

**Meeting of the
Prairie Meadows Board of Directors
February 11, 2026
2:00 p.m.**

The Meeting of the Prairie Meadows Board of Directors was called to order by Mr. Chris Costa, Vice Chairman of the Board, who is substituting for Dr. Neville, in the James Rasmussen Board Room at Prairie Meadows in Altoona, Iowa at 2:15 p.m.

Roll Call

Senator Tony Bisignano
Chris Costa
Tim Goodwin
Jeremy Hamp
Deb Leech
Dr. Ian Lin
Denny Linderbaum
Andrea Morse

Joe Nehring - absent
Dr. Steven Neville - absent
Tom Timmons
Jeff Wangsness
Art Wittmack
Rowena Crosbie
Tiffany Tauscheck - absent

Also in attendance were:

Brian Ohorilko, President & CEO
Julie Stewart, COO
Tom Flynn, Legal Counsel

Erin Clanton, Legal Counsel
Audrey Higgins, Its Recording Secretary
Members of the Press, Public and Staff

Approval of the Minutes. Mr. Costa asked for any questions or comments. A motion was made by Mr. Linderbaum to approve the Minutes of the monthly meeting of the Prairie Meadows Board of Directors held on December 17, 2025, as written. The motion was seconded by Ms. Leech and passed on a voice vote.

Public Comment None

Lobbyist Report

Ms. Kellie Paschke reported that the legislative session has entered week five, with only eleven weeks remaining. She said next week is funnel week. There are rules that provide deadlines for bills to come out of the committees, or the bill is considered dead or inactive. The only bills exempt from these rules are tax bills and spending bills. There were 71 sub-committees and 15 full committees that met today.

Prairie Meadows has approximately 25 bills that are being watched by Ms. Paschke. Many of the bills are companion bills, which means the same bill is filed in both the House and Senate. Ms. Paschke provided some highlights of the bills. The smoking bill was introduced in both the House and Senate. This bill would attempt to eliminate the casino floor smoking ban exemption. It did not make it out of sub-committee in the Senate. The bill made it out of the House sub-committee but failed the full committee. That issue is dead for the session.

Ms. Paschke said some of the bills we are monitoring do have movement related to racing. The bill relating to the simulcast of greyhound racing bill has come out of the sub-committee and is advancing out of the committee today. The bill defining independent race days in the Iowa code will address issues that were had with the IRGC. There is another bill that is an IRGC clean-up bill that relates to the reimbursement or compensation of IRGC members and some cease-and-desist language. There is a bill that clarifies how QSO's are permitted to spend their money.

Mr. Wittmack asked if Prairie Meadows has taken any position on those bills. Ms. Paschke said we have not. She explained that she is receiving real-time updates on bills every day. She determines if the bills file impact or may impact Prairie Meadows, then registers as undecided. By registering, she receives immediate notifications for any updates on the bills. Bills can move very fast in the legislature. On Fridays, she sends a list of all the bills she is watching to Mr. Ohorilko and his team. Mr. Ohorilko decides whether Prairie Meadows will take a position on the bill. Everything is still very early in the process in week five, there is still time to take a position on the bills as the session moves forward.

Financials

Mr. Troy Sigwarth, Director of Finance, reviewed the 2025 financials:

	Actual	Plan
Casino Revenue	\$237.2 million	\$226.4 million
Total Revenue	\$274.9 million	\$259.6 million
Net Revenue	\$259.4 million	\$243.4 million
Payroll Expenses	\$61.4 million	\$59.4 million
Operating Expenses	\$71.2 million	\$70.7 million
Net Income before Community Benefit	\$69 million	\$57.8 million

Mr. Sigwarth said he would like to touch on the 2025 Prairie Meadows' mission highlights. Prairie Meadows is committed to lessening the burden of government through economic development and community support. Through Prairie Meadows' Buy Iowa Initiative \$187 million was spent within the state. The Horsemen were paid \$24.4 million in purses and supplements in 2025. Prairie Meadows awarded \$13.5 million in Community Betterment and Legacy Grants. Over 2 million guests visited Prairie Meadows in 2025.

There was a slight increase in the revenue sharing with Polk County in 2025. This increase is due to the general increase in casino revenue compared to 2024. The total dollars in the Polk County area for 2025 was \$31.7 million.

The contractual payments that were made in 2025 were \$24.4 million in purses and supplements to the Horsemen. The City of Des Moines and the City of Altoona are also supported by our revenue sharing from gaming taxes.

Mr. Sigwarth said Prairie Meadows led the state in casino revenue. 2025 was the second strongest performance in Prairie Meadows history.

Iowa Market Comparison

by size or 60-mile radius	
Prairie Meadows	\$237.4 million
Horseshoe	\$171.9 million
Ameristar II	\$163.2 million
Riverside	\$123.7 million
Isle – Waterloo	\$98.9 million
Harrah’s	\$66.9 million
Lakeside	\$51.8 million
Wild Rose Jefferson	\$36 million

President’s Report

Mr. Ohorilko said this January at Prairie Meadows was the best January in the company’s history. We also achieved the highest payback for all casinos in Iowa in terms of slot hold. It was a team effort with strategic marketing, sales booking large events and the team has continued to excel and is very motivated. We are celebrating all our employees’ success with a company-provided meal tomorrow.

The 2025 economic impact report has been submitted to the IRGC. Prairie Meadows and all Iowa casinos submit this report. It is an unofficial calculation of total economic impact which includes the areas of payroll, equipment, charitable giving and statutory payments. Prairie Meadows reported \$186 million in impact in just those four areas. Our percentage that stays in Iowa is 97.1 percent. That number is after we factor out some of our gaming expenses. We cannot purchase slot machines, for example, in the state of Iowa. Mr. Ohorilko said he believes Prairie Meadows will have the highest percentage in the state and is challenging our team to achieve 98 percent this year.

The Super Bowl handle was down about 37 percent this year. Mr. Ohorilko said he believes that was due to the teams participating, there was less local interest. This will be consistent with all other Iowa properties.

Regarding employment, Mr. Ohorilko said we are trying to increase the front-line staff. We would like to have some additional resources. We now have 20 more positions available than we had 30 days ago and are excited to add more team members.

The City of Des Moines agreement was executed as directed by the Board at the November meeting. Mr. Ohorilko and Ms. Stewart presented that check to the city earlier this week. He said they were grateful to the Board for their assistance.

The potential for additional casinos in our market has changed over the past months. There is not an eminent threat for any new gaming licenses. Mr. Ohorilko said the decision was made to not push for the moratorium at this time. He has research and prepared information that can be shared with the Board that shows there would be a considerable negative impact on Prairie Meadows should there be a new casino in the market.

A new 3-year racing agreement has been reached with the horsemen. Thank you to Deb Leech and Tom Timmons for their assistance with that agreement. It provides stability for Prairie Meadows and the horsemen. The agreement sets a 75-day racing calendar including a bonus on

Kentucky Derby day. This is the first time in many years that we will have live racing on Kentucky Derby day.

Coming up this weekend, Prairie Meadows will have the Everly Brothers tribute band. There are still tickets available for that event. AJ's will have various early bird specials on Wednesday and Thursday nights.

Mr. Ohorilko said Board members should have received the schedule of stakes races. Please let us know if you would like to sign up to present a trophy at any of these races.

Mr. Ohorilko said he would like to introduce two staff members to the Board. Kevin Brannen the Director of Surveillance and has a dotted line relationship to the Board, but reports directly to Mr. Ohorilko. Mr. Brannen will be available after the meeting if you would like to talk with him. Our new Community Relations Manager, Kayli Becker. Julie is our go to person for Community Relations and will be mentoring Kayli over the next couple of years. We are excited to have her join our team.

Review of Committee Charters

Mr. Costa asked Mr. Ohorilko to discuss the review of committee charters. Mr. Ohorilko said this is a non-action item. He wanted to provide some information about the review of the committee charters. The goal is to provide consistency in form and make the best use of our time in the committees. There are no material changes but the structure of the charter is consistent. The updated charters will be distributed to the committee chairperson and then can be reviewed in the committees. We will approve these charters at a later meeting. Nothing will be done with the Grants Committee charter; it was updated last year.

Committee Reports

- Executive Committee

Incentive Evaluation for Gary Palmer

Mr. Costa said the Executive Committee met and discussed Gary Palmer's incentive evaluation. The committee decided we need more time. He said the committee would like to request that the Board grant more time on this matter. Typically, the decision is made by March 15. We would likely schedule a special meeting prior to that date and provide the Executive Committee's recommendation on that bonus. Mr. Costa asked for any discussion. No one had any questions or comments. There was no action item today.

- Finance/Audit Committee

Financial Results for 2025

Ms. Morse said the Finance and Audit Committee met today and reviewed the 2025 financial statements.

Action Item – Charitable Distribution

Ms. Morse said a formula was put together by Mr. Ohorilko and Mr. Sigwarth for budgeting the charitable distribution. It was presented to the committee and explained. This was something the committee requested last year. Ms. Morse requested everyone find the handout in their packet. The handout provided shows a formula using the net income before community betterment for the last three years and the amount of community giving to provide a percentage. 2022 was 16.78 percent, 2023 was 18 percent and 2024 was 20 percent. Evaluating last year's numbers and using the formula provided this year we would plan to give \$12.4 million. Utilizing the stretch goals percentage that moves that amount for 2026 to 120%. The recommendation from the Finance Committee is to give \$15 million this year. Looking down farther on the handout, it shows the amounts of the reserve, capital expenditures and budget, the amount remaining is \$4.9 million that could be given to the community. The committee is very excited about the formula and a plan for charitable giving. Ms. Morse request the Board approve the committee's recommendation for \$15 million. Board members thanked the staff for the work on the formula.

Dr. Lin said that \$15 million is great. Historically, the most the Grants Committee has given out was \$13.5 million. He would love to be able to say that this year will be the largest amount given. Dr. Lin would like to make a motion to bump up the amount to \$16 million. Ms. Morse said that it would leave \$3.9 million for discretion. Mr. Costa said there is a motion on the table for \$16 million for grants. Mr. Linderbaum seconded the motion. The Board voted on the motion, it passed unanimously on the voice vote.

Action Item – Revised 2026 Budget

Ms. Morse said the next action item is the revised budget. The Board approved the budget in the fall and held some caveats for the new CEO. The Board felt it was important for Mr. Ohorilko to look closely at the budget and provide any revisions. The Finance Committee reviewed the revised budget in detail. The interest from the new investments is added in, there is additional money for marketing, a couple of new potential hires and the City of Des Moines revenue sharing agreement. The \$16 million for grants will need to be revised. The committee felt very good about this budget. Ms. Morse requested a motion to approve this revised budget. Mr. Wangsness moved to approve the revised budget with the changes just discussed for the grants to \$16 million. Ms. Leech seconded the motion. Mr. Costa called for a voice vote. The action item passed unanimously on voice vote.

Ms. Morse said Prairie Meadows agreed to a new horse barn as part of the horsemen negotiations. There is an additional \$1.5 million in that revised budget for the new barn.

Action Item – Investment Policy Statement

Ms. Morse said Principal was selected as our investment advisement company. They worked with Mr. Ohorilko, Ms. Stewart and Mr. Sigwarth to provide an Investment Policy Statement. It was designed to help us update the policy which was approved in 2009. Ms. Morse pointed out the policy in the Board packet. She said we are excited to start investing in April or May. Ms. Morse asked if there were any questions on the policy. Mr. Linderbaum thanked Ms. Morse for her leadership in this to make this change. It is important to have more flexibility on investments and providing increased income in order to be able to help the community. He thanked Mr. Ohorilko and Mr. Palmer. Mr. Costa said this is a recommendation from the Finance Committee and called for a voice vote. The action item passed unanimously.

Mr. Costa thanked Mr. Ohorilko and Mr. Sigwarth for the updates and their work to develop this formula for the annual grant process.

- Facilities

Senator Bisignano said the committee will meet Friday.

- Human Resources

Mr. Ohorilko said the committee will meet March 13, 2026.

- Grants

Dr. Lin said the committee has not met. He said grant requests are due on February 27. After receiving all the grants, the packets will be put together. The Board will receive the Legacy Grants books on March 25 at the Board meeting. Once received, Board members have 3 weeks to complete their ratings. April 13 is the due date for the review and ratings. The people on the Grants Committee will receive the Community Betterment Grant and Youth Sports Grant books on April 1. They have 6 weeks to rate and review those items. It is important that you do your ratings. Dr. Lin said there were 44 last year. Legacy presentations will be on May 19 and May 21, make sure those dates are open for you. Dr. Lin requested members block their calendars for all day on the 19th and from 8-2 on the 21st. There will be video presentations if someone cannot make it. Dr. Lin recommends coming to see those presentations live. The second review is possibly just a few days. This is a process, but it is super rewarding. Dr. Lin asked for any questions. He reiterated the importance of getting the ratings done on the Legacy Grants.

Other Business

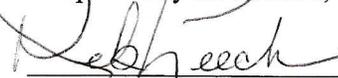
Mr. Costa mentioned the upcoming meetings listed on the Agenda. He said it is very likely there will be a special meeting in the interim to discuss Mr. Palmer's bonus.

Mr. Costa asked for any other business.

Adjournment

Mr. Costa said being no further business, the meeting was adjourned at 2:49 p.m.

Respectfully submitted,



Deb Leech, Its Secretary