

**Meeting of the
Prairie Meadows Board of Directors
September 23, 2026
2:00 p.m.**

The Meeting of the Prairie Meadows Board of Directors was called to order by Dr. Neville in the James Rasmussen Board Room at Prairie Meadows in Altoona, Iowa, at 2:07 p.m.

Roll Call.

Senator Tony Bisignano
Chris Costa
Rowena Crosbie
Tim Goodwin, via phone
Jeremy Hamp
Deb Leech
Dr. Ian Lin
Denny Linderbaum

Andrea Morse
Joe Nehring
Dr. Steven Neville
Tiffany Tauscheck, absent
Tom Timmons
Jeff Wangsness
Art Wittmack

Also in attendance were:

Brian Ohorilko, President & CEO
Julie Stewart, COO
Mo Hyder, CFO

Tom Flynn, Legal Counsel
Audrey Higgins, Its Recording Secretary
Members of the Press, Public and Staff

Approval of the Minutes. Dr. Neville asked if there was any discussion or changes to the prior meeting's minutes. A motion was made by Mr. Costa to approve the Minutes of the special meeting of the Prairie Meadows Board of Directors held on August 27, 2026, as written. The motion was seconded by Mr. Hamp and passed on a voice vote. The Minutes were approved.

Public Comment. None

Lobbyist Report. Ms. Paschke shared that the legislature is not currently in session. Election day is about 40 days away. She said there has been discussion about a special session. The topic surrounds a potential economic development project in Lee County. The potential project may need some legislative changes for tax credits which is what would be addressed in a special session.

Ms. Paschke said she wanted to share a rundown of what she does for Prairie Meadows as a lobbyist when the legislature is not in session. She said she works with the Executive team to proactively develop a legislative policy agenda for the upcoming session. She said these include preparing potential code provision changes for things like bingo, opposing policy changes that might negatively impact Prairie Meadows. Those are things like regulatory burdens or changes that would cost the organization money. She said she also works on an educational component. This is to explain to everyone at the Capitol why we are the best casino model in the country. Each year Julie provides a list of the grants awarded. Ms. Paschke said she uses that to explain to legislators how we have impacted their community, how the grants offset tax dollars and all the other good things Prairie Meadows does. She said she meets with other lobbyists in our industry

to find out what they are working on and any updates they may have received. She said the lobbyists often find ways to work together. Ms. Paschke said she also meets with legislators.

Ms. Paschke said once Prairie Meadows' agenda is established she meets with the legislators regarding each issue. This includes committee chairs and legislative leaders. She said she also communicates with the administrative rules committee. There are times administrative rules are changed with the legislature is not in session.

Financials. Mr. Hyder said he will provide a financial update. He said he will start with highlights of the balance sheet. We are in a good financial position. The asset base is \$356 million, which is up about \$18.6 million from last year. The amount of unrestricted cash is about \$294 million. He said the changes on the balance sheet are all within normal operating ranges.

Mr. Hyder said he wanted to share our market position in Central Iowa. Prairie Meadows continues to have a commanding lead. We have about 73 percent of the market. Lakeside and Wild Rose continue to trade second and third. He said it is important to realize that the market is technically declining, yet our position remains strong.

Mr. Hyder said August was a record month for the gaming revenues. For the first 8 months we have had 5 record months this year. He said there are several factors that are contributing to the increase in gaming revenue. Some of the reasons are slot product positions, new slot machines that have been added, a new leader for our table games and the poker room relocation. He said we have renewed our marketing focus and that is driving customers through the doors.

Mr. Hyder said on the non-gaming revenue, the primary driver is Food & Beverage. AJ's is the primary outlet and the team has been very focused over the last 3 - 6 months to drive in customers. This month that effort has resulted in a 21 percent increase and the total for the year is also up. Mr. Hyder said there is some softness in Banquets and Hotel. Our event business is up year-over-year but the amount of spend per event is down. He said local event guests are not staying in the hotel, that could be causing a mid-week dip in occupancy. It is a slight decline.

Mr. Hyder said there has been a considerable decrease in the wages and benefits expenses. However, the cost of healthcare costs has increased. He said we also have experienced higher utilities and increased property taxes. Mr. Hyder said the property tax valuation caused an increase of about \$700k more per year.

Mr. Hyder said the net income before community betterment year to date is up about \$5 million from last year. He said what we can't see in the graphics are the margin of efficiency. Right now, for every dollar we take in efficiency is about 27 percent year to date. That is up from 25 percent last year. He said that reflects good cost discipline.

Mr. Hyder said this is a good story and all translates into more community benefits. We are up about \$3.5 million. Knowing that we gave \$17 million in grants, that is pretty remarkable.

Mr. Hyder said the next slide shows the Winner's Circle. We had 5 out of 8 months of casino revenue records. We are \$12.4 million ahead of budget from a gross revenue standpoint. That includes Gaming, F&B, Racing and other revenue departments. Our net income before community betterment is above budget by 12.4 million. Year to date is \$51.4 million. We have returned \$29.5 million to the community including the \$17 million in grants.

Dr. Neville asked for any questions. No questions were asked.

Racing Update. Mr. Heldt said we are 74 days into a 76-day mixed meet. A bonus day will be added on Thursday to make up for a weather cancellation in early September for lightning.

Mr. Heldt said the handle off track on the Thoroughbred side is up 24 percent of \$7.3 million from last year. Handle on track is up about \$30,000. Quarter Horse off track handle is up about \$2 million or 38 percent over last year. The Quarter Horse handle on track is down slightly, about 4.5 percent or \$23,000 from last year. Total combined handle for both breeds off track is up about \$9.4 million, about 26 percent. On track, we are up about \$7,400 or 0.3 percent over last year.

Mr. Heldt said a lot of the numbers have to do with field size. The Thoroughbred field size is 6.58 horses per race. Last year at this time it was 6.09 horses per race. The Quarter Horses are down slightly, at 7.21 horses per race. Last year, was 7.3 the average field size last year.

Mr. Heldt said our increase in field size this year is due to our staff. The staff hired this year are doing a great job. They are making phone calls and completing daily checklists. It has made a difference.

Mr. Heldt said for the final weekend of racing, there will be 9 races on Thursday and 14 on Friday. Saturday will have 15 races for the Iowa Classic Day. All the races are Iowa bred horses. The highlight for the season was the Festival of Racing in July. We had the highest handle that weekend. Mr. Heldt said the staff really hit it out of the park with the strong program they compiled.

Mr. Heldt said the Iowa Thoroughbred owners and breeders had their annual sale in September. There were quality horses with good pedigrees and conformation that brought good prices.

Mr. Heldt said this year we are trying something new. Usually a week after racing ends, the backside is closed down. Some Thoroughbred horses will stay on the backside through October 21. Some of the other tracks that the horses go to after our season have moved back their starting dates. Allowing the owners to pay rent and keep the horses here should work out well.

Mr. Heldt said his department is working on the 2027 racing calendar. The goal is to have that completed by December 1. We will be able to include the stake schedule in the condition book and get it printed out. We will use the book to start recruiting earlier and improve our results for next year.

Senator Bisignano asked if the new legislation requiring separate meets for the Thoroughbreds and Quarter Horses will affect the schedule for next year.

Mr. Heldt said we currently have a three-year agreement with the Horsemen.

Ms. Leech said through 2027 and 2028 it will be a mixed meet per the agreement. As long as the Quarter Horses, Thoroughbreds and Prairie Meadows can negotiate and agree they can continue to have a mixed meet. She said when the agreement ends, we won't know what they will agree on at that time.

Mr. Wittmack asked Mr. Heldt how we work towards additional horses. He asked if there is a recruiting team that goes out to the different stables.

Mr. Heldt said our racing secretary is based out of Oaklawn Park. They have a great racing program there. He and the staff have compiled a list of trainers who have not raced with us at Prairie Meadows. We will contact them and find out if they are interested. He said he will travel to different racetracks and sit down with owners and their teams to try to encourage them to come here.

Mr. Wittmack asked if there are any capital improvements that are on the racing wish list that could help with recruitment.

Mr. Heldt said the new barn and additional stalls could help.

Mr. Wangsness asked if the horses will be using the training track since the backside is staying open.

Mr. Heldt said not this year. The main track, training track and exerciser will be closed down. Just the stalls will be rented out. The trainers can walk the horses and do some exercising in an empty barn. It is called shedrowing, they can ride the straightaways in the barn at a trot or a gallop to help keep their fitness level.

Mr. Ohorilko said there is a two or three week window where the horses have nowhere to go. The other tracks set their schedules after we set ours. Part of the work toward the three-year contract included an agreement to build the new barn. That needs to happen immediately after our meet is finished. The construction limits space and the exerciser has to be moved. He said, additionally, HISA requires an ambulance on site anytime the main track or training track are open. That can cost \$1,800 per day. We didn't have an ambulance crew that could commit to it daily. The shedrowing and the round pens are Mr. Heldt's idea to allow the horses to exercise.

Mr. Timmons asked how many horses would stay.

Mr. Heldt said 9 or 10 trainers with 140 – 145 horses. We are trying to move the horses away from the construction and will condense them in the barns.

Mr. Timmons asked the status of project for building the barn.

Mr. Heldt said the process has been started by Clint Pursley and his team. They are moving forward.

Dr. Neville asked what feedback Mr. Heldt has received regarding the condition of the track.

Mr. Heldt said we have had a great record this year with zero catastrophic injuries for Thoroughbreds during live racing. After this weekend, we will start adding material, as it does lack some material. HISA identified this at the beginning of the meet. Mr. Heldt said the horses have been running pretty fast on this track. HISA's concern may be that when the horses leave our track they may have performance issues or injuries at the next track.

Ms. Leech said she wanted to thank everyone who participated in the trophy presentations.

Mr. Wittmack said he enjoyed the opportunity and had a tour behind the scenes. It was pretty amazing.

President's Report. Mr. Ohorilko said there are a lot of exciting things going on and much of that news will come from the committee reports. He is happy that the Board has been engaged and working so hard. We have a healthy board. The committees are doing a lot of work.

Mr. Ohorilko said he would like to thank everyone for helping with the mission and vision with Baton Global. Many of you have taken time for focus groups and completing surveys. He said our vision is to be the leading destination for racing, gaming and entertainment, delivering an exceptional guest experience. Our core purpose is to create lasting impact by growing Iowa tourism, agriculture, jobs and economic development. Mr. Ohorilko said he is pleased with the end result.

Mr. Ohorilko said we have submitted for our gaming license renewal. It is an important step. This will be likely the first time we will have the opportunity to review it at the October Commission meeting. In the past we have had some disputes over racing dates but with the 3 year agreement we signed in January, we were able to plan ahead and submit our calendar with the license application. He said he is thankful that both breeds were able to come to that agreement.

Mr. Ohorilko said we will start on Kentucky Oaks day, April 30, 2027. We had success with the Kentucky Derby day this year. Next year we will also have a few racing days in October. He said he believes that additional week helps us to go to 3 days a week earlier. Mr. Ohorilko said the industry will also benefit with this schedule. Increasing starters per race will offset some of the additional costs and will increase the handle. Next year will be year 2 of the 3-year agreement. He said he would like to get ahead of the negotiations. He would like to give the Horsemen time to plan their schedule and work towards an agreement. Mr. Ohorilko said he would like the next agreement to be consistent with the statute.

Mr. Ohorilko said he would like to share some of the Q3 highlights across the property. He said it will be the best quarterly performance in Prairie Meadows history. He said he gives credit to Julie, F&B and the marketing team. Mr. Ohorilko said the buffet is back on Friday nights at AJ's. We are seeing sales up approximately 80 percent on those nights. It has been a hit.

Mr. Ohorilko said the Poker Room opened up on the fourth floor. Facilities did a marvelous job and it is an unbelievable space. Our poker players love it. We are working on additional poker tournaments and brainstorming other ideas on the slot floor. Mr. Ohorilko said we are bringing back a \$1 million jackpot on our Dragonlink game.

Mr. Ohorilko said Gina Vitiritto was selected as the Denton HR Professional of the Year by the Des Moines Business Record. He said we are proud of Gina and the work she does.

Mr. Ohorilko said we have brought on two new directors. He asked Director of Security Shawn VanHoozer and Director of Finance & Accounting Gus Linke to introduce themselves.

Mr. VanHoozer said he comes to Prairie Meadows from the Sheriff's office. He was the second deputy/chief. He has experience with every major department over his years at the Sheriff's office. Mr. VanHoozer said he is excited to bring his experience and professionalism to Prairie Meadows. He has two daughters who play softball.

Mr. Linke said he spent 7 years as a CPA. He then worked in the casino industry for the last 26 years. 21 of those years were in Iowa. He said he most recently worked in Arkansas. Mr. Linke

said he is excited to be part of the organization and looks forward to the new construction. He has two sons who live in the area, his wife's family and his mom live in Illinois.

Committee Reports.

Capital Committee. Senator Bisignano said this process has been exciting for everyone involved. We are in the beginning stages of working with the architects and the owner's representative. He said the property is going to have some big changes, as you can see in the drawings. Senator Bisignano said it is important that the Board Members stay up to speed and that everyone has a chance to provide their input. Mr. Wittmack requested that the drawings remain confidential, as they are preliminary.

Mr. Wittmack said the Capital Committee is a marvelous committee. The committee has some very strong members with vast experience in different areas. He said the Feasibility Study highlights our vulnerabilities and one of those is retention of players. It is important to maintain our players group and, hopefully, the investment we plan to make in the facility will do that in the future.

Mr. Costa said it is all about using the feasibility study to help design what we need in the next 20 years.

Ms. Morse said it has been a good process.

Mr. Timmons said we have spent quite a bit of time on this and we are going to spend a lot more to get it to the finish line. Formation Group is doing a good job handling negotiations.

Mr. Wittmack asked for an update on contract negotiations.

Mr. Flynn said we are waiting for another draft from Steelman. They have acknowledged and agreed to many of the changes we requested. He said he thinks he will receive the next draft today.

Mr. Linderbaum said he is amazed with the progress. He applauds the committee, the leadership and everyone who is involved.

Executive. Dr. Neville said he is working on the Board calendar for next year. He said he would like more of a rhythm to the meetings. There is only one meeting between March and September.

Ms. Leech agreed.

Dr. Neville said in June the Board approved a bonus structure for Mr. Ohorilko's review in February. He said at that time there was an understanding that the process was a work in progress. The Executive Committee is operating as the compensation committee and has asked Gina and Mo to provide details as to what Prairie Meadows, as a non-profit, can offer as long-term incentives. Dr. Neville said no information has been received yet, but the timeline is in the next month or so to have the long-term incentive information. He said Deb Leech and/or staff will send out CEO evaluation form in November sometime. Once the evaluation forms have been completed and received back, we can have a discussion about the results. Dr. Neville said at the December meeting there is an option to have a closed session for that discussion. Following

the Board's discussion, the Executive Committee will meet and provide a recommendation to the Board for potential approval.

Facilities. Senator Bisignano said he was reviewing the last Facilities Meeting Minutes and as, Mr. Linderbaum said, the expansion project came along quickly. Senator Bisignano said it was just an idea presented to the Facilities Committee to look at a remodel and a great deal of discussion was had at that meeting. The idea was embraced and we have made significant progress to where we are today.

Senator Bisignano said the next Facilities Committee meeting is in October. We will discuss existing facilities issues on October 19.

Finance and Audit. Ms. Morse said the committee met on Monday. She said Mr. Hyder provided a lot more information than we normally receive, it was fantastic.

Ms. Morse said Principal provided an update on our investments. This was the Committee's first meeting with them. We stated in the investment policy that we like reports provided quarterly and the opportunity to meet with them annually. After their presentation, the Committee discussed that we would like to communicate with Principal more about what information we would like to receive. We will need to guide their quarterly reports and what is provided annually.

Dr. Neville asked for a little more information about the investments.

Ms. Morse said last year at this time the majority of our money was earning about 1 percent interest. She said Mo and his team are working on determining how much of our cash is needed on hand for operations. She said she anticipates having our investments fully funded by the end of the year. That money will be earning returns of 4-5 percent. That is a huge difference and it will bring so much more money into Prairie Meadows to then provide to the community. Ms. Morse said she is pleased with where we are now and the huge strides that have been made from an investment perspective.

Ms. Morse said Mo and his team are going to look closely at the investment policy that we put together last year and see if there are things we need to change to tighten up that policy.

Grants. Dr. Lin said he would like to thank everyone who came out to the Community Impact Luncheon. He said he came early so he could speak with as many people as possible prior to the luncheon. Everyone was very appreciative. He said the Grants Committee was fantastic and thanked everyone for the work on the process.

Dr. Lin said he and Julie have discussed holding a Grants Committee meeting to discuss the possibility of putting some limits on the grants process, including the number of applications for grants from each entity.

Mr. Nehring said he would agree to that suggestion.

Dr. Lin said by limiting their applications the organizations will need to decide what is really important to them. He said the committee may give more funds to these grants if there are 3 of them rather than 9.

Human Resources. Mr. Nehring said the HR Committee met 2 weeks ago. There were several items on the Agenda, but he would like to start with the Action Items.

Mr. Nehring said the committee would like to recommend to the Board the approval of the Elective Bargaining Bonus for Prairie Meadows employees. On page 11, there is a handout that spells out the program. He said for this year the committee recommends that the employees are paid \$1,551.09 for full-time employees and half that amount for part-time. This is an increase from last year. Mr. Ohorilko suggested this bonus which is 1 percent of the net income before community betterment. The committee agreed that this formula would be a good idea. It gives the employees some certainty and predictability. If Prairie Meadows does well, the bonuses will increase each year. If they don't, the bonuses would decrease. We liked that this is a predictable number, not just a number pulled out of the air.

Mr. Nehring said the next portion of this is moving forward into 2027. Brian and his team suggested moving to a quarterly employee bonus. Instead of receiving a big bonus at the end of the year, it would be spread out over the 4 quarters. He said utilizing this structure will provide more feedback about Prairie Meadows performance and may motivate them to provide excellent guest service and drive revenue. Mr. Nehring said the committee members had some concern about the employees missing the big bonus at the end of the year. It was discussed that there needs to be good communication about the process.

Mr. Costa said the number of employees that are eligible for the bonus is 391. That means a substantial amount of the employees are not eligible. He asked who is eligible.

Mr. Ohorilko said these are our bargaining employees. The people not included are our seasonal workers and the non-bargaining employees. The non-bargaining employees are a significant number.

Mr. Wittmack asked if the bonus amount could be rounded to the nearest \$25.

Mr. Nehring suggested something like \$1555.

Dr. Neville said the motion could include 1 percent of the net operating income before community betterment rounded to the nearest something.

Mr. Wittmack said \$5 or something.

Mr. Ohorilko said we can do that and the Board always has discretion to move the bonus up or down as they determine necessary.

Mr. Nehring said he would like to make the motion that we approve the Elective Bargaining Bonus for 2026 as 1 percent of the net income before community betterment and half as much for part-time employees, in the amount this year of \$1,555 and half of that for part-time employees.

Dr. Neville said as a Committee recommendation this motion does not need a second.

Senator Bisignano seconded the motion.

Dr. Neville asked for any discussion.

Ms. Leech said it looks good.

Dr. Neville called for a voice vote. The voice vote was unanimous and the motion was approved.

Mr. Nehring said he would like to make a motion for 2027 that the Elective Bargaining Bonus be 1 percent of the net income before community betterment paid out on a quarterly basis.

Dr. Neville asked if there needed to be a second.

Ms. Leech seconded the motion.

Dr. Neville asked for any discussion.

Mr. Timmons asked in what portion of the quarter will the employees receive the bonus and how or when the number will be determined.

Mr. Wangsness said it will be prorated. He said he likes the idea of having the bonuses spread out. It keeps people from quitting at the end of the year after they get their annual bonus. He said he also likes that the people handing out the bonus checks get to make that contact with the employees 4 times a year instead of just once.

Ms. Stewart said once the bonus structure is approved, we will work out all the details and come back to the Board with that information.

Ms. Leech asked if physical checks are handed out.

Ms. Vitiritto said a big part of this plan is connecting great performance with our front line employees. They are providing our customer service and we want to reward them and make it a big deal.

Mr. Ohorilko said we will come up with a specific finite plan. He said we have discussed that the employees will have to work the entire quarter, but not the entire year to be eligible. We would use the projected net income before community betterment to start out the year and then we would true those up as we go through the year. Then, once we get to the fourth quarter we could line up all the way. He said we discussed using the projected because some quarters will have some additional expenses that may affect that number and we don't want the employees to be penalized on timing issues. Mr. Ohorilko said we thought we could try this method and if it doesn't work we could go back to the annual bonus in December.

Dr. Neville asked what the quarterly schedule would look like as an employee if you get hired in between.

Mr. Timmons said he understands that once leadership gets details figured out they will come back to us with those items.

Dr. Neville said we are voting on moving the bonus from annual to quarterly. Any other discussion. Hearing none, Dr. Neville called for a voice vote. The voice vote was unanimous and the motion was approved.

Mr. Nehring said he would like to give a couple of other committee updates. He said Brian, Julie and Gina discussed providing retirement medical accounts for employees outside of the collective bargaining agreement. Prairie Meadows would provide \$500 each year for each employee who has worked over 20 years. He said it is a good incentive to keep long term employees and allow them to retire. He said Prairie Meadows will also start paying out sick leave for employees who have worked for the company more than 10 years. Mr. Nehring said he believes this is another way to incentivize the employees to stay longer and it is a great thing for the employees.

Mr. Wangsness said this a great opportunity to incentivize employees to not just take the sick days so as to not lose them. They will actually be able to accumulate them and get paid for them when they leave.

Dr. Neville asked for any other business.

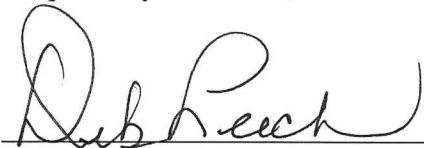
Mr. Ohorilko said that the table games training area is set up to give a demonstration if any Board Members would like to participate in that after the meeting.

Dr. Neville said the next meeting is October 21 at 2:00 p.m.

Mr. Hamp moved to adjourn. Mr. Linderbaum seconded the motion.

Dr. Neville adjourned the meeting at 3:26 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Deb Leech", written over a horizontal line.

Deb Leech, Its Secretary