

Third Year Evaluation of Riverboat Licensee for Rising Sun, Indiana: Grand Victoria Casino & Resort, LP

October 1998-September 1999

June 2000

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Introduction

The Riverboat Gambling Act, effective July 1, 1993, authorized the Indiana Gaming Commission to issue licenses for the express purpose of riverboat gambling in the state of Indiana. One of the statutory criteria for issuance of these licenses is the applicant's ability to promote economic development in the home dock area while best serving the interest of the citizens of Indiana. As an aid to fulfilling its legislative requirements, the Indiana Gaming Commission (Commission) contracted with the Center for Urban Policy and the Environment (Center) of Indiana University's School of Public and Environmental Affairs to perform the economic impact, fiscal impact, financial, management, and other analyses required to assist the Commission in awarding licenses. As part of that contract, the Center has committed to monitor, over time, the economic impacts and fiscal returns from each riverboat operation.

On June 30, 1995, the Commission issued a Certificate of Suitability for a Riverboat Owner's License for a riverboat to be docked in Rising Sun, Indiana. Grand Victoria Casino & Resort, LP (Grand Victoria), formerly Rising Sun Riverboat Casino & Resort, LLC commenced full-time gaming operations on October 4, 1996. This report is an evaluation of Grand Victoria's third year of operation.

Project Development and Investment

Development Activities

In the Certificate of Suitability (referred to throughout as Certificate), Grand Victoria committed to spend approximately \$94.5 million on project development, in addition to pledging to the city of Rising Sun other incentives totaling several million dollars.

The 2,700-passenger riverboat opened with 40,000 square-feet of gaming space. A facility consisting of a 200-room hotel, a 125,000-square-foot permanent pavilion, and 2,000 parking spaces opened on July 25, 1997, and a 1,100-seat events/showroom that is part of the permanent pavilion was opened on December 31, 1997. Construction of an 18-hole golf course was begun in summer 1998 and is scheduled to open in the spring of 2000.

Grand Victoria spent \$48.5 million more than agreed to in the Certificate for the development of the project, including an additional \$15.8 million for the boat, \$6.6 million more than projected for casino equipment, and \$24.5 million more than projected for land-based construction. The additional land-based construction costs funded upgrades to Rising Sun's water, sewage, and electrical systems. Grand Victoria spent an additional \$8.5 million on capital expenditures in 1998-99, primarily on construction of the golf course.

Other Commitments

As Table 1 illustrates, Grand Victoria is on schedule with all of its incentive payments. Grand Victoria has completed all one-time payments. The only ongoing payment is the \$1 per admission that is contributed to the Rising Sun Regional Foundation. The agreement between Grand Victoria and Rising Sun states that this payment will continue in perpetuity.

Table 1: Schedule and Description of Incentive Payments

| Incentive | Promised Amount | Recipient | Amount Paid Through 9/30/97 | Amount Paid through 9/30/98 | Amount Paid through 9/30/99 | Status |
|--|-----------------------------|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| A) Rising Sun Redevelopment Commission | \$3,500,000 | City of Rising Sun | \$2,157,296 | \$1,031,077 | \$311,627 | Complete year 3 |
| B) Community Park | \$500,000 | City of Rising Sun | \$207,594 | \$250,248 | \$42,158 | Complete year 3 |
| C) Rising Sun/Ohio County Convention, Tourism, & Visitors Bureau | \$300,000 | City of Rising Sun | \$300,000 | | | Complete year 1 |
| D) Contribution to Rising Sun Regional Foundation | \$1 per admission, no limit | City of Rising Sun | \$2,156,393 | \$3,683,677 | \$3,309,196 | Current |
| E) Road improvement advance ¹ | Up to \$4,000,000 | City of Rising Sun | \$689,372 | | | City has paid back loan |
| F) Road improvements | Up to \$2,500,000 | Indiana Dept. of Transportation | \$2,500,000 | | | Complete year 1 |
| G) Reimbursement for legal, financial, and consulting fees | Up to \$112,500 | City of Rising Sun | \$112,500 | | | Complete year 1 |

¹These funds represent a loan to the town of Rising Sun; the funds were repaid to Grand Victoria through a reduction in its admission tax to the town of Rising Sun.

Table 2 represents the capital budget items over \$10,000 that the city of Rising Sun used riverboat revenue to finance in 1999. In addition to revenue sharing, detailed below in Table 4, the City used approximately \$1 million in riverboat revenue for operating expenses including a transfer of \$850,000 to the general fund, \$86,000 on legal fees, \$73,142 on contractual services and \$42,002 on economic development.

Table 2: Rising Sun Riverboat Fund Capital Budget

| | |
|-------------------------------|----------------|
| Wastewater-sewer | \$127,849 |
| Water treatment | \$252,888 |
| Waste collection | \$45,750 |
| Communications | \$68,258 |
| Electric improvements | \$105,864 |
| Street improvements | \$975,684 |
| Schools- educational projects | \$571,459 |
| Purchase property | \$147,813 |
| Library | \$72,697 |
| Port Authority | \$28,572 |
| Medical Center | \$232,834 |
| City Hall | \$95,438 |
| Parks | \$111,056 |
| Police Department | \$313,124 |
| Riverbank stabilization | \$67,600 |
| | \$3,216,888.00 |

For every casino admission, Grand Victoria makes a \$1 contribution to the Rising Sun Regional Foundation. The Rising Sun Regional Foundation has used \$1,550,000 to assist in the establishment of other community foundations in Dearborn, Ripley, and Switzerland counties. Another \$546,295 has been set aside as a Permanent Reserve Fund. Table 3 lists the grants that the foundation has made to organizations in Southeastern Indiana in 1999:

Table 3: Rising Sun Regional Foundation Grants

| Name | Project | Award |
|--|---|----------|
| Versailles Vol. Fire Dept. | Thermal Imaging Camera | \$19,000 |
| Sunman-Dearborn School Corp. | School Playground | \$12,600 |
| Big Brothers/Sisters of Gr. Cincinnati | Development of Program in OH Co. | \$5,000 |
| Dearborn & OH Counties United Fund | United Fund Office | \$4,195 |
| Central House in Napoleon | Semi-professional Children's Ballet Performance | \$2,500 |

| | | |
|---|-------------------------------------|----------|
| Rising Sun & OH County Sr. Citizens Housing | Development of Housing Units. | \$50,000 |
| Ripley County 4-H Corp. | Construction of New Equine Facility | \$15,535 |
| Ohio Co. Historical Soc. | Cataloging of Museum Collection | \$11,700 |
| Ivy Tech Foundation | New Regional Ivy Tech Facility | \$50,000 |
| American Legion Post #59 | Electric Wheelchair | \$8,500 |
| Southeast Indiana Crisis Intervention Shelter | Development of "Safe Passage" | \$46,500 |
| Friendship Volunteer Fire Dept. | New Personal Protective Gear | \$35,666 |
| Ripley County Planning Commission | Update Land Use Plan | \$50,000 |
| Versailles Community Center | Phase I Renovation Project | \$44,853 |

Table 3: Rising Sun Regional Foundation Grants (continued)

| Name | Project | Award |
|---|--|----------|
| Town of Versailles | Purchase of Land/Extend Sewage Treatment | \$15,000 |
| New Horizons Rehab. Inc. | Construction of Children's Res. Center. | \$50,000 |
| Ohio Co. Fair Board | New Sound System | \$3,438 |
| Town of Vevay | Hazardous Waste Alarm Sys. | \$22,000 |
| Rising Sun Rotary Club | Construction of Memorial Park | \$24,540 |
| East Enterprise Vol. Fire Dept. | Purchase of Breathing apparatus | \$16,000 |
| Community Foundation of Switzerland County | Equipment | \$16,085 |
| Ohio County Historical Society | Historic Preservation of Cemetery | \$4,500 |
| Milan Community School Corp. | Lab equipment/Sewing Machine | \$62,299 |
| Dillsboro Recreation, Inc. | Outdoor lighting for Park | \$5,000 |
| Rising Sun/OH. County Schools | Technology Academy | \$48,274 |
| Heart to House, Inc. | New Homeless Shelter | \$25,000 |
| Dillsboro Vol. Fire Dept. | New equipment | \$26,734 |
| City of Aurora/OH-IN-North. KY Reg. Theatre | Theatre's Summer Production | \$2,500 |
| Ripley County | Tandem Roller for Hwy. Dept. | \$21,278 |
| Batesville Board of Parks & Rec. Dept. | Replacement of Lighting | \$20,000 |
| City of Aurora | Renovation of Middle School | \$50,000 |
| Town of Patriot | Upgrade of Park | \$40,000 |
| Jac-Cen-Del Community School Corp. | Lighting of Baseball Field | \$24,000 |
| Sunman Rural Fire Dept. | Purchase of Communications Equipment | \$8,525 |
| Southeastern Indiana Shrine Club | Construction | \$20,000 |
| Osgood Development Foundation | Development of Comprehensive Plan | \$20,000 |
| Rising Sun/OH. Co. Park Board | Purchase Property | \$50,000 |
| Rising Sun/OH Co. Senior Citizens Housing | Installation of elevators | \$50,000 |
| Rising Sun Church of Christ Child Care | Playground Improvements | \$2,500 |
| Batesville Community School Corp. | Purchase Video Equipment | \$26,149 |

| | | |
|---|---|----------|
| Ripley County Family Services, Inc. | Construction of New Facility | \$50,000 |
| Morris Vol. Fire Association | Construction/Remodeling | \$50,000 |
| Versailles Vol. Fire Dept. | Phase I Communication Project | \$12,171 |
| Rising Sun Police Dept. | Special Investigative Equipment | \$7,500 |
| South Ripley Community School Corp. | Purchase of Technology Equipment | \$15,000 |
| South Dearborn Community School Corp. | S.T.A.R.S. Program | \$2,500 |
| Rising Sun/OH Co. Schools | Purchase of Books/Software | \$2,491 |
| Ripley Co. Convention, Visitors/Tourism Comm. | Establishment of Office Operation | \$30,000 |
| Southeastern Indiana Reg. Plan. Comm. | Conducting Reg. Trans. Study | \$2,900 |
| City of Aurora/Aurora Utilities | Analysis of Sewer System | \$10,208 |
| Southeastern Indiana Reg. Plan. Comm. | Develop/Administer Small Business Loan Fund | \$15,000 |
| Task Unit One in Osgood | Purchase/Upgrade Equipment | \$4,500 |
| Milan Community School Corp. | Young Audiences Arts Program | \$2,000 |
| New Marion Fire Dept. | Upgrade Oxygen Equipment | \$16,542 |
| Ripley Co. Local Emergency Plan. Comm. | Purchase Radiological Detector Kit | \$6,000 |

Rising Sun and Ohio County each share one-half of the admission tax revenue it receives from admissions to Grand Victoria. Originally, each quarter, two counties and 14 municipalities received a portion of the proceeds from the admissions tax, with the formula for revenue sharing based on population: the greater the population, the more money the government will receive. Ripley and Switzerland counties were part of this plan, as were the following municipalities: Aurora, Dillsboro, Greendale, Moores Hill, St. Leon, and West Harrison (Dearborn County); Holton, Milan, Napoleon, Osgood, Sunman, and Versailles (Ripley County); and Patriot and Vevay (Switzerland County). It should be noted that Switzerland County and its municipalities received funds until the fifth Ohio River license was awarded to Pinnacle (now known as Belterra) in Switzerland County. Pursuant to the original revenue-sharing agreement, it will no longer receive revenue-sharing funds. The only exception is Patriot, which will receive half of its original allocation until the Switzerland County boat opens. In addition, in 1999, the only Dearborn County municipality that continued to receive revenue was Aurora, who also received half of its original allocation.

Table 4: Rising Sun/Ohio County Revenue Sharing Fund Distribution²

| Recipient | 1997 Amount (Rising Sun) | 1997 Amount (Ohio County) | 1998 Amount (Rising Sun) | 1998 Amount (Ohio County) | 1999 Amount (Rising Sun) | 1999 Amount (Ohio County) |
|---------------|-----------------------------------|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|------------------------------------|
| Ripley | \$214,981 | \$293,471 | \$393,346 | \$397,638 | \$318,209 | \$337,166 |
| Switzerland | 91,696 | 125,175 | 167,776 | 161,755 | | |
| Aurora | 149,842 | 204,550 | 274,165 | 277,156 | 110,896 | 153,620 |
| Greendale | 151,989 | 207,481 | 278,092 | 281,126 | | |
| West Harrison | 12,451 | 16,997 | 22,782 | 23,030 | | |
| Saint Leon | 19,321 | 26,375 | 35,350 | 35,736 | | |
| Moore Hill | 25,403 | 34,678 | 46,479 | 46,987 | | |
| Dillsboro | 47,014 | 64,178 | 86,020 | 86,959 | | |
| Milan | 59,894 | 81,762 | 109,587 | 110,783 | 88,653 | 93,516 |
| Sunman | 24,401 | 33,310 | 44,646 | 45,134 | 36,118 | 38,099 |
| Holton | 17,675 | 24,128 | 32,340 | 32,692 | 26,161 | 27,597 |
| Osgood | 66,120 | 90,260 | 120,977 | 122,298 | 97,868 | 103,236 |
| Napoleon | 9,302 | 12,699 | 17,021 | 17,206 | 13,769 | 14,524 |
| Versailles | 70,127 | 95,730 | 128,310 | 129,710 | 103,800 | 109,493 |
| Patriot | 7,494 | 10,257 | 13,747 | 13,254 | 11,121 | 8,264 |
| Vevay | 54,527 | 74,435 | 99,768 | 96,188 | | |
| Total | \$1,022,238 | \$1,395,486 | \$1,870,406 | \$1,877,653 | \$806,600 | \$887,514 |

²There is a difference in the amount of revenue distributed by Rising Sun and Ohio County through revenue sharing because both the city and the county subtracted administrative costs from the funds before distribution.

Community Activity

In period from October 1998 through September 1999, Grand Victoria made donations to more than 50 community groups including Leukemia Society, American Cancer Association, and Rising Sun High School. It sponsored several community events including the Rising Sun Navy Bean Festival and the Rising Sun July Fourth Celebration. Grand Victoria's senior management is involved in several local organizations and is

represented on several local boards of directors, including Rising Sun/Ohio County Convention, Tourism, & Visitors Bureau, United Way, Rising Sun City Council, Ohio County Community Foundation, and Vietnam Veterans of America, Southeastern Indiana chapter.

Minority/Women Business Enterprise

The Office of Minority Business Development and the Indiana Gaming Commission are currently reviewing the information provided by Grand Victoria to determine compliance.

Economic and Fiscal Impacts

Employment and Earnings Impacts

Grand Victoria began hiring and training the majority of its employees in November 1995. Hyatt provided training.

As Table 5 indicates, Grand Victoria estimated in its application employment of 1,657 persons in the casino and hotel for annual wages totaling approximately \$43 million. As of October 1, 1999, Grand Victoria had 1,390 employees. For 1998-1999, salaries and wages were \$31 million, including tips to dealers (but not to bar and wait staff). This figure is \$12.3 million less than the employee earnings Grand Victoria estimated in its application. Only full-time employees receive health care coverage and life insurance benefits.

As Table 5 illustrates, in 1998-99, Grand Victoria had adjusted gross gaming receipts of \$145.6 million, or 21 percent more than its application estimate. It had total gross revenues of \$184.5 million, \$23.9 million more than the \$160.6 million estimated in its application. However, Grand Victoria overestimated receipts per passenger per trip. Total local taxes were \$13.9 million, or 34 percent more than the projection of \$10.1 million in Grand Victoria's application.

As Tables 5, 6 and 7 indicate, Grand Victoria has exceeded forecasts in all three years in all areas except employees, wages and win-per-patron per cruise. Table 8 compares the three years of operation.

Table 5: Comparison of Forecast to Actual Grand Victoria Operation 10/98-9/99

| Category | Application Forecast Year 3 | Actual 1998-1999 | Difference |
|-------------------------------|-----------------------------|------------------|------------|
| Employment as of 10/99 | 1,657 | 1,390 | (267) |
| Total Wages, Tips, & Benefits | \$43,351,8 | \$31,091,2 | (\$12,260, |

Center for Urban Policy and the Environment Grand Victoria Casino & Resort, LP

| | 99 | 52 | 647) |
|--------------------------|---------------|---------------|--------------|
| Attendance | 2,190,00 | 3,309,196 | 1,119,196 |
| Gross Gaming Receipts | \$120,723,750 | \$145,548,282 | \$24,824,532 |
| \$ Per Patron per Cruise | \$55 | \$44 | (\$11) |
| Gaming Tax (State) | \$18,108,564 | \$21,876,380 | \$3,767,816 |
| Gaming Tax (Local) | \$6,036,188 | \$7,292,127 | \$1,255,939 |
| Admission Tax (State) | \$2,190,000 | \$3,309,196 | \$1,119,196 |
| Admission Tax (County) | \$2,190,000 | \$3,309,196 | \$1,119,196 |
| Admission Tax (City) | \$2,190,000 | \$3,309,196 | \$1,119,196 |

Table 6: Comparison of Forecast to Actual Grand Victoria Operation 10/97-9/98

| Category | Application Forecast Year 2 | Actual 1997-1998 | Difference |
|-------------------------------|-----------------------------|------------------|---------------|
| Employment as of 10/98 | 1,398 | 1,407 | 9 |
| Total Wages, Tips, & Benefits | \$41,287,523 | \$38,326,037 | (\$2,961,486) |
| Attendance | 2,190,000 | 3,683,677 | 1,493,677 |
| Gross Gaming Receipts | \$114,975,000 | \$163,412,076 | \$48,437,076 |
| \$ Per Patron per Cruise | \$53 | \$44 | (\$9) |
| Gaming Tax (State) | \$17,246,250 | \$24,592,682 | \$7,346,432 |
| Gaming Tax (Local) | \$5,748,750 | \$8,197,561 | \$2,448,811 |
| Admission Tax (State) | \$2,190,000 | \$3,683,677 | \$1,493,677 |
| Admission Tax (County) | \$2,190,000 | \$3,683,677 | \$1,493,677 |
| Admission Tax (City) | \$2,190,000 | \$3,683,677 | \$1,493,677 |

Table 7: Comparison of Forecast to Actual Grand Victoria Operation, 10/96-9/97

| Category | Application Forecast Year 1 | Actual 1996-1997 | Difference |
|---------------------------------------|-----------------------------|------------------|---------------|
| Employment as of 10/97 | 1,398 | 1,591 | 193 |
| Total Wages, Tips, & Benefits | \$39,321,450 | \$32,216,595 | (\$7,104,855) |
| Attendance | 2,190,000 | 3,050,094 | 860,094 |
| Gross Gaming Receipts | \$109,500,000 | \$134,636,015 | \$25,136,015 |
| \$ Per Patron per Cruise ³ | \$50 | \$44 | (\$6) |
| Gaming Tax (State) | \$16,425,000 | \$20,292,283 | \$3,867,283 |
| Gaming Tax (Local) | \$5,475,000 | \$6,764,094 | \$1,289,094 |
| Admission Tax (State) | \$2,190,000 | \$3,050,094 | \$860,094 |
| Admission Tax (County) | \$2,190,000 | \$3,050,094 | \$860,094 |
| Admission Tax (City) | \$2,190,000 | \$3,050,094 | \$860,094 |

³ Applicant Average for Rising Sun was \$55.

Table 8: Comparison of Year 1 to Year 2 to Year 3

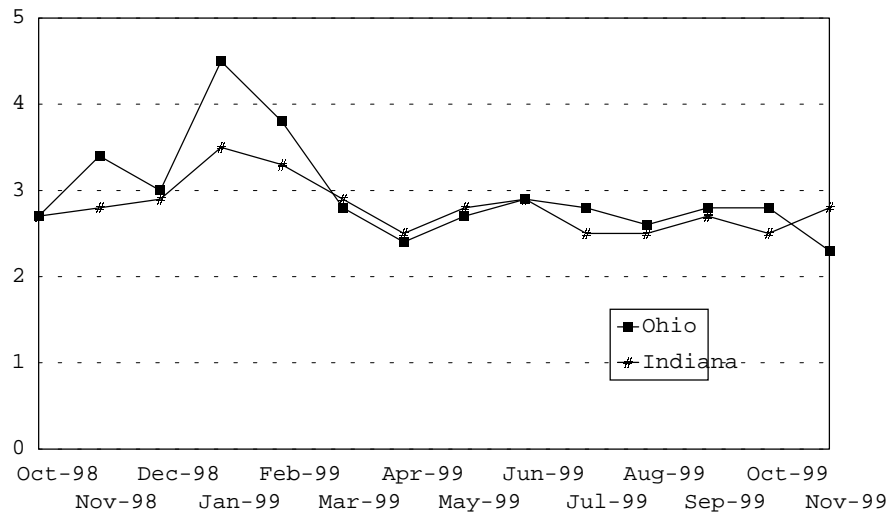
| Category | Year 1 | Year 2 | Year 3 |
|-------------------------------|---------------|---------------|---------------|
| Employment as of 10/98 | 1,398 | 1,407 | 1,407 |
| Total Wages, Tips, & Benefits | \$41,287,523 | \$38,326,037 | \$38,326,037 |
| Attendance | 2,190,000 | 3,683,677 | 3,683,677 |
| Gross Gaming Receipts | \$114,975,000 | \$163,412,076 | \$163,412,076 |
| \$ Per Patron per Cruise | \$53 | \$44 | \$44 |
| Gaming Tax (State) | \$17,246,250 | \$24,592,682 | \$24,592,682 |
| Gaming Tax (Local) | \$5,748,750 | \$8,197,561 | \$8,197,561 |
| Admission Tax (State) | \$2,190,000 | \$3,683,677 | \$3,683,677 |
| Admission Tax (County) | \$2,190,000 | \$3,683,677 | \$3,683,677 |
| Admission Tax (City) | \$2,190,000 | \$3,683,677 | \$3,683,677 |

| Category | Actual 1996-97 | Actual 1997-98 | Actual 1998-1999 | Differenc e 98-99 |
|------------------------------|-------------------|-------------------|---------------------|----------------------|
| Employment | 1,591 | 1,407 | 1390 | (17) |
| Total Wages, Tips & Benefits | \$32,216,595 | \$38,326,037 | \$31,091,252 | (\$7,234,785) |
| Attendance | 3,050,094 | 3,683,677 | 3,309,196 | (374,481) |
| Gross Gaming Receipts | \$134,636,015 | \$163,412,076 | \$145,548,282 | (\$17,863,794) |
| \$ Per Patron per Cruise | \$44 | \$44 | \$44 | - |
| Gaming Tax (State) | \$16,425,000 | \$24,592,682 | \$21,876,380 | (\$2,716,302) |
| Gaming Tax (Local) | \$6,764,094 | \$8,197,561 | \$7,292,127 | (\$905,434) |
| Admission Tax (State) | \$3,050,094 | \$3,683,677 | \$3,309,196 | (\$374,481) |
| Admission Tax (County) | \$3,050,094 | \$3,683,677 | \$3,309,196 | (\$374,481) |
| Admission Tax (City) | \$3,050,094 | \$3,683,677 | \$3,309,196 | (\$374,481) |

As of October 1999, 2 percent of Grand Victoria employees were minorities, 26 percent were from Ohio County, and 77 percent were residents of Dearborn, Ohio, Ripley, and Switzerland counties. In its application, Grand Victoria's goal was to have 90 percent of local employees (defined as residents of Dearborn, Ohio, Ripley, and Switzerland counties). Grand Victoria has fallen short of its projected percentage of employees who are local residents. One explanation for this shortfall is the relatively small labor force available for work in those counties. As of October 1999, 20 percent of Grand Victoria's employees were from out-of-state, with the majority from Ohio.

As Figure 1 illustrates, the unemployment rate in Ohio County has stayed low in 1999, as has the state unemployment rate. As of November 1999, the unemployment rate was 2.3 percent, slightly less than the state rate of 2.8 percent.

Figure 1: Unemployment Rate: Indiana and Ohio Coun



Source: Center for Urban Policy and the Environment

Local Economic Impact

In addition to the gaming taxes paid to the city and state, Grand Victoria paid \$1,068,970 in sales and use taxes. Grand Victoria paid \$677,530 in property taxes in 1997-1998. Payroll of \$31 million and purchases of \$2.7 million from local vendors also contributed to the local economy. The presence of the riverboat has led to some new developments in 1998-99 including the opening of two galleries, a gift shop, and a restaurant.

Impact on Tourism

Through the end of September 1999, less than one-third of the total trips to Grand Victoria were made by Indiana residents, with approximately one-third of the Indiana trips (10 percent of total trips) from the local area. In 1998-1999, Grand Victoria had 3.3 million paid admissions. This attendance is approximately 1.1 million greater than Grand Victoria's attendance projection in its application.

According to Grand Victoria, its hotel occupancy rate was approximately 95 percent in 1999, which is considerably higher than comparable industry standards.

Grand Victoria, in conjunction with the Rising Sun/Ohio County Convention, Tourism & Visitors Bureau, the Historic Downtown Program, and the Rising Sun Redevelopment Commission is distributing a brochure at the tourism booth in the pavilion that promotes a free shuttle that travels from the casino to downtown Rising Sun and back. The goal of this marketing tool is to help Rising Sun capture some of the tourist business that results from Grand Victoria's presence in the community.

Legal Issues

Grand Victoria had eight outstanding suits in 1998-1999, two from patrons and six from employees. No new suits were filed in this time period. A total of 101 arrests were issued on Grand Victoria property during this period, slightly less than in 1997-98. The largest arrest category was public intoxication (70) and drug violations (24 arrests). Grand Victoria security checked 23,290 identifications and turned away 245 patrons who either were under 21 or had no identification. The chief of the Rising Sun police indicated that the main increase in crime in the area that can be attributed to the riverboat is the increase in alcohol related crimes, especially "driving under the influence," which has increased substantially from the period before the riverboat opened. Less than .0003 percent of total visits resulted in a citation or arrest.

Other Impacts

There are other impacts that can result from the location of a riverboat in a community. For example, compulsive gambling might become a problem, and as a result, lead to higher rates of bankruptcy and/or greater need for social services. In 1998-99, two calls for help with gambling problems were made by Dearborn County residents and one call was made by an Ohio County resident and one by a Ripley County resident to the "Deal With It" line that's contracted through the Commission for a Drug Free Indiana. No calls were made by Switzerland County residents. In the previous year, nine calls were made by Dearborn County residents and one by an Ohio County resident.

Grand Victoria has made efforts to minimize negative impacts. Grand Victoria has trained employees concerning compulsive gambling and developed a brochure that provides patrons with information on the warning signs of compulsive gambling and where problem gamblers can receive help. It also displays the 1-800-9-WITH-IT message on all material handed to patrons as well as post it on signs near casino cages. Grand Victoria has a self-eviction program for individuals who wish to be banned from the facility. Any attempts by these individuals to enter the casino can result in their arrest for trespassing. The first self-eviction lasts at least six months. To be reinstated the patron must speak with the Director of Security. If they are reinstated and ask for another self-eviction at a later time, that self-ejection is permanent.

Summary of Findings

Grand Victoria has met the requirements of its Certificate in many areas:

- Grand Victoria spent a total of \$143 million on development, \$48.5 million more than estimated in the Certificate of Suitability.
- Grand Victoria is on schedule with all of its incentive payments.
- Grand Victoria has sponsored several community events; its senior management is represented on many boards; and the company has made numerous donations to community groups.
- State and local gaming taxes were \$8.4 million higher than projected in Grand Victoria's application.
- Grand Victoria paid \$1,068,790 in sales and use taxes and \$677,530 in property taxes.
- Grand Victoria has been proactive in developing programs for compulsive gambling.

Grand Victoria has not met its projections in the following areas:

- Employment totaled 1,390 employees, 267 less than projected.
- Employee wages, tips, and benefits totaled \$31 million, approximately \$12 million less than projected.
- Receipts per passenger per trip averaged \$44, less than the estimated \$55 Grand Victoria projected in its application.
- Grand Victoria has not met its local hiring goal.