

Annual Report to the Governor



**STATE OF INDIANA
INDIANA GAMING COMMISSION**

February 26, 1999

**ANNUAL REPORT
TO THE GOVERNOR**

1998

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INDIANA GAMING COMMISSION**

FEBRUARY 26, 1999

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INDIANA GAMING COMMISSION OVERVIEW OF THE 1998 ANNUAL REPORT

On July 1, 1993, the **RIVERBOAT GAMBLING ACT** (ACT), enacted by Public Law 277-1993 and codified at Indiana Code 4-33, et. seq., became effective, legalizing casino gaming on riverboats. In general, the ACT established the Indiana Gaming Commission (IGC) and vested it with the authority both to issue not more than 11 riverboat licenses in specified areas of the State of Indiana and to regulate the operation of the riverboats along with related businesses, occupations and schools. The ACT authorized the Governor to appoint the bipartisan seven-member commission and directed that the initial commission be appointed by September 1, 1993. The first meeting of the IGC was held September 7, 1993. The ACT requires the IGC to hold at least one meeting each quarter of the fiscal year.

The sixth Annual Report chronicles a year during which the IGC completed the selection process for the last riverboat owner's license can be awarded in the State based upon present legislation. In addition, the IGC opened the fourth (4th) riverboat on the Ohio River, continued to issue additional occupational and supplier licenses and began to experience the consolidation of the gaming industry.

A more specific overview of the IGC's year reveals the following:

1. The fifth (5th) Riverboat Owner's License authorized for the Ohio River was preliminarily awarded to Pinnacle Gaming Development Corporation when the Certificate of Suitability was issued to it on September 14, 1998. Pinnacle is owned by Hollywood Park, Inc. and is to be located in Switzerland County near the Markland Dam. The project is targeted to open, with all amenities in place, during the latter part of the year 2000.
2. The IGC awarded the fourth (4th) Riverboat Owner's License authorized for the Ohio River to RDI/Caesars at Bridgeport in Harrison County, Indiana on November 16, 1998. Following the test cruise and various audit checks, full time gaming commenced on November 20, 1998. With this opening, Indiana reputedly has the largest and second largest riverboat casinos in the world, located at Bridgeport and Lawrenceburg, respectively.
3. The IGC oversaw the opening of the new hotel at Trump Casino in Gary, Indiana and the ground breaking for a hotel at Blue Chip Casino in Michigan City, Indiana.
4. The IGC saw the acquisition and consolidation of gaming companies begin in Indiana. Starwood's acquisition of ITT/Sheraton/Caesars was approved by the IGC on November 16, 1998, at the time of the issuance of the license to RDI/Caesars. As of December 31, 1998 the IGC was investigating the change in ownership brought about by the acquisition of Showboat Marina Casino Partnership in East Chicago by Harrah's and the proposed acquisition of Empress Casino Hammond by Horseshoe Casino.

5. As of December 31, 1998, the Commission had issued licenses, be it temporary or permanent, to approximately Fourteen Thousand Two Hundred Eighteen (14,218) occupational licensees and to approximately Thirty-seven (37) supplier licensees.
6. The eight riverboats operational for all of 1998, along with the one which became operational during 1998, had a total win of One Billion Three Hundred Thirty-nine Million Four Hundred Seventy-three Thousand Three Hundred Eighty-six Dollars (\$1,339,473,386). This win generated a Wagering tax of Two Hundred Sixty-eight Million One Hundred Forty-one Thousand Nineteen Dollars (\$268,141,019). The Admission tax paid for 1998 was One Hundred Two Million Four Hundred Ninety-one Thousand One Hundred Thirty-eight Dollars (\$102,491,138), for a total tax paid of Three Hundred Seventy Million Six Hundred Thirty two Thousand One Hundred Fifty-seven Dollars (\$370,632,157). A three year overview of the number of admissions, win, admission tax and wagering tax for the riverboats is set forth in the following table:

THREE YEAR OVERVIEW OF INDIANA RIVERBOAT OPERATIONS

	1996	1997	1998
<u># OF BOATS</u>	6	8	9
<u>Total Admissions</u>	9,675,907	24,781,889	34,146,314
<u>Total Win</u>	\$371,871,622	\$ 961,937,823	\$1,339,473,386
<u>Total Tax</u>			
Admission Tax:	\$ 29,027,732	\$ 74,343,701	\$ 102,491,138
Wagering Tax:	\$ 74,565,021	\$ 192,504,470	\$ 268,141,019
TOTAL	\$103,592,753	\$ 266,848,171	\$ 370,632,157

Note: the calculation of wagering tax is based upon AGR which includes adjustments such as chip and token float not included in win figures. The admission tax reported in 1998 includes adjustments for prior years and an IDOR assessment.

7. The IGC continued to receive and publish annual assessment reports on the riverboats opened in the State of Indiana. These reports are prepared by the Center for Urban Policy and the Environment and are to provide the IGC with an independent view as to whether the riverboats are fulfilling their promises and obligations in such areas as:

- money expended on, and amenities included in, the specific project;

- fulfillment of monetary and other promises made to the home docksite and the state;
- employment expectations;
- steps toward achieving MBE/WBE goals; and,
- a comparison between the revenue and tax projected versus the actual revenue and taxes paid.

The reports will continue to be prepared annually for each riverboat gambling operation and are available at the State Archives for public viewing and copying.

8. In view of the undertaking of the Indiana Gambling Impact Study Commission, the IGC does not have any recommendations for either the Governor or the General Assembly concerning whether limits on wagering losses should be imposed. The IGC has, on a monthly basis, set forth the amounts wagered, to the extent such a figure is ascertainable, as well as the amounts won and lost for each denomination of Electronic Gaming Device (EGD) and type of table game for each riverboat. The cumulative figures for each denomination of EGD and type of table game, per riverboat, are set forth in the ADMISSION AND WAGERING TAX portion of this Annual Report.

The IGC is proud of its very significant accomplishments, not the least of which is the extremely capable and efficient way that the statutory goals have been achieved while maintaining the high degree of integrity this regulatory process and the State of Indiana demand.

I. INDIANA GAMING COMMISSION MEMBERS

The Indiana Gaming Commission is composed of seven individuals appointed by the Governor for a three year staggered term. Three members of the Commission must be from counties contiguous to Lake Michigan, three from counties contiguous to the Ohio River, and one member cannot be from any of the previously described counties. No more than four members may be affiliated with the same political party. One member of the Commission must be experienced in law enforcement, one must be a certified public accountant, and one must be an attorney; all must have a reasonable knowledge of the practices, procedures and principles of gambling.

Donald Raymond Vowels, of Evansville, Indiana, is Chairman of the Commission. He is presently engaged in the private practice of law with the law firm of Keating, Bumb, Vowels & LaPlante, P.C. He is a member of the Vanderburgh County Election Board.

Ann Marie Bochnowski, of Munster, Indiana, is Vice-Chairperson of the Commission. She is a former business writer for The Times in Hammond and she is now a freelance writer, specializing in writing newsletters.

Richard J. Darko, of Indianapolis, Indiana, is a partner with the law firm of Lowe, Gray, Steele & Darko. He is a member of the Indianapolis Bar Association, the Indiana State Bar Association, the American Bar Association, and the Bar Association of the Seventh Federal Circuit. Mr. Darko previously served on the Indiana Horse Racing Commission.

Thomas F. Milcarek, of Michigan City, Indiana, Secretary of the Commission, is a life long resident of LaPorte County. He is manager of shipping and material handling for Weil-McClain Company, where he has worked since 1970. Mr. Milcarek is a member of the Michigan City Urban Enterprise Association Board. He has been active in many civic organizations, including Boy Scouts, United Way, and Red Cross.

Dr. David E. Ross, Jr., of Chesterton, Indiana, lived in Gary from 1960 to 1991. He practices medicine in Gary and is affiliated with Methodist Hospital in Gary and Merrillville.

Robert W. Sundwick, of Madison, Indiana, is Vice-President of Grote Industries, LLC. He is an active member of numerous charitable, civic and industrial organizations.

Robert W. Swan, of Evansville, Indiana, is a certified public accountant and managing member at Kemper CPA Group in Evansville, Indiana.

II. INDIANA GAMING COMMISSION STAFF

John J. Thar	Executive Director
Floyd B. Hannon	Deputy Director
M. Kay Fleming	Chief Legal Counsel
Cynthia L. Dean	Attorney
John C. Krause	Attorney
Michelle L. Marsden	Program Coordinator
Vacant	Legal Assistant
Vacant	Secretary
Philip L. Beck	Controller
Jennifer L. Byrd	Director of External Affairs
Patricia A. Wright	Software Specialist
Tom S. Stuper	Senior Systems Analyst
Jill Wulf	Executive Administrator
Rhonda K. Dalton	Administrative Secretary
Tracy L. Sanders	Secretary
*Lisa P. Slack	Receptionist
Frank T. Brady	Regional Audit Administrator
Kendra J. Nigg	Lead Field Auditor
A. Charles Vonderschmitt	Lead Field Auditor
James A. Seivers	Field Auditor
Christina M. Gray	Field Auditor
R. Scott Whittenburg	Field Auditor
Richard T. Hazelett	Field Auditor

INDIANA GAMING COMMISSION STAFF (Continued)

***Abraham George**

Field Auditor

Vacant

Field Auditor

Vacant

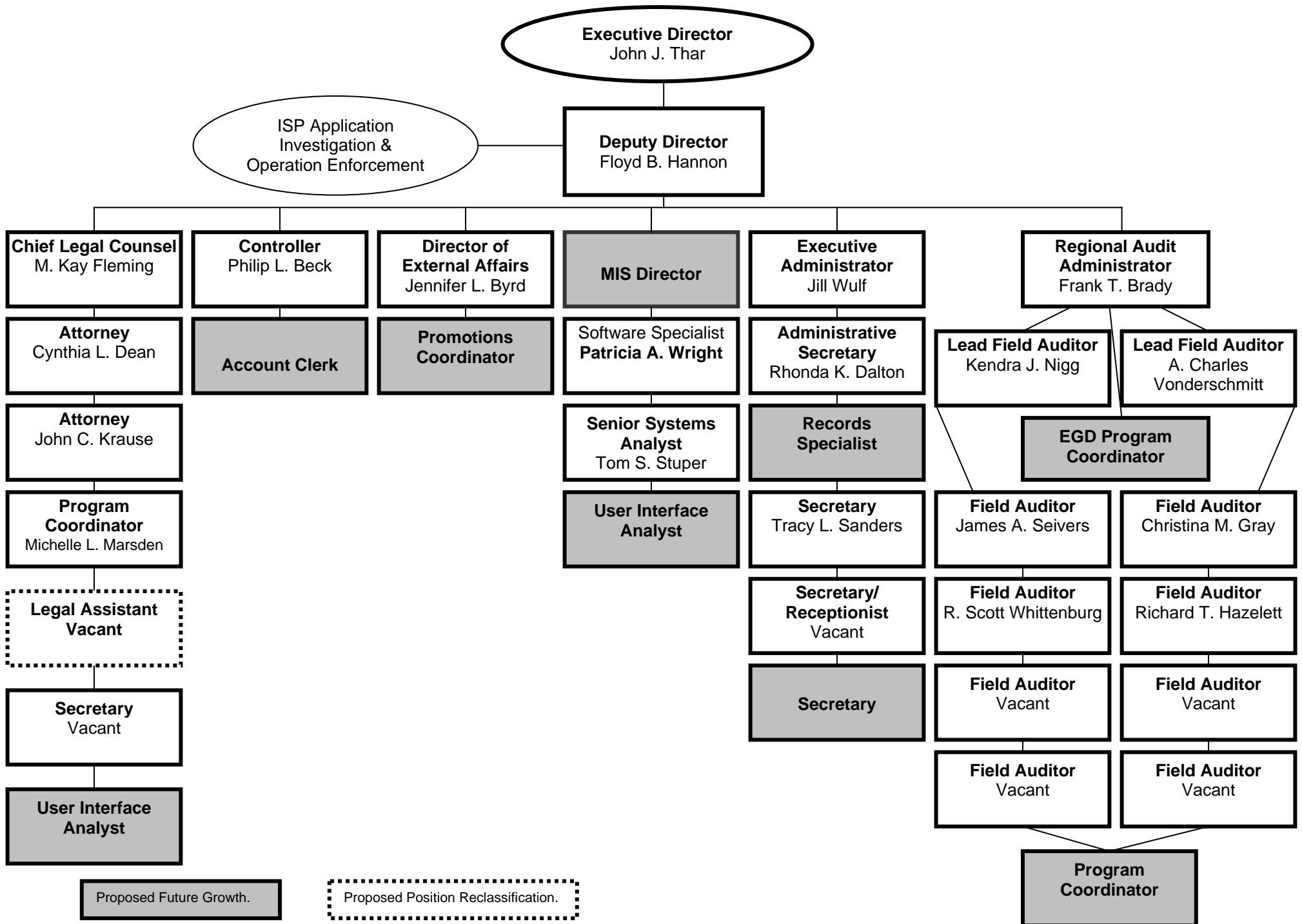
Field Auditor

Vacant

Field Auditor

*At the time of report, but not in 1998.

INDIANA GAMING COMMISSION



III. REVENUES AND EXPENDITURES OF THE COMMISSION

The IGC receives revenues from applications, licensing and fines for riverboat owners, transfers of ownership, suppliers and occupational licensees. This section does not include admission and wagering taxes received from the riverboats conducting operations as that is not part of the IGC revenues.

A. REVENUES: From the period January 1, 1998 through December 31, 1998, the IGC received a total of One Million Five Hundred Forty-four Thousand Seven Hundred Dollars (\$1,544,700) for application fees. Upon examining this total in detail, One Hundred Fifty Thousand Dollars (\$150,000) was for three (3) transfers of ownership fees, Fifty Thousand Dollars (\$50,000) was for one riverboat owners reorganization fee, Fifteen Thousand Dollars (\$15,000) represented three (3) supplier license application fees of Five Thousand Dollars (\$5,000) each, and One Million Three Hundred Twenty-nine Thousand Seven Hundred Dollars (\$1,329,700) represented occupational license application fees for Level I (\$1,000 each), Level II (\$200 each) and Level III (\$75 each). The occupational license application fees were paid by eight riverboats conducting operations during 1998.

A fee for one (1) five year permanent license of Twenty-five Thousand Dollars (\$25,000) was received from one riverboat owner who started operations in 1998. Seventeen (17) suppliers paid Five Thousand Dollars (\$5,000) each for a total of Eighty-five Thousand Dollars (\$85,000) in permanent license fees. One riverboat owner paid Thirty-six Thousand Eight Hundred Seventy-five Dollars (\$36,875) for permanent licenses for Level I (\$100), Level II (\$50) and Level III (\$25) occupational licensees. One supplier paid Seven Hundred Sixty Dollars (\$760) to replace Seventy-six (76) identification badges at Ten Dollars (\$10) each. The total amount received for permanent licenses was One Hundred Forty-seven Thousand Six Hundred Thirty-five Dollars (\$147,635).

A total of One Hundred Fifty-seven Thousand Four Hundred Fifty Dollars (\$157,450) in disciplinary fines was assessed by the IGC. One Hundred Fifty-three Thousand Dollars (\$153,000) was assessed against three (3) riverboat owners and Four Thousand Four Hundred Fifty Dollars (\$4,450) was assessed against four (4) occupational licensees.

Supplier license applicants paid the IGC Two Hundred Fifteen Thousand Seven Hundred Seventy Dollars (\$215,770) in investigative fees.

Total revenues received by the IGC, for the year ended December 31, 1998, were Two Million Sixty-five Thousand Five Hundred Fifty-five Dollars (\$2,065,555).

B. EXPENDITURES: From the period January 1, 1998 through December 31, 1998, expenditures from the IGC Administrative account totaled One Million Five Hundred Eighty-eight Thousand Eight Hundred Ninety-eight Dollars (\$1,588,898). In the same period, expenditures for the Background Investigation Section of the Gaming Division of the Indiana State Police totaled One Million Five Hundred Seventy-nine Thousand Eight Hundred Eight Dollars (\$1,579,808).

Riverboat license applicants paid a Fifty Thousand Dollar (\$50,000) nonrefundable application fee and a Fifty Five Thousand Dollar (\$55,000) investigative fee based on an anticipated cost of approximately One Hundred Five Thousand Dollars (\$105,000) per investigation. Any costs in addition to One Hundred Five Thousand (\$105,000) were paid by the applicant and any funds not used between Fifty Thousand (\$50,000) and One Hundred Five Thousand (\$105,000) were refunded. Suppliers paid an application fee of Five Thousand Dollars (\$5,000) to cover the initial cost of their investigation and are responsible for any additional investigative costs.

The total amount of revenue refunded to a riverboat applicant for excess investigative fees paid was Twenty-five Thousand Seven Hundred Sixty-seven Dollars (\$25,767).

C. STATE TROOPERS ASSIGNED TO THE RIVERBOATS: One (1) Sergeant and eight (8) State Troopers are assigned to each operational riverboat. The cost of providing State Police personnel as IGC agents on the riverboats is paid by each licensed riverboat owner. IC 4-33-4-3.5 states "the licensed owner shall reimburse the Commission for salaries and other expenses of the inspectors and agents required to be present during the time gambling operations are conducted on a riverboat". The costs of the Gaming Division manpower assigned as gaming agents aboard the riverboat including salaries, equipment, training and a prorated portion of the Gaming Division administrative costs were reimbursed to the State Police. The IGC reimbursed the State Police Four Million Two Hundred Ninety Thousand Seven Hundred Sixty-one Dollars (\$4,290,761). The riverboat licensees, in turn, reimbursed the IGC a like amount.

IV. ACTIONS TAKEN BY THE COMMISSION

A. LICENSING

Statutory directives require the IGC to issue riverboat owner's licenses (IC 4-33-6), supplier licenses (IC 4-33-7), occupational licenses (IC 4-33-8), and to license electronic or mechanical gambling devices. The IGC is also to administer and regulate the persons and games outlined above. During calendar year 1998, the IGC has carried out its statutory requirements as follows:

1. **Riverboat Owner's Licensing.** During calendar year 1998, the IGC worked with RDI/Caesars Riverboat Casino, LLC to conduct a test cruise and issue a permanent riverboat owner's license. The IGC worked diligently and cooperatively with RDI/Caesars Riverboat Casino, LLC and the local governmental entities to accomplish the issuance of the license. RDI/Caesars Riverboat Casino, LLC had obtained the necessary permits and certificates required under 68 IAC 2-1-5, posted the appropriate bond under IC 4-33-6-9, and complied with all other requirements mandated by the ACT and 68 IAC. Specifically, the IGC issued a riverboat owner's license to RDI/Caesars Riverboat Casino, LLC on November 16, 1998.

The IGC also considered the issuance of the final Certificate of Suitability, the precursor to a riverboat owner's license, to a riverboat docked on the Ohio River. On September 14, 1998, the IGC convened in Indianapolis, Indiana, and awarded a Certificate of Suitability to Pinnacle Gaming Development Corporation for a riverboat to be docked in Switzerland County, Indiana. The IGC continues to work with the certificate holder toward the opening of the riverboat, however, an opening date for the riverboat is not projected until the year 2000.

2. **Supplier's Licenses.** A temporary supplier's license is issued after the Gaming Division of the Indiana State Police (Gaming Division) has conducted a preliminary background investigation of the supplier. Once a temporary supplier's license has been issued, the supplier may supply gaming equipment or services to riverboats located within Indiana. The Gaming Division continues the thorough background investigation for suitability for permanent supplier's status and when the investigation is complete the IGC can grant a permanent license. A permanent supplier's license must be renewed annually following a request by the supplier and a further finding of suitability. The IGC granted approximately Thirty-seven (37) supplier licenses during the calendar year 1998.
3. **Occupational Licenses.** During calendar year 1998, the IGC issued approximately Fourteen Thousand Two Hundred Eighteen (14,218) temporary or permanent occupational licenses to individuals who work on riverboats. Once a temporary occupational license has been issued, the individual may work on the riverboat. The Gaming Division continues to conduct a thorough background investigation on each individual to ensure that the individual meets all the necessary criteria for suitability for permanent licensure. The IGC then issues each individual a permanent occupational license.

During the calendar year 1998, the IGC implemented a tracking system that monitors the status of occupational licenses. This system is operable and tracks all the individuals who work on the riverboats. This system greatly assists the IGC in such areas as:

- Facilitating permanent licensing of those individuals holding a temporary occupational license whose background investigations have been favorably completed
- Warning the IGC of those individuals who have been found unsuitable for licensing who may attempt to obtain a temporary license at another riverboat subsequent to the finding of unsuitability.

B. STATUTORY REQUIREMENTS

1. Pursuant to IC 4-33-4-1, IC 4-33-4-2, and IC 4-33-4-3, the IGC is directed to adopt rules to regulate, administer, and enforce the ACT. The following rules are final, effective rules as of December 31, 1998:

Article 1 General Provisions

- | | |
|---------|---|
| Rule 1 | Definitions |
| Rule 2 | General Procedures |
| Rule 3 | Economic Development Reports |
| Rule 4 | Contracts |
| Rule 5 | General Reporting Requirements |
| Rule 6 | Appearance by Attorneys or Representatives for Hearings and Reviews |
| Rule 7 | Weapons on the Riverboat |
| Rule 8 | Support Facility Standards |
| Rule 9 | Riverboat IGC Surveillance Room, IGC Dockside Office and Processing Area |
| Rule 10 | Floor Plans |
| Rule 11 | Riverboat Gaming Area |
| Rule 12 | Complimentary Chip and Token Distribution Programs |
| Rule 13 | Reporting of Interest in a License |
| Rule 14 | Gaming Enforcement; Reimbursable Expenses for Troopers and Other State Police Personnel |
| Rule 15 | Destruction of Records |
| Rule 16 | Rights and Duties of Riverboat Licensees and Riverboat License Applicants |

Article 2 Licenses and Approvals

- | | |
|--------|--|
| Rule 1 | Riverboat Owner's License |
| Rule 2 | Supplier's License |
| Rule 3 | Occupational Licenses |
| Rule 4 | Waiver of Convicted Felon Disqualification |
| Rule 5 | Occupational Training Schools |

Rule 6	Electronic Gaming Device Rules
Rule 7	Associated Equipment
Article 3 Minority and Women's Business Enterprises	
Rule 1	General Provisions
Rule 2	Certification Process and Procedure
Rule 3	Compliance
Rule 4	Challenges of the Designation of a Certified Minority or Women's Business Enterprise
Rule 5	Certification; Hearings on Denials and Challenges
Article 4 Corporations	
Rule 1	Publicly Traded Corporations
Article 5 Transfer of Ownership	
Rule 1	Publicly Traded Companies
Rule 2	Persons other than Publicly Traded Corporations
Rule 3	Debt Acquisition
Article 6 Exclusion of Persons	
Rule 1	Exclusion List
Article 7 Denial and Exclusion Hearings	
Rule 1	General Provisions
Article 8 Public Safety and Excursions	
Rule 1	Excursions, Routes, and Public Safety
Rule 2	Medical Services; Emergency Response
Article 9 Ethics	
Rule 1	IGC Members
Rule 2	IGC Employees
Rule 3	IGC Agents
Rule 4	Restriction on Gaming
Article 10 Conduct of Gaming	
Rule 1	Rules of Game; General Provisions
Rule 2	Blackjack
Rule 3	Roulette
Rule 4	Craps
Rule 5	Big Six
Rule 6	Caribbean Stud Poker
Rule 7	Let It Ride
Rule 8	Caribbean Draw Poker
Article 11 Internal Control Procedures	
Rule 1	General Provisions
Rule 2	Drop Bucket Process and Hard Count

- Rule 3 Soft Count Procedure
- Rule 4 Opening and Closing Live Gaming Devices
- Rule 5 Chips and Tokens
- Rule 6 Jet Sort Testing
- Rule 7 Sensitive Key Control
- Rule 8 Handling of Cash at Gaming Tables

Article 12 Security and Surveillance

- Rule 1 General Provisions for Surveillance System

Article 13 Seizure, Forfeiture, and Disciplinary Hearings

- Rule 1 Seizure, Forfeiture, and Disciplinary Hearings

Article 14 Gaming Equipment

- Rule 1 General Provisions
- Rule 2 Live Gaming Device Table Requirements
- Rule 3 Cards and Dice
- Rule 4 Chip Specifications
- Rule 5 Token Specifications
- Rule 6 Blackjack Tables
- Rule 7 Roulette Wheel and Table
- Rule 8 Craps Table
- Rule 9 Big Six Wheel and Table
- Rule 10 Caribbean Stud Poker Table
- Rule 11 Let It Ride Table
- Rule 12 Caribbean Draw Poker Table
- Rule 16 Destruction of Counterfeit Chips and Tokens

Article 15 Accounting Records and Procedures

- Rule 1 General Provisions
- Rule 2 Currency Transaction Reports and Multiple Transaction Logs
- Rule 3 Cash Reserve Requirements and Distributions
- Rule 4 Token and Chip Inventories
- Rule 5 Wagering Tax
- Rule 6 Admission Tax
- Rule 7 Audit Procedures
- Rule 8 Internal Audit Procedures
- Rule 9 Tips and Gratuities; Chips and Tokens Redeemed by Nongaming Occupational Licensees
- Rule 10 Main Bank Responsibilities
- Rule 11 Electronic Gaming Device Hopper Fills and Credits
- Rule 12 Live Gaming Device Fills and Credits
- Rule 13 Manually Paid Jackpots

Article 16 Credit

- Rule 1 General Provisions

- Article 17 Movement of Gaming Equipment
 - Rule 1 Electronic Gaming Device Movement
 - Rule 2 Live Gaming Device Movement

- Article 18 Dispute Procedures
 - Rule 1 Patron Dispute Procedures

2. The IGC passed 32 resolutions in calendar year 1998. The topics covered by the resolutions adopted by the IGC may be broken down into the following topics:

Issues Concerning Supplier’s Licenses	10
Transfer of Ownership	4
Adoption of Rules; Promulgation Process	4
Debt Acquisition Consideration	3
Extension of Certificates of Suitability	3
Conditional Approval of a Game	3
Issues Concerning Occupational Licenses	2
Miscellaneous	3

3. Disciplinary Actions. As a result of regulatory activities, the IGC has initiated a number of disciplinary actions against riverboat licensees, supplier licensees, and occupational licensees who have violated the ACT (IC 4-33) or rules promulgated thereunder (68 IAC).

a) Riverboat Licensees—The following disciplinary actions were initiated by the IGC against Riverboat Licensees during calendar year 1998:

(1) In Re Disciplinary Action Of: Majestic Star Casino, Comp. No. 98-MS-1. On January 22, 1998, the IGC initiated a disciplinary action against Majestic Star that consisted of 9 counts.

Count 1 of the Complaint dealt with the fact that Majestic Star had falsified information on RG-1’s (wagering and admission tax forms) filed with the IGC.

Count 2 of the Complaint addressed the fact that Majestic Star failed to commence an investigation of the negative chip float immediately after its discovery.

Count 3 of the Complaint concerned the Majestic Star’s failure to rotate its reserve chip inventory.

Count 4 of the Complaint addressed the fact that Majestic Star had insufficient surveillance camera coverage.

Count 5 of the Complaint dealt with Majestic Star’s failure to check the trash that was taken from the soft count room.

Count 6 of the Complaint concerned Majestic Star's failure to accurately maintain its multiple transaction logs.

Count 7 of the Complaint addressed Majestic Star's failure to require that the cage and bank drawers be locked.

Count 8 of the Complaint dealt with the fact that Majestic Star allowed employees to cash in chips without completing the chip and token redemption log.

Count 9 of the Complaint dealt with the fact that Majestic Star allowed the security manager to simultaneously supervise the surveillance department.

Members of the IGC staff and Majestic Star reached a settlement agreement whereby the IGC determined that the actions of Majestic Star were in violation of the ACT, rules promulgated thereunder, and internal control procedures that Majestic Star had adopted. Further, Majestic Star agreed to a total fine of One Hundred Thousand Dollars (\$100,000). The IGC adopted this settlement agreement and Majestic Star remitted the fine.

(2) In Re Disciplinary Action Of: Majestic Star Casino, Comp. No. 98-MS-2. On January 22, 1998, the IGC initiated a disciplinary action against Majestic Star Casino that consisted of 4 counts, all involving the failure to accurately maintain requisite logs. Count 1 of the Complaint dealt with hard count room log violations. Count 2 of the Complaint addressed soft count room log violations. Count 3 of the Complaint concerned sensitive key and sensitive key log violations. Count 4 of the Complaint dealt with vendor log and vendor badge violations.

Members of the IGC staff and Majestic Star reached a settlement agreement whereby the IGC determined that the actions of Majestic Star were in violation of the ACT, rules promulgated thereunder, and internal control procedures adopted by Majestic Star. Further, Majestic Star agreed to a total fine in the amount of \$20,000. The IGC adopted this settlement agreement and Majestic Star remitted the fine.

(3) In Re Disciplinary Action Of: Empress Casino Hammond Corp., (Empress), Comp. No. 98-EM-1. On April 17, 1998, the IGC initiated a disciplinary action against Empress that consisted of one count. The Complaint addressed the fact that Empress had violated numerous sensitive key controls, and Empress employees were unable to secure assets in the cages due to a lack of locks and cabinet closures.

Members of the IGC staff and Empress reached a settlement agreement whereby the IGC determined that the actions of Empress were in violation of the ACT, rules promulgated thereunder, and internal control procedures adopted by Empress. Further, Empress agreed to a total fine in the amount of \$9,000 and to have all cabinets and drawers fixed and equipped with working locks. The IGC

adopted this settlement agreement and Empress remitted the fine and is to repair all cabinets and drawers to the satisfaction of the IGC staff.

(4) In Re Disciplinary Action Of: Empress Casino Hammond Corp., (Empress), Comp. No. 98-EM-2. On November 5, 1998, the IGC initiated a disciplinary action against Empress that consisted of one count. The Complaint dealt with the fact that Empress violated federal requirements, IGC requirements, and internal controls adopted by Empress with respect to currency transaction reports. This matter was pending at the close of calendar year 1998.

(5) In Re Disciplinary Action Of: Trump Indiana, Inc. (Trump), Comp. No. 98-TR-1. On May 4, 1998, the IGC initiated a disciplinary action against Trump that consisted of three counts. All three counts addressed the fact that Trump had insufficient internal control procedures in place thereby resulting in employee thefts of varying amounts on three separate occasions.

Members of the IGC staff and Trump entered into a settlement agreement whereby the IGC determined that the actions of Trump were in violation of the ACT and rules promulgated thereunder. Further, Trump agreed to pay a fine in the total amount of \$24,000. The IGC adopted the settlement agreement, and Trump has remitted the fine.

(6) In Re Disciplinary Action Of: Aztar Indiana Gaming Corp., (Aztar), Comp. No. 98-AZ-1. On December 8, 1998, the IGC initiated a disciplinary action against Aztar due to the fact that Aztar allowed an employee who had not applied for nor obtained an Occupational License from the IGC to work aboard the riverboat.

Members of the IGC staff and Aztar entered into a settlement agreement whereby the IGC determined that the actions of Aztar were in violation of the ACT and rules promulgated thereunder. Aztar has agreed to pay a fine in the amount of \$1,500 and the settlement agreement will be presented to the IGC at the first business meeting held in 1999 for adoption.

(7) In Re Disciplinary Action Of: Indiana Gaming Company, L.P., (Argosy), Comp. No. 98-AR-1. On December 2, 1998, the IGC initiated a disciplinary action against Argosy that dealt with Argosy's failure to take turnstile meter readings that are used to calculate the admission tax in a timely manner. This matter was pending at the end of calendar year 1998.

b) Supplier Licensees—The following disciplinary action was initiated by the IGC against a Supplier Licensee during calendar year 1998:

(1) In Re Disciplinary Action Of: Alliance Gaming Corp. (Alliance), Comp. No. 98-Alliance-1. On December 8, 1998, the IGC initiated a disciplinary action against Alliance that dealt with the fact that Alliance shipped two electronic gaming device programs into the State of Indiana when the programs had not been approved for use by the IGC and Alliance had not provided the requisite

notification to the IGC that the programs were being shipped to an Indiana riverboat. This matter was pending at the end of calendar year 1998.

c) Occupational Licensees- The following disciplinary actions were initiated by the IGC against Occupational Licensees during calendar year 1998:

(1) In Re Disciplinary Action Of: an Argosy employee, Comp. No.98-OL-AR-1. On March 24, 1998, the IGC initiated a disciplinary action against the employee due to the fact that he took a bet placed by a patron and caused it to be placed in Argosy's bank, thereby taking the patron's bet out of play. The IGC and the employee reached a settlement agreement whereby the IGC determined that the actions of the employee were in violation of the ACT and rules promulgated thereunder. Further, the settlement agreement called for the employee to pay a fine of \$150. The fine has been remitted.

(2) In Re Disciplinary Action Of: an Aztar employee, Comp. No. 98-OL-AZ-1. On October 20, 1998, the IGC initiated a disciplinary action against an Aztar employee due to his failure to disclose his complete criminal history, including two felony convictions. While this matter was pending, the employee was charged with theft for stealing collectible basketball trading cards from Aztar. On or about November 17, 1998, the employee terminated his employment with Aztar. Therefore, the IGC filed a motion to dismiss the matter due to the fact the IGC no longer had jurisdiction over the employee. Administrative Law Judge (ALJ) assigned to handle the matter recommended the dismissal be granted. The ALJ's recommendation will be considered by the IGC at the first business meeting held during calendar year 1999.

(3) In Re Disciplinary Action Of: an Empress employee, Comp. No. 98-OL-EM-1. On May 4, 1998, the IGC initiated a disciplinary action against the employee for failure to accurately and completely disclose his criminal and employment history. A hearing was conducted in this matter and the ALJ recommended that the employee's temporary Occupational License be revoked and his application for a permanent license be denied. The IGC adopted the ALJ's recommendation on November 16, 1998.

(4) In Re Disciplinary Action Of: an Majestic Star employee, Comp. No. 98-OL-MS-1. On March 27, 1998, the IGC initiated a disciplinary action against a Majestic Star employee arising out of a verbal and physical altercation with a Blue Chip Casino patron. The employee misrepresented his employment with Majestic Star and licensure by the IGC when questioned by IGC agents immediately after the altercation. The IGC and the employee reached a settlement agreement whereby the IGC determined that the employee's actions constituted a violation of the ACT and rules promulgated thereunder. Further the settlement agreement dictates that the employee will be placed on the exclusion list maintained by the IGC for a period of one year.

(5) In Re Disciplinary Action Of: a Trump employee, Comp. No. 98-OL-TR-1. On January 28, 1998, the IGC initiated a disciplinary action against a Trump employee due to the employee's failure to disclose accurate and complete information on his application. The IGC and the employee reached a settlement agreement whereby the IGC determined that the employee's actions constitute a violation of the ACT and rules promulgated thereunder. The settlement agreement required the employee to pay a fine in the amount of \$200, but he was allowed to continue to work on the riverboat. The fine has been paid.

4. Pursuant to IC 4-33-8-3, an individual who has been convicted of a felony may not obtain an Occupational License to work on a riverboat. However, pursuant to IC 4-33-8-11, an individual who is disqualified due to a felony conviction may seek a waiver of the felony conviction. Eight new requests for the waiver of a felony conviction were filed in 1998. All eight had been issued a temporary Occupational License since they did not disclose the felony conviction on their application. Once the background investigation revealed those individuals did have a felony conviction, their temporary Occupational Licenses were revoked.

The 8 new requests as of December 31, 1998 were resolved in the following manner:¹

Waiver Denied ²	7
Waiver granted	1

One of the individuals whose application was denied as result of a felony conviction appealed the matter to an ALJ. The ALJ found the individual was statutorily ineligible to receive a waiver and recommended that his application for licensure be denied.

5. The IGC staff revoked temporary Occupational Licenses prior to the issuance of a permanent Occupational License on 40 occasions during 1998. The Occupational Licenses of these individuals were revoked for the following reasons:

Criminal activity in performance of duties	21
Improper action while dealing game	6
Bad Conduct on other riverboats	2
Background determined not suitable	2
Local Gambling Related Arrests	7
Failure to adhere to IGC rules	2

¹ The Occupational Licenses of numerous other individuals were revoked after a background investigation revealed they had been convicted of a felony that they did not disclose on their application. These additional individuals did not file a request for a waiver of the felony conviction.

² These individuals were determined to be ineligible to receive a felony waiver due to the fact that the individuals requesting the waiver did not meet at least one of the statutory criteria mandated by IC 4-3-8-11.

Of these individuals whose licenses were revoked, seven appealed the decision to an ALJ. In three of the appeals, the ALJ recommended that the IGC's revocation of the temporary Occupational Licenses and the denial of the application for a permanent license be upheld. The IGC adopted the recommendation of the ALJ in each of these matters.

In two of the appeals, the ALJ recommended that the individual's licenses be reinstated and that the individuals be placed on probationary status with various conditions being imposed on the license. The IGC adopted the recommendation of the ALJ in each instance.

In one of the appeals, the ALJ recommended that the individual's license be reinstated on a probationary status with various conditions imposed on the license. The IGC adopted the recommendation. However, the individual did not sign the settlement agreement, and the individual's license remains revoked.

The final individual's appeal was pending at the close of calendar year 1998.

6. Pursuant to IC 4-33-4-7, the IGC may place individuals on an exclusion list if the IGC makes a determination that the individual has violated the ACT or that the individual's reputation or conduct may call into question the honesty or integrity of the riverboat gambling operation or may interfere with the orderly conduct of the riverboat gambling operation.³

The IGC placed three individuals on the exclusion list during 1998. The circumstances behind these individuals are as follows:

- (1) An individual who was licensed and employed as a dealer on one of the riverboats was arrested, charged, and convicted for participating in a cheating operation involving a game that he was dealing.
- (2) An individual who was licensed and employed as a games supervisor on one of the riverboats was involved in a physical altercation with a patron on another Indiana riverboat. This individual was the subject of disciplinary action 98-OL-MS-1. Pursuant to a settlement agreement, this individual was placed on the exclusion list for a period of one (1) year.
- (3) An individual was caught on surveillance tape stealing from a roulette game in which he was participating. The individual waited until the dealer's attention was diverted and reached into the house bank, stealing several chips from the riverboat. Upon further investigation, it was discovered that this individual had previously been arrested and convicted for similar actions at a roulette table on an Illinois riverboat.

7. The IGC continues its contractual relationships with various entities for professional services.

³ Individuals placed on the exclusion list may file a petition to have their name removed from the exclusion list and may appeal the final decision of the IGC to an Administrative Law Judge.

a) The IGC is continuing its contractual relationship with Gaming Laboratories International, Inc. (GLI), Toms River, New Jersey pursuant to the terms of its renewed contract. Under the terms of the contract, GLI is to provide the following services:

(1) On-site inspection and certification of electronic gaming devices, computer monitoring systems, other on-board electronic gaming equipment and associated equipment that will be utilized by riverboat licensees. These services are to be performed prior to the opening of a riverboat.

(2) Continued on-site inspections and certifications on an as-needed basis.

(3) Testing and evaluation of electronic gaming devices and associated equipment at GLI's main facility and other locations agreed upon by GLI and the IGC.

(4) Training of IGC personnel and agents.

(5) Other related services as requested by the IGC, including consultation services with respect to gaming devices, software programs.

The terms of this contract require that the riverboat licensee or the manufacturer of the device be responsible for paying the fees of GLI for the inspections, certifications, testing, evaluation and training of IGC personnel and agents. Only when the IGC requests consultation and assistance will the IGC bear the costs of GLI's services.

(b) The IGC continues its contractual relationship with Virginia Dill McCarty of the Indianapolis, Indiana law firm of Landman & Beatty. Ms. McCarty provides consultation and assistance with respect to numerous issues, including, but not limited to, bonds and security therefor, the types and amounts of insurance to be obtained and/or maintained by riverboat and supplier licensees, and other areas as requested by the IGC.

(c) The IGC continues its contractual relationship with Bernard L. Pylitt, a partner in the law firm of Katzman Katzman & Pylitt of Indianapolis, Indiana. Mr. Pylitt serves as an Administrative Law Judge for the IGC in complaints filed against the IGC, disciplinary actions initiated by the IGC, and issues concerning the revocation or denial of licenses.

(d) The IGC continues its contractual relationship with R. Jeff Dodson of the law firm of Dodson & Schaefer of Evansville, Indiana. Mr. Dodson serves as an Administrative Law Judge for the IGC in complaints filed

against the IGC, disciplinary actions initiated by the IGC, and issues concerning the revocation or denial of licenses.

(e) The IGC continues its contractual relationship with Indiana University on behalf of the Center for Urban Policy & the Environment, School of Public and Environmental Affairs (SPEA). Pursuant to the terms of the contract SPEA will analyze, among other issues, the financial impact and viability of an applicant's proposal for a riverboat gambling operation. SPEA will also prepare an annual report for a period of five years that outlines the performance of each riverboat licensed by the IGC.

(f) The IGC concluded a contract with a publishing firm whereby a manual was prepared that contains the ACT, rules promulgated thereunder (68 IAC), an index of both the ACT and the rules. The manual is available through the IGC for the cost of Twenty Dollars (\$20).

(g) The IGC has entered into a Memorandum of Understanding with each riverboat licensee⁴ and Identix, Inc. Identix was designated the appropriate vendor to install and service live-scan fingerprint and photo ID systems at the riverboat locations. The goods and services are for the use of the IGC in processing occupational licensees that will work for the riverboat licensees. The goods and services are paid for by the riverboat licensee. Because the monetary expenditure is being made by the riverboat licensee, yet the equipment is being utilized by the IGC, it was determined that a Memorandum of Understanding is the appropriate mechanism in which to outline the various duties and responsibilities of each entity. Similar memorandums will be executed between the IGC, Identix and each riverboat licensee as the riverboat licensees purchase the fingerprint and photo ID system.

(h) In fulfilling its other statutory mandates, the IGC has continued to enter into Memoranda or Letters of Understanding with other agencies regarding the sharing of information with other jurisdictions and agencies to ensure that the IGC has the best possible information on each application for a license with respect to any regulatory matters that may arise after licensure.

8. Miscellaneous

(a) Lawsuits

(1) Walter H. Schulz, Jack Phillips, Earl Becker and American Legion Post #497 v. State of Indiana and Indiana Gaming Commission. On October 25, 1996, Plaintiffs, Walter H. Schulz, Jack Phillips and Earl Becker, filed a complaint in Floyd county naming the above parties and the Members of the 108th General Assembly and

⁴ To date this includes Aztar Indiana Gaming Corp., Empress Casino Hammond Corp., Grand Victoria Casino & Resort, Indiana Gaming Company, L.P., Majestic Star Casino, Trump Indiana, Inc., Showboat Marina Partnership, Blue Chip Casino, Inc. and RDI/Caesars Riverboat Casino, LLC.

each IGC Commissioner individually as Defendants. The complaint originally alleged the following: 1) That the law regulating riverboat gambling within the State of Indiana violates Article 1, Section 23 of the Indiana Constitution and creates an unequal privilege to those classes of citizens who support riverboat gambling and does not apply to all counties in Indiana since some counties contiguous to a navigable river capable of supporting a riverboat casino are excluded. 2) That the inclusion of the Riverboat Gambling Act (HB 1107) contained in House Bill 1001 (the budget bill) is void, invalid and unenforceable because riverboat gambling is not related to the remainder of HB 1001. 3) That the Plaintiffs should be granted a jury trial and that the Court should award them costs and attorney's fees incurred for litigation expenses.

On June 30, 1998, the Plaintiffs amended the complaint to include the American Legion Post #497 as a plaintiff to the complaint and removed the Members of the 108th General Assembly and each IGC Commissioner individually as Defendants. The complaint was further amended to include an additional Indiana constitutional claim that penal laws must be of general and uniform operation and the law regulating riverboat gambling violates this principal. The amended complaint no longer requests a jury trial.

On July 24, 1998, the Honorable Robert L. Bennett, Judge, Washington Circuit Court was appointed to serve as Special Judge. A Motion to Dismiss filed by the Attorney General's Office on behalf of the IGC is presently pending.

(2) James Rodney Martin v. Indiana Gaming Commission. On February 5, 1998, the Plaintiff filed a complaint in Marion county naming the Indiana Gaming Commission as the Defendant. The complaint alleges that the Indiana Gaming Commission has failed to provide the Plaintiff with copies of documents the Plaintiff considers public documents. The IGC has maintained that the documents are confidential under IC 5-14-3-4(a)(4), "Records containing trade secrets". The Plaintiff seeks a release of the documents and expenses of litigation and all allowable damages. This lawsuit is currently pending.

V. LEGISLATION

Second Regular Session of the 110th Indiana General Assembly

At the time IGC published the 1997 Annual Report, several pieces of legislation pertaining to riverboat gaming were pending in the General Assembly. The following laws are the results of legislation passed in the 1998 General Assembly:

P.L. 2-1998 Technical Corrections

IC 4-33-10-2.11 was amended to make it a Class D Felony for any person to use or possess counterfeit chips or tokens for use in a gambling game.

**P.L. 129-1998 Local Funds for Deposit of Riverboat Revenues
(Non-code provision)**

This law legalizes funds established by local units of government before July 1, 1997 to receive riverboat tax revenues if those funds meet the requirements for a riverboat fund under IC 36-1-8-9.

First Regular Session of the 111th Indiana General Assembly

Several bills related to riverboat gaming have been introduced in the 1999 Session of the Indiana General Assembly. Any new laws created by this legislation will be reported in the 1999 Annual Report.

VI. ADMISSION AND WAGERING TAX

The ACT imposes two taxes on the riverboat licensees; one on the admissions to gambling excursions (admission tax) and one on the Adjusted Gross Receipts received from authorized gambling games (wagering tax).

In accordance with IC 4-33-12, admission tax is imposed on the admissions to gambling excursions at a rate of three dollars (\$3) for each person admitted to the gambling excursion. The admission tax is calculated on the total of the turnstile count, (all patrons who board a riverboat for an excursion), and the multiple excursion count, (all patrons who remain on board for two or more excursions).

In accordance with IC 4-33-13, wagering tax is imposed on the adjusted gross receipts (AGR; as defined by IC 4-33-2-2) received from authorized gambling games at the rate of twenty percent (20%) of the amount of the AGR. There are two categories of authorized gambling games; electronic gaming devices (EGD/slot machines) and live gaming devices (table games). The income generated by these devices, commonly known as win, is the major component of AGR.

Furthermore, the ACT defines the disposition of the tax revenue to the appropriate unit of state or local government depending upon the tax type. The actual distribution of these funds is coordinated by the offices of the State Treasurer and the State Auditor.

Throughout the year, on the 20th day of each month, or the next business day thereafter, IGC provides a revenue release of the wagering and admission tax and monthly riverboat statistical information for the preceding month. These reports are available at the IGC Web site: <http://www.ai.org/gaming>.

The charts and graphs in this section are a compilation of the monthly riverboat statistical reports for 1998. This information reflects the total amount of admissions, win from EGD's and table games and wagering and admission tax for the year ended 1998, as reported by each of the nine operating riverboat licensees. For informational purposes, the disposition of the wagering and admission tax is included for 1998, as well as, a three year comparative for 1996 - 1998.

Note: the financial information presented on the following pages is subject to change due to an examination or audit conducted by internal and external auditors, IGC, Indiana Department of Revenue and the Internal Revenue Service.

SUMMARY OF STATEWIDE ADMISSIONS, GAMING OPERATIONS & TAX
As Reported for Year Ended December 31, 1998

ADMISSIONS: Turnstile Count: 17,128,077
 Multiple Excursion: 17,018,237
TOTAL ADMISSIONS 34,146,314

GAMING OPERATIONS:

EGD'S	UNITS*	COIN IN	WIN
Nickles**	629	292,663,412	21,162,152
25 CENT	7,206	4,868,627,669	411,631,738
50 CENT	975	882,939,891	65,924,201
\$ 1	5,474	7,365,203,220	436,615,305
\$ 2	59	100,158,710	4,861,413
\$ 5	675	1,511,961,415	70,336,267
\$ 10	75	121,978,895	5,609,096
\$25***	66	361,937,315	10,753,416
\$100	8	20,941,541	923,577
Other	2	19,000	97,929
TOTAL	15,169	\$ 15,526,431,068	\$ 1,027,915,094

TABLE GAMES	UNITS*	DROP	WIN
Blackjack/21	432	884,592,808	145,136,561
Poker	45	9,976,274	9,977,619
Craps	66	351,676,355	70,569,166
Roulette	55	118,195,876	33,756,407
Mini Bac	16	63,504,098	9,270,980
Baccarat	3	10,847,379	1,549,206
Big Six	6	5,012,470	2,594,766
Caribbean Stud	55	124,728,812	29,456,336
Let It Ride	20	36,888,929	6,378,676
Pai Gow Poker	8	9,468,052	2,047,497
3 Card Poker	8	4,889,485	821,078
TOTAL	714	\$ 1,619,780,538	\$ 311,558,292

* as of 12/31/98

** includes ten units of the ten cent denomination

*** includes twelve units of \$20 denomination

TOTAL TAX:

Riverboat Licensee	Admission Tax	Wagering Tax	Total Tax
ARGOSY CASINO	19,989,123	52,941,942	72,931,065
BLUE CHIP CASINO	10,725,282	28,104,408	38,829,690
CAESARS INDIANA	1,349,709	2,934,082	4,283,791
CASINO AZTAR	6,300,030	22,260,966	28,560,996
EMPRESS CASINO	17,124,801	44,174,570	61,299,371
GRAND VICTORIA	11,173,815	32,826,823	44,000,638
MAJESTIC STAR	10,462,971	22,240,160	32,703,131
SHOWBOAT CASINO	14,635,212	35,102,964	49,738,176
TRUMP CASINO	10,730,195	27,555,104	38,285,299
TOTAL	\$ 102,491,138	\$ 268,141,019	\$ 370,632,157

Note: The calculation of wagering tax is based upon AGR which includes adjustments such as chip and token float not included in win figures. The admission tax reported in 1998 includes adjustments for prior years and an IDOR assessment.

SUMMARY OF EGD ACTIVITY
As Reported for the period 1/1/98 -12/31/98

	ARGOSY CASINO	BLUE CHIP CASINO	CAESARS INDIANA	CASINO AZTAR	EMPRESS CASINO	GRAND VICTORIA CASINO	MAJESTIC STAR CASINO	SHOWBOAT CASINO
UNITS*								
nickles	69	0	209	10	50	30	121	118
25 cent	1,074	673	1,391	568	717	664	668	844
50 cent	111	76	192	101	65	80	115	143
\$1	645	528	705	541	826	558	538	604
\$2	0	0	0	25	9	18	0	0
\$5	60	43	229	56	45	54	48	83
\$10	12	0	49	11	3	0	0	0
\$25	6	9	12	5	5	6	9	8
\$100	0	0	6	2	0	0	0	0
Other	0	0	2	0	0	0	0	0
TOTAL	1,977	1,329	2,795	1,319	1,720	1,410	1,499	1,800
COIN IN								
nickles	\$48,342,213	\$0	\$2,920,131	\$116,007	\$3,896,705	\$1,411,784	\$80,337,579	\$150,731,976
25 cent	\$1,022,806,611	\$548,298,812	\$43,921,800	\$292,359,866	\$692,551,435	\$562,360,107	\$438,156,374	\$698,823,862
50 cent	\$215,122,294	\$79,245,167	\$11,040,843	\$71,903,748	\$130,657,210	\$64,798,381	\$93,619,838	\$131,454,587
\$1	\$1,342,529,552	\$950,128,395	\$61,774,188	\$484,240,171	\$1,448,354,742	\$911,189,640	\$570,642,533	\$828,034,634
\$2	\$0	\$0	\$0	\$22,232,309	\$25,198,776	\$32,382,699	\$0	\$0
\$5	\$297,582,140	\$167,695,780	\$14,234,815	\$162,065,634	\$202,696,028	\$327,393,808	\$87,885,155	\$123,827,155
\$10	\$71,043,070	\$0	\$2,047,670	\$32,862,995	\$16,025,160	\$0	\$0	\$0
\$25	\$50,578,525	\$71,257,800	\$319,880	\$32,318,675	\$44,790,775	\$45,734,935	\$32,281,025	\$30,191,825
\$100	\$1,317,200	\$0	\$530,500	\$19,093,841	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$19,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$ 3,049,321,604	\$ 1,816,625,954	\$ 136,808,826	\$ 1,117,193,246	\$ 2,564,170,830	\$ 1,945,271,354	\$ 1,302,922,504	\$ 1,963,064,039
WIN								
nickles	\$3,175,509	\$0	\$193,504	\$4,157	\$272,228	\$111,497	\$6,418,572	\$10,665,235
25 cent	\$81,374,800	\$48,244,465	\$3,771,601	\$27,616,001	\$62,377,805	\$48,929,005	\$34,739,615	\$59,229,371
50 cent	\$13,098,999	\$6,397,482	\$844,793	\$6,823,697	\$10,103,631	\$5,380,578	\$7,357,094	\$9,563,985
\$1	\$74,433,636	\$51,343,044	\$3,791,056	\$37,065,181	\$90,591,318	\$55,970,356	\$31,718,390	\$48,715,710
\$2	\$0	\$0	\$0	\$1,493,911	\$1,276,623	\$1,363,096	\$0	\$0
\$5	\$15,636,440	\$7,202,872	\$1,128,365	\$8,383,343	\$8,613,003	\$13,312,237	\$3,865,443	\$5,869,394
\$10	\$2,770,231	\$0	\$150,110	\$2,024,294	\$664,461	\$0	\$0	\$0
\$25	\$1,400,311	\$1,285,722	(\$12,960)	\$1,367,306	\$983,568	\$2,449,865	\$959,626	\$855,551
\$100	\$9,120	\$0	\$48,700	\$865,757	\$0	\$0	\$0	\$0
Other	\$87,929	\$3,000	\$7,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$191,986,975	\$114,476,585	\$9,922,168	\$85,643,647	\$174,882,637	\$127,516,634	\$85,058,740	\$134,899,246

* as of 12/31/98

COIN - QTR BY 2K

OK

\$100 WIN

draft version - in review OK

OK

SUMMARY OF TABLE GAME ACTIVITY

As Reported for 1/1/98 - 12/31/98

	ARGOSY CASINO	BLUE CHIP CASINO	CAESARS INDIANA	CASINO AZTAR	EMPRESS CASINO	GRAND VICTORIA CASINO	MAJESTIC STAR CASINO	SHOWBOAT CASINO
UNITS*								
Blackjack/21	66	43	91	46	36	43	38	40
Poker	0	0	6	0	10	8	8	13
Craps	11	5	14	8	5	8	5	6
Roulette	8	4	12	5	4	7	5	6
Mini Bac	2	0	3	1	3	0	2	3
Baccarat	0	0	2	1	0	0	0	0
Big Six	1	0	1	1	0	0	0	2
Caribbean Stud	12	4	6	5	3	8	4	6
Let It Ride	4	0	4	3	2	4	3	0
Pai Gow Poker	0	0	2	0	0	0	2	0
3 card poker	0	2	0	2	2	0	2	0
TOTAL	104	58	141	72	65	78	69	76
DROP								
Blackjack/21	200,443,669	87,917,273	14,000,691	64,795,475	132,973,032	80,550,025	77,634,239	108,479,734
Poker	-	-	184,252	-	555,370	2,410,429	1,668,752	5,157,471
Craps	77,102,247	22,532,470	6,776,766	39,121,257	48,793,309	38,387,235	26,924,290	46,896,776
Roulette	25,433,937	11,589,306	1,742,116	7,596,802	21,909,030	12,421,961	9,883,700	15,929,692
Mini Bac	6,361,652	-	357,901	1,124,636	10,831,446	363,852	8,270,694	19,697,170
Baccarat	-	-	102,254	215,014	8,242,325	-	-	-
Big Six	1,943,602	-	120,857	551,412	-	-	-	1,635,978
Caribbean Stud	30,735,869	13,457,788	1,461,646	8,757,904	15,320,754	15,956,606	7,310,815	15,226,318
Let It Ride	9,131,402	-	1,030,070	4,888,993	6,808,816	10,716,704	4,312,944	-
Pai Gow Poker	-	-	135,641	-	-	-	2,468,520	-
Other/3 card	-	492,231	-	2,883,431	1,096,454	-	417,369	-
TOTAL	\$ 351,152,378	\$ 135,989,068	\$ 25,912,194	\$ 129,934,924	\$ 246,530,536	\$ 160,806,812	\$ 138,891,323	\$ 213,023,138
WIN								
Blackjack/21	36,283,967	14,865,493	1,721,077	12,178,104	20,816,953	14,833,784	12,389,241	15,673,512
Poker	-	-	184,252	-	555,370	2,410,429	1,668,752	5,158,816
Craps	17,617,783	4,674,351	1,202,994	7,105,002	10,683,309	8,543,394	5,080,295	8,386,803
Roulette	7,289,935	3,427,802	582,493	2,001,318	6,188,052	3,631,585	2,785,634	4,656,029
Mini Bac	1,075,752	-	25,943	172,543	1,786,783	51,157	1,354,486	3,261,955
Baccarat	-	-	(7,242)	104,840	1,218,619	-	-	-
Big Six	1,035,548	-	68,336	276,993	-	-	-	819,284
Caribbean Stud	7,881,529	2,850,206	422,659	2,077,817	3,377,393	4,498,819	1,745,907	2,855,201
Let It Ride	1,251,304	-	288,008	1,055,328	925,718	2,050,919	807,400	-
Pai Gow Poker	-	-	27,397	-	-	-	398,066	-
Other/3 card	-	69,501	-	466,295	207,750	-	75,542	1,990
TOTAL	\$ 72,435,818	\$ 25,887,353	\$ 4,515,915	\$ 25,438,240	\$ 45,759,947	\$ 36,020,087	\$ 26,305,323	\$ 40,813,591

* as of 12/31/98 OK

OK

CS WIN

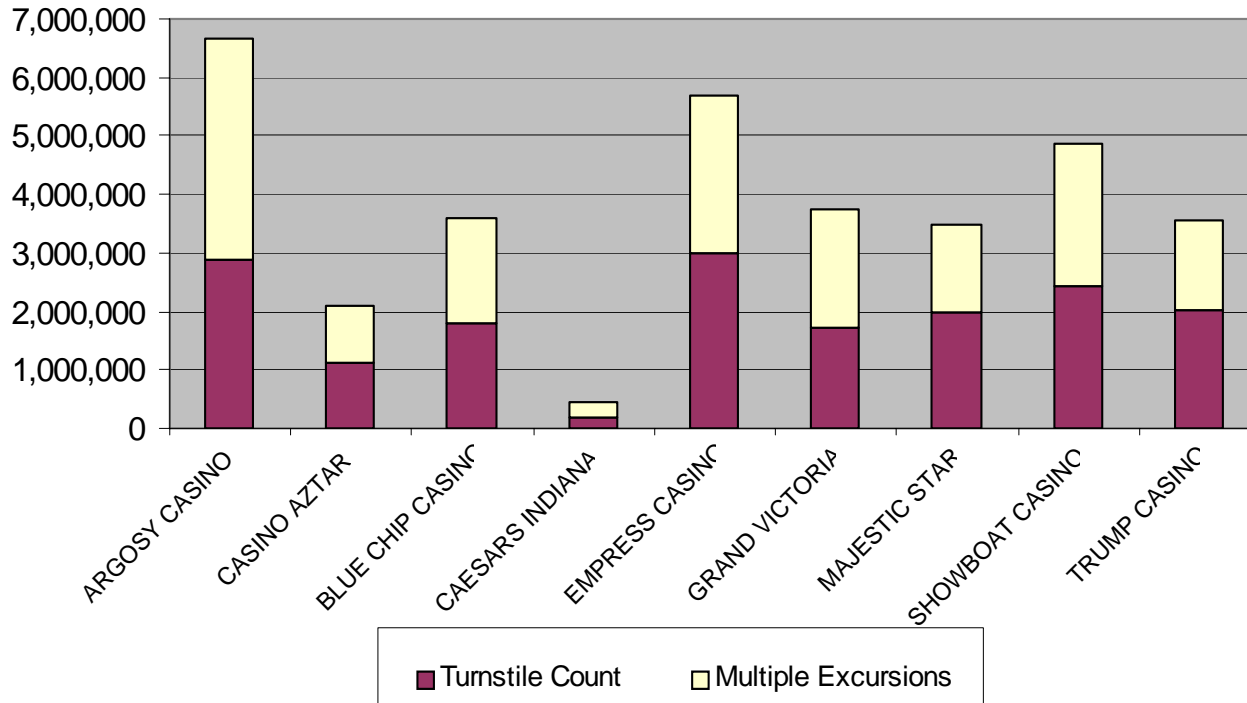
OK

OK

OK

OK

Total Admissions Per Riverboat

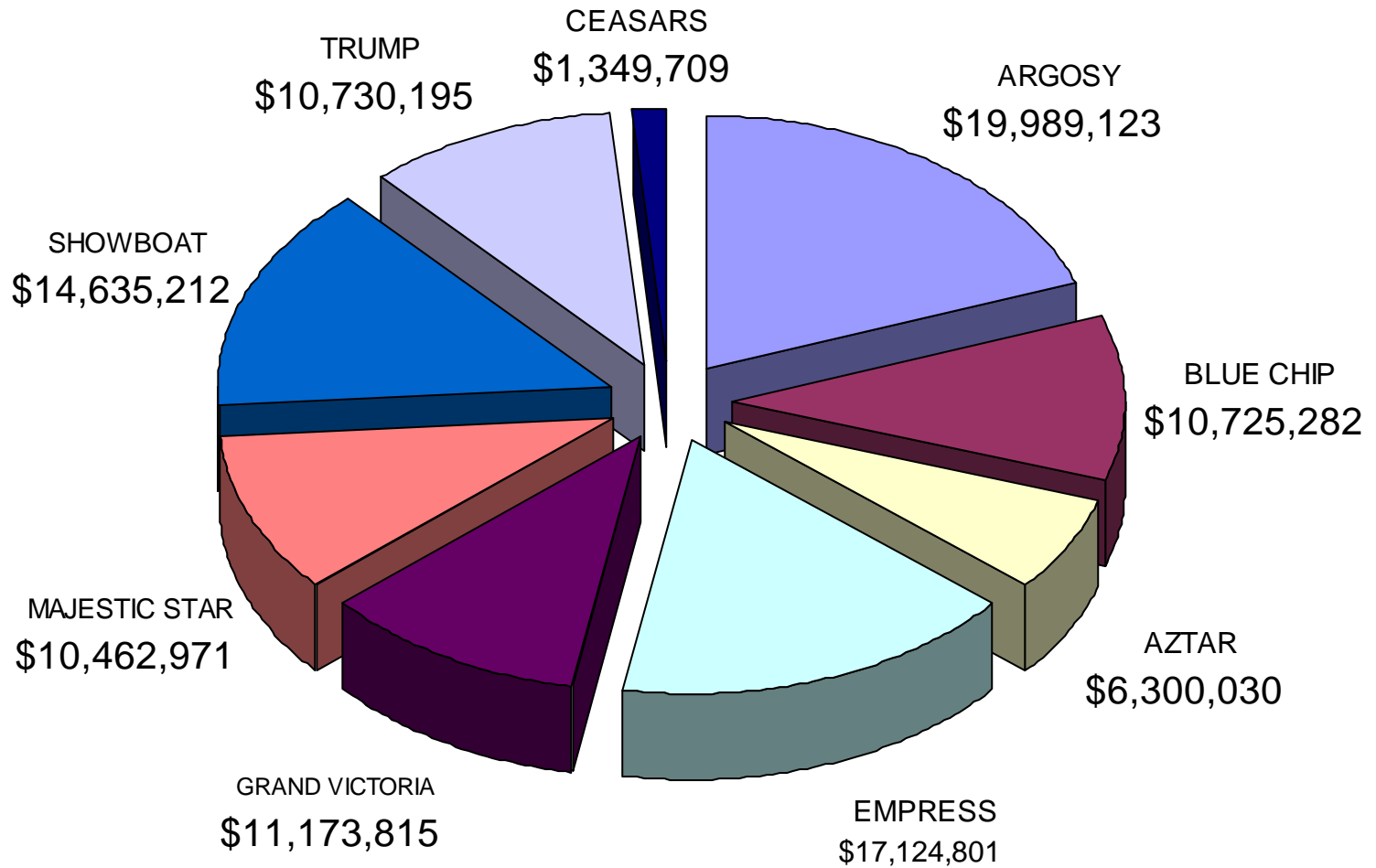


	ARGOSY CASINO	CASINO AZTAR	BLUE CHIP CASINO	CAESARS INDIANA	EMPRESS CASINO	GRAND VICTORIA	MAJESTIC STAR	SHOWBOAT CASINO	TRUMP CASINO
TURNSTILE COUNT	2,879,087	1,135,547	1,794,059	193,788	2,996,665	1,711,255	1,967,594	2,438,208	2,011,874
MULTIPLE EXCURSIONS	3,781,262	964,463	1,781,035	256,115	2,711,602	2,013,350	1,520,063	2,440,196	1,550,151
TOTAL ADMISSIONS	6,660,349	2,100,010	3,575,094	449,903	5,708,267	3,724,605	3,487,657	4,878,404	3,562,025

DISPOSITION OF ADMISSION TAX

TAX REPORTED	ARGOSY CASINO	BLUE CHIP CASINO	CASINO AZTAR	EMPRESS CASINO	GRAND VICTORIA	MAJESTIC STAR	SHOWBOAT CASINO	TRUMP CASINO	CAESARS INDIANA
JANUARY	1,477,707	830,784	562,317	1,391,985	877,017	848,868	1,160,070	680,700	not open
FEBRUARY	1,333,956	824,184	525,048	1,423,836	842,004	836,256	1,313,319	698,616	not open
MARCH	1,555,761	868,815	564,891	1,416,387	986,661	931,212	1,346,667	870,726	not open
APRIL	1,493,229	871,740	486,249	1,358,061	913,125	880,242	1,261,563	973,094	not open
MAY	1,640,604	881,205	523,206	1,451,607	913,974	882,324	1,192,092	967,701	not open
JUNE	1,624,881	836,808	494,907	1,363,407	940,329	894,993	1,101,117	848,814	not open
JULY	1,973,868	1,013,511	623,301	1,534,158	1,034,502	976,509	1,320,465	987,225	not open
AUGUST	1,874,691	1,018,803	593,679	1,463,727	1,057,422	874,881	1,293,495	987,558	not open
SEPTEMBER	1,684,236	896,082	521,103	1,385,805	958,140	824,241	1,167,057	920,784	not open
OCTOBER	1,844,130	948,633	531,210	1,522,023	1,018,908	852,258	1,181,850	961,179	not open
NOVEMBER	1,795,983	907,215	461,880	1,412,013	883,518	835,479	1,121,145	927,507	417,399
DECEMBER	1,690,077	827,502	412,239	1,401,792	748,215	825,708	1,176,372	906,291	932,310
TOTAL	\$ 19,989,123	\$ 10,725,282	\$ 6,300,030	\$ 17,124,801	\$ 11,173,815	\$ 10,462,971	\$ 14,635,212	\$ 10,730,195	\$ 1,349,709
DISPOSITION OF ADMISSION TAX									
Vanderburgh County	n/a	n/a	2,100,010	n/a	n/a	n/a	n/a	n/a	n/a
City of Evansville	n/a	n/a	2,100,010	n/a	n/a	n/a	n/a	n/a	n/a
Lake County	n/a	n/a	n/a	5,708,267	n/a	3,487,657	4,878,404	3,576,732	n/a
City of East Chicago	n/a	n/a	n/a	n/a	n/a	n/a	4,878,404	n/a	n/a
City of Gary	n/a	n/a	n/a	n/a	n/a	3,487,657	n/a	3,576,732	n/a
City of Hammond	n/a	n/a	n/a	5,708,267	n/a	n/a	n/a	n/a	n/a
Ohio County	n/a	n/a	n/a	n/a	3,724,605	n/a	n/a	n/a	n/a
City of Rising Sun	n/a	n/a	n/a	n/a	3,724,605	n/a	n/a	n/a	n/a
Dearborn County	6,663,041	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Lawrenceburg	6,663,041	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Harrison County	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	899,806
Laporte County	n/a	3,575,094	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Michigan City	n/a	3,575,094	n/a	n/a	n/a	n/a	n/a	n/a	n/a
County Convention & Visitors	666,304	357,509	210,001	570,827	372,461	348,766	487,840	357,673	44,990
State Fair Commission	999,456	536,264	315,002	856,240	558,691	523,149	731,761	536,510	67,485
Division of Mental Health	666,304	357,509	210,001	570,827	372,461	348,766	487,840	357,673	44,990
IN Horse Racing Commission	4,330,977	2,323,811	1,365,007	3,710,374	2,420,993	2,266,977	3,170,963	2,324,876	292,437
									Total

**Admission Tax - \$ 102,491,138
AS REPORTED FOR YEAR ENDED DECEMBER 31, 1998**



■ ARGOSY CASINO	■ BLUE CHIP CASINO	■ CASINO AZTAR
■ EMPRESS CASINO	■ GRAND VICTORIA	■ MAJESTIC STAR
■ SHOWBOAT CASINO	■ TRUMP CASINO	■ CAESARS INDIANA

DISPOSITION OF WAGERING TAX

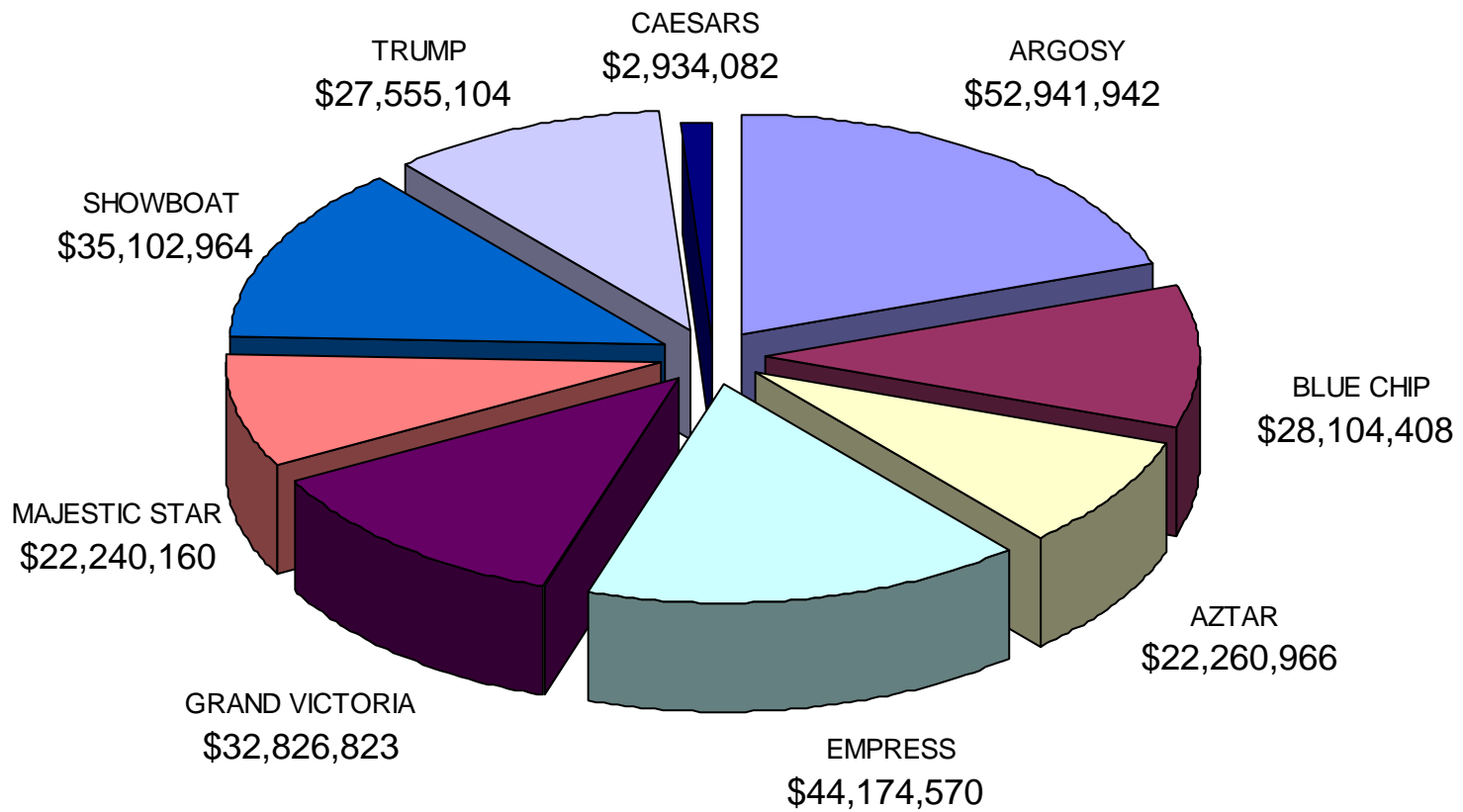
TAX REPORTED	ARGOSY CASINO	BLUE CHIP CASINO	CASINO AZTAR	EMPRESS CASINO	GRAND VICTORIA	MAJESTIC STAR	SHOWBOAT CASINO	TRUMP CASINO	CAESARS INDIANA
JANUARY	3,611,725	1,999,193	1,998,168	3,540,901	2,605,177	1,848,067	2,529,606	1,744,291	not open
FEBRUARY	3,401,992	2,082,034	1,718,399	3,853,833	2,565,371	1,811,662	3,165,620	1,674,319	not open
MARCH	4,065,627	2,242,390	1,909,052	3,701,991	2,828,217	1,858,731	3,145,010	2,167,002	not open
APRIL	4,084,306	2,135,062	1,744,617	3,722,946	2,599,776	1,934,311	2,972,582	2,365,221	not open
MAY	4,324,065	2,237,595	1,882,182	3,775,119	2,695,801	1,805,365	2,895,341	2,525,710	not open
JUNE	4,433,768	2,151,756	1,874,820	3,410,110	2,723,417	1,771,747	2,583,741	2,144,363	not open
JULY	4,908,425	2,695,116	2,064,312	3,763,444	3,122,305	1,856,673	3,174,303	2,605,518	not open
AUGUST	4,963,747	2,658,731	2,038,246	3,692,833	3,003,189	1,747,220	3,139,296	2,455,357	not open
SEPTEMBER	4,647,720	2,385,451	1,820,452	3,646,771	2,880,834	1,856,567	2,728,014	2,550,077	not open
OCTOBER	4,827,151	2,647,219	1,941,581	3,760,533	2,971,439	1,866,876	2,871,070	2,461,198	not open
NOVEMBER	4,977,392	2,467,643	1,796,721	3,657,717	2,567,051	1,885,502	2,881,845	2,590,018	902,776
DECEMBER	4,696,024	2,402,218	1,472,416	3,648,372	2,264,246	1,997,439	3,016,536	2,272,030	2,031,306
TOTAL	\$ 52,941,942	\$ 28,104,408	\$ 22,260,966	\$ 44,174,570	\$ 32,826,823	\$ 22,240,160	\$ 35,102,964	\$ 27,555,104	\$ 2,934,082

DISPOSITION OF WAGERING TAX

State of Indiana-Build IN Fund	39,706,457	21,078,306	16,695,725	33,130,928	24,620,117	16,680,120	26,327,223	20,666,328	2,200,562
City of East Chicago	n/a	n/a	n/a	n/a	n/a	n/a	8,775,741	n/a	n/a
City of Evansville	n/a	n/a	5,565,242	n/a	n/a	n/a	n/a	n/a	n/a
City of Gary	n/a	n/a	n/a	n/a	n/a	5,560,040	n/a	6,888,776	n/a
City of Hammond	n/a	n/a	n/a	11,043,643	n/a	n/a	n/a	n/a	n/a
City of Lawrenceburg	13,235,486	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Michigan City	n/a	7,026,102	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Rising Sun	n/a	n/a	n/a	n/a	8,206,706	n/a	n/a	n/a	n/a
Harrison County	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	733,521

Total

**WAGERING TAX - \$ 268,141,019
AS REPORTED FOR YEAR ENDED DECEMBER 31, 1998**



SUMMARY OF THREE YEAR TAX DISPOSITION
AS REPORTED FOR 1996, 1997 & 1998

ADMISSION TAX REPORTED	ARGOSY	BLUE CHIP	CASINO	EMPRESS	GRAND	MAJESTIC	SHOWBOAT	TRUMP	CAESARS
	CASINO	CASINO	AZTAR	CASINO	VICTORIA	STAR	CASINO	CASINO	INDIANA
1996	319,203	not open	6,934,440	7,454,865	1,940,322	4,971,924	not open	7,406,978	not open
1997	9,846,687	3,426,780	6,260,136	16,494,702	9,197,943	8,463,066	10,361,241	10,293,146	not open
1998	19,989,123	10,725,282	6,300,030	17,124,801	11,173,815	10,462,971	14,635,212	10,730,195	1,349,709
TOTAL	\$ 30,155,013	\$ 14,152,062	\$ 19,494,606	\$ 41,074,368	\$ 22,312,080	\$ 23,897,961	\$ 24,996,453	\$ 28,430,319	\$ 1,349,709
DISPOSITION OF ADMISSION TAX									
Vanderburgh County	n/a	n/a	6,498,202	n/a	n/a	n/a	n/a	n/a	n/a
City of Evansville	n/a	n/a	6,498,202	n/a	n/a	n/a	n/a	n/a	n/a
Lake County	n/a	n/a	n/a	13,691,456	n/a	7,965,987	8,332,151	9,476,773	n/a
City of East Chicago	n/a	n/a	n/a	n/a	n/a	n/a	8,332,151	n/a	n/a
City of Gary	n/a	n/a	n/a	n/a	n/a	7,965,987	n/a	9,476,773	n/a
City of Hammond	n/a	n/a	n/a	13,691,456	n/a	n/a	n/a	n/a	n/a
Ohio County	n/a	n/a	n/a	n/a	7,437,360	n/a	n/a	n/a	n/a
City of Rising Sun	n/a	n/a	n/a	n/a	7,437,360	n/a	n/a	n/a	n/a
Dearborn County	10,051,671	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Lawrenceburg	10,051,671	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Harrison County	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	899,806
Laporte County	n/a	4,717,354	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Michigan City	n/a	4,717,354	n/a	n/a	n/a	n/a	n/a	n/a	n/a
County Convention & Visitors	1,005,167	471,735	649,820	1,369,146	743,736	796,599	833,215	947,677	44,990
State Fair Commission	1,507,751	707,603	974,730	2,053,718	1,115,604	1,194,898	1,249,823	1,421,516	67,485
Division of Mental Health	1,005,167	471,735	649,820	1,369,146	743,736	796,599	833,215	947,677	44,990
IN Horse Racing Commission	6,533,586	3,066,280	4,223,831	8,899,446	4,834,284	5,177,892	5,415,898	6,159,902	292,437
									Total

WAGERING TAX REPORTED	ARGOSY	BLUE CHIP	CASINO	EMPRESS	GRAND	MAJESTIC	SHOWBOAT	TRUMP	CAESARS
	CASINO	CASINO	AZTAR	CASINO	VICTORIA	STAR	CASINO	CASINO	INDIANA
1996	857,993	not open	21,254,984	19,176,102	6,389,835	10,614,691	not open	16,271,416	not open
1997	25,854,710	7,995,690	21,409,588	42,002,021	28,579,031	18,546,365	22,255,668	25,861,397	not open
1998	52,941,942	28,104,408	22,260,966	44,174,570	32,826,823	22,240,160	35,102,964	27,555,104	2,934,082
TOTAL	\$ 79,654,645	\$ 36,100,098	\$ 64,925,538	\$ 105,352,693	\$ 67,795,689	\$ 51,401,216	\$ 57,358,632	\$ 69,687,917	\$ 2,934,082
DISPOSITION OF WAGERING TAX									
State of Indiana-Build IN Fund	59,740,984	27,075,074	48,694,154	79,014,520	50,846,767	38,550,912	43,018,974	52,265,938	2,200,562
City of East Chicago	n/a	n/a	n/a	n/a	n/a	n/a	14,339,658	n/a	n/a
City of Evansville	n/a	n/a	16,231,385	n/a	n/a	n/a	n/a	n/a	n/a
City of Gary	n/a	n/a	n/a	n/a	n/a	12,850,304	n/a	17,421,979	n/a
City of Hammond	n/a	n/a	n/a	26,338,173	n/a	n/a	n/a	n/a	n/a
City of Lawrenceburg	19,913,661	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Michigan City	n/a	9,025,025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City of Rising Sun	n/a	n/a	n/a	n/a	16,948,922	n/a	n/a	n/a	n/a
Harrison County	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	733,521
									Total

VII. General Riverboat Information

The purpose of this section is to provide information frequently requested from the IGC. This information includes dates of licensure, employment statistics, project costs and riverboat facility amenities for Indiana's nine operational riverboat casinos. Industry analysts and other gaming jurisdictions often seek this information, as well as citizens interested in Indiana's gaming industry for research or entertainment purposes.

Many of the figures on the following pages are submitted by Indiana's riverboat casinos on a quarterly basis at the request of the IGC. The information was reported for the last quarter of 1998 and all employment figures and development costs are as of December 31, 1998.

As discussed previously in this report, the tenth and final Certificate of Suitability was awarded to Pinnacle Gaming Corporation on September 14, 1998 for construction of a casino in Switzerland County, Indiana. As this vessel will not commence gaming until 2000, information on this facility is not available in this section.



Caesars



Casino Aztar



Blue Chip



Argosy



Grand Victoria



Empress



Trump



Showboat



Majestic Star

INSERT MAP HERE

AZTAR INDIANA GAMING CORP. d.b.a. CASINO AZTAR
421 N. Riverside Drive
Evansville, IN 47708
(812) 433-4000 (800) 342-5386

Date Certificate of Suitability issued	February 10, 1995
Date License issued	December 5, 1995
Commencement of full-time gaming	December 8, 1995
Square feet of gaming space	38,360
Boat dimensions	310 Ft. x 70 Ft.
Boat capacity (patrons and crew)	3,000
Number of electronic gaming devices	1,319
Number of table games	72
Number of gaming positions	1,823
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 1 a.m. Monday - Thursday 9 a.m. - 3 a.m. Friday - Saturday
Number of employees, as of December 31, 1998	1,187
Percentage of minority employees	20%
Percentage of employees from Vanderburgh County	75%
Percentage of employees who are Indiana residents	91%
Number of hotel rooms	250
Additional amenities connected with facility	5 restaurants 2 lounges banquet/convention facilities special events plaza amphitheater
Total project development costs, as of December 31, 1998	\$123.2 Million

BLUE CHIP CASINO, INC.
2 Easy Street
Michigan City, IN 46360
(219) 879-7711 (888) 879-7711

Date Certificate of Suitability issued	April 17, 1996
Date License issued	August 19, 1997
Commencement of full-time gaming	August 22, 1997
Square feet of gaming space	37,046
Boat dimensions	348 Ft. x 80 Ft.
Boat capacity (patrons and crew)	3,500
Number of electronic gaming devices	1,329
Number of table games	58
Number of gaming positions	1,772
Designated non-smoking areas	None
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 1 a.m. Monday - Thursday 9 a.m. - 3 a.m. Friday - Saturday
Number of employees as of December 31, 1998	1,092
Percentage of minority employees	22%
Percentage of employees from LaPorte County	61%
Percentage of employees that are Indiana residents	90%
Number of hotel rooms	200 (not yet open)
Additional amenities connected with riverboat facility	buffet fine dining restaurant conference center
Total project development costs as of December 31, 1998	\$123.5 Million

EMPRESS CASINO HAMMOND, INC.
One Empress Place
825 Empress Drive
Hammond, IN 43620
(219) 473-7000 (888) 436-7737

Date Certificate of Suitability issued	November 17, 1995
Date License issued	June 21, 1996
Commencement of full-time gaming	June 29, 1996
Square feet of gaming space	42,573
Boat dimensions	288 Ft. x 74 Ft.
Boat capacity	2,635
Number of electronic gaming devices	1,720
Number of table games	65
Number of gaming positions	2,261
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every even hour 8 a.m. - 4 a.m. Sunday - Saturday
Number of employees, as of December 31, 1998	1,772
Percentage of minority employees	42%
Percentage of employees from Lake County	75%
Percentage of employees that are Indiana residents	81%
Number of hotel rooms	yet to be determined
Additional amenities connected with riverboat facility	steakhouse 2 lounges deli buffet concierge suite valet parking
Total project development costs as of December 31, 1998	\$153 Million

GRAND VICTORIA CASINO & RESORT, LLC
600 Grand Victoria Drive
Rising Sun, IN 47040
(812) 438-1234 (800) 472-6311

Date Certificate of Suitability issued	June 30, 1995
Date License issued	September 6, 1996
Commencement of full-time gaming	October 4, 1996
Square feet of gaming space	40,000
Boat dimensions	322 Ft. x 90 Ft.
Boat capacity (patrons and crew)	3,000
Number of electronic gaming devices	1,410
Number of table games	78
Number of gaming positions	1,950
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 3 a.m. Monday - Thursday 9 a.m. - 5 a.m. Friday - Saturday
Number of employees, as of December 31, 1998	1,454
Percentage of minority employees	2%
Percentage of employees from Ohio County	26%
Percentage of employees from surrounding counties	Dearborn 29% Switzerland 13% Ripley 8%
Percentage of employees that are Indiana residents	78%
Number of hotel rooms	200
Additional amenities connected with facility	steakhouse buffet snack bar pub gift shop sports bar lounge ballroom
	<i>The following is not yet open:</i> golf course
Total project development costs as of December 31, 1998	\$130 Million

INDIANA GAMING CO., L.P. d.b.a. ARGOSY CASINO
777 Argosy Parkway
Lawrenceburg, IN 47025
(812) 539-8000 (888) 274-6797

Date Certificate of Suitability issued	June 30, 1995
Date License issued	December 10, 1996
Commencement of full-time gaming	December 13, 1996
Square feet of gaming space	78,000
Boat dimensions	408 Ft. x 100 Ft.
Boat capacity (patrons and crew)	4,400
Number of electronic gaming devices	1,977
Number of table games	104
Number of gaming positions	2,765
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 1 a.m. Monday - Thursday 9 a.m. - 3 a.m. Friday - Saturday
Number of employees, as of December 31, 1998	2,155
Percentage of minority employees, as of December 31, 1998	8.1%
Percentage of employees from Dearborn County	38.7%
Percentage of employees from surrounding counties	Ripley 6.5% Ohio 1.5% Franklin 1.1%
Percentage of employees that are Indiana residents	50.6%
Number of hotel rooms	300
Additional amenities connected with facility	1,700-car parking garage 600-seat buffet 2 specialty restaurants sports bar live entertainment
Total project development costs as of December 31, 1998	\$215 Million

THE MAJESTIC STAR CASINO, LLC
One Buffington Harbor Drive
Gary, IN 46406
(219) 977-7777 (888) 225-8259

Date Certificate of Suitability issued	December 9, 1994
Date License issued	June 3, 1996
Commencement of full-time gaming	June 11, 1996
Square feet of gaming space	43,000
Boat dimensions	360 Ft. x 76 Ft.
Boat capacity (patrons and crew)	3,500
Number of electronic gaming devices	1,499
Number of table games	69
Number of gaming positions	1982
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every even hour 8 a.m. - 4 a.m. Sunday - Saturday
Number of employees, as of December 31, 1998	1,051
Percentage of minority employees	64%
Percentage of employees from Lake County	79%
Percentage of employees that are Indiana residents	89%
Number of hotel rooms	N/A
Additional amenities connected with facility	café Chairman's Suite Party Room banquet room Lakeshore Lounge Skyline Buffet The Harbor Steakhouse gift shop complimentary valet parking
Total project development costs as of December 31, 1998	\$132 Million

Please note: Trump and Majestic Star Casinos share a docksite and pavilion area known as Buffington Harbor. As a result, these casinos share certain amenities, including Skyline Buffet Restaurant, Harbor Steakhouse, Lakeshore Lounge, Miller Pizza, a retail shop and valet parking.

RDI/CAESARS RIVERBOAT CASINO, LLC
11999 Avenue of the Emperors
Elizabeth, IN 47117
(812) 738-3848 (888) 766-2648

Date Certificate of Suitability issued	May 20, 1996
Date License issued	November 16, 1998
Commencement of full-time gaming	November 20, 1998
Square feet of gaming space	93,000
Boat dimensions	100 Ft. x 452 Ft.
Boat capacity (patrons and crew)	5,000
Number of electronic gaming devices	2,795
Number of table games	141
Number of gaming positions	3,647
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 1 a.m. Monday - Thursday 9 a.m. - 3 a.m. Friday - Saturday
Total number of employees as of December 31, 1998	1,980
Percentage of minority employees	8%
Percentage of employees from Harrison County	19%
Percentage of employees from surrounding counties	Floyd 24.5% Clark 14.9% Washington 2.5% Crawford 1.6%
Percentage of employees who are Indiana residents	66%
Number of hotel rooms	500 (not yet open)
Additional amenities connected with facility	110-acre nature preserve <i>The following are not yet open:</i> 18-hole golf course golf learning center sports and entertainment coliseum child development center
Total project development costs, as of December 31, 1998	\$199 Million

SHOWBOAT MARINA CASINO PARTNERSHIP
d.b.a. SHOWBOAT MARDI GRAS CASINO*
One Showboat Place
East Chicago, IN 46312
(219) 378-3000 (800) 746-9262

Date Certificate of Suitability issued	January 8, 1996
Date License issued	April 15, 1997
Commencement of full-time gaming	April 18, 1997
Square feet of gaming space	53,000
Boat dimensions	386 Ft. x 76 Ft.
Boat capacity (patrons and crew)	4,250
Number of electronic gaming devices	1,800
Number of table games	76
Number of gaming positions	2,215
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 3 a.m. Sunday - Saturday
Number of employees, as of December 31, 1998	1,309
Percentage of minority employees	61%
Percentage of employees from Lake County	82%
Percentage of employees that are Indiana residents	89%
Number of hotel rooms	N/A
Additional amenities connected with facility	buffet/coffee shop bandstand beach parking garage gourmet steakhouse lounge valet parking
Total project development costs as of December 31, 1998	\$205.2 Million

**Change of ownership application has been filed by Harrah's Entertainment, Inc.*

TRUMP INDIANA, INC. d.b.a. TRUMP CASINO
6012 Industrial Blvd.
Gary, IN 46406
(219) 977-8980 (888) 218-7867

Date Certificate of Suitability issued	December 9, 1994
Date License issued	June 3, 1996
Commencement of full-time gaming	June 11, 1996
Square feet of gaming space	37, 301
Boat dimensions	288 Ft. x 74 Ft.
Boat capacity (patrons and crew)	2,845
Number of electronic gaming devices	1,320
Number of table games	51
Number of gaming positions	1,733
Designated non-smoking areas	Yes
Cruise schedule (subject to change)	Scheduled departures every odd hour 9 a.m. - 3 a.m. Sunday - Saturday
Number of employees as of December 31, 1998	1,280
Percentage of minority employees	67%
Percentage of employees from Lake County	82%
Percentage of employees that are Indiana residents	86%
Number of hotel rooms	300
Additional amenities connected with riverboat facility	Lakeshore Lounge Skyline Buffet The Harbor Steakhouse pizza stand deli gift shop complimentary valet parking concierge suite
Total project development costs as of December 31, 1998	\$136.1 Million

Please note: Trump and Majestic Star Casinos share a docksite and pavilion area known as Buffington Harbor. As a result, these casinos share certain amenities, including Skyline Buffet Restaurant, Harbor Steakhouse, Lakeshore Lounge, Miller Pizza, a retail shop and valet parking.