MS. ANN DANIELS, CITY MANAGER, RIVERSIDE, MO

CHAIRMAN JAMES: Our final speaker on this panel is Ms. Ann Daniels, City Manager, Riverside, Missouri. Ms. Daniels, welcome.

MS. DANIELS: Thank you for allowing me this opportunity to share the impact of riverboat gambling on our small Missouri city.

Riverside is a fourth class city with a population of only 3,390 people. It's less than 50 years old and was chartered with the understanding that no personal property or real estate taxes would ever be assessed or levied against the residents or businesses, and this promise still holds true. Because of this commitment, the city received only very limited funds with which to operate each year. Revenues were generated through a one cent city sales tax, utility franchise fees and motor fuel taxes.

While the elected officials are to be commended for their efforts to operate with very limited funds, a trip through the community only four short years ago would demonstrate the dire need for permanent streets, for a community center, for parks, for facilities to house the departments of city government and a general effort for planning the future and cleaning up the debris from the past.

The legalization of riverboat gambling in Missouri, and specifically the large majority vote cast by Riverside residents in 1992 to open the city to riverboat gambling has nothing but the most positive effect on our community. While all our residents may not be staunch proponents of gambling, with many never having been to the boat, all are reaping the benefits...
the money provided by gamblers bring to the city's coffers each year.

One thing we have learned is that we cannot legalize nor legislate morality. When the voters spoke so strongly in favor of gambling being permitted, it became the duty of the elected officials and our city staff to provide strong leadership to insure the core values of the community were not undermined and that the receipts were put to use with infrastructure needs long overdue. The elected officials chose to commit the riverboat funds strictly to capital improvements and capital equipment purposes. The commitment has continued, with none of the gambling revenues going into general revenue funds. This means that no salaries or daily operation costs are funded with gambling dollars.

Consequently, should our boat ride on down the Mississippi River tomorrow, our community would have benefited from the major improvements made to our infrastructure, but no jobs would be lost, no salaries reduced, no services discontinued. As of this date our city has received $23,952,429 in revenues from the Argosy Casino.

You may be interested to know that there's listed in the documentation I've given to you a large number of projects, one of the most unique being a contribution of $5.3 million towards the required local share of $29 million for the only remaining flood protection levy not constructed on the Missouri River, the L385, in addition to absorbing the escalating legal fees for development of this project. Completion of this project will provide much needed flood protection to our business
community, to alleviate the over $80 million spent by federal, state and local governments with the 1993 flood.

I would just remind you that there are many benefits that we have realized, part of that because we believe that the set aside by Missouri Gaming Commission, there are regulations requiring the highway patrol folks to be in place and on board to provide additional security which has been very beneficial. We have not had any additional crime. We have not had increased calls. Two a day citywide is all our calls have increased.

We do not know of folks who have lost their homes. We do not know of those who have committed suicide. We do not have any of those things in our community. The Gamblers Anonymous program is very small within our area, has not had large numbers of folks participating whatsoever.

I wish I could say that there are bad things to say, but there are no bad things for us to report to you. That's all I can share with you, the fact that we have had a very positive impact. I think part of that is because of the way that we're using the funds and the commitment we've made to do so. We hope that as you collect your data that the impact that has been felt in Riverside will be something that will help to assess things as you look at the rest of the communities. I hope you'll look further at our written documentation.

CHAIRMAN JAMES: Thank you.