

License Fees Changed for 2-Year Licenses

The Colorado Limited Gaming Control Commission on June 19 approved two-year license fees for business gaming licensees effective Aug. 6. Also, the Commission took no action to change the \$63 background investigation hourly rate, as well as individual license fees, so those remain unchanged for fiscal year 2009.

On April 21, Gov. Bill Ritter signed legislation that extends the license period for business gaming licenses from one year to two years. To facilitate this change, the Division of Gaming proposed simply to double the license & application fee currently paid for all business license types, except for Type II operator and manufacturer/distributor licenses. Instead of paying \$4,000 in license fees every two years, these licensees will pay \$6,000 under the rule changes approved by the Commission.

Commission Action

At its meeting on June 19 in Lakewood, the Gaming Commission:

- Renewed the retail licenses of Brass Ass Casino, Colorado Grande Casino, J.P. McGill's Hotel & Casino, and Midnight Rose Hotel & Casino
- Approved supplemental budget requests for fiscal year 2009 for the Division of Gaming that would add a new auditor in the Cripple Creek office, as well as a new auditor and a new investigator in the Central City office

Casino Revenues Dip Again

Revenues at Colorado casinos continued their historic slide in May. Gaming establishments statewide reported \$63.9 million in AGP in May, up nearly 9.0 percent from \$58.7 million in April, but down 8.7 percent from \$70.0 million in May 2007. Revenues for the first five months of 2008 are down 11.5 percent from the same period in 2007.

Black Hawk's 20 casinos produced \$45.6 million in AGP in May, up 7.8 percent from \$43.3 million in April, but down 8.6 percent from \$49.9 million in May 2007. Cripple Creek's 16 casinos totaled \$12.3 million in AGP in May, up 15.5 percent from \$10.7 million the previous month, but down 6.7 percent from \$13.2 million in May 2007. Central City's six casinos generated \$5.9 million in AGP in May, up 5.2 percent from \$5.6 million in April, but down 13.6 percent from \$6.9 million the previous May.

Casinos statewide paid nearly \$11.3 million in gaming tax proceeds in May, up from \$10.2 million in April.

MESSAGE FROM THE DIRECTOR



In all my years of involvement in the regulation of the Colorado casino industry, I have never experienced such a contentious subject as the statewide smoking ban. The seemingly never-ending debate the last few months as to what impact the smoking ban has had on the decline of gaming revenues this calendar year in light of other economic factors taking place was replaced in early June by another question: "What exactly is a cigar bar?"

Three casinos in Cripple Creek made the claim that they met the cigar bar exemption based upon past cigarette sales. At first, the City of Cripple Creek agreed. Then the city said it didn't have the resources to enforce the Colorado Clean Indoor Act, which is the fancy title for the smoking ban. Then on June 18 the Cripple Creek police department issued citations to the managers of those three casinos for allegedly violating the smoking ban.

Back in December I wrote these prophetic words: "Although the smoking ban is a state law, the local municipalities are responsible for enforcement. What that means is that the Division of Gaming is not going to be the 'smoking police.' However, that does not mean that the Division is not concerned about casinos complying with the ban. Casinos are required to comply with all federal, state, county and local laws. Any repeated violations of the smoking ban could reflect negatively on a casino's suitability to maintain its license."

The Division, like everyone else who has been following the smoking ban saga, now awaits the outcome of the court hearing on July 17. It is doubtful that there will be final resolution on that date, but it will be the start of the process in which the courts will ultimately answer the question of what is a cigar bar and can a casino claim to be one. Until then, the May revenue figures are out and I'm sure people will try to figure out how much of an effect the smoking ban...

—Ron Kammerzell

COLORADO STATE GAMING STATISTICS

	<u>May 2008</u>	<u>April 2008</u>	<u>May 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	7,420	7,360	6,910	79,560
COINS IN	307,290,691.47	281,207,633.79	313,758,414.86	3,355,044,093.28
AGP	29,115,377.05	26,379,506.00	28,780,158.50	314,100,985.12
AVG DAILY AGP	129.56	119.47	134.35	130.30
HOLD %	9.47%	9.38%	9.17%	9.36%
5¢ SLOTS	1,307	1,333	1,961	17,409
COINS IN	55,271,072.63	50,286,474.15	83,109,525.98	715,563,746.23
AGP	3,838,794.61	3,508,520.90	5,538,556.11	47,942,229.68
AVG DAILY AGP	96.98	87.73	91.11	90.89
HOLD %	6.95%	6.98%	6.66%	6.70%
25¢ SLOTS	2,425	2,465	2,958	28,666
COINS IN	139,755,350.88	127,884,890.41	189,314,004.50	1,672,113,725.73
AGP	7,451,211.24	7,022,463.44	9,695,996.67	89,113,604.31
AVG DAILY AGP	101.46	94.96	105.74	102.60
HOLD %	5.33%	5.49%	5.12%	5.33%
\$1 SLOTS	2,336	2,365	2,547	26,311
COINS IN	211,670,408.76	201,686,458.00	256,921,739.66	2,472,720,096.62
AGP	11,104,379.73	9,891,413.64	12,967,146.06	123,185,976.82
AVG DAILY AGP	156.96	139.41	164.23	154.52
HOLD %	5.25%	4.90%	5.05%	4.98%
\$5 SLOTS	229	227	245	2,632
COINS IN	32,300,626.00	30,487,408.00	37,514,270.00	383,227,458.76
AGP	1,303,691.06	1,479,175.65	2,008,730.88	17,696,706.43
AVG DAILY AGP	187.98	217.21	264.48	221.90
HOLD %	4.04%	4.85%	5.35%	4.62%
OTHER SLOTS*	2,463	2,464	2,162	25,425
COINS IN	156,906,397.17	148,177,314.78	148,094,635.55	1,709,127,477.76
AGP	8,496,814.46	7,997,755.81	8,388,871.23	92,597,126.07
AVG DAILY AGP	113.91	108.19	125.17	120.20
HOLD %	5.42%	5.40%	5.66%	5.42%
BJ TABLES	64	66	66	726
BJ DROP	3,212,642.66	2,898,107.70	3,183,801.65	34,352,445.45
AGP	634,742.16	587,407.45	665,795.65	6,843,138.70
AVG DAILY AGP	327.48	296.67	325.41	311.08
HOLD %	19.76%	20.27%	20.91%	19.92%
POKER TABLES	153	149	150	1,678
POKER DROP	2,822,468.05	2,401,987.00	2,651,113.80	28,452,485.93
AGP	2,018,052.80	1,844,861.00	2,030,734.55	21,328,498.99
AVG DAILY AGP	435.52	435.52	436.72	419.49
HOLD %	23.48%	23.48%	24.13%	22.96%
TOTAL AGP	63,963,063.11	58,711,103.89	70,075,989.65	712,808,266.12
GAMING TAXES	11,290,273.30	10,162,973.97	12,174,596.51	97,649,413.46
# OF CASINOS	42	41	44	44
AVG. DAYS OPEN	30.29	30.00	31.00	30.30

*10¢, 50¢, \$2 and Multi-Denomination Slots

CRIPPLE CREEK GAMING STATISTICS

	<u>May 2008</u>	<u>April 2008</u>	<u>May 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	1,786	1,768	1,588	18,784
COINS IN	62,149,336.47	54,140,457.26	57,372,025.88	644,230,778.53
AGP	4,996,171.75	4,401,683.19	4,865,043.24	52,941,526.22
AVG DAILY AGP	95.69	82.99	98.83	93.05
HOLD %	8.04%	8.13%	8.48%	8.22%
5¢ SLOTS	379	381	554	4,618
COINS IN	13,612,211.50	10,686,037.55	16,641,909.05	145,095,796.25
AGP	876,377.15	677,243.22	1,106,710.71	9,171,048.77
AVG DAILY AGP	79.09	59.25	64.44	65.56
HOLD %	6.44%	6.34%	6.65%	6.32%
25¢ SLOTS	748	750	885	8,491
COINS IN	36,457,837.33	32,374,075.75	43,077,272.75	416,550,211.30
AGP	1,655,555.90	1,517,842.95	2,012,339.16	19,749,792.89
AVG DAILY AGP	75.71	67.46	73.35	76.79
HOLD %	4.54%	4.69%	4.67%	4.74%
\$1 SLOTS	806	809	870	8,908
COINS IN	52,926,955.00	47,000,658.00	63,217,767.00	609,446,995.73
AGP	2,797,963.60	2,221,962.10	3,091,264.01	29,782,783.68
AVG DAILY AGP	118.74	91.55	114.62	110.38
HOLD %	5.29%	4.73%	4.89%	4.89%
\$5 SLOTS	38	38	37	381
COINS IN	4,150,405.00	3,544,870.00	5,082,850.00	49,733,775.00
AGP	213,954.37	191,262.20	142,710.75	2,495,807.47
AVG DAILY AGP	192.59	167.77	124.42	216.27
HOLD %	5.16%	5.40%	2.81%	5.02%
OTHER SLOTS*	735	726	730	7,471
COINS IN	28,439,948.07	26,585,507.19	29,502,593.74	308,473,751.82
AGP	1,482,301.32	1,429,414.10	1,687,970.82	16,583,504.75
AVG DAILY AGP	68.98	65.63	74.59	73.28
HOLD %	5.21%	5.38%	5.72%	5.38%
BJ TABLES	12	12	17	157
BJ DROP	397,014.50	310,101.50	418,664.25	4,214,589.90
AGP	65,884.50	53,313.00	77,494.25	784,368.90
AVG DAILY AGP	187.80	148.09	147.05	164.94
HOLD %	16.59%	17.19%	18.51%	18.61%
POKER TABLES	30	27	30	335
POKER DROP	339,575.00	266,350.50	284,991.50	3,292,091.00
AGP	280,916.00	214,575.00	276,661.75	2,912,595.00
AVG DAILY AGP	320.29	264.91	297.49	287.04
HOLD %	21.79%	15.44%	19.42%	19.78%
TOTAL AGP	12,369,124.59	10,707,295.76	13,260,194.69	134,421,427.68
GAMING TAXES	1,671,653.89	1,315,209.62	1,684,390.91	9,500,001.88
# OF CASINOS	17	16	18	18
AVG. DAYS OPEN	29.24	30.00	31.00	30.29

*10¢, 50¢, \$2 and Multi-Denomination Slots

BLACK HAWK GAMING STATISTICS

	<u>May 2008</u>	<u>April 2008</u>	<u>May 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	4,663	4,638	4,362	50,378
COINS IN	212,279,069.50	197,234,467.22	213,443,882.88	2,329,145,372.36
AGP	21,084,208.61	19,162,393.42	20,349,327.60	226,690,604.50
AVG DAILY AGP	145.86	137.72	150.49	147.97
HOLD %	9.93%	9.72%	9.53%	9.73%
5¢ SLOTS	725	736	1,077	9,843
COINS IN	36,291,672.38	34,298,016.30	58,372,063.06	500,547,806.59
AGP	2,629,986.02	2,485,866.10	3,920,051.81	34,230,450.02
AVG DAILY AGP	117.02	112.58	117.41	114.36
HOLD %	7.25%	7.25%	6.72%	6.84%
25¢ SLOTS	1,314	1,345	1,662	16,046
COINS IN	88,463,591.30	81,120,415.66	130,157,207.75	1,090,835,016.93
AGP	5,066,152.42	4,765,715.49	6,805,604.18	60,568,320.85
AVG DAILY AGP	124.37	118.11	132.09	124.13
HOLD %	5.73%	5.87%	5.23%	5.55%
\$1 SLOTS	1,252	1,258	1,377	14,171
COINS IN	137,005,138.76	132,663,980.00	168,433,385.56	1,603,969,041.89
AGP	7,407,992.53	6,735,394.36	8,682,722.36	82,568,304.84
AVG DAILY AGP	190.87	178.47	203.40	191.60
HOLD %	5.41%	5.08%	5.15%	5.15%
\$5 SLOTS	161	159	177	1,858
COINS IN	26,380,376.00	25,412,823.00	30,527,555.00	315,283,343.76
AGP	1,004,587.44	1,220,622.96	1,800,061.23	14,174,013.06
AVG DAILY AGP	201.28	255.90	328.06	250.86
HOLD %	3.81%	4.80%	5.90%	4.50%
OTHER SLOTS*	1,475	1,484	1,286	15,376
COINS IN	114,903,520.68	109,156,339.69	109,053,368.71	1,257,515,954.55
AGP	6,345,225.24	5,988,553.18	6,244,315.45	69,021,275.87
AVG DAILY AGP	138.77	134.51	156.63	147.61
HOLD %	5.52%	5.49%	5.73%	5.49%
BJ TABLES	43	44	39	459
BJ DROP	2,547,237.40	2,280,591.65	2,463,869.40	26,566,113.49
AGP	525,140.15	490,243.40	541,933.65	5,531,344.49
AVG DAILY AGP	393.95	371.40	448.25	396.28
HOLD %	20.62%	21.50%	22.00%	20.82%
POKER TABLES	102	102	100	1,120
POKER DROP	2,149,218.30	1,900,615.25	2,073,179.50	22,149,183.90
AGP	1,552,929.80	1,474,568.50	1,554,501.75	16,476,027.41
AVG DAILY AGP	491.12	481.89	501.45	483.75
HOLD %	23.78%	23.51%	24.12%	23.18%
TOTAL AGP	45,616,222.21	42,323,357.41	49,898,518.03	509,260,341.04
GAMING TAXES	8,593,495.52	7,904,632.16	9,308,854.59	79,702,006.50
# OF CASINOS	19	19	20	20
AVG. DAYS OPEN	31.00	30.00	31.00	30.41

*10¢, 50¢, \$2 and Multi-Denomination Slots

CENTRAL CITY GAMING STATISTICS

	<u>May 2008</u>	<u>April 2008</u>	<u>May 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	971	954	960	10,398
COINS IN	32,862,285.50	29,832,709.31	42,942,506.10	381,667,942.39
AGP	3,034,996.69	2,815,429.39	3,565,787.66	34,468,854.40
AVG DAILY AGP	100.83	98.37	119.82	110.65
HOLD %	9.24%	9.44%	8.30%	9.03%
5¢ SLOTS	203	216	330	2,948
COINS IN	5,367,188.75	5,302,420.30	8,095,553.87	69,920,143.39
AGP	332,431.44	345,411.58	511,793.59	4,540,730.89
AVG DAILY AGP	52.83	53.30	50.03	51.41
HOLD %	6.19%	6.51%	6.32%	6.49%
25¢ SLOTS	363	370	411	4,129
COINS IN	14,833,922.25	14,390,399.00	16,079,524.00	164,728,497.50
AGP	729,502.92	738,905.00	878,053.33	8,795,490.57
AVG DAILY AGP	64.83	66.57	68.92	71.10
HOLD %	4.92%	5.13%	5.46%	5.34%
\$1 SLOTS	278	298	300	3,232
COINS IN	21,738,315.00	22,021,820.00	25,270,587.10	259,304,059.00
AGP	898,423.60	934,057.18	1,193,159.69	10,834,888.30
AVG DAILY AGP	104.25	104.48	128.30	111.90
HOLD %	4.13%	4.24%	4.72%	4.18%
\$5 SLOTS	30	30	31	393
COINS IN	1,769,845.00	1,529,715.00	1,903,865.00	18,210,340.00
AGP	85,149.25	67,290.49	65,958.90	1,026,885.90
AVG DAILY AGP	91.56	74.77	68.64	87.21
HOLD %	4.81%	4.40%	3.46%	5.64%
OTHER SLOTS	253	254	146	2,578
COINS IN	13,562,928.42	12,435,467.90	9,538,673.10	143,137,771.39
AGP	669,287.90	579,788.53	456,584.96	6,992,345.45
AVG DAILY AGP	85.34	76.09	100.88	90.53
HOLD %	4.93%	4.66%	4.79%	4.89%
BJ TABLES	9	10	10	110
BJ DROP	268,390.76	307,414.55	301,268.00	3,571,742.06
AGP	43,717.51	43,851.05	46,367.75	527,425.31
AVG DAILY AGP	156.69	146.17	149.57	160.04
HOLD %	16.29%	14.26%	15.39%	14.77%
POKER TABLES	21	20	20	223
POKER DROP	333,674.75	235,021.25	292,942.80	3,011,211.03
AGP	184,207.00	155,717.50	199,571.05	1,939,876.58
AVG DAILY AGP	282.96	259.53	321.89	290.35
HOLD %	23.26%	22.50%	28.81%	24.78%
TOTAL AGP	5,977,716.31	5,680,450.72	6,917,276.93	69,126,497.40
GAMING TAXES	1,025,123.89	943,132.19	1,181,351.01	8,447,405.08
# OF CASINOS	6	6	6	6
AVG. DAYS OPEN	31.00	30.00	31.00	29.96

*10¢, 50¢, \$2 and Multi-Denomination Slots

MAY AGP BY DEVICE

Statewide

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	16,180	\$61,310,268	\$125.12	6.79%
Tables	217	\$2,652,795	\$403.65	21.50%
TOTAL	16,397	\$63,963,063	\$128.80	7.02%

Cripple Creek

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	4,492	\$12,022,324	\$91.55	6.08%
Tables	42	\$346,801	\$282.44	18.99%
TOTAL	4,534	\$12,369,125	\$93.31	6.23%

Black Hawk

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	9,590	\$43,538,152	\$146.45	7.08%
Tables	145	\$2,078,070	\$462.31	22.06%
TOTAL	9,735	\$45,616,222	\$151.15	7.36%

Central City

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	2,098	\$5,749,792	\$88.41	6.38%
Tables	30	\$227,924	\$245.08	20.15%
TOTAL	2,128	\$5,977,716	\$90.62	6.59%

Average daily AGP per device is calculated by dividing the total AGP by the number of devices, further divided by the average number of days open for all establishments open in May. Hold percentage does not include player-banked poker tables.

GAMING ♦ UPDATE

DATES TO REMEMBER

- ✓ July 4 • 4th of July, Division offices closed
- ✓ July 15 • June gaming tax returns due
- ✓ July 17 • Gaming Commission meeting, Lakewood

JULY 2008

COLORADO DEPT OF REVENUE
DIVISION OF GAMING
1881 PIERCE ST STE 112
LAKEWOOD CO 80214-1496