

**Monthly Meeting of the  
Prairie Meadows Racetrack and Casino  
Board of Directors  
June 23, 2010  
2:00 p.m.**

The Monthly Meeting of the PMRC Board of Directors was called to order by Michael Galloway in the James Rasmussen Board Room at Prairie Meadows in Altoona, Iowa at 2:15 p.m.

Roll Call.

Bob Beattie	Sunnie Richer
Jack Bishop	Dan Riley
Michael Galloway	John Rowen
Andrea McGuire	Jodi Urich
Ron Morden	Tom Whitney - absent
Gerard Neungert	Michael Helak
Lynette Rasmussen	Randy Minear

Also in attendance were:

Gary Palmer, President/CEO  
Ann Atkin, Vice President of Operations  
Brian Wessels, Vice President/CFO  
Tom Flynn, Legal Counsel  
Nancy Winget, Its Recording Secretary  
Members of the Press, Public, and Staff

Approval of the Minutes. A motion was made by Mr. Morden to approve the Minutes of the monthly meeting of the Prairie Meadows Board of Directors held on May 26, 2010 as written. The motion was seconded by Ms. Richer and passed on a voice vote.

Public Comment. None

Financials. Mr. Wessels reviewed the May 2010 YTD financials: Net Revenue below plan .3%; Total Expenses above plan 2.9%; Net Income before Community Betterment above plan 8.6%.

<b>Property</b>	<b>Net Win</b>	<b>Attendance</b>	<b>Slot Hold</b>
PMRC	-\$2.6 million or -3.2%	+8,000 or +1%	8.19%
Horseshoe/Harrah's	-\$2.1 million or -1.8%	-56,000 or -3.4%	10.25% / 10.17%
Ameristar	-\$2.7 million or -3.9%	-92,000 or -9.6%	9.29%
Terrible's	-\$1.8 million or -8.5%	-32,000 or -9.0%	8.90%

Ms. Richer referred to the chart on the last page of the financial packet noting that Harrah's and Horseshoe were combined and Harrah's was -10% and Horseshoe was +4% - why the variance? Mr. Wessels said Horseshoe reported to the IRGC that they are moving players from Harrah's to Horseshoe and the chart is just May numbers. Mr. Neugent said attendance YTD was up, but was slightly below last May and asked if staff was surprised. Mr. Palmer said we have different Marketing things going on and if we didn't do these things, we'd never be able to keep the numbers; if we slow down, the numbers would drop; our attendance is holding up compared with others; staff is happy with the numbers, especially in this economy.

Action Item – Bank RFP Recommendation. Mr. Galloway said this item will be deferred; the Executive Committee requested staff send out a confidential memo with data and a summary of the four banks interviewed and then we'll vote on modifications or changes; staff will try to get this information out within a week; please call him or Brian Wessels with questions; we may hold a special meeting; stressed the information is highly confidential.

Introduce a Director – Clay Willey, Director of Food & Beverage. Mr. Willey said he's been at PM since September 2008; was born and raised in Altoona and graduated from Southeast Polk; currently lives in Pleasant Hill; is a member of the Rotary Club and Iowa Restaurant Association; is married with three children and four grandchildren; has 40 years of experience in the food industry; and has owned and operated his own restaurant. Mr. Willey noted there's been a lot of changes at PM; we're a 24/7, 365 day operation; F&B has 281 employees (full time, part-time, and seasonal, nine Managers, 13 Supervisors) with 15 outlets (i.e. Triple Crown Buffet, AJ's, Paddock and other concession stands, the Ballroom, and special events banquets); PM has great food service in a safe environment with fair prices; F&B is above budget YTD; he's proud of his staff and its service.

Action Item – Revised Budget. Mr. Wessels said information was included in the packet; \$500,000 was added for Altoona Economic Development and that increased the charitable line from \$5,350,000 to \$5,850,000. Mr. Neugent moved to approve the revised budget. The motion was seconded by Mr. Bishop and passed on a voice vote.

Hotel Update. Mr. Neugent reported Kinseth was given a 30 day extension, we're continuing to negotiate, and are looking for other financial sources and options - there's no conclusion to report at this time. Mr. Galloway said the committee and Tom Flynn will continue to work on this and the Board will receive an update when we know more.

General Manager's Report. Mr. Palmer reported: Stable Tours – Fridays through September 3; Horse Racing 101 – Saturdays through September 4; Ronnie Milsap and the Oakridge Boys Concert – June 24 is sold out; Festival of Racing – June 25 and 26; Jazz in July on the Apron – June 30; Fireworks – July 3; Camel and Ostrich Races – July

17; Iowa Classic Parade, 11:00 a.m. – August 7; Iowa Classic Night – August 7; Bank of America PMRC Championship Challenge – August 27 and 28.

Mr. Palmer asked Ms. Atkin to report on the Festival of Racing. Ms. Atkin said Derron Heldt was unable to attend the meeting today; this is the foundation year for the new matrix system and we can't make a comparison to last year; Simulcast is up \$1.8 million; live racing handle is flat at \$59,000; Pari-Mutuel net revenue was up 3.5% in May, but down 2.7% YTD. This weekend is the Festival of Racing; we'll have six stakes races on Friday and six on Saturday; there are new trainers, horses arriving from all over the country, including one from Donagal Racing (Paddy O'Prada's owners), and four top jockeys (Mike Smith, Calvin Borel, Martin Garcia, and Terry Thompson); Saturday is "Morning at the Meadows" with a jockey autograph session and a breakfast buffet from 8:00 a.m. – 10:00 a.m. - \$6.96 for adults and \$4.95 for children.

Mr. Beattie asked about attendance for the Stable Tours as he's heard people talking about them; Mr. Palmer said there was a long line last week; Mary Lou Coady, Media Relations Specialist, said the tours continue to grow, we had over 300 last year, and this year, 30-40 take the tour each week. Mr. Palmer said John Rowen, Dan Riley, and Mike Helak will tour the Backside on July 6 at noon and other Board members are welcome to attend. Dr. McGuire asked when the tours are scheduled and Ms. Coady said every Friday at 9:00 a.m. and that private tours can be arranged.

Other Business. None

Adjournment. Mr. Neugent moved to adjourn the meeting, the motion was seconded by Mr. Morden, and passed on a voice vote. There being no further business, the meeting was adjourned at 2:35 p.m.

Respectfully submitted,

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Gerard Neugent, Its Secretary