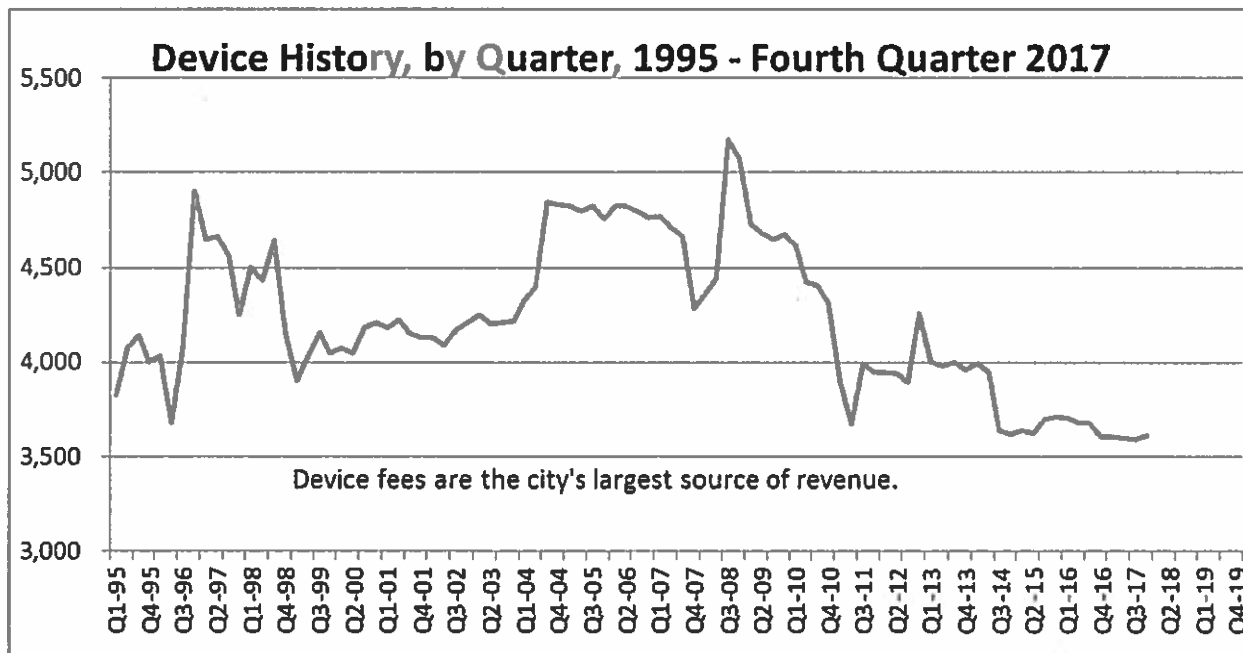

City of Cripple Creek

Finance Department

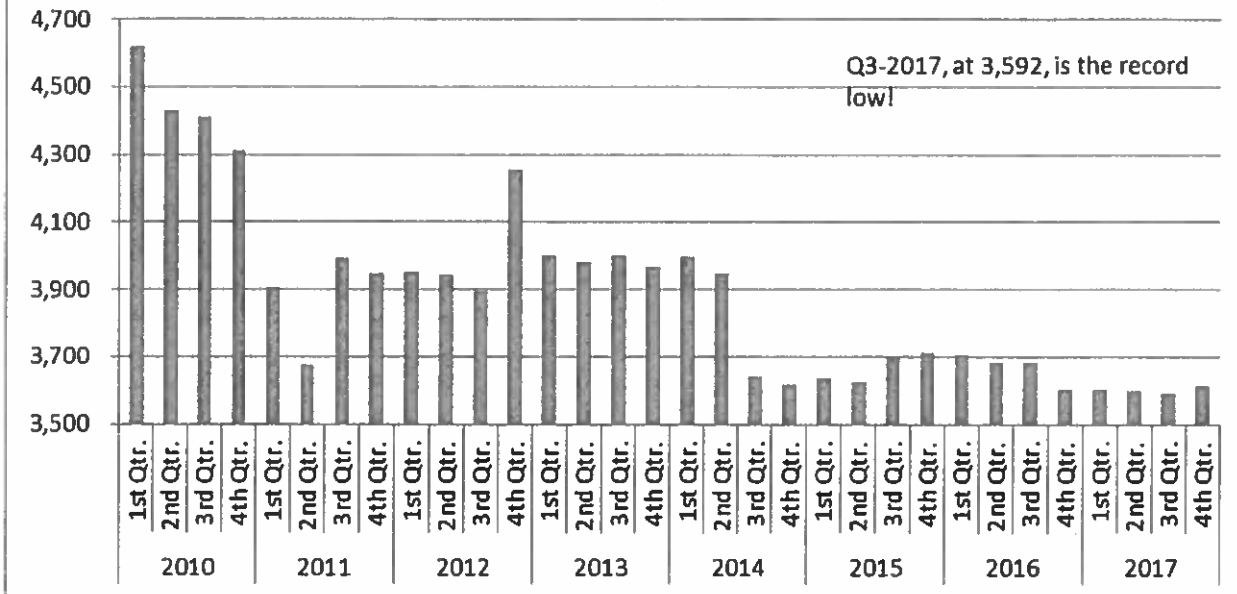
MEMO

To: City Council
Department Managers
From: Paul Harris, Finance Director
Subject: Fourth Quarter Device Count
Copy: Ray DuBois, City Administrator
Date: October 11, 2017

Good news regarding the number of devices in town. The device count for the fourth quarter of 2017 has been completed. The number of devices is 3,615, which is an increase of 23 devices, or six tenths of one percent, from the third quarter of 2017. **The third quarter number of 3,592 set a new low for the city. It is great to see an increase in the fourth quarter.** The final page of this report shows which casinos added and removed machines. The following chart shows the long term trend of the number of devices in town. Note the negative trend for the City's main source of revenue. The chart on the next page shows the most recent trend in closer prospective.



Number of Devices by Quarter



If you compare the fourth quarter of 2017 with the fourth quarter of 2016, the number of devices has increased by 13, or .4%, over the past year. Looking back a few years, the number of devices fourth quarter of 2013 was 3,965. We have 350 fewer devices, or 8.8%, compared to four years ago.

Number of Devices in Town: 2017 Compared to 2016 - by Quarter

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2013	4,002	3,982	3,999	3,965
2014	3,997	3,946	3,641	3,618
2015	3,637	3,627	3,702	3,712
2016	3,703	3,682	3,682	3,602
2017	3,604	3,598	3,592	3,615
Number Change	(99)	(84)	(90)	13
Percent Change	-2.7%	-2.3%	-2.4%	0.4%

Comparing the actual number of devices to those budgeted for 2017, the City is up 1 machine year-to-date. The following table compares the actual number of devices for the quarter to the budgeted figure.

2017 Devices - Actual Compared to Budget

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year-to-Date
Actual Number of Devices	3,604	3,598	3,592	3,615	
Budgeted Number of Devices	3,602	3,602	3,602	3,602	
Variance (Actual to Budget)	2	(4)	(10)	13	1
Percent Change	0.1%	-0.1%	-0.3%	0.4%	
Exceeded/(Missed) revenue goal by:	\$ 600	(1,200)	(3,000)	3,900	\$ 300

The following table summarizes the corporate ownership of the devices in town between the twelve licenses, which are controlled by six corporations.

Summary of Corporate Ownership:	Q4-17	Percent
	# of Devices	of Total
1 Triple Crown (3 licenses)	903	25%
2 Bronco Billy's (3 licenses)	808	22%
3 Wildwood (1 license)	527	15%
4 Double Eagle (1 licenses)	475	13%
5 Nolon's/Col. Grande (2 licenses)	451	12%
6 Century Casinos (2 licenses)	451	12%
Total	3,615	100%

Note: Total number of licenses for this quarter is twelve.

Below is a comparison, by casino & quarter, of the device count.

City of Cripple Creek

2017 Device Count

	Q1-16	Q2-16	Q3-16	Q4-16	Q1-17	Q2-17	Q3-17	Q4-17	Change Q3-2017 to Q4-2017
BILLY'S	145	140	139	141	140	140	134	134	0
BRONCO BILLY'S	507	493	495	494	498	492	497	496	-1
BUFFALO BILLY'S	185	185	182	179	179	179	179	178	-1
BRASS ASS	260	258	257	249	248	250	251	251	0
MIDNIGHT ROSE	389	385	388	367	367	367	367	368	1
J. P. MCGILLS	314	315	315	281	284	282	282	284	2
COLORADO GRANDE	218	219	219	221	218	221	220	220	0
DOUBLE EAGLE	483	481	481	479	478	478	478	475	-3
JOHNNY NOLON'S	232	230	232	231	230	231	229	231	2
WILDWOOD	521	527	523	512	515	519	507	527	20
CENTURY CASINOS I	227	227	227	226	225	223	227	230	3
CENTURY CASINOS II	222	222	224	222	222	216	221	221	0
Total	3,703	3,682	3,682	3,602	3,604	3,598	3,592	3,615	23
Difference	19	(21)	-	(80)	2	(6)	(6)	23	
Percent Change	0.5%	-0.6%	0.0%	-2.2%	0.1%	-0.2%	-0.2%	0.6%	

If you have any questions, please feel free to give me a call at 689-2502.