

Monthly Meeting of the
Prairie Meadows Board of Directors
December 20 2023
3:00 p.m.

Lobbyist Report. Troy Skinner handed out and reviewed the December 2023 Legislative Update:

Updated Sports Wagering Receipts FY2020 FY2023.

Revenue Estimating Conference Update predicts a revenue decline in FY2024.

Timetable of the 2024 Legislative Session. This is the second year of the biennium, the session starts January 8, the first funnel is February 16, the second funnel is March 15, Gaming bills are exempt from the funnel due to possible tax issues, the per diem runs out on April 16.

Financials. Elaine Castelline, Vice President of Finance/CFO, reviewed the November YTD financials:

November	Actual	Plan
Casino Revenue	\$222.1 m	\$208.9 m
Total Revenue	\$254.4 m	\$240.5 m
Payroll Expenses	\$51.0 m	\$50.5 m
Operating Expenses	\$63.2 m	\$65.0 m
Net Income before Community Benefit	\$72.2 m	\$59.2 m

Total Revenue, \$254.4 million YTD: Casino \$221.1 million ; Hotel and Events \$7.4 million; Food and Beverage \$6.9 million; Other \$7.9 million; Sportsbook \$7.2 million; Pari-mutuel \$2.9 million.

Top Performing Areas Most Recent 4 Years: Poker, Events Center/Banquets, Hotel, Photo Finish Lounge. Coin-In and Slots, Gift Shop, Café, Paddock, and Prairie Coffee Company also had an all-time record for November.

Iowa Market Comparison by size or 60-mile radius	
Prairie Meadows	\$222.2 m
Horseshoe	\$177.7 m
Ameristar II	\$167.1 m
Riverside	\$119.8 m
Isle Waterloo	\$85.9 m
	\$65.0 m
Lakeside	\$45.4 m

Board needs to approve the independent study.

is there a directive from the IRS on frequency? Mr. Flynn said there is time frame; every five years was not objectional in the last IRS audit, but PM should not go beyond five years; having a study done is pricey; in the interim, staff uses the same parameters as the study and reports annually to the Board. Mr. Palmer noted a study costs approximately \$150,000. Mr. O

Presidents and up and Mr. Palmer said yes. Mr. Costa asked if the study is for reasonableness or to set compensation? Mr. Palmer said reasonableness; there are only two non-profit casinos the study uses non-profit casinos, hospitals or others that make money and the other half is on private companies (i.e. Caesars)

