



Missouri Gaming Commission

Annual Report to the General Assembly
Fiscal Year 1998

Robert L. Wolfson,

Chairman

Julian Seeherman,

Vice-Chairman

Dr. Jenice Prather-Kinsey,

Secretary

Robert C. Smith

L.G. Ullery

Table of Contents

The Commissioners	p. 2-3
Message from the Chairman	p. 4-5
Section 313.824 Report on Competitiveness	p. 6-8
Economic Impact of Riverboat Gaming	p. 9
Does the Gaming Money Really Go to Fund Education?	p. 10-12
Dealing with Problem Gambling	p. 13
Understanding Boats in Basins	p. 14-17
The History of Riverboat Gambling in Missouri	p. 18-24
Charitable Bingo	p. 25
Financial Summary Reports	p. 27-32
Riverboat Gaming Licensee Financial Reports	p. 33-44
Home Dock Communities' Use of Riverboat Gaming Funds	p. 45-50

The Commissioners

Robert L. Wolfson, *Chairman*

Robert L. Wolfson is Chairman of the Board for Wolfson Capital Venture. He is the co-founder of the St. Louis Blues of the National Hockey League and served as Vice-President and Treasurer of the St. Louis Blues. Mr. Wolfson established Feld Chevrolet in 1947 and has established many successful retail businesses. In addition, Mr. Wolfson has successfully established several banking companies including Parkway Bank and Progress Bank, both of which were eventually sold to Mark Twain Bank which has since been merged with Mercantile Bank. Mr. Wolfson has real estate holdings in the St. Louis and Greater Washington D.C. areas.

Mr. Wolfson is currently or has been an officer in the following organizations: Trustees of Brandeis University; Trustees of Jewish Hospital; Jewish Federation of St. Louis; Trustees of Jewish Community Centers; Board of Governors of Westwood Country Club; and the International Board of Boys Town of Italy. In addition, Mr. Wolfson is the recipient of many awards from civic organizations and is well known for his philanthropic endeavors.

Dr. Jenice Prather—Kinsey, *Secretary*

Dr. Prather-Kinsey is a CPA and accounting professor at the University of Missouri-Columbia. She has published over twenty articles in national and international academic accounting journals. She has received numerous honors and awards for her research and teaching including a two year Research Associateship from Washington University and a KPMG Peat Marwick International Accounting Research Fellowship.

Dr. Prather-Kinsey holds leadership positions in the American Accounting Association, the National Association of Black Accountants, the American Institute of CPAs, the Institute of Management Accountants and the Missouri Society of CPAs. She was on the Price Waterhouse, National Advisory Board and currently is on the MIZZOU Credit Union and the Board of Trustees of Second Missionary Baptist Church.

Julian M. Seeherman, *Vice-Chairman*

Mr. Seeherman is the former Chairman of the Board of the Venture Stores. Prior to becoming Chairman of the Board, Mr. Seeherman held various top executive positions with Venture. He began his career as a retailer with Abraham & Straus, a division of Federated Department Stores, in 1951. In 1977, Mr. Seeherman joined the May Co. as President and CEO of Consumers Distributing. Mr. Seeherman currently operates a consulting business.

Mr. Seeherman was inducted into the Discounting Hall of Fame in 1995. He is a recipient of the International Mass Retail Association's *Partnership Award* and was voted the 1991 Discounter of the Year by retail industry executives. Mr. Seeherman is currently or has served on the boards of Webster University, the Boy Scouts, Junior Achievement, Civic Progress, Jewish Community Center Association, Jewish Hospital, Greenfield Industries, Inc. and is involved in many other charitable and business organizations in the St. Louis area.

Robert C. Smith

Mr. Smith is a retired senior partner in the firm of *Smith, Lewis, Beckett, Powell & Roark*. He formerly served as a Master in Federal Court on insurance litigation. He has served as an arbitrator for the U.S. and Midwest Arbitration Associations and as a Missouri Administrative Hearing Commissioner. Mr. Smith served as a member of the Missouri House of Representatives from 1953-56, including two years as Speaker Pro-tem. He was Mayor of Columbia from 1961-63. Mr. Smith has served on numerous Missouri Bar Association boards, including the Board of Governors from 1975-79. He has served as a member of the Stephens College Board of Curators; President of Columbia Kiwanis; President of the Missouri Symphony Society; Member of the State Historical Society Board of Trustees. He has received the Missouri Bar Pro-bono Award; University of Missouri Alumni Faculty Award; University of Missouri Law School Citation of Merit; Outdoor Writers Association Of America Ham Brown Service Award; and is an Honorary Citizen of Fulton, Missouri.

Major L.G. Ullery (retired)

Major Ullery retired from the Missouri State Highway Patrol as a Major in 1991. After retirement, Major Ullery served as Safety Director for Crabtree-Harmon Corp. where he established and organized its safety department. Major Ullery continues to work as a safety consultant for various organizations.

During his 27-year career with the Highway Patrol, Major Ullery was instrumental in developing programs to reduce fatalities on the highways and increase safety monitoring of the public. He implemented a statewide drug interdiction program, reintroducing techniques and encouraging officers on the road to be alert to criminal activities and operations. This program has been recognized as one of the best criminal apprehension efforts in the nation.

A Message from the Chairman

Governor Carnahan & Members of the General Assembly:

I am pleased to present the Missouri Gaming Commission's annual report for fiscal year 1998. It is submitted to comply with the Commission's statutory reporting mandates and to provide you a status report of the riverboat gambling, bingo and horse racing industries in Missouri.

The riverboat gambling statute has two provisions requiring the Gaming Commission to submit an annual report. Because the two statutes have somewhat conflicting instructions, the Commission submits this report to you now, shortly after the conclusion of the state's fiscal year, to provide you with a year-end financial report and to give you ample time to review and evaluate the information prior to commencing the next legislative session. Of course, the Commission will comply with the filing date in the statute and submit a supplemental report on January 15, 1999. However, it should be noted that among the Commission's recommendations for legislation is that the two sections requiring an annual report be consolidated so that the report is due September 15th of each year.

In addition to the statutory requirements, the Commission's report covers other areas that it believes are of interest to the state's policy makers. Two of the most frequently asked questions of the Gaming Commission are: (1) Where does the gambling money go?; and (2) Why is the Commission trying to take games of chance away from "boats in basins" when it granted permission, after a thorough study of the issues, to allow them? These topics are reviewed in depth beginning on pages 10 and 13, respectively. Furthermore, the report contains a wide variety of financial reports that we hope will provide a thorough overview of the financial status of riverboat gaming operations.

The Commission assumed responsibility for the regulation of charitable bingo on July 1, 1994. Since that time the Commission has concentrated on adopting guidelines that will ensure that criminal elements are not involved in the operation of bingo games. In addition, the Commission worked with the General Assembly to reduce bingo tax rates, create a more user-friendly system of taxation that provides a meaningful audit trail that protects state revenue and ensures a level playing field for competitors.

By vigilantly working to cooperate with Missouri's charitable, fraternal, religious, service and veterans organizations, the Commission has been able to develop a system of regulation that is firm but fair and has been successful in ousting dozens of individuals and organizations whose only interest was selfish enrichment and not contributing to charitable causes. However, the Commission's work in this area is not finished and it will continue to develop new and innovative ways to streamline the regulatory process while standing firm on its demand for a well conducted industry, free of crime and corruption.

There is little I can report to you on the issue of horse racing. Legislation that would have allowed the owner of a horse track to operate off-track betting parlors failed this past legislative session. The only applicants that have contacted the Commission have informed the staff that the ability to operate OTBs is a prerequisite to them filing an application in Missouri. We continue to work with the Missouri Horse Racing Commission on issues regarding incentives for Missouri horse breeders and the operation of amateur racing in the state.

To all those whom I have had the pleasure of working with over the past five years, I express my gratitude for the opportunity to serve as Chairman of the Gaming Commission. As I approach the end of my last term, as mandated by statute, I

A Message from the Chairman

look back on the accomplishments of the Commission with a great deal of pride. The General Assembly gave the Commission the difficult and often controversial job of implementing the people's will to have riverboat gaming. The Commission has implemented its charge by carefully adhering to our statutory guidelines.

While the *Akin* decision has been the source of legal conflict and public controversy, it has not stopped the Commission from giving you what SBs 10&11 contained as a core demand – a clean industry, free from criminal influence. When the Commission has discovered evidence of crime, those responsible have been exposed and eliminated. In addition, the Commission has imposed strict penalties for violations of its standards for the conduct of gaming.

In 1998, the Commission established a new division, Corporate Securities and Finance, to deal with specialized matters involving financial transactions, tax issues and corporate law. The new division is modeled after similar groups within other agencies. It includes approximately 15 staff members, including an employee of the IRS, who is assigned to the Commission under an intergovernmental agreement.

In any organization, the key ingredient is people. All of my fellow Commissioners have been dedicated to the creation of a new agency with integrity as its by-word. They have worked

The General Assembly gave the Commission the difficult and often controversial job of implementing the people's will to have riverboat gaming. The Commission has implemented its charge by carefully adhering to our statutory guidelines.

diligently to that end.

More importantly, we have been fortunate to have a superb staff. It would be inappropriate to single out any individuals. Nevertheless, the leadership of our Executive Director and the diligent work of his Deputy Directors, their support staff, our legal counsel, the many members of the Missouri State Highway Patrol and the agents assigned to the Commission by the IRS, have made it all possible. Continuity is important. The willingness of our staff to continue gives me comfort that the business and problems that lie ahead will be handled with professionalism and integrity.

In closing, the Commission looks forward to continuing its mission, which is prominently displayed on the inside cover of this report: "To administer honestly, equitably and efficiently the statutes and rules and regulations that govern the riverboat gaming, bingo and horse racing industries in Missouri."

Sincerely,

Robert L. Wolfson
Chairman

Effect of Tax Rate

Missouri law currently imposes an 18% state tax on the adjusted gross receipts (AGR) received from gambling games on riverboat casinos. In addition, the statute provides that the home dock city or county where each excursion gambling boat is located shall receive 2% of AGR. The local tax does not generate state funds and therefore is not subject to Article III, Section 3(d) of the Missouri Constitution, which directs that all state funds derived from the proceeds of gambling be used for public education.

The statute also imposes an admission fee on the operators of excursion gambling boats in the amount of two dollars (\$2) per patron, per excursion, which is split between the home dock community and the state. Furthermore, pursuant to section 313.824, RSMo., excursion gambling boat operators are charged for the cost of gaming agents that are assigned to the riverboat with the responsibility of protecting the public. While the cost of Commission agents varies with each operation, the average annual cost is approximately \$589,200 per boat.

Finally, it should be noted that in addition to the special taxes imposed on gambling, the riverboat operators are responsible for all other state and local taxes such as sales tax, property tax and income tax that apply to other business owners. The Commission regularly reviews the operator's financial records to ensure that the appropriate local, state and federal taxes are paid.

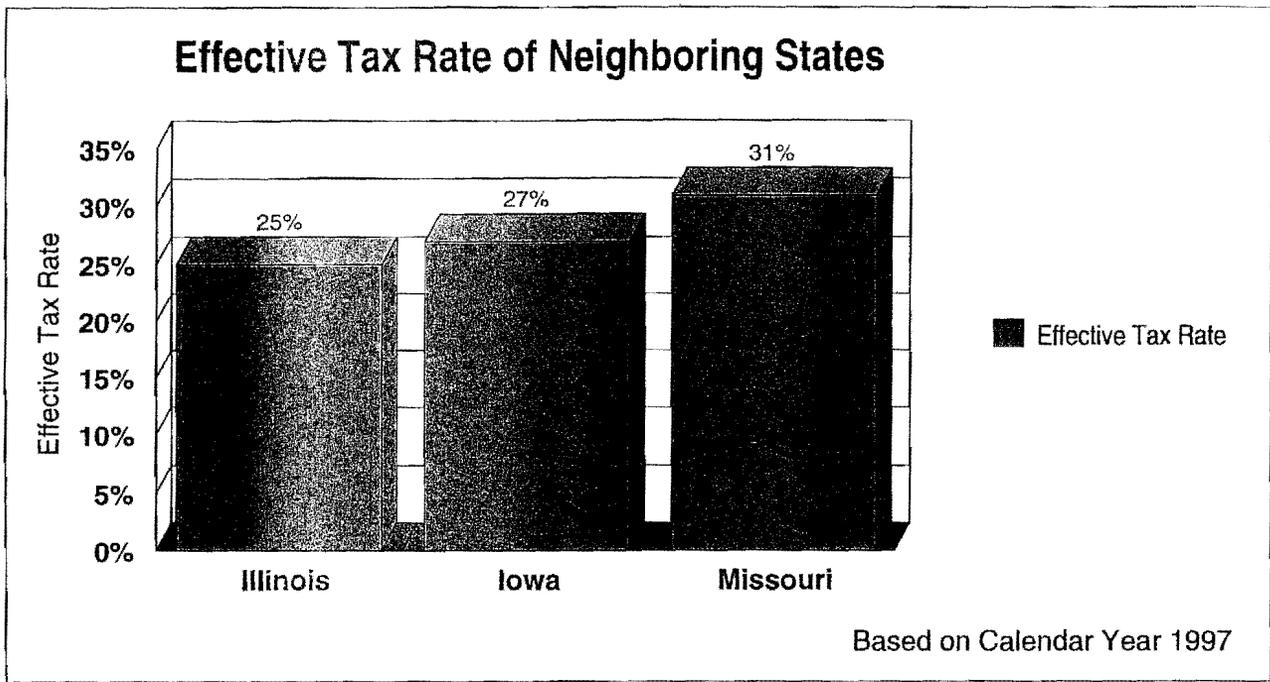
Jurisdiction	AGR Tax	Admission Fees	License Fees
Illinois	15% up to 25 million; 20% between \$25 to \$50 million; 25% between \$50 to \$75 million; 30% between \$75 and \$100 million; and 35% over \$100 million	\$25,000 application fee; \$5,000 renewal	\$2 per patron per cruise (including comps and multiple rides)
Iowa	Sliding scale on AGR: \$0 to \$1 million 5%; \$1 to \$3 million 10%; \$3 million and up 20%	\$25,000 application fee for a 9 year term; \$1,000 renewal fee plus \$5 per passenger carrying capacity including crew (minimum capacity is 250)	Weekly fee set by commission of 65% of enforcement costs plus expenses to be divided equally among licensees. Local admission fee of \$.50 per patron per cruise (optional).
Missouri	20% of AGR	The higher of \$50,000 or full cost of investigation; renewal fee of \$25,000 annually.	\$2 per patron per cruise (including comps and multiple rides). Full cost of enforcement (avg. \$589,200 per boat per year).
Mississippi	Sliding scale of monthly revenue from 4% to 8%. Annual per game fee ranging from \$50 for 1 game to \$2800 for 27 to 35 games. Local optional AGR tax of .4% to .8%.	N/A	N/A

The taxes specific to Missouri riverboat gaming operators are higher than their competitors in adjoining from marketing efforts that could attract more customers, thus generating more tax revenue and offering the possibility of additional capital investment.

The table shown on page 6, compares Missouri's riverboat gambling tax rate to adjoining states. In addition, the chart below depicts the effective tax rates for each adjoining state. The effective tax rate is the amount of tax paid as a percentage of gross revenue. It should be noted that Illinois recently raised its taxes on riverboat gambling from a flat 20% of AGR to the sliding scale depicted in Table A on page 6.

Even with Illinois' new higher tax rate, its operator's effective tax rate remains lower than that of Missouri operators. While some consideration must be given to the fact that Missouri charges for the full cost of enforcement and Illinois does not, a more compelling argument can be made that the

Kansas Indian casinos have established themselves as formidable competitors of the riverboat gaming operations on the western side of Missouri and are having an impact on state revenue.



loss limit's detrimental effect on gross revenue is the primary reason for Illinois' lower effective tax rate.

Finally, it should be noted that three Indian casinos are now operating in Kansas. These facilities are not taxed and therefore are not represented in any of the tables or charts. Nevertheless, the Kansas Indian casinos have established themselves as formidable competitors of the riverboat gaming operations on the western side of Missouri and are having an impact on state revenue.

Section 313.824 Report on Competitiveness

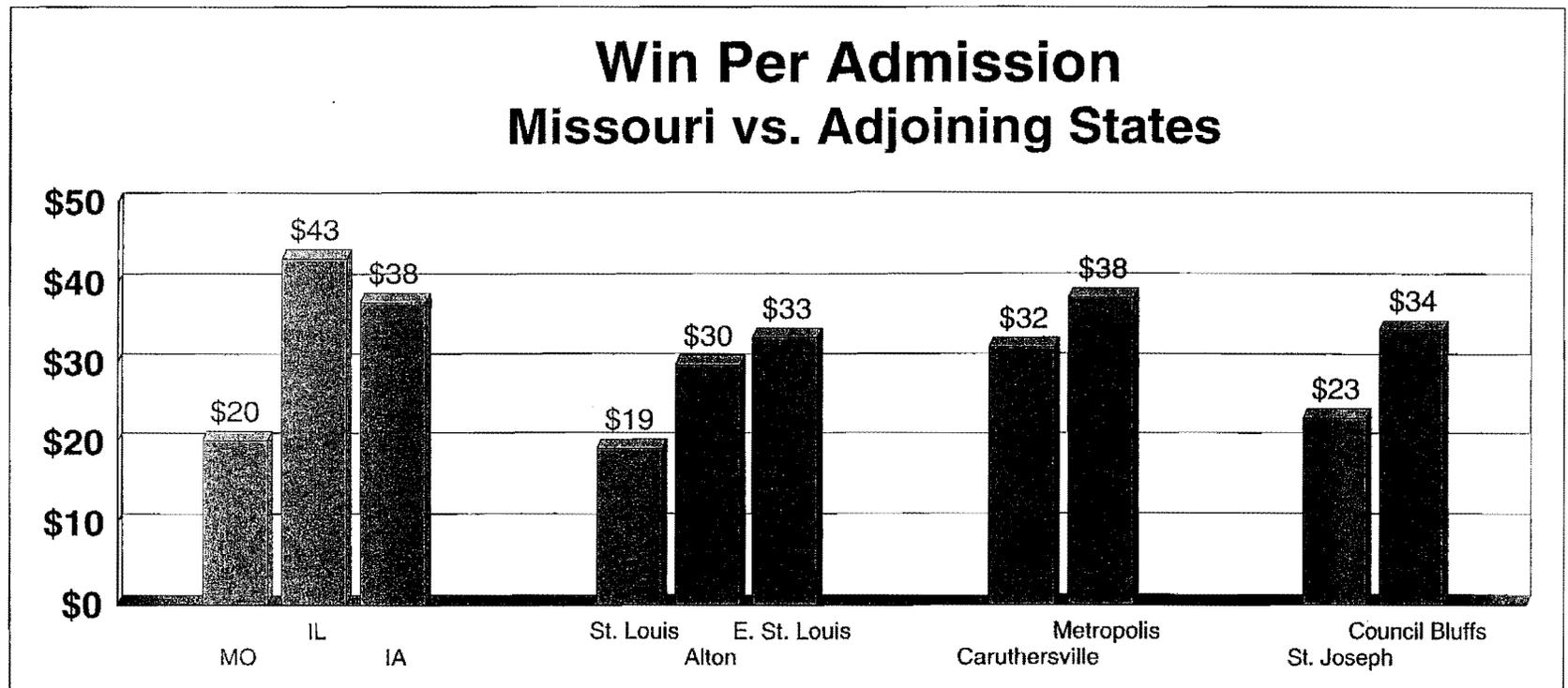
Effect of the Loss Limit

There have been no changes in the competitive factors relating to the loss limit since the commission's last full report was submitted to the General Assembly in January, 1997. Neighboring states continue to post significantly higher win per admission numbers than operators in Missouri, resulting in as much as 50% more gaming revenue per patron in those states than in Missouri.

Statistical data and observations of customer patterns at facilities in Illinois and Kansas continue to indicate that the loss limit results in an export of Missouri dollars to neighboring

jurisdictions. The accompanying tables and charts that are provided clearly demonstrate that Missouri lags significantly behind its neighboring, non-loss limit, states in win per admission. This information is provided to update and supplement the data provided in the 1997 report.

Finally, the Commission has yet to see any evidence that the loss limit is an effective deterrent to the problem gambler. While the Commission has adopted one of the most aggressive programs to combat problem gambling (*see page 13*), the loss limit has not proven to be an effective weapon in this battle.



Economic Impact of Riverboat Gaming

There are many questions regarding the economic impact of riverboat gaming in Missouri and the impact of gaming nationwide. In 1997, Civic Progress of St. Louis commissioned an independent study on the economic impact of gaming in Missouri. Dr. Charles Leven, Professor Emeritus of Economics, conducted the study, released to the public in the spring of 1998, at Washington University, and Dr. Don Phares, Professor of Economics and Public Policy at the University of Missouri-St. Louis.

The Leven-Phares study was based on financial results for calendar year 1996 and included projections for calendar year 1997. The study asserted that in 1997 "the casino gaming industry in Missouri directly and indirectly generated more than three-quarters of a billion dollars worth of new spending in the state's economy. Because of casino gaming, personal income grew by over \$500 million. State and local governments received over \$225 million in new tax revenues. Almost 18,000 new jobs were added to the economy."

The Missouri riverboat casino market is generally considered to be limited to local residents. However, because all of the Missouri facilities are located near bordering states, it appears that the casinos are able to attract a significant amount of out of state dollars. The Leven-Phares study found that visitors from

The Missouri riverboat casino market is generally considered to be limited to local residents. However, because all of the Missouri facilities are located near bordering states, it appears that the casinos are able to attract a significant amount of out of state dollars.

out of state generated 30 percent of casino revenues. Furthermore, the study found that 17 percent of casino revenue came from reductions in spending outside the state by Missourians.

On the other hand, the study found that \$265 million dollars of casino revenue came from reduced household spending in Missouri. However, the study noted that while this is more than one half of Missourians' total spending of \$412 million at casinos, it is relatively inconsequential when compared to total Missouri retail sales of \$45 billion or personal income of \$116 billion.

Although the Leven-Phares study introduced important data and represents the most thorough examination of the economic impact of casino gambling on the Missouri economy, it did not go far enough. In order to get a more complete picture of the economic impact that gambling has on Missourians and their economy, social impact must be examined. A study must attempt to estimate the number of problem gamblers and the extent of their impact on the Missouri economy. No such study has been attempted in Missouri and the difficulty in quantifying such human factors represents an enormous challenge.



The Leven-Phares study . . . did not go far enough. In order to get a more complete picture of the economic impact that gambling has on Missourians and their economy, social impact must be examined.

Does the Gaming Money Really Go to Fund Education?

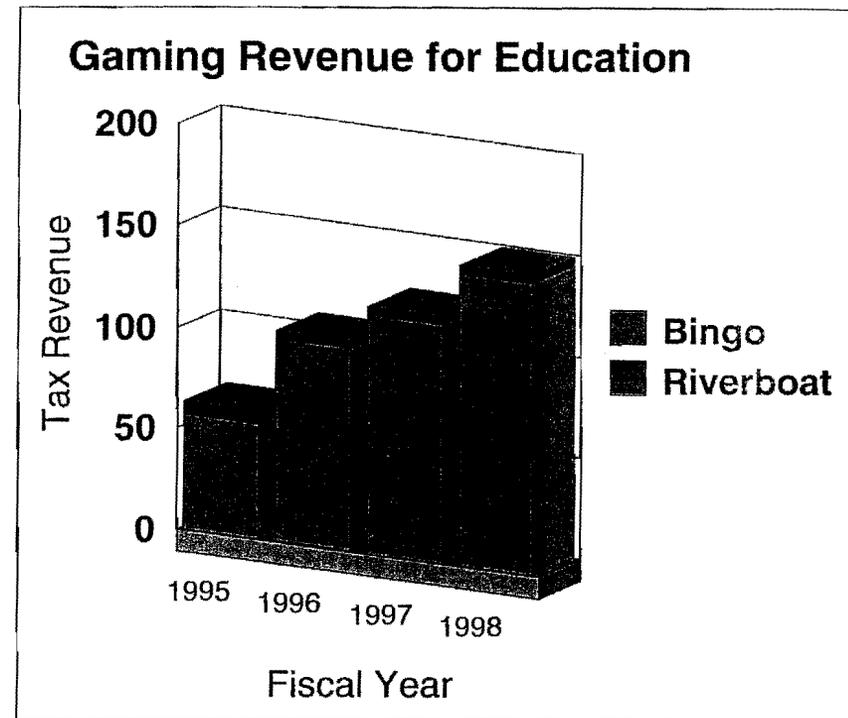
This is a question frequently asked of public officials. The short answer is, "yes, it does". Pursuant to a constitutional amendment submitted by the General Assembly, the voters adopted Article III, Section 39(d) in 1992, which mandated that "all state tax money derived from the conduct of gambling" to be dedicated to public education.

State statutes impose three taxes unique to riverboat gambling operators. The only tax subject to Article III, Section 39(d) is the 18% state tax on adjusted gross receipts (AGR), which produces the vast majority of revenue. (Section 313.822, RSMo). In addition, the statute imposes a \$2 admission fee that is split between the home dock community and the state. (Section 313.820, RSMo). Finally, the statute allocates 2% of AGR as a local tax paid to the home dock community to be used for "services necessary for the safety of the public visiting an excursion gambling boat." (Section 313.822(1), RSMo).



1994 Changes to the Foundation Formula

In 1994, the General Assembly passed Senate Bill 380, which made significant changes in the school foundation formula. Among the changes was a provision that directed a large portion of the state's tax on the gross revenues of riverboat gaming operators to the formula. The remaining funds would be spent on capital improvement projects for the state's colleges and universi-



Fiscal Year	Riverboat	Bingo
1995	\$56,616,282.04	\$6,253,709.96
1996	\$99,730,320.67	\$4,684,178.52
1997	\$118,419,389.02	\$4,615,579.50
1998	\$144,490,378.94	\$4,384,174.86

ties until the legislature passed Senate Bill 301 in 1995. SB 301 would direct all the state's portion of the AGR tax to elementary and secondary education. Specifically, the first \$7 million is appropriated to the School Bond Fund, to be used to pay the costs of the issuance of local school district bonds with the remaining

Does the Gaming Money Really Go to Fund Education?

funds going to the school foundation formula.

As depicted in the charts on pages 11 and 12, the gaming revenue represents a significant portion of new funding for public education in each of the past four fiscal years. In addition, in less than 2 years, the riverboat gambling revenue represents almost 6% of direct state aid for education.

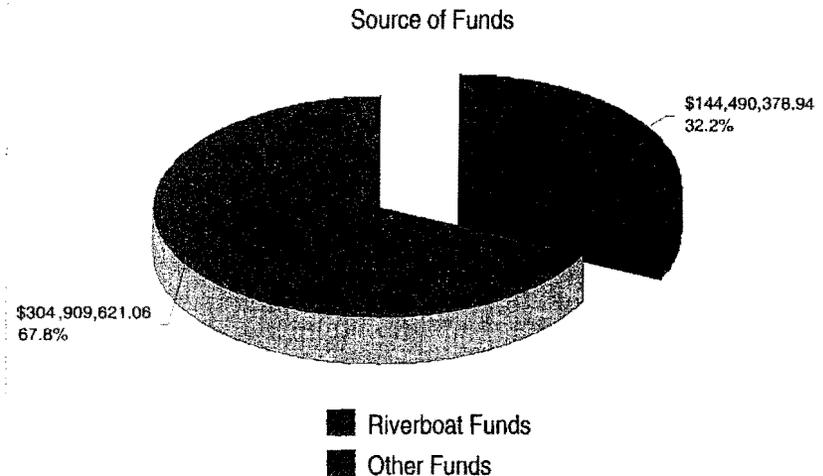
Excess Admission Fees to be Used for Education

The primary purpose of the state's portion of the admission fee is to fund the administrative and regulatory activities of the Gaming Commission. This insures that no general revenue is used for any function relating to riverboat gaming. However, the admission fee generates far more revenue than the Commission requires to operate. In fiscal year 1997, the state's portion of the admission fee exceeded the Commission's operating budget by more than \$25 million.

Therefore, some mechanism is required to distribute the remainder of the state's portion of the admission fee. In 1998, Governor Carnahan proposed legislation that would direct the majority of the excess revenue generated by the state's admission fee to early childhood education programs. However, because in prior fiscal years the excess admission fee had been used for programs for community neighborhood organizations and veterans, it was necessary to establish a schedule of funding each of these programs while providing that the majority of the funds be used for early childhood education. The General Assembly responded by adopting HB 1519, which established the following distribution formula for the excess admission fees in the Gaming Commission Fund:

- (1) The first \$500,000 is used to fund community neighborhood organization programs for the homeless and to deter gang-re-

Source of Increase in Foundation Formula
FY '95 to FY '98

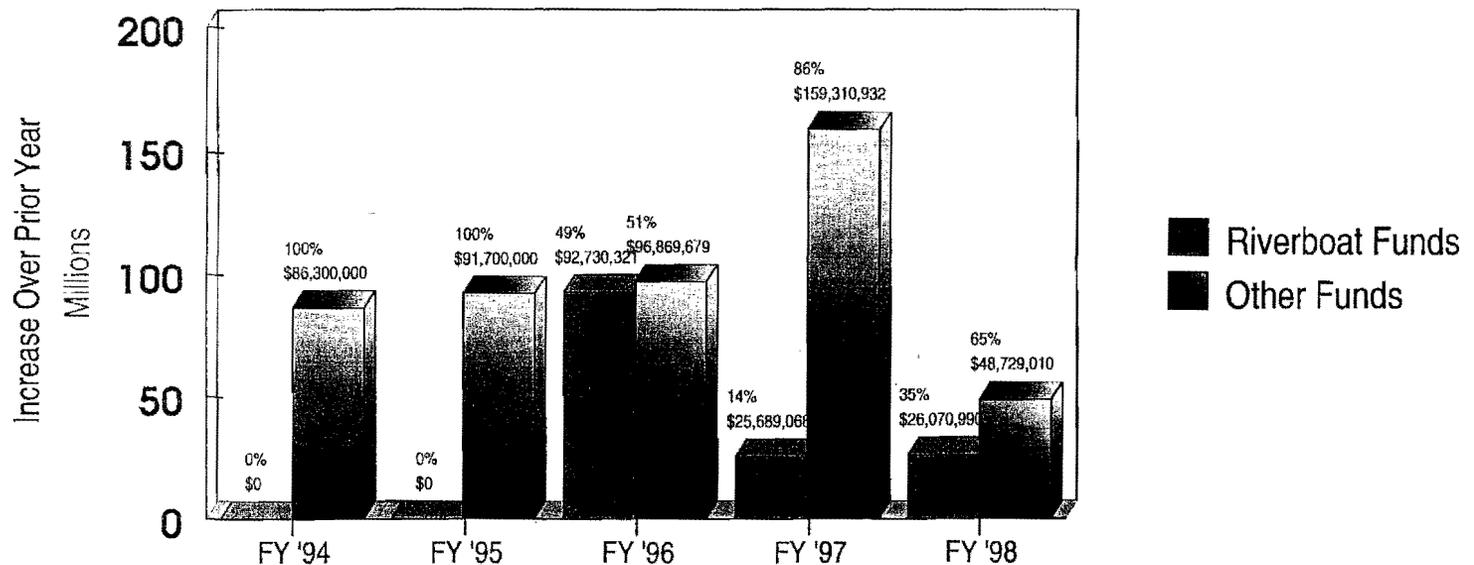


The first year riverboat funds were used for the foundation formula was FY '95. Since that time, the formula has increased a total of approximately \$449,400,000. Of that amount 32.2%, has been derived from riverboat gaming funds (assuming that the gaming funds were used when transferred).

The chart on page 12, shows the source of funds for the increase each year since the foundation formula was changed in 1993. The chart reflects the fact that while the amount of increase from riverboat funds are due to market factors, the increase in funding from traditional sources has been relatively consistent. The data clearly shows that the legislature has not substituted gaming money for traditional funding from other state funds; but that gaming funds are in addition to regular funding increases. Furthermore, it indicates that if gaming funds decrease, they will be lost and not likely to be replaced with other state funds without decreasing funding for programs in other areas.

Does the Gaming Money Really Go to Fund Education?

Increase in Foundation Formula Source of Funds



- lated violence and crimes.
- (2) \$3 million to the "Veterans' Commission Capital Improvement Trust Fund" for the construction, maintenance or renovation of veterans' homes and cemeteries.
 - (3) \$3 million to the Missouri National Guard Trust Fund.
 - (4) \$3 million for the Missouri College Guarantee Fund.
 - (5) The remaining funds are to be used for the "Early Childhood Development, Education and Care Fund" to be used for early childhood education.

- (6) If the funds used in (5) exceed \$27 million in a given year, up to an additional \$1.5 million shall be distributed to the Missouri college guarantee fund.

It is important to note that the admission fee is not derived from the *conduct* of gaming and therefore not constitutionally required to be used for education. Therefore, while the bulk of the money is used for education purposes, the portions used for Missouri veterans and the National Guard do not violate the constitutional restriction on the use of state funds derived from the conduct of gaming.

Dealing with Problem Gambling

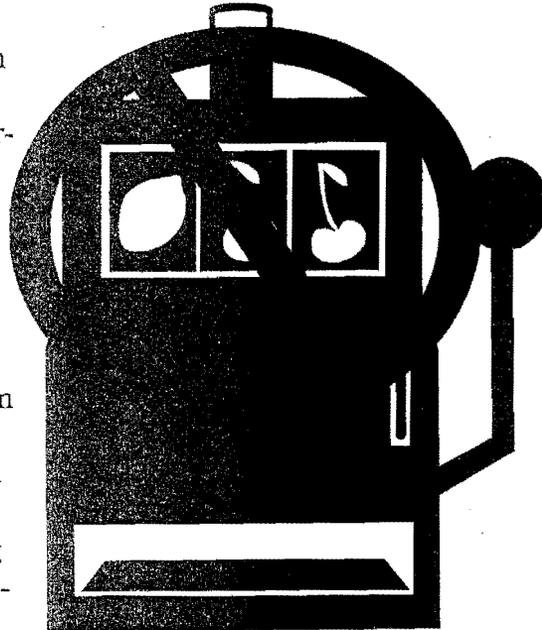
Voluntary Exclusions for Problem Gamblers

One of the most difficult challenges for regulators of casino gambling is finding ways to combat problem gambling. In Missouri, we have broken new ground with a program that is helping hundreds of problem gamblers deal with their compulsive tendencies.

The program is called the List of Disassociated Persons and it allows problem gamblers to begin to take personal responsibility for their problem by voluntarily excluding themselves from Missouri riverboat casinos.

Professional treatment counselors have advised the Commission that the only way for problem gamblers to begin the continuing road to recovery is for them to admit they have a problem and take personal responsibility for it. The Commission chose to make these requirements the cornerstone of its Disassociated Persons program.

The purpose of the program is to provide a person with a gambling problem an incentive to refrain from visiting riverboat casinos in Missouri and to protect the problem gambler from receiving direct marketing materi-



als from Missouri casino operators. It must be stressed that it is the responsibility of the problem gambler to seek treatment and to refrain from visiting Missouri riverboat casinos. It is not the responsibility of the Gaming Commission or the casino operators to prevent the problem gambler from entering the casino – this would be an impossible task and an invitation for failure. Furthermore, treatment counselors have advised the Commission that such a policy would actually have a negative impact on long-term treatment because someone else would be taking responsibility for the problem gambler's conduct. However, casino companies do have an obligation to remove disassociated persons once their identity is discovered.

Therefore, the Commission's program provides that the **consequence** of visiting a Missouri riverboat casino is that, if discovered, the person will be arrested for trespassing and will forfeit any chips, tokens or credits in their possession at the time of arrest.

In exchange for the agreement of the problem gambler to refrain from visiting Missouri riverboat casinos, the Commission requires the casino operators to refrain from offering people on the Disassociated Persons List incentives to visit the casino such as free dinners, free stays in the hotel, etc. It is the responsibility of the Disassociated Person to notify the Commission of any violations of this policy.

It is important to note that entrance into the Disassociated Persons program is a lifetime commitment. Treatment counselors have advised the Commission that a gambling addiction requires lifetime treatment and that a person is never "cured," but continually "recovering".

Although the program is still in its infancy, the initial results are encouraging.

Understanding Boats in Basins

Introduction

Over the past several months, the most frequently asked question of any member of the Gaming Commission or its staff has been: "Why is the Commission trying to take the licenses away from the 'boats in basins' when it granted the licenses in the first place?" Understandably, this question has befuddled many citizens, lawmakers and those employed in the casino industry.

The short answer is that when the licenses were issued, the Commission had an obligation to abide by the statutory definition of "Missouri and Mississippi River" adopted by the legislature. When the Missouri Supreme Court struck down that law, the Commission had an obligation to enforce the new law announced by the Court. It is that simple.

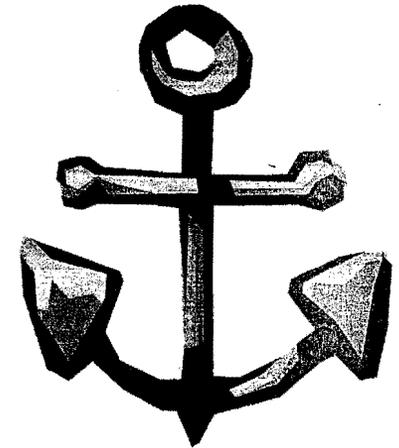
To examine the issue more thoroughly, one must first look to the statute defining the Missouri and Mississippi Rivers passed by the legislature in 1994.

Senate Bill 740 and Dockside Hearings

In 1994, the legislature added the following definition of the Missouri and Mississippi Rivers to the riverboat gaming law:

When the licenses were issued, the Commission had an obligation to abide by the statutory definition of "Missouri and Mississippi River" adopted by the legislature. When the Missouri Supreme Court struck down that law, the Commission had an obligation to enforce the new law announced by the Court.

"Missouri River" and "Mississippi River" [means] "the water, bed and banks of those rivers, including any space filled by the water of those rivers for docking purposes in a manner approved by the commission but shall not include any artificial space created after May 20, 1994, and is located more than one thousand feet from the closest edge of the main channel of the river as established by the United States Army Corps of Engineers."



In addition, the legislature defined "dock" as:

"the location . . . which contains any natural or artificial space, inlet, hollow, or basin, in or adjacent to a bank of the Mississippi or Missouri Rivers, next to a wharf or landing . . . [for] gambling excursion [passengers] but shall not include any artificial space created after May 20, 1994, and is located more than one thousand feet from the closest edge of the main channel of the river as established by the United States Army Corps of Engineers."

Pursuant to well-established canons of constitutional interpretation, the Gaming Commission is obligated to presume the

constitutionality of statutes. It has no authority to declare a statute unconstitutional. All the currently licensed boats located in basins were subject to lengthy public hearings designed to evaluate whether the riverboat was located in a manner allowed by the statute.

The Commission heard expert testimony on the subject and solicited testimony from the public. At each such hearing, save one, there was no objection by any group or citizen to locating the facility in an artificial basin as provided by statute. Each basin was approved after a determination that it complied with the statutory definitions previously cited.

On only one occasion was the constitutionality of a location questioned. In that instance, the Commission ruled that because the statute defined the Missouri River as including artificial basins, that the boat was located on the river. Although that decision of the Gaming Commission could have been appealed to the Western District Court of Appeals and then to the Supreme Court, no such appeal was filed. Later, in the *Akin* case, a respected circuit court judge would issue a ruling similar to that of the Commission.

However, on November 25, 1997, the Supreme Court disagreed with the lower court and declared the definition of "river" in the gaming statute invalid to the extent that it conflicts with the Court's ruling that an artificial basin must be "filled with water, that touches the surface stream [of the river] (for considerable

It is now the charge of the Gaming Commission to determine who complies with the *Akin* ruling. To the extent that a project does not comply, its license for games of chance must be revoked.

distances)" and thereby "contiguous to the surface stream [of the river]." The law has now changed and the Commission must enforce the new law.

It is now the charge of the Gaming Commission to determine who complies with the *Akin* ruling. To the extent that a project does not comply, its license for games of chance must be revoked. The Commission moved quickly to set this process in motion. While the Court's initial ruling was issued on November 25, 1997, the final mandate did not issue until December 23, 1997. On January 9, 1998, the Commission was scheduled to issue preliminary disciplinary orders revoking the license for games of chance to all boats located in artificial basins that are not contiguous with the surface stream of the Missouri or Mississippi River.

The preliminary disciplinary orders are documents that allege that a company is not in compliance with the law. Preliminary disciplinary orders do not become effective for 30 days, during which time each licensee is afforded the opportunity to request a hearing contesting the Commission's preliminary order. If the licensee requests a hearing, the riverboat can continue operating pending the outcome of the hearing.

However, the riverboat gaming operators stopped the Commission from issuing the preliminary



Understanding Boats in Basins

orders by obtaining an Order of Prohibition from the Cole County Circuit Court. The operator's lawsuit alleged that the Commission's hearing process did not provide sufficient due process in violation of the U.S. and Missouri Constitutions. The Commission appealed the lower court ruling and on May 28, 1998, the Missouri Supreme Court ruled in favor of the Commission by holding that the Commission's procedure complies with constitutional due process and has the appropriate remedies for judicial review to avoid irreparable harm to any of the parties. *State ex. rel. Riverside Joint Venture et. al., vs. Missouri Gaming Commission.*

On June 23, 1998, the Commission issued preliminary disciplinary orders to Boyd, Kansas City, Inc., Hilton Kansas City Corporation, Harrah's North Kansas City Corporation, Kansas City Station Corporation, Riverside Joint Venture and Harrah's Maryland Heights, LLC, Riverside Joint Venture and Players MH, L.P., and St. Joseph Riverboat Partners. However, the riverboats are entitled to a hearing to prove that they comply with the *Akin* ruling. The process is as follows.

At the hearing the riverboat licensee is given the opportunity to prove that it complies with the *Akin* ruling. An independent hearing officer who will make a recommendation to the Commis-

sion will conduct the hearing. The five members of the Commission will ultimately be responsible for deciding the matter. The Commission may accept, modify or reject the findings of the hearing officer. If the ruling is adverse to the licensee, it can appeal to the Western District Court of Appeals and then to the Supreme Court.

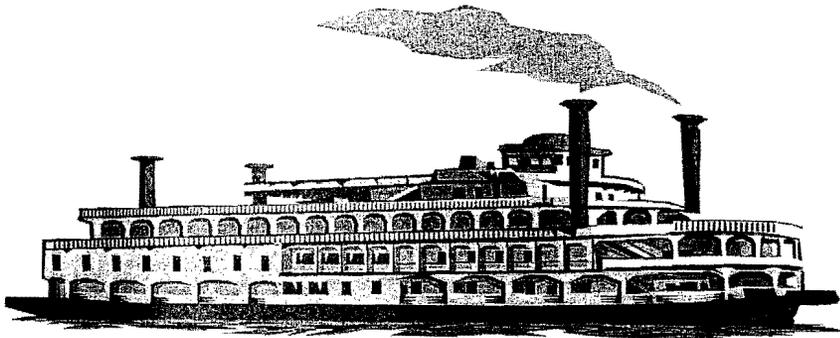
Should a license come up for renewal while a hearing or appeal is pending, the licensee will be eligible for renewal contingent upon the outcome of the disciplinary hearing. This procedure is consistent with the way the Commission has handled disciplinary actions over the past several years. The process is not new and was not created specifically to deal with the boats in basins situation.

The Myth of the Cruising Riverboat Requirement

One of the most common myths that has perpetuated throughout Missouri's experience with riverboat gaming is the claim that the original referendum promised cruising riverboats. The assertion is simply not true. The law has ***never required*** that all boats cruise, that any boat cruise all the time or that any boat cruise when it is unsafe to do so.

The original law, adopted by the people, granted a specific exemption from cruising for the *Admiral* and five other sites along the downtown St. Louis riverfront. In addition, the legislation exempted all boats from cruising from the beginning of

The law has ***never required*** that all boats cruise, that any boat cruise all the time or that any boat cruise when it is unsafe to do so.



November until the end of March.

Furthermore, the Tourism Commission had the authority to set the minimum number of cruises from April until October. Therefore, the boats could be docked for substantial periods during these months. Moreover, the original referendum allowed the boat operator to operate while remaining docked for "mechanical problems, adverse weather, or other conditions adversely affecting safe navigation."

Upon receiving information from the United States Coast Guard and the U.S. Army Corps of Engineers that rivers in Missouri present certain safety hazards that must be accounted for, the legislature adopted a procedure for evaluating safety risks. The riverboat gaming statute provides that all boats "shall cruise, unless the Commission finds that the best interest of Missouri and the safety of the public indicate the need for continuous docking." Section 313.805 (15), RSMo. The statute also provides that, in order for a boat to remain dockside, the applicant must demonstrate that the project "would benefit land-based development and permanent job creation." Therefore, the law clearly instructs the Commission to consider projects that have significant investments in "land-based development."

The statute requires the Commission to hold hearings to

The statute requires the Commission to hold hearings to determine whether it is safe for each riverboat to cruise. The result of each of these hearings has been that it is unsafe for vessels of this size, carrying thousands of passengers, to cruise.

determine whether it is safe for each riverboat to cruise. The result of each of these hearings has been that it is unsafe for vessels of this size, carrying thousands of passengers, to cruise. The Gaming Commission has received uncontroverted testimony from dozens of experts, including the United States Coast Guard, who have attested to the perils of large passenger vessels cruising in high traffic areas on the Missouri River.

The testimony by these experts regarding the perils of placing large passenger vessels in the navigable portions of these rivers was alarmingly evidenced by three recent accidents involving Missouri riverboat gaming operations. The first, at the Aztar riverboat in Caruthersville, involved a 30' by 70' barge, half loaded with gravel that broke loose and struck the boarding ramp of the Aztar casino. The second accident was the well-publicized incident where a grain barge broke loose and struck the entrance ramp to the Admiral in St. Louis. The collision broke the power lines connected to the boat, requiring the use of emergency generators. Several months later, another barge would strike the Admiral, as further evidence of the dangers involved in being situated near the path of commercial river traffic.

Fortunately, in each instance tragedy was avoided and no one was injured. The avoidance of injury is largely because of Gaming Commission policies regarding safety inspections and permits and the fact that the vessels remain dockside, thus minimizing the risk of collision and maximizing the utilization of rescue facilities. However, the incidents demonstrate that the safest location for these facilities is in a protected basin off the navigable waterway. The Coast Guard has consistently informed the Commission that protected basins represent the safest mode of operation for riverboat casinos.

The History of Riverboat Gambling in Missouri

Introduction

November 3, 1998 marks the 6th anniversary of the Missouri voter's approval of riverboat gambling in Missouri. However, policy debates and legal wrangling delayed the opening of the state's first riverboat gambling operation until May 27, 1994. The industry now holds 16 licenses at 10 casino properties and employs approximately 12,000 people with an annual payroll of approximately \$269 million.

Nevertheless, recent litigation has result in great uncertainty for many Missourians employed in the riverboat gambling industry. On November 23, 1997, the Missouri Supreme Court issued its ruling in *Akin v. Missouri Gaming Commission*. The court held that, to the extent that the legislature's definition of the Missouri and Mississippi Rivers authorized games of chance in basins that are not "contiguous with the surface stream" of those rivers, the definition is unconstitutional.

The Supreme Court's final decision in *Akin* was issued on December 23, 1997 and on January 9, 1998, the Commission issued Preliminary Orders for Disciplinary Action to all licensees operating riverboats in basins that are not "contiguous to the surface stream" of the Missouri or Mississippi River. The disciplinary actions propose that the companies' authority to conduct games of chance be revoked. The proposed orders are currently being appealed and affect 5 of the state's 9 riverboat casino properties.

In light of the substantial policy issues now facing the General Assembly regarding riverboat gambling in Missouri, the Commission thought it would be beneficial to recount the history of the industry's creation, its evolution and its prospects for the future.

The 1992 Referendum

In 1991, the Missouri General Assembly adopted House Bill 149, ordering that the issue as to whether Missouri should allow riverboat gambling be referred to the voters. On November 3, 1992, Missouri voters approved the referendum by a 63% majority. The ballot language for this measure read as follows:

"Authorizes riverboat gambling excursions on the Mississippi and Missouri Rivers, regulated by the State Tourism Commission. Excursions may originate where locally approved by the voters. Five hundred dollar maximum loss limit per person per excursion. The proposal is intended to produce increased General Revenue."

While the original ballot language certainly implies that all gambling would occur during an "excursion", and thus that the boat would be cruising the rivers, the text of the amendment plainly states otherwise. The proposal passed by the people defined a "gambling excursion" as "the time during which gambling games may be operated on an excursion gambling boat *whether docked or during a cruise. Gambling games may be continuously operated on an excursion gambling boat which is continuously docked.*" (Missouri Session Laws, 1991, H.B. 149 149, § A(§ 1), adopted by referendum, eff. Nov. 3, 1992.) (*emphasis added*).

In fact, the original referendum passed by the people specifically exempted boats on the St. Louis riverfront from ever cruising the river. Furthermore, no boat would ever have to cruise from November to March. Moreover, the referendum allowed

The History of Riverboat Gambling in Missouri

exceptions from the cruising requirement in the case of “mechanical problems, adverse weather, or other conditions adversely affecting safe navigation, during the duration of the problem or condition, or as authorized by the Commission during the off season.”

Therefore, it is clear that the original referendum did not promise cruising riverboats. Not all boats were required to cruise, none of the boats were required to cruise five months of the year and all boats could be exempted from cruising if it would pose safety problems.

The Original Referendum Gets a Makeover

Prior to the election to decide riverboat gambling in 1992, critics of some provisions of the referendum language began to emerge. On October 23, 1992, the *Kansas City Star* reported that the law did not bar convicted felons from holding a license to



operate a gambling boat. In addition, some public officials began to question whether the tourism Commission was the proper agency to regulate the gambling industry, which was predicted to be a significant tourist attraction. (KC Star, October 26, 1992).

As a result, after the referendum had been approved by the voters, legislation was introduced, supported by then Governor-elect Carnahan, to place more stringent requirements on riverboat gambling licensees and to create a strong Gaming Commission to regulate the new industry.

Senate Bills 10 & 11

On April 29, 1993, Governor Carnahan signed into law SBs 10 & 11 creating the five member gaming Commission. The bill carried an emergency clause and the Governor immediately appointed the first members.

The Commission was given much more authority over the gaming industry than had previously been given to the Tourism Commission. The Commission could prioritize applications; issue liquor licenses; assess a wide array of administrative penalties; inspect the licensees premises at any time; decide the number, type and location of gambling boats; determine the times during which gambling may occur; have access to all closed records relating applicants for licenses; conduct hearings and be a trier of fact with regard to alleged violations of the gaming act and require licensees to release all information on its finances.

In addition, the industry was held to a higher standard, having to prove its suitability for licensure by clear and convincing evidence, rather than a preponderance of the evidence as had been the case under the provisions of the original referendum. Felons are prohibited from holding gaming licenses under the new act and the Commission is empowered to reopen licensing hearings at any time. These requirements made it clear that a riverboat gambling

The History of Riverboat Gambling in Missouri

license was a privilege granted at the sole discretion of the State of Missouri and that the license carried no property rights.

The Commission was vested with a strict code of ethics that prohibited members and staff from being employed by or having any financial interest in an applicant or licensee during their tenure with the Commission or for a two year period thereafter.

Continuous Docking Language Clarified

Senate Bills 10 & 11 also added new language clarifying the original referendum's vague provisions relating to cruising riverboats. While SBs 10 & 11 were being debated, the legislature was made aware that the U.S. Coast Guard had serious concerns about the safety of large passenger vessels on the Missouri River. In a letter to the Missouri Port Authority Association dated February 5, 1993, U.S. Coast Guard Commander, S.P. Cooper stated that "I am concerned about the safety issues attendant to the operation of these [riverboat gambling] vessels . . ." Cooper went on to say that "The large numbers of passengers on these vessels pose special problems for public safety organizations. The Coast Guard *will not* have a permanent presence in these communities but will assist if resources are available."

In response to the safety concerns raised by Captain Cooper, local public officials in Kansas City and other safety experts, SBs 10 & 11 adopted a procedure for allowing the Commission to order riverboats to remain continuously docked if "the safety of the public indicates the need for continuous docking." (SBs 10 & 11, Section 3 (15).

However, some legislators and local public officials believed dockside gaming was important for reasons other than safety. Some public officials were concerned that riverboat companies might not honor commitments to home dock communities if the operation did not have immediate success. In 1993, several

riverboat operators in Iowa had pulled anchor and sailed south in hopes of taking advantage of the more favorable regulatory environment in Mississippi.

In order to address this issue, language was added that would require the Commission to "consider economic feasibility or impact that would benefit land based development and permanent job creation" when making its decision whether dockside gaming was in the "best interest of Missouri." However, officials from the St. Louis area did not want the issue of continuously docked boats tied to additional infrastructure requirements. They believed that St. Louis already had sufficiently developed its riverfront and therefore added language to the bill exempting the City of St. Louis from the aforementioned requirement.

Gaming Commission Begins Work

Supreme Court Intervention - Round One *Troy Harris v. Missouri Gaming Commission*

On February 22, 1994, the Missouri Supreme Court issued its opinion in *Troy Harris v. Missouri Gaming Commission*, wherein it ruled that the legislature did not have the authority to allow games of chance on riverboats. The Commission argued that it was the voters who authorized games of chance by adopting the referendum language in November, 1992. The Court agreed that the people lawfully authorized games of chance in the 1992 referendum. However, it ruled that because the General Assembly



The History of Riverboat Gambling in Missouri

repealed the sections of the referendum authorizing games of chance and reenacted congruous language in SBs 10 & 11, that the new law was an act of the General Assembly, not the people, and therefore subject to the limitations of Article III, § 39(9) of the Missouri Constitution prohibiting the General Assembly from authorizing games of chance.

The Court in *Harris* also found the language exempting the *Admiral* and the lease sites along the St. Louis riverfront from cruising to be a “facially special law”. Because special laws are presumed unconstitutional unless the party defending the law can demonstrate a “substantial justification” for the special treatment, the Court remanded the issue back to circuit court for an evidentiary hearing.

The Legislative Response to *Harris*

The legislature responded quickly to the Supreme Court’s decision in *Harris* by filing HJR 43, a constitutional amendment that would authorize the General Assembly to permit games of chance on the Missouri and Mississippi Rivers. The joint resolution was drafted to address the very narrow question raised by the court as to whether or not the General Assembly has the authority to authorize games of chance on riverboats. (Transcript of Senate Ways & Means Committee hearing, February 2, 1994, page 1).

The language adopted by the House Ways & Means Committee read, in pertinent part, as follows:

Article III, Section 39(e). Notwithstanding any prohibitions contained in this constitution, including, but not limited to, the prohibition contained in subdivision (9) of section 39 of this article, the General Assembly is authorized to permit lotteries, gift enterprises and games of skill or chance upon

the Mississippi and Missouri rivers, as may be defined by the General Assembly.

It appears that this language would have avoided the result in *Akin* whereby the Court ruled that the General Assembly did not have the authority to define the term “river”.

This language concerned some members of the Senate, because of the fear that by allowing the General Assembly to define the Missouri and Mississippi River, it may allow for a broad definition that could be expanded to other areas of the state such as the Lake of the Ozarks. (Transcript, pages 8-9). Nevertheless, the language that emerged from the Senate, while more specific, would be similar to the House language:

Section 39(e). The General Assembly may authorize the issuance of licenses to permit lotteries, gift enterprises and games of skill or chance to be conducted on floating facilities upon the Missouri River and the Mississippi River, in such numbers, locations and manner, all as or may be provided by law and regulations adopted pursuant to law, and subject to such taxes as provided by law, and fees as provided by law or regulation adopted pursuant to law.

However, as the legislation moved through the process to a conference committee, concern over the breadth of the language granting the General Assembly authority to permit games of chance continued to grow. The House rejected the Senate’s language and passed the House version. The Senate refused to adopt the House version and both side appeared deadlocked. Finally, the following compromise language was adopted as a conference committee substitute:

The History of Riverboat Gambling in Missouri

The general assembly is authorized to permit only upon the Missouri and Mississippi Rivers, lotteries, gift enterprises and games of skill or chance to be conducted on excursion gambling boats and floating facilities.

The conference committee substitute was adopted by both houses with bi-partisan support. The Senate vote was 23-10 and the House vote was 107-48.

While HJR 43 was truly agreed to and finally passed in time to put the question before the voters in the April 5, 1994 election, the measure was defeated, with 527,011 in favor and 528,278 opposed.

The General Assembly was now faced with implementing the referendum adopted by 63% of the voters in 1992 without the games of chance that *Harris* declared to require constitutional authority. In addition, it was becoming increasingly clear that serious safety problems on the Missouri and Mississippi Rivers may preclude riverboat casinos from being able to cruise. (Transcript, page 17).

Therefore, the General Assembly adopted SB 740, which defined games of skill, specifically authorized boats to be located in artificial basins and made minor revisions to the process for determining the conditions under which a boat may operate while continuously docked. In addition, the bill added new ethical standards and conflict of interest rules for the Gaming Commission, General Assembly, Attorney General's office, Missouri State Highway Patrol, peace officers and other public officials. SB 740 was truly agreed to and finally passed with an emergency clause (E.C.) on May 12, 1994. The bill had bi-partisan support was adopted by a vote of 21-11 in the Senate (E.C. 24-8) and 93-63 in the House (E.C. 110-50).

On May 22, 1994, the Commission implemented the provisions of the riverboat gambling act, as amended by SB 740 and granted the first excursion gambling boat licenses to President Riverboat Casino on the Admiral and St. Charles Riverfront Station. The licenses permitted the operators to offer only games of skill. The inability to provide games of chance, most importantly slot machines, left the Missouri operators at a distinct disadvantage from their competitors in Illinois. While Missourians initially flocked to the newer, more elaborate Missouri riverboats, the attraction soon dissipated. In the first six months of operation, the Missouri boats attracted fewer customers and generated less revenue than their Illinois competitors in East St. Louis and Alton.

The markets on the west side of the state presented a different situation. Without competition from casinos in the same market with competitive advantages, the riverboats licensed in Riverside and St. Joseph on June 22, 1994, fared better than their St. Louis market counterparts. Nevertheless, the games of skill offered by the riverboats did not generate sufficient revenue to make the casinos profitable.

In response to *Harris* and the failed April 1994 constitutional amendment, an initiative petition effort was mounted to allow voters to again decide whether riverboat casinos in Missouri should be allowed to offer games of chance. The effort was successful and on June 6, 1994, the Secretary of State certified the following proposed constitutional amendment for the November 8, 1994 ballot:

Shall the General Assembly be authorized to permit only upon the Mississippi River and the Missouri River, lotteries, gift enterprises, and games of chance to be conducted on excursion gambling boats and floating facilities? This proposal would increase state

The History of Riverboat Gambling in Missouri

revenues from existing gaming boats approximately \$30,000,000 per year. Impact on local governments unknown.

The First Boat in a Basin

While the licensees offering only games of skill were not operating profitably in the summer of 1994, it did not deter the company constructing the first "boat in a basin" from completing its elaborate gambling complex containing the state's first land-based entertainment amenities. On September 22, 1994, the Commission issued a license for games of skill to Harrah's for its \$89 million facility in North Kansas City.

The Harrah's North Kansas City project consisted of a 60,000 square foot land-based pavilion containing three restaurants and a permanently moored excursion gambling boat located in a protected coffer cell basin. The facility offered 1800 parking spaces on its 60 acre site.

It is important to note that when Missouri voters approved constitutional amendment 6, authorizing games of chance on riverboat casinos with 943,652 in favor and 807,707 opposed, a boat in a basin was licensed and operating at the Harrah's North Kansas City project. Pursuant to voter approval, the Commission amended the licenses of Argosy-Riverside, Harrah's-North Kansas City, President Riverboat Casino-St. Louis, St. Charles Riverfront Station and St. Joseph Riverboat Partners to allow games of chance on December 9, 1994.

The Dramatic Impact of Games of Chance

The advent of games of chance would dramatically impact the casino gambling industry in Missouri. The most significant game of chance, the slot machine, now accounts for over 60% of total casino revenue. As depicted in the chart on page 22, casino

revenue would more than double for the first quarter of fiscal year 1996 when casinos offered games of chance as opposed to the first quarter of fiscal year 1995, when riverboats were limited to games of skill.

The addition of games of chance would also lead to the construction of bigger more elaborate projects through the addition of new facilities as well as the expansion of existing properties. For example, shortly after games of chance were introduced, Station Casinos opened a second riverboat at its property in St. Charles. The new facility is larger and more lavish than its predecessor and would provide the necessary revenue base for the expansion of its non-gaming, land-based amenities.

Similarly, armed with games of chance, Harrah's North Kansas City quickly moved to expand its facility. On April 12, 1995, Harrah's advised the Commission of its request for approval of a \$70 million expansion. The expansion proposal included a 200 room hotel, 10,000 square feet of meeting space, a covered parking garage with 765 spaces, a swimming pool, exercise facilities, video arcade, gift shop, expanded restaurant seating, a full service car wash and a second gaming vessel with 40,000 square feet of gaming space to be located in a protected artificial basin. The proposal was given final approval by the Commission on May 15, 1996.

Boat in Basin Controversy Emerges

Although the first boat in a basin had been operating since September 22, 1994, the first objection to allowing a riverboat to be located in a basin arose during Hilton's request for continuous docking status for its project in Kansas City. On March 16, 1995, attorneys representing Roy Fischer appeared at the Hilton dockside hearing to protest Hilton's proposal to locate its excursion gambling boat in a protected coffer cell. Mr. Fischer owned land in the

The History of Riverboat Gambling in Missouri

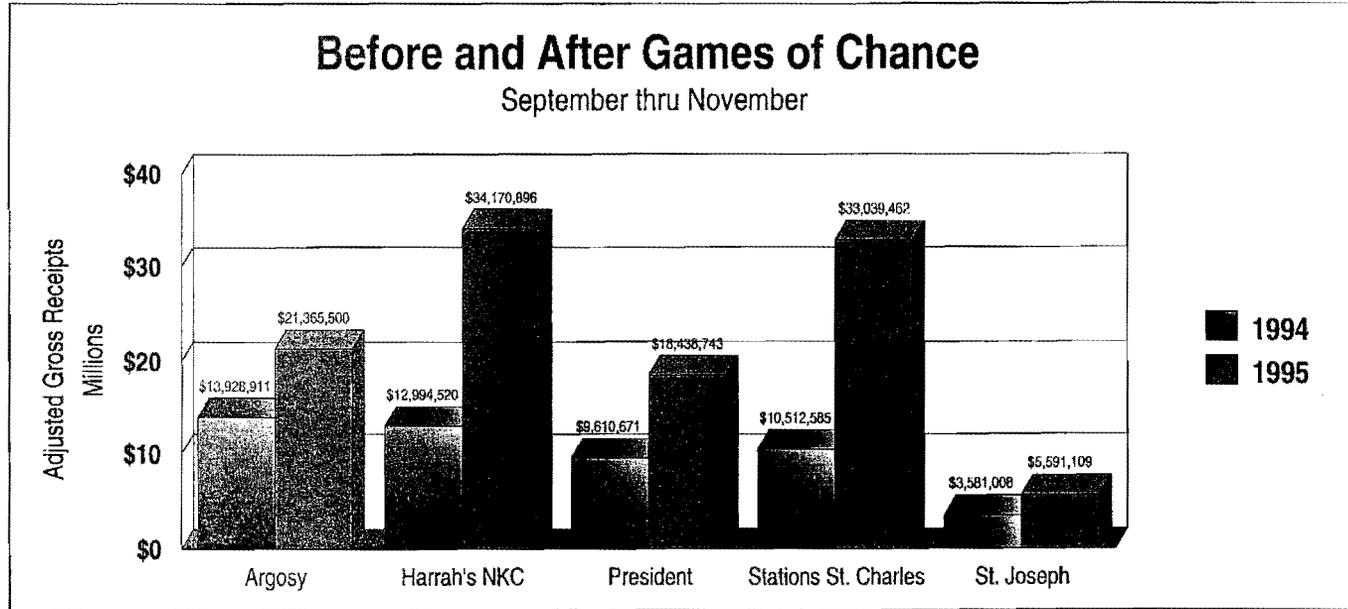
St. Louis area that was under contract to a gaming company wishing to build a project near a competing proposal for a boat in a basin in Maryland Heights.

Mr. Fischer argued that the Hilton proposal did not comply with the Missouri Constitution or the gaming statute. He claimed that the voters approved cruising riverboats and while the legislature had provided for narrow exceptions to the cruising requirement, it did not include artificial basins. The Commission ruled that because the legislature defined the Missouri river as including artificial basins located within 1,000 feet of the main channel, that the Hilton boat was, for purposes of the statute, *in the river*. Since the Commission did not have the authority to strike down the statute, but was under an obligation to presume that it was constitutional, it followed the statute, found that the Hilton boat met the criteria for continuous docking and granted it a license. Although

this decision could have been appealed to the Western District Court of Appeals, where the constitutionality of the statute could have been challenged, Mr. Fischer chose not to do so and the Commission's decision stood.

On August 29, 1996, over 17 months after the Commission issued its ruling in the Hilton dockside case, W. Todd Akin filed a declaratory judgement action in Cole County Circuit Court seeking a determination that the statutes defining the Missouri and Mississippi rivers in the gaming act were unconstitutional. The Cole County Circuit Court would rule in favor of the Commission by issuing a finding similar to the Commission's ruling in the Hilton dockside case. However, on November 25, 1997, the Missouri Supreme Court would reverse the lower court decision and declare the gaming statute unconstitutional to the extent that it allows games of chance on riverboat casinos that are not "contiguous to the surface stream of the river."

As noted in the section entitled "Understanding Boats in Basins" beginning on page 13, the Commission is currently seeking to revoke the licenses for games of chance for facilities not in compliance with *Akin*. The industry successfully submitted a ballot proposal that would reverse the impact of *Akin* and it awaits consideration by the voters on November 3, 1998.



Charitable Bingo - The Year in Review

Number of Bingo Operators Continue to Decline

The number of charitable bingo operators in Missouri declined in FY '98 for the third consecutive year. As the chart at right depicts, all classifications of charity bingo licenses have decreased. The reason for the reduction is varied. Some organizations were significantly weakened by the 120% tax increase dedicated to veteran's homes that was imposed for approximately 10 months from 1993 to 1994. The tax was repealed by SB 427 in 1994, however the legislation also included strict new standards that prevented convicted felons from being involved with bingo and gave the Gaming Commission new tools to drive criminal elements out of bingo and ensure that taxes were properly paid. These new provisions led to some organizations being forced out of bingo and other voluntarily surrendered their attributed to the increase in the number of licensed riverboat casinos in Missouri and adjoining states as well as the addition of Indian casinos in Kansas. Furthermore, high stakes Indian bingo in Oklahoma as well as tour bus trips to high stakes Indian bingo halls in Iowa, Ohio, Oklahoma and as far away as Wisconsin, continue to draw Missouri patrons away from resident charity bingo games that are faced with a myriad of constitutional restrictions.

The introduction of progressive games and the availability of pull tab games offering larger prizes have helped the charities to compete. Nevertheless, when faced with direct competition from a riverboat or Indian casino or high stakes Indian bingo hall, the Missouri charitable operator is at a severe disadvantage.

Court Strikes Down Ban on Bingo Advertising

One of the most important events effecting charitable bingo in Missouri occurred when United States District Court Judge Howard F. Sachs has issued a ruling in *Association of Charitable Games of Missouri v. Missouri Gaming Commission* which strikes down Missouri's constitutional ban on the advertising of charity bingo games. The twenty-one page opinion strikes down Article III, Section 39(a)(7) of the Missouri Constitution ruling that it infringes on the charities' First and Fourteenth

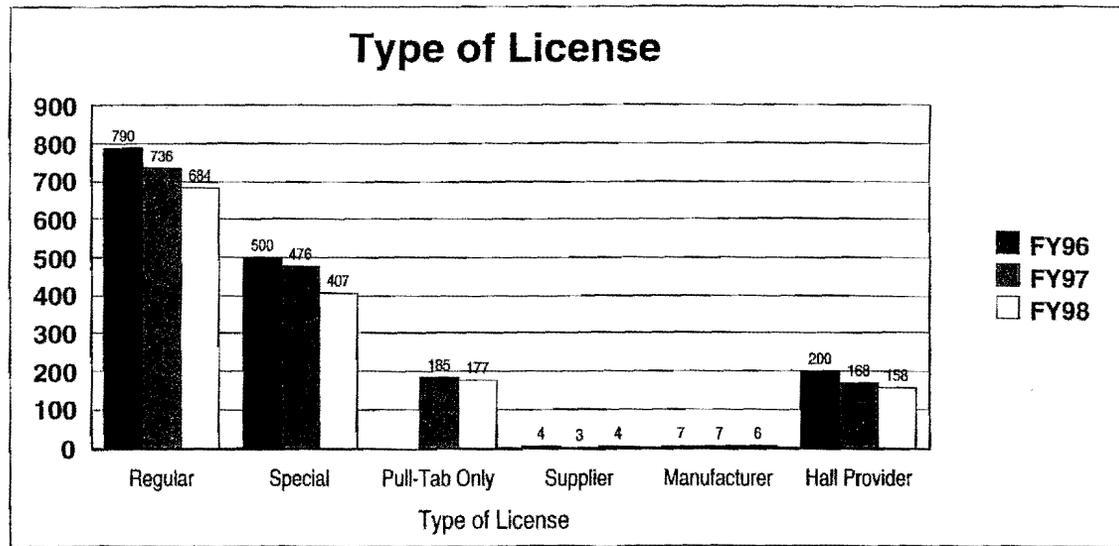
Amendment rights in violation of the United States Constitution. Judge Sachs order also permanently enjoins the Gaming Commission from enforcing the provisions of Article III, Section 39(a)(7).

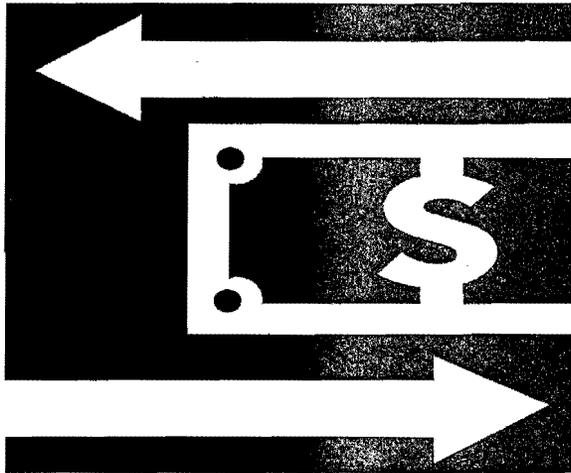
The decision clears the way for charitable bingo operators, suppliers and hall providers to begin advertising campaigns. The new authority should allow charitable bingo operators to better compete with state lotteries, Indian bingo halls and riverboat casino operations in Missouri and adjoining states.

Seminars Help Charities Understand Rules

The Gaming Commission's Bingo Division conducted a series of three training seminars for charitable bingo operators in FY 98. The training seminars, which will be offered again in FY 99, are designed to help charity game operators understand the rules regulating bingo and to more effectively and efficiently process financial information required for proper oversight. In addition, the seminars offer state regulators the opportunity to interact with bingo workers and consider suggestions for changes in the regulatory process.

During the seminars, surveys are taken regarding specific changes charities would like to make to bingo rules or statutes. As a result of input from seminar participants, the Commission recently revised its regulation regarding bingo game starting times.





Financial Summary Reports

Fiscal Year 1998



Gaming Commission Fund Balance Report

Fiscal Year 1998

	AMOUNT	SUBTOTAL	TOTAL		AMOUNT	SUBTOTAL	TOTAL
BEGINNING BALANCE 7/1/97			\$31,843,942.14	Expense & Equipment:			
REVENUE				Travel & Vehicle Exp.	\$236,293.54		
Fees:				Office Expense	\$64,057.28		
A & B Application	\$398,680.96			Office & Comm. Equip. Purchase	\$45,188.82		
Level I Occup. Application	\$51,112.71			Communications Expense	\$144,041.86		
Level II Occup. Application	\$557,300.00			Inst & Phys. Plant Expense	\$112,350.62		
Supplier Application	\$70,446.49			Inst & Phys. Plant Equip. Purchase	\$15,469.29		
Level I Occup. Annual Fee	\$14,625.34			Data Processing Exp. & Equip.	\$574,278.02		
Level II Occup. Annual Fee	\$758,526.67			Professional Services	\$888,525.60		
Supplier Annual Fee	\$156,250.05			Other Expense	\$120,782.61		
Penalties	\$10,000.00			Refunds	\$539,255.85		
Level II Supplier Application	\$5,667.89			Lease Payment	\$273,480.85	\$3,015,724.34	
Level II Supplier Annual Fee	\$7,552.07			Total Gaming Expenditures			\$13,359,504.38
Admissions	\$39,509,716.89	\$41,539,879.07		EXPENDITURE - OTHER			
Licenses:				Personal Services:			
A & B Annual	\$850,000.00			DOR Salaries	\$23,916.00		
Liquor License	\$8,500.00	\$858,500.00		Attorney General Salaries	\$58,329.00		
Other:				Auditor's Office Salaries	\$10,623.90	\$92,668.90	
Administrative Income	\$517,382.66			Expense & Equipment:			
Enforcement Reimbursements	\$5,978,843.59			OT for Auto Technician	\$16,197.98		
Interest	\$2,501,752.44	\$8,997,978.69		OT for Radio Installer	\$15,113.16		
TOTAL REVENUE			\$51,396,357.76	MSHP Gasoline	\$148,054.61		
EXPENDITURE - GAMING				MSHP Auto Maintenance & Repair	\$70,422.60		
Personal Service:				MSHP Vehicle Purchase	\$765,053.00		
Gaming Salaries	\$1,879,431.15			Auditor's Office Expenses	\$11,754.03		
MSHP Salaries	\$5,284,280.65			Attorney General Expenses	\$11,465.43		
MSHP Fringe Benefit	\$2,312,118.72			Div. of Youth Services	\$480,041.17		
Gaming Fringe Benefit	\$867,949.52	\$10,343,780.04		Deferred Compensation - Transfer	\$42,620.61		
				Miscellaneous Transfers	\$30,656,307.74	\$32,217,030.33	
				Total Other Expenditures			\$32,309,899.23
				FUND BALANCE			\$37,570,896.29

PROJECT SUMMARY

LICENSEE	LICENSE DATE	FY 1998 ADMISSIONS	ADMISSION FEES		FY 1998 ADJUSTED GROSS RECEIPTS	GAMING TAX			ESTIMATED CAPITAL INVESTMENT**	EMPLOYEES	TABLE GAMES	SLOT MACHINES	GAMING POSITIONS	GAMING SPACE (SQ FT)
			TOTAL	STATE / LOCAL PORTION		TOTAL	LOCAL PORTION	STATE PORTION						
PRESIDENT RIVERBOAT CASINO MISSOURI, INC.	27-May-94	3,015,066	6,030,132	3,015,066	57,589,734	11,518,154	1,151,815	10,366,338	62,400,000	868	60	1,240	1,441	58,000
ST. CHARLES RIVERFRONT STATION, INC.	27-May-94 28-Dec-94	5,113,507	10,227,014	5,113,507	111,750,192	22,350,038	2,235,004	20,115,034	172,000,000	1,335	85	1,853	2,138	47,000
MISSOURI GAMING COMPANY	22-Jun-94	3,356,555	6,713,110	3,356,555	67,185,278	13,437,056	1,343,706	12,093,350	104,833,803	848	45	1,061	1,205	30,000
ST. JOSEPH RIVERBOAT PARTNERS	24-Jun-94	763,663	1,527,326	763,663	17,657,756	3,531,551	353,155	3,178,396	31,718,000	408	21	450	520	18,000
HARRAHS NORTH KANSAS CITY CORP	22-Sep-94 15-May-96	6,597,496	13,194,992	6,597,496	155,261,028	31,052,206	3,105,221	27,946,985	171,600,000	1,927	77	2,076	2,303	61,600
AZTAR MISSOURI CORP	27-Apr-95	695,910	1,391,820	695,910	22,233,407	4,446,681	444,668	4,002,013	56,350,000	438	24	454	544	10,400
BOYD KANSAS CITY CORP (1)	13-Sep-95	1,547,667	3,095,334	1,547,667	36,149,283	7,239,955	723,995	6,515,959	147,117,343	652	45	1,117	1,255	28,000
HILTON KANSAS CITY CORP	18-Oct-96	2,633,567	5,267,134	2,633,567	50,160,689	10,025,829	1,002,583	9,023,246	119,800,000	819	48	1,023	1,181	30,000
KANSAS CITY STATION CORP	16-Jan-97	7,257,251	14,514,502	7,257,251	129,557,501	25,911,500	2,591,150	23,320,350	303,000,000	2,205	178	3,094	3,755	140,000
PLAYERS MARYLAND HEIGHTS CORP	11-Mar-97	4,435,341	8,870,682	4,435,341	76,791,268	15,370,264	1,537,026	13,833,238	140,418,374	1,031	80	1,330	1,637	52,000
HARRAHS MARYLAND HEIGHTS CORP	11-Mar-97	4,131,872	8,263,744	4,131,872	78,337,484	15,667,497	1,568,750	14,100,747	229,852,000	1,502	47	1,292	1,428	52,000
GRAND TOTALS:		39,547,895	79,095,790	39,547,895	802,673,621	160,550,732	16,055,073	144,495,659	1,539,089,520	12,033	710	14,990	17,407	527,000

** Formulas used by the Licensees to arrive at total capital investment vary. The figures published in this report are subject to adjustment.
 (1) Boyd Gaming closed casino operations on July 15, 1998

ADMISSIONS SUMMARY

Fiscal Year Ended June 30, 1998

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-97	464,458.00	120,626.00	272,238.00	1,211,130.00	634,686.00	373,660.00	1,320,314.00	752,970.00	554,456.00	881,562.00	122,570.00	6,708,670.00
Aug-97	499,350.00	136,948.00	303,334.00	1,232,470.00	704,612.00	409,024.00	1,314,042.00	799,562.00	601,848.00	852,556.00	130,702.00	6,984,448.00
Sep-97	442,012.00	107,710.00	257,572.00	1,098,410.00	649,712.00	378,010.00	1,138,012.00	747,790.00	526,868.00	775,436.00	116,990.00	6,236,522.00
Oct-97	527,852.00	108,970.00	290,406.00	1,088,444.00	667,516.00	401,904.00	1,145,980.00	680,370.00	511,168.00	849,382.00	118,844.00	6,390,836.00
Nov-97	557,238.00	112,710.00	243,030.00	1,087,984.00	676,896.00	407,932.00	1,208,212.00	699,774.00	517,330.00	824,542.00	117,652.00	6,453,300.00
Dec-97	569,608.00	111,246.00	257,782.00	1,042,576.00	621,900.00	379,784.00	1,214,026.00	645,964.00	518,698.00	854,682.00	108,902.00	6,325,168.00
Jan-98	642,110.00	119,540.00	281,238.00	1,144,452.00	636,322.00	435,550.00	1,245,756.00	735,062.00	535,064.00	900,476.00	115,206.00	6,790,776.00
Feb-98	645,236.00	122,458.00	248,434.00	1,088,712.00	701,620.00	483,018.00	1,163,364.00	701,882.00	542,244.00	844,690.00	122,820.00	6,664,478.00
Mar-98	648,756.00	122,088.00	288,612.00	1,165,342.00	761,344.00	504,172.00	1,284,840.00	754,238.00	550,314.00	954,854.00	127,538.00	7,162,098.00
Apr-98	589,584.00	108,290.00	229,178.00	1,050,668.00	768,012.00	495,372.00	1,123,796.00	799,320.00	83,476.00	852,338.00	114,152.00	6,214,186.00
May-98	578,378.00	114,588.00	223,794.00	1,032,148.00	746,078.00	509,314.00	1,203,358.00	844,490.00	568,038.00	823,172.00	158,440.00	6,801,798.00
Jun-98	548,528.00	106,646.00	199,716.00	952,656.00	695,046.00	489,394.00	1,152,802.00	709,260.00	520,628.00	813,324.00	173,510.00	6,361,510.00
TOTAL	6,713,110.00	1,391,820.00	3,095,334.00	13,194,992.00	8,263,744.00	5,267,134.00	14,514,502.00	8,870,682.00	6,030,132.00	10,227,014.00	1,527,326.00	79,095,790.00

Fiscal Year Ended June 30, 1997

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-96	633,444.00	140,622.00	649,236.00	1,320,128.00					565,772.00	1,148,936.00	134,782.00	4,592,920.00
Aug-96	629,604.00	149,118.00	575,110.00	1,405,824.00					621,290.00	1,152,394.00	140,146.00	4,673,486.00
Sep-96	573,074.00	124,812.00	536,360.00	1,297,954.00					628,914.00	1,040,582.00	132,494.00	4,334,190.00
Oct-96	540,640.00	118,170.00	493,278.00	1,271,958.00		306,458.00			601,444.00	1,052,438.00	135,074.00	4,519,460.00
Nov-96	560,378.00	124,066.00	401,232.00	1,224,250.00		510,186.00			580,634.00	1,071,156.00	122,854.00	4,594,756.00
Dec-96	567,238.00	120,658.00	374,026.00	1,283,690.00		458,360.00			559,784.00	1,075,574.00	123,918.00	4,563,248.00
Jan-97	502,680.00	110,220.00	332,150.00	1,120,728.00		383,596.00	1,072,376.00		465,358.00	1,028,114.00	120,204.00	5,135,426.00
Feb-97	524,078.00	127,322.00	288,036.00	1,038,746.00		310,864.00	1,677,180.00		544,958.00	1,203,880.00	137,624.00	5,852,688.00
Mar-97	541,100.00	131,962.00	310,004.00	1,170,728.00	530,356.00	338,430.00	1,582,916.00	547,280.00	555,216.00	1,126,272.00	145,046.00	6,979,310.00
Apr-97	517,790.00	107,878.00	277,762.00	1,202,312.00	551,818.00	324,250.00	1,109,672.00	633,662.00	530,390.00	906,374.00	125,002.00	6,286,910.00
May-97	489,768.00	110,026.00	294,898.00	1,181,870.00	650,598.00	320,430.00	1,281,406.00	648,664.00	558,148.00	954,784.00	130,750.00	6,621,342.00
Jun-97	447,052.00	107,856.00	245,096.00	1,129,416.00	572,064.00	277,800.00	1,267,078.00	616,104.00	535,440.00	803,924.00	115,818.00	6,117,648.00
TOTAL	6,526,846.00	1,472,710.00	4,777,188.00	14,647,604.00	2,304,836.00	3,230,374.00	7,990,628.00	2,445,710.00	6,747,348.00	12,564,428.00	1,563,712.00	64,271,384.00

TAX SUMMARY

Fiscal Year Ended June 30, 1998

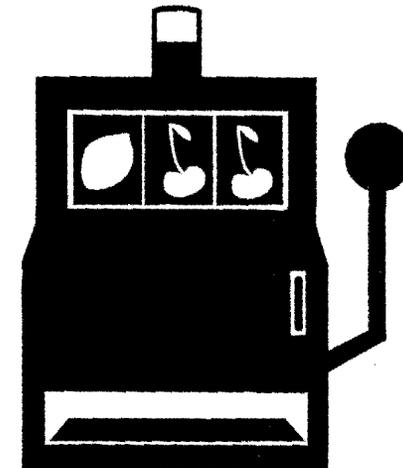
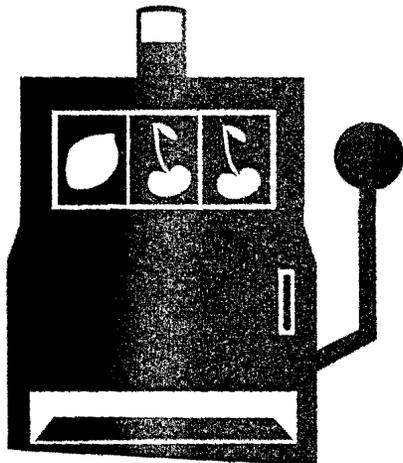
MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-97	1,038,858.40	359,697.85	618,781.02	2,750,478.19	1,077,902.67	746,704.55	2,196,680.49	1,217,715.89	1,026,433.00	1,984,565.81	263,746.93	13,281,564.80
Aug-97	1,075,984.95	399,940.06	704,206.96	2,663,443.18	1,188,981.81	754,930.81	2,257,756.82	1,283,848.64	1,142,301.70	1,827,322.52	297,271.09	13,595,988.54
Sep-97	938,389.26	370,419.65	593,548.17	2,539,481.21	1,140,299.74	704,517.85	1,989,886.38	1,115,396.16	1,010,796.99	1,705,828.75	274,539.26	12,383,103.42
Oct-97	1,068,447.86	335,289.15	671,518.35	2,476,700.05	1,232,832.17	726,822.54	1,988,904.62	1,166,812.18	974,561.34	1,869,084.08	292,501.63	12,803,533.97
Nov-97	1,003,453.36	336,235.70	585,002.40	2,572,487.49	1,259,515.18	755,115.94	2,084,986.96	1,185,675.31	986,580.72	1,768,723.32	287,003.16	12,824,779.54
Dec-97	1,047,405.14	361,378.36	587,281.69	2,350,344.89	1,134,460.34	754,553.13	2,032,750.80	1,167,269.21	985,128.09	1,880,335.06	270,269.66	12,571,176.37
Jan-98	1,277,906.08	378,924.23	657,139.05	2,665,304.68	1,258,259.40	849,270.32	2,208,161.97	1,300,982.38	1,053,130.44	1,961,940.61	277,689.88	13,888,709.04
Feb-98	1,240,295.50	408,237.56	573,943.19	2,522,383.00	1,317,389.98	930,331.75	2,062,008.92	1,246,032.69	1,063,901.46	1,785,640.26	287,157.51	13,437,321.82
Mar-98	1,255,647.05	404,321.98	671,427.93	2,832,626.67	1,507,360.30	956,670.42	2,282,652.26	1,321,273.59	1,070,386.74	2,065,381.33	298,946.85	14,666,695.12
Apr-98	1,191,299.39	371,042.77	563,267.58	2,622,328.33	1,508,255.17	920,681.67	2,193,325.92	1,462,866.93	165,737.34	1,888,442.83	282,227.81	13,169,475.74
May-98	1,134,732.37	374,722.25	533,256.99	2,595,914.21	1,636,575.14	990,883.49	2,358,392.16	1,552,560.67	1,076,074.61	1,782,803.91	337,435.70	14,373,351.50
Jun-98	1,164,636.24	346,471.76	480,581.44	2,460,653.90	1,405,664.94	935,346.93	2,255,992.98	1,349,830.80	963,121.33	1,829,969.84	362,761.77	13,555,031.93
TOTAL	13,437,055.60	4,446,681.32	7,239,954.77	31,052,205.80	15,667,496.84	10,025,829.40	25,911,500.28	15,370,264.45	11,518,153.76	22,350,038.32	3,531,551.25	160,550,731.79

Fiscal Year Ended June 30, 1997

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-96	1,448,529.44	403,544.41	1,075,633.61	2,880,253.36					1,048,207.71	2,602,081.77	321,608.82	9,779,859.12
Aug-96	1,414,759.27	403,426.50	1,209,293.30	3,121,546.71					1,125,462.32	2,624,445.87	328,886.71	10,227,820.68
Sep-96	1,249,517.40	390,126.95	943,199.23	2,861,353.23					1,071,912.47	2,379,152.83	334,319.30	9,229,581.41
Oct-96	1,130,885.80	343,616.70	1,043,821.25	2,819,275.33		481,228.62			1,131,614.91	2,294,721.91	314,789.06	9,559,953.58
Nov-96	1,210,064.76	374,004.05	894,097.27	2,778,635.50		854,592.11			1,111,487.65	2,409,819.55	300,355.09	9,933,055.98
Dec-96	1,187,414.51	337,415.80	874,919.21	2,817,601.10		799,299.26			1,082,557.59	2,360,941.28	308,651.07	9,778,799.82
Jan-97	1,071,190.53	313,349.55	764,551.11	2,572,861.63		711,144.51	1,494,314.33		979,629.72	2,273,763.14	273,189.74	10,453,994.26
Feb-97	1,092,023.46	377,290.65	686,463.51	2,265,627.67		593,801.15	2,348,299.82		1,063,292.22	2,565,730.53	298,091.38	11,290,620.39
Mar-97	1,099,554.90	389,255.20	698,539.25	2,667,521.45	838,041.93	626,673.35	2,322,746.03	797,558.02	1,070,046.60	2,306,898.11	311,217.38	13,128,052.22
Apr-97	1,091,145.58	343,849.30	666,964.37	2,687,853.75	928,902.05	648,020.67	1,731,065.37	1,035,186.65	982,279.76	1,933,791.13	290,357.05	12,339,415.68
May-97	1,053,353.51	374,000.20	698,366.54	2,666,876.32	1,079,303.95	636,230.02	1,991,467.90	1,050,817.64	1,088,975.43	2,036,278.53	290,612.79	12,966,282.83
Jun-97	921,964.68	342,487.45	561,181.63	2,496,461.07	941,871.52	517,692.43	1,877,551.48	1,023,375.37	1,011,479.98	1,748,715.86	268,990.39	11,711,771.86
TOTAL	13,980,403.84	4,392,366.76	10,117,030.28	32,635,867.12	3,788,119.45	5,868,682.12	11,765,444.93	3,906,937.68	12,766,946.36	27,536,340.51	3,641,068.78	130,399,207.83

ELECTRONIC GAMING DEVICE STATISTICS

BOAT	SLOT HANDLE	SLOT HANDLE	SLOT HANDLE	SLOT HANDLE	SLOT WIN	SLOT WIN	SLOT WIN	SLOT WIN	ACTUAL PAYOUT %	ACTUAL PAYOUT %	ACTUAL PAYOUT %	ACTUAL PAYOUT %
	FY 98	FY 97	FY 96	FY 95	FY 98	FY 97	FY 96	FY 95	FY 98	FY 97	FY 96	FY 95
	7/97 - 6/98	7/96 - 6/97	7/95 - 6/96	7/94 - 6/95	7/97 - 6/98	7/96 - 6/97	7/95 - 6/96	7/94 - 6/95	7/97 - 6/98	7/96 - 6/97	7/95 - 6/96	7/94 - 6/95
ARGOSY	1,062,449,753.80	924,188,804.90	938,209,135.40	450,078,370.75	52,453,537.25	50,549,924.04	59,428,162.33	34,950,454.34	95.063%	94.530%	93.666%	92.235%
AZTAR	202,532,204.50	196,395,771.25	192,279,278.25	26,302,267.00	16,814,519.60	15,793,695.80	15,934,381.35	2,135,690.75	91.797%	91.958%	91.713%	91.880%
BOYD	537,988,447.70	782,001,972.00	623,180,372.00		28,690,335.86	36,729,758.97	38,679,419.46		94.667%	95.303%	93.793%	
HARRAHS M.H.	1,177,804,021.20	248,882,949.85			58,533,222.68	12,794,632.89			95.030%	94.859%		
HARRAHS NKC	2,250,141,082.85	2,316,114,166.00	1,777,263,846.83	850,640,648.75	117,244,756.16	114,255,007.71	93,219,933.58	46,690,103.28	94.788%	95.067%	94.765%	94.511%
HILTON	636,414,988.30	361,920,475.35			37,056,068.64	18,989,354.92			94.177%	94.753%		
KC STATION	1,623,774,557.86	757,471,718.24			91,916,993.42	39,847,310.60			94.339%	94.739%		
PLAYERS	1,014,600,734.10	240,000,587.75			53,833,848.24	13,002,046.62			94.694%	94.582%		
PRESIDENT	735,886,839.20	786,677,219.00	790,747,621.00	416,479,202.00	46,907,096.52	48,360,983.03	49,473,816.39	28,917,376.44	93.626%	93.852%	93.743%	93.057%
STATION - ST. CHAS.	1,619,227,471.10	1,893,760,519.56	1,468,621,986.70	619,120,013.05	90,832,255.12	103,295,574.55	92,439,157.20	45,274,765.95	94.390%	94.545%	93.706%	92.687%
ST. JO FRONTIER	195,763,838.25	220,563,084.06	228,232,808.90	160,860,034.50	13,348,185.36	13,541,124.47	15,764,607.99	10,709,672.93	93.181%	93.861%	93.093%	93.342%
STATE TOTALS:	11,056,563,938.86	8,727,977,267.96	6,018,535,049.08	2,523,480,536.05	607,430,818.85	467,159,423.60	364,939,478.30	168,678,063.69	94.506%	94.648%	93.936%	93.316%





**Riverboat Gaming Licensee
Financial Reports
Fiscal Year 1997-1998
Comparison**



ARGOSY - RIVERSIDE

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	5,194,292	1,250,539	24.08%	24.08%	3,943,753	75.92%	94.12%	232,229	22.37	801.63	134.28	148.11	5.77
Aug-97	5,379,925	1,404,517	26.11%	25.56%	3,975,407	73.89%	94.52%	249,675	21.55	900.33	135.36	153.41	5.98
Sep-97	4,691,946	1,157,264	24.66%	23.10%	3,534,682	75.34%	94.87%	221,006	21.23	741.84	120.35	133.79	5.21
Oct-97	5,351,741	1,333,638	24.92%	24.38%	4,018,103	75.08%	94.06%	263,926	20.28	854.90	136.81	152.60	5.95
Nov-97	5,007,765	1,030,105	20.57%	19.43%	3,977,660	79.43%	95.43%	278,619	17.97	660.32	135.43	142.79	5.56
Dec-97	5,237,026	1,249,075	23.85%	23.04%	3,987,950	76.15%	95.35%	284,804	18.39	800.69	135.78	149.33	5.82
Jan-98	6,389,530	1,482,965	23.21%	26.12%	4,906,566	76.79%	94.96%	321,055	19.90	950.62	167.06	182.19	7.10
Feb-98	6,201,477	1,240,486	20.00%	22.25%	4,960,992	80.00%	95.02%	322,618	19.22	795.18	168.91	176.83	6.89
Mar-98	6,278,235	1,107,522	17.64%	19.34%	5,170,713	82.36%	95.20%	324,378	19.35	709.95	176.05	179.02	6.98
Apr-98	5,956,497	1,210,306	20.32%	22.78%	4,746,191	79.68%	95.25%	294,792	20.21	775.84	161.60	169.85	6.62
May-98	5,673,662	1,137,267	20.04%	24.23%	4,536,394	79.96%	95.47%	289,189	19.62	729.02	154.46	161.78	6.30
Jun-98	5,823,181	1,128,057	19.37%	23.71%	4,695,124	80.63%	95.06%	274,264	21.23	723.11	159.86	166.04	6.47
TOTALS:	67,185,278	14,731,741	21.93%	23.15%	52,453,537	78.07%	95.06%	3,356,555	20.02	786.95	148.83	159.65	6.22

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	7,242,647	2,299,519	31.75%	26.81%	4,943,128	68.25%	94.31%	316,722	22.87	1,321.56	173.08	205.64	8.05
Aug-96	7,073,796	2,265,205	32.02%	26.60%	4,808,591	67.98%	94.48%	314,802	22.47	1,301.84	168.37	200.85	7.86
Sep-96	6,247,587	1,642,527	26.29%	23.45%	4,605,060	73.71%	94.28%	286,537	21.80	943.98	161.24	177.39	6.94
Oct-96	5,654,429	1,558,573	27.56%	23.22%	4,095,856	72.44%	94.78%	270,320	20.92	895.73	143.41	160.55	6.28
Nov-96	6,050,324	1,748,389	28.90%	25.83%	4,301,935	71.10%	94.60%	280,189	21.59	1,004.82	150.63	171.79	6.72
Dec-96	5,987,073	1,736,423	29.00%	25.80%	4,250,650	71.00%	94.79%	283,619	21.11	997.94	148.83	169.99	6.65
Jan-97	5,355,953	1,456,656	27.20%	24.61%	3,899,296	72.80%	94.51%	251,340	21.31	837.16	136.53	152.07	5.95
Feb-97	5,460,117	1,572,456	28.80%	24.30%	3,887,662	71.20%	94.50%	262,039	20.84	903.71	136.12	155.03	6.07
Mar-97	5,497,775	1,308,018	23.79%	21.90%	4,189,757	76.21%	94.52%	270,550	20.32	751.73	146.70	156.10	6.11
Apr-97	5,455,728	1,261,102	23.12%	22.12%	4,194,626	76.88%	94.28%	258,895	21.07	724.77	146.87	154.90	6.06
May-97	5,266,768	1,368,628	25.99%	24.91%	3,898,140	74.01%	94.64%	244,884	21.51	786.57	136.49	149.54	5.85
Jun-97	4,609,823	1,134,599	24.61%	22.68%	3,475,225	75.39%	94.71%	223,526	20.62	652.07	121.68	130.89	5.12
TOTALS:	69,902,019	19,352,095	27.68%	24.54%	50,549,924	72.32%	94.53%	3,263,423	21.42	926.82	147.50	165.39	6.47

AZTAR - CARUTHERSVILLE

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	1,798,489	492,504	27.38%	26.95%	1,305,985	72.62%	92.34%	60,313	29.82	608.03	99.85	111.02	5.76
Aug-97	1,999,700	447,903	22.40%	22.59%	1,551,797	77.60%	91.84%	68,474	29.20	552.97	118.64	123.44	6.41
Sep-97	1,852,098	545,636	29.46%	32.60%	1,306,462	70.54%	91.71%	53,855	34.39	673.62	99.88	114.33	5.94
Oct-97	1,676,446	361,995	21.59%	20.93%	1,314,451	78.41%	92.11%	54,485	30.77	446.91	100.49	103.48	5.37
Nov-97	1,681,178	346,700	20.62%	18.91%	1,334,478	79.38%	91.75%	56,355	29.83	428.02	102.02	103.78	5.39
Dec-97	1,806,892	498,392	27.58%	26.59%	1,308,500	72.42%	91.81%	55,623	32.48	615.30	100.04	111.54	5.79
Jan-98	1,894,621	522,682	27.59%	25.78%	1,371,939	72.41%	91.96%	59,770	31.70	645.29	104.89	116.95	6.07
Feb-98	2,041,188	578,510	28.34%	28.66%	1,462,678	71.66%	92.16%	61,229	33.34	714.21	111.83	126.00	6.54
Mar-98	2,021,610	489,677	24.22%	24.88%	1,531,933	75.78%	91.71%	61,044	33.12	604.54	117.12	124.79	6.48
Apr-98	1,855,214	469,430	25.30%	27.24%	1,385,784	74.70%	91.26%	54,145	34.26	579.54	105.95	114.52	5.95
May-98	1,873,611	463,359	24.73%	26.31%	1,410,252	75.27%	91.37%	57,294	32.70	572.05	107.82	115.66	6.01
Jun-98	1,732,359	402,099	23.21%	23.83%	1,330,260	76.79%	91.42%	53,323	32.49	496.42	101.70	106.94	5.55
TOTALS:	22,233,407	5,618,987	25.27%	25.42%	16,614,520	74.73%	91.80%	695,910	31.95	578.07	105.85	114.37	5.94

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	2,017,722	565,454	28.02%	25.46%	1,452,268	71.98%	91.89%	70,311	28.70	698.09	111.54	124.32	6.47
Aug-96	2,017,133	538,343	26.69%	22.82%	1,478,790	73.31%	92.09%	74,559	27.05	664.62	113.58	124.28	6.47
Sep-96	1,950,635	573,535	29.40%	28.34%	1,377,100	70.60%	91.71%	62,406	31.26	708.07	105.77	120.19	6.25
Oct-96	1,718,084	446,936	26.01%	22.76%	1,271,148	73.99%	92.35%	59,085	29.08	551.77	97.63	105.86	5.51
Nov-96	1,870,020	512,382	27.40%	23.68%	1,357,638	72.60%	91.56%	62,033	30.15	632.57	104.27	115.22	5.99
Dec-96	1,687,079	503,767	29.86%	22.37%	1,183,312	70.14%	92.28%	60,329	27.96	621.93	90.88	103.95	5.41
Jan-97	1,566,748	459,453	29.33%	22.20%	1,107,295	70.67%	92.23%	55,110	28.43	567.23	85.05	96.53	5.02
Feb-97	1,886,453	537,351	28.48%	25.62%	1,349,103	71.52%	91.85%	63,661	29.63	663.40	103.62	116.23	6.05
Mar-97	1,946,276	467,732	24.03%	20.67%	1,478,545	75.97%	91.73%	65,981	29.50	577.45	113.56	119.92	6.24
Apr-97	1,719,247	480,662	27.96%	25.82%	1,238,585	72.04%	91.90%	53,939	31.87	593.41	95.13	105.93	5.51
May-97	1,870,001	567,133	30.33%	31.46%	1,302,868	69.67%	91.72%	55,013	33.99	700.16	100.07	115.22	5.99
Jun-97	1,712,437	515,391	30.10%	27.97%	1,197,046	69.90%	92.26%	53,928	31.75	636.29	91.94	105.51	5.49
TOTALS:	21,961,834	6,168,138	28.09%	24.75%	15,793,696	71.91%	91.96%	736,355	29.83	634.58	101.09	112.76	5.87

HARRAH'S - MARYLAND HEIGHTS

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	5,352,286	1,350,216	25.23%	16.40%	4,002,070	74.77%	94.64%	317,343	16.87	703.24	101.29	115.63	3.43
Aug-97	5,982,137	1,607,186	26.87%	18.10%	4,374,950	73.13%	94.81%	352,306	16.98	837.08	110.73	129.23	3.83
Sep-97	5,701,499	1,534,683	26.92%	18.65%	4,166,816	73.08%	94.99%	324,856	17.55	799.31	105.46	123.17	3.65
Oct-97	6,164,161	1,725,027	27.98%	20.35%	4,439,133	72.02%	95.19%	333,758	18.47	898.45	112.35	133.16	3.95
Nov-97	6,297,576	1,901,570	30.20%	21.89%	4,396,006	69.80%	95.42%	338,448	18.61	990.40	111.26	136.05	4.04
Dec-97	5,672,302	1,481,964	26.13%	17.40%	4,190,338	73.87%	95.62%	310,950	18.24	771.86	106.06	122.54	3.64
Jan-98	6,291,297	1,687,630	26.82%	20.96%	4,603,667	73.18%	95.17%	318,161	19.77	878.97	116.52	135.91	4.03
Feb-98	6,586,950	1,646,140	24.99%	20.58%	4,940,809	75.01%	94.97%	350,810	18.78	857.36	125.05	142.30	4.22
Mar-98	7,536,802	1,804,955	23.95%	19.82%	5,731,846	76.05%	94.84%	380,672	19.80	940.08	145.07	162.82	4.83
Apr-98	7,541,276	1,853,407	24.58%	20.94%	5,687,869	75.42%	95.14%	384,006	19.64	965.32	143.96	162.91	4.83
May-98	8,182,876	1,702,938	20.81%	19.94%	6,479,937	79.19%	94.60%	373,039	21.94	886.95	164.01	176.77	5.25
Jun-98	7,028,325	1,508,544	21.46%	19.08%	5,519,781	78.54%	94.99%	347,523	20.22	785.70	139.71	151.83	4.51
TOTALS:	78,337,484	19,804,261	25.28%	19.52%	58,533,223	74.72%	95.03%	4,131,872	18.96	859.56	123.46	141.03	4.18

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96													
Aug-96													
Sep-96													
Oct-96													
Nov-96													
Dec-96													
Jan-97													
Feb-97													
Mar-97	4,190,210	1,234,734	29.47%	18.22%	2,955,476	70.53%	94.29%	265,178	15.80	781.48	119.65	135.52	4.03
Apr-97	4,644,510	1,522,069	32.77%	17.32%	3,122,442	67.23%	94.71%	275,909	16.83	642.22	84.28	100.14	2.98
May-97	5,396,520	1,918,137	35.54%	19.56%	3,478,383	64.46%	95.09%	325,299	16.59	809.34	93.88	116.35	3.46
Jun-97	4,709,358	1,471,025	31.24%	18.17%	3,238,332	68.76%	95.18%	286,032	16.46	620.69	87.40	101.54	3.02
TOTALS:	18,940,597	6,145,964	32.45%	18.36%	12,794,633	67.55%	94.86%	1,152,418	16.44	713.43	96.30	113.39	3.37

HARRAH'S - NORTH KANSAS CITY

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	13,752,391	3,538,989	25.73%	25.57%	10,213,402	74.27%	94.85%	605,565	22.71	1,355.93	168.62	199.14	7.44
Aug-97	13,317,216	3,377,542	25.36%	24.02%	9,939,674	74.64%	95.04%	616,235	21.61	1,294.08	164.10	192.84	7.21
Sep-97	12,697,406	3,223,109	25.38%	26.40%	9,474,297	74.62%	94.96%	549,205	23.12	1,234.91	156.42	183.86	6.87
Oct-97	12,383,800	2,888,416	23.32%	22.90%	9,495,385	76.68%	94.92%	544,222	22.76	1,106.67	156.77	179.32	6.70
Nov-97	12,862,437	3,259,892	25.34%	25.41%	9,602,546	74.66%	94.70%	543,992	23.64	1,249.00	158.54	186.25	6.96
Dec-97	11,751,724	2,965,307	25.23%	22.89%	8,786,418	74.77%	94.83%	521,288	22.54	1,136.13	145.06	170.17	6.36
Jan-98	13,326,523	3,603,370	27.04%	27.16%	9,723,154	72.96%	94.84%	572,226	23.29	1,380.60	160.53	192.97	7.21
Feb-98	12,611,915	3,039,195	24.10%	24.70%	9,572,720	75.90%	94.71%	544,356	23.17	1,164.44	158.04	182.62	6.82
Mar-98	14,163,133	3,399,780	24.00%	25.37%	10,763,354	76.00%	94.77%	582,671	24.31	1,302.60	177.70	205.08	7.66
Apr-98	13,111,642	3,074,408	23.45%	24.88%	10,037,233	76.55%	94.70%	525,334	24.96	1,177.93	165.71	189.86	7.10
May-98	12,979,571	2,930,116	22.57%	25.19%	10,049,455	77.43%	94.70%	516,074	25.15	1,122.65	165.91	187.95	7.02
Jun-98	12,303,270	2,716,150	22.08%	24.96%	9,587,119	77.92%	94.41%	476,328	25.83	1,040.67	158.28	178.15	6.66
TOTALS:	155,261,029	38,016,273	24.49%	24.95%	117,244,756	75.51%	94.79%	6,597,496	23.53	1,213.80	161.31	187.35	7.00

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	14,401,267	4,529,406	31.45%	24.73%	9,871,861	68.55%	94.96%	660,064	21.82	1,494.85	170.32	208.53	7.79
Aug-96	15,607,734	4,901,636	31.41%	25.67%	10,706,097	68.59%	94.98%	702,912	22.20	1,617.70	184.72	226.00	8.45
Sep-96	14,306,766	4,364,506	30.51%	24.43%	9,942,260	69.49%	95.07%	648,977	22.05	1,440.43	171.54	207.16	7.74
Oct-96	14,096,377	4,276,089	30.33%	24.38%	9,820,288	69.67%	95.12%	635,979	22.16	1,411.25	169.43	204.12	7.63
Nov-96	13,893,177	4,481,854	32.26%	26.32%	9,411,324	67.74%	95.10%	612,125	22.70	1,479.16	162.38	201.18	7.52
Dec-96	14,088,005	4,447,200	31.57%	25.19%	9,640,805	68.43%	95.13%	641,845	21.95	1,467.72	166.34	204.00	7.62
Jan-97	12,864,308	4,081,457	31.73%	27.19%	8,782,851	68.27%	95.07%	560,364	22.96	1,347.02	151.53	186.28	6.96
Feb-97	11,328,138	3,155,906	27.86%	24.33%	8,172,232	72.14%	95.14%	519,373	21.81	1,041.55	141.00	164.03	6.13
Mar-97	13,337,607	3,881,011	29.10%	26.77%	9,456,596	70.90%	95.00%	585,364	22.79	1,280.86	163.16	193.13	7.22
Apr-97	13,439,269	3,885,012	28.91%	26.54%	9,554,257	71.09%	95.08%	601,156	22.36	1,282.18	164.84	194.60	7.27
May-97	13,334,382	3,508,202	26.31%	24.62%	9,826,180	73.69%	95.00%	590,935	22.56	1,157.82	169.53	193.08	7.22
Jun-97	12,482,305	3,412,049	27.34%	25.72%	9,070,257	72.66%	95.19%	564,708	22.10	1,126.09	156.49	180.75	6.75
TOTALS:	163,179,336	48,924,328	29.98%	25.47%	114,255,008	70.02%	95.07%	7,323,802	22.28	1,345.55	164.27	196.91	7.36

HILTON - KANSAS CITY

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	3,765,065	1,094,240	29.06%	27.28%	2,670,826	70.94%	93.82%	186,830	20.15	729.49	87.03	105.29	4.18
Aug-97	3,774,654	1,045,077	27.69%	24.58%	2,729,577	72.31%	94.16%	204,512	18.46	696.72	88.94	105.56	4.19
Sep-97	3,522,589	1,008,228	28.62%	25.51%	2,514,362	71.38%	94.19%	189,005	18.64	672.15	81.93	98.51	3.91
Oct-97	3,634,113	936,782	25.78%	21.80%	2,697,330	74.22%	94.27%	200,952	18.08	624.52	87.89	101.63	4.04
Nov-97	3,765,580	1,038,271	27.57%	24.00%	2,727,309	72.43%	94.03%	203,966	18.46	692.18	88.87	105.30	4.18
Dec-97	3,772,766	1,027,462	27.23%	23.83%	2,745,304	72.77%	93.88%	189,892	19.87	684.97	89.45	105.50	4.19
Jan-98	4,246,352	1,272,740	29.97%	26.94%	2,973,612	70.03%	94.37%	217,775	19.50	848.49	96.89	118.75	4.72
Feb-98	4,651,659	1,262,668	27.14%	26.62%	3,388,991	72.86%	94.07%	241,509	19.26	841.78	110.43	130.08	5.17
Mar-98	4,783,352	1,092,021	22.83%	20.61%	3,691,332	77.17%	94.08%	252,086	18.98	728.01	120.28	133.76	5.31
Apr-98	4,603,408	1,033,841	22.46%	20.43%	3,569,568	77.54%	94.39%	247,686	18.59	689.23	116.31	128.73	5.11
May-98	4,954,417	1,209,144	24.41%	23.16%	3,745,274	75.59%	94.45%	254,657	19.46	806.10	122.04	138.55	5.50
Jun-98	4,676,735	1,084,150	23.18%	21.86%	3,592,585	76.82%	94.21%	244,697	19.11	722.77	117.06	130.78	5.20
TOTALS:	50,150,689	13,104,621	26.13%	23.76%	37,046,069	73.87%	94.18%	2,633,567	19.04	728.03	100.59	116.87	4.64

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96													
Aug-96													
Sep-96													
Oct-96	2,406,143	726,045	30.17%	19.93%	1,680,098	69.83%	93.60%	153,229	15.70	1,214.12	121.46	152.71	6.17
Nov-96	4,272,961	1,613,118	37.75%	22.71%	2,659,843	62.25%	96.46%	255,093	16.75	1,168.93	83.33	117.52	4.75
Dec-96	3,996,496	1,397,929	34.98%	21.83%	2,598,568	65.02%	94.40%	229,180	17.44	1,012.99	81.41	109.91	4.44
Jan-97	3,555,723	1,359,758	38.24%	25.88%	2,195,965	61.76%	94.33%	191,798	18.54	985.33	68.80	97.79	3.95
Feb-97	2,969,006	1,162,447	39.15%	26.71%	1,806,559	60.85%	94.35%	155,432	19.10	842.35	56.60	81.66	3.30
Mar-97	3,133,367	1,164,340	37.16%	26.27%	1,969,027	62.84%	94.53%	169,215	18.52	843.72	61.69	86.18	3.48
Apr-97	3,240,103	1,114,420	34.39%	26.54%	2,125,684	65.61%	94.25%	162,125	19.99	807.55	66.59	89.11	3.60
May-97	3,181,150	1,112,480	34.97%	28.10%	2,068,670	65.03%	94.50%	160,215	19.86	806.15	64.81	87.49	3.53
Jun-97	2,588,462	703,521	27.18%	21.22%	1,884,941	72.82%	94.29%	138,900	18.64	509.80	59.05	71.19	2.88
TOTALS:	29,343,411	10,354,056	35.29%	24.27%	18,989,355	64.71%	94.75%	1,615,187	18.17	910.10	73.75	99.28	4.01

KANSAS CITY STATION

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	10,983,402	3,372,698	30.71%	24.10%	7,610,704	69.29%	94.56%	660,157	16.64	635.16	79.80	98.07	2.62
Aug-97	11,288,784	3,272,515	28.99%	22.82%	8,016,269	71.01%	94.11%	657,021	17.18	616.29	84.05	100.80	2.69
Sep-97	9,949,432	3,020,963	30.36%	24.41%	6,928,469	69.64%	94.32%	569,006	17.49	568.92	72.65	88.84	2.37
Oct-97	9,944,523	2,971,019	29.88%	22.35%	6,973,504	70.12%	94.39%	572,990	17.36	559.51	73.12	88.80	2.37
Nov-97	10,424,935	2,885,779	27.68%	20.49%	7,539,156	72.32%	94.16%	604,106	17.26	543.46	79.05	93.09	2.48
Dec-97	10,163,754	3,157,255	31.06%	23.03%	7,006,499	68.94%	94.53%	607,013	16.74	594.59	73.47	90.76	2.42
Jan-98	11,040,810	3,750,738	33.97%	26.92%	7,290,072	66.03%	94.41%	622,878	17.73	706.35	76.44	98.59	2.63
Feb-98	10,310,045	3,123,263	30.29%	23.83%	7,186,782	69.71%	94.50%	581,682	17.72	588.19	75.36	92.06	2.45
Mar-98	11,413,261	3,301,380	28.93%	23.21%	8,111,881	71.07%	94.29%	642,420	17.77	621.73	85.06	101.91	2.72
Apr-98	10,966,630	2,982,811	27.20%	24.07%	7,983,819	72.80%	94.11%	561,898	19.52	561.73	83.71	97.93	2.61
May-98	11,791,961	2,909,777	24.68%	24.40%	8,882,184	75.32%	94.27%	601,679	19.60	547.98	93.13	105.29	2.81
Jun-98	11,279,965	2,892,310	25.64%	24.22%	8,387,655	74.36%	94.43%	576,401	19.57	544.69	87.95	100.72	2.69
TOTALS:	129,557,501	37,640,508	29.05%	23.63%	91,916,993	70.95%	94.34%	7,257,251	17.85	590.72	80.32	96.41	2.57

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96													
Aug-96													
Sep-96													
Oct-96													
Nov-96													
Dec-96													
Jan-97	7,471,572	2,041,808	27.33%	19.09%	5,429,764	72.67%	93.78%	536,188	13.93	760.45	110.60	127.04	3.56
Feb-97	11,741,499	3,644,947	31.04%	20.70%	8,096,552	68.96%	94.39%	838,590	14.00	678.76	82.46	99.82	2.80
Mar-97	11,613,730	4,132,707	35.58%	23.99%	7,481,023	64.42%	94.94%	791,458	14.67	769.59	76.19	98.73	2.77
Apr-97	8,655,327	3,051,443	35.26%	22.58%	5,603,884	64.74%	95.08%	554,836	15.60	568.24	57.07	73.58	2.06
May-97	9,957,340	3,246,743	32.61%	23.95%	6,710,597	67.39%	95.01%	640,703	15.54	604.61	68.34	84.65	2.37
Jun-97	9,387,757	2,862,266	30.49%	23.84%	6,525,491	69.51%	94.96%	633,539	14.82	533.01	66.46	79.81	2.24
TOTALS:	58,827,225	18,979,914	32.26%	22.43%	39,847,311	67.74%	94.74%	3,995,314	14.72	652.44	76.85	93.94	2.63

PLAYERS - MARYLAND HEIGHTS

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	6,088,579	1,848,083	30.35%	20.59%	4,240,496	69.65%	94.55%	376,485	16.17	789.78	107.08	125.05	3.90
Aug-97	6,419,243	2,003,909	31.22%	21.54%	4,415,334	68.78%	94.59%	399,781	16.06	856.37	111.50	131.84	4.11
Sep-97	5,576,981	1,749,815	31.38%	20.49%	3,827,166	68.62%	94.95%	373,895	14.92	747.78	96.65	114.54	3.57
Oct-97	5,834,061	1,829,506	31.36%	20.69%	4,004,555	68.64%	94.74%	340,185	17.15	781.84	101.13	119.82	3.74
Nov-97	5,928,377	1,847,133	31.16%	20.02%	4,081,243	68.84%	94.80%	349,887	16.94	789.37	103.06	121.76	3.80
Dec-97	5,836,346	2,111,984	36.19%	23.60%	3,724,363	63.81%	94.80%	322,982	18.07	902.56	94.05	119.87	3.74
Jan-98	6,504,912	2,148,542	33.03%	22.93%	4,356,370	66.97%	94.72%	367,531	17.70	918.18	110.01	133.60	4.17
Feb-98	6,230,163	1,906,659	30.60%	21.99%	4,323,505	69.40%	94.67%	350,941	17.75	814.81	109.18	127.96	3.99
Mar-98	6,606,368	1,744,233	26.40%	17.88%	4,862,135	73.60%	94.41%	377,119	17.52	745.40	122.78	135.68	4.23
Apr-98	7,254,280	1,990,427	27.44%	21.79%	5,263,853	72.56%	94.61%	399,660	18.15	850.61	132.93	148.99	4.65
May-98	7,762,803	1,940,308	24.99%	20.95%	5,822,496	75.01%	94.63%	422,245	18.38	829.19	147.03	159.43	4.98
Jun-98	6,749,154	1,836,821	27.22%	21.57%	4,912,333	72.78%	94.92%	354,630	19.03	784.97	124.05	138.61	4.33
TOTALS:	76,791,268	22,957,420	29.90%	21.15%	53,833,848	70.10%	94.69%	4,435,341	17.31	817.57	113.29	131.43	4.10

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96													
Aug-96													
Sep-96													
Oct-96													
Nov-96													
Dec-96													
Jan-97													
Feb-97													
Mar-97	3,987,790	1,216,455	30.50%	17.10%	2,771,336	69.50%	93.94%	273,640	14.57	800.30	112.66	130.58	3.83
Apr-97	5,175,933	1,860,434	35.94%	20.52%	3,315,499	64.06%	94.89%	316,831	16.34	815.98	89.85	112.99	3.32
May-97	5,254,088	1,728,309	32.89%	20.00%	3,525,780	67.11%	94.55%	324,332	16.20	758.03	95.55	114.69	3.37
Jun-97	5,116,877	1,727,445	33.76%	21.40%	3,389,432	66.24%	94.76%	308,052	16.61	757.65	91.85	111.70	3.28
TOTALS:	19,534,688	6,532,642	33.44%	19.86%	13,002,047	66.56%	94.58%	1,222,855	15.97	782.99	97.48	117.49	3.45

PRESIDENT - ST. LOUIS

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	5,132,165	823,627	16.05%	17.93%	4,308,539	83.95%	93.29%	277,228	18.51	435.78	122.12	122.54	2.95
Aug-97	5,711,508	1,080,030	18.91%	22.60%	4,631,478	81.09%	93.40%	300,924	18.98	571.44	131.28	136.38	3.28
Sep-97	5,053,985	1,021,703	20.22%	23.35%	4,032,282	79.78%	93.59%	263,434	19.19	540.58	114.29	120.68	2.90
Oct-97	4,872,807	988,396	20.28%	23.28%	3,884,411	79.72%	93.75%	255,584	19.07	522.96	110.10	116.35	2.80
Nov-97	4,932,904	940,015	19.06%	21.72%	3,992,889	80.94%	93.74%	258,665	19.07	497.36	113.18	117.79	2.84
Dec-97	4,925,853	1,036,416	21.04%	23.16%	3,889,437	78.96%	93.76%	259,349	18.99	548.37	110.24	117.62	2.83
Jan-98	5,265,652	925,608	17.58%	21.90%	4,340,045	82.42%	93.47%	267,532	19.68	489.74	123.02	125.73	3.03
Feb-98	5,319,507	875,276	16.45%	20.82%	4,444,231	83.55%	93.68%	271,122	19.62	463.11	125.97	127.02	3.06
Mar-98	5,351,934	1,034,547	19.33%	22.98%	4,317,386	80.67%	93.60%	275,157	19.45	547.38	122.37	127.79	3.08
Apr-98**	827,652	151,080	18.25%	24.40%	676,572	81.75%	93.78%	41,738	19.83	599.52	143.83	148.22	3.57
May-98	5,380,373	1,009,894	18.77%	24.62%	4,370,479	81.23%	93.74%	284,019	18.94	534.34	123.88	128.47	3.09
Jun-98	4,815,607	796,261	16.53%	20.74%	4,019,346	83.47%	93.86%	260,314	18.50	421.30	113.93	114.99	2.77
TOTALS:	57,589,946	10,682,850	18.55%	22.12%	46,907,097	81.45%	93.63%	3,015,066	19.10	514.32	121.18	125.30	3.02

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	5,241,039	1,275,485	24.34%	23.68%	3,965,554	75.66%	93.81%	282,886	18.53	685.74	116.46	128.55	3.01
Aug-96	5,627,312	1,501,803	26.69%	25.86%	4,125,509	73.31%	94.13%	310,645	18.11	807.42	121.16	138.03	3.23
Sep-96	5,359,562	1,321,124	24.65%	24.62%	4,038,438	75.35%	94.20%	314,457	17.04	710.28	118.60	131.46	3.08
Oct-96	5,658,075	1,460,882	25.82%	24.83%	4,197,193	74.18%	93.90%	300,722	18.81	785.42	123.27	138.78	3.25
Nov-96	5,557,438	1,447,383	26.04%	25.38%	4,110,056	73.96%	93.91%	290,317	19.14	778.16	120.71	136.31	3.19
Dec-96	5,412,788	1,356,779	25.07%	23.56%	4,056,009	74.93%	93.80%	279,892	19.34	729.45	119.12	132.76	3.11
Jan-97	4,898,149	1,373,445	28.04%	27.66%	3,524,704	71.96%	93.97%	232,679	21.05	738.41	103.52	120.14	2.82
Feb-97	5,316,461	1,285,458	24.18%	24.17%	4,031,003	75.82%	93.84%	272,479	19.51	691.11	118.38	130.40	3.06
Mar-97	5,350,233	1,301,056	24.32%	25.13%	4,049,178	75.68%	93.71%	277,608	19.27	699.49	118.92	131.23	3.07
Apr-97	4,911,399	1,047,412	21.33%	22.33%	3,863,987	78.67%	93.77%	265,195	18.52	563.12	113.48	120.47	2.82
May-97	5,444,877	1,216,047	22.33%	24.40%	4,228,830	77.67%	93.70%	279,074	19.51	653.79	124.19	133.55	3.13
Jun-97	5,057,400	886,868	17.54%	19.04%	4,170,532	82.46%	93.45%	267,720	18.89	476.81	122.48	124.05	2.91
TOTALS:	63,834,732	15,473,739	24.24%	24.29%	48,360,993	75.76%	93.85%	3,373,674	18.92	693.27	118.36	130.48	3.06

ST. CHARLES RIVERFRONT STATION

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	9,922,829	1,843,746	18.58%	23.10%	8,079,083	81.42%	94.48%	440,781	22.51	675.36	144.79	152.07	7.04
Aug-97	9,136,613	1,670,264	18.28%	20.94%	7,466,349	81.72%	94.69%	426,278	21.43	611.82	133.81	140.02	6.48
Sep-97	8,529,144	1,591,651	18.66%	21.17%	6,937,493	81.34%	94.35%	387,718	22.00	583.02	124.33	130.71	6.05
Oct-97	9,345,420	1,899,191	20.32%	23.10%	7,446,229	79.68%	94.28%	424,691	22.01	695.67	133.44	143.22	6.63
Nov-97	8,843,617	1,766,337	19.97%	22.61%	7,077,280	80.03%	94.45%	412,271	21.45	647.01	126.83	135.53	6.27
Dec-97	9,401,675	2,119,430	22.54%	24.79%	7,282,246	77.46%	94.54%	427,341	22.00	776.35	130.51	144.09	6.67
Jan-98	9,809,703	1,806,609	18.42%	22.17%	8,003,094	81.58%	94.30%	450,238	21.79	661.76	143.42	150.34	6.96
Feb-98	8,928,201	1,604,720	17.97%	20.32%	7,323,482	82.03%	94.51%	422,345	21.14	587.81	131.25	136.83	6.33
Mar-98	10,326,907	1,792,751	17.36%	20.50%	8,534,156	82.64%	94.24%	477,427	21.63	656.69	152.94	158.27	7.32
Apr-98	9,442,214	1,714,136	18.15%	22.15%	7,728,079	81.85%	94.21%	426,169	22.16	627.89	138.50	144.71	6.70
May-98	8,914,020	1,410,039	15.82%	18.52%	7,503,981	84.18%	94.34%	411,586	21.66	516.50	134.48	136.61	6.32
Jun-98	9,149,849	1,699,066	18.57%	23.37%	7,450,784	81.43%	94.30%	406,662	22.50	622.37	133.53	140.23	6.49
TOTALS:	111,750,192	20,917,937	18.72%	21.91%	90,832,255	81.28%	94.39%	5,113,507	21.85	638.52	135.65	142.72	6.60

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	13,010,409	3,425,884	26.33%	25.09%	9,584,525	73.67%	93.92%	574,468	22.65	1,141.96	179.38	199.94	9.23
Aug-96	13,122,229	3,632,638	27.68%	27.61%	9,489,591	72.32%	94.01%	576,197	22.77	1,210.88	177.61	201.66	9.31
Sep-96	11,895,764	3,150,053	26.48%	25.83%	8,745,711	73.52%	94.17%	520,291	22.86	1,050.02	163.69	182.81	8.44
Oct-96	11,473,610	3,189,672	27.80%	25.37%	8,283,938	72.20%	94.69%	526,219	21.80	1,063.22	155.04	176.33	8.14
Nov-96	12,049,098	3,440,662	28.56%	26.44%	8,608,436	71.44%	94.60%	535,578	22.50	1,146.89	161.12	185.17	8.55
Dec-96	11,804,706	3,182,469	26.96%	23.61%	8,622,237	73.04%	94.59%	537,787	21.95	1,060.82	161.37	181.42	8.37
Jan-97	11,368,816	3,180,186	27.97%	25.41%	8,188,630	72.03%	94.78%	514,057	22.12	1,060.06	153.26	174.72	8.06
Feb-97	12,828,653	3,176,705	24.76%	22.57%	9,651,948	75.24%	94.63%	601,940	21.31	1,058.90	180.65	197.15	9.10
Mar-97	11,534,491	2,282,507	19.79%	18.41%	9,251,984	80.21%	94.73%	563,136	20.48	760.84	173.16	177.26	8.18
Apr-97	9,668,956	2,168,188	22.42%	22.89%	7,500,768	77.58%	94.86%	453,187	21.34	722.73	140.38	148.59	6.86
May-97	10,181,393	2,089,628	20.52%	22.50%	8,091,765	79.48%	94.85%	477,392	21.33	696.54	151.45	156.47	7.22
Jun-97	8,743,579	1,467,536	16.78%	19.03%	7,276,043	83.22%	94.71%	401,962	21.75	489.18	136.18	134.37	6.20
TOTALS:	137,681,703	34,386,128	24.98%	23.96%	103,295,575	75.02%	94.55%	6,282,214	21.92	955.17	161.11	176.33	8.14

ST. JO FRONTIER CASINO

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	1,318,735	324,252	24.59%	27.03%	994,483	75.41%	93.49%	61,285	21.52	600.47	92.08	106.44	4.00
Aug-97	1,486,355	371,991	25.03%	30.19%	1,114,364	74.97%	93.27%	65,351	22.74	688.87	103.18	119.96	4.50
Sep-97	1,372,696	330,693	24.09%	27.91%	1,042,004	75.91%	93.35%	58,495	23.47	612.39	96.48	110.79	4.16
Oct-97	1,462,508	362,143	24.76%	27.86%	1,100,366	75.24%	92.79%	59,422	24.61	670.63	101.89	118.04	4.43
Nov-97	1,435,016	362,203	25.24%	28.40%	1,072,813	74.76%	93.22%	58,826	24.39	670.75	99.33	115.82	4.35
Dec-97	1,351,348	368,395	27.26%	28.49%	982,954	72.74%	93.37%	54,451	24.82	682.21	91.01	109.07	4.09
Jan-98	1,388,449	404,238	29.11%	30.75%	984,211	70.89%	93.69%	57,603	24.10	748.59	91.13	112.06	4.21
Feb-98	1,435,788	357,111	24.87%	26.26%	1,078,677	75.13%	93.59%	61,410	23.38	661.32	99.88	115.88	4.35
Mar-98	1,494,734	349,298	23.37%	24.14%	1,145,436	76.63%	93.32%	63,769	23.44	646.85	106.06	120.64	4.53
Apr-98	1,411,139	279,794	19.83%	22.71%	1,131,346	80.17%	92.70%	57,076	24.72	518.14	104.75	113.89	4.28
May-98**	1,687,179	356,888	21.15%	24.04%	1,330,291	78.85%	93.21%	79,220	21.30	660.90	123.18	136.17	5.11
Jun-98	1,813,809	442,568	24.40%	24.95%	1,371,241	75.60%	92.25%	86,755	20.91	819.57	126.97	146.39	5.50
TOTALS:	17,657,756	4,309,571	24.41%	26.77%	13,348,185	75.59%	93.18%	763,663	23.12	665.06	103.00	118.76	4.46

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	1,608,044	433,179	26.94%	25.17%	1,174,865	73.06%	93.05%	67,391	23.86	849.37	112.53	131.05	5.57
Aug-96	1,644,434	411,765	25.04%	24.72%	1,232,669	74.96%	95.77%	70,073	23.47	807.38	118.07	134.02	5.70
Sep-96	1,671,597	444,675	26.60%	28.26%	1,226,922	73.40%	93.37%	66,247	25.23	871.91	117.52	136.23	5.79
Oct-96	1,573,945	329,489	20.93%	21.80%	1,244,456	79.07%	94.00%	67,537	23.30	646.06	119.20	128.28	5.45
Nov-96	1,501,775	398,194	26.51%	25.44%	1,103,582	73.49%	93.72%	61,427	24.45	780.77	105.71	122.39	5.20
Dec-96	1,543,255	413,620	26.80%	28.12%	1,129,635	73.20%	93.33%	61,959	24.91	811.02	108.20	125.77	5.35
Jan-97	1,365,949	409,567	29.98%	30.85%	956,382	70.02%	94.78%	60,102	22.73	803.07	91.61	111.32	4.73
Feb-97	1,490,457	417,622	28.02%	32.34%	1,072,835	71.98%	93.41%	68,812	21.66	818.87	102.76	121.47	5.16
Mar-97	1,556,087	395,150	25.39%	28.66%	1,160,937	74.61%	93.47%	72,523	21.46	774.80	111.20	126.82	5.39
Apr-97	1,451,785	363,691	25.05%	28.87%	1,088,094	74.95%	93.31%	62,501	23.23	713.12	104.22	118.32	5.03
May-97	1,453,064	317,752	21.87%	26.34%	1,135,312	78.13%	93.39%	65,375	22.23	623.04	108.75	118.42	5.03
Jun-97	1,344,952	329,518	24.50%	29.70%	1,015,434	75.50%	93.22%	57,909	23.23	646.11	97.26	109.61	4.66
TOTALS:	18,205,344	4,664,219	25.62%	27.30%	13,541,124	74.38%	93.86%	781,856	23.28	762.13	108.09	123.64	5.26

SAM'S TOWN (BOYD GAMING COMPANY)

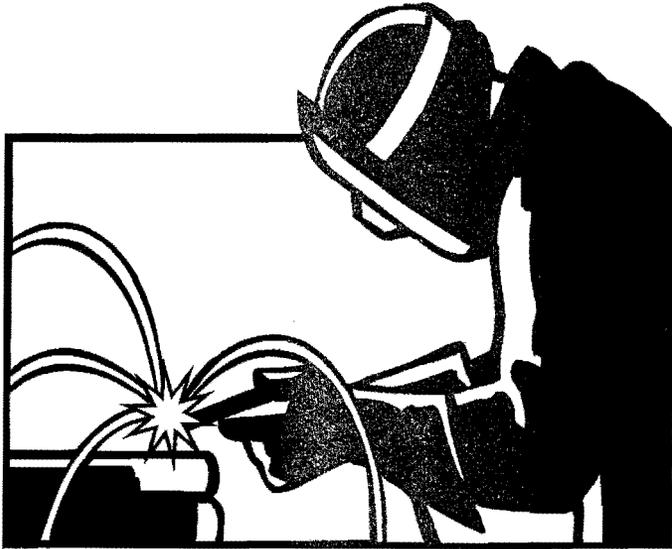
Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	3,114,689	707,076	22.70%	24.17%	2,407,614	77.30%	94.79%	136,119	22.88	491.02	73.02	82.60	3.71
Aug-97	3,521,035	740,865	21.04%	23.21%	2,780,170	78.96%	94.65%	151,667	23.22	514.49	84.32	93.37	4.19
Sep-97	2,967,741	586,034	19.75%	21.06%	2,381,707	80.25%	94.98%	128,786	23.04	406.97	72.24	78.70	3.53
Oct-97	3,357,592	637,177	18.98%	21.97%	2,720,415	81.02%	94.47%	145,203	23.12	442.48	82.51	89.04	4.00
Nov-97	2,925,012	670,652	22.93%	23.67%	2,254,361	77.07%	94.78%	121,515	24.07	465.73	68.38	77.57	3.48
Dec-97	2,936,408	599,575	20.42%	19.15%	2,336,833	79.58%	94.56%	128,891	22.78	416.37	70.88	77.87	3.50
Jan-98	3,285,695	680,321	20.71%	22.42%	2,605,375	79.29%	94.40%	140,619	23.37	472.44	79.02	87.13	3.91
Feb-98	2,869,716	615,545	21.45%	21.29%	2,254,171	78.55%	94.77%	124,217	23.10	427.46	68.37	76.10	3.42
Mar-98	3,357,140	629,958	18.76%	19.65%	2,727,182	81.24%	94.43%	144,306	23.26	437.47	82.72	89.03	4.00
Apr-98	2,745,063	549,304	20.01%	19.92%	2,195,759	79.99%	94.94%	114,589	23.96	381.46	66.60	72.79	3.27
May-98	2,666,285	542,159	20.33%	20.45%	2,124,126	79.67%	94.68%	111,897	23.83	376.50	64.43	70.70	3.17
Jun-98	2,402,907	500,285	20.82%	20.61%	1,902,623	79.18%	94.59%	99,858	24.06	347.42	57.71	63.72	2.86
TOTALS:	36,149,283	7,458,948	20.63%	21.48%	28,690,336	79.37%	94.67%	1,547,667	23.36	431.65	72.52	79.88	3.59

Fiscal Year Ended June 30, 1997

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-96	5,378,168	1,419,286	26.39%	19.80%	3,958,883	73.61%	95.59%	324,618	16.57	860.17	127.25	143.88	6.40
Aug-96	6,046,466	1,788,327	29.58%	26.16%	4,258,139	70.42%	95.00%	287,555	21.03	1,083.83	136.87	161.76	7.20
Sep-96	4,715,996	1,537,891	32.61%	24.40%	3,178,106	67.39%	96.26%	268,180	17.59	932.05	102.16	126.16	5.61
Oct-96	5,219,106	1,451,835	27.82%	25.37%	3,767,271	72.18%	95.36%	246,639	21.16	879.90	121.10	139.62	6.21
Nov-96	4,470,486	1,298,341	29.04%	25.33%	3,172,145	70.96%	95.13%	200,616	22.28	786.87	101.97	119.60	5.32
Dec-96	4,374,596	1,371,924	31.36%	26.74%	3,002,672	68.64%	95.22%	187,013	23.39	831.47	96.52	117.03	5.21
Jan-97	3,822,756	956,810	25.03%	24.06%	2,865,946	74.97%	95.06%	166,075	23.02	579.88	92.12	102.27	4.55
Feb-97	3,432,318	873,054	25.44%	24.51%	2,559,264	74.56%	94.96%	144,018	23.83	529.12	82.26	91.82	4.09
Mar-97	3,492,696	772,888	22.13%	20.69%	2,719,808	77.87%	95.25%	155,002	22.53	468.42	87.43	93.44	4.16
Apr-97	3,334,844	845,201	25.34%	24.59%	2,489,643	74.66%	95.03%	138,881	24.01	512.24	80.03	89.21	3.97
May-97	3,491,833	848,028	24.29%	25.33%	2,643,805	75.71%	95.00%	147,449	23.68	513.96	84.98	93.41	4.16
Jun-97	2,805,886	691,809	24.66%	26.03%	2,114,077	75.34%	95.21%	122,548	22.90	419.28	67.95	75.06	3.34
TOTALS:	50,585,151	13,855,392	27.39%	24.31%	36,729,759	72.61%	95.30%	2,388,594	21.18	699.77	98.39	112.77	5.02

Discontinued Operations on July 15, 1998



Home Dock Communities' Use of Riverboat Gaming Funds



CARUTHERSVILLE

POSITIVE IMPACT ON RURAL COMMUNITY.

When the Issue of Riverboat Gaming was introduced to the voters of The City of Caruthersville the realities of the Project were not based on moral issues but on economic concerns. At the time of the elections for the passage of legalized Riverboat gaming, the Brown Shoe Factory was closing with over 500 people losing their jobs, and the Caruthersville Shipyard was closing with over 400 employment.

The vision of over 400 good paying jobs and of revenue for The City of Caruthersville, and increased Economic Growth, was a driving force for the passage of Riverboat Gaming in Caruthersville.

The City of Caruthersville has 7,958 residents making up approximately one-third of the population of Pemiscot County. In 1994 the Pemiscot County unemployment rate was 15.6%. As of March 1st, 1998 it was down to 8.1%. This clearly shows that more people are working and providing a better way of life for their families.

The results of this prosperity for Caruthersville are evident when you visit the City. With a \$3 Million dollar initial Development Agreement with the City to rebuild two major streets with improved drainage, lighting, and street scape design. With an additional \$3 Million for the first 3 years of operation of Casino Aztar the City used the funds for Recreation, Streets, Public Safety, and Infrastructure Projects within the City. This does not include \$3.3 Million that has been received from State Gaming Fees.

The City has invested this money into:

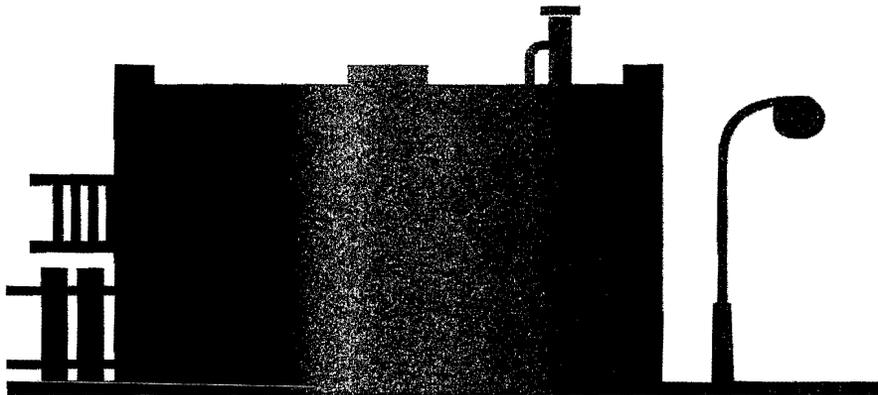
- Improved City Streets;
- Parks and Recreation Equipment;
- A New Sports Complex, Scholarship Program;
- Improved Water and Wastewater Systems;
- Fire Truck, Police Cars, Sanitation Equipment;
- Construction Equipment;
- Riverfront loan program for building improvements, and many other projects.

Along with the Casino Operations we have seen new Retail Business Growth with more employment. We have had a new Motel built that is now allowing our Tourism Tax Fund to grow and that additional money is being used for Billboards, Banners and Brochures to further promote the City of Caruthersville.

The City now has the Funds available to work on Industrial Growth. We now have a new Factory moving into the City with as additional 65 employees to be hired. We now have additional funds to continue to develop our Industrial Park for future Industrial expansion.

It is clearly evident that Casino Gaming has had a significant and positive impact on The City of Caruthersville, and the working relationship between the City and Casino Aztar has been a perfect marriage for the betterment of Quality of Life for the Citizens of Caruthersville and also for Pemiscot County.

Source: City of Caruthersville



KANSAS CITY

FY '97	FY '98	FY '99
--------	--------	--------

ROADWAYS

	FY '97	FY '98	FY '99
Street Preservation & Marking	\$2,228,000	\$3,493,000	\$2,481,667
NW68TH Street	\$1,300,000	\$800,000	
Bruce Watkins Drive	\$1,272,000	\$1,200,000	\$1,100,000
Streight Bond Retirement			\$3,000,000
Traffic Signal Controller Replacement			\$250,000
Boulevard Reconstruction	\$450,000	\$400,000	\$750,000
Longview Road Improvments		\$300,000	\$300,000
Gower Drive Connector		\$250,000	
Sub-Total	\$5,250,000	\$6,443,000	\$7,881,667

BRIDGES

Minor Bridge Rehabilitation	\$1,800,000	\$1,880,000	
Chouveau Bridge & Enviromental			\$1,100,000
Manchester Bridge over union Pacific Railroad			\$300,000
Elm Street Bridge over White Oak Creek		\$400,000	\$400,000
Sub-Total	\$1,800,000	\$2,280,000	\$1,800,000

DRAINAGE & FLOOD CONTROL

N.E. Industrial District - Storm Water Grant Match			\$800,000
Sub-Total			\$800,000

BUILDINGS

City hall Life Safety	\$640,000	\$350,000	
18th & Vine Maintenance Reserve Fund			\$300,000
Municipal Service Center			\$300,000
Maintenance Building Repair		\$21,500	
Sub-Total	\$640,000	\$371,500	\$600,000

FY '97	FY '98	FY '99
--------	--------	--------

DEVELOPMENT

Downtown Civic Mall - FAA Site Acquisition	\$1,000,000		
Downtown Civic Mall - Ius Davis Park	\$1,000,000	\$1,000,000	
Housing Authority of Kansas City Improvements			\$455,000
Palestine Place Parking Lot			\$100,000
Sub-Total	\$2,000,000	\$1,000,000	\$555,000

WALKWAYS

City Owned Sidewalk and Curb		\$100,000	\$100,000
Citywide Sidewalks - Non assessable		\$398,500	\$500,000
MUTCD Compliance - Pedestrian Signals		\$150,000	\$333,333
Curb Cuts - Americans with Disabilities Compliance	\$500,000		
Sub-Total	\$500,000	\$648,500	\$933,333

RECREATION

Kansas City Zoo Improvements		\$450,000	\$430,000
Bruce R. Watkins Center Hillside		\$200,000	

Total Capital Improvement Projects	\$10,190,000	\$11,393,000	\$13,000,000
---	---------------------	---------------------	---------------------

DEFERRED MAINTENANCE

FIRE DEPARTMENT

Equipment Replacement	\$1,710,000	\$1,517,000	\$1,517,000
-----------------------	-------------	-------------	-------------

NEIGHBORHOOD AND COMMUNITY

SERVICES DEPARTMENT

Little Sisters of the Poor Building Demolition			\$500,000
Equipment Replacement	\$200,000	\$200,000	\$200,000

PARKS AND RECREATION DEPARTMENT

Equipment Replacement	\$200,000	\$200,000	\$200,000
-----------------------	-----------	-----------	-----------

Total Deferred Maintenance	\$2,110,000	\$1,917,000	\$2,417,000
-----------------------------------	--------------------	--------------------	--------------------

Grand Total Gaming Funds	\$12,300,000	\$13,310,000	\$15,417,000
---------------------------------	---------------------	---------------------	---------------------

Source: City of Kansas City

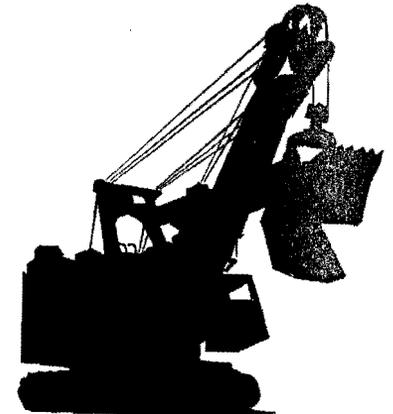
MARYLAND HEIGHTS



Earth City Expressway	\$3,000,000	Annually
Doubling street slabs replaced	\$500,000	Annually
Land for new City Hall	\$800,000	1998
Reconstruction Projects		
Westport to Schuetz	\$730,000	1998
Midland intersection	\$360,000	1998
Bridge replacement	\$470,000	1998
Smiley Road Bridge	\$70,000	1998
Land for South Heights	\$120,000	1998
Engineering	\$1,000,000	1899
Traffic Studies	\$135,000	1998
Police Dept. (11 new officers; new traffic unit; 1 dispatcher)	\$500,000	Annually
Finance Staff (2)	\$75,000	Annually
Planning Staff	\$40,000	Annually
Public Relations Supervisor	\$40,000	Annually

NORTH KANSAS CITY

Compulsive Gambler Fund Donation	\$100,000	18th & Swift Parking Lot	\$494,700
Fire Truck (2)	\$649,000	City Building Improvements	\$198,900
Thermal Imager for Fire Services	\$33,800	Macken Park Improvements	\$156,600
Traffic Signals / Striping	\$238,000	Replacement Vehicles	\$218,900
Radio System	\$1,300,000	Sweepers/tractors	\$39,400
Sidewalks	\$192,000	Chouteau Park Donation	\$50,000
Sanitary Sewer Improvements	\$407,000	Bomb Dog and Equipment	\$18,000
Property Acquisition	\$225,000	New Police Firing Range	\$21,500
Pump Station Improvements	\$617,300	TIF Projects	\$170,000
Additional Fire/Police resources	\$783,000	Contract Services	\$62,800
Pay off Water Pollution Control Bonds	\$1,080,000	Computer Upgrades	\$152,000
Utility Replacement Fund	\$858,000	New Reader Board	\$33,700
Community Center	\$2,866,800	Christmas Lighting for Streets	\$21,400
I-35/210 Ramp	\$75,900	Water System Improvements	\$90,700
Beautification Projects	\$171,800	TOTAL	\$11,326,200



RIVERSIDE

Argosy Casino has fulfilled all of the terms of its original agreement with the City of Riverside including payments of \$5,000,000 in advance rent and a \$1,000,000 grant for the construction of a city park. The original agreement also provided for a \$600,000 grant for the construction of a nine hole golf course. This portion of the agreement was mutually terminated and the money was returned to the Missouri Gaming Company.

The following outlines city projects that have already been completed through the use of riverboat gaming funds:

- An overall Master Plan for development of the City
- A Master Plan for development of the new city park
- Riverbank stabilization and improvements to Renner-Brenner Historical Site Park
- \$3 million for the construction of a Community Center and swimming pool which opened May 30, 1998
- \$1 million for the construction of a Public Works Maintenance Building to house the Street Department
- Creation of a Public Works Department
- \$1.3 million used to retire outstanding sanitary sewer bonds
- \$2.8 million committed to construction of the L-385 flood protection levee
- \$250,000 for purchase of a new fire truck and upgrading existing fire equipment
- \$3 million for construction of E.H. Young Riverfront Park to be open in September 1998
- \$3 million committed to major street widening, bridge replacement, two intersection replacements and improvement of NW Gateway Street
- \$3 million in street projects already completed or to be completed in Fall, 1998
- \$3 million in street projects to begin June 1998 and to be completed by May 1999
- \$1.5 million committed to building a new post office facility
- \$3 million committed to the design and construction of a new City Hall facility
- A \$150,000 payment from Argosy Casino, along with a \$150,000 payment from the City of Riverside, to Platte County to retire outstanding bonds on Platte Purchase Bridge to allow MoDOT to accept the bridge into their system so that \$7 million in deck repairs and painting could be completed which allowed the bridge to remain open
- \$75,000 paid into Compulsive Gamblers Fund
- Contracts have been awarded to three engineering firms to design and complete street projects for the remainder of the city streets in Riverside.

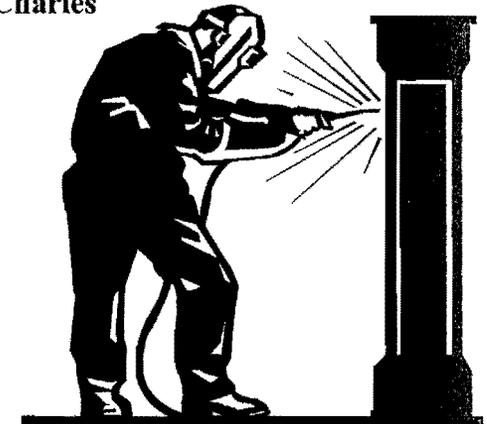
Source: City of Riverside

ST. CHARLES

The City of St. Charles adopted a resolution establishing the following general guidelines to assist in considering the allocation of revenue from the operation of riverboat gaming.

1. Streets (20% until two million dollars is accumulated in gaming and utility reserve thereafter 25%) - Funding provided will be used for new street construction and reconstruction existing roadways including related curb and gutter work and design engineering services. These funds can also be utilized for street lighting and traffic signalization.
2. Facilities (20%) - Funding provided will be utilized for enhancing or expanding existing city facilities or new construction.
3. Redevelopment (15% until two million dollars is accumulated in gaming and utility reserve thereafter 20%) - Funding provided will be utilized for redevelopment and economic development.
4. Stormwater Control (25%) - Funding provided will be utilized to help finance the stormwater utility.
5. Utility and Gaming Reserve (20% until two million dollars is accumulated and thereafter 10%) - Funding provided will establish a reserve fund to be utilized for unforeseen emergency needs of your utility systems and/or to complete projects financed with gaming funds should there be a shortfall in that revenue source.

Source: City of St. Charles



	FY95	FY96	FY97	FY98
Festival/Celebrations	\$15,000	\$30,000	\$65,000	
Public Safety:				
Police ves/radar training	\$27,500	\$66,013	\$25,277	\$27,055
Police cars		\$550,923	\$401,499	\$296,558
Downtown Cleanup Program		\$11,000	\$118,930	\$91,942
Infrastructure				
City Hall Doors Renovation		\$9,540		
Civic Center Electric		\$28,000		
Parking Lot Repairs	\$67,000			
Downtown Sidewalks			\$102,772	\$14,513
Riverfront Park	\$161,191			
Recreational Complex		\$288,500		
Francis Street Improvements		\$302,656	\$18,841	
McArthur Drive Improvements			\$48,741	\$575,189
Projects for Better Neighborhoods			\$7,500	\$39,549
Legal Claims	\$312,500			
Prof. Services			\$10,000	
Chamber Marketing Programs		\$2,500		\$25,000
Vehicles/Equipment		\$6,763	\$5,088	\$4,619
All American Cities			\$10,000	
TOTAL	\$583,191	\$1,295,895	\$813,648	\$1,074,425

CITY OF ST. LOUIS

2% AGR Tax Uses

These funds have been allocated to cover Police Dept. costs; supplies for Fire Dept. marine unit and public safety related capital improvements on the riverfront (streetlights, lighting)

Admission Fee

These revenues have been allocated to the City's capital fund, which allows for funding of items such as arterial street paving, bridge repair, rolling stock replacement, building improvements, ect.

Lease Agreement (2% of AGR)

These revenues are received by the City's Port Authority and have been allocated in recent years for housing development and other economic development efforts of the City's development agencies.

Source: City of St. Louis More specific uses of gaming moneys were not provided by the City of St. Louis.