
Robert Tucker, Jr., Accounting Specialist Supervisor
Donna Stevens, Accountant III

Casino Association of Louisiana

Wade Duty, Executive Director
Vicki Musso, Executive Assistant



Riverboat



LOUISIANA STATE POLICE
 RIVERBOAT GAMING ACTIVITY SUMMARY
 FISCAL YEAR 2002 - 2003

Licensee	Location	Date of Commencement	Admissions	Total AGR	Fee Remittance
Belle of Orleans, L.L.C.	Bally's Casino-New Orleans	07/07/95	1,330,933	\$ 62,811,300	\$ 11,620,091
Catfish Queen Partnership in Commendam	Argosy Casino- Baton Rouge	09/30/94	1,200,660	78,385,120	16,852,801
Grand Palais Riverboat, Inc.	Isle of Capri-Westlake	07/12/96	2,049,785	139,862,003	30,070,331
Harrah's Lake Charles, L.L.C.	Harrah's-Lake Charles	12/08/93	1,797,588	86,656,242	18,631,092
Harrah's Star Partnership	Harrah's-Lake Charles	10/24/93	1,003,199	52,759,103	11,343,207
Hollywood Casino Shreveport	Hollywood Casino - Shreveport	12/20/00	4,161,459	141,744,387	29,387,037
Horseshoe Entertainment, L.L.P.	Horseshoe-Bossier City	07/09/94	3,212,648	257,302,983	53,414,578
Louisiana Casino Cruises, Inc	Casino Rouge-Baton Rouge	12/28/94	1,591,112	105,738,002	22,733,670
Louisiana Riverboat Gaming Partnership	Isle of Capri-Bossier City	05/20/94	1,608,592	117,135,489	24,296,675
PNK (Bossier City), Inc.	Boomtown-Bossier City	10/04/96	2,586,930	116,113,390	24,084,460
PNK (Harvey), L.P.	Boomtown Casino-Harvey	08/06/94	2,181,682	108,192,814	23,261,455
Red River Entertainment of Shreveport Partnership in Commendam	Harrah's-Shreveport	04/18/94	3,471,857	179,573,163	37,250,591
St. Charles Gaming Company, Inc.	Isle of Capri-Westlake	07/29/95	986,281	36,281,574	7,800,538
Treasure Chest Casino, L.L.C	Treasure Chest-Kenner	09/05/94	1,566,523	110,303,308	23,715,211
TOTALS			28,749,249	\$ 1,592,858,876	\$ 334,461,738

Source: LOUISIANA STATE POLICE (Casino Gaming Division)



LOUISIANA GAMING CONTROL BOARD
 REPORT TO THE LOUISIANA STATE LEGISLATURE
 2003-2004

LOUISIANA RIVERBOAT CASINO INDUSTRY
 ECONOMIC IMPACT FIGURES FY 2002-2003

License Location	Bally's New Orleans Jul-95	Argosy Baton Rouge Aug-94	Boomtown Harvey Aug-94	Boomtown Bossier City Oct-96	Casino Rouge Baton Rouge Dec-94	Harrah's Pride of Lake Charles Dec-93	Harrah's Star Lake Charles Dec-93	Hollywood Casino Bossier City Dec-00
State franchise (16.5 to 21.5) (5)	11,620,091	16,852,801	23,261,455	24,084,460	22,733,670	18,631,092	11,343,207	29,387,037
Local fees	6,554,135	2,989,775	6,491,569	6,236,285	3,995,131	4,477,801	2,722,952	5,333,183
Property taxes	558,773	659,592	815,763	1,693,502	630,447	1,191,128	724,726	4,500,476
Payroll (includes tips)	17,499,014	16,620,885	23,618,793	33,529,940	22,429,653	16,471,517	8,869,278	32,652,893
Benefits (1)	4,549,744	4,676,243	6,140,886	7,923,361	5,831,710	7,155,052	3,852,721	7,891,752
Employment (F/T)	714	538	1,067	1,207	692	574	574	1,767
Employment (ftes)	612	587	929	1,063	731	797	429	1,505
Procurement (total (2))	30,060,490	10,840,956	24,466,961	49,768,824	14,627,110	40,919,156	10,666,997	30,887,269
Minority	2,419,112	1,206,111	3,646,075	3,014,601	974,963	905,188	878,862	9,057,711
Woman	1,611,902	2,085,853	4,573,875	6,733,895	2,187,774	1,418,295	1,256,165	11,701,399
Capital investments/improvements 02 -03	941,059	4,214,211	249,572	13,219,506	2,500,269	2,026,993	1,234,993	990,142
Capital investments/improvements cumulative	69,796,317	69,187,580	99,090,579	129,533,464	74,886,250	178,104,513	45,729,343	192,564,477
Charitable contributions 2002 - 2003	98,745	92,081	162,027	277,327	159,955	47,842	47,842	171,788
Charitable contributions cumulative	770,734	488,281	1,363,646	1,983,882	2,016,811	363,899	282,806	525,798
Development plans	0	3,500,000	1,000,000	2,000,000	4,471,877	0	0	5,300,000
Admissions	1,330,933	1,200,660	2,181,682	2,586,857	1,591,112	1,797,588	1,003,199	4,161,459
Percentage of Visitors (3)	20%	5%	5%	82%	13.40%	17%	17%	69%
Estimate of visitors	266,186	60,033	109,084	2,121,222	213,209	305,589	170,543	2,871,406
Visitors spending (4)	13,309,300	3,001,650	5,454,205	106,061,100	10,660,450	15,279,450	8,527,150	143,570,300

(1) Estimated from previous studies to be 26% of payroll

(2) Excludes gaming equipment

(3) Percentage of patrons who originate from more than 150 miles or from another state

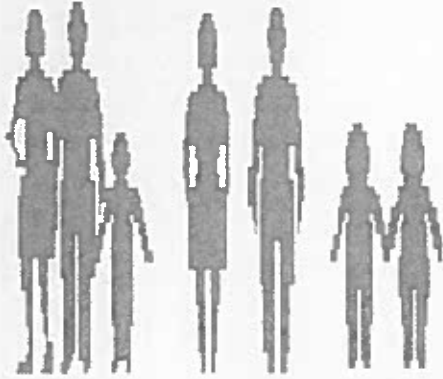
(4) Studies indicate a visitor spends up to \$150/day on meals, lodging, transportation and retail. For the purpose of this survey, the Casino Association conservatively calculates a visitor spends \$50/day

(5) Beginning 4-1-01 the Red River licensees' franchise fee increased to 19.5% and increased to 21.5% on 4-1-03. Franchise fee for all other vessels increased to 21.5% on 4-1-0



LOUISIANA GAMING CONTROL BOARD
 REPORT TO THE LOUISIANA STATE LEGISLATURE
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LOUISIANA RIVERBOAT CASINO INDUSTRY ECONOMIC IMPACT FIGURES FY 2002-2003									
License	Horseshoe Bossier City Jul-94	Harrah's Shreveport Apr-94	Isle of Capri Bossier City May-94	Isle/Grand Palais Lake Charles Jul-96	Isle/St. Charles Lake Charles Jul-95	Treasure Chest Kenner Sep-94	Totals		
State franchise (18.5 to 21.5) (5)	53,414,578	37,250,591	24,296,675	30,070,331	7,800,538	23,715,211	334,461,737		
Local fees	9,473,572	8,532,556	5,210,073	6,472,111	2,049,219	6,462,414	77,000,776		
Property taxes	3,836,670	4,536,000	1,680,339	381,197	1,563,425	510,925	23,282,963		
Payroll(includes tips)	73,464,524	31,811,291	21,525,844	18,914,999	13,419,967	25,634,775	356,463,373		
Benefits (1)	18,862,553	10,658,915	8,491,861	5,621,363	7,388,511	4,755,057	103,799,729		
Employment (F/T)	2,583	1,668	1,238	441	671	845	14,579		
Employment (ftes)	2,218	1,361	1,086	608	800	905	13,631		
Procurement (total (2))	55,943,465	26,997,651	20,070,464	3,757,469	25,042,182	50,149,405	394,198,399		
Minority	23,949,172	6,053,731	2,963,083	405,402	1,332,561	1,799,399	58,605,971		
Woman	17,243,545	5,815,501	3,400,769	346,853	2,535,131	3,736,279	64,647,236		
Capital investments/improvements 02 -03	9,438,803	2,663,099	11,972,032	7,522,867	4,666,980	2,522,300	64,162,826		
Capital investments/improvements cumulative	216,442,246	241,590,319	141,371,243	40,721,357	121,520,489	140,530,920	1,761,069,097		
Charitable contributions 2002 - 2003	716,702	229,252	301,631	16,347	269,160	128,796	2,719,495		
Charitable contributions cumulative	5,014,423	4,109,358	3,431,131	537,133	2,723,225	1,973,906	25,585,033		
Development plans	1,200,000	0	54,005,000	18,715,000	4,417,000	2,200,000	96,808,877		
Admissions	3,212,648	3,471,857	1,604,590	2,049,785	986,281	1,566,523	28,745,174		
Percentage of Visitors (3)	75%	75%	87%	87%	87%	12.73%	46.58%		
Estimate of visitors	2,409,486	2,617,806	1,399,475	1,783,312	858,064	199,418	15,384,833		
Visitors spending (4)	120,474,430	130,890,321	69,973,750	89,165,645	42,903,223	9,970,918	769,241,892		
(1) Estimated from previous studies to be 26% of payroll									
(2) Excludes gaming equipment									
(3) Percentage of patrons who originate from more than 150 miles or from another state									
(4) Studies indicate a visitor spends up to \$150/day on meals, lodging, transportation and retail. For the purpose of this survey, the Casino Association conservatively calculates a visitor spends \$50/day									
(5) Beginning 4-1-01 the Red River licensees' franchise fee increased to 19.5% and increased to 21.5% on 4-1-03. Franchise fee for all other vessels increased to 21.5% on 4-1-01.									



Demographic Information



LOUISIANA GAMING CONTROL BOARD
 REPORT TO THE LOUISIANA STATE LEGISLATURE
 2003-2004

RIVERBOAT GAMING CALENDAR YEAR 2003

LICENSEE	LOCATION	TOTAL PAYROLL				
		Total Payroll**	Total Employed*	L.a. Residents*	Minorities*	Female*
Belle of Orleans, L.L.C.	Bally's Casino - New Orleans	\$ 15,697,471	706	699	565	400
Catfish Queen Partnership in Commendam	Argosy Casino-Baton Rouge	25,540,356	968	971	625	547
Grand Palais Riverboat, Inc.	Isle of Capri-Westlake	7,402,850	410	391	187	248
Harrah's Lake Charles, L.L.C.	Harrah's-Lake Charles	21,660,602	854	836	450	477
Harrah's Star Partnership	Harrah's-Lake Charles	13,365,091	524	513	269	293
Hollywood Casino Shreveport	Hollywood Casino-Shreveport	32,392,743	1866	1843	1315	1123
Horseshoe Entertainment, L.L.P.	Horseshoe-Bossier City	44,561,294	2577	2546	1617	1495
Louisiana Casino Cruises, Inc.	Casino Rouge-Baton Rouge	10,386,993	842	835	502	443
Louisiana Riverboat Gaming Partnership	Isle of Capri-Bossier City	22,096,000	1208	1195	833	723
PNK (Bossier City), Inc. (previously Casino Magic of Louisiana, Corp.)	Boomtown-Bossier City	34,110,240	1106	1088	753	676
PNK (Harvey), L.P. (previously Louisiana 1 Gaming Partnership in Commendam)	Boomtown Casino-Harvey	20,353,459	1034	1027	572	626
Red River Entertainment of Shreveport Partnership in Commendam	Harrah's-Shreveport	42,852,692	1672	1637	1092	988
St. Charles Gaming Company, Inc.	Isle of Capri-Westlake	23,829,955	1277	1238	654	701
Treasure Chest Casino, L.L.C.	Treasure Chest-Kenner	25,494,940	1053	1047	484	539
TOTAL		\$ 339,744,686	16,097	15,866	9918	9279

Dollar figures are rounded to the nearest dollar.

* Averages over 2003

** Including benefits



LOUISIANA GAMING CONTROL BOARD
 REPORT TO THE LOUISIANA STATE LEGISLATURE
 2003-2004

RIVERBOAT GAMING CALENDAR YEAR 2003

LICENSEE	LOCATION	TOTAL PROCUREMENT		
		Louisiana Owned	Minorities	Female
Belle of Orleans, L.L.C.	Bally's Casino - New Orleans	\$ 6,288,759	\$ 2,604,996	\$ 1,771,765
Catfish Queen Partnership in Commendam	Argosy Casino-Baton Rouge	7,026,686	1,300,353	2,282,448
Grand Palais Riverboat, Inc.	Isle of Capri-Westlake	1,768,160	335,567	183,392
Harrah's Lake Charles, L.L.C.	Harrah's-Lake Charles	7,662,328	1,230,875	1,581,650
Harrah's Star Partnership	Harrah's-Lake Charles	6,775,055	1,174,348	1,484,941
Hollywood Casino Shreveport	Hollywood Casino-Shreveport	18,971,603	8,856,861	11,395,652
Horseshoe Entertainment, L.L.P.	Horseshoe-Bossier City	38,805,468	21,046,413	15,466,702
Louisiana Casino Cruises, Inc.	Casino Rouge-Baton Rouge	19,907,902	3,787,696	5,024,859
Louisiana Riverboat Gaming Partnership	Isle of Capri-Bossier City	20,122,169	3,511,773	3,931,275
PNK (Bossier), Inc. (previously Casino Magic of Louisiana, Corp.)	Boomtown-Bossier City	10,886,946	2,338,177	5,208,946
PNK (Harvey), L.P. (previously Louisiana I Gaming Partnership in Commendam)	Boomtown Casino-Harvey	13,269,935	3,529,256	4,204,284
Red River Entertainment of Shreveport Partnership in Commendam	Harrah's-Shreveport	14,012,488	6,242,536	5,574,526
St. Charles Gaming Company, Inc.	Isle of Capri-Westlake	11,068,210	976,359	2,468,445
Treasure Chest Casino, L.L.C.	Treasure Chest-Kenner	10,624,949	1,852,840	3,671,235
TOTAL		\$ 187,190,658	\$ 58,788,050	\$ 64,250,120



Other States Riverboats



RIVERBOAT SELECT DATA COMPARISON - OTHER STATES

	Illinois FY 2003	Indiana FY 2003	Iowa FY 2003	Missouri FY 2003	Mississippi FY 2003	Louisiana FY 2003
Number of Vessels	10	10	10	11	30	14
Casino Type	Dockside	Dockside	Cruise	Dockside	Dockside	Dockside
AGR	\$ 1,797,695,004	\$ 2,158,088,857	\$ 665,092,334	\$ 1,305,128,185	\$ 2,372,407,409	\$ 1,592,858, 876
State Gaming Taxes	\$ 575,260,489	\$ 459,240,274	\$ 120,872,266	\$ 286,088,739	\$ 219,925,547	\$ 334,461,738
Local Taxes or Fees	\$ 108,138,393	\$ 194,204,833	\$ 6,650,922	\$ 77,268,230	\$ 109,508,420	\$ 77,000,776
Total Employees	10,346	15,184	6,611	10,728	31,343	16,097
Total Square Footage	283,810	496,490	225,861	642,900	1,475,287	392,551
Total Admissions	18,253,643	26,289,651	12,613,470	51,165,666	54,800,000	28,749,249
Tax Rate and/or Admission Charges:	Graduated % of AGR 15% 0 to \$ 25 M 22.5% \$25 to \$ 50 M 27.5% \$ 50 to \$ 75 M 32.5% \$ 75 to \$100 M 37.5% \$100 to \$150 M 45% \$150 to \$200 M 50% over \$250 M \$3.00 per admission	Graduated % of AGR 15% \$ 0 - \$25 M 20% \$25 - \$50 M 25% \$50 - \$75 M 30% \$75 - \$150 M 35% over \$150 M \$ 3.00 per admission	Graduated % of AGR 5% \$ 0 - \$1 M 10% \$1M - \$3 M 20% over \$3 M	20% of AGR & \$ 2.00 per admission (\$1.00 to state and \$1.00 to local government.)	8% of AGR & 4% to local governments Mississippi does not track, tax or charge admission. Patron data is gathered through a quarterly survey.	Red River area licensees: 20.5% b/w 4/1/02 & 3/31/03 21.5 % on & after 4/1/03 Bally's: Graduated % of AGR 18.5% 0 - \$6 M/month 20.5% \$6 - \$8 M/month 21.5% over \$8 M/month

These figures represent revenues received by state and local agencies from information provided. Indiana has a relatively complex system of revenue distribution and reports revenues based on the tax or fee source.

AGR = ADJUSTED GROSS REVENUE



ILLINOIS GAMING BOARD

101 West Jefferson
 Springfield, Illinois 62702
 Phone: (217) 524-0226

Budget Officer: Kathy Spain
 RIVERBOAT GAMING

ILLINOIS DEPARTMENT OF REVENUE

101 West Jefferson
 Springfield, Illinois 62702
 Phone: (217) 782-7288

Budget Officer: David Hunt
 CHARITABLE GAMES/BINGO

The following data reflects employment and budgetary information for Riverboat Gaming, which is regulated by the Illinois Gaming Board and Charitable Bingo, which is regulated by the Illinois Department of Revenue. The data sources are the Illinois Gaming Board's fiscal year end report and the Illinois Department of Revenue's budget office.

TOTAL OPERATING BUDGET

Riverboat Gaming FY 03	\$ 14.7 million
Estimated FY 04	\$ 13.8 million
Charitable Games/Bingo FY 03	\$ 2.0 million
Estimated FY 04	\$ 2.0 million

SOURCE OF FUNDING

Riverboat Gaming: The Riverboat Gaming operating budget is appropriated by the Illinois State Legislature from the State Gaming Fund.

Charitable Games/Bingo: The Charitable Gaming operating budget is allocated from a self-supporting special fund generated by investigative and licensing fees.

EXPENDITURES ON SALARIES

Riverboat Gaming: The Illinois Gaming Board has a cooperative relationship with the Illinois State Police. State Police Officers or revenue special agents are required to be stationed on-board the riverboats. Their salaries are not included below.

Total Personal Services (salaries only) - FY 03	\$ 7.4 million
Estimated FY 04	\$ 6.8 million
Charitable Games/Bingo:	
Total Personal Services - FY 03	\$ 0.7 million
Estimated FY 04	\$ 0.7 million

ALLOCATION OF EMPLOYEES

Riverboat Gaming – FY 02	81
Illinois State Police	50
Charitable Games/Bingo – FY 02	10

ALLOCATION BY DEPARTMENTS

Riverboat Gaming: Law Enforcement	87
Administration	39
Attorneys	5
Charitable Games/Bingo	Not Available



INDIANA GAMING COMMISSION

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 115 W. Washington Street
 Indianapolis, Indiana 46204-3408
 Phone: (317) 233-0046

Executive Director: Glenn Lawrence
 Controller: Kendra Nig

The following data reflects employment, budgetary and regulatory information for the Indiana Gaming Commission. The data source is the 2003 Indiana Gaming Commission Summary of Appropriations.

COMMISSION OPERATING BUDGET

FY 2002	\$ 2,827,009
FY 2003	\$ 2,827,009
FY 2004	\$ 2,827,009

INDIANA STATE POLICE BACKGROUND INVESTIGATIVE UNIT (BIU) OPERATING BUDGET

FY 2002	\$ 1,383,030
FY 2003	\$ 1,383,030
FY 2004	\$ 1,383,030

SOURCES OF FUNDING

The Indiana Gaming Commission's funding is appropriated from Wagering Taxes.

EXPENDITURES ON SALARIES

The Indiana Gaming Commission has a cooperative relationship with the Indiana State Police which provides enforcement and regulatory checks at gaming installations. Salary expenditures are as follows:

SALARIES EXPENDITURE (BUDGETED) - INDIANA GAMING COMMISSION

FY 2002	\$ 1,859,555
FY 2003	\$ 1,859,555
FY 2004	\$ 2,111,179

SALARIES EXPENDITURE (BUDGETED) - INDIANA STATE POLICE (BIU)

FY 2002	\$ 916,000
FY 2003	\$ 916,000
FY 2004	\$ 915,000

ALLOCATION OF EMPLOYEES

Indiana Gaming Commission	31
Indiana State Police (BIU)	18



IOWA RACING AND GAMING COMMISSION

Administrator: Jack Ketterer

Non-Indian Gaming
717 East Court Ave., Suite B
Des Moines, Iowa 50309
Phone: (515) 281-7352

The following data reflects employment and budgetary information for the Iowa Racing and Gaming Commission which regulates Riverboat Gaming and Pari-mutuel Track Racing. The data source is the Iowa Racing and Gaming Commission's Riverboat Revenue Report.

TOTAL OPERATING BUDGET

Riverboat Gaming FY 03 \$ 1,563,389

SOURCE OF FUNDING

The Riverboat Gaming Operations budget is allocated from the State General Fund. However, riverboats must reimburse the Commission on a pro rata basis for law enforcement services of State Troopers stationed onboard the boats. Regulatory fees are contributed to the Gaming General Fund to support the operation's budget.

EXPENDITURES ON SALARIES

Expenditures on Salaries FY 03 \$ 1,433,559

ALLOCATION OF EMPLOYEES

30.22 FTE*

* full time equivalents



MISSISSIPPI GAMING COMMISSION

P.O. Box 23577
 Jackson, MS 39225-3577
 Phone: (601) 351-2800
 Fax: (601) 351-2810

Budget Officer: Pam Carnathan

Staff Director: Patsy Knowles
 Executive Division

The following data reflects employment and budgetary information for the Mississippi Gaming Commission. The data source is the Mississippi Gaming Commission's Budget Request for Fiscal Year 2003.

TOTAL OPERATING BUDGET

FY 03	\$ 8,675,352
(Appropriated) FY 04	\$ 11,260,747

SOURCES OF FUNDING

Mississippi gaming operations are supported by general fund appropriations and specially dedicated funds generated through enforcement, investigations and fees. Amounts contributed to the budget from special and general funds are shown below.

FY 03	
State Appropriations	\$ 3,733,743
Charitable Gaming	\$ 1,400,000
Investigation Fees	\$ 3,541,609
FY 04 (Estimated)	
State Appropriations	\$ 3,653,007
Charitable Gaming	\$ 1,300,000
Investigation/Other Fees	\$ 6,307,740

EXPENDITURES ON SALARIES

The Mississippi Gaming Commission has a cooperative relationship with the Mississippi Highway Patrol. However, the Commission performs all intelligence and enforcement services. Salaries for Commission employees are allocated in the Mississippi Gaming Commission's budget.

Total Salary Expenditure FY 03	\$ 5,600,219
(Appropriated) Expenditure FY 04	\$ 7,362,037

ALLOCATION OF EMPLOYEES

Total Number FY 03	151
--------------------	-----

ALLOCATION BY DEPARTMENTS

Charitable Gaming	20
Enforcement	43
Investigations	19
Others	69



MISSOURI GAMING COMMISSION

Budget Officer: Christy Knipp

3417 Knipp Drive
 Jefferson City, MO 65102
 Phone: (573) 526-4080

The following data reflects employment and budgetary information for the Missouri Gaming Commission which regulates Charitable Bingo and Riverboat Gaming. The data source is the Missouri Gaming Commission's Annual Report.

TOTAL OPERATING BUDGET

FY 2003 Actual	
Personal Services including fringe benefits	\$ 10,022,674
Expense and Equipment	\$ 1,501,744
Total Expended	\$ 11,524,418

Full Time Equivalent Employees 236

FY 2004 Budget	
Personal Services including fringe benefits	\$ 13,969,056
Expense and Equipment	\$ 2,039,291
Total Budgeted	\$ 16,008,347

Full Time Equivalent Employees 235

SOURCE OF FUNDING

Riverboat and Charitable Gaming operating funds are allocated through the state gaming commission fund upon recommendation of the Governor and approval of the Legislature. Funding sources include taxes, fees and other allocations.

EXPENDITURES ON SALARIES

The Missouri Gaming Commission operates as a component of the Missouri Department of Public Safety. The Gaming Commission has a cooperative relationship with the Highway Patrol whose officers provide enforcement and regulatory services. The officers' salaries are paid by the Commission. The Missouri Attorney General's Office provides legal support services which are reimbursed by the Commission.

Total Personal Services FY 02	\$ 10,375,260
Total Personal Services FY 03	\$ 10,022,674
Recommended FY 03	\$ 13,969,056

ALLOCATION OF EMPLOYEES

Total Number FY 03 236



Video Poker



**FRANCHISE FEES BY TYPE
 FY 2002 - 03**

TYPE OF LOCATION	NO. OF VGD'S	NO. OF LOCATIONS	DOLLARS IN	DOLLARS OUT	NET DEVICE REVENUE	FRANCHISE FEES
BARS & LOUNGES	4,668	1,569	\$ 353,313,998	\$ 212,634,155	\$ 140,679,843	\$ 36,576,990
RESTAURANTS	3,269	1,115	262,819,975	157,694,849	105,125,126	27,332,691
HOTELS	157	29	13,632,465	8,851,960	4,780,506	1,242,939
RACE TRACKS & OTBs	813	10	41,403,541	26,279,084	15,124,457	3,403,014
TRUCK STOPS	5,644	139	814,094,795	526,092,023	288,002,772	93,600,974
TOTALS	14,551	2,862	\$ 1,485,264,773	\$ 931,552,070	\$ 553,712,703	\$ 162,156,607

APPLICATION FEES	\$ 117,550
RENEWAL FEES	990,101
DEVICE OPERATION FEES	10,397,705
CIVIL PENALTIES & INTEREST	301,783
PROCESSING FEES	992,391
TOTALS	\$ 12,799,529
TOTAL COLLECTED	\$ 174,956,136

Figures are rounded to the nearest whole dollar amount.



**VIDEO GAMING DATA BY PARISH
 FY 2002 - 2003**

Parish	Establish- ments	Devices	Dollars In	Dollars Out	Net Device Revenue	Franchise Fees	Local Share	State Share
Acadia	70	467	\$ 54,952,723	\$ 36,002,761	\$ 18,949,963	\$ 5,924,343	\$ 1,371,203	\$ 4,553,140
Assumption	33	192	14,376,143	9,119,301	5,256,842	1,604,347	370,250	1,234,097
Avoyelles	35	185	12,681,198	7,621,700	5,059,499	1,501,819	354,831	1,146,987
Bossier	82	392	30,807,464	18,372,613	12,434,851	3,583,449	826,948	2,756,501
Caddo	171	864	84,282,950	51,169,738	33,113,211	9,654,065	2,215,894	7,438,171
Calcasieu	147	1,118	113,360,925	74,208,128	39,152,797	12,085,163	2,773,549	9,311,613
Cameron	15	45	1,833,360	1,054,472	778,888	202,513	46,149	156,364
Desoto	8	146	14,983,317	9,648,506	5,334,812	1,703,726	394,495	1,309,230
East Carroll	5	15	1,892,859	1,139,892	752,967	195,772	45,576	150,196
Iberville	49	241	29,710,789	18,115,698	11,595,091	3,521,811	808,018	2,713,793
Jefferson	577	2,086	205,403,760	123,074,040	82,329,720	21,200,680	4,856,773	16,343,907
Jefferson Davis	26	132	7,798,172	4,885,552	2,912,620	834,438	203,424	631,014
Lafourche	142	705	57,852,252	37,461,312	20,390,940	5,951,678	1,373,581	4,578,097
Madison	22	258	31,579,075	19,099,424	12,479,651	3,959,487	927,905	3,031,582
Orleans	544	1,921	169,754,698	103,234,422	66,520,276	18,523,929	4,290,361	14,233,569
Plaquemines	51	189	16,787,095	10,130,583	6,656,512	1,841,671	440,336	1,401,335



LOUISIANA GAMING CONTROL BOARD
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Parish	Establish- ments	Devices	Dollars In	Dollars Out	Net Device Revenue	Franchise Fees	Local Share	State Share
Pointe Coupee	37	159	11,982,425	7,508,028	4,474,398	1,311,288	303,150	1,008,137
Red River	13	108	11,887,474	7,809,437	4,078,036	1,234,181	283,581	950,600
St. Bernard	108	468	49,791,144	30,932,237	18,858,908	5,220,163	1,208,526	4,011,638
St. Charles	47	227	21,021,861	13,202,727	7,819,134	2,311,469	538,014	1,773,455
St. Helena	20	292	53,116,071	33,788,019	19,328,052	6,215,399	1,441,203	4,774,195
St. James	28	285	31,969,732	20,463,443	11,506,289	3,634,791	856,016	2,778,776
St. John	54	322	30,283,137	18,836,289	11,446,848	3,302,811	760,401	2,542,410
St. Landry	110	590	61,706,777	39,780,967	21,925,810	6,609,326	1,522,056	5,087,271
St. Martin	91	731	94,818,609	63,482,867	31,335,743	9,668,006	2,244,588	7,423,417
St. Mary	78	408	41,355,413	26,283,375	15,072,038	4,537,092	1,054,734	3,482,357
Tensas	13	39	3,198,898	1,913,095	1,285,803	334,311	75,893	258,418
Terrebonne	180	985	114,308,015	73,838,746	40,469,269	12,173,716	2,831,350	9,342,3671
Webster	30	263	33,045,916	20,493,113	12,552,803	3,946,880	913,605	3,033,275
West Baton Rouge	56	591	68,982,437	43,069,108	25,913,329	8,176,633	1,903,485	6,273,148
West Feliciana	20	127	9,740,087	5,812,481	3,927,606	1,191,651	275,895	915,757
TOTALS	2,862	14,551	\$1,485,264,773	\$931,552,070	\$553,712,703	\$162,156,607	\$37,511,792	\$124,644,815

The 31 parishes listed above voted to continue video poker on November 5, 1996.
 Figures are rounded to the nearest whole dollar amount.

Source: Louisiana State Police (Video Gaming Division) and State Treasurer



VIDEO GAMING DATA BY CLASSIFICATION FY 2002 - 2003

Video gaming devices are classified into five (5) different types according to the establishment in which the devices are located. The amount of the franchise fee is based on a percentage of net gaming proceeds according to the following table:

<u>Type</u>	<u>Description</u>	<u>Franchise Fee %</u>
1	Lounges	26.0%
2	Restaurants	26.0%
3	Hotels/Motels	26.0%
4	Racetracks & OTB's	22.5%
5	Truck Stops	32.5%

Below is a recap of net gaming proceeds and franchise fees collected by classification. Dollar amounts represent the entire fiscal year and the number of devices and establishments are as of June 30, 2003.

<u>TYPE</u>	<u>NET GAMING PROCEEDS</u>	<u>FRANCHISE FEES</u>	<u>DEVICES</u>	<u>ESTABLISHMENTS</u>
Type 1	\$ 140,679,843	\$ 36,576,990	4,668	1,569
Type 2	105,125,126	27,332,691	3,269	1,115
Type 3	4,780,506	1,242,939	157	29
Type 4	15,124,457	3,403,014	813	10
Type 5	288,002,772	93,600,974	5,644	139
TOTAL	\$ 553,712,703	\$ 162,156,607	14,551	2,862

Figures are rounded to the nearest whole dollar amount.

Source: LOUISIANA STATE POLICE (Video Gaming Division)



DISTRIBUTION OF VIDEO POKER REVENUE FISCAL YEAR 2002 - 2003

RECEIPTS

Franchise Fees	\$ 162,156,607
Other Fees and Penalties	12,799,529
TOTAL COLLECTED	\$ 174,956,136

EXPENDITURES

District Attorneys	\$ 5,400,000
Local Governments	37,511,792
Horsemen's Purse Supplemental Fund	2,809,653
Louisiana State Police Budget	4,400,000
Compulsive and Problem Gaming Fund	500,000
TOTAL EXPENDITURES	\$ 50,621,445
TRANSFERRED TO GENERAL FUND	\$ 124,334,691

Figures are rounded to the nearest whole dollar amount.



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	<u>1991-93</u>	<u>1993/94</u>	<u>1994/95</u>	<u>1995/96</u>	<u>1996/97</u>	<u>1997/98</u>	<u>1998/99</u>	<u>1999/00</u>
RECEIPTS:								
No. of Devices	10,074	13,490	15,414	15,719	14,851	14,996	15,638	12,937
Franchise Fees	\$ 42,669,000	\$ 92,910,000	\$ 141,489,000	\$ 163,856,000	\$ 173,327,000	\$ 183,579,000	\$ 188,714,000	\$ 135,242,000
Statutory								
Fairgrounds								
Exemption				(-2,500,000)	(-2,500,000)	(-566,000)		
Other Fees, Interest and Penalties	13,100,000	14,875,000	10,770,000	11,165,000	10,262,000	10,585,000	10,370,000	9,717,000
Total Fees Collected	\$ 55,769,000	\$ 107,785,000	\$ 152,259,000	\$ 172,521,000	\$ 181,089,000	\$ 193,598,000	\$ 199,084,000	\$ 144,959,000
EXPENDITURES:								
District Attorneys & Asst Dist Attys.	\$ 4,744,000	\$ 4,845,000	\$ 5,400,000	\$ 5,348,000	\$ 5,400,000	\$ 5,205,000	\$ 5,400,000	\$ 5,400,000
Local Government	9,084,000	20,142,000	32,029,000	37,636,000	37,525,000	40,848,000	43,424,000	30,107,000
Horsemen's Purse Supplement Fund	0	0	2,541,000	2,880,000	3,037,000	3,250,000	3,360,000	2,417,000
Louisiana State Police (Budget)	5,468,000	2,816,000	4,516,000	4,515,000	4,347,000	4,400,000	4,400,000	4,400,000
Compulsive and Problem Gaming Fund	0	0	0	150,000	150,000	150,000	500,000	500,000
Total Expenditures	\$ 19,296,000	\$ 27,803,000	\$ 44,486,000	\$ 50,529,000	\$ 50,459,000	\$ 53,853,000	\$ 57,084,000	\$ 42,824,000
TRANSFERRED TO GENERAL FUND	\$ 36,473,000	\$ 79,982,000	\$ 107,636,000	\$ 122,129,000	\$ 130,630,000	\$ 139,745,000	\$ 142,000,000	\$ 102,135,000



LOUISIANA GAMING CONTROL BOARD
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	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>	<u>TOTAL</u>
RECEIPTS:				
No. of Devices	13,424	13,720	14,551	
Franchise Fees	\$ 144,764,070	\$ 155,942,916	\$ 162,156,607	\$ 1,584,649,593
Statutory Fairgrounds Exemption				\$ 5,566,000
Other Fees, Interest and Penalties	\$ 10,099,001	\$ 8,658,592	12,799,529	\$ 122,401,122
Total Fees Collected	\$ 154,863,071	\$ 164,601,508	174,956,136	\$ 1,701,484,715
EXPENDITURES:				
District Attorneys & Asst Dist Atlys.	5,400,000	5,400,000	5,400,000	\$ 57,942,000
Local Government	32,552,000	34,945,308	37,511,792	\$ 355,804,100
Horsemen's Purse Supplement Fund	2,554,664	2,719,186	2,809,653	\$ 25,568,503
Louisiana State Police (Budget)	4,400,000	4,400,000	4,400,000	\$ 48,062,000
Compulsive and Problem Gaming Fund	500,000	500,000	500,000	\$2,950,000
Total Expenditures	\$ 45,406,664	\$ 47,964,494	\$ 50,621,445	\$ 490,326,603
Transferred to General Fund	\$ 109,456,407	\$ 116,637,014	\$ 124,334,691	\$ 1,211,158,112

Figures are rounded to the nearest whole dollar amount.

Source: Louisiana State Police, Video Gaming Division and Department of the Treasury



Landbased Casino



LANDBASED CASINO GAMING

LOUISIANA

The landbased casino recommenced operations on October 28, 1999. Admissions through June 30, 2002 were 6,485,176. Fiscal Year 2001-2002 revenue data is as follows:

FY 2001-2002

	Gross Gaming Revenue	State Tax Remittance ¹
July	\$ 21,287,851	\$ 4,246,575
August	22,050,389	4,246,575
September	19,228,040	4,109,589
October	20,319,422	4,246,575
November	20,625,096	4,109,589
December	20,785,514	4,246,575
January	21,915,345	4,246,575
February	23,801,280	3,835,616
March	24,211,673	9,324,358
April	21,855,980	4,931,507
May	23,585,174	5,095,890
June	22,769,408	4,931,507
TOTAL	\$ 262,435,172	\$ 57,570,931

Admissions through June 30, 2003, were 6,129,397. Fiscal Year 2002-2003 revenue data is as follows:

FY 2002-2003

	Gross Gaming Revenue	State Tax Remittance
July	\$ 23,568,507	\$ 5,095,890
August	22,504,539	5,095,890
September	20,821,918	4,931,507
October	23,348,607	5,095,890
November	23,951,676	4,931,507
December	22,367,025	5,095,890
January	22,855,816	5,095,890
February	24,145,299	4,602,740
March	25,256,993	5,095,890
April	20,873,416	4,918,033
May	25,419,681	5,081,967
June	22,201,307	4,918,033
TOTAL	\$ 277,314,784	\$ 59,959,127

¹ Includes a true-up payment of \$5,077,783. Pursuant to the Casino Operating Contract, the Casino Owner is required to pay the greater of the Minimum Payment (\$50 million/\$60 million after April 1, 2002) or 21.5% of Gross Gaming Revenue for each fiscal year.



OTHER STATES

MICHIGAN

Michigan has three (3) licensed casinos in the City of Detroit.

Calendar Year 2003 Revenue Data

January 1, 2003 – September 30, 2003

Adjusted Gross Revenue		\$ 847,658,692.09
State and City Taxes	(18%)	\$ 152,578,564.58
State Tax	(8.1%)	\$ 68,660,354.06
City Tax	(9.9%)	\$ 83,918,210.52
Annual State Service Fee* - Approx. (divided between 3 casinos)		\$ 27,000,000.00
Municipal Service Fee- City of Detroit (Annually \$4 million or 1 ½% of AGR, whichever is greater per casino)		\$ 12,714,880.38

* The Annual State Service Fee is adjusted annually by the Detroit Consumer Price Index. The total is for all three casinos combined for year 2003.

USE OF FUNDS

State/City Wagering Tax – The State/City Wagering Tax totals 18% of the three casinos’ Net Win. The entire State Wagering Tax (8.1% of the casinos’ Net Win) is deposited into the School Aid Fund for statewide K-12 classroom education. The City Wagering Tax (9.9% of the casinos’ Net Win) may be used by the City of Detroit for:

1. The hiring, training and deployment of street patrol officers.
2. Neighborhood and downtown economic development programs designed to create local jobs.
3. Public safety programs such as emergency medical service, fire department programs and street lighting.
4. Anti-gang and youth development programs.
5. Other programs that are designed to contribute to the improvement of the quality of life in the City.
6. Relief to the taxpayers of the City from one of more taxes or fees imposed by the City.
7. The costs of capitol improvements.
8. Road repairs and improvements.

Annual State Services Fee – The day-to-day operating expenses of the Michigan Gaming Control Board are paid for by the Annual State Services Fee. Each year, \$2 million of this Annual State Service Fee is funded toward compulsive gambling programs, administered by the Michigan Department of Community Health.



NEVADA

At the end of FY 02-03 there were over two hundred and thirteen thousand (213,000) slot machines in Nevada, over six thousand (6,000) table games and approximately five hundred (500) poker tables.

Revenue data for FY 02-03

Gaming Win (Statewide)	\$ 9,563,760,790
Slots	\$ 6,344,636,469
Table games	\$ 3,219,124,321
State Gaming Taxes	\$ 721,834,741

Distribution of Funds

General Fund	\$ 666,462,198
Dedicated Funds (schools, counties)	\$ 55,372,543

**STATE GAMING LICENSE FEE AND TAX RATE SCHEDULE
 FOR NON RESTRICTED AND RESTRICTED LICENSEES**

I. **Nonrestricted Gaming License** Issued for the operation of games and/or tables only; or, for the operation of 16 or more slot machines only; or, for the operation of games and/or tables in conjunction with slot machines.

A. **Slot Machines:**

1. **Annual Tax (Nonrestricted Gaming License)**(NRS 463.385) \$250.00 per machine, payable in advance; computed on a prorated basis:

Machines placed in operation in the month of	Amount due for each machine
July	\$250.00
August	\$229.17
September	\$208.33
October	\$187.50
November	\$166.67
December	\$145.83
January	\$125.00
February	\$104.17
March	\$83.33
April	\$62.50
May	\$41.67
June	\$20.83



2. **Quarterly License Fee (Nonrestricted Gaming License)(NRS 463.375)** \$20.00 per machine, payable in advance; no proration.

B. Games:

1. **Annual License Fee (Nonrestricted Gaming License)(NRS 463.380)** Payable in advance; no proration, except that monthly proration will apply if the operation is new or the operation has been temporarily closed with the approval of the State Gaming Control Board.

Number of Games	Fee Due
1 game	\$100.00 total
2 games	\$200.00 total
3 games	\$400.00 total
4 games	\$750.00 total
5 games	\$1,750.00 total
6-7 games	\$3,000.00 total
8-10 games	\$6,000.00 total
11-13 games	\$650.00 for each game
14-16 games	\$1,000.00 for each game
17 or more games	\$16,000.00 plus \$200.00 for each game over 16

2. **Quarterly License Fee (Nonrestricted Gaming License)(NRS 463.383)** payable in advance; no proration

For nonrestricted licensees operating 10 or less games	
Number of Games	Fee due
1 game	\$12.50 total
2 games	\$25.00 total
3 games	\$50.00 total
4 games	\$93.75 total
5 games	\$218.75 total
6-7 games	\$375.00 total
8-10 games	\$750.00 total

For nonrestricted licensees operating more than 10 games	
Number of Games	Fee due
1-16 games	\$125.00 each game
17-26 games	\$2,000.00 plus \$1,200.00 for each game 17-26
27-35 games	\$14,000.00 plus \$700.00 for each game 27-35
36 or more games	\$20,300.00 plus \$25.00 for each game over 35

C. **Monthly Percentage Fee (Nonrestricted Gaming License)(NRS 463.370)** based on gross gaming revenue - payable on or before the 24th day of each month covering the preceding calendar month at the following rates:

- 3.5% of the first \$50,000 during the month, plus
- 4.5% of the next \$84,000 plus
- 6.75% of revenue exceeding \$134,000.



D. **Casino Entertainment Tax** (NRS 463.403) payable on or before the 24th day of each month covering the preceding calendar month.

This tax applies only to licensees licensed for more than 50 slot machines, more than 5 table games, or any combination thereof.

The tax rate is 10% of all amounts paid for food, refreshment, merchandise, and admissions or similar charges, while in a casino entertainment status.

Casino entertainment status is that condition which renders the selling of food, refreshment or merchandise subject to the tax, and commences either at the time entertainment starts or at the time when any charge such as admission, entertainment fee, minimum, cover, or similar charge attaches, whichever is earlier.

II. **"Restricted" Gaming License** Issued for the operation of not more than 15 slot machines and no other games.

A. **Slot Machines:**

1. **Annual Tax (Restricted Gaming License)** (NRS 463.385) \$250.00 per machine payable in advance; computed on a prorated basis:

Machines placed in operation in the month of	Amount due for each machine
July	\$250.00
August	\$229.17
September	\$208.33
October	\$187.50
November	\$166.67

December	\$145.83
January	\$125.00
February	\$104.17
March	\$83.33
April	\$62.50
May	\$41.67
June	\$20.83

2. **Quarterly License Fee (Restricted Gaming License)**(NRS 463.373) payable in advance; no proration

Number of Slots	Fee Due
1 slot	\$ 81.00
2 slots	\$162.00
3 slots	\$243.00
4 slots	\$324.00
5 slots	\$405.00
6 slots	\$546.00
7 slots	\$687.00

8 slots	\$ 828.00
9 slots	\$ 969.00
10 slots	\$1,110.00
11 slots	\$1,251.00
12 slots	\$1,392.00
13 slots	\$1,533.00
14 slots	\$1,674.00
15 slots	\$1,815.00



NEW JERSEY

Twelve landbased casinos were in operation in New Jersey at the end of calendar year 2003. Cumulative revenue data for fiscal year FY 02-03:

Gross Revenue	\$ 4,334,412,334
State Taxes (8%)	\$ 346,752,987
Reinvestment obligations *	\$ 54,180,154

*Casinos are required to reinvest 1.25% of gross revenues in projects approved by the Casino Reinvestment Development Authority.

Use of Funds

New Jersey law requires that the state tax, 8% of casino adjusted gross revenue, shall be used for programs aiding senior citizens and the disabled, specifically including a pharmaceutical drug assistance program, an annual cash credit toward utility costs, a transportation assistance program and others.

The reinvestment projects, 1.25% of adjusted gross revenue, have been used for developing approximately two thousand (2000) housing units in Atlantic City, parks, beautification programs, agricultural loan programs, a Vietnam Veteran Memorial and others.



Racetracks



LIVE RACING FACILITY
PARI-MUTUEL SLOT MACHINE GAMING

LOUISIANA

By Act 721 of the 1997 Regular Session, the Legislature authorized slot machine gaming at live horse racing facilities in St. Landry, Bossier and Calcasieu Parishes. Voters approved slot machine gaming in those parishes and taxing districts have been authorized and established.

Slot machine gaming at Delta Downs in Calcasieu Parish commenced on February 13, 2002. Harrah's Racetrack & Casino in Bossier Parish commenced operation on May 21, 2003. Evangeline Downs in St. Landry Parish opened for slot machine gaming on December 19, 2003 and will be included in data compiled for the 2004 - 2005 Annual Report.

Delta Downs Racetrack & Casino

Revenue for FY 02-03	TOTAL
Delta Downs' AGR	\$ 127,365,491
Minus Purse Supplements (15%)	\$ 19,104,824
Minus Executive Committee Breeders Assn. (3%)	\$ 3,820,965
Taxable Net Slot Machine Proceeds	\$ 104,439,703
State Tax (18.5%)	\$ 19,321,345

Harrah's Racetrack & Casino

Revenue from May 21 through June 30, 2003	May 03	June 03
Harrah's Louisiana Downs' AGR	\$ 2,632,851	\$ 4,612,366
Minus Purse Supplements (15%)	\$ 394,928	\$ 691,855
Minus Executive Committee Breeders Assn. (3%)	\$ 78,986	\$ 138,371
Taxable Net Slot Machine Proceeds	\$ 2,158,938	\$ 3,782,140
State Tax (18.5%)	\$ 399,403	\$ 699,696
TOTAL State Tax		\$ 1,099,099



OTHER STATES

DELAWARE

Slot machine or video lottery gaming is conducted at three horse race tracks in Delaware. The activity is regulated by the Delaware Lottery, which selects and leases the machines. All machine revenue is distributed in accordance with statutory provisions. The following revenue data was reported for the fiscal year 2003(6/30/02-6/29/03).

Amount Played (Cash & Credits wagered)		\$ 7,156,134,100
Amount Won (Cash and Credits wagered returned as winnings)		\$ 6,575,558,700
Lottery Net Proceeds		\$ 580,575,400
Track Commissions	49%	\$ 284,481,946
Purse Increases	11%	\$ 63,863,294
Vendor Fees	5%	\$ 29,028,770
State Share (Before operating expenses of Lottery & State Police)	35%	\$ 203,201,390

IOWA

In Iowa, slot machine gaming is conducted at one (1) horse track and two (2) dog tracks. The Iowa Racing and Gaming Commission determines the number and type of machines placed in operation. From the total revenue, the state retains 19%, while 1% is divided equally between the city and county. Revenue data is as follows for FY 2003:

FY 2002-2003	
Admissions	6,572,527
Casino Square Footage	90,003
Number of Slot Machines	3,505
Adjusted Gross Revenue	\$ 314,897,769
City Tax	1,574,488
County Tax	1,574,488
Gamblers Treatment	944,693
State Tax	57,835,883
Admission Fee Tax	3,286,264
Daily License Fee	197,600



NEW MEXICO

In New Mexico slot machine gaming is conducted at are four (4) horse tracks. The New Mexico Gaming Control Board was established by statute in 1997 and funded during the 1998 legislative session. From the total revenue, 25% goes to the state. The following revenue data was collected for the FY 2002 - 2003:

Gaming Machine Net Win	\$ 150,797,677
Gaming Tax	\$ 37,699,219
Amount Paid Into Horse Racing Purses	\$ 30,159,535
Amount Designated for Problem Gambling	\$ 376,994
Gaming Machines – June 30, 2003	2,298

RHODE ISLAND

In Rhode Island, slot machine or video lottery gaming is conducted at one pari-mutuel dog track and one pari-mutuel gaming venue. The Rhode Island Lottery selects the types of machines that will be placed in operation. All revenues go to the Lottery for distribution in accordance with statutory provisions as reflected below. The remaining funds are retained by the state. At the end of FY 2003, three thousand one hundred forty (3,140) terminals were in operation at the two (2) facilities. The following revenue data for the fiscal year ending 2003 was obtained from the Rhode Island Lottery's unaudited financial statements:

Sales	\$ 1,051,411,493
Commissions*	145,455,378
Prize Award Expense	736,609,881
Unclaimed Prize Recovery	88,831
Gross Profit	\$ 169,435,065

*Retail Facilities	(30.5%)	\$ 94,853,345
Tech Providers	(8.5%)	26,125,324
Central Communications Provider	(2.5%)	7,869,858
Dog Kennel Owners	(5.5%)	13,459,137
Local Government	(1.0%)	3,147,714
Total		\$ 145,455,378



WEST VIRGINIA

Video lottery gaming is conducted in West Virginia at two (2) horse tracks and two (2) dog tracks. A total of 9,643 terminals were in operation at the end of FY 2003. The Lottery Commission approves the licensing of manufacturer's for the machines, which are owned or leased by the tracks. From Gross Terminal Revenue, 4% is deducted for administrative costs until the benchmark is met based on Fiscal Year 2001 Gross Terminal Revenue, then 4% is allocated to the Excess Lottery Fund.

When Fiscal Year 2001 Net Terminal Revenue is met, the revenue distribution percentages change. From Net Terminal Revenue, 10% is deducted as a surcharge. Of this surcharge, 58% is allocated for the Excess Lottery Fund and 42% is retained for the tracks, for Capital Reinvestment purposes.

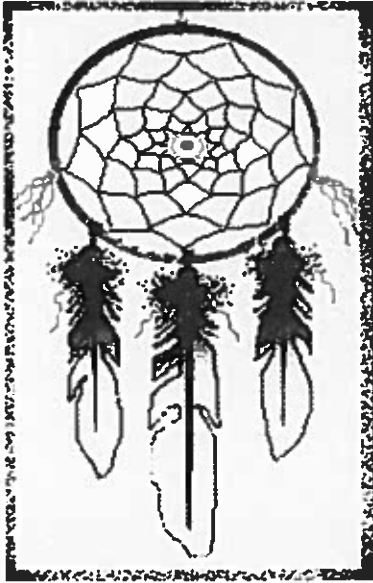
Revenue data as of June 30, 2003 is as follows:

Credits played	\$ 8,284,013,845
Credits won	\$ 7,566,934,358
Gross Terminal Revenue	\$ 717,079,487
Net Terminal Revenue	\$ 688,396,307

Net Terminal Revenue was distributed as follows:

	<u>Before FY 2001</u> <u>Net Terminal</u> <u>Revenue Benchmark</u>	<u>After FY 2001</u> <u>Net Terminal</u> <u>Revenue Benchmark</u>
Track Share	47 %	42 %
State Share Lottery Fund	30 %	0 %
State Share Excess Lottery Fund	0 %	41 %
Purse Fund Subsidy	14 %	8 %
Track Employee Pension Fund	0.5 %	0.5 %
Horse or Dog Breeders Fund	1.5 %	1.5 %
Racing Commission	1 %	1 %
Tourism Promotion Fund	3 %	3 %
Miscellaneous Fund*	1 %	1 %
County/Inc. Municipalities	<u>2 %</u>	<u>2 %</u>
	100 %	100 %

*Veterans Memorial Archive, John F. 'Jack' Bennett, Parking Garage, Capitol Dome, and Cultural Grants Program Funds.



Indian Gaming



INDIAN GAMING
Calendar Year 2003

**CYPRESS BAYOU CASINO
CHITIMACHA TRIBE OF LOUISIANA
ST. MARY PARISH**

Fiscal Year Ending September 30, 2003

Casino Employees as of September 30, 2003	1,045
Total for year	1,247
Native American Employees	28
Wages paid	\$ 21,195,873
Social Security and Medicare Taxes (employee portion)	\$ 1,905,889
Unemployment insurance	\$ 88,390
Advertising	\$ 867,165
Expenditures for goods and services	\$ 20,968,974
Number of Louisiana based vendors	1,178
Parish Contribution	\$ 1,500,000
Community Donations	\$ 38,862
Sales Taxes	\$ 236,185

**GRAND CASINO COUSHATTA
COUSHATTA TRIBE OF LOUISIANA
ALLEN PARISH**

Total Casino Employees as of June 03:	Not Provided
Total Native American Employees as of June 02:	Not Provided
Community Donations	Not Provided
Sales Taxes	Not Provided
Amount Paid to Louisiana Vendors	Not Provided
Total Payroll Wages Paid	Not Provided
Parish Contribution	Not Provided
Unemployment Compensation	Not Provided
Social Security and Medicare	Not Provided



**PARAGON AVOYELLES
TUNICA-BILOXI INDIAN TRIBE
AVOYELLES PARISH**

Employee Wages	Not Provided
Employee Wages-Federal & State Taxes	Not Provided
Contribution to Avoyelles Parish	Not Provided
Purchased goods/services from Louisiana Vendors	Not Provided
Donations-Area Relations	Not Provided
Donations-Tribal	Not Provided
Donations-Executive	Not Provided
Hotel Sales tax paid to State	Not Provided
Employee Benefits (Insurance & 401K)	Not Provided
Total Casino Employees as of Dec. 02	Not Provided
Total Native Americans Employees as of Dec. 02	Not Provided



**TRIBAL PARISH CONTRIBUTIONS
AS REQUIRED BY THE TRIBAL/STATE COMPACT
FY 02 - 03**

Quarter	Coushatta Allen	Chitimacha St. Mary	Tunica-Biloxi Avoyelles	Total
1	\$ 0.00	\$ 0.00	\$ 482,129.40	\$ 482,129.40
2	0.00	0.00	447,344.08	447,344.08
3	0.00	0.00	943,791.26	943,791.26
4	0.00	0.00	766,730.72	766,730.72
Total	\$ 0.00*	\$ 0.00*	\$ 2,639,995.46	\$ 2,639,995.46

Note: These proceeds were collected by the Office of Finance and Support Services, Division of Administration and are subsequently remitted to the local parish governments. *Pursuant to the terms of existing compacts, funds are no longer deposited with the Division of Administration for redistribution.

If You or Someone You

Know May Have a

Gambling Problem, Call

Toll-Free: 1-877-770-STOP (7867)

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