

Annual Report

2015



New Jersey
Casino Control Commission

The 2015 Annual Report of the New Jersey Casino Control Commission



*State of New Jersey
Governor Chris Christie*

Front Cover: Boardwalk Crowd
Photo Credit: Atlantic City Alliance
Absecon Lighthouse
Photo Credit: Atlantic City Alliance/John Dimaio
The Deck at Golden Nugget
Photo Credit: Atlantic City Alliance/Golden Nugget



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Matthew B. Levinson **2015 ANNUAL REPORT MESSAGE**

In 2015, Atlantic City's casino industry showed that its market is stabilizing.

It is no secret that New Jersey's casinos have been through a very difficult time in recent years. Atlantic City's casinos were buffeted by the twin challenges of a weak economy that sapped disposable income from many Americans and by the new competition in the states surrounding New Jersey that saturated the Northeast market with slot machines and gaming tables.

By far, 2014 was the most challenging year since casinos were legalized in 1976. Four casinos closed and thousands of our friends and neighbors lost their jobs.

But after years of declining revenue, the eight current operators reported a 3.1 percent increase in gaming win in 2015. That was the first increase in gaming revenue for casinos since 2006. Revenue from Internet gaming increased in every single month compared to 2014. By year's end, Internet revenue was up 21.2 percent. Profits turned around in 2015 as well. Gross operating profits for the eight casinos were up by double digit margins in each of the four quarters. For the full year, the profits were up 40.3 percent.

All of those numbers are up because the economic climate in Atlantic City has started to improve. The industry has rightsized to meet the smaller demand here and the operators are now taking the steps needed to stabilize and to grow their businesses. With support from the Casino Reinvestment Development Authority, we are seeing operators reinvesting capital in their properties to help evolve into broader tourist-convention-gaming-resort properties that can better attract people who want to do a lot more than just gamble.

For example, Harrah's opened its \$126 million Waterfront Conference Center in September. By the time it opened, Harrah's had already booked close to 100 conferences and it accounted for several thousand reserved rooms. Tropicana completed a \$50 million project to renovate its North Tower and it unveiled a multi-media light and sound show along its Boardwalk facade.

At Resorts Casino Hotel, space was completely renovated to create a new conference center that offers the latest audio and video technology. Borgata created a new, outdoor entertainment venue, Festival Park. At Caesars, the Gordon Ramsay Pub and Grill opened with an appearance from the celebrity chef himself. Golden Nugget renovated its popular pool deck and cabanas and it received approval to create two new villas with views over the marina as part of a \$4.5 million project.



2015 ANNUAL REPORT MESSAGE (cont'd)

Taken together, capital improvements like these all help to make Atlantic City a more attractive place for visitors from tourists to conventioners. But the investment isn't limited to casinos. One striking example of that came in November when we got our first glimpse of plans for a new Island Campus for Stockton University. It is a multi-faceted project that will combine academic facilities, living space for students and corporate office space for a large public utility.

Atlantic City continued to be a venue for great entertainment in 2015 as each of the casinos offered a wide variety of entertainment for every taste. Two large beach concerts again drew an estimated 80,000 visitors to the city during the summer to hear Maroon 5 and Rascal Flats perform. And for the second time in a row, Atlantic City's Boardwalk Hall was the highest grossing arena of its size in the United States for the first half of the year, taking in more than \$8 million at 19 different events. Of course, one of Atlantic City's premier events, the Atlantic City Air Show, remained free and it drew hundreds of thousands of people.

Along the Boardwalk there's a lot of new lighting, a series of video display boards and scores of new surveillance cameras that are connected to the Police Department. In addition, there is free Wi-Fi and there are charging stations for electronic devices along a large section of the Boardwalk.

Internally, the Commission continued to implement efficiencies to cut down the cost of operating the agency. As employees left the Commission, we looked to technology and found other ways to work smarter with fewer people. Since less office space was needed, the Commission's rental expense went down. In fiscal year 2015, the number of employees declined by 17.3 percent and we reduced our total expenses by 14.5 percent compared to the prior fiscal year.

We achieved those savings without sacrificing the quality of our work or our dedication to maintaining integrity. And we achieved them while continuing to fulfill our responsibilities under the Casino Control Act as an independent licensing authority to promote public confidence and trust in the credibility and integrity of the casinos and their key employees.

In addition to the on-going responsibilities of the Commission, it dealt with a number of significant matters during the year. For example, the Commission ruled that Seminole Hard Rock Entertainment Inc. and related companies were qualified to hold a casino license, although the company has not entered New Jersey's gaming market.



2015 ANNUAL REPORT MESSAGE (cont'd)

After Caesars Entertainment selected a new President and Chief Executive Officer, the Commission issued a temporary qualification so that Mark Frissora could start serving in his new capacity and later in the year, after reviewing the results of a licensing investigation, found him fully qualified.

The Commission approved a Chapter 11 bankruptcy reorganization plan for Trump Entertainment Resorts that gave the controlling interest in the company to financier Carl Icahn pending appeals of U.S. Bankruptcy Court rulings by the hotel workers union Unite HERE.

Resorts Casino Hotel decided in 2015 to restructure the way it offered online gaming to customers. The changes required Resorts Digital to apply for and receive its own casino license. The Commission reviewed the proposal and gave its approval during the summer.

All of us at the Commission also recognize that we have to be responsible members of our community and to that end, we continued to show support for a variety of causes. The Commission passed a resolution supporting Problem Gambling Awareness Month and recognized the contributions made by the outgoing executive director of the Council on Compulsive Gambling of New Jersey. The Commission also hosted several Red Cross blood drives, supported Breast Cancer Awareness Month and it participated in efforts to collect food and personal hygiene products for the less fortunate members of the community.

In conclusion, while there are still challenges to come, I believe the current operators are taking the kinds of steps that are necessary to broaden their base of appeal to a wider segment of the market. I am convinced the investments they made in 2015 will pay rewards in 2016 and in the years to come. Combine that with the commitments from government and from elsewhere in the private sector, I truly believe that Atlantic City has a very promising future and that it will continue to be a critically important and valuable asset, contributing to the viability and economic strength of the tourist, convention and resort industry of the State of New Jersey.

Sincerely,

Matthew B. Levinson
Chairman and Chief Executive Officer



Matthew B. Levinson
Chairman & Chief Executive Officer

Matthew B. Levinson was appointed by Governor Chris Christie and was sworn in as the seventh Chairman & Chief Executive Officer of the New Jersey Casino Control Commission on August 6, 2012. As

Chairman, Levinson also sits on the Casino Reinvestment Development Authority, helping to ensure a coordinated approach by various agencies to foster the redevelopment of Atlantic City.

At the time of his appointment, Levinson served as Chief Financial Officer of SOSH Architects where he was responsible for all accounting and finance operations for the firm's offices in Atlantic City and in New York City. His duties there also included handling human resources, information technology, business development, operations, and marketing.

The Chairman previously served as a member of the Linwood City Council where he was chairman of the council's Finance Committee and a member of the Board of School Estimate. He has been active in a variety of civic, professional and charitable organizations.

Earlier in his professional career, Levinson worked as Casino Accounting Manager at

Resorts International Hotel Casino and also as a Senior Operations Analyst with responsibilities in both the gaming and non-gaming areas of the property. He also worked for the international forensic accounting firm of Matson, Driscoll & Damico, LLP., where he performed forensic accounting work relating to the 2001 attack on the World Trade Center and the 2003 collapse of a parking garage under construction at the Tropicana Casino and Hotel.

He is a graduate of Villanova University where he majored in accounting and minored in finance. While in college, he worked at the Tropicana Casino and Hotel in the accounting and finance department and also at the Philadelphia Investment Banking Co.

Levinson serves on the Board of Directors of the Levinson Institute of Gaming, Hospitality and Tourism at Stockton University and the board of Main Street Atlantic City, a non-profit organization which manages and guides the revitalization of Atlantic City's central business district. He currently serves on the board of the Atlantic County Partnership for Regional Economic Development and is active in the AtlantiCare Young Professionals Association and the Blue Ribbon Committee for the City of Linwood.

Levinson was born and raised in Atlantic County where he has lived and worked most of his life. He currently resides in Linwood with his wife and two children.



Members of the Commission



Vice Chair

Alisa Cooper was appointed by Governor Chris Christie to the New Jersey Casino Control Commission in August 2012 and re-appointed in December 2014.

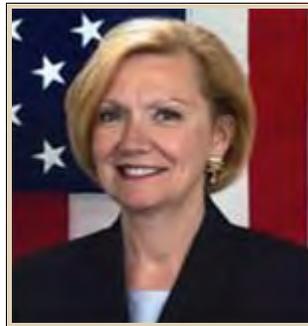
Cooper was born and raised in Atlantic City and is a graduate of Atlantic City High School. She earned a Bachelor of

Science degree in Music Education from the University of Maryland. She enjoyed a long career in the music and entertainment industry and owned "Alisa Cooper Orchestras" for several decades. During her career, she performed at the opening of Resorts International Casino Hotel in 1978 and entertained for numerous celebrities and famous sports figures. In 2008, Cooper was appointed to the New Jersey State Council on the Arts, giving her an opportunity to promote music and the arts throughout the state. Cooper's lifelong passion for music also led to a long career as a music educator.

In 2005, Cooper followed in the footsteps of her late mother, Assemblywoman Dolores Cooper and entered public service. Cooper won an "at-large" seat on the Atlantic County Board of Chosen Freeholders and was re-elected in 2008. While a Freeholder, she chaired the Education and Schools Committee and was a member of several committees including the Tourism, Gaming and Marketing Committee, Commission on Women and the Local Advisory Council on Drug and Alcohol Abuse.

Donating her "time and talents", and with her orchestra, she performed for numerous fundraisers and benefits. Throughout her career, Cooper received several awards for her charitable activities including raising thousands of dollars for The Food Bank of South Jersey and the Atlantic County Animal Shelter. In 2014, she was inducted into the Atlantic County Women's "Hall of Fame" for her many years in government and public service. Cooper is a member of the Board of Directors of Robin's Nest and belongs to numerous professional and philanthropic organizations.

Cooper resides in Linwood with her husband Douglas Little and their son, David Cooper Little, a student at Rutgers University in New Brunswick.



Commissioner

Sharon Anne Harrington became a Commissioner of the New Jersey Casino Control Commission in July 2009. She was reappointed by Governor Christie in June 2013.

Prior to joining the Casino Control Commission, Harrington served as Chief Administrator of the New

Jersey Motor Vehicle Commission (MVC) from March 2004 through July 2009. During her tenure at MVC, the customer experience was transformed and many services modernized. On-line technology solutions were added and enhanced and services streamlined.

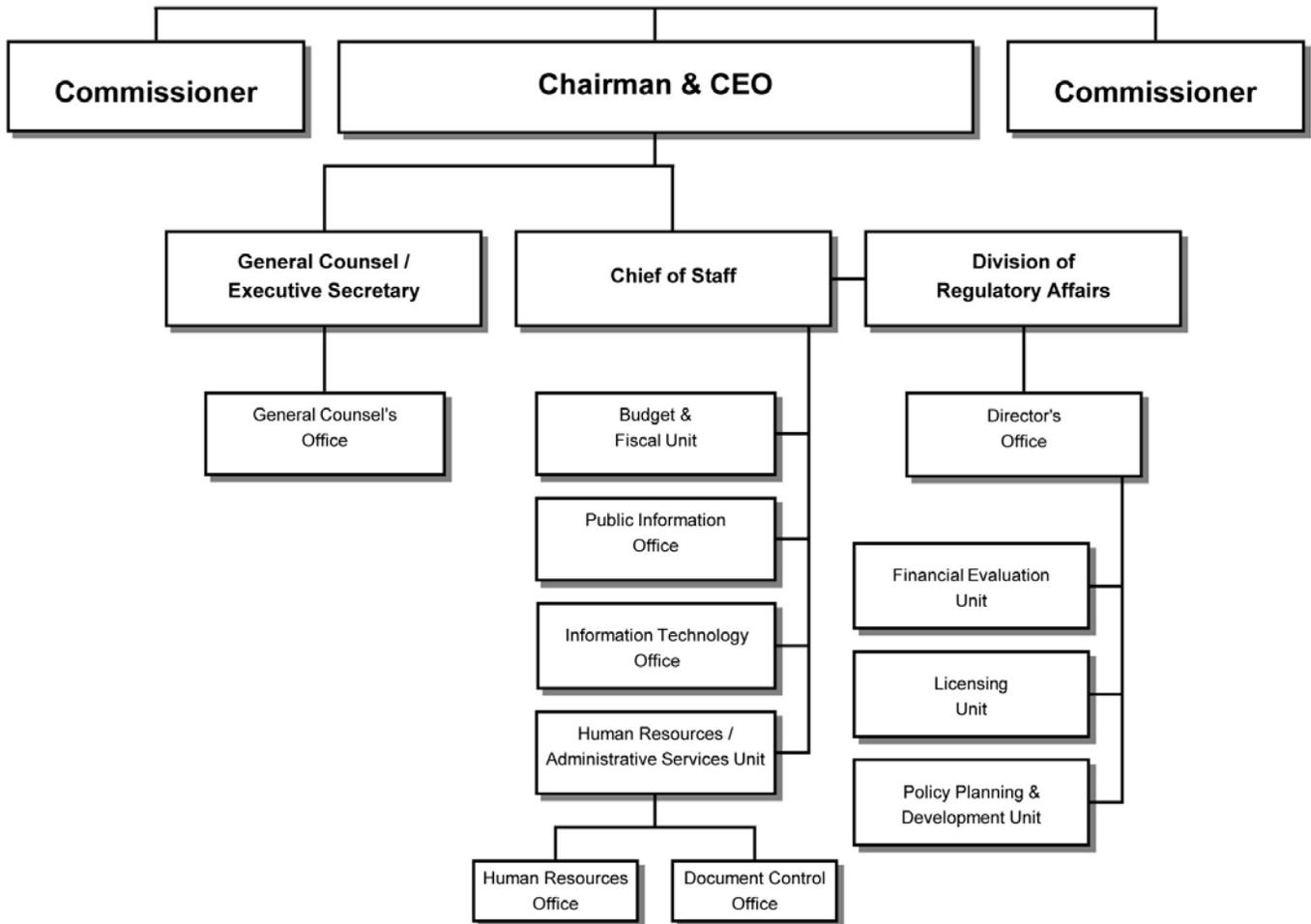
Commissioner Harrington was State Director for U.S. Senator Frank Lautenberg. She had previously been Managing Partner with Public Strategies Impact, a Trenton-based Government Relations/Public Affairs firm. Her portfolio included public and private sector clients at the state and federal levels. Harrington served as Vice Chair of the Region 1 Board of Directors of the American Association of Motor Vehicle Administrators (AAMVA) and on the International Board. She was also a member and past chairman of the New Jersey State Council on the Arts. She served as a member of the State Ethics Commission, Public Member to the New Jersey Cemetery Board (1981-1983), Commissioner on the Urban Enterprise Zone Authority (1984-1990) and a member of the New Jersey State Council on the Arts (1990-1996; 2002-2010).

Harrington currently serves as a board member of Art Pride New Jersey. Past service includes: the Non-Profit Finance Fund, the Atlantic City Special Improvement District Advisory Committee, the New Jersey Symphony Orchestra, the New Jersey Shakespeare Festival, Passage Theatre, the New Jersey Performing Arts Center, the Women of Irish Heritage of the Jersey Shore, as well as The New Jersey Cultural Trust.

Harrington is a graduate of Glassboro State College, now Rowan University, where she served on the Alumni Board. She is married to George Sullivan. They reside in Bradley Beach, Monmouth County.



NEW JERSEY CASINO CONTROL COMMISSION



From FY 2014 to FY 2015, the number of filled positions declined 17.3%.

Authorized Positions:
 FY 2015: 56
 FY 2014: 56

Filled Positions:
 FY 2015: 43
 FY 2014: 52



BUDGET SUMMARY

FOR THE FISCAL YEARS ENDED JUNE 30

	FY 2013	FY 2014	FY 2015
Request	\$8,590,732	\$8,592,233	\$8,205,000
Appropriations	\$8,590,732	\$8,205,000	\$8,205,000
Expenditures	\$7,916,941	\$7,024,255	\$6,008,242
Resources Not Spent	\$ 673,793	\$1,180,745	\$2,196,758

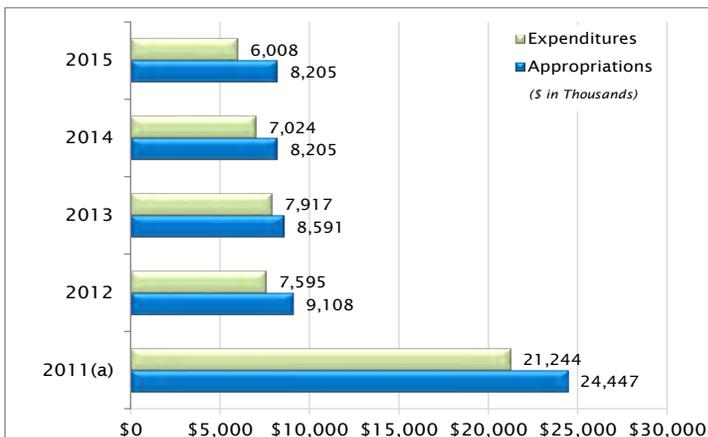
BUDGET COMPARISON BY APPROPRIATION UNIT

FOR THE FISCAL YEARS ENDED JUNE 30
(\$ IN THOUSANDS)

	FY 2013		FY 2014		FY 2015	
	Appropriated	Expended	Appropriated	Expended	Appropriated	Expended
Salaries & Fringe Benefits	\$6,103	\$5,694	\$5,717	\$5,287	\$6,018	\$4,752
Materials & Supplies	\$ 102	\$ 100	\$ 102	\$ 67	\$ 84	\$ 58
Services Other Than Personal	\$ 547	\$ 399	\$ 547	\$ 289	\$ 522	\$ 286
Maintenance & Fixed Charges	\$1,683	\$1,364	\$1,683	\$1,290	\$1,466	\$ 855
Special Purpose	\$ 45	\$ 16	\$ 45	\$ 19	\$ 16	\$ 21
Capital Additions & Equipment	\$ 111	\$ 344	\$ 111	\$ 73	\$ 99	\$ 36
Total	\$8,591	\$7,917	\$8,205	\$7,024	\$8,205	\$6,008

FINANCE STATISTICS

FOR THE FISCAL YEARS ENDED JUNE 30



(a) Duties and responsibilities significantly realigned in P.L. 2011, c. 19, February 1, 2011.

The Commission continues to underspend its budget annually.

From FY 2014 to FY 2015, the Commission reduced its expenditures by \$1 million or 14.5%.



In addition to focusing on its statutory responsibilities, the Commission's strategic goals address the importance of a positive and professional work environment. During the year, the Commission undertook several team building, outreach, and training activities as follows:

Team Building

- o To facilitate communication, regular scheduled meetings with the Chairman, Commissioners, Directors and Managers were conducted. In addition, events were held throughout the year to gather all employees together.
- o Commission staff continued using its Employee Development System (EDS), which is designed to enhance communication, teamwork, mentoring, and achievement.
- o In June, as part of the State of New Jersey's Wellness Campaign, employees participated in the Mid-Day Move.
- o In October, several employees were recognized for their years of service with the state.

Outreach

- o The Commission acknowledged the designation of March as Problem Gambling Awareness Month and expressed appreciation for the contribution and ongoing efforts of the Council on Compulsive Gambling of New Jersey.
- o In May and November, the Commission hosted and participated in blood drives for the American Red Cross.
- o In conjunction with our agency's commitment to support local charitable organizations, the Commission participated in several sub and salad sales to support Career Opportunity Development, Inc., a local charity that provides services for individuals with disadvantages and disabilities.



Casino Control Commissioners with Donald Weinbaum, recognizing his lifetime of work helping compulsive gamblers



Mid-Day Move Health Walk



Outreach (cont'd)

- o Starting in September, the Commission participated in the New Jersey State Employees Charitable Campaign.
- o In October, the Commission acknowledged Breast Cancer Awareness Month by conducting Wear Pink Day.
- o In November, the Commission collected food items and prepared baskets for distribution to local needy families.
- o In December, the Commission collected personal hygiene items for the Covenant House of Atlantic City which provides food, shelter, immediate crisis care and more to the homeless and runaway youth.
- o Also in December, the Chairman, Chief of Staff, and Public Information Officer volunteered at the Community Food Bank of New Jersey.



A day of service at the Community Food Bank of New Jersey

Training

In 2015, employees participated in the following training and seminars:

- o Job development training, such as Excel, SharePoint and Stress Management.
- o Continuing education for professional licenses.
- o Executive Level Discrimination in the Workplace Training.
- o First aid and AED training.
- o NJSTEP Leadership Training.

In 2015, both the General Counsel's Office and the Division of Regulatory Affairs participated in the Governor's Internship program, offering college students the opportunity to acquire valuable work experience.



Governor's Internship Program



David Scanlan, Chief of Staff

The Chief of Staff reports directly to the Chairman. The primary responsibility of the Chief of Staff is to ensure that the Commission functions effectively and efficiently. The Chief of Staff directs strategic planning, fiscal operations, agency-wide policy development, legislative liaison, and the implementation of plans and policies. The Commission's budget process, fiscal operations, human resources, information technology, public information, and all administrative matters are handled by employees who report to the Chief of Staff.

The ***Budget & Fiscal Unit*** is responsible for the Commission's annual budget, purchasing, asset tracking, and agency fiscal operations services. Throughout the year, Budget & Fiscal Unit employees diligently monitored the Commission's cash flow, assets, and budget for the fiscal year ending June 30, 2015, and reported the following:

- o The Commission worked diligently throughout the year to streamline operations and reduce expenditures. As a result, it underspent its \$8,205,000, appropriation for fiscal year 2015 by almost 26 percent or \$2,197,000. This savings was attributed to salaries and fringe benefits (57 percent), services such as telephone and information technology expenses (10 percent), and rent and parking expenses (27 percent) associated with the consolidation of Commission office and parking space.
- o The Commission's appropriation for fiscal year 2015 was \$8,205,000, consistent with the prior fiscal year, which continued to hold the level on expenses.
- o During fiscal year 2015, Commission authorized staffing levels remained at 56 positions. As of fiscal year ended June 2015, 43 of the 56 authorized positions were filled.

The ***Human Resources/Administrative Services Unit*** consists of two offices: Human Resources and Document Control/Administrative Services. The ***Human Resources Office*** is responsible for all personnel and employee services, including timekeeping, employee benefits, recruitment, compensation and classification, training, and for the maintenance and storage of personnel and training records. It also ensures agency compliance with all Civil Service Commission requirements and directives.



The *Document Control/Administrative Services Office* is the organizational hub of the agency and manages the Commission's incoming and outgoing mail, transportation, central files, document receipt and processing, building security, and all facilities operations. During the year, the employees of the Document Control/Administrative Services Office continued to review building access and security and implemented several recommendations to enhance overall building security. Noteworthy highlights for the two offices of the Human Resources/Administrative Services Unit are as follows:

- o Worked to reorganize the Commission's reception area and mail room which included the installation of an intercom system and new signage to better service the public.
- o Employees of the Human Resources Unit completed Pensions and Benefits training and webinars and Horizons' human resource training for professionals. In addition, employees of the Administrative Services Unit participated in training for a new document disposal system.
- o Worked to convert several human resource forms to electronic versions including an online Emergency Contact form which permits employees to make immediate updates online.
- o Coordinated several improvements to the Arcade Building including the installation of new air conditioning units.
- o Worked to improve building efficiencies, in areas such as, a new snow plow contractor, postal machine, and changes to the voicemail system.
- o Continued to purge employee personnel files and various work documents in accordance with the state's record retention schedule.
- o Worked to consolidate job duties and responsibilities in both units by streamlining and automating several job responsibilities which resulted in the reduction of staffing levels.
- o Relocated the Human Resources Office as part of the Commission's effort to consolidate building space in accordance with the Department of Treasury's space planning request.
- o Throughout the year, processed various training requests from employees.



The **Public Information Officer** reports to the Chief of Staff and is responsible for all media relations for the Commission. In addition, the Public Information Officer prepares a myriad of reports, presentations and speeches for the Chairman and serves as the Commission's Open Public Records Act (OPRA) custodian.

The **Information Technology Office** (I.T.) is responsible for administering the data processing needs of the Commission under the direction of the I.T. Management Team. The office provides for the security and high-availability of agency I.T. resources and provides a high level of customer service to employees of the Commission, the Division of Gaming Enforcement (DGE) and other Arcade Building tenants, casinos, and the public. This includes administering enterprise-level systems, the Microsoft Windows network environment, and the Citrix remote access environment, which is used by both regulatory agencies and casinos to access the casino licensing and regulatory systems. I.T. ensures that its activities occur in accordance with generally accepted best I.T. practices, pertinent statutes, regulations, executive orders, state directives, and agency policies.

The **I.T. Management Team** oversees all I.T. activities and meets regularly to coordinate projects, discuss operational issues, identify opportunities, and to establish priorities. The Team also serves as the agency's Change Control Workgroup required by state Circular 14-05-NJOIT (Operational Security Policy). Noteworthy highlights for the year include:

- o Continued to maintain an alternate Data Center in Trenton to provide disaster recovery and business continuity for both the Commission and DGE, in the event of business disruption at the primary data center in the Arcade Building.
- o Upgraded networking hardware at the disaster recovery site and reassigned older, unused hardware to the disaster recovery site, resulting in significant cost savings.
- o Implemented new email archiving software for policy-making management positions.
- o Retired legacy Windows XP devices.
- o Worked with the New Jersey Office of Information Technology (OIT) and the Commission's Budget & Fiscal Unit to eliminate redundant I.T. software costs, which will provide ongoing savings to the Casino Control Fund.
- o Revised I.T. policies to address the agency's stance towards emerging technologies.
- o Coordinated with OIT to provide Commission staff with encrypted email service.



Dianna Williams-Fauntleroy, Esq.
General Counsel/Executive Secretary

Under the supervision of the General Counsel, who also serves as the Commission's Executive Secretary and Ethics Liaison Officer, the *General Counsel's (GC's) Office* renders high quality legal advice to the Commission to support its daily decision making and to further the Commission's goals and objectives. On an ongoing basis the GC's Office works collaboratively with the staff of the Chief of Staff's Office and the Division of Regulatory Affairs in fulfilling their statutory objectives and agency initiatives, counsels the Commission on legal and ethics matters, and represents the Commission in any proceeding to which it is a party. Members of the General Counsel's Office support the Commission in the exercise of its statutory authority including the issuance of initial casino licenses, key employee licenses, consideration of contested key license matters and appeals from Orders and Actions of the Director of the Division of Gaming Enforcement (Division).

Enhanced collaboration and greater operational efficiency were key objectives for the office this year. In conjunction with the Chief of Staff's Office, a revised Record Retention Schedule was developed which was ultimately approved by the Department of Treasury resulting in an updated and more streamlined records management program. With a 25% reduction in attorneys, the reporting structure of the GC's Office was reorganized to eliminate individual operating units, focusing instead on collaboration and depth.

During the year the GC's Office assisted and rendered legal advice to the Commission during its consideration of a variety of complex matters including:

- o Petition of Trump Taj Mahal Associates, LLC for qualification of a new Entity and Natural Person Qualifiers, and other Declaratory relief.
- o Plenary qualification of Mark P. Frissora to serve as Chief Executive Officer Designate for Caesars Entertainment Corporation.
- o Adoption of new Rules in General Provisions, Chapter 40A, Applications for Key Employee Licenses, Chapter 41A and Casino Licensing, Chapter 43A.
- o Plenary Qualification of Mary E. Higgins to serve as Chief Financial Officer for Caesars Entertainment Operating Company, Inc.



Noteworthy highlights continued:

- o Petition of Resorts Digital Gaming, LLC and their Holding Companies for Casino Licensure of Resorts Digital Gaming, LLC and various rulings in connection therewith.
- o Plenary Qualification of Andrew Langham to serve as General Counsel of Ichan Enterprises GP, Inc.
- o Plenary Qualification of William Urga, Ellen Knowlton, Richard Morgan and Thomas Auriemma as members of the Compliance Committee for MGM Resorts International.
- o Plenary Qualification of CPPIB Credit Investments III, Inc. as a Financial Source of Marina District Development Company, LLC.
- o Petition of DGMB Casino, LLC (d/ b/a Resorts Casino Hotel), DGMB Casino Holding, LLC, MGA Gaming NJ, LLC and MGA Holding NJ, LLC for approval of an Amended and Restated Management Agreement and a Second Amended and Restated Limited Liability Company Agreement.

Staff of the GC's Office also advised the Commission during its consideration of numerous requests for initial and plenary qualification of the officers, directors and other specified employees of the casino licensees and, where applicable, their holding, intermediary and subsidiary companies.

Staff also conducted numerous case conferences to address objections raised by the Division for pending initial and resubmitted casino key license applications. All contested cases closed in 2015 resulted in satisfactory stipulations of settlement between the individual applicants and the Division. Several appeals filed from orders of the Director of the Division were resolved prior to hearing.

The GC's Office continually advises on policies and procedures to ensure consistency with all applicable Federal and State laws, rules and regulations and provides updates and analysis on legislative action concerning both casino related legislation and legislation pertaining to public entities. Additionally, the GC's Office serves as liaison to the Office of Administrative Law, and oversees the proposal and adoption of agency regulations. Working through multiple drafts and updates, the Commission attorneys successfully facilitated the Commission's adoption of new regulations governing the exercise of its statutory authority.



The Commission's designated *EEO Officer*, as a member of the GC's Office, ensures that the Commission adheres to all Federal and State law and equal employment opportunity policies for the protection of all employees at the Commission. In addition to other duties, the EEO Officer conducts Equal Employment Opportunity Exit Interviews of separating Commission employees, maintains required documentation for filing with the state's Division of EEO/AA Office, performs in-house training for Commission employees concerning state policies and facilitates in-person and online training for Commission employees. Additionally, the EEO Officer collaborates with the Human Resources Unit in facilitating the recruitment and hiring processes for vacancies within the Commission, specifically relative to procurement of EEO statistics, to ensure compliance with all applicable statutory mandates.

The GC's Office is also primarily responsible for preparation of the Commission's public meeting agenda, notices and minutes as well as access to public records. As the official records of the Commission and the files of the Executive Secretary are maintained by staff of the GC's Office, staff assisted the Commission's Public Information Officer with responses to over 100 requests for information and/or documents under the Freedom of Information Act and the Open Public Records Act.



Chairman Levinson addresses the 2015 East Coast Gaming Conference



Casino Control Commission Meeting



James E. Fehon, Director

The *Division of Regulatory Affairs* is responsible for implementing all statutory and regulatory responsibilities of the Commission other than legal affairs. The director is a member of the Commission’s management team, and serves as a principal regulatory policy advisor to the Commissioners. Regulatory Affairs includes three operational units, each with its own statutorily defined role: Financial Evaluation, Licensing, and Policy Planning & Development. The director ensures the division and its units operate in accordance with pertinent statutes, regulations, executive orders, state directives, and agency policies. The director coordinates the Commission’s Business Continuity Plan and is a member of the agency’s Information Technology Management Team, which oversees the Information Technology Office.

The division also includes, as part of the director’s office, the *Project Management & Automation (PM&A) Team*. This team oversees projects, most notably: administration and maintenance of custom developed casino licensing and regulatory I.T. systems; and software programming and development for the IBM i servers used by both the Commission and the Division of Gaming Enforcement (DGE). It assists operational units in the development of Standard Operating Procedures and the automation of manual processes. Noteworthy highlights for the PM&A Team for the year include:

- o Maintained and enhanced both the Commission’s website and its intranet. Improved the usefulness of numerous webpages, such as the page for Commission regulations.
- o Continued to support the Commission’s effort to streamline and automate paper processes, including the creation of digital libraries.
- o Completed a project to consolidate the Commission’s and the DGE’s IBM i servers in order to reduce the total cost of ownership for both agencies. The PM&A Team had a lead technical role in the project, which is estimated to save the Casino Control Fund \$30,000 annually in IBM i maintenance related costs.
- o Continued to support custom developed agency applications as well as applications shared with the DGE, including the billing system, the electronic cost accounting and timekeeping system, and the employee license system.
- o Major progress continued on a multi-year project to modernize and enhance the employee license system, including its user interface. Existing internal resources of the Commission and the DGE have been leveraged in order to provide savings to the Casino Control Fund. Upon implementation, the enhanced system will enable both the Commission and DGE to better serve customers at lower cost.



The **Financial Evaluation Unit** is responsible for facilitating the Commission's responsibilities under Section 82e (undue economic concentration), Section 84 (financial stability) and Section 87 (casino license applicants) of the Act, by providing expert advice and consultation to the Commissioners on all matters of a financial or economic nature. This unit also facilitates the Commission's financial reporting responsibilities and performs the certification and review of casino parking fee revenue under Section 173.5 of the Act, which benefits both the Casino Revenue Fund and public projects undertaken by the Casino Reinvestment Development Authority (CRDA). Noteworthy highlights for the year include:

- o Conducted parking fee audits to ensure the integrity of the \$3.00 parking fee remittance and oversaw the invoicing for the collection of parking fee assessments.
- o Coordinated with the Department of Treasury to receive quarterly reports on the Atlantic County Sales & Use Tax and shared this information with agency partners.
- o Completed ongoing analyses of the economic concentration of gaming space and total revenue of both the Atlantic City casino industry and the regional casino industry utilizing the Herfindahl-Hirshman Index. Prepared an economic concentration analysis utilized during the Taj Mahal restructuring hearing.
- o Evaluated financial stability in the casino industry and supported the Commission's decision-making process in the issuance of a statement of compliance to Hard Rock AC, Resorts Digital Gaming's petition for casino licensure, and approval of Resorts' Amended Management & LLC Agreements.
- o Provided confirmation of CRDA parking fee revenue to the outside independent auditor.
- o Provided a five-year parking fee forecast to the Department of Treasury for inclusion in the State Budget.
- o Coordinated and completed the agency's Internal Control Review as required by the state.

Since FY 2004, the Commission has Certified Parking Fee Revenue of \$374.4 Million.

In FY 2015, the Commission Certified Parking Fee Revenue of \$22.4 million.

In FY 2015, \$3.7 million funded programs that benefited aged and disabled residents of the state.

In FY 2015, \$18.7 million was allocated for Atlantic City projects by the CRDA.



The *Licensing Unit* is primarily responsible for implementing the Commission's responsibilities under Sections 89, 94 and 95 of the Act. It specifies the content of applications for casino key employee licensure, accepts and analyzes those applications, and issues licenses and temporary licenses. It monitors casino key employee license and employment practices of the gaming industry, and assists the Commissioners in addressing related issues and policies. Noteworthy highlights for the year include:

- o Continued the review of compliance with Section 9 of the Act that defines managers and supervisors of information technology employees, marketing executives and security shift managers as casino key employees.
- o Received revenue transmittals from key license applicants and forwarded them to the Division of Gaming Enforcement's (DGE) Revenue Unit.
- o In conjunction with the DGE, continued to refine employment policy and procedures for key employees of Internet gaming platform providers. In addition, reviewed Resorts Digital's petition for key licenses.
- o Handled 40 requests to inactivate key licenses and recommended to the Commission that 45 key licenses be deemed lapsed.
- o Performed intake and processing of initial key license applications and resubmission review forms, including accurate transmittal of fees, production and distribution of key license credentials for licenses approved at the Commission's meetings as well as those approved via delegated authority. Handled 50 plenary key license applications and 137 resubmission reviews and collected \$140,250 in fees. See page 22 for details.
- o Printed monthly key license resubmission lists and mailed 345 letters to key licensees regarding the filing of resubmission forms.
- o Handled 47 requests for temporary casino key licenses via delegated authority.
- o Responded to requests from various gaming jurisdictions regarding the status of key employees licensed in New Jersey as well as inquires pertaining to Commission policies and procedures for key employee licensing. Also, met with members of the Bahamas Gaming Board to discuss casino key employees.
- o Produced 170 monthly key employee licensing reports for use by the casino industry, public (via CCC or DGE websites) and Commission and DGE staffs.
- o In conjunction with the General Counsel's Office, prepared the Commission meeting agenda items relating to all Licensing Unit matters.
- o Maintained database and generated records regarding Multi-Casino Endorsements (MCE). Handled 14 new MCE petitions.
- o Tested and monitored, on a daily basis, connectivity between all components of the intake automation system.



The *Policy, Planning and Development Unit* is primarily responsible for implementing Section 72 of the Casino Control Act. Section 72 requires the Commission, in consultation with the Division, to carry on a continuous study of the operation and administration of casino control laws which may be in effect in other jurisdictions, related literature and federal laws, as well as the reaction of New Jersey citizens to existing and potential features of casino gaming. As the Commission's main research arm, this unit monitors trends and emerging technologies in the operation of casinos; performs ongoing studies of Internet wagering and wireless gambling, and develops recommendations to modernize the Act and New Jersey gaming regulations as necessary to keep pace with the rapidly evolving landscape of casino gaming; makes recommendations for leveraging the unique attributes of the Atlantic City Tourism District; and assists the Commission in carrying out its responsibility to ascertain any defects in the Act to prevent abuses and make annual reports to the Governor and the Legislature. Noteworthy highlights for the year include:

- o Researched the proliferation of gaming along with the most recent gambling trends including license fees and criteria for the selection of limited gaming sites.
- o Monitored the status of Internet wagering for 24 states with commercial casino gaming.
- o Monitored regulatory costs and gross revenue tax rates for 24 states with commercial casino gaming.
- o Collected information related to leased and owned food & beverage and retail space of the casinos.
- o Conducted a review of old files for compliance and destruction in accordance with the agency's new records retention schedule.
- o Prepared an analysis of non-gaming and gaming revenue including third party business sales.
- o Analyzed market share, operating profit and vendor business of the Atlantic City casinos.
- o Performed analyses and created maps of regional casino competition.
- o Monitored pending legislative changes and related issues.
- o Provided various agency partners with monthly, quarterly, and trailing twelve month charts related to Casino Parking Fee Revenue, Atlantic City Luxury Tax and Tourism Promotional Fee Revenue and a yearly analysis of Sales Tax collected in Atlantic City.
- o Conducted research on definition of "skill vs. chance" and the state of Daily Fantasy Sports in the United States.
- o Created charts of casino revenue fund obligations since inception and casino reinvestment obligation taxes and fees.
- o Performed analyses of gaming revenues, including free slot play for Atlantic City casinos and its regional casino competition.



ATLANTIC CITY CASINO INDUSTRY CASINO KEY LICENSES ACCEPTED (INTAKE) AND ISSUED*						
FOR THE YEAR ENDED DECEMBER 31, 2015						
	Initial Intake	Resubmission Intake	Monthly Intake	Initial Issued	Resubmission Issued	Monthly Issued
January	7	2	9	1	6	7
February	3	7	10	3	2	5
March	1	6	7	6	12	18
April	2	11	13	9	3	12
May	3	9	12	2	3	5
June	5	14	9	4	4	8
July	2	11	13	4	9	13
August	5	11	16	6	3	9
September	10	23	33	5	6	11
October	3	18	21	4	5	9
November	6	21	27	2	6	8
December	3	14	17	2	1	3
Totals	50	137	187	48	60	108

*Issued figures do not include 47 Temporary Licenses.

ATLANTIC CITY CASINO INDUSTRY CASINO KEY LICENSE FEES COLLECTED			
FOR THE YEAR ENDED DECEMBER 31, 2015			
	Initial Fees	Resubmission Fees	Monthly Total Fees
January	\$ 5,250	\$ 1,500	\$ 6,750
February	2,250	5,250	7,500
March	750	4,500	5,250
April	1,500	8,250	9,750
May	2,250	6,750	9,000
June	3,750	3,000	6,750
July	1,500	8,250	9,750
August	3,750	8,250	12,000
September	7,500	17,250	24,750
October	2,250	13,500	15,750
November	4,500	15,750	20,250
December	2,250	10,500	12,750
Totals	\$ 37,500	\$ 102,750	\$ 140,250



Atlantic City Casinos

Boardwalk Casinos



Bally's Atlantic City

Park Place and the Boardwalk
Atlantic City, NJ 08401
609-340-2000

www.caesars.com/ballys-ac



Caesars Atlantic City

2100 Pacific Avenue
Atlantic City, NJ 08401
609-348-4411

www.caesars.com/caesars-ac



Resorts Casino Hotel

1133 Boardwalk
Atlantic City, NJ 08401
1-800-772-9000

www.resortsac.com



Tropicana Atlantic City

2831 Boardwalk
Atlantic City, NJ 08401-6338
1-800-843-8767

www.tropicana.net



Trump Taj Mahal

1000 Boardwalk at Virginia Avenue
Atlantic City, NJ 08401
609-449-1000

www.trumptaj.com

For more detailed information visit: <http://www.njccc.gov/home/info/index.html>

Capital investment in the Atlantic City casino industry on a cumulative basis since 1978, including the initial cost of construction for each property and subsequent capital improvements, has been \$17.4 billion.



Marina District Casinos



Borgata Hotel Casino & Spa

One Borgata Way
Atlantic City, NJ 08401
609-317-1000
www.theborgata.com



Golden Nugget Atlantic City

Huron & Brigantine Blvd.
Atlantic City, NJ 08401
800-653-9894
www.goldennugget.com/AtlanticCity/



Harrah's Resort Atlantic City

777 Harrah's Blvd.
Atlantic City, NJ 08401
609-441-5000
www.caesars.com/harrahs-ac

ATLANTIC CITY CASINO INDUSTRY CASINO FACILITY STATISTICS AS OF DECEMBER 2015

	Table and Other Games	Poker	Slot Machines	Total Gaming Space (sq ft)	Parking Spaces
Bally's A.C.	129	42	1,840	121,624	2,668
Borgata*	184	82	3,026	160,745	6,433
Caesars A.C.	137	0	1,855	115,225	5,320
Golden Nugget	78	10	1,454	79,980	2,690
Harrah's A.C.	135	40	2,172	154,795	5,941
Resorts	72	0	1,561	83,016	1,871
Tropicana	109	22	2,343	124,791	4,940
Trump Taj Mahal	130	0	2,519	159,998	6,316
Industry Totals	974	196	16,770	1,000,174	36,179

*Only casino with simulcasting. Total includes 23,620 sq ft simulcast facility.

Source of data: Monthly Gross Revenue Reports Form DGE-101. Parking spaces provided by the casinos to the CCC.



Borgata Hotel Casino & Spa

- o In March, introduced social and skill-based gaming with its \$10,000 Guaranteed Basketball Free Throw Tournament.
- o In April, hosted the \$5 Million World Poker Tour Championship for the second year in a row.
- o In June, opened Borgata Festival Park, a 4,500-capacity outdoor concert venue and festival grounds. The kick-off concert featured the Hooters, G. Love & Special Sauce, and Southside Johnny & the Asbury Jukes.
- o In September, hosted the Miss'd America pageant.
- o In October, announced a partnership with PLAYSTUDIOS to offer myVEGAS rewards. Patrons earn rewards redeemable from a variety of partners by playing free-to-play casino games via Facebook and mobile apps.
- o In November, held Savor Borgata Weekend for the fourth year. Events included signature dinners, culinary classes and activities, and a culinary demonstration by Iron Chef Bobby Flay.
- o Promotions held throughout the year included: Pick the Pros \$1 Million Football Challenge, Mercedes ML350 and C300 Giveaways, \$20,000 Slot Tournaments, Racebook \$10,000 Handicapping Tournament, \$5,000 and \$1,500 Bonus Slot Dollars Every 15 Minutes, \$50,000 Amazon Gift Card Sweepstakes, and 5X and 10X Slot Dollars.

- o Voted best Hotel, Pool, Spa, Casino, Comps, and Live Poker for 2015 by *Casino Player Best of Gaming*.
- o Entertainment throughout the year included: Lisa Lampanelli, Lewis Black, Jerry Seinfeld, Kathy Griffin, Sarah McLachlan, Darius Rucker with Cassadee Pope, Willie Nelson & Old Crow Medicine Show, The Beach Boys & America, Wayne Brady, Wendy Williams, Paramore, Tony Orlando, The Band Perry, Mary J. Blige, Rob Thomas, Frankie Valli, and Cage Fury Fighting Championships.

Caesars Entertainment Atlantic City

- o In September, celebrated the grand opening of its \$126 million Harrah's Resort Atlantic City Waterfront Conference Center. The 100,000 square foot state-of-the-art facility can accommodate up to 5,000 attendees and has flexible meeting space that can be broken down into separate small meeting rooms with up to 300 different configurations.
- o Throughout the year, conducted several Total Rewards promotions to reward its patrons, such as Earn Free Parking when you spend \$75 in cash at any restaurant at Caesars or Bally's.
- o During October through early December, Total Rewards patrons could "Enjoy Your Bite" and receive 15% off at selected restaurants at Bally's, Caesars and Harrah's.



Bally's Atlantic City

- o Reopened its seasonal Bikini Beach Bar. Entertainment included DJs and local bands, Latin Night, Reggae Night, and Rockstar Karaoke.
- o In June, hosted the inaugural Boardwalk Beer Festival.
- o In November, hosted the Atlantic City Tattoo Expo featuring tattoo artists from around the world.
- o Voted best Table Game Tournaments, Poker Tournaments, Reel Slots, and Craps for 2015 by *Casino Player Best of Gaming*.
- o Promotions held throughout the year included: WSOP Daily Poker Tournaments and Fall Into Cash Drawings.
- o Once a month, offered free concerts at the Mountain Bar. Throughout the year, offered entertainment at the Blue Martini and Mountain Bars.

Caesars Atlantic City

- o In February, celebrity chef Gordon Ramsay of "Hell's Kitchen" opened his new restaurant, Gordon Ramsay Pub & Grill. The official grand opening ceremony of the new restaurant was held in April, with Gordon Ramsay in attendance to partake in the festivities.

- o Entertainment throughout the year included: Moody Blues, Crosby, Stills and Nash, Smokey Robinson, Cedric The Entertainer, Martin Lawrence, The Little River Band, Kenny Rogers, American Idol Live Tour, Melissa Etheridge, Diana Krall, Aretha Franklin, The Commodores, The Oak Ridge Boys, Blackberry Smoke, The Jacksons, Kenny "Babyface" Edmonds, ZZ Top, Elf The Broadway Musical, and Brian Setzer Orchestra 12th Annual Christmas Rocks! Tour.

Harrah's Resort Atlantic City

- o In February, hosted the Men R' Cookin' event to raise money for the Boys & Girls Club of Atlantic City.
- o Voted favorite Casino Resort for a Vacation for 2015 by *Casino Player Best of Gaming*.
- o The Pool After Dark continued to offer a place to swim, dance and party. It continues to be well-known for celebrity hosts and performers.
- o Promotions included the \$250,000 Summer Of Jackpots.
- o Entertainment throughout the year included: Masters of Illusion, Chaka Kahn, Michael Bolton, Jason Alexander, Whoopi Goldberg, The Osmond Brothers, Village People, Jefferson Starship, Sister Sledge, and Rain: A Tribute To The Beatles.



Golden Nugget Hotel Casino

- o In May, celebrated the two-year anniversary of Haven Nightclub and kicked off the Summer of Sunday Nights entertainment series.
- o Renovated the H2O Pool + Bar, refurbishing 14 cabanas to include a flat screen television, refrigerator, ceiling fan and lavish furniture, and installed three VIP cabanas with views of the Atlantic City skyline.
- o In August, the Cali-Ital Summer Winefest was held, as was the Third Annual Woodstock Era Experience Deckstock.
- o In September, received CRDA approval to convert unused restaurant space into two 2,400 square foot villas with marina views. Also in September, held the Fifth Annual Craft Beer Festival.
- o In October, hosted the Smokin' Hot Atlantic City 2015 BBQ Championship.
- o In November, held the Whiskey Revival.
- o In December, Grotto Ristorante announced a total redesigned menu by new head chef Carmine Favuzzi. Also in December, opened its new casino floor expansion in the former Live! Bar space, with 78 new slot machines, four blackjack tables, a roulette table, a bar, and eight televisions.
- o Promotions held throughout the year included: free self-parking, Big Game Super Bash Contest, Bingo Bonanza, \$250,000 March Money Madness, Golden Days Celebration, Tier Points Multiplier days, \$100,000 Gift Extravaganza, 2015 Lexus IS 250 Giveaway, \$1 Million Golden Gridiron, and a Mercedes CLA 250 Giveaway.

- o Throughout the year, held several Slot and Poker tournaments.
- o Entertainment throughout the year included: Aaron Lewis, Eddie Money, Paul Anka, Merle Haggard, Neil Sedaka, Rodney Carrington, Herman's Hermits Starring Peter Noone, Dick Fox's Golden Boys featuring Frankie Avalon, Fabian and Bobby Rydell, Last Comic Standing, Andrew Dice Clay, and Michael Bolton.

Resorts Casino Hotel

- o In March, hosted the 13th Annual Garden State Film Festival.
- o In August, celebrated the opening of its new multi-faceted Conference Center, featuring the latest in audio-visual technology. There are 24 meeting and function rooms with more than 64,000 square feet of usable space, several rooms have natural lighting and ocean views.
- o In September, hosted the 3rd Annual Craft Beerfest, featuring beers from around the country and from local and regional breweries. Live entertainment was provided by Seven Stone band.
- o In October, the Casino Control Commission approved a new management agreement between Resorts and Mohegan Gaming Advisors, extended through 2019.



Resorts Casino Hotel (Cont'd)

- o Voted best Hotel Staff, Hotel Suites, Dealers, Blackjack, and Video Slots for 2015 by *Casino Player Best of Gaming*.
- o Promotions held throughout the year included: \$1 Million Blackjack Challenge, \$1 Million Roulette Challenge, Slot Tournaments, Winter Car Kit Giveaway, \$100,000 Count Up To Cash, Lucky Locals Deals, Scoreboard Payoff, I Can Sing, New Members Spin to Win, Summer Corn Hole Tournament, 2016 Audi A3 Sweepstakes, and 2016 Mercedes CLA 250 Sweepstakes.
- o Entertainment throughout the year included: Chubby Checker, Easton Corbin, Joy Behar, Kool & The Gang, Dancing With The Stars, Heart By Heart, Brass Transit, ABBA: The Concert, The Spinners, Chippendales, Blues Traveler, Danielle Bradbery, Tony Orlando, and Broadway Holiday Show.

Tropicana Casino and Resort

- o In January, hosted the 2015 *AC Weekly Nightlife Awards*.
- o In April, announced it will collaborate with Ruby Seven Studios to develop and launch an online social gaming site offering access to free casino style games via mobile, Facebook and personal computers.

- o In May, completed a \$50 million renovation which included a complete transformation of the North Tower casino floor and the 434 North Tower hotel rooms, opened 10 North — a new lounge with a fireplace and bar-top slot machines — and they partnered with AtlantiCare to open a new fitness center. Also, as part of its new modern upgrades, introduced a brand new resort logo.
- o In May, introduced daily shows every 30 minutes in a choreographed multimedia light and sound show. In addition, offered fireworks every Saturday through September.
- o In August, hosted the 8th Annual Taste of the Quarter, which benefits the United Way of Greater Philadelphia and Southern New Jersey.
- o In October, introduced Criss Cross Poker, a new poker variation that gives players two ways to win on a single hand with payouts as high as 500 to 1.
- o Voted best Players Club, promotions, casino to play video poker and roulette for 2015 by *Casino Player Best of Gaming*.
- o Promotions included: \$1 Million Big Spin Lotto, \$250,000 4th Annual Slot Star Challenge Slot Tournament, Double Comp Points on Table Games, and one-to-one comps at over 50 food and beverage and retail outlets.



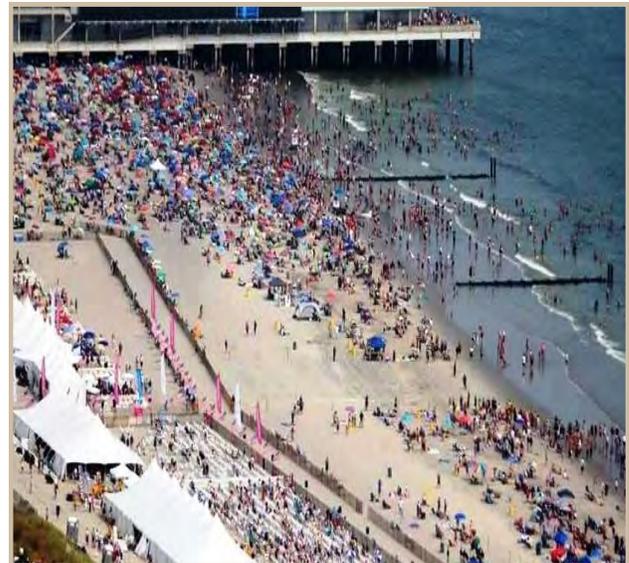
Tropicana Casino and Resort (Cont'd)

- o Held several events throughout the year that focused on its restaurants including: Beer Week, Bacon Week, Chocolate Week, Martini Week, and Seafood Week.
- o Entertainment throughout the year included: Dion, O.A.R., Steve Harvey, Natalie Cole, Eli Young Band, D.L. Hughley, KC And The Sunshine Band, The Dan Band, Ring of Combat, The Guess Who, Meat Loaf, David Cassidy, and Carlos Mencia.

Trump Taj Mahal Casino Resort

- o In October, hosted its 22nd Annual Oktoberfest with food, beer, and entertainment from Germany.
- o In November, hosted the 2015 World Natural Bodybuilding Federation Championships.
- o Throughout the year, held several Slot Tournaments with cash prizes ranging from \$50,000 to \$140,000, and voted best Slot Tournaments for 2015 by *Casino Player Best of Gaming*.
- o At times throughout the year, offered free parking.
- o Entertainment throughout the year included: Trace Adkins, Pete Davidson, Boston, Toby Keith, Kellie Pickler, Culture Club, Chris Tucker, Wilson Phillips, Phil Vassar, The Pointer Sisters, Whitesnake, Martina McBride, and the B-Street Band.

- o Actively pursued new customers by offering 100X Tier Points, 100X Slot Dollars and 100X Comp Dollars.
- o Promotions held throughout the year included: \$35,000 Win a Trip Sweeps, \$50,000 Bingo, Win a Buck and \$50,000 Sweeps, \$10,000 One Cash Winner, Mustang Madness, \$50,000 Gas Card Sweepstakes, Summer Beach House Sweepstakes, \$200,000 Labor Day Sweepstakes, Columbus Day Sweeps, \$50,000 Macy's Sweepstakes, 100 TV Sweeps, and \$10,000 Great Outdoors Sweepstakes.



Spectators gathered for the 2015 Atlantic City Air Show — Thunder Over The Boardwalk — Atlantic City's single largest free summer event drawing hundreds of thousands of visitors.



ATLANTIC CITY CONVENTION & MEETING SPACE*

	TOTAL MEETING SPACE (sq ft)	NUMBER OF MEETING ROOMS	LARGEST MEETING ROOM (sq ft)	NUMBER OF SLEEPING ROOMS
ATLANTIC CITY CASINOS				
Bally's AC	80,000	28	14,432	1,169
Borgata	70,000	40	29,398	2,000
The Water Club at Borgata	18,000	25	3,939	800
Caesars AC	30,000	17	17,135	1,141
Golden Nugget	54,000	16	16,920	727
Harrah's AC (Waterfront Center)	125,000	63	49,447	2,590
Resorts	65,000	24	17,759	942
Tropicana	122,000	52	20,000	2,078
Trump Taj Mahal	155,000	22	63,000	2,010
Totals	719,000	287	-	13,457
NON-HOTEL SPACE				
Atlantic City Convention Center	595,700	50	486,600	-
Boardwalk Hall**	25,000	6	23,100	-
One Atlantic	30,000	8	6,789	-
Totals	650,700	64	-	0
Grand Totals	1,369,700	351	-	13,457

*Does not include non-casino hotels.

**Does not include 141,000 square ft. main arena.



Harrah's \$126 Million Waterfront Conference Center



Resorts' Multi-Faceted Conference Center



2015 Atlantic City Highlights



Classic Car Show



Unlocking the Ocean



Miss America*



Beach Concerts



Fireworks Celebration*

*Photo Credit: www.njcrda.com

- JAN**
- Fleetwood Mac @ Boardwalk Hall
 - National Candy Gift & Gourmet Show
 - Atlantic City Indoor Midget Car Show

- FEB**
- Atlantic City RV & Camping Show
 - Atlantic City Boat Show
 - Atlantic City Classic Car Show
 - Home & Garden Show

- MAR**
- Atlantic City Restaurant Week
 - Garden State Film Festival
 - St. Patrick's Day Parade
 - Atlantic City Beer and Music Festival

- APR**
- Grand Opening of Bass Pro Shops
 - April Fools Marathon

- MAY**
- Memorial Day Celebrations
 - Draftkings Boardwalk Bowl: Soul vs Outlaws
 - WWE Live! @ Boardwalk Hall

- JUN**
- Grand Opening of Playground's T-Street
 - Atlantic City Summer Concert Series 2015
 - Challenge Atlantic City Triathlon
 - Atlantic City Offshore Grand Prix

- JUL**
- DO AC Broadway on the Boardwalk
 - Atlantic City Taste: Food & Wine Spirits Festival
 - 4th of July Fireworks Celebrations

- AUG**
- Rascal Flatts AC Beach Concert
 - Maroon 5 AC Beach Concert
 - Atlantic City Salutes America's Armed Forces Parade
 - Jazz on the Beach Concert Series

- SEP**
- Miss America Parade & Pageant
 - Atlantic City Airshow
 - Atlantic City Seafood Festival

- OCT**
- In-Water Power Boat Show
 - Atlantic City Marathon
 - Madonna @ Boardwalk Hall
 - Atlantic City Cinefest
 - The Great American RV Show
 - Atlantic City Comedy Festival @ Boardwalk Hall

- NOV**
- New Jersey Education Association Convention
 - New Jersey League of Municipalities

- DEC**
- Kevin Hart @ Boardwalk Hall
 - Deck The Hall - Festival of Trees



Boat Show



Boardwalk



Bass Pro Grand Opening*



Atlantic City Airshow*



T-Street @ Playground



During the year, the Division of Gaming Enforcement (DGE) amended the regulations governing Internet gaming operations several times. Amendments included:

- additional requirements relating to both the display of responsible gaming information and training for those employees who interact with Internet gaming patrons;
- a new system which permits individuals to voluntarily self-exclude themselves without having to travel or first go to an Internet gaming website; and
- requirements to permit Scientific Games to provide online casino games from servers located in Caesars Atlantic City's data center for the Delaware Lottery's online gaming platform. Those games are only available to Delaware online gaming patrons.

In March, the first in a series of four annual reports issued by the Center for Gambling Studies at the Rutgers University School of Social Work was posted on the DGE's website.

INTERNET GAMING HIGHLIGHTS

Borgata Hotel Casino & Spa

- Throughout the year held several online Poker tournaments including the Garden State Super Series consisting of 69 tournaments and \$1 million prize money, the New Jersey Championship of online Poker with 34 events and \$1 million in prize money, and the Garden State Super Series online Poker tournament consisting of 43 tournaments and \$800,000 in prize money.
- In September, PalaCasino.com launched its first mobile app to casino games on smartphone and tablet devices with a \$20 registration reward and a chance to win \$1 million.
- In October, announced the exclusive availability of select NetEnt games on BorgataCasino.com. Also in October, BorgataCasino.com awarded its largest jackpot to date, paying a \$268,032 progressive slot prize.
- Internet gaming promotions included: Spring It On Me Sweepstakes, Ultimate Winecation Giveaway, \$5,000 End of Summer Sweepstakes, Pick Pros Online Challenge with a \$200,000 prize pool, Escape to the Slopes Ultimate Ski Vacation Giveaway, and up to \$1,000 Bonus Dollars.



Caesars Interactive Entertainment (CIE)

- o In July, CIE partnered with Income Access to launch affiliate programs in Nevada and New Jersey for its Internet websites. The program will allow CIE to manage its online ad campaigns.
- o In 2015, PayPal started doing business with online players to fund their gaming deposits to play on CIE's websites.

Golden Nugget Hotel Casino

- o In February, an online patron won \$1.52 million while playing Let It Ride on BetfairCasino.com.
- o In July, entered into an agreement with NYX Gaming Group Limited for a brand new website and enhanced mobile applications which launched on December 1, 2015.
- o In September, ceased operations of its free-play online poker site.
- o Throughout the year offered bonuses and cash back rewards to its online patrons.

Resorts Casino Hotel

- o In February, began Internet operations with ResortsCasino.com. In July, added a new skin launching MoheganSunCasino.com.
- o In April, opened its one-of-a-kind iGaming Lounge adjacent to the Bar One lounge featuring the latest technology devices, interactive seating areas, and technical support.

- o In August, Resorts Digital, a new subsidiary of Resorts, was granted a casino license to operate its online casino business.
- o In September, the DGE approved a partnership between PokerStars and Resorts granting transactional waivers to Amaya Gaming to operate its PokerStars and Full Tilt subsidiaries. As of year-end 2015, the new website was not yet operational.
- o In October, a new management agreement allowed the Mohegan tribe of Connecticut to invest in Resorts' Internet gambling operations.

Tropicana Casino and Resort

- o In March, became the first online casino in the United States to offer 90 Ball Bingo.
- o In April, TropicanaCasino.com introduced Trop Advantage comp dollars for online play.



Resorts' iGaming Lounge



For the year ended December 2015 versus 2014, Internet gaming win grew in each of the twelve months and was up \$26 million or 21.2% for the year. Golden Nugget had the largest year over year increase of 185.8% and Tropicana was next with 45.4%. Since the inception of Internet gaming operations to year end 2015, Internet Gaming Revenue was \$280 million and Internet Gross Tax Revenue was \$42.1 million. See pages 40-41 for more detailed information on Internet gaming win by licensee.

As of July 2016, as provided by the DGE, a total of 19 authorized sites offered Internet gaming in New Jersey. See chart below.

ATLANTIC CITY INTERNET OPERATING WEBSITES

LICENSEE	DATE APPROVED FOR FULL PLAY	PLATFORM PROVIDERS	AUTHORIZED SITES (as of July 2016)
Caesars Interactive Ent. (affiliate of Caesars A.C.)	Nov. 25, 2013	888	HarrahsCasino.com WSOP.com us.888.com us.888poker.com us.888casino.com
	Nov. 25, 2013	Amaya/NYX Gaming	CaesarsCasino.com
Borgata	Nov. 25, 2013	BWIN	Borgatacasino.com Borgatapoker.com NJ.Party poker.com
	Nov. 19, 2014	Pala Interactive	palacasino.com palabingousa.com
Golden Nugget	Dec. 1, 2015	Amaya/NYX Gaming	GoldenNuggetCasino.com nj-casino.goldennuggetcasino.com
	Nov. 21, 2014	Betfair	betfaircasino.com
Resorts Digital (affiliate of Resorts)	February 25, 2015 July 24, 2015	Amaya/NYX Gaming	resortscasino.com mohegansuncasino.com
	March 21, 2016	Amaya	pokerstarsnj.com
Tropicana	Nov. 25, 2013	GameSys	tropicanacasino.com virgincasino.com

Note: Internet permits and approval to do business with the intermediaries granted by Orders and Actions of the Director of the Division of Gaming Enforcement.



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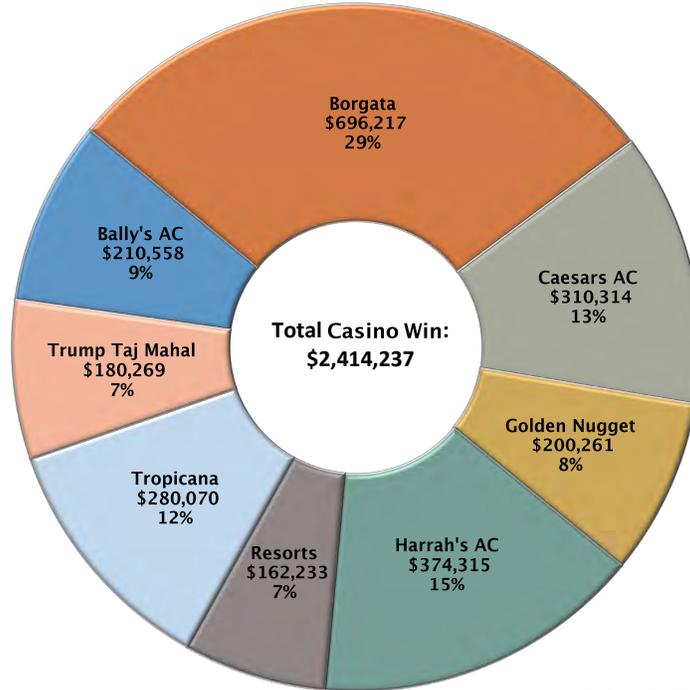
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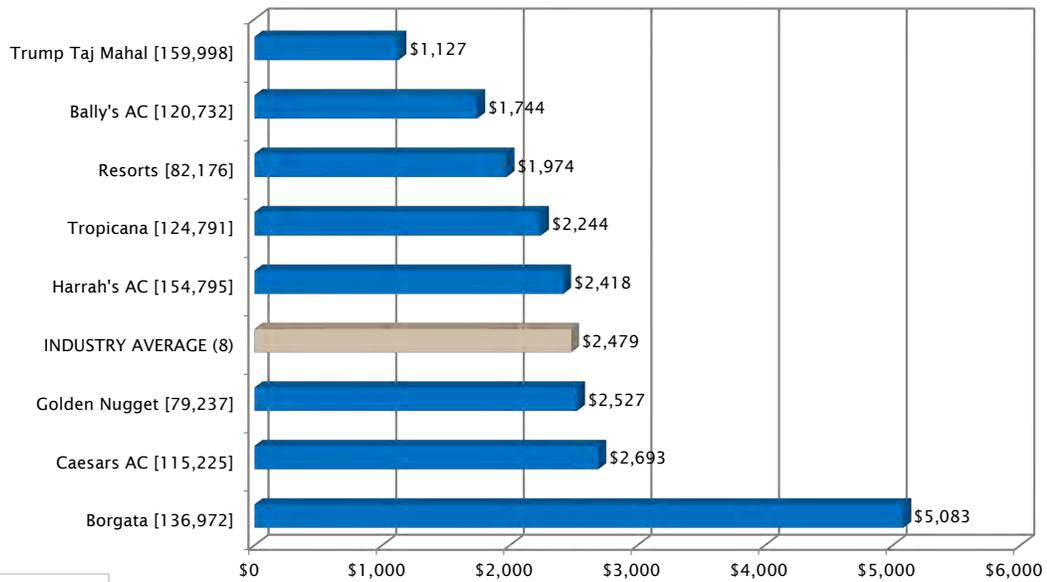
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**ATLANTIC CITY CASINO INDUSTRY
CASINO WIN AND MARKET SHARE**
FOR THE YEAR ENDED DECEMBER 31, 2015
(*\$ IN THOUSANDS*)



Source of data: Monthly Gross Revenue Reports Form DGE-101 (as of 01/13/16).

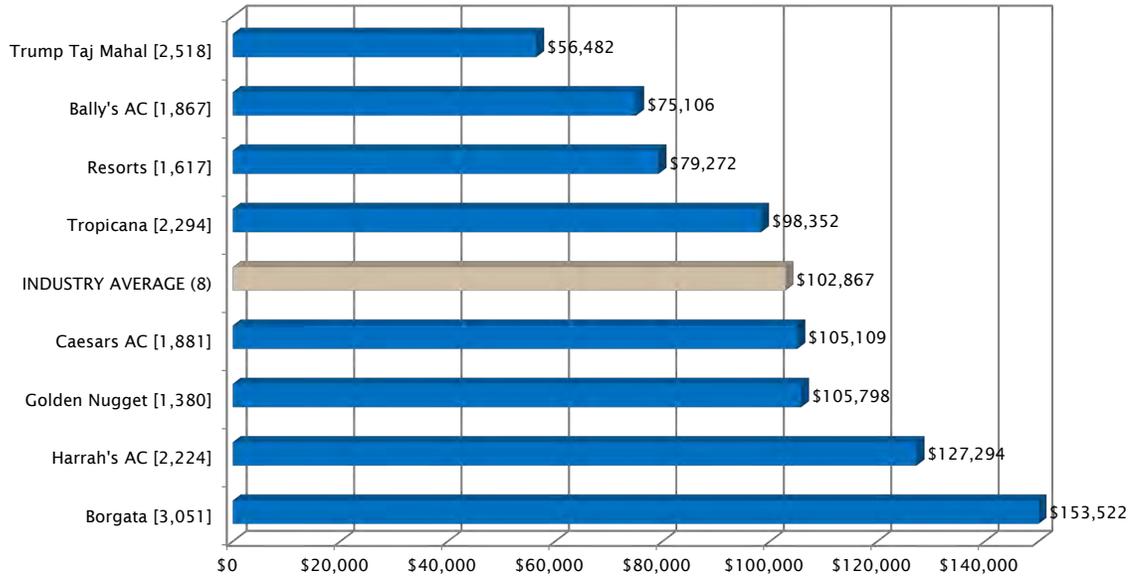
**ATLANTIC CITY CASINO INDUSTRY
CASINO WIN PER SQUARE FOOT OF GAMING SPACE**
FOR THE YEAR ENDED DECEMBER 31, 2015



[] Brackets next to casino name indicate the average casino square footage at that property.

Source of data: Monthly Gross Revenue Reports Form DGE-101 (as of 01/13/16).

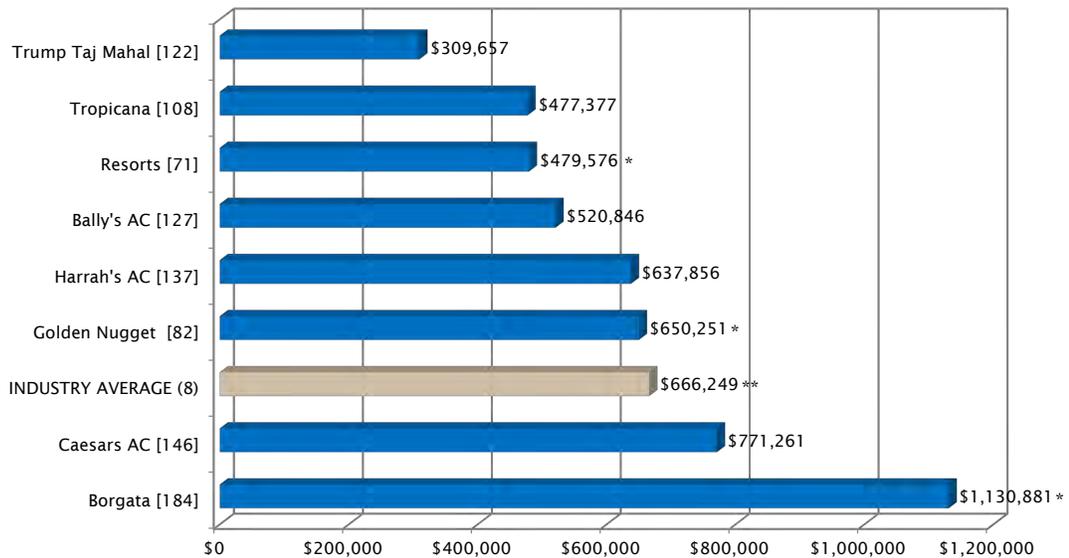
**ATLANTIC CITY CASINO INDUSTRY
SLOT MACHINE WIN PER MACHINE
FOR THE YEAR ENDED DECEMBER 31, 2015**



[] Brackets next to casino name indicate the average number of slot machines at the property.

Source of data: Monthly Gross Revenue Reports Form DGE-101 (as of 01/13/16).

**ATLANTIC CITY CASINO INDUSTRY
TABLE GAME WIN PER TABLE, EXCLUDING NON-BANKING POKER
FOR THE YEAR ENDED DECEMBER 31, 2015**



[] Brackets next to casino name indicate the average number of tables, excluding non-banking poker, at that property.

* represents an increase from 2014
** represents a 0.7% increase from 2014

Source of data: Monthly Gross Revenue Reports Form DGE-101 (as of 01/13/16).

ATLANTIC CITY CASINO INDUSTRY TOTAL CASINO WIN

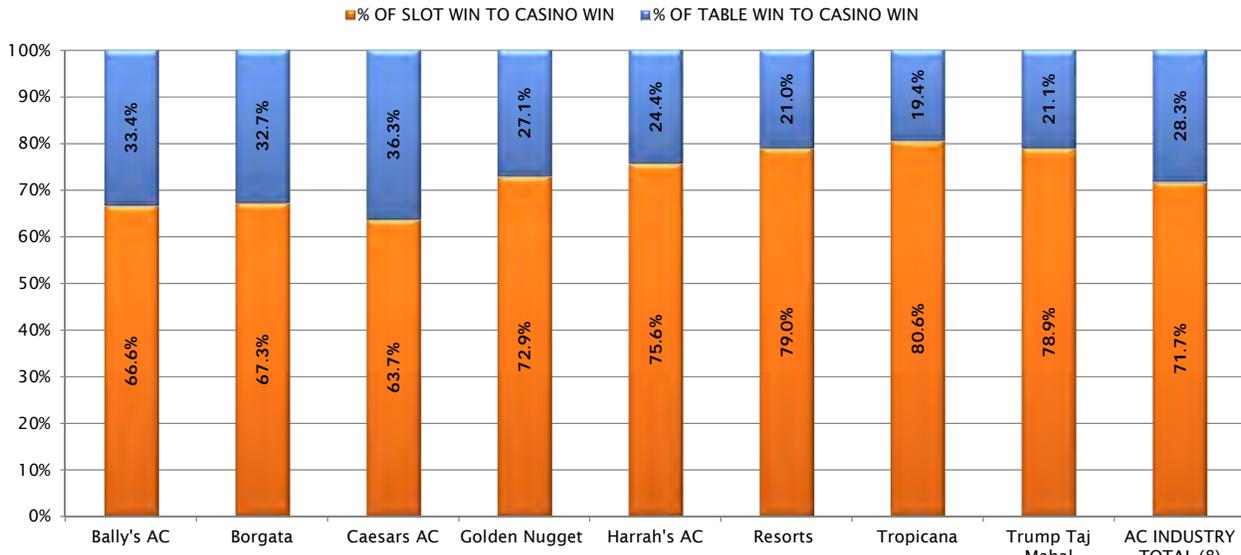
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014*	Growth (Decline)	
			\$	%
Table & Other Games				
Blackjack	\$ 240,702,765	\$ 257,460,157	(16,757,392)	(6.5)
Craps	80,950,939	92,402,877	(11,451,938)	(12.4)
Roulette	79,295,603	86,876,237	(7,580,634)	(8.7)
Spanish 21	18,954,834	20,601,308	(1,646,474)	(8.0)
Three Card Poker	56,715,838	63,170,454	(6,454,616)	(10.2)
Baccarat	4,449,271	5,095,569	(646,298)	(12.7)
Mini Baccarat	83,391,621	93,190,962	(9,799,341)	(10.5)
Big Six	3,158,219	4,221,524	(1,063,305)	(25.2)
Keno	233,168	461,700	(228,532)	(49.5)
Let It Ride Poker	15,147,985	14,310,691	837,294	5.9
Pai Gow	8,214,479	9,086,831	(872,352)	(9.6)
Pai Gow Poker	13,139,423	14,532,358	(1,392,935)	(9.6)
Four Card Poker	14,833,365	17,164,080	(2,330,715)	(13.6)
Sic Bo	324,922	314,854	10,068	3.2
Caribbean Stud Poker	2,366,429	3,170,120	(803,691)	(25.4)
Casino War	1,196,858	984,661	212,197	21.6
Double Attack Blackjack	1,123,528	1,629,316	(505,788)	(31.0)
Texas Hold'em Bonus Poker	5,184,668	6,798,058	(1,613,390)	(23.7)
Flop Poker	2,857,667	3,783,071	(925,404)	(24.5)
Ultimate Texas Hold'em	4,837,583	4,655,790	181,793	3.9
Asia Poker	2,267,665	2,833,595	(565,930)	(20.0)
Mississippi Stud	4,332,618	4,065,317	267,301	6.6
Hold'em 3 Bonus	4,939	255,287	(250,348)	(98.1)
Criss Cross Poker	3,083,426	924,509	2,158,917	233.5
High Card Flush	3,634,947	-	3,634,947	N/A
Electronic Table Games	518,706	228,376	290,330	127.1
Skill Based Games	3,840	-	3,840	N/A
Poker	31,855,623	36,317,995	(4,462,372)	(12.3)
Total Table & Other Games	682,780,929	744,535,697	(61,754,768)	(8.3)
Slot Machines				
.01 and .02 Slot Machines	851,055,477	873,219,471	(22,163,994)	(2.5)
.05 Slot Machines	75,073,527	98,347,316	(23,273,789)	(23.7)
.25 Slot Machines	141,937,409	162,137,575	(20,200,166)	(12.5)
.50 Slot Machines	24,575,402	24,360,417	214,985	0.9
1.00 Slot Machines	180,340,198	190,964,839	(10,624,641)	(5.6)
5.00 Slot Machines	58,462,061	63,653,045	(5,190,984)	(8.2)
25.00 Slot Machines	15,594,678	17,269,300	(1,674,622)	(9.7)
100.00 Slot Machines	12,715,478	13,162,816	(447,338)	(3.4)
Multi-Denominational Machines	347,364,886	404,607,317	(57,242,431)	(14.1)
Other Slot Machines	24,337,331	26,993,113	(2,655,782)	(9.8)
Total Slot Machines	1,731,456,447	1,874,715,209	(143,258,762)	(7.6)
Grand Total	\$ 2,414,237,376	\$ 2,619,250,906	(205,013,530)	(7.8)

* Includes closed casinos.

Source of data: DGE Annual Casino Win Data.

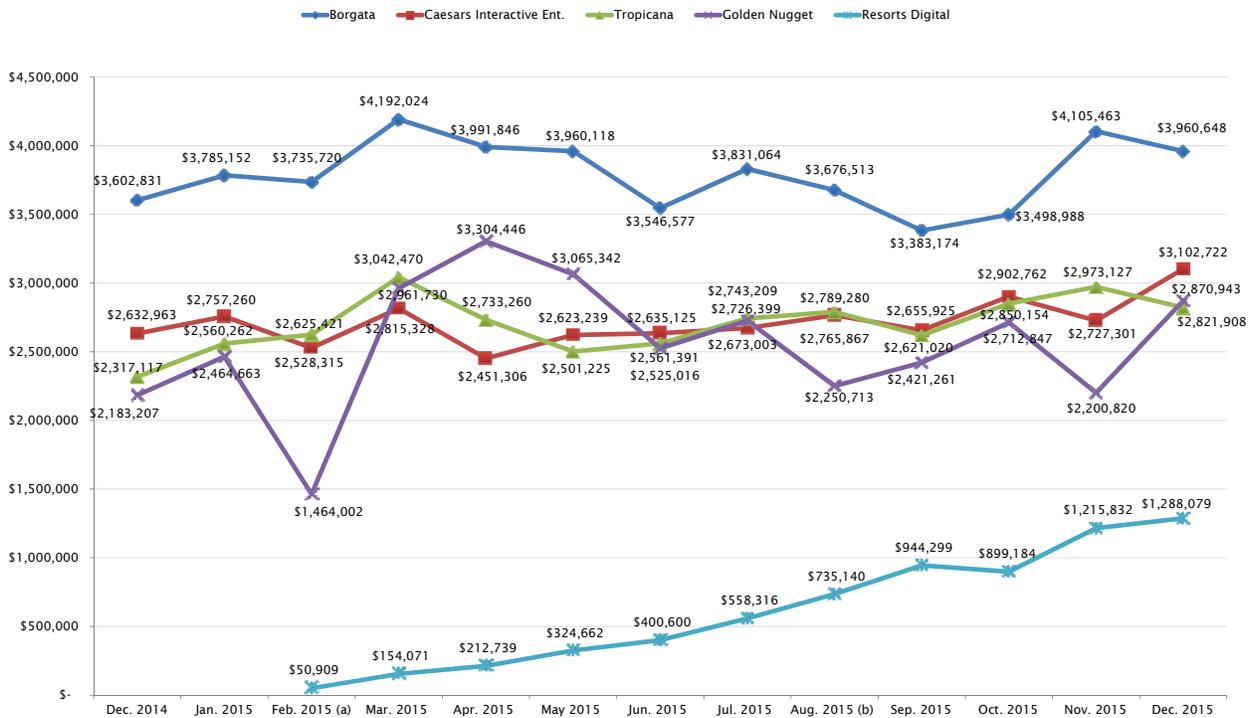
ATLANTIC CITY CASINO INDUSTRY SLOT AND TABLE GAME WIN AS A PERCENT OF CASINO WIN (INCLUDES KENO AND NON-BANKING POKER) FOR THE YEAR ENDED DECEMBER 31, 2015



Source of data: Monthly Gross Revenue Reports Form DGE-101 as of 01/13/16.

In 2015, the casino industry Table Game Win Percentage was 16.4% and the Slot Machine Win Percentage was 8.8%.

MONTHLY INTERNET GAMING WIN BY LICENSEE



(a) On February 14, 2015, a player won a \$1.5 million jackpot at betfaircasino.com (Golden Nugget). On February 21, 2015, Resorts began Internet gaming operations (resortscasino.com).
(b) Resorts Digital was granted a casino license on August 12, 2015.

Source of data: Monthly Internet Gross Revenue Reports Form DGE-105 (as of 01/13/16).

**ATLANTIC CITY CASINO INDUSTRY
TOTAL GAMING WIN**
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014*

	Casino Win			Internet Gaming Win (a)			Total Gaming Win		
	2015	2014	(+/-) %	2015	2014	(+/-) %	2015	2014	(+/-) %
Bally's AC	\$ 210,557,585	\$ 224,898,123	-6.4%	-	-	-	\$ 210,557,585	\$ 224,898,123	-6.4%
Borgata	696,217,151	642,972,173	8.3%	45,667,287	44,292,871	3.1%	741,884,438	687,265,044	7.9%
Caesars AC	310,313,801	330,612,924	-6.1%	-	-	-	310,313,801	330,612,924	-6.1%
CIENJ	-	-	-	32,638,153	32,807,400	-0.5%	32,638,153	32,807,400	-0.5%
Golden Nugget	200,261,054	174,759,670	14.6%	30,968,182	10,835,440	185.8%	231,229,236	185,595,110	24.6%
Harrah's AC	374,315,063	365,358,367	2.5%	-	-	-	374,315,063	365,358,367	2.5%
Resorts	162,233,016	139,389,834	16.4%	-	-	-	162,233,016	139,389,834	16.4%
Resorts Digital	-	-	-	6,783,831	-	(b)	6,783,831	-	(b)
Tropicana	280,070,455	274,627,329	2.0%	32,822,727	22,574,300	45.4%	312,893,182	297,201,629	5.3%
Trump Plaza (Internet)	-	-	-	-	7,216,885	-	-	7,216,885	-
Trump Taj Mahal	180,269,251	215,862,922	-16.5%	-	-	(c)	180,269,251	215,862,922	-16.5%
INDUSTRY TOTAL	\$ 2,414,237,376	\$ 2,368,481,342	1.9%	\$148,880,180	\$117,726,896	26.5%	\$ 2,563,117,556	\$ 2,486,208,238	3.1%

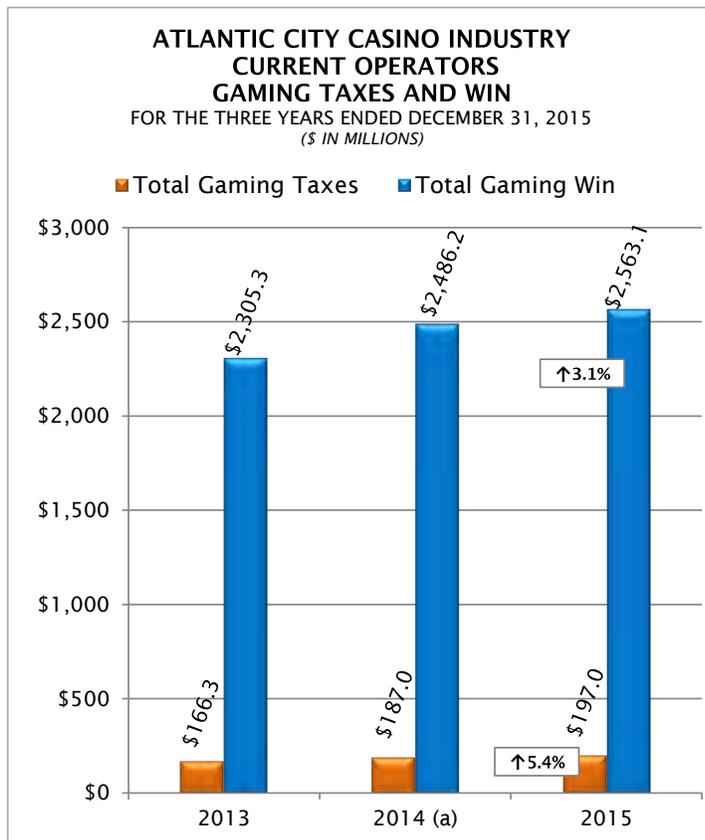
(a) Internet gaming started in November 2013 and is taxed at 15%.

(b) Resorts began Internet gaming operations on February 21, 2015 and Resorts Digital was granted a casino license on August 12, 2015.

(c) Trump Taj Mahal ceased Internet gaming operations on September 21, 2014 and had \$5,149,906 in Internet Gaming Win.

* 2014 does not include closed casinos, except for Trump Plaza's Internet.

Source of data: Monthly Gross Revenue Reports Form DGE-101 and Monthly Internet Gross Revenue Report Form DGE-105 as of 01/13/16.



(a) Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public. 2013 & 2014 does not include closed casinos.

In CY 2015, the current operators outperformed 2013 total gaming taxes by 18.5% and total gaming win by 11.2%.

In CY 2015, the current operators outperformed 2014 total gaming taxes by 5.4% and total gaming win by 3.1%.

**ATLANTIC CITY CASINO INDUSTRY
INCOME STATEMENT REVENUE BY PERCENTAGE
FOR THE YEAR ENDED DECEMBER 31, 2015
(\$ IN THOUSANDS)**

	Bally's AC		Borgata*		Caesars AC (a)		Golden Nugget*	
	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue
Casino	\$ 208,394	69.6%	\$ 728,117	70.2%	\$ 308,356	72.8%	\$ 213,269	76.3%
Rooms	36,303	12.1%	120,132	11.6%	36,783	8.7%	17,255	6.2%
Food and Beverage (b)	44,079	14.7%	144,992	14.0%	59,276	14.0%	31,802	11.4%
Other (c)	10,696	3.6%	43,518	4.2%	19,041	4.5%	16,954	6.1%
Total Revenue	\$ 299,472	100%	\$ 1,036,759	100%	\$ 423,456	100%	\$ 279,280	100%
Less: Promotional Allowances (d)	75,141	25.1%	232,593	22.4%	112,538	26.6%	71,402	25.6%
Net Revenue	\$ 224,331		\$ 804,166		\$ 310,918		\$ 207,878	

	Harrah's AC		Resorts (a)		Tropicana*		Trump Taj Mahal	
	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue
Casino	\$ 370,158	65.1%	\$ 160,145	77.4%	\$ 302,846	74.7%	\$ 177,637	72.4%
Rooms	79,751	14.0%	22,317	10.8%	54,095	13.3%	39,582	16.1%
Food and Beverage (b)	92,589	16.3%	15,704	7.6%	33,782	8.3%	18,602	7.6%
Other (c)	26,363	4.6%	8,634	4.2%	14,997	3.7%	9,455	3.9%
Total Revenue	\$ 568,861	100%	\$ 206,800	100%	\$ 405,720	100%	\$ 245,276	100%
Less: Promotional Allowances (d)	144,830	25.5%	51,828	25.1%	83,411	20.6%	75,251	30.7%
Net Revenue	\$ 424,031		\$ 154,972		\$ 322,309		\$ 170,025	

	Caesars Interactive Entertainment NJ		Resorts Digital Gaming		INDUSTRY TOTALS	
	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue
Casino	\$ 21,201	94.2%	\$ 6,784	95.8%	\$ 2,496,907	71.5%
Rooms	0	0.0%	0	0.0%	406,218	11.6%
Food and Beverage (b)	0	0.0%	0	0.0%	440,826	12.6%
Other (c)	1,307	5.8%	300	4.2%	151,265	4.3%
Total Revenue	\$ 22,508	100%	\$ 7,084	100%	\$ 3,495,216	100%
Less: Promotional Allowances (d)	200	0.9%	2,973	42.0%	850,167	(d) 24.3%
Net Revenue	\$ 22,308		\$ 4,111		\$ 2,645,049	

*Figures include Internet gaming revenue.

(a) Figures do not include Internet gaming revenue. Internet gaming at Caesars AC is operated by Caesars Interactive Entertainment (CIENJ) and at Resorts is operated by Resorts Digital Gaming, which hold casino licenses issued by the Casino Control Commission. As such, CIENJ's and Resorts Digital Gaming's revenue is reported separately.

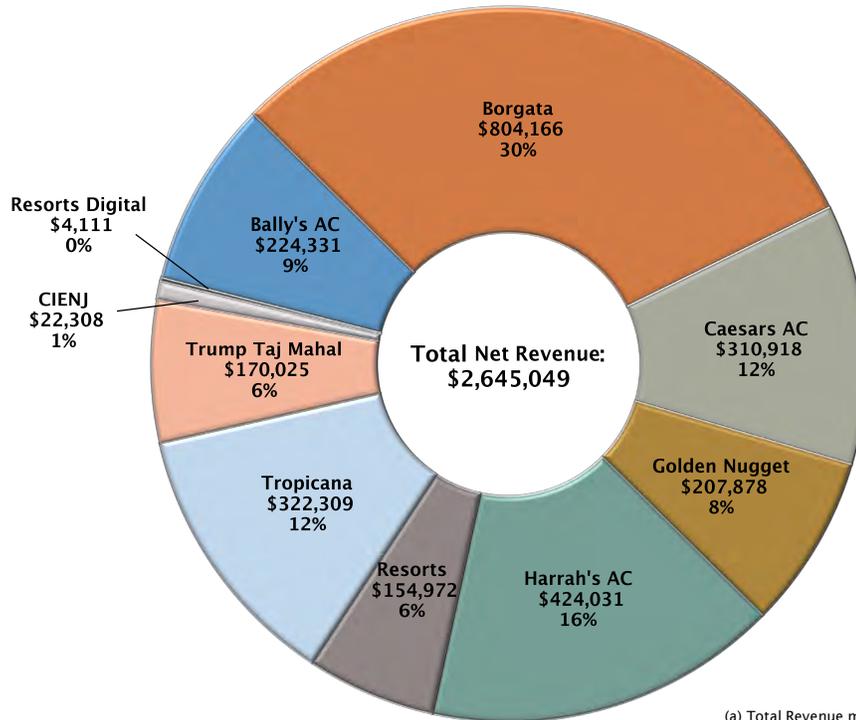
(b) Food & Beverage Revenue for casino owned outlets only.

(c) Other Revenue reflects concert and show tickets, casino-owned spa revenue, casino-owned retail sales, rental income, and other miscellaneous revenue sources.

(d) Promotional allowances are complimentary given away free in the normal course of the licensee's business. Promotional expenses are complimentary not offered for sale to patrons in the normal course of a licensee's business. In 2015, promotional allowances and expenses as a percent of Total Revenue was 27.3%.

Source of data: Quarterly Financial Reports Form DGE-210 as of 05/09/16.

**ATLANTIC CITY CASINO INDUSTRY
NET REVENUE (a) AND MARKET SHARE
FOR THE YEAR ENDED DECEMBER 31, 2015
(*\$ IN THOUSANDS*)**



(a) Total Revenue minus Promotional Allowances.

Source of data: DGE Quarterly Press Releases and Statistical Summaries and Quarterly Reports Form DGE-210 as of 05/09/16.

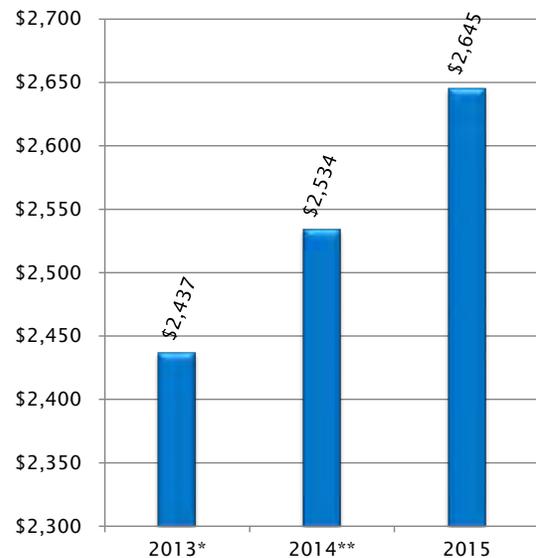
In 2015, four of the eight current operators had a year over year increase in Total Revenue, Net Revenue, and Operating Profit.

In CY 2015, Total Revenue for the current operators increased 2.3% from 2014.

In CY 2015, Net Revenue for the current operators increased 4.4% from 2014.

In CY 2015, Operating Profit for the current operators increased 40.3% from 2014.

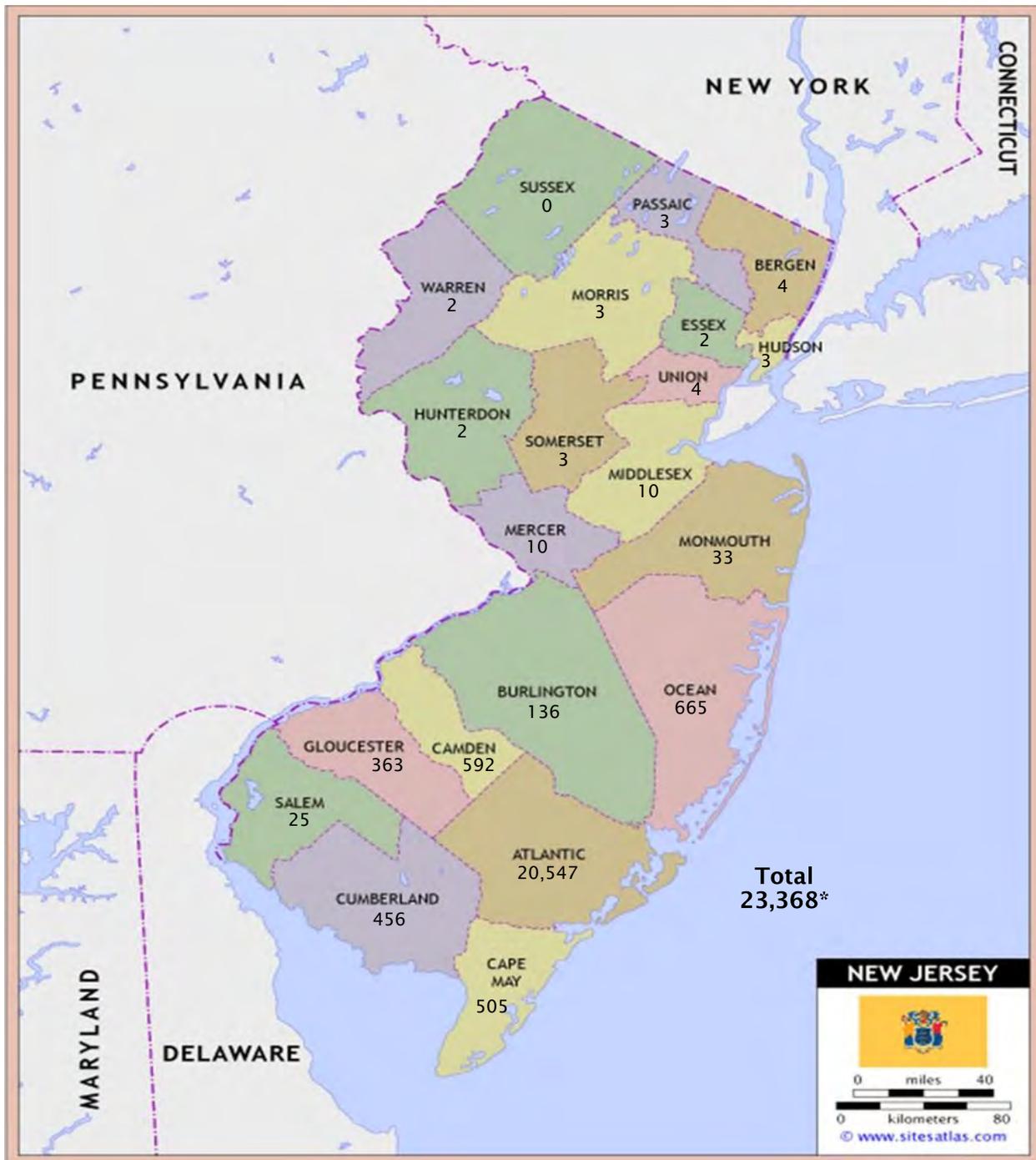
**ATLANTIC CITY CASINO INDUSTRY
CURRENT OPERATORS
NET REVENUE
FOR THE THREE YEARS ENDED DECEMBER 31, 2015
(*\$ IN MILLIONS*)**



* Internet gaming started in November 2013.
** Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public. 2013 and 2014 does not include closed casinos.

Source of data: Quarterly Financial Reports Forms DGE-210.

ATLANTIC CITY CASINO LICENSEES EMPLOYMENT BY COUNTY
 FOR THE YEAR ENDED DECEMBER 31, 2015



*Margin of error for total casino hotel employees is 1.1%. Map used with permission.

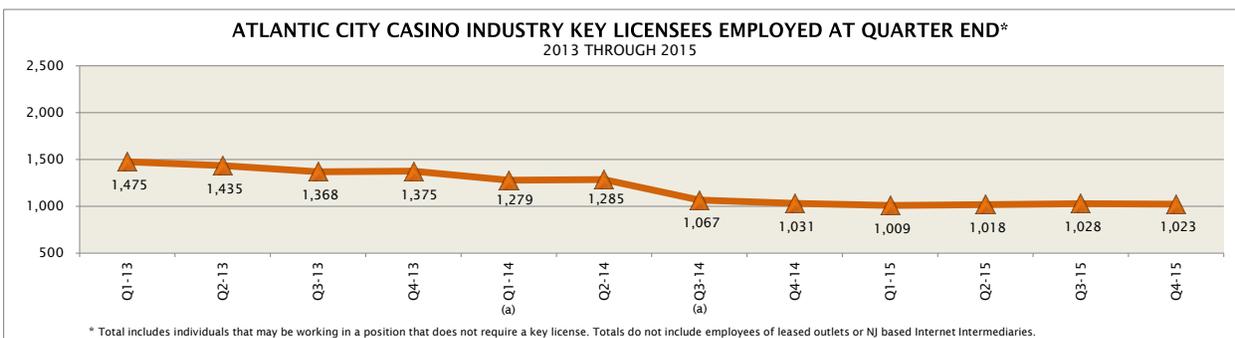
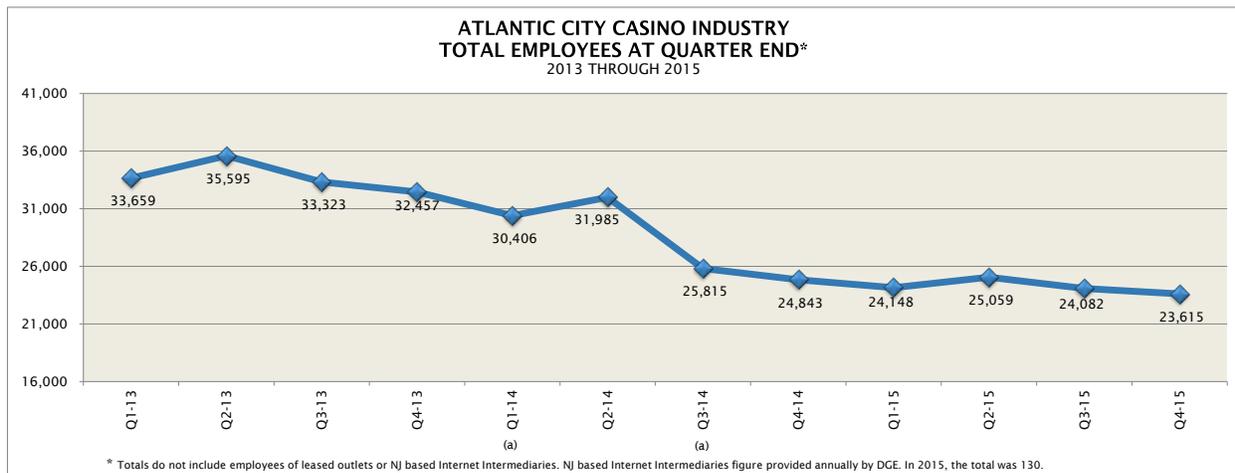
Source of data: DGE Zip Code Report by Casino.

ATLANTIC CITY CASINOS – EMPLOYMENT STATISTICS

FOR THE THREE YEARS ENDED DECEMBER 31, 2015

	2015	2014	2013
Bally's AC	2,660	2,993	3,147
Borgata	5,784	6,042	5,841
Caesars AC †	2,888	2,724	2,880
Golden Nugget	2,164	2,081	1,881
Harrah's AC	3,271	3,663	3,639
Resorts	1,817	1,881	1,884
Tropicana	2,839	2,857	2,748
Trump Taj Mahal	2,172	2,472	2,777
Total for Current Operators	23,595	24,713	24,797
Discontinued Operators (a)	20	130	7,660
Industry Totals	*23,615	24,843	32,457

*17,582 (74.4%) are full time employees, 3,276 (13.9%) are part time employees, and 2,757 (11.7%) are considered other employees. † Caesars figures include Caesars Interactive Entertainment (CIENJ) and Caesars Enterprise Services (CES, formerly HEC). Totals do not include employees of leased retail and food & beverage outlets. NJ based Internet Intermediaries employee totals provided annually by the DGE. In 2015, the total was 130.



(a) Atlantic Club closed to the public on January 13, 2014, reducing total industry employees by 1,655. In September 2014, Revel, Showboat, and Trump Plaza closed to the public, reducing total industry employees by 4,882.

Source of data: Employment statistics provided by the casinos to the DGE.

ATLANTIC CITY CASINOS – SALARIES AND WAGES

FOR THE THREE YEARS ENDED DECEMBER 31, 2015

(\$ IN THOUSANDS)

	2015	2014	2013
Bally's AC (a)	\$ 65,638	\$ 71,071	\$ 69,734
Borgata	142,819	139,637	141,424
Caesars AC (a)	68,042	69,667	69,981
Golden Nugget	51,277	55,442	41,161
Harrah's AC	83,701	80,334	76,099
Resorts/Resorts Digital Gaming	42,249	42,340	42,641
Tropicana	71,569	68,496	66,517
Trump Taj Mahal	58,164	63,726	71,737
Total for Current Operators	\$ 583,459	\$ 590,713	\$ 579,294
Discontinued Operators (b)	—	93,319	195,284
Industry Totals (c)	\$ 583,459	\$ 684,032	\$ 774,578

(a) Totals do not include Caesars Interactive Entertainment or Caesars Enterprise Services (formerly HEC).

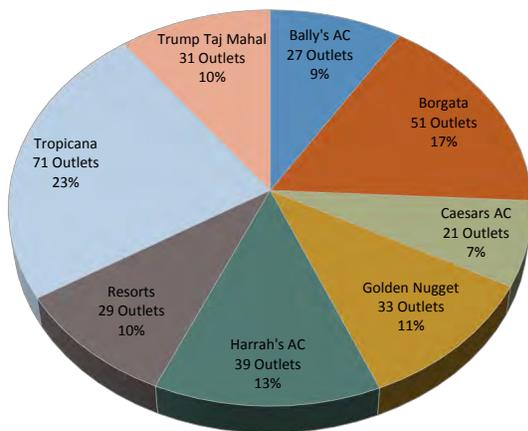
(b) Number of casinos reduced to 8 from 12.

(c) Totals do not include employees of leased retail and food & beverage outlets or Internet gaming intermediaries.

Source of data: Form DGE-370

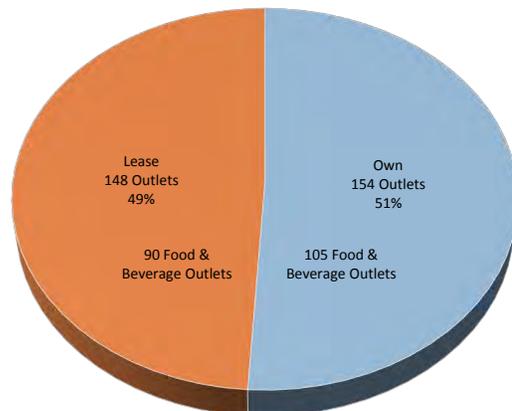
ATLANTIC CITY CASINOS—FOOD & BEVERAGE AND RETAIL SPACE

**2015 TOTAL F&B AND RETAIL SPACE (OWNED & LEASED)
% OF INDUSTRY TOTAL BY PROPERTY**

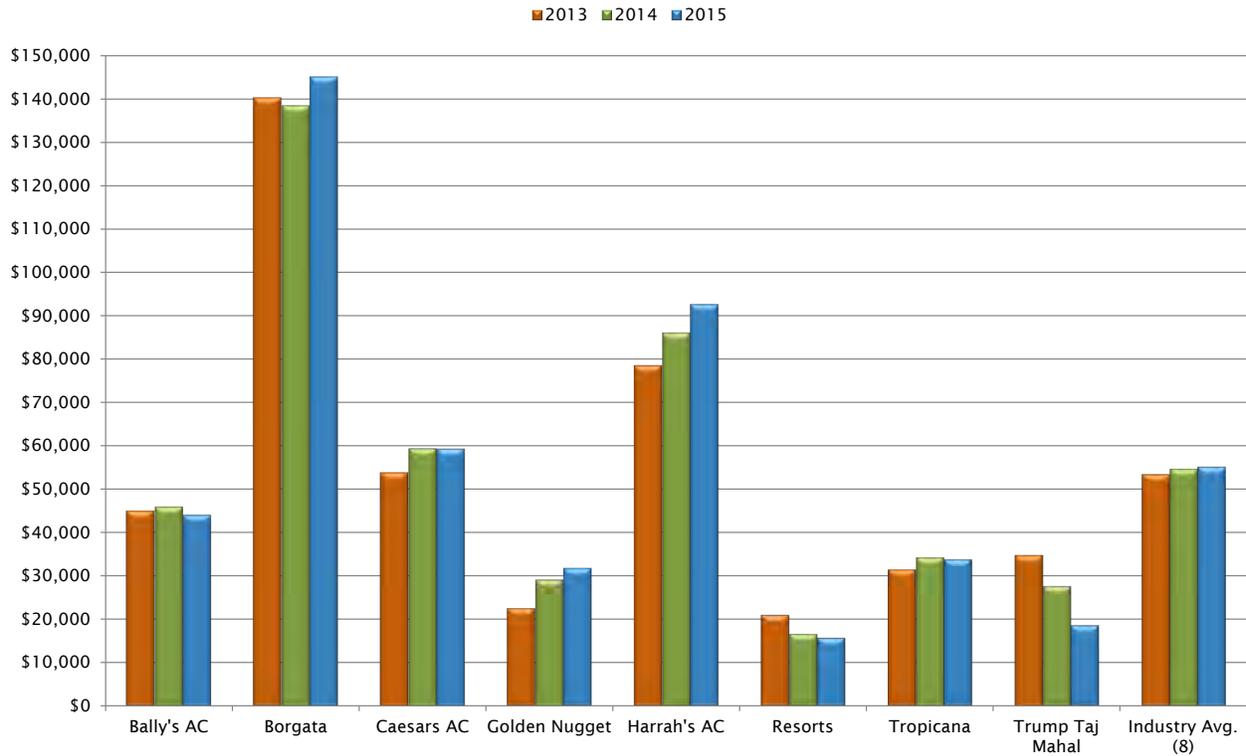


**2015 FOOD & BEVERAGE AND RETAIL OUTLETS
WITHIN ATLANTIC CITY CASINOS - CURRENT OPERATORS
OWNED vs. LEASED**

INFORMATION CONFIRMED DURING THE PERIOD OCTOBER THROUGH DECEMBER 2015



FOOD AND BEVERAGE REVENUE (a)
2013-2015 YEARLY REVENUE BY CASINO
(\$ IN THOUSANDS)



(a) Figures do not include Third Party Business Sales.

(\$ in Thousands)	FOOD AND BEVERAGE REVENUE (a)			FOOD AND BEVERAGE PROMOTIONAL ALLOWANCES		
	2013	2014	2015	2013	2014	2015
Bally's AC	\$ 45,046	\$ 45,927	\$ 44,079	\$ 25,302	\$ 25,472	\$ 24,084
Borgata	140,292	138,396	144,992	51,791	51,804	54,772
Caesars AC	53,869	59,364	59,276	36,001	42,904	38,463
Golden Nugget	22,557	29,141	31,802	9,992	12,572	14,449
Harrah's AC	78,563	86,063	92,589	39,461	47,602	49,962
Resorts	20,994	16,593	15,704	13,306	10,636	10,717
Tropicana	31,474	34,238	33,782	17,119	19,780	18,097
Trump Taj Mahal	34,799	27,649	18,602	18,942	15,697	11,594
Total for Current Operators	427,594	437,371	440,826	211,914	226,467	222,138
Industry Avg. (8)	53,449	54,671	55,103	26,489	28,308	27,767
Discontinued Operators (b)	94,831	47,839	-	54,407	24,779	-
Industry Totals	\$ 522,425	\$ 485,210	\$ 440,826	\$ 266,321	\$ 251,246	\$ 222,138

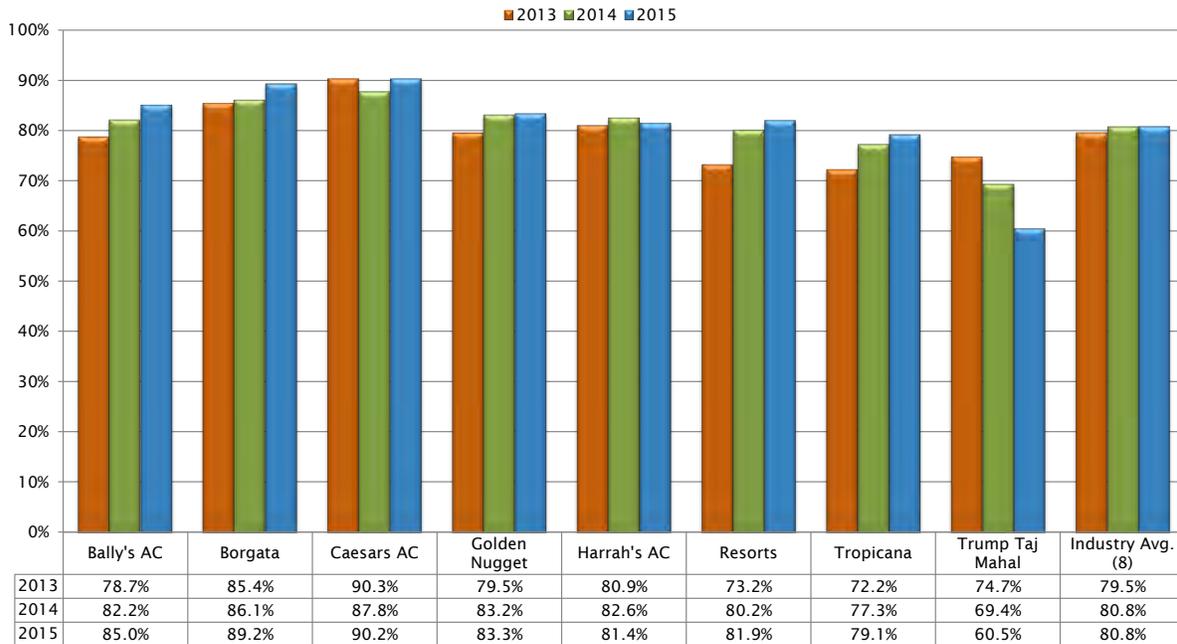
■ indicates an increase in revenue from 2014.

(a) Prior revenue figures may have been updated from last year's report due to amendments. The analysis on this page ignores the impact of food and beverage comps on other revenue sources.

(b) Promotional allowances for Atlantic Club for 2014 not categorized, and therefore, not included.

Source of data: DGE Quarterly Press Releases and Statistical Summaries and Forms DGE -210 and DGE-245 as of 04/07/16.

HOTEL OCCUPANCY RATES FOR ATLANTIC CITY CASINOS 2013-2015 YEARLY AVERAGES BY CASINO



Source of data: DGE Quarterly Press Releases and Statistical Summaries.

ATLANTIC CITY CASINO INDUSTRY HOTEL ROOM STATISTICS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015

	Bally's AC	Borgata	Caesars AC	Golden Nugget	Harrah's AC	Resorts	Tropicana	Trump Taj Mahal	Industry Total
# of Hotel Rooms (a)	1,169	2,767	1,141	727	2,590	942	2,078	2,010	13,424
# of Available Room Nights	450,975	1,009,955	409,115	263,236	945,350	343,830	738,663	733,650	4,894,774
Average Rate per Occupied Room	\$95	\$133	\$100	\$79	\$104	\$79	\$93	\$89	\$103

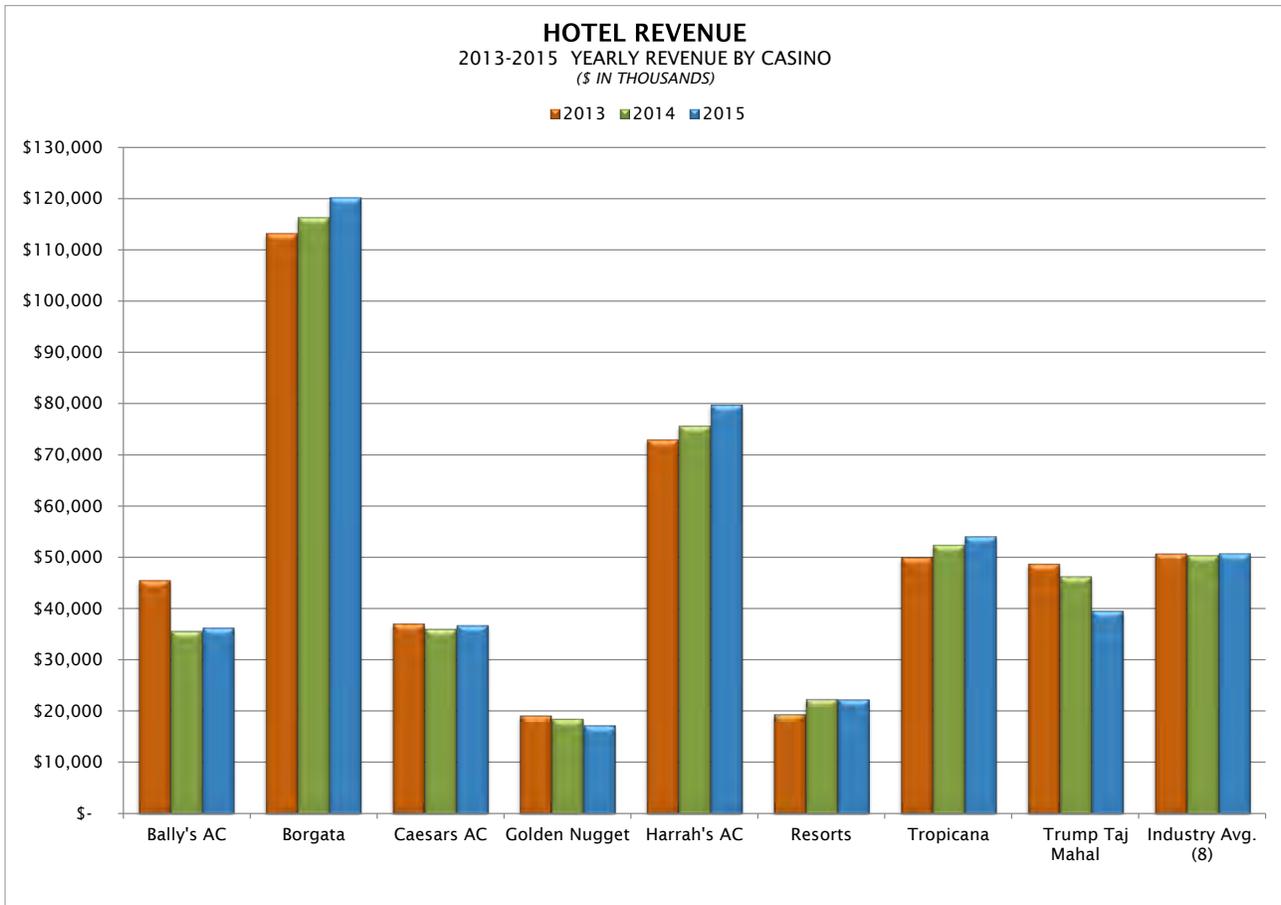
(a) Number of guest rooms at end of year.

Source of data: DGE Quarterly Press Releases and Statistical Summaries.

In CY 2015, six out of the eight current operators saw an increase in its hotel occupancy rate from 2014.

In CY 2015, the industry average room rate was up \$2.

In CY 2015, four out of the eight current operators had an average room rate equal to or better than its 2014 average rate.



(\$ in Thousands)	HOTEL REVENUE (a)			HOTEL PROMOTIONAL ALLOWANCES		
	2013	2014	2015	2013	2014	2015
Bally's AC	\$ 45,559	\$ 35,609	\$ 36,303	\$ 24,106	\$ 19,256	\$ 18,102
Borgata	113,195	116,159	120,132	70,792	70,660	72,981
Caesars AC	37,111	35,998	36,783	19,427	19,367	19,291
Golden Nugget	19,170	18,495	17,255	8,927	11,981	12,731
Harrah's AC	72,985	75,599	79,751	37,755	39,943	42,063
Resorts	19,422	22,330	22,317	10,331	10,844	12,188
Tropicana	50,050	52,426	54,095	15,957	16,396	17,173
Trump Taj Mahal	48,780	46,264	39,582	28,681	27,800	24,965
Total for Current Operators	\$ 406,272	\$ 402,880	\$ 406,218	\$ 215,976	\$ 216,247	\$ 219,494
Industry Avg. (8)	50,784	50,360	50,777	26,997	27,031	27,437
Discontinued Operators (b)	111,571	69,809	-	55,403	27,494	-
Industry Totals	\$ 517,843	\$ 472,689	\$ 406,218	\$ 271,379	\$ 243,741	\$ 219,494

■ indicates an increase in revenue from 2014.

(a) Prior revenue figures may have been updated from last year's report due to amendments. The analysis on this page ignores the impact of hotel comps on other revenue sources.

(b) Excludes Atlantic Club for 2014.

Source of data: DGE Quarterly Press Releases and Statistical Summaries and Forms DGE -210 and DGE-245 as of 04/07/16.

**NUMBER OF OCCUPIED ROOM NIGHTS FOR ATLANTIC CITY CASINOS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

Casino	2015	2014*	Difference	% Difference
Bally's AC**	383,366	397,609	(14,243)	-3.6%
Borgata	901,151	869,978	31,173	3.6%
Caesars AC	369,220	365,636	3,584	1.0%
Golden Nugget	219,308	220,478	(1,170)	-0.5%
Harrah's AC	769,672	780,834	(11,162)	-1.4%
Resorts	281,757	275,703	6,054	2.2%
Tropicana	584,479	570,537	13,942	2.4%
Trump Taj Mahal	443,662	509,111	(65,449)	-12.9%
Industry Totals (8)	3,952,615	3,989,886	(37,271)	-0.9%

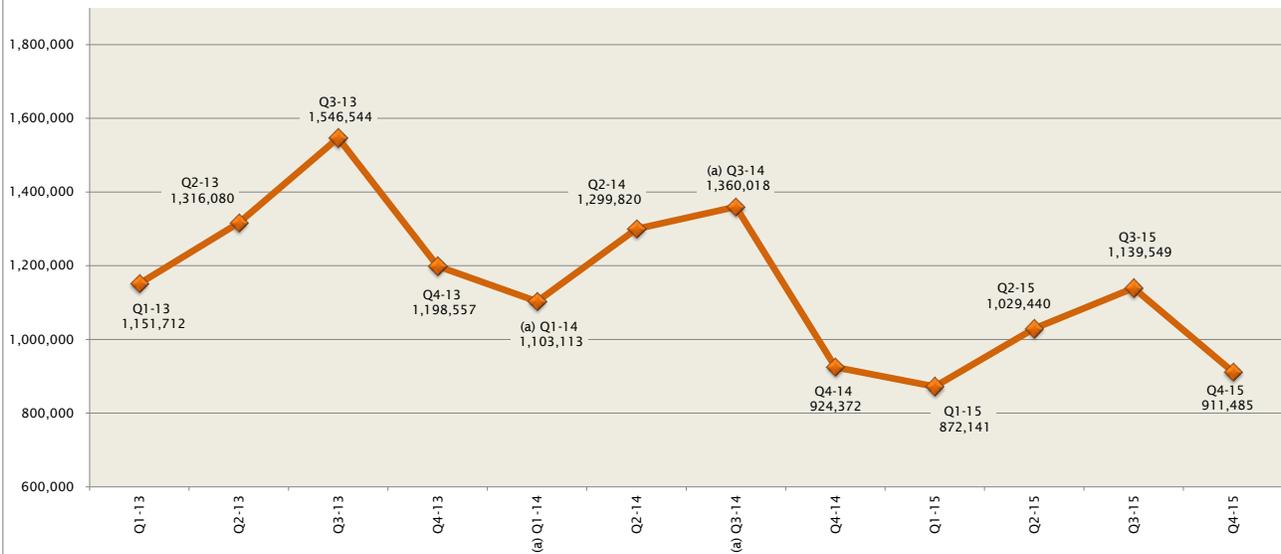
indicates an increase in occupied room nights from 2014.

* 2014 does not include closed casinos.

** Claridge sold in February 2014.

Source of data: DGE Quarterly Press Releases and Statistical Summaries.

**ATLANTIC CITY CASINO INDUSTRY - INCLUDES CLOSED CASINOS
NUMBER OF OCCUPIED ROOM NIGHTS BY QUARTER
2013 THROUGH 2015**



(a) Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

Source of data: DGE Quarterly Press Releases and Statistical Summaries.

In CY 2015, Hotel Revenue for the eight current operators increased 0.8% from 2014.

NON-GAMING TOTAL REVENUE (a)

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

Type of Revenue (\$ In Thousands)	2015	2014 (b)	\$ Change	% Change
Rooms	\$ 406,218	\$ 402,880	\$ 3,338	0.8%
Food and Beverage (c)	440,826	437,371	3,455	0.8%
Entertainment and Other	151,265	153,161	(1,896)	-1.2%
Total Non-Gaming Revenue (8 Casinos)	\$ 998,309	\$ 993,412	\$ 4,897	0.5%
Non-Gaming Revenue Discontinued Operators	-	144,590	(144,590)	N/A
Total Non-Gaming Revenue (all Licensees)	\$ 998,309	\$ 1,138,002	\$ (139,693)	-12.3%
Total Third Party Business Sales (8 Casinos) (d)	\$ 199,440	\$ 205,074	\$ (5,634)	-2.7%
Third Party Business Sales Discontinued Operators	-	56,718	(56,718)	N/A
Total Third Party Business Sales (all Licensees)	\$ 199,440	\$ 261,792	\$ (62,352)	-23.8%

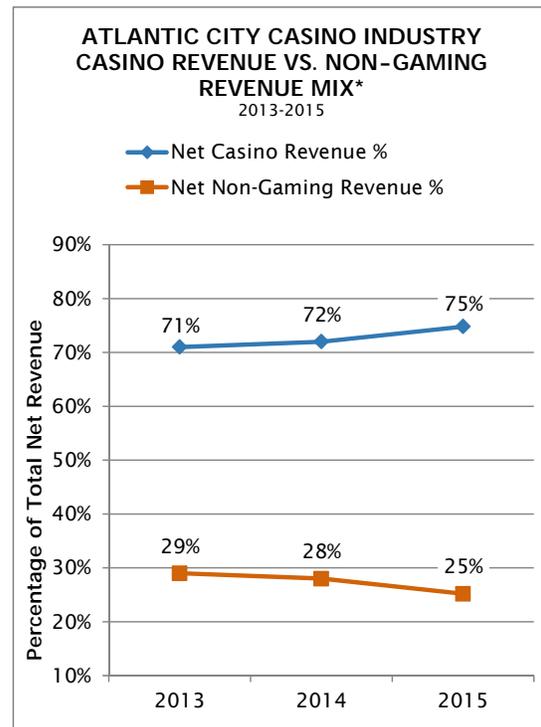
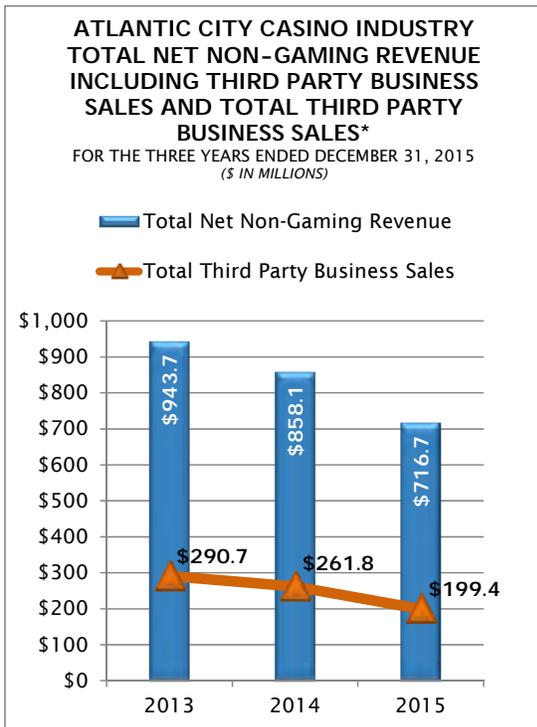
(a) Not adjusted for promotional allowances. Current year revenue figures are unaudited. Prior revenue figures may have been updated from last year's report due to amendments.

(b) Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

(c) Food & Beverage Revenue for casino owned outlets only.

(d) Third Party Business Sales include food, beverage, retail, entertainment, and hospitality related items.

Source of data: DGE Quarterly Press Releases and Statistical Summaries of Income.

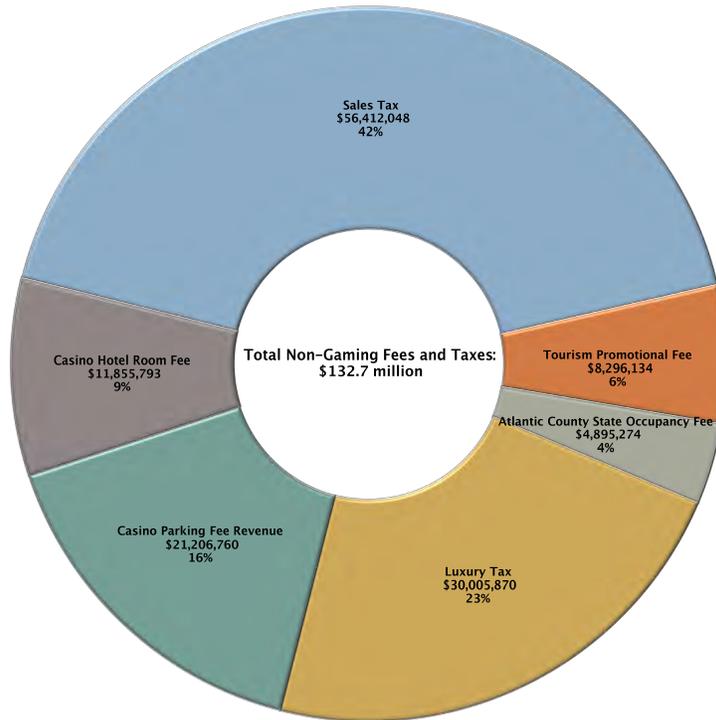


Note: Casino Revenue excludes promotional allowances and starting in 2013 also includes Internet gaming revenue. Total Non-Gaming Revenue is shown net of promotional allowances and includes Third Party Business Sales. Third Party Business Sales includes food, beverage, retail, entertainment and hospitality related sales from casino leased food & beverage and retail outlets. Prior revenue figures may have been updated from last year's report due to amendments.

* Includes closed casinos.

Source of data: DGE Quarterly Financial Reports & Press Releases and Statistical Summaries by the DGE.

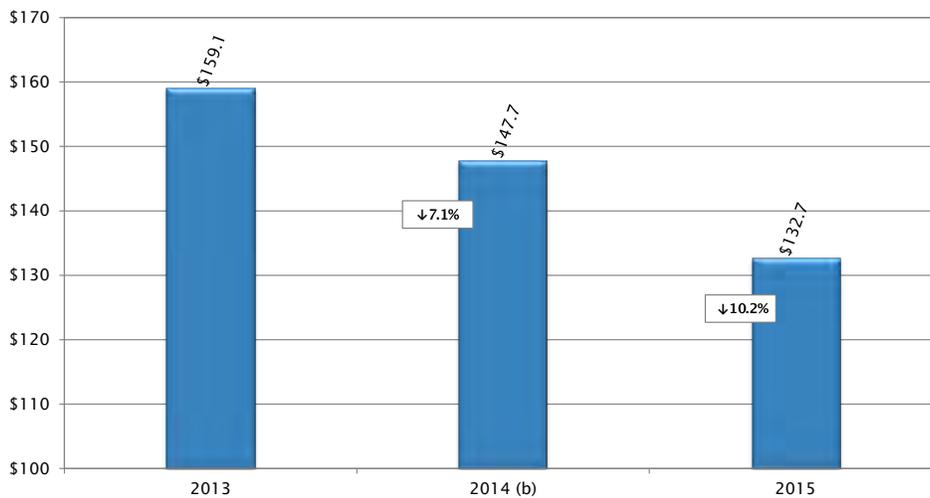
**ATLANTIC CITY/COUNTY
2015 SELECTED NON-GAMING FEES AND TAXES**



Note: See next few pages for a detailed description of each fee and tax.

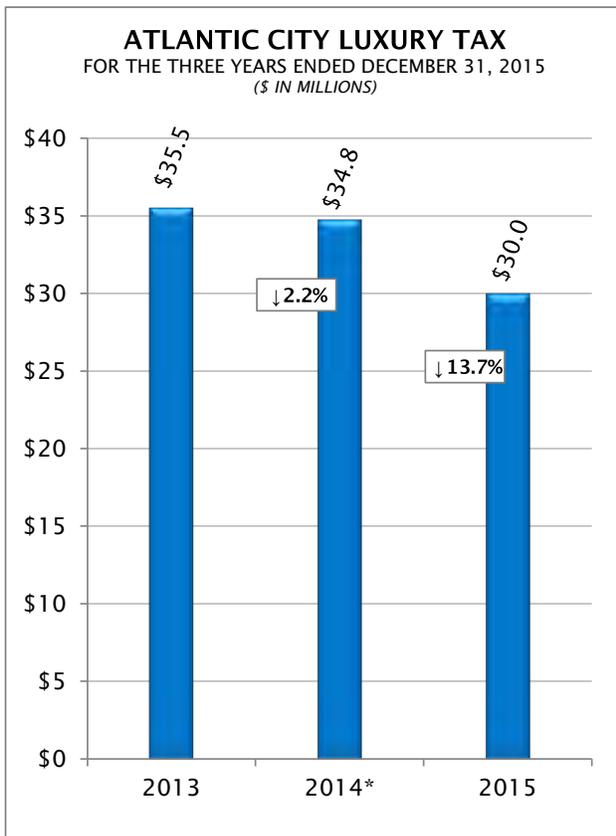
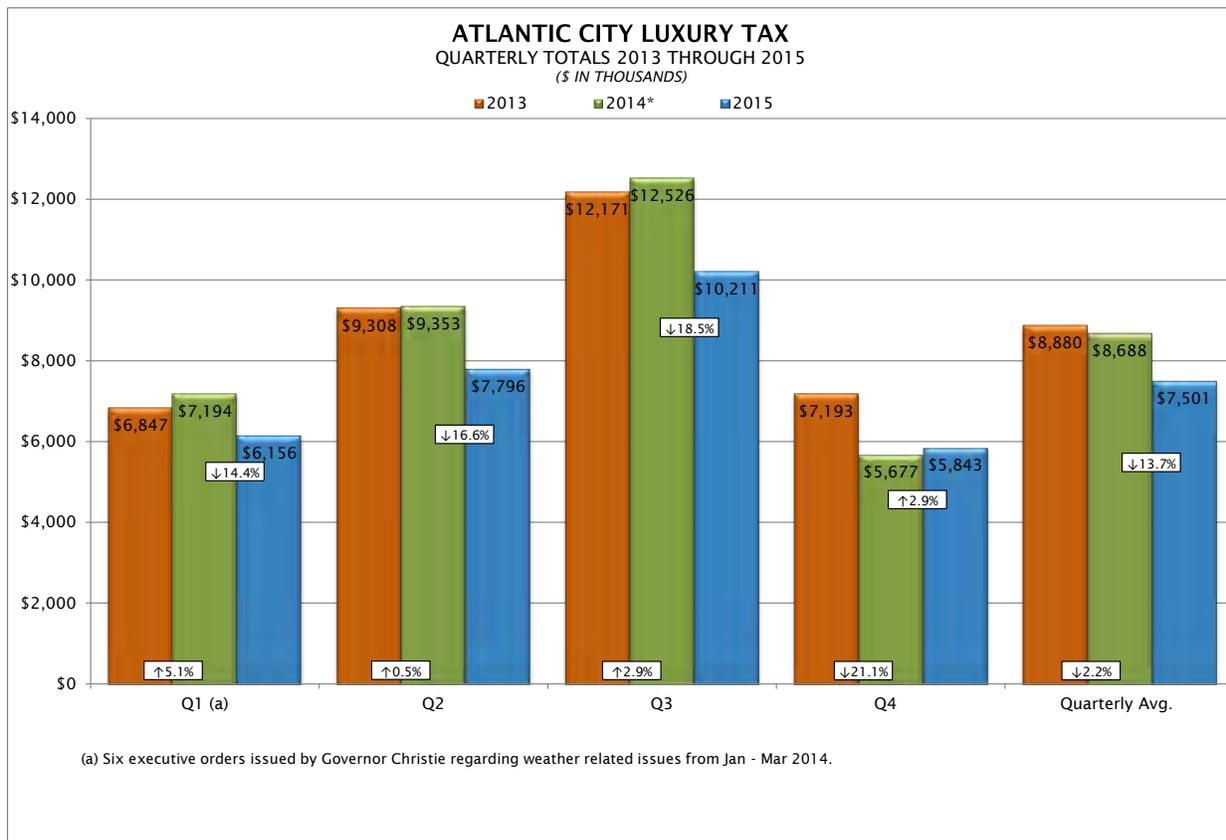
Source of data: State of New Jersey Department of the Treasury, Division of Taxation and DGE 4th Quarter Press Release.

**ATLANTIC CITY/COUNTY
SELECTED NON-GAMING FEES AND TAXES (a)
FOR THE THREE YEARS ENDED DECEMBER 31, 2015
(\$ IN MILLIONS)**



(a) Total Non-Gaming Fees and Taxes includes: Sales Tax, Tourism Promotional Fee, Atlantic County State Occupancy Fee, Luxury Tax, Casino Parking Fee and Casino Hotel Room Fee revenues.
(b) Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

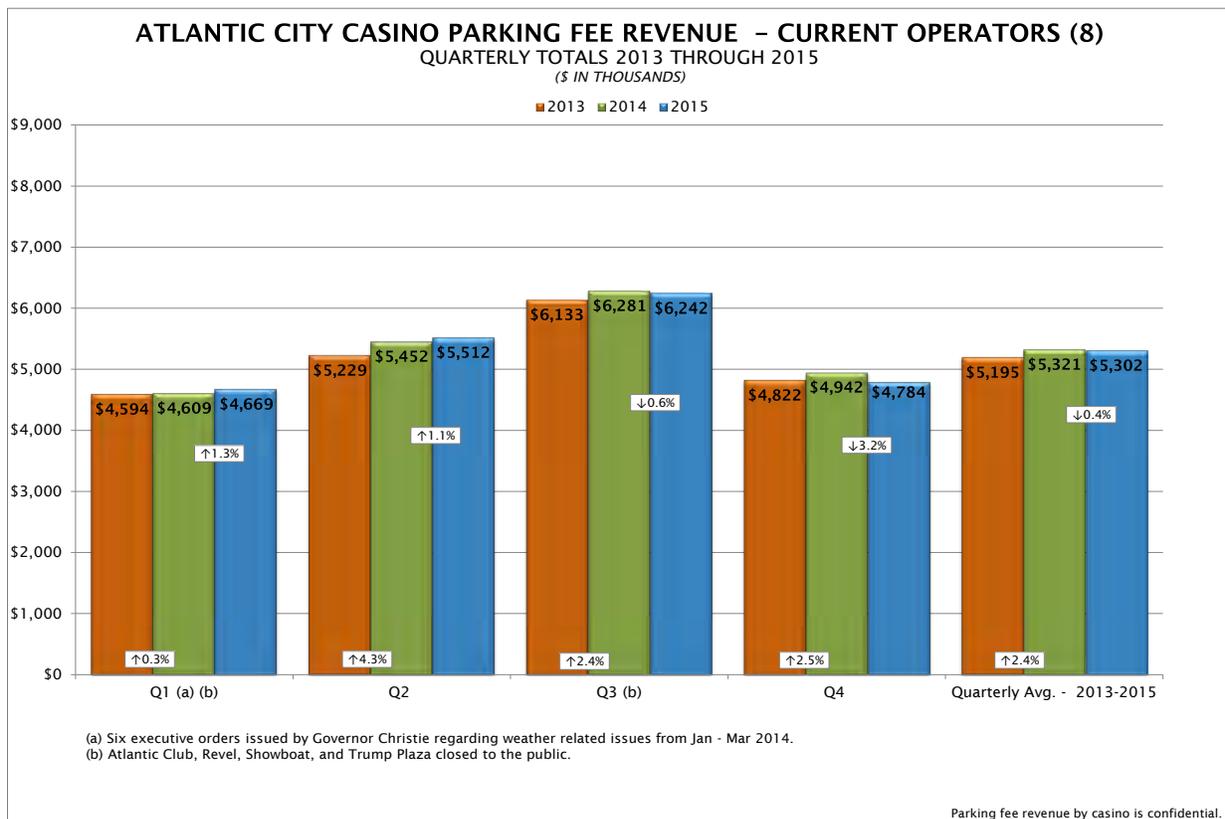
Source of data: State of New Jersey Department of the Treasury, Division of Taxation and DGE 4th Quarter Press Releases.



* Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

The Atlantic City Luxury Tax is 3% of the cost of alcoholic beverages and 9% of the cost of all other taxable sales (i.e. cover and entertainment charges, room rentals, rentals of beach chairs, cabanas, rolling chairs, and tickets of admission within Atlantic City). The maximum combined Atlantic City Luxury Tax rate and New Jersey State Sales Tax rate (excluding the State Occupancy Fee) may not exceed 13%. The State Sales Tax rate is reduced to the extent that the Luxury Tax exceeds 7%.

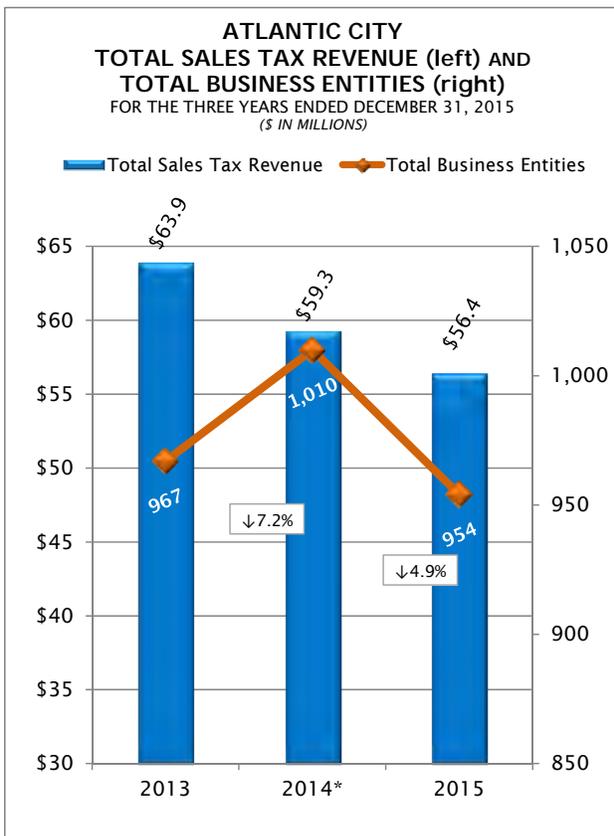
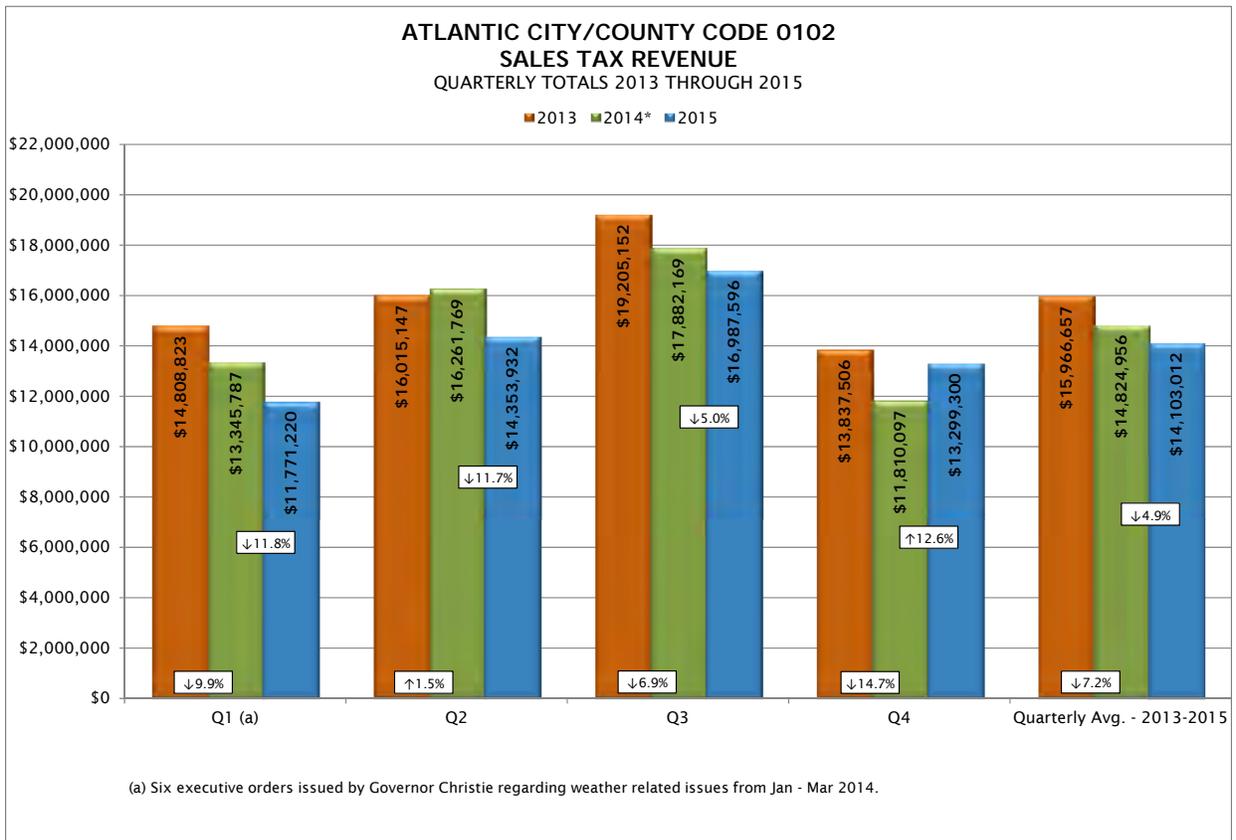
Source of data: State of New Jersey Department of the Treasury.



ATLANTIC CITY CASINO INDUSTRY CASINO PARKING FEE REVENUE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	2015	Includes Closed Casinos			Current Operators (8)		
		2014	Growth (Decline)		2014	Growth (Decline)	
			\$	%		\$	%
January	\$ 1,569,309	\$ 1,773,441	(204,132)	(11.5)	\$ 1,412,763	156,546	11.1
February	1,402,719	1,801,506	(398,787)	(22.1)	1,479,948	(77,229)	(5.2)
March	1,697,241	2,095,611	(398,370)	(19.0)	1,715,937	(18,696)	(1.1)
April	1,690,287	2,051,964	(361,677)	(17.6)	1,684,131	6,156	0.4
May	1,966,455	2,357,736	(391,281)	(16.6)	1,915,101	51,354	2.7
June	1,855,392	2,290,305	(434,913)	(19.0)	1,853,226	2,166	0.1
July	2,202,102	2,643,255	(441,153)	(16.7)	2,154,153	47,949	2.2
August	2,236,890	2,795,910	(559,020)	(20.0)	2,279,037	(42,147)	(1.8)
September	1,802,754	1,869,705	(66,951)	(3.6)	1,847,820	(45,066)	(2.4)
October	1,630,434	1,732,866	(102,432)	(5.9)	1,732,866	(102,432)	(5.9)
November	1,620,180	1,653,945	(33,765)	(2.0)	1,653,945	(33,765)	(2.0)
December	1,532,997	1,555,344	(22,347)	(1.4)	1,555,344	(22,347)	(1.4)
Total	\$21,206,760	\$24,621,588	(3,414,828)	(13.9)	\$21,284,271	(77,511)	(0.4)

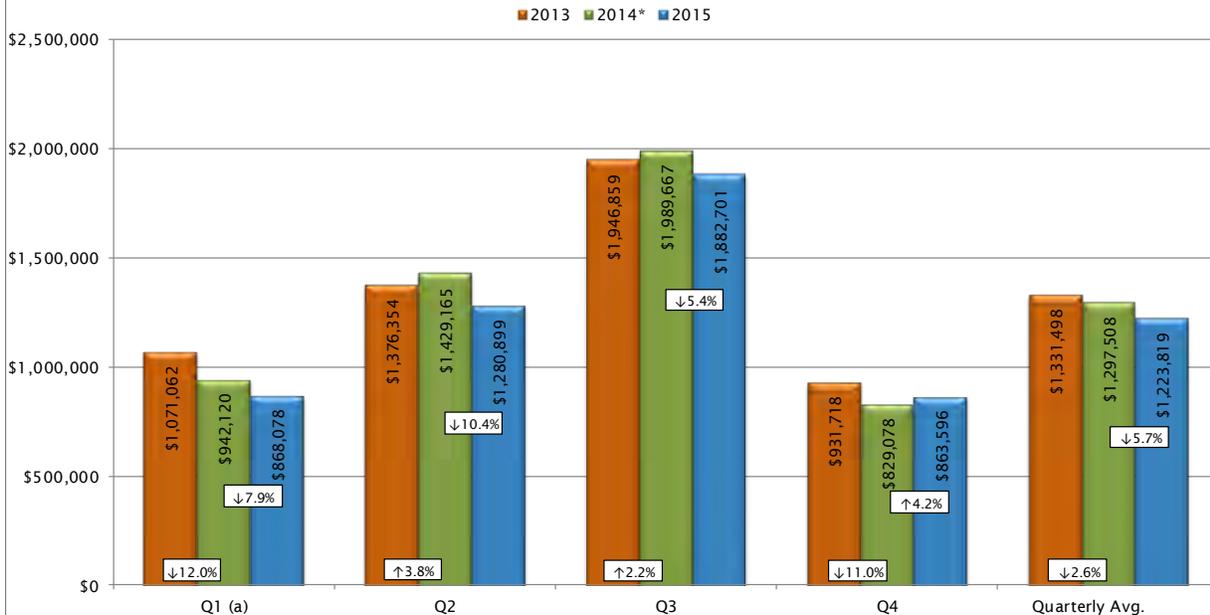


* Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

Sales Tax revenue does not typically include business entities that have Atlantic City locations but are primarily based outside of Atlantic City. Total number of business entities represents Atlantic City-based business entities active at any time during the year. Subject to change.

Source of data: State of New Jersey Department of the Treasury, Division of Taxation.

**ATLANTIC COUNTY / COUNTY CODE 01
HOTEL/MOTEL TOTAL STATE OCCUPANCY FEE REVENUE
QUARTERLY TOTALS 2013 THROUGH 2015**



(a) Six executive orders issued by Governor Christie with regards to weather related issues from Jan - Mar 2014.

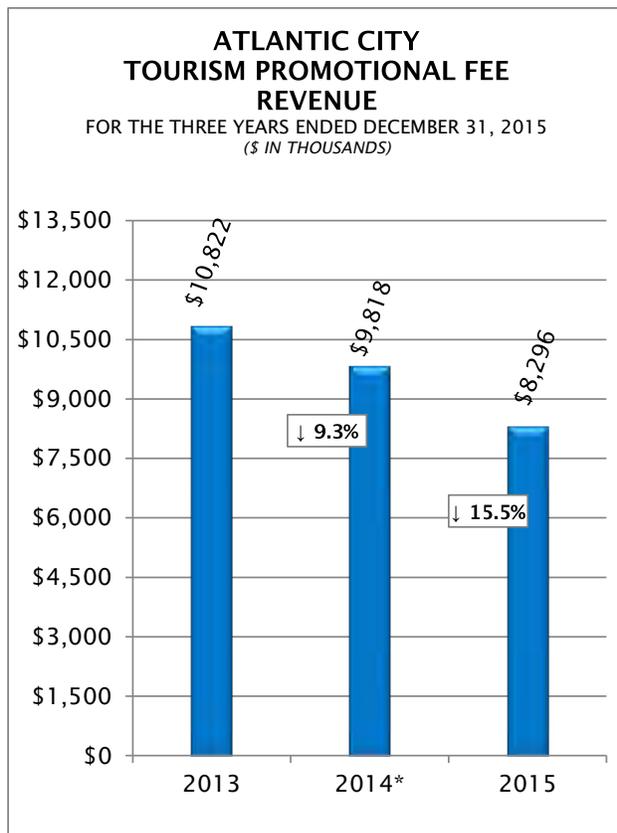
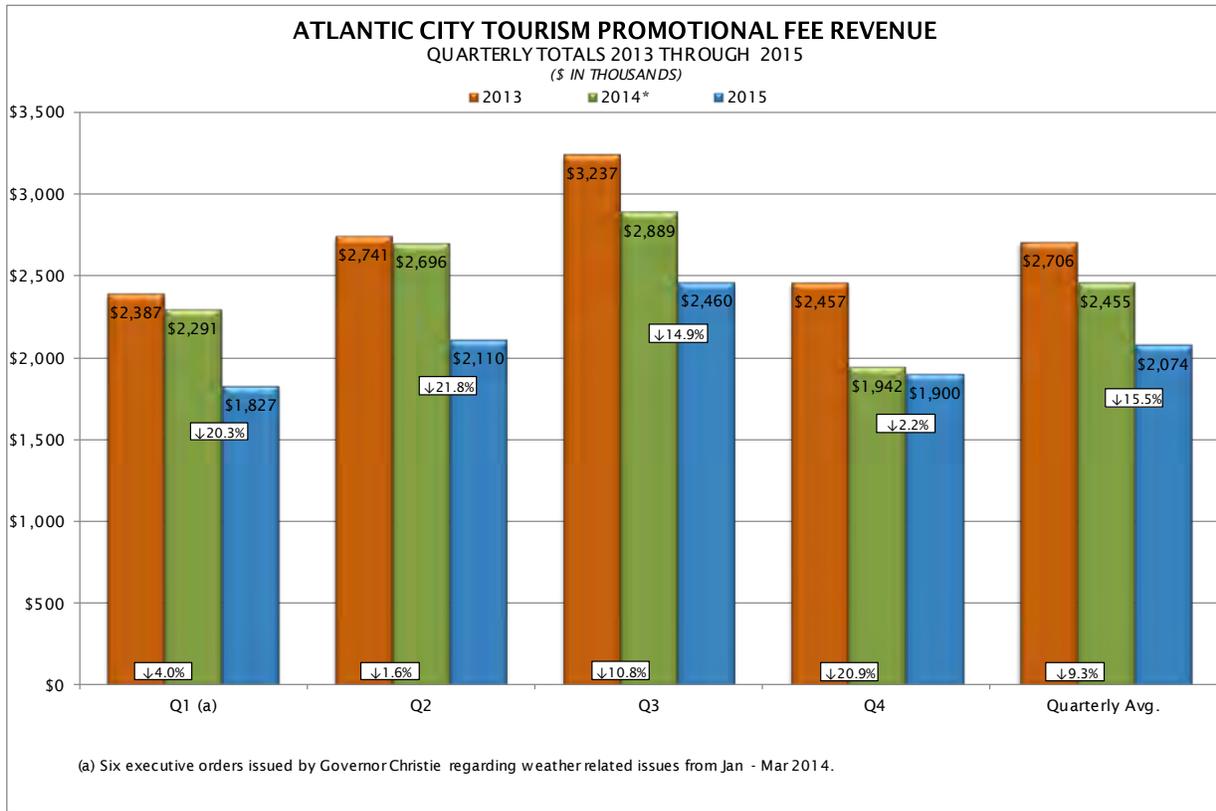
**ATLANTIC COUNTY
STATE OCCUPANCY FEE REVENUE
FOR THE THREE YEARS ENDED DECEMBER 31, 2015
(\$ IN THOUSANDS)**



* Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

The State Occupancy Fee in Atlantic City is 1%. Atlantic City is prohibited from enacting Municipal Occupancy Tax as it imposes other local taxes (luxury and tourism promotional taxes). The general State Occupancy Fee rate is 5% and the Municipal Occupancy Tax is less than or equal to 3%. The State Occupancy Fee is imposed on room rentals that are currently subject to New Jersey Sales Tax and is in addition to the Sales Tax.

Source of data: State of New Jersey Department of the Treasury, Division of Taxation - Hotel/Motel Information County Totals Reports.



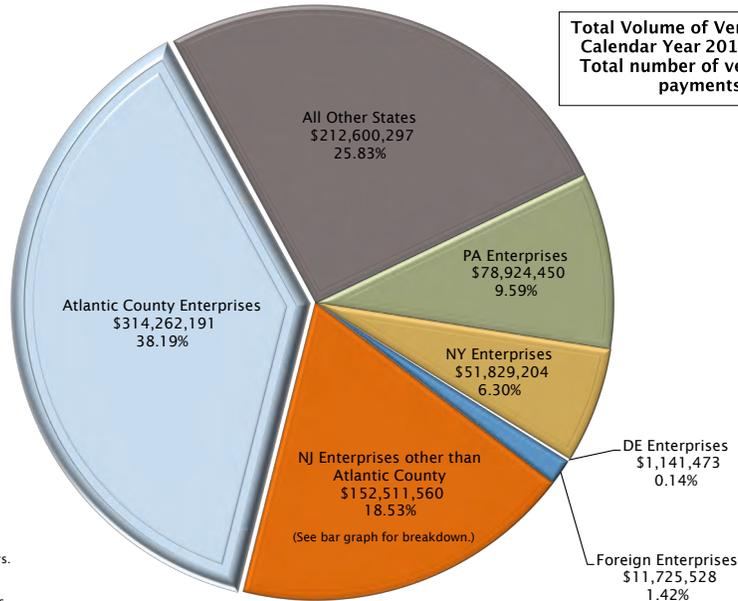
The Atlantic City Tourism Promotional Fee is \$1 or \$2 per occupied hotel/motel room in Atlantic City as reported to the Division of Taxation. Proceeds are appropriated to a special fund held by the convention center operating authority exclusively for the purpose of promoting tourism, conventions, resorts and casino gaming.

Source of data: State of New Jersey Department of the Treasury.

* Atlantic Club, Revel, Showboat, and Trump Plaza closed to the public.

**ATLANTIC CITY CASINO INDUSTRY
TOTAL DOLLAR VOLUME OF VENDOR BUSINESS***
FOR THE YEAR ENDED DECEMBER 31, 2015

- ⌘ Atlantic County Enterprises
- All Other States
- PA Enterprises
- NY Enterprises
- DE Enterprises
- Foreign Enterprises
- NJ Enterprises other than Atlantic County



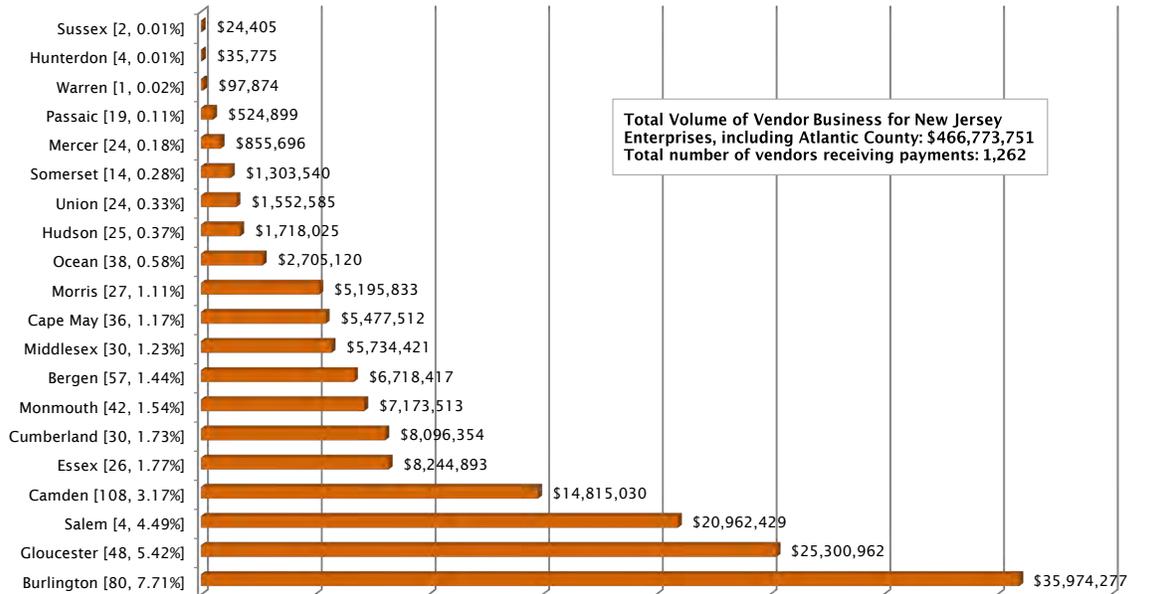
Total Volume of Vendor Business for Calendar Year 2015: \$822,944,703
Total number of vendors receiving payments: 3,345

*Dollar Volume of Business represents only those monies paid by casino licensees for goods and services including disbursements to subcontractors. This figure does not include such payments as governmental taxes, fines and fees, charitable contributions, guest losses, and court garnishments.

Numbers reflect the states in which offices serving hotel/casinos are located and may not be the states in which the enterprises are incorporated or have a home office.

Source of data: Vendor Statistics provided by the casinos to the DGE.

NEW JERSEY ENTERPRISES OTHER THAN ATLANTIC COUNTY*
TOTAL VOLUME OF VENDOR BUSINESS
FOR THE YEAR ENDED DECEMBER 31, 2015



Total Volume of Vendor Business for New Jersey Enterprises, including Atlantic County: \$466,773,751
Total number of vendors receiving payments: 1,262

[] Brackets next to county indicate total companies contributing and percent of total \$ business.

* Atlantic County Enterprises: 623 companies for a dollar volume of business of \$314,262,191, or 67.33% of total New Jersey \$ business.

Source of data: Vendor Statistics provided by the casinos to the DGE.

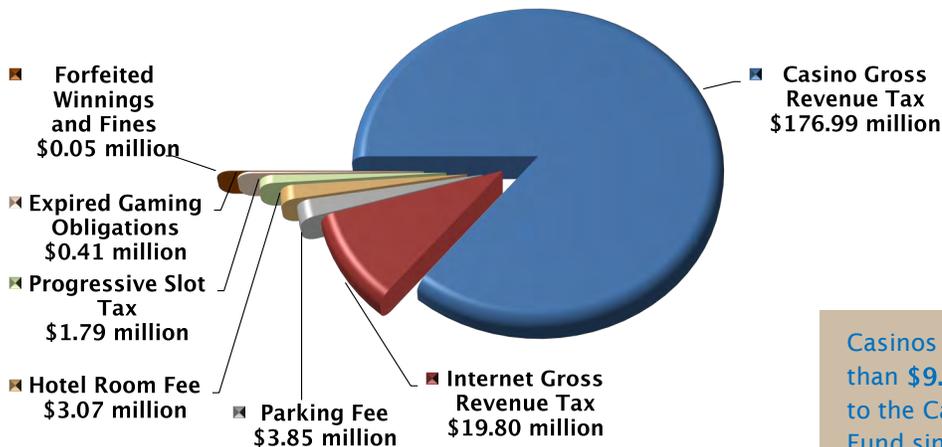
CASINO REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

New Jersey casinos pay the state 15 percent tax on Internet gross revenues and 8 percent tax on casino gross revenues appropriated to the Casino Revenue Fund for the benefit of the aged and disabled citizens of the State of New Jersey. Gross gaming revenue is the amount won from gamblers after all payouts have been made.

Funding is generated through two casino related taxes and five casino related fees. The largest revenue source is the gross revenue tax which is 15 percent on Internet gross revenue and 8 percent on casino gross revenue and can only be spent on programs that benefit New Jersey State seniors and people with disabilities. The responsibility for administering these taxes and fees resides with the Division of Gaming Enforcement, Division of Taxation, and the Casino Control Commission.

- o Gross Revenue Tax includes audit assessments, penalties, interest, and other adjustments.
- o Casino Parking Fee: Casinos remit a fee of \$3.00 per day for each occupied casino parking space. In FY 15, \$0.50 of the parking fee revenue was allocated to the Casino Revenue Fund and \$2.50 was allocated to the Casino Reinvestment Development Authority (CRDA) for statutorily restricted projects.
- o Casino Room Fee: Casinos remit \$3.00 per day for each hotel room occupied by a guest. In FY 15, \$1.00 was allocated to the CRDA and \$2.00 was allocated to the Casino Revenue Fund.
- o Multi-Casino Progressive Slot Tax: An 8 percent tax on casino service industry enterprise multi-casino progressive slot revenue.
- o Expired Obligations: Casinos are required to remit a percentage of each expiring gaming obligation.
- o Forfeited Winnings: Winnings of underage gamblers or excluded persons are subject to forfeiture. Forfeitures under \$100,000 are split equally between Casino Revenue Fund and compulsive gambling programs. For forfeitures over \$100,000, compulsive gambling programs receive \$50,000 and the balance is allocated to the Casino Revenue Fund.
- o Fines: The first \$600,000 of fines imposed on casinos in a fiscal year is allocated to the General Fund for compulsive gambling programs. Any amount over \$600,000 is allocated to the Casino Revenue Fund.

Total Taxes Deposited Into Casino Revenue Fund for FY 2015
\$206 million



Casinos have paid more than **\$9.7 billion** in taxes to the Casino Revenue Fund since 1978.

Source of data: DGE's Casino Revenue Fund Taxes and Fees Source Report (as of 07/15/16).

INDEPENDENT AUDITOR'S REPORT

State Of New Jersey



C A F R

Comprehensive Annual
Financial Report

For The Fiscal Year Ended
June 30, 2015

Is available at:

<http://www.state.nj.us/treasury/omb/publications/15cafr/pdf/fullcafr2015.pdf>



Chris Christie
Governor



New Jersey
Casino
Control Commission

Matthew B. Levinson
Chairman/CEO

Alisa Beth Cooper
Vice Chair

Sharon Anne Harrington
Commissioner



Tennessee Avenue and Boardwalk
Atlantic City, NJ 08401
609-441-3422
www.njccc.gov

If you or anyone you know has a gambling problem, call
1-800-GAMBLER

Vision Statement

Build on our reputation as a leader in gaming regulation in an environment of efficiency, and be a key partner and catalyst in promoting the general welfare, health, and prosperity of New Jersey.

Mission Statement

The Casino Control Commission promotes public confidence and trust in the credibility and integrity of the gaming industry as an independent licensing authority.

The Commission openly fosters partnerships and collaborates with all stakeholders while upholding objective and ethical standards with professionalism and integrity.

