

**OFFICE OF THE COUNTY ADMINISTRATOR**

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Item 12  
05-20-14

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DATE: May 9, 2014  
TO: Board of Supervisors  
FROM: Dee F. Bruemmer, County Administrator  
RE: Appointment of Auditor for Rhythm City Casino, LLC.

The Rhythm City Casino, LLC was formed in February of this year as a result of the purchase of the casino from the Isle of Capri. The new organization must have an auditor appointed by the Board of Supervisors to conduct the annual audit. Included is a letter from Mo Hyder, General Manager, designating a Davenport firm for the appointment. The resolution is attached.



May 9, 2014

Scott County Board of Supervisors  
Scott County Courthouse Administrative Center  
600 W. 4<sup>th</sup> Street  
Davenport, Iowa 52801

RE: Iowa Code 99F.13 Annual Audit of licensee operations

Supervisors:

As a result of the change in ownership of Rhythm City Casino, effective February 3, 2014, Rhythm City Casino LLC, a wholly owned subsidiary of Scott County Casino, LLC in Scott County, respectfully requests a resolution from the Scott County Board of Supervisors to contract with the firm of Honkamp Krueger & Co, PC., 4440 N. Brady Street, Suite 3, Davenport, Iowa 52806 to conduct the annual audit required by Iowa Code section 99F.13. Specifically, Iowa Code 99F.13 states:

*Within ninety days after the end of the licensee's fiscal year, the licensee shall transmit to the commission an audit of the licensee's total gambling operations, including an itemization of all expenses and subsidies. All audits shall be conducted by certified public accountants authorized to practice in the state of Iowa under chapter 542 who are selected by the board of supervisor of the county in which the licensee operates.*

It is further requested that this appointment of the firm of Honkamp Krueger & Co, PC shall become effective immediately and remain in effect and renew automatically each year until the Board of Supervisors elects to appoint another certified public accounting firm to perform the annual audits as required under Iowa Code 99F.13.

Should you have any questions, please call me at 328-8111.

Yours truly,

  
Mo Hyder  
General Manager  
Rhythm City Casino, LLC

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES  
THAT THIS RESOLUTION HAS BEEN FORMALLY  
APPROVED BY THE BOARD OF SUPERVISORS ON  
\_\_\_\_\_  
DATE  
\_\_\_\_\_  
SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

May 22, 2014

APPROVAL OF THE APPOINTMENT OF HONKAMP KRUEGER & CO, P.C. TO CONDUCT  
THE ANNUAL AUDIT FOR THE RHYTHM CITY CASINO, LLC

**BE IT RESOLVED BY** the Scott County Board of Supervisors as follows:

**WHEREAS**, on April 19, 2004, the Iowa Legislature passed House File 2302, which the Governor signed into law on May 6, 2004; and

**WHEREAS**, House File 2032 amends Iowa Code Chapter 99F.13 (2003) and provides that the Board of Supervisors of each county where gambling operations are conducted must select a certified public accountant licensed within the State of Iowa to conduct the annual audit of certain licensed gambling establishments within the county, specifically providing,

"99F13 ANNUAL AUDIT OF LICENSEE OPERATIONS. Within ninety days after the end of the licensee's fiscal year, the licensee shall transmit to the commission an audit of the financial transactions and condition of the licensee's total gambling operations, including an itemization of all expenses and subsidies. All audits shall be conducted by certified public accountants registered or licenses in the State of Iowa under Chapter 542 who are selected by the board of supervisors in the county in which the licensee operates.", and;

**WHEREAS**, the Scott County Board of Supervisors has been asked by the Rhythm City Casino LLC who falls under this act to appoint the auditing firm of Honkamp Krueger & Co., PC as the certified public accountant for their audit, and

**WHEREAS**, the certified public accounting firm of Honkamp Krueger & Co., PC is registered and/or licensed to perform such services in the State of Iowa,

**NOW THEREFORE BE IT RESOLVED BY** the Scott County Board of Supervisors as follows:

- Section 1. The selection of Honkamp Krueger & Co., PC certified public accounting firm to conduct the annual audit for the Rhythm City Casino, LLC in Scott County is hereby approved.
- Section 2. This selection of Honkamp Krueger & Co., PC firm shall remain in effect and renew automatically each year until the Board of Supervisors receives a request from the Rhythm City Casino, LLC to appoint another certified public accounting firm to perform the annual audits contemplated under Iowa Code Chapter 99F.13.
- Section 3. This resolution shall take effect immediately.