



New Jersey Casino Control Commission

2016 ANNUAL REPORT





State of New Jersey
Governor Chris Christie

THE 2016 ANNUAL REPORT OF THE NEW JERSEY CASINO CONTROL COMMISSION

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Matthew B. Levinson
2016 ANNUAL REPORT MESSAGE

After almost a decade of decline, there are clear signs that New Jersey's casino industry, which is the lifeblood of Atlantic City and the region, is on the rebound. Total gaming revenues were up for the first time in a decade, tourism and convention business grew, and casino profits continued to rise.

Gaming revenue increased 1.5 percent in 2016 compared with 2015 and the seven current operators saw a 4 percent increase in gaming revenue. The improvement in profits by most operators was also notable. For the entire Atlantic City industry, gross operating profits went up by 7.3 percent in 2016 compared to 2015. When you eliminate the results from the closed casino, profits for the current operators were up 9 percent for the year.

The higher gaming revenue translated to more in revenue for the Casino Revenue Fund. Since Internet gaming win is taxed at a higher rate than revenue from traditional slot machines and table games, the 4 percent increase in gaming revenue generated a 6.5 percent increase in taxes. That money is dedicated to support important programs to benefit the State's seniors and people with disabilities.

We constantly look at a wide range of economic indicators to track and monitor the health of New Jersey's gaming industry. A number of indicators other than just revenues and profits were also up in 2016. For example, after declining for a number of years, casinos and their main contractors spent \$100 million more on goods and services in 2016, and the number of vendors doing business with casinos turned around as well and showed a modest increase.

At year end, the seven casinos directly employed 21,825 people – about 400 more than at the same point in 2015 – and the total payroll for the current operators increased by more than \$30 million. That doesn't include thousands of others who work in restaurants, clubs, and shops operated by third parties or who work for other outside vendors that provide goods and services to the casinos.



2016 ANNUAL REPORT MESSAGE (cont'd)

The average hotel occupancy rate was up as was the average nightly room rate. As a result, hotel rooms revenue increased by \$10 million for the seven casino hotels. While food and beverage revenues fell slightly, the casinos' investments in new nongaming amenities helped drive entertainment and other revenues up by \$5 million. Sales by third party businesses operating in casino hotels also rose.

“Gaming revenue increased 1.5 percent in 2016 compared with 2015 and the seven current operators saw a 4 percent increase in gaming revenue.”

The result of all of those indicators is that there is a growing sense of confidence in and around Atlantic City's gaming market that things are on the upswing. Perhaps the most obvious example of that confidence was the decision by MGM Resorts International to buy out Boyd Gaming's half interest in the Borgata for \$900 million, giving MGM total ownership of Atlantic City's highest grossing casino hotel. The Commission reviewed that transaction in the summer and ruled on a number of associated licensing issues at the time.

There were other projects that got underway in 2016 as well which showed how Atlantic City is reinventing itself as a destination resort with gaming as opposed to simply a gaming resort. Philadelphia developer Bart Blatstein reopened the Showboat Hotel without a casino, adding much needed hotel rooms. Stockton University began work on a new Atlantic City campus that will include classrooms, student housing, and a parking garage. On an adjacent site, an office building for South Jersey Industries will be constructed to employ about 200 people. Steel Pier moved forward with plans for a 200-foot tall observation wheel and work started on rebuilding a section of the Boardwalk which had deteriorated over decades in the city's Inlet section.

While casino revenues and profits are up, the cost of operating the Commission is down. Since I became Chairman in 2012, the Commission's budget was reduced by 10 percent and we cut expenses by 20 percent. We reduced the size of our staff by nearly 30 percent through realignment and, as a result, we cut the size of our office space and are saving money on our rental space. The Commission has rightsized itself to reflect similar efforts by the casino industry it licenses and regulates. Going forward, the Commission will continue focusing on automation and sustainability.



2016 ANNUAL REPORT MESSAGE (cont'd)

This year, staff overhauled the Commission’s web site to make it easier to use on smart phones and tablets as well as personal computers. The navigation is reorganized with the needs of our customers in mind. Internally, staff continued its efforts to create digital libraries of Commission records. It developed a process to provide commissioners with electronic versions of all the documentation they need for a public meeting, which saves time while reducing copying costs and waste.

“The Commission has rightsized itself to reflect similar efforts by the casino industry it licenses and regulates.”

The Commission continued its research into trends on the impact of gaming as well as its expansion in other states. Commission staff consistently evaluates and assesses proposed changes in the gaming industry and forecasts the potential impact on New Jersey. The staff generated in-depth analyses on a wide range of trends and topics that were shared with legislators, policy leaders, and state and local agencies to assist them in developing a clear understanding of the gaming environment and any challenges to the industry in New Jersey.

In November, New Jersey marked the fortieth anniversary of the 1976 casino gambling referendum, which authorized casinos in Atlantic City. As the Commission looks forward to its own fortieth anniversary in 2017, it remains dedicated to its primary mission – maintaining integrity in the State’s casino gaming industry and public confidence in the regulatory system. Those goals have always been, and always will be, the foundation of everything we do.

Sincerely,

Matthew B. Levinson
Chairman and Chief Executive Officer



Matthew B. Levinson
Chairman & Chief Executive Officer

Matthew B. Levinson is the seventh Chairman & Chief Executive Officer of the New Jersey Casino Control Commission.

As Chairman and CEO, he shapes and directs the State's casino licensing agency, but also plays a key role in establishing policies and priorities for redevelopment of Atlantic City by virtue of his seat on the Casino Reinvestment Development Authority (CRDA).

Since his appointment in 2012, Levinson streamlined the size and the scope of the Commission in response to significant changes in the gaming industry, competition, the economy, and the State's gaming law. As chief executive officer, he realigned the staff, rightsized the number of employees and reduced expenses; he transformed it to be an effective and efficient government agency that is well-positioned to respond to new challenges and opportunities in the years to come. In his position on the CRDA, he also participated in updating and modernizing the authority's outdated master plan for Atlantic City's Tourism District and in prioritizing redevelopment projects that are helping to revitalize the city.

He serves on the Board of Directors of the Levenson 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.

Prior to his appointment to the Commission by Governor Chris Christie, 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.

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.

Levinson 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. He is a graduate of Villanova University where he majored in accounting and minored in finance. He also holds an MBA from Thomas Edison University.

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



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.

Vice Chair



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

Commissioner

Immediately prior to joining the Commission, Harrington served as Chair and Chief Administrator of the New Jersey Motor Vehicle Commission (MVC) from March 2004 through July 2009. During her tenure, the customer experience was transformed, services were modernized and streamlined and on-line technology solutions were added. Under her leadership the agency was regarded as one of the most successful in the state. While at MVC, she served as Vice Chair of the Region 1 Board of Directors of the American Association of Motor Vehicle Administrators and on the International Board.

Commissioner Harrington was State Director for U.S. Senator Frank Lautenberg. Previously she was 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. Under three governors, Harrington served as Chair of the New Jersey State Council on the Arts, where she worked with policy leaders to advance strategic support for the arts. With a high regard for the importance of public service, she also served as a member of the State Ethics Commission, Commissioner on the Urban Enterprise Zone Authority, and a Public Member to the New Jersey Cemetery Board.

She currently serves as a Vice Chair of Art Pride New Jersey, the state's largest arts service organization. Previous board service includes membership on the Non-Profit Finance Fund, Atlantic City Special Improvement District Advisory Committee, New Jersey Symphony Orchestra, New Jersey Shakespeare Festival, Passage Theatre, New Jersey Performing Arts Center, 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.

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. Commissioner Cooper is a member of numerous civic, charitable, professional, and philanthropic organizations.

Cooper resides in Linwood with her husband Douglas Little and their son, David Cooper Little, a student at Widener University Delaware Law School.



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.

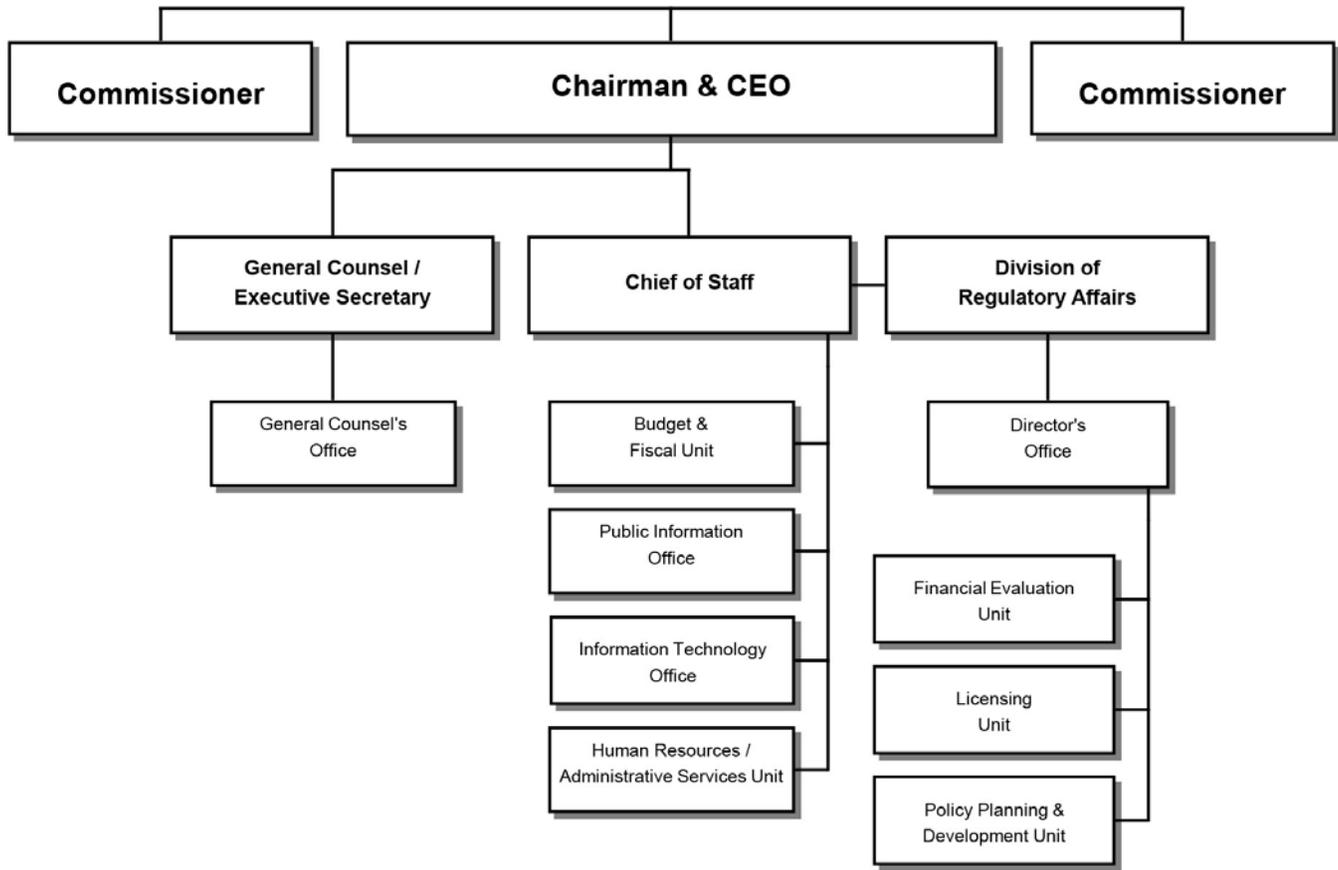


Selected Organizational Values





New Jersey Casino Commission



Staffing

	FY 2015	FY 2016
Filled Positions	43	40
Authorized Positions	56	56

From FY 2015 to FY 2016, the number of filled positions declined 7%.



BUDGET SUMMARY

	FY 2014	FY 2015	FY 2016
Request	\$8,592,233	\$8,205,000	\$7,941,000
Appropriations	\$8,205,000	\$8,205,000	\$8,166,000
Expenditures	\$7,024,255	\$6,008,242*	\$6,065,892
Resources Not Spent	\$1,180,745	\$2,196,758	\$2,100,108

BUDGET COMPARISON BY APPROPRIATION UNIT

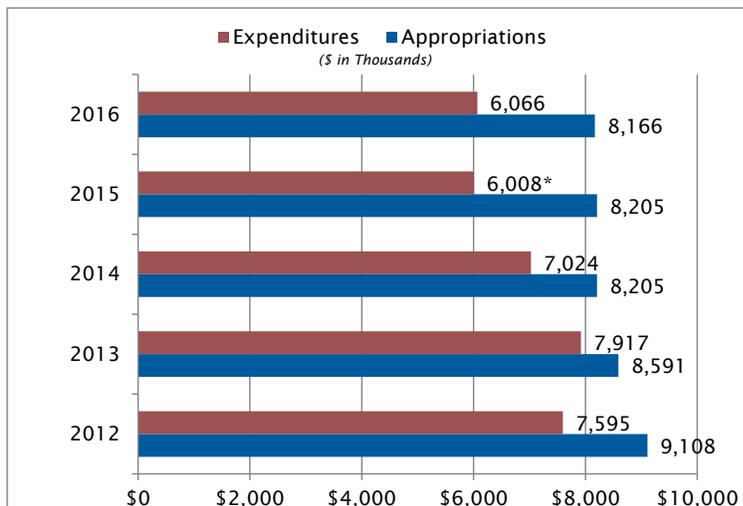
FOR THE FISCAL YEARS ENDED JUNE 30

(\$ in Thousands)	FY 2014		FY 2015		FY 2016	
	Appropriated	Expended	Appropriated	Expended	Appropriated	Expended
Salaries & Fringe Benefits	\$5,717	\$5,287	\$6,018	\$4,752	\$5,987	\$4,444
Materials & Supplies	\$ 102	\$ 67	\$ 84	\$ 58	\$ 84	\$ 57
Services Other Than Personal	\$ 547	\$ 289	\$ 522	\$ 286	\$ 522	\$ 398
Maintenance & Fixed Charges	\$1,683	\$1,290	\$1,466	\$ 855*	\$1,466	\$1,147
Special Purpose	\$ 45	\$ 19	\$ 16	\$ 21	\$ 8	\$ 1
Capital Additions & Equipment	\$ 111	\$ 73	\$ 99	\$ 36	\$ 99	\$ 20
Total	\$8,205	\$7,024	\$8,205	\$6,008*	\$8,166	\$6,066

*Includes a \$390,000 multi-year property tax appeal reimbursement.

FINANCE STATISTICS

FOR THE FISCAL YEARS ENDED JUNE 30



The Commission continues to streamline its operations and to underspend its budget annually.



TEAM BUILDING; OUTREACH AND TRAINING

In addition to focusing on its statutory responsibilities, the Commission continued to reinforce the importance of a positive and professional work environment. In July, the Chairman announced the formation of a new strategic planning committee charged with proposing a new strategic plan to strengthen and ensure the goals of the agency are in line with the refreshed mission and vision statements.

During the year, the Commission undertook several team building, outreach, and training activities as follows:

- 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.
 - Commission staff continued using its Employee Development System (EDS), which is designed to enhance communication, teamwork, mentoring, and achievement.
 - In June, as part of the State of New Jersey's Wellness Campaign, employees participated in the Mid-Day Move.
 - The Commission acknowledged the designation of March as Problem Gambling Awareness Month.
- 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.
 - In December, several employees were recognized for their years of service with the state.
 - In 2016, employees continued to participate in various job enrichment training programs and continuing education classes for the maintenance of professional licenses. In addition all employees attended on-site Ethics Training sponsored by the state.





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. FY 2016 in review:



Directed the Commission's appropriation process and monitored the budget and cash flow. The Commission continues to seek out efficiencies annually. As a result it underspent its appropriation by \$2.1 million or 26%, and expended \$330,000 less than FY 2015, adjusted for a \$390,000 multi-year property tax appeal reimbursement received in FY 2015. See below for breakdown of savings.

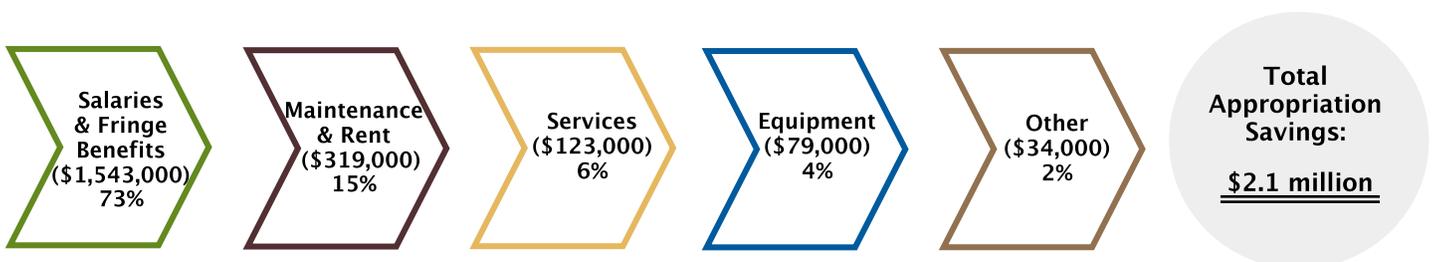


Ensured agency-wide compliance with Treasury Circular Letters, Executive Orders, and other directives related to financial and administrative matters. The unit monitored related transactions and complied with required oversight reporting.



Collaborated with Department of Treasury to consolidate the Commission's building footprint and transferred 9,000 square feet of its office space to other partners in the building, including the Division of Gaming Enforcement (DGE), for more efficient space utilization.

FY 2016 Efficiencies and Savings

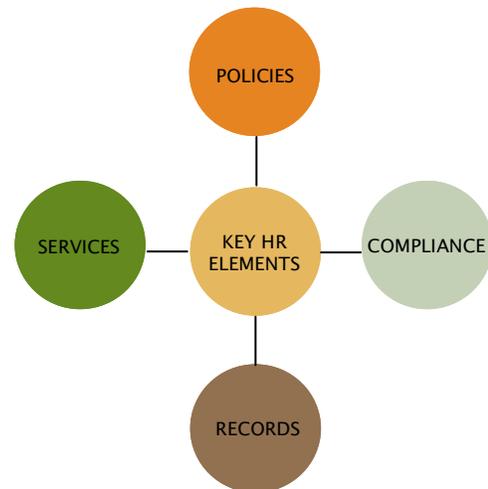




Human Resources/Administrative Services Unit is responsible for all personnel and employee services including timekeeping, employee benefits, training, compensation and classification; facilities operations including building safety and security; and for the maintenance and storage of central files, personnel and training records. It also ensures agency compliance with all Civil Service Commission requirements and directives.

HR Highlights

- Assisted employees and retirees with questions on policies, processes, payroll, insurance and benefits including changes to contributions, benefit appeals, beneficiary designations and a variety of pension related matters.
- Researched, studied, and participated in online webinars necessary to remain current on the many employment laws that impact employees.
- Organized an effort to transfer ownership of over a thousand licensing records to the DGE.
- Throughout the year, processed various training requests from employees. In addition, coordinated the agency's effort to offer an on-site Active Shooter presentation.
- Coordinated with other agencies to assist with the reallocation of building space and provided support for the construction projects regarding the relocation of various personnel throughout the building.



Media Relations



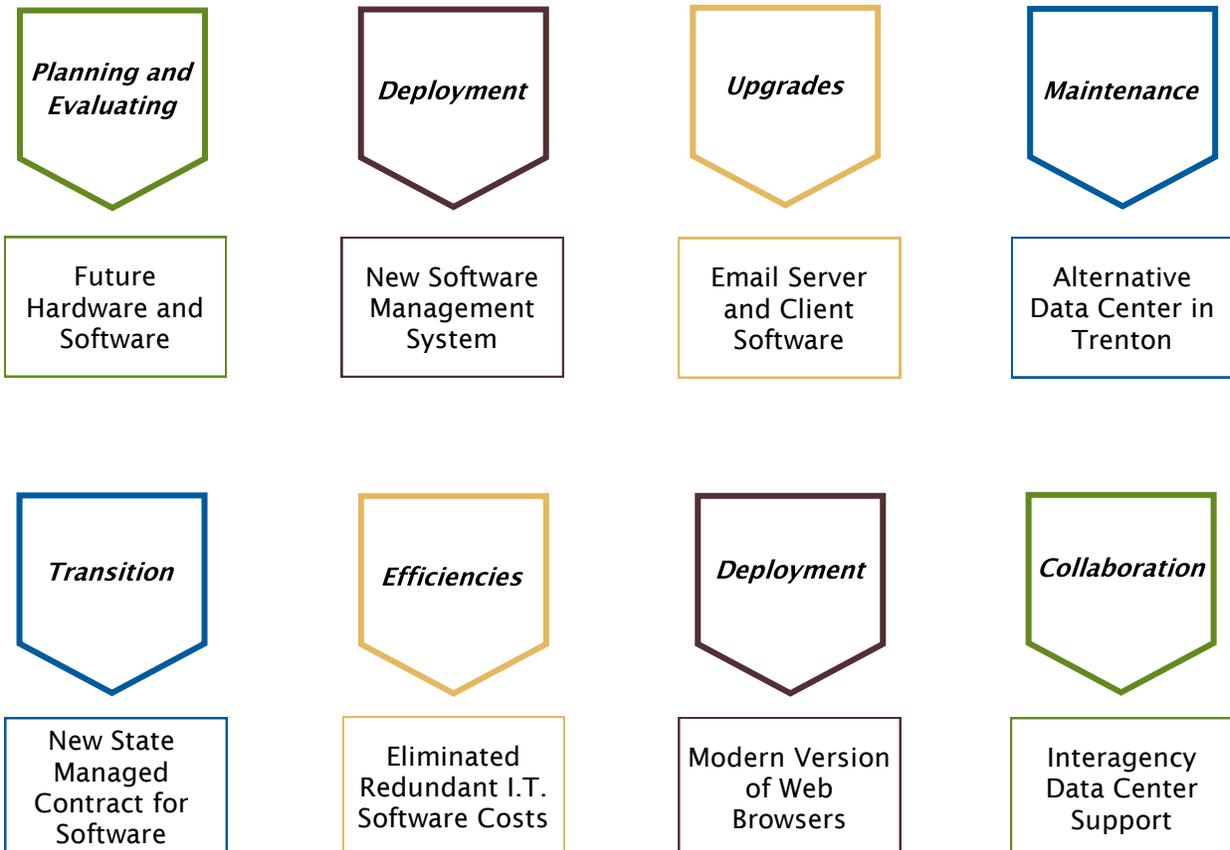
The **P**ublic Information Officer reports to the Chief of Staff and is responsible for all media relations for the Commission. In addition, the Public Information Officer prepares a myriad of reports, presentations and speeches for the Chairman and serves as the Commission's Open Public Records Act (OPRA) custodian. A significant portion of the OPRA requests during the year were related to President Donald Trump.



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 services to employees of the Commission, the DGE and other Arcade Building tenants, casinos, and the public. This includes administering enterprise-level systems, the network environment, and the 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).

Yearly Activities





Dianna Williams–Fautleroy, Esq.
General Counsel/Executive Secretary &
Ethics Liaison Officer

The **General Counsel's (GC's) Office** renders 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 including the proposal and adoption of agency regulations, counsels the Commission on legal and ethics matters, and represents the Commission in any proceeding to which it is a party. Members of the GC'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 (DGE).

During the year, the **GC's Office** assisted and rendered legal advice on a variety of activities including the matters below:

- The Joint Petition of Trump Taj Mahal Associates, LLC and TEI Management Services, LLC for approval of a Management Agreement.
- The Joint Petition of MGM International and MGM Growth Properties, LLC for a declaratory ruling determining the licensing status of certain subsidiaries to serve as the Landlord and Sub Landlord of Marina District Development Company, LLC (d/b/a Borgata Hotel Casino & Spa).
- The Joint Petition of MGM Resorts International and MGM Growth Properties, LLC, for approvals of a Master Lease and Sublease and other approvals in connection with the acquisition of certain real estate, and other improvements related to Marina District Development Company, LLC.
- Consideration of the Initial Decision in the matter of the Appeal in Thomas P. Campisi, Jr. vs. State of New Jersey.
- The plenary qualification of MGM Resorts International's Senior Vice President of Global Security, Senior Vice President and Chief Compliance Officer, and Senior Vice President and Treasurer.
- The temporary and/or plenary qualification of a number of Tropicana Entertainment, Inc. and Tropicana Casino and Resort officers including its Vice President of Marketing, Assistant Vice President of Marketing, Assistant Vice President of Food and Beverage, Vice President, Legal and Regulatory Affairs, Information Security Officer, Assistant Vice President of Hotel Operations, Corporate Vice President of Purchasing, and Corporate BSA-AML Compliance.
- The temporary and/or plenary qualification of a Director as well as the Casino Accounting Controller for Caesars Interactive Entertainment, Inc. Entertainment Corporation.
- The temporary and/or plenary qualification of a Director of Caesars Entertainment Corporation as well as several other key officers including Chief Audit Executive, Chief Information Officer, Senior Vice President and AML Officer, Vice President and Deputy Chief Regulatory and Compliance Office, and IT Cyber Security/Chief Information Security Officer.



GC's Office Responsibilities & Actions

<i>RECORDS RETENTION</i>	Streamline	Collaborated on development of a streamlined method for storing historical records.
<i>CASE CONFERENCES</i>	Due Process	Closed most contested cases in 2016. Administrative due process provided to all applicants/licenseses.
<i>REGULATIONS</i>	Compliance	Managed an ongoing review of agency regulations.
<i>RENDER ADVICE</i>	Expertise	Provided updates and analysis on legislative action concerning casino related legislation and legislation pertaining to public entities.
<i>PUBLIC MEETING AGENDAS, NOTICES, MINUTES AND PUBLIC RECORDS</i>	Transparency	Maintained official records of the Commission. Assisted with requests for information and/or documents under the Freedom of Information Act and the Open Public Records Act.

EEO Officer

- Ensured adherence to all Federal and State laws, mandates and Equal Employment Opportunity (EEO) policies.
- Collaborated with the Human Resources Unit in facilitating the recruitment and hiring processes.
- Maintained required documentation for filing with the state's Division of EEO/AA Office.
- Facilitated EEO training for Commission employees.
- Conducted EEO Exit Interviews of separating Commission employees.

Public Meetings



The GC's Office prepared the Commission's public meeting agenda, notices and minutes as well as related public records. The public meeting preparation process was reevaluated and redeveloped using an electronic platform to create greater flexibility for the Commissioners while reducing the Commission's carbon footprint.



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 **Project Management & Automation (PM&A) Team** in the director's office oversees projects, most notably: administration and maintenance of custom developed casino licensing and regulatory I.T. systems; and software programming and development for agency systems as well as 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.

Highlights

- Analyzed the design of the Commission's website, identified opportunities to improve compatibility with today's end-user technologies, developed a streamlined navigation (site map), and initiated the design of a new site in collaboration with the N.J. Office of Information Technology.
- Continued to support the Commission's effort to streamline and automate paper processes, including the creation of digital libraries to facilitate access to information and documentation.
- Developed an automated process to deliver an electronic version of Public Meeting materials to the Commissioners. This new process will reduce photocopying costs as well as staff time expended in the meeting preparation process.
- Completed work 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 were leveraged in order to provide savings to the Casino Control Fund. The finished implementation will allow both the Commission and DGE to better serve its customers at lower overall cost.
- Completed a project to create more robust documentation for custom developed applications, including complete design specification documents to facilitate troubleshooting and improvements.

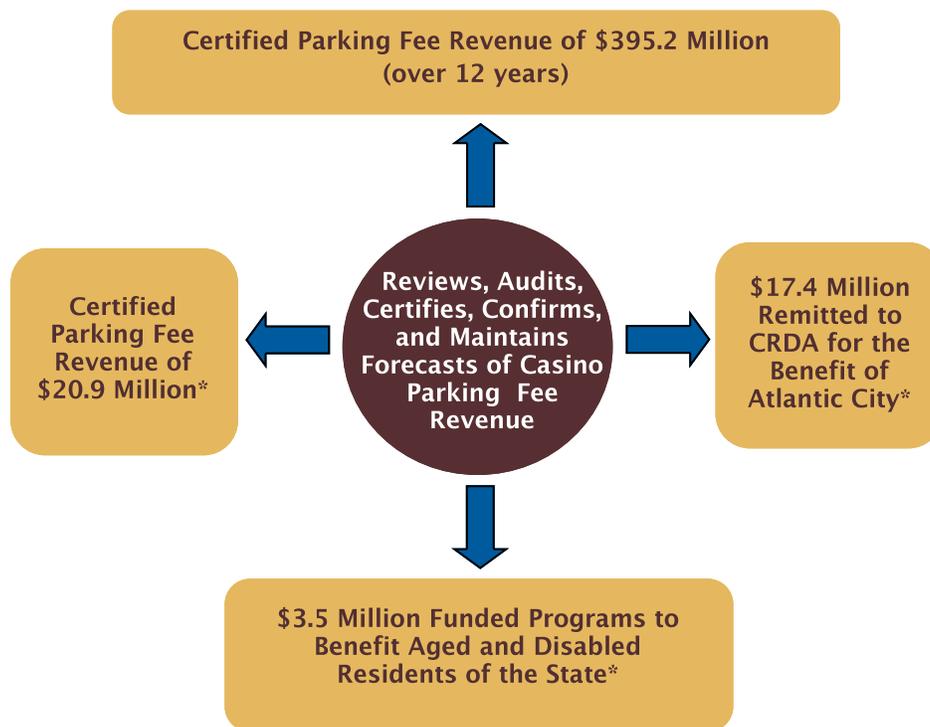




Financial Evaluation Unit facilitates the Commission’s responsibilities under Section 82e (undue economic concentration), Section 84 (financial stability) and Section 87 (casino license applicants) of the Act, by providing advice and consultation to the Commissioners on all matters of a financial or economic nature, including economic concentration of the casino industry. The 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.

Highlights

- 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.
- Prepared industry market share analyses that evaluated the potential impact of financial and economic events on the Atlantic City gaming industry.
- Coordinated and completed the agency’s Internal Control Review as required by the state.
- Evaluated financial stability in the casino industry and supported the Commission’s decision-making process in the approval of MGM’s master lease and sub-lease as related to MGM’s acquisition of Marina District Development Company, LLC.

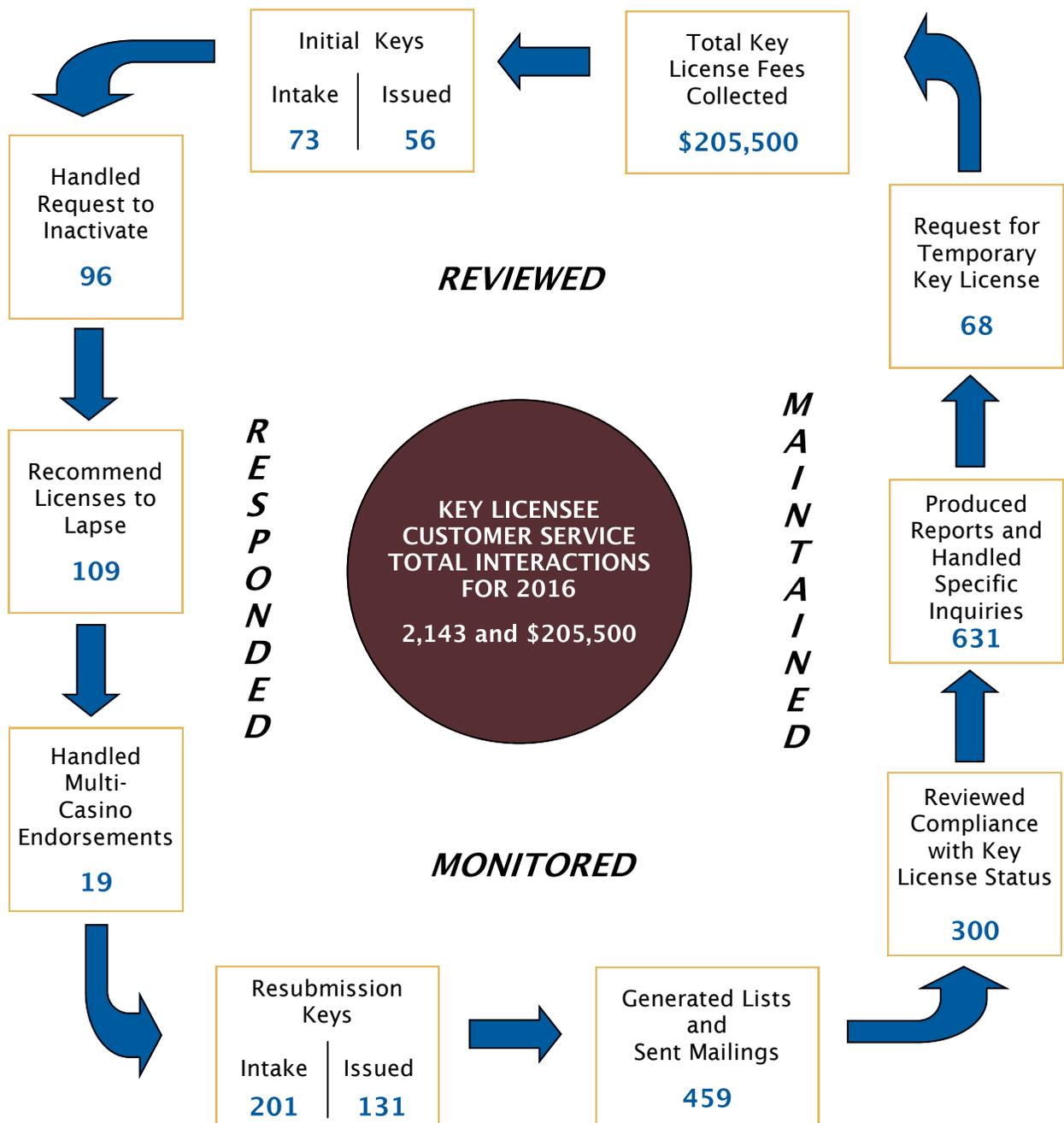


Total casino industry parking spaces: 29,863. For more detailed information on number of spaces and parking fee revenue see pages 53-54.



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, ensures accurate transmittal of fees, 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. In conjunction with the General Counsel’s Office, it prepares the Commission meeting agenda items relating to all Licensing Unit matters.

Yearly Customer Service Activity





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. It also identifies and evaluates economic trends and opportunities. Research and analyses is used by multiple partners to develop a concise picture of the gaming environment and to identify challenges to the Atlantic City gaming industry, as well as, the State of New Jersey. The unit also manages the preparation of the Commission's Annual Report.

Highlights

- Researched the proliferation of gaming along with the most recent gambling trends. Analyzed the impact of competition on the Atlantic City and regional markets.
- Monitored the status of Internet wagering for 24 states with commercial casino gaming.
- Monitored regulatory costs and gross revenue tax rates for 24 states with commercial casino gaming.
- Collected information related to leased and owned food & beverage and retail space of the casinos.
- Prepared an analysis of non-gaming and gaming revenues including third party business sales.
- Analyzed market share, operating profit and vendor business of the Atlantic City casinos.
- Performed analyses and created maps and charts of regional casino competition.
- Monitored pending legislative changes and related issues.
- Provided various agency partners with existing or new charts regarding a myriad of information.
- Performed analyses of gaming revenues, including free slot play for Atlantic City casinos and its regional casino competition.
- Researched, analyzed and charted information regarding the Casino Property Tax Stabilization Act.
- Prior to the vote on the North Jersey casino ballot question, tracked and analyzed related information.



**Help Yourself.
Help Atlantic City.
Help New Jersey.**

Read how a "yes" vote for Casino Gaming in Atlantic City will help...

balance taxes

create jobs

boost the economy

cut down on street crime

"YES" CASINOS



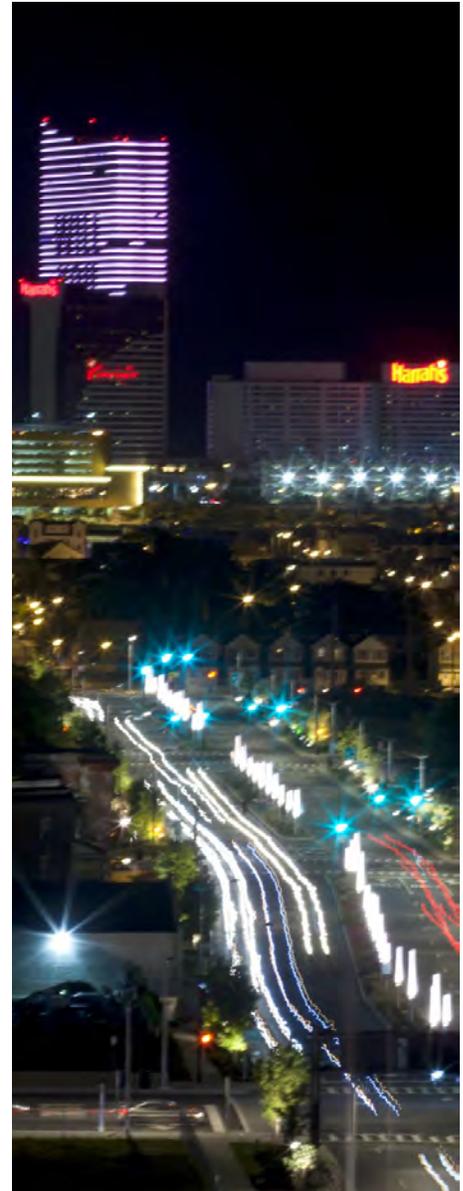
Atlantic City Only

Vote "Yes" on November 2



In November 2016, the casino gambling referendum celebrated its 40th anniversary. The public question on the 1976 ballot limited casinos to Atlantic City. Governor Byrne signed the Casino Control Act into law in 1977.

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 \$17.5 billion. Examples of 2016 capital improvements included: the new outdoor pool at Borgata and hotel room renovations at Caesars and Resorts.



Non-gaming amenities continued to be added to Atlantic City. Popular new night clubs added in 2016: Premier at Borgata; WAV at The Playground; and Kiss Kiss A Go-Go at Tropicana.



ATLANTIC CITY CASINO INDUSTRY CASINO FACILITY STATISTICS *

	TABLE AND OTHER GAMES	POKER	SLOT MACHINES	TOTAL GAMING SPACE (sq ft)
Bally's AC	129	42	1,798	121,624
Borgata (a)	186	79	3,026	160,171
Caesars AC	137	0	1,854	115,225
Golden Nugget	78	10	1,455	78,957
Harrah's AC	141	40	2,177	155,195
Resorts	73	0	1,555	83,016
Tropicana	110	21	2,260	124,791
INDUSTRY TOTALS	854	192	14,125	838,979

(a) Only casino with Simulcasting. Total includes 23,620 sq ft simulcast facility.

Source of data: December 2016 Monthly Gross Revenue Reports Form DGE-101.

ATLANTIC CITY CONVENTION & MEETING SPACE *

	TOTAL MEETING SPACE (sq ft)	NUMBER OF MEETING ROOMS	LARGEST MEETING ROOM	NUMBER OF SLEEPING ROOMS
Bally's AC	80,000	28	14,432	1,169
Borgata/The Water Club	88,000	65	29,398	2,800
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
INDUSTRY TOTALS	564,000	265		11,447
NON-HOTEL SPACE				
Convention Center	595,700	50	486,600	-
Boardwalk Hall (a)	25,000	6	23,100	-
One Atlantic	16,355	5	6,789	-
TOTALS	637,055	61	-	-
GRAND TOTALS	1,201,055	326	-	11,447

(a) Does not include 141,000 sq ft main arena.

* Taj Mahal not included; closed to the public October 10, 2016.



- In April, opened the Premier Nightclub: a \$14 million, 18,000 square foot venue featuring two 35-foot-long bars and a custom 6-foot-diameter disco ball surrounded by a 25-foot diameter chandelier made from programmable lights.
- In May, received AAA Mid-Atlantic's Four Diamond Award.
- In July, held the grand opening of three new amenities: The Beer Garden featuring craft and domestic beers, live music and a variety of lawn games; The Outdoor Pool featuring a 3,200-square-foot Roman-style pool with over 300 chaise lounges, daybeds, and cabanas; and The Marketplace Eatery offering quick-serve, fresh, made-to-order food.
- In August, Boyd Gaming completed the sale of its half of Borgata to MGM Resorts International.
- In September, hosted the Miss'd America Pageant.
- In October, was accepted as a member of Associated Luxury Hotels International (ALHI), the first and only member in New Jersey.

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

Borgata Hotel Casino & Spa



- In November, held Savor Borgata Weekend for the fifth year. Events included culinary classes and activities, a culinary demonstration by Iron Chef Geoffrey Zakarian, and an exclusive "Debut Dinner" with Chef/Partner Michael Symon offering a sneak peek behind the concept of his soon-to-debut restaurant, Angeline by Michael Symon.
- Voted best Overall Gaming Resort, Hotel, Rooms, Pool, Spa, Casino, Comps, Race Book and Live Poker for 2016 by *Casino Player Best of Gaming*.
- Tournaments held throughout the year included: \$20,000 Slot Tournaments, \$100,000 Slot Tournament, Poker Opens, and the Third Annual Bar Poker Open.
- Promotions held throughout the year included: \$100,000 Leap Day Sweepstakes, \$1,500 Bonus Slot Dollars Every 15 minutes, \$5,000 Bonus Slot Dollars Every 15 minutes, BMW 528i Sweepstakes, Pick the Pros \$1 Million Football Challenge, Ultimate Fan Sweepstakes, Acura MDX Sweepstakes, \$10,000 Ultimate High Hand, \$20,000 Ultimate High Hand Bonus, and 4X and 5X Slot Dollars.
- Entertainment held throughout the year included: Rob Thomas, Tony Orlando, Foreigner, Frankie Valli, Brandi Carlile, Don Rickles and Regis Philbin, Chris Botti, Ralphie May, Diana Ross, Jerry Seinfeld, Lady Antebellum, Josh Groban, Sebastian Maniscalco, Jim Gaffigan, John Mellencamp, Chicago, and Michael McDonald.



- In February, the Boardwalk Saloon opened, offering both indoor and outdoor seating, a newly built stage with free entertainment, bar games, and a mechanical bull. The Boardwalk Saloon was part of a \$3 million makeover of the Wild Wild West, which also included two new restaurants and arcade games.
- In April, the Snack Shack opened at the Wild Wild West, serving fresh made-to-order food and specialty drinks with a grab-and-go concept.
- Reopened its seasonal Bikini Beach Bar. Entertainment included DJs, local bands, Latin Night, and Reggae Night.
- In June, with a free concert by Canaan Smith, celebrated the grand re-opening of the Wild Wild West. In attendance were local celebrities, NHL and NCAA athletes, and reality show stars serving as bartenders.
- In July, held the grand opening of Guy's Bar-B-Que Joint at the Wild Wild West, including a meet and greet with Guy Fieri.
- In November, hosted the Atlantic City Tattoo Expo featuring tattoo artists from around the world.
- In December, opened Dunkin' Donuts in the hotel lobby area.

- Voted best Table Game Tournaments, Poker Tournaments, Reel Slots, and Craps for 2016 by *Casino Player Best of Gaming*.
- In 2016, was the only casino to offer full-time \$5 table games in the Wild Wild West.
- Throughout the year offered entertainment and live bands in the Wild Wild West.
- Promotions held throughout the year included several slot, table game and poker tournaments including the Super \$15,000 Bingo Tournament and \$10,000 Slot Tournament Mondays.



Bally's Atlantic City

1900 Pacific Avenue
Atlantic City, NJ 08401
609-340-2000
www.caesars.com/ballys-ac



- Throughout the year, offered its Total Reward cardholders reward credits, free slot play, discounts, merchandise giveaways, and more.
- Poker continued to be popular at the two Caesars Entertainment Atlantic City casinos, along with its Poker Bad Beat Jackpot, promotions and tournaments. Over \$5 million in Bad Beat Jackpots have been paid since its debut in 2010.
- Offered free self-parking when patrons spent \$75 in cash at certain restaurants at Caesars or Bally's or earned \$25 tier credits in a day at Caesars and Bally's.
- Offered reward credits through Caesars' play-for-fun online games on Facebook.
- 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.



2100 Pacific Avenue
 Atlantic City, NJ 08401
 609-348-4411
www.caesars.com/caesars-ac

Caesars Entertainment / Caesars Atlantic City



- Completed hotel room renovations at the Temple Tower and renamed it the Forum Tower.
- In November, one of the first casinos to install skill-based video machines known as "Danger Arena".
- Promotions held throughout the year included: Cleopatra's \$250,000 Celebration of Jackpots, Empire's Challenge Blackjack Tournaments, \$150K Big Pull 5X Entries, \$100K Free Play Giveaway, and Caesars Palace 50th Anniversary #IAmCaesar Sweepstakes.
- Entertainment held throughout the year included: Brian Wilson Celebrates Pet Sounds, 3 Doors Down, "Weird Al" Yankovic, Gary Allan, Brian McKnight, Jay Leno, Penn & Teller, Toni Braxton, Chris Isaak, Alton Brown, The Whispers, Ron White, Smokey Robinson, New Edition, Jamey Johnson, Adam Lambert, Peter Cetera, Martin Lawrence, and A.C. Ballet's 'The Nutcracker'.



- In March, the Men R' Cookin' event was hosted to raise money for the Boys & Girls Club of Atlantic City.
- Starting in June, on the first Friday of every month, teamed up with the other Marina District casinos to spotlight its nightclubs and offered a reduced cover charge.
- In September, announced plans for a \$30 million renovation of 450 rooms and suites in the Bayview Tower. Work is expected to be finished by Memorial Day weekend in 2017.
- In October, hosted the 4th Annual Battle of the Bras Competition and Fashion Show to raise money for the American Cancer Society Making Strides Against Breast Cancer.
- In November, became the first casino in the country to install the skill-based video machines known as "Danger Arena".
- The Pool After Dark continued to offer a place to swim, dance and party. As an important non-gaming amenity, it was announced, in December, that The Pool would be renovated and upgraded.
- Events held at the Waterfront Conference Center throughout the year included: NJ Agricultural Convention & Trade Show, Atlantic City Antiques Show, East Coast Gaming Congress, Meeting Professionals International: World Education Congress, Governor's Conference on Housing & Economic Development, TEAMS '16 Conference & Expo, Northeast Conference of Mortgage Brokers & Professionals, and the Autism Conference.

Harrah's Resort Atlantic City

- Voted Best Nightclub to Spot a Celebrity (The Pool at Harrah's); Best Guy's Night Out (casino) (Sammy D's); Best Singles Scene (casino) (Dos Caminos); Best Wine List and Cocktail List (casino) (#BarWithNoName); and Best Industry Night (The Pool at Harrah's) by *The 2016 Atlantic City Weekly Nightlife Awards*.
- Promotions held throughout the year included: Summer of Jackpots II, \$5,000 Bingo Blast!, \$500 in Free Slot Play, 2016 Jeep Grand Cherokee Limited Giveaway, \$20,000 Super Bingo Tournament, and \$10,000 Slot Tournament.
- Entertainment held throughout the year included: Kesha, Arsenio Hall, UB40, Legends in Concert, Jefferson Starship, The Fabulous Thunderbirds, Edgar Winter Band, The Monkees, Masters of Illusion, Morris Day & The Time, Jody Watley featuring Shalamar Reloaded, The Ohio Players, The B-52s, The Grass Roots, Lou Christie, Paul Revere's Raiders, The Rat Pack Tribute, and Tracy Morgan.

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



- In January, held a tasting with media representatives for the new menu at Grotto Ristorante created by head chef Carmine Favuzzi.
- In June, hosted a customer appreciation event for cardholders with free BBQ, beverages, live music, and a chance to win prizes.
- Throughout the summer, several events were held at The Deck, including band competitions and paint ball parties.
- In June, the British Invasion Festival was held, featuring live tribute bands, food and drink specials, and displays of vintage British cars.
- In July, held the 17th Annual Fakefest Rock and Roll Tribute Band Festival.
- In August, the International Winefest was held, as well as the Fourth Annual Deckstock Festival.
- In September, the Sixth Annual Beer Festival was held.
- In November, held its annual Whiskey Revival.
- In October, began offering patrons the ability to redeem comps at all Landry's, Inc. restaurants nationwide.



Golden Nugget Atlantic City

- Voted Best Hosts, Best Video Poker, Best Roulette, and Favorite Casino Resort to Vacation at for 2016 by *Casino Player Best of Gaming*.
- Voted Best Nightclub, Bottle Service, and Club Dancers (Haven Nightclub); Best Daylife Party (H2O Pool & Bar); Best Casino Bar/Lounge for Live Entertainment (The Deck); Best Happy Hour, Drink Specials, and Cocktail List (casino) (Chart House); and Best Happy Hour and Wine List (casino) (Vic & Anthony's) by *The 2016 Atlantic City Weekly Nightlife Awards*.
- Every Friday throughout the year, offered Flashback Fridays with free entertainment featuring tribute bands.
- Promotions held throughout the year included: free self-parking, New Year's Day Comp Dollar Giveaway, 2016 Lincoln MKC Giveaway, Bingo Bonanza, \$5,000 Happy Hour Hot Seat, 50" Samsung TV Hot Seat, \$100,000 Gift Extravaganza, Tesla Model S Giveaway, Tier Points Multiplier, \$1 Million Golden Gridiron, Monterey 238 Super Sport Boat Giveaway, \$50,000 New Member Celebration Sweepstakes, and several Slot and Poker tournaments.
- Entertainment throughout the year included: Neil Sedaka, Todd Rundgren, Engelbert Humperdinck, Bobby Rydell, Eddie Money, Sheena Easton, Paul Anka, Rick Springfield, Andrew Dice Clay, Aaron Neville, The Amazing Kreskin, Cheech & Chong, and Michael Bolton.

Huron & Brigantine Blvd.
Atlantic City, NJ 08401
609-441-2000

www.goldennugget.com/atlanticcity/



- In March, hosted the 14th Annual Garden State Film Festival.
- In April, held the Klink! Signature Wine Event with wines and tapas by Chef Jose Garces.
- In May, hosted the 3rd Annual Beach Ball Drop kicking off the summer with contests, games, strolling entertainers, and giveaways.
- Also in May, became the first casino in Atlantic City to offer Progressive Blackjack, with a progressive wager of \$5.00 and an initial progressive meter amount of \$50,000.
- In July, Resorts and the Atlantic City Sports Commission hosted the Pro Watercross National Tour; this is the first stop and the first time held in Atlantic City.
- In September, held the 4th annual Craft Beerfest, featuring beers from around the country and from local and regional breweries. Live entertainment was provided by The Red Hotts.
- In October, held an Italian Festival and Oktoberfest.
- Voted best Hotel Staff, Hotel Suite, Dealers, Blackjack, Video Slots and Slot Tournaments for 2016 by *Casino Player Best of Gaming*.

Resorts Casino Hotel

- Promotions held throughout the year included: Mercedes Sweepstakes, Lincoln MKC Sweepstakes, \$1 Million Beachball Bounce, Mustang Guaranteed Sweepstakes, \$2,016 Slot Dollars Every 15 Minutes!, CA\$H DA\$H Money Machine, \$1 Million Slot Tournament, \$1 Million Roulette Challenge, and \$5,000 Slot Tournament.
- Entertainment throughout the year included: The Gap Band, Air Supply, Clint Holmes, The Commodores, The Village People, Billy Ocean, Chippendales, The Spinners, Blood, Sweat & Tears with Bo Diddley, Alan Parsons Greatest Hits Tour, and Broadway Holiday Show.
- Continued investing in its property with its Ocean Tower hotel room renovation project which includes new bathrooms, furniture, and windows. The project is expected to be complete by the end of 2017.
- Throughout the year, continued to cater to locals and continued to offer free parking on various days of the week.
- Awarded "Best Renovation" 2016 Pinnacle Award by readers of *Successful Meeting* magazine.

1133 Boardwalk
Atlantic City, NJ 08401
1-800-772-9000
www.resortscas.com



- In February, hosted the Winter Wine Festival featuring New Jersey's finest wines.
- In March, hosted the Maxwell Football Club's Annual National Awards Gala.
- In May to kick off the summer, held a Boardwalk Block Party with live entertainment, giveaways, fireworks, and the unveiling of the new multimedia light and sound shows.
- In July, launched ShaqJack Blackjack which combines a live dealer, actual cards and private gaming terminals with each player going only against the dealer.
- In August, hosted the 9th Annual Taste of the Quarter, which benefits the United Way of Greater Philadelphia and Southern New Jersey.
- In October, hosted the Beer and Whiskey Festival featuring beers, whiskeys, food, crafters and seminars. Live entertainment was provided by John Eddie and His Dirty OL' Band.
- Held several events throughout the year that focused on its restaurants including: Bacon Week, Martini Week, Seafood Week, Craft Beer Week, and Chocolate Week.

2831 Boardwalk
Atlantic City, NJ 08401
1-800-843-8767
www.tropicana.net

Tropicana Casino and Resort



- In December, installed skill-based video machines known as "Danger Arena".
- Voted best Players Club and Best Promotions for 2016 by *Casino Player Best of Gaming*. Also awarded six Best of Dining & Nightlife awards by *Casino Player* magazine.
- Awarded Best Gaming/Casino Hotel across North America in its 2016 Smart Stars Awards contest by *Smart Meetings* magazine.
- Completed a \$40 million renovation project which included redesigned hotel rooms, a new property entrance on Pacific Avenue, the Luxe Hair Salon, Corner Market, Ivan Kane's Kiss Kiss a Go-Go nightclub, a Trop Advantage Rewards Center, a new High Limit slot area with a private concierge and restrooms, and five all-new multimedia light and sound shows on the Boardwalk.
- Promotions held throughout the year included: \$1 Million Big Spin Lotto, Football League Win Free Slot Play, High Hand of the Hour, Bonus Cash, The Big Horse Race & Hat Contest, and \$250,000 Trop Advantage Slot Star Challenge.
- Entertainment throughout the year included: Aaron Lewis, Chaka Khan, O.A.R., Meat Loaf, Three Dog Night, Patti LaBelle, The Band Perry, Pat Benatar and Neil Gerardo/Melissa Etheridge, The Guess Who, Dom Irrera, Boyz II Men, Yes, Eli Young Band, KC and the Sunshine Band, Creedence Clearwater Revisited, Boz Scaggs, and Dion.

2016 ATLANTIC CITY HIGHLIGHTS



Boardwalk



Atlantic City Airshow (a)



Beach Concerts



Miss America (b)



Showboat Hotel

- JAN**
 - Atlantic City Indoor Races
 - Pool & Spa Show

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

- MAR**
 - Atlantic City Restaurant Week
 - WWE Live Road to Wrestlemania @ Boardwalk Hall
 - St. Patrick's Day Parade

- APR**
 - Garden State Film Festival
 - April Fools Marathon
 - Atlantic City Beer and Music Festival

- MAY**
 - Memorial Day Celebrations

- JUN**
 - Luke Bryan @ Boardwalk Hall
 - Atlantic City Offshore Grand Prix
 - AnimeNext Convention
 - Challenge Atlantic City Triathlon

- JUL**
 - Atlantic City Summer Concerts Series 2016
 - Justin Bieber @ Boardwalk Hall
 - 4th of July Fireworks Celebrations
 - Grand reopening of the Showboat Hotel

- AUG**
 - The National Sports Collectors Convention
 - Jimmy Buffett AC Beach Concert
 - Atlantic City Salutes America's Armed Forces Parade
 - Atlantic City Airshow
 - Red Bull Global Rallycross
 - Atlantic City Cider Social

- SEP**
 - Miss America Parade & Pageant
 - Atlantic City Seafood Festival
 - Zac Brown Band AC Beach Concert
 - Bell Biv DeVoe & En Vogue AC Beach Concert
 - National Candy, Gift, & Gourmet Show
 - In-Water Power Boat Show

- OCT**
 - Atlantic City Marathon
 - Atlantic City Comedy Festival @ Boardwalk Hall

- NOV**
 - New Jersey Education Association Convention
 - New Jersey League of Municipalities
 - American Finals Rodeo @ Boardwalk Hall

- DEC**
 - Deck The Halls – Festival of Trees @ Boardwalk Hall
 - Triple Play Realtors Convention and Trade Show



Conventions (c)



Memorial Day



Fireworks Celebration (d)



Atlantic City Marathon (e)



Festival of Trees

(a) Photo Credit: www.afthunderbirds.com

(b) Photo Credit: Miss America Organization/Bruce V. Boyajian

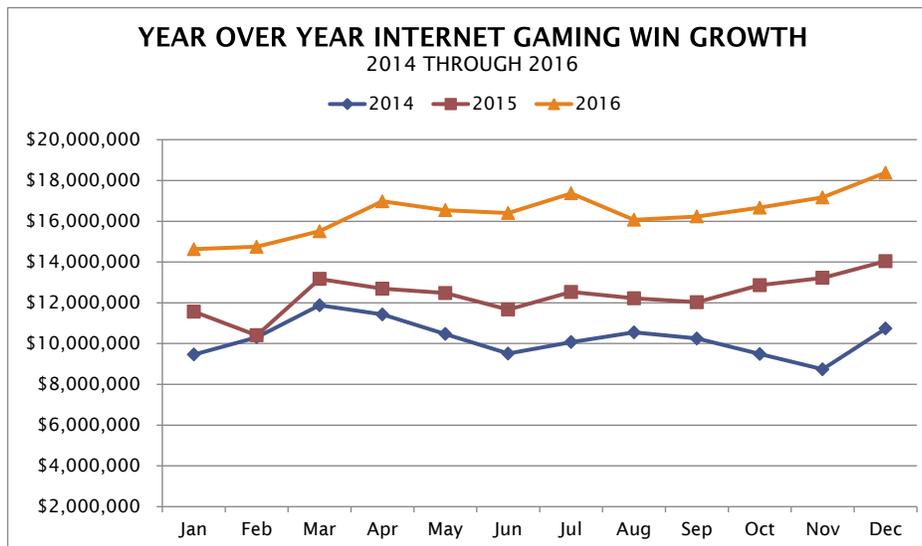
(c) Photo Credit: www.njcrda.com

(d) Photo Credit: Racheal Grazias/Shutterstock.com

(e) Photo Credit: iStock.com/Paul Dempsey



For the year ended December 2016 as compared to 2015, Internet Gaming Win grew in each of the twelve months and was up \$47.8 million or 32.1% for the year. Excluding Resorts Digital (months of operation not comparable), Golden Nugget had the largest year-over-year increase of 36.4% and Caesars Interactive was next with 18.6%. The chart below illustrates the yearly growth pattern of Internet revenue.



Since the inception of Internet gaming operations to year end 2016, Internet Gaming Gross Revenue was \$477 million and Internet Gross Revenue Tax was \$72 million. See page 40 for more detailed information on Internet Gaming Win by licensee. In August, the second 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

Caesars Interactive Entertainment (CIE)

- In January, an online patron won an \$80,000 jackpot playing the Cash Spin slot game on us.888poker.com.
- In June, announced an agreement to expand its partnership with NYX Gaming Group (NYX) and re-launched its CaesarsCasino.com website on NYX’s Open Platform System (OPS). The new platform is designed to enhance marketing and loyalty services.

- Internet gaming promotions offered throughout year included: January Cashback, 100% Bonus Match on First Deposit, Convert Your Online Rewards Credits To Cash, Get \$10 In Real Money, January Mystery Bonus, Pick your Bonus, Play 20 Free Spins On Us, \$5,000 Slot Bonus Giveaway, Multiplier Madness, \$300 Freeroll for Veterans & Active Military, \$10K Nightly Guarantee, Big Sunday Bonus, and \$100 Daily Welcome Freerolls.



Borgata Hotel Casino & Spa

- In March, PalaBingoUSA.com launched testing of its real-money 90 ball bingo website offering the first 400 players \$25 in free play.
- In October, a patron won a \$195,880 jackpot playing Gorilla GO Wild slots on palacasino.com.
- Throughout the year online poker tournaments were plentiful and remained popular. In May alone, Borgatapoker.com gave away over \$1.3 million in guaranteed prize money across a number of tournaments. Other popular poker tournaments included: \$100,000 Guaranteed No Limit Hold 'Em, Garden State Super Series IV & V, and Quarterly Freeroll Invitational.
- Internet gaming promotions held throughout the year included: Fun in the Sun Getaway, \$5,000 Winter Sweepstakes, Suite Valentine Getaway, European Escape Giveaway, March Mayhem, Ring in Spring Guaranteed Bonus, \$5,000 April Showers Sweepstakes, Cash Back Thursday, \$5,000 Summer Kickoff Giveaway, Guaranteed Slot Bonus, and \$1,000 Thursdays.

Golden Nugget Atlantic City

- *IGaming North America Awards* selected GoldenNuggetCasino.com as 2016 Operator of the Year.
- In August, became the first online gaming operator in the country using live dealers. A patron can play table games such as

Blackjack, Roulette, and Dragon Bonus Baccarat with live dealers from their computer or smartphone. GoldenNuggetCasino.com in partnership with Ezugi NJ built a studio inside of the Golden Nugget that provided the technology for Online Live Dealer. Players can interact with live dealers and other players as if they were on the casino floor.

- In September, partnered with Rush Street Interactive and launched a new skin named after Rush Street's Pennsylvania Sugar House Casino (playsugarhouse.com) which offers over 200 online slot and table games.

Resorts Digital Gaming

- In March, PokerStars partnered with Resorts and added a new skin pokerstarscasino.com. The new skin offers both poker and casino games including PokerStars' popular Spin & Go tournaments.
- In May, entered into a deal with Inspired Gaming Group to offer virtual sports products such as Rush Horse Racing, Rush Car Racing, and Rush Football. Resorts iGaming Lounge broadcasts Virtual Sports from the Internet.
- ResortsCasino.com and mohegansuncasino.com received the 2016 Operator of the Year award at the *EGR North America Awards*.
- ResortsDigital was awarded Best Marketing Campaign at the 2016 *IGaming North America Awards*.



Resorts Digital Gaming (con'd)

- Throughout the year Internet gaming promotions included: PokerStars \$100,000 Spin & Go Special Edition, Dream Escape Vacation, Spring Weekend Giveaway and Free Spins and Slot Tournaments.

Tropicana Casino and Resort

- In January, a patron won a \$149,022 jackpot playing the Wonderland slots on tropicanacasino.com.

- For the second consecutive year, awarded best Online Casino Operator at the 2016 *EGR North America Awards*.
- Internet gaming promotions held throughout the year included: Earn Trop Advantage Comp Dollars and Tier Points, Up to \$100 Cash Back, Community Jackpot, Labor Day Bonus Match, Sundown Summer Sharepot, and \$10 Free Bonus Money.

As of September 2016, as provided by the DGE, a total of 20 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 September 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	NYX Gaming	CaesarsCasino.com
Borgata	Nov. 25, 2013	BWIN	Borgatacasino.com Borgatapoker.com NJ.Partypoker.com
	Nov. 19, 2014	Pala Interactive	palacasino.com palabingousa.com
Golden Nugget	Dec. 1, 2015	NYX Gaming	GoldenNuggetCasino.com nj-casino.goldennuggetcasino.com
	Nov. 21, 2014	Betfair	betfaircasino.com
	Sep. 10, 2016	Rush Street Interactive	playsugarhouse.com
Resorts Digital (affiliate of Resorts)	Feb. 25, 2015 July 24, 2015	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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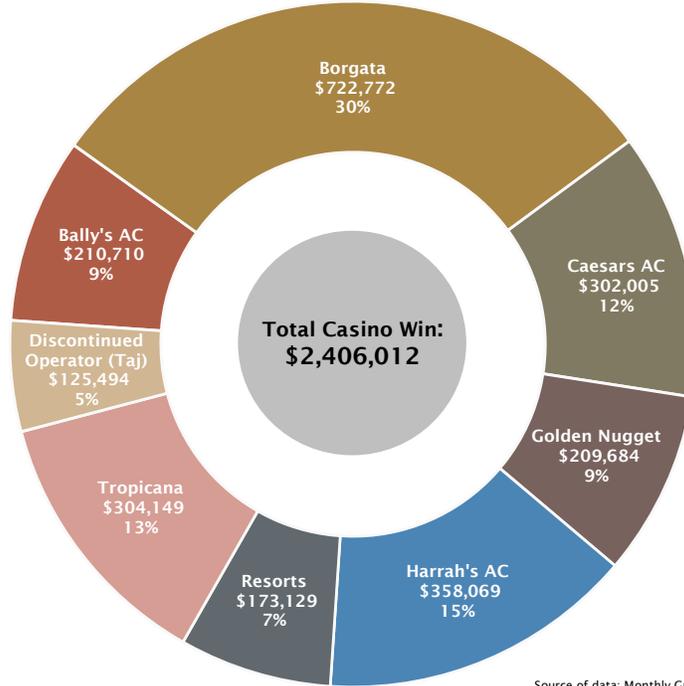
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Casino Control Fund

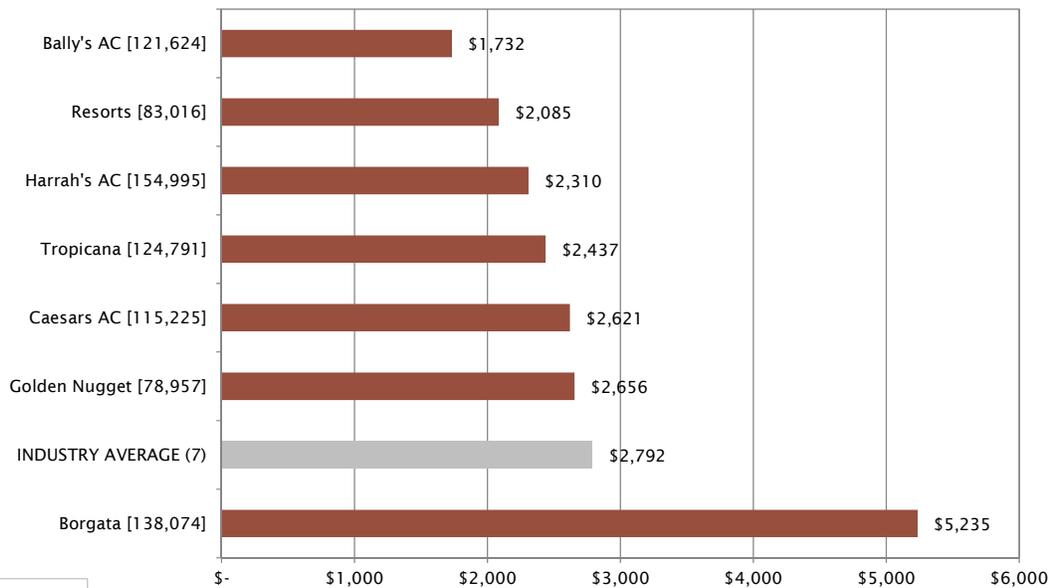
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ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINO)
CASINO WIN AND MARKET SHARE
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (\$ IN THOUSANDS)



Source of data: Monthly Gross Revenue Reports Form DGE-101 (as of 01/12/17).

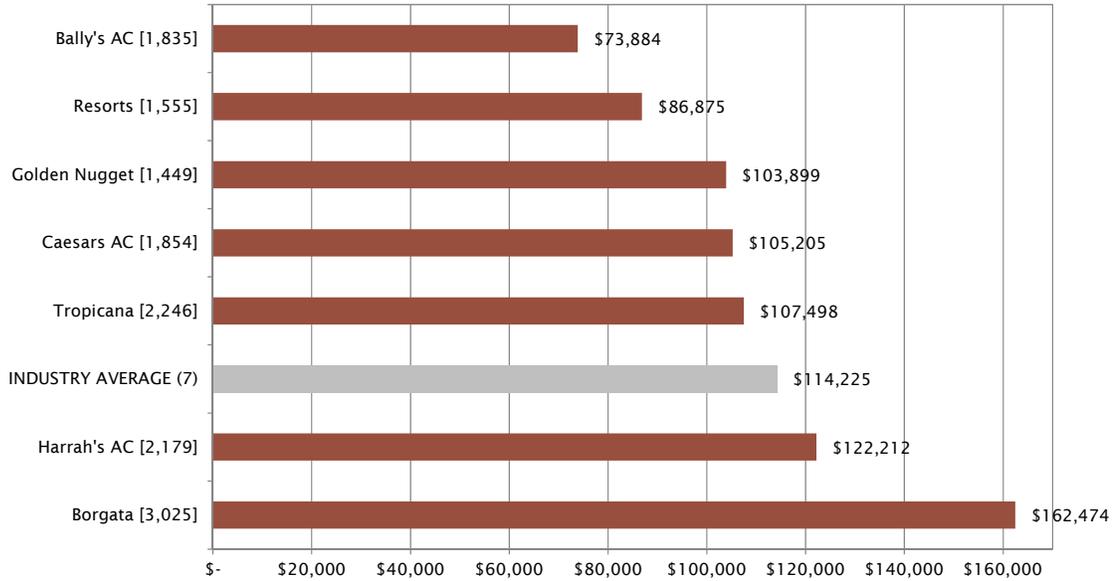
ATLANTIC CITY CASINO INDUSTRY (CURRENT OPERATORS)
CASINO WIN PER SQUARE FOOT OF GAMING SPACE
 FOR THE YEAR ENDED DECEMBER 31, 2016



[] 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 01/12/17).

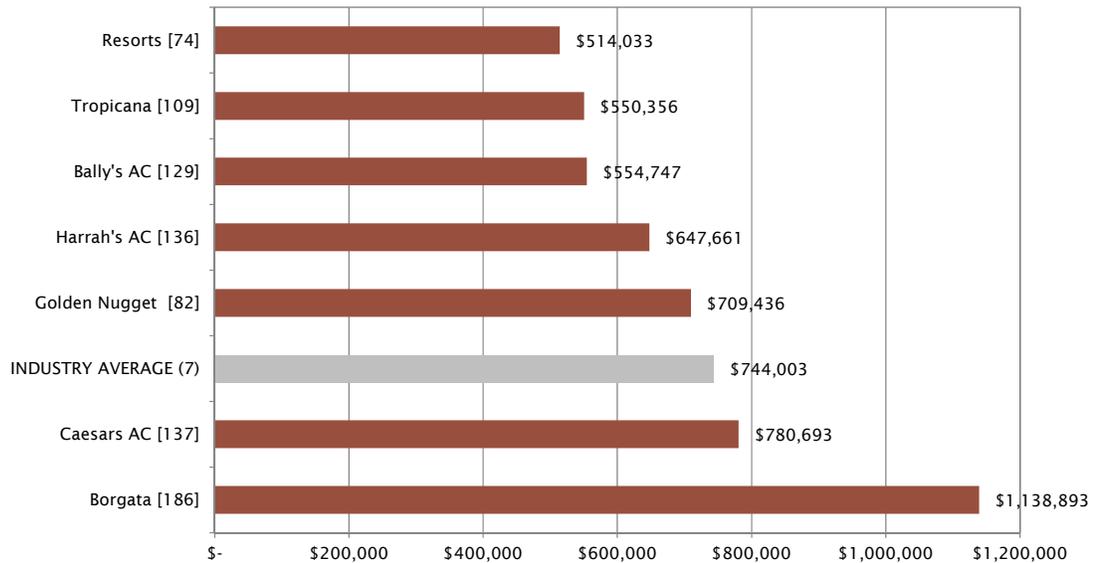
**ATLANTIC CITY CASINO INDUSTRY (CURRENT OPERATORS)
SLOT MACHINE WIN PER MACHINE
FOR THE YEAR ENDED DECEMBER 31, 2016**



[] 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 01/12/17).

**ATLANTIC CITY CASINO INDUSTRY (CURRENT OPERATORS)
TABLE GAME WIN PER TABLE, EXCLUDING NON-BANKING POKER
FOR THE YEAR ENDED DECEMBER 31, 2016**



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

Source of data: Monthly Gross Revenue Reports Form DGE-101 (as of 01/12/17).

ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINO)

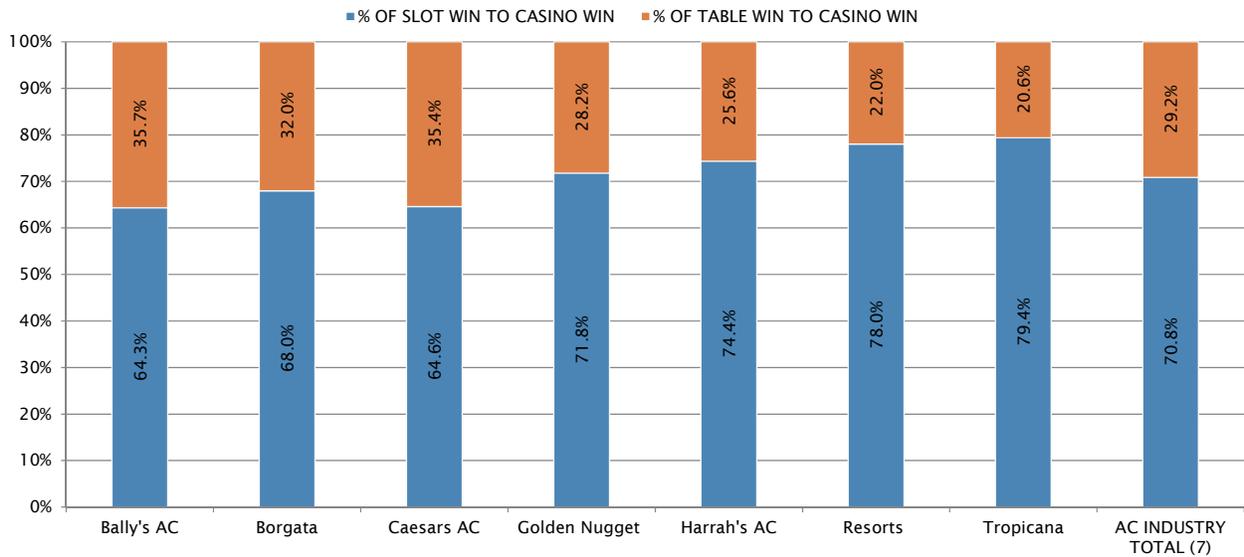
TOTAL CASINO WIN

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015	Growth (Decline)	
			\$	%
Table & Other Games				
Blackjack	\$ 252,591,008	\$ 240,702,765	11,888,243	4.9
Craps	81,650,921	80,950,939	699,982	0.9
Roulette	79,111,504	79,295,603	(184,099)	(0.2)
Spanish 21	18,795,967	18,954,834	(158,867)	(0.8)
Three Card Poker	49,520,870	56,715,838	(7,194,968)	(12.7)
Baccarat	2,258,290	4,449,271	(2,190,981)	(49.2)
Mini Baccarat	89,838,305	83,391,621	6,446,684	7.7
Big Six	3,049,933	3,158,219	(108,286)	(3.4)
Keno	247,871	233,168	14,703	6.3
Let It Ride Poker	13,838,267	15,147,985	(1,309,718)	(8.6)
Pai Gow	7,032,530	8,214,479	(1,181,949)	(14.4)
Pai Gow Poker	12,081,413	13,139,423	(1,058,010)	(8.1)
Four Card Poker	14,848,873	14,833,365	15,508	0.1
Sic Bo	159,297	324,922	(165,625)	(51.0)
Caribbean Stud Poker	2,400,831	2,366,429	34,402	1.5
Casino War	1,460,315	1,196,858	263,457	22.0
Double Attack Blackjack	1,712,579	1,123,528	589,051	52.4
Texas Hold'em Bonus Poker	4,064,974	5,184,668	(1,119,694)	(21.6)
Flop Poker	2,349,520	2,857,667	(508,147)	(17.8)
Ultimate Texas Hold'em	3,925,545	4,837,583	(912,038)	(18.9)
Asia Poker	2,287,993	2,267,665	20,328	0.9
Mississippi Stud	4,683,141	4,332,618	350,523	8.1
Criss Cross Poker	5,540,629	3,083,426	2,457,203	79.7
High Card Flush	6,362,171	3,634,947	2,727,224	75.0
Heads Up Hold'em	2,693,112	-	-	N/A
Hold'em 3 Bonus	-	4,939	(4,939)	N/A
Double Draw Poker	284,561	-	-	N/A
Pack's Poker	49,928	-	-	N/A
Electronic Table Games	26,906	518,706	(491,800)	(94.8)
Skill Based Games	-	3,840	(3,840)	N/A
Poker	30,815,678	31,855,623	(1,039,945)	(3.3)
Tournament Table & Other Games	51,710	-	-	N/A
Total Table & Other Games	693,734,642	682,780,929	10,953,713	1.6
Slot Machines				
.01 and .02 Slot Machines	873,039,123	851,055,477	21,983,646	2.6
.05 Slot Machines	61,003,924	75,073,527	(14,069,603)	(18.7)
.25 Slot Machines	133,066,079	141,937,409	(8,871,330)	(6.3)
.50 Slot Machines	23,608,597	24,575,402	(966,805)	(3.9)
1.00 Slot Machines	176,118,534	180,340,198	(4,221,664)	(2.3)
5.00 Slot Machines	58,210,278	58,462,061	(251,783)	(0.4)
25.00 Slot Machines	17,077,827	15,594,678	1,483,149	9.5
100.00 Slot Machines	12,734,646	12,715,478	19,168	0.2
Multi-Denominational Machines	333,825,414	347,364,886	(13,539,472)	(3.9)
Other Slot Machines	23,593,033	24,337,331	(744,298)	(3.1)
Total Slot Machines	1,712,277,459	1,731,456,447	(19,178,988)	(1.1)
Grand Total	\$ 2,406,012,101	\$ 2,414,237,376	(8,225,275)	(0.3)

Source of data: DGE Annual Casino Win Data.

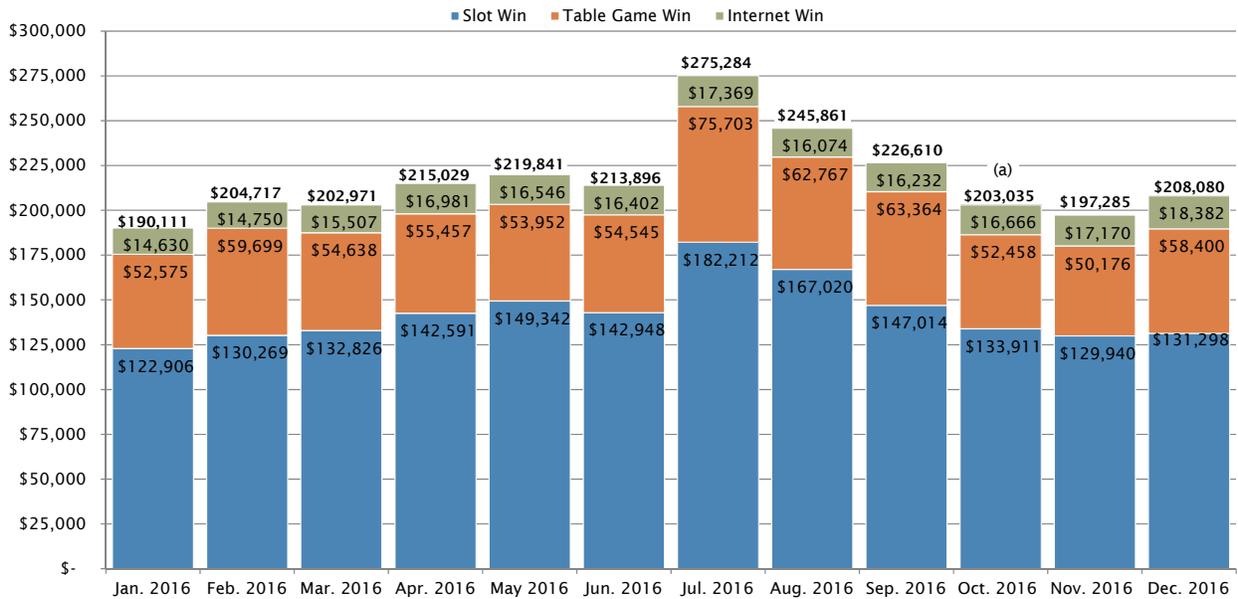
ATLANTIC CITY CASINO INDUSTRY (CURRENT OPERATORS) SLOT AND TABLE GAME WIN AS A PERCENT OF CASINO WIN (INCLUDES KENO AND NON-BANKING POKER) FOR THE YEAR ENDED DECEMBER 31, 2016



Source of data: Monthly Gross Revenue Reports Form DGE-101 as of 01/12/17.

In 2016, the current casino industry (7) Table Game Win Percentage was 17.0% and the Slot Machine Win Percentage was 8.8%.

ATLANTIC CITY CASINOS (INCLUDES CLOSED CASINO) MONTHLY TOTAL GAMING WIN BY SLOT, TABLE GAME, AND INTERNET WIN FOR THE YEAR ENDED DECEMBER 31, 2016 (IN THOUSANDS)



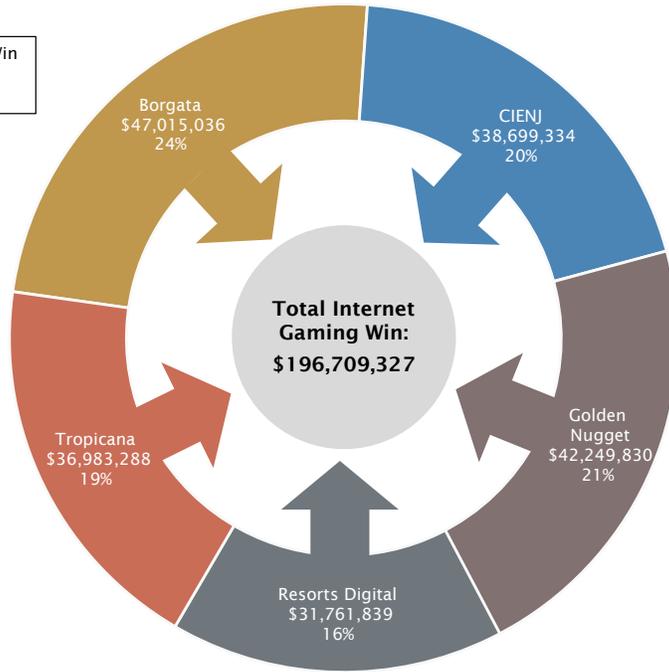
Note: Casinos with Internet gaming and number of skins: CIE/Caesars (6); Borgata (5); Golden Nugget (4); Tropicana (2) and Resorts Digital/Resorts (3). Internet gaming win for Caesars Interactive Entertainment NJ has been added to Caesars and Resorts Digital has been added to Resorts. Totals may not foot due to rounding.

(a) Taj Mahal closed to the public on October 10, 2016. October's Total Gaming Win was \$848,671.

Source of data: Monthly Gross Revenue Reports Forms DGE-101 and DGE-105.

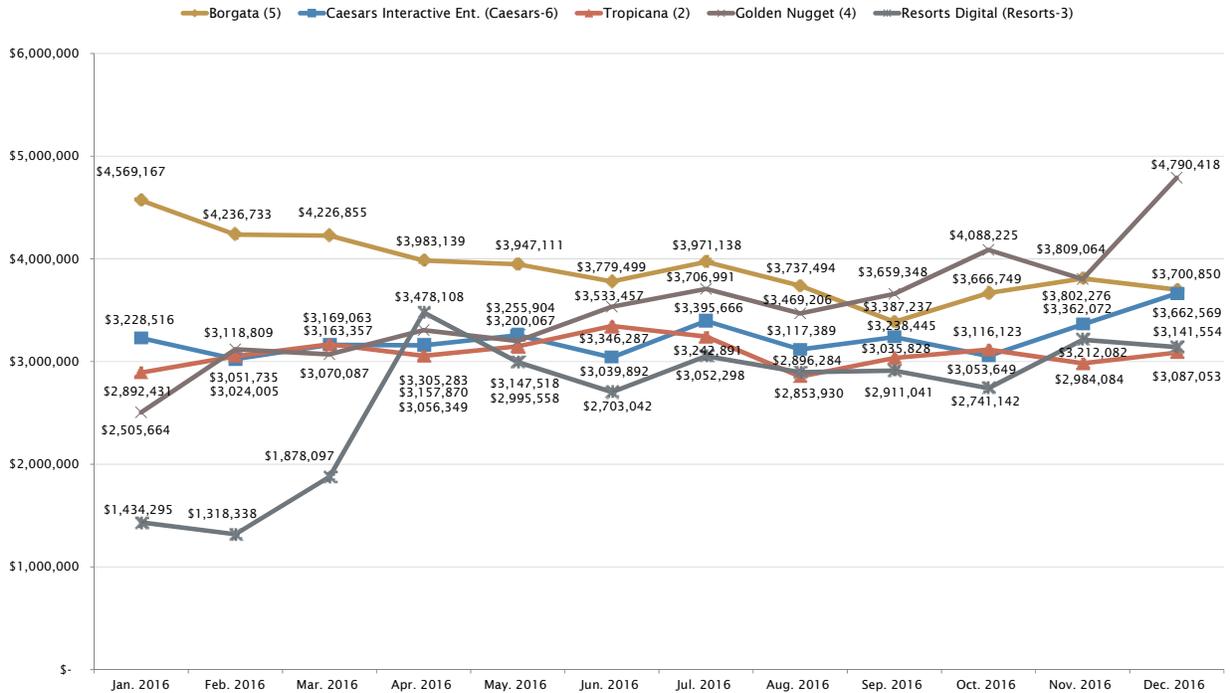
ATLANTIC CITY CASINO INDUSTRY INTERNET GAMING WIN AND MARKET SHARE FOR THE YEAR ENDED DECEMBER 31, 2016

In 2016, Internet Gaming Win increased \$47.8 million or 32.1% from 2015.



Source of data: DGE Monthly Press Release and Statistical Summaries (as of 01/12/17).

MONTHLY INTERNET GAMING WIN BY LICENSEE FOR THE YEAR ENDED DECEMBER 31, 2016



Source of data: Monthly Internet Gross Revenue Reports Form DGE-105 (as of 01/12/17).

ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINO)

TOTAL GAMING WIN FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

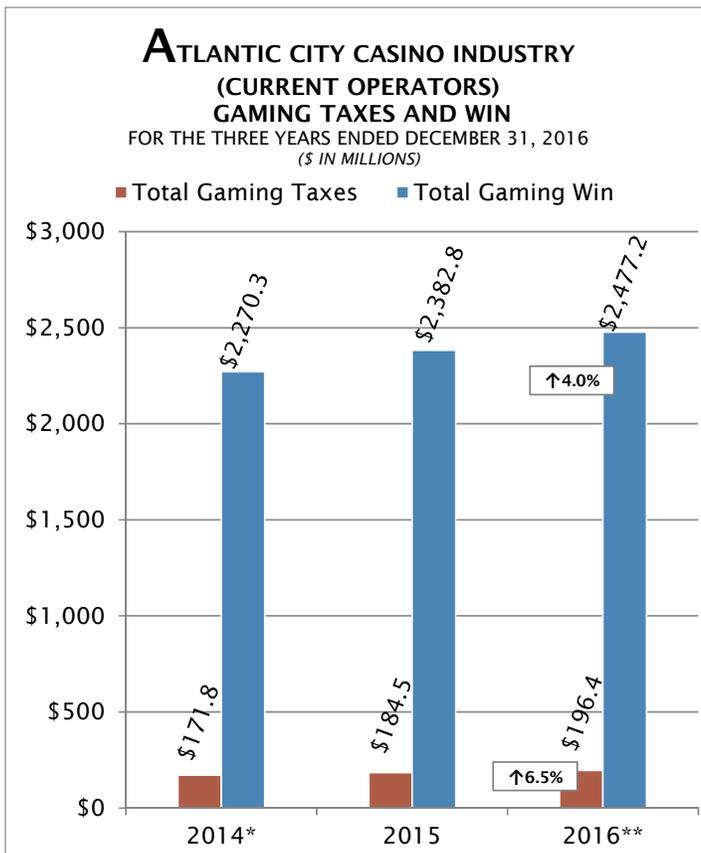
	Casino Win			Internet Gaming Win (a)			Total Gaming Win		
	2016	2015	(+/-) %	2016	2015	(+/-) %	2016	2015	(+/-) %
Bally's AC	\$ 210,710,409	\$ 210,557,585	0.1%	-	-	-	\$ 210,710,409	\$ 210,557,585	0.1%
Borgata	722,772,249	696,217,151	3.8%	47,015,036	45,667,287	3.0%	769,787,285	741,884,438	3.8%
Caesars AC	302,004,633	310,313,801	-2.7%	-	-	-	302,004,633	310,313,801	-2.7%
CIENJ	-	-	-	38,699,334	32,638,153	18.6%	38,699,334	32,638,153	18.6%
Golden Nugget	209,684,168	200,261,054	4.7%	42,249,830	30,968,182	36.4%	251,933,998	231,229,236	9.0%
Harrah's AC	358,068,502	374,315,063	-4.3%	-	-	-	358,068,502	374,315,063	-4.3%
Resorts	173,128,820	162,233,016	6.7%	-	-	-	173,128,820	162,233,016	6.7%
Resorts Digital	-	-	-	31,761,839	6,783,831	(b)	31,761,839	6,783,831	(b)
Tropicana	304,149,289	280,070,455	8.6%	36,983,288	32,822,727	12.7%	341,132,577	312,893,182	9.0%
Current Operators	2,280,518,070	2,233,968,125	2.1%	196,709,327	148,880,180	32.1%	2,477,227,397	2,382,848,305	4.0%
Discontinued Operator (Taj)	125,494,031	180,269,251	(c)	-	-	-	125,494,031	180,269,251	(c)
INDUSTRY TOTAL	\$ 2,406,012,101	\$ 2,414,237,376	-0.3%	\$ 196,709,327	\$ 148,880,180	32.1%	\$ 2,602,721,428	\$ 2,563,117,556	1.5%

(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 closed to the public on October 10, 2016.

Source of data: Monthly Gross Revenue Reports Form DGE-101 and Monthly Internet Gross Revenue Report Form DGE-105 as of 01/12/17.



* Four casinos closed to the public in 2014, and are excluded from current operator statistics.

** Taj Mahal closed to the public in 2016, and is excluded from current operator statistics.

In CY 2016, the casino industry experienced an increase in total gaming win of 1.5% from 2015.

In CY 2016, the current operators (7) outperformed 2014 total gaming taxes by 14.3% and total gaming win by 9.1%.

In CY 2016, the current operators (7) outperformed 2015 total gaming taxes by 6.5% and total gaming win by 4.0%.

ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINO)
INCOME STATEMENT REVENUE BY PERCENTAGE
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (\$ 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	\$ 208,803	68.9%	\$ 756,499	70.6%	\$ 299,582	72.4%	\$ 228,276	77.4%
Rooms	38,673	12.8%	119,782	11.2%	38,858	9.4%	16,855	5.7%
Food and Beverage (b)	45,409	15.0%	146,631	13.7%	58,446	14.1%	31,884	10.8%
Other (c)	10,079	3.3%	48,510	4.5%	16,733	4.1%	18,046	6.1%
Total Revenue	\$ 302,964	100%	\$ 1,071,422	100%	\$ 413,619	100%	\$ 295,061	100%
Less: Promotional Allowances (d)	77,997	25.7%	237,637	22.2%	112,041	27.1%	76,107	25.8%
Net Revenue	\$ 224,967		\$ 833,785		\$ 301,578		\$ 218,954	

	Harrah's AC		Resorts (a)		Tropicana*		Discontinued Operator (Taj Mahal closed 10/10/16)	
	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	\$ 354,743	64.1%	\$ 171,150	77.7%	\$ 330,764	75.9%	\$ 124,193	72.9%
Rooms	84,192	15.2%	23,187	10.5%	55,104	12.7%	28,767	16.9%
Food and Beverage (b)	88,599	16.0%	16,620	7.6%	33,682	7.7%	9,659	5.7%
Other (c)	26,204	4.7%	9,252	4.2%	15,950	3.7%	7,617	4.5%
Total Revenue	\$ 553,738	100%	\$ 220,209	100%	\$ 435,500	100%	\$ 170,236	100%
Less: Promotional Allowances (d)	134,973	24.4%	55,750	25.3%	91,376	21.0%	47,645	28.0%
Net Revenue	\$ 418,765		\$ 164,459		\$ 344,124		\$ 122,591	

	Caesars Interactive Entertainment NJ		Resorts Digital Gaming		INDUSTRY TOTALS (INCLUDES CLOSED CASINO)	
	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue	Revenue	As a % of Total Revenue
Casino	\$ 25,011	93.9%	\$ 19,900	97.5%	\$ 2,518,921	71.8%
Rooms	0	0.0%	0	0.0%	405,418	11.5%
Food and Beverage (b)	0	0.0%	0	0.0%	430,930	12.3%
Other (c)	1,612	6.1%	500	2.5%	154,503	4.4%
Total Revenue	\$ 26,623	100%	\$ 20,400	100%	\$ 3,509,772	100%
Less: Promotional Allowances (d)	79	0.3%	5,352	26.2%	838,957	** 23.9%
Net Revenue	\$ 26,544		\$ 15,048		\$ 2,670,815	

*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.

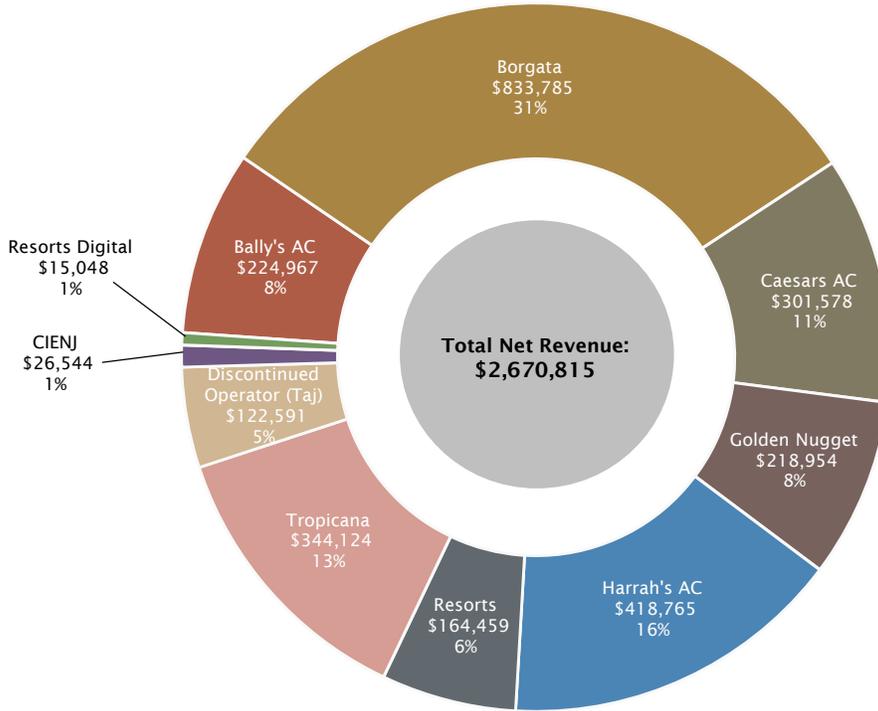
(c) Other Revenue reflects concert and show tickets, casino-owned spa revenue, casino-owned retail sales, rental income, and other miscellaneous revenue sources.

(d) Promotional allowances are complimentary given away free in the normal course of the licensee's business.

**Does not include promotional expenses. Promotional expenses are complimentary not offered for sale to patrons in the normal course of a licensee's business.
 In 2016, promotional allowances and expenses as a percent of Total Revenue was 27.8%.

Source of data: Quarterly Financial Reports Form DGE-210 as of 04/07/17.

ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINO)
NET REVENUE (a) AND MARKET SHARE
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (\$ IN THOUSANDS)

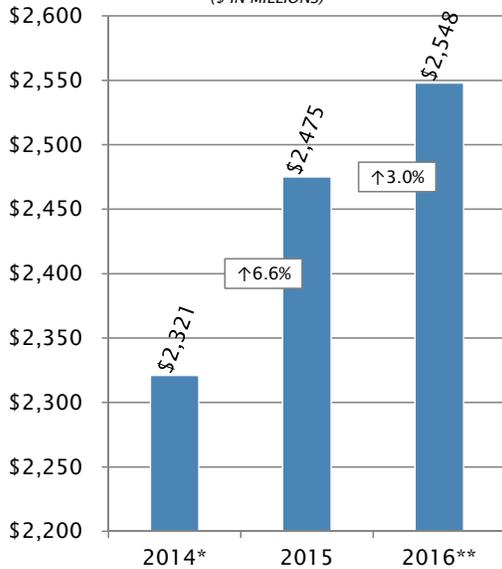


(a) Total Revenue minus Promotional Allowances.

Source of data: Quarterly Reports Form DGE-210 as of 04/09/17.

ATLANTIC CITY CASINO INDUSTRY
(CURRENT OPERATORS)
NET REVENUE

FOR THE THREE YEARS ENDED DECEMBER 31, 2016
 (\$ IN MILLIONS)



Source of data: DGE Quarterly Press Releases & Statistical Summaries as of 04/07/17.

* Four casinos closed to the public in 2014, and are excluded from current operator statistics.

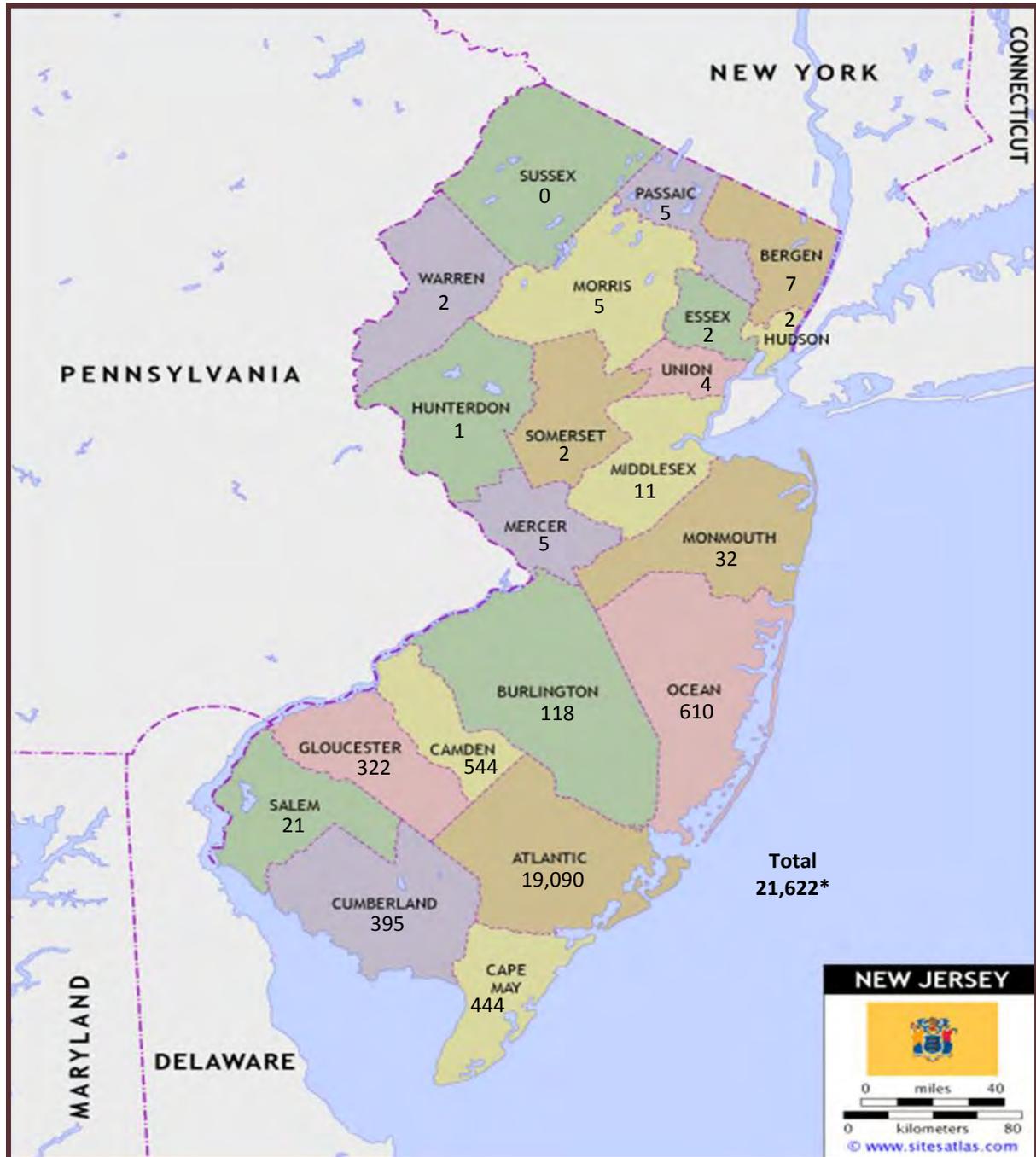
** Taj Mahal closed to the public in 2016, and is excluded from current operator statistics.

In CY 2016, Total Revenue for the current operators increased 2.8% from 2015. Total Revenue for the industry with Taj Mahal increased 0.4%.

In CY 2016, Gross Operating Profit for the current operators increased 9.0% from 2015. Gross Operating Profit for the industry with Taj Mahal increased 7.3%.

ATLANTIC CITY CASINO LICENSEES EMPLOYMENT BY COUNTY

FOR THE YEAR ENDED DECEMBER 31, 2016



*Margin of error for total casino hotel employees is 1.8%. Map used with permission.

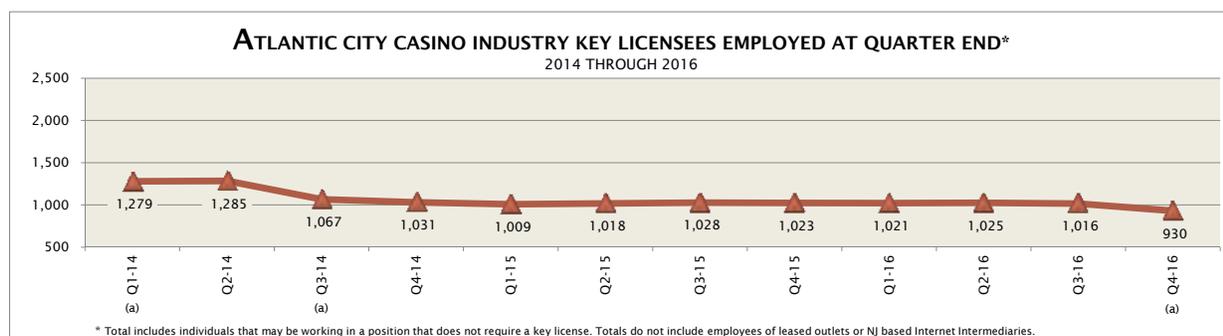
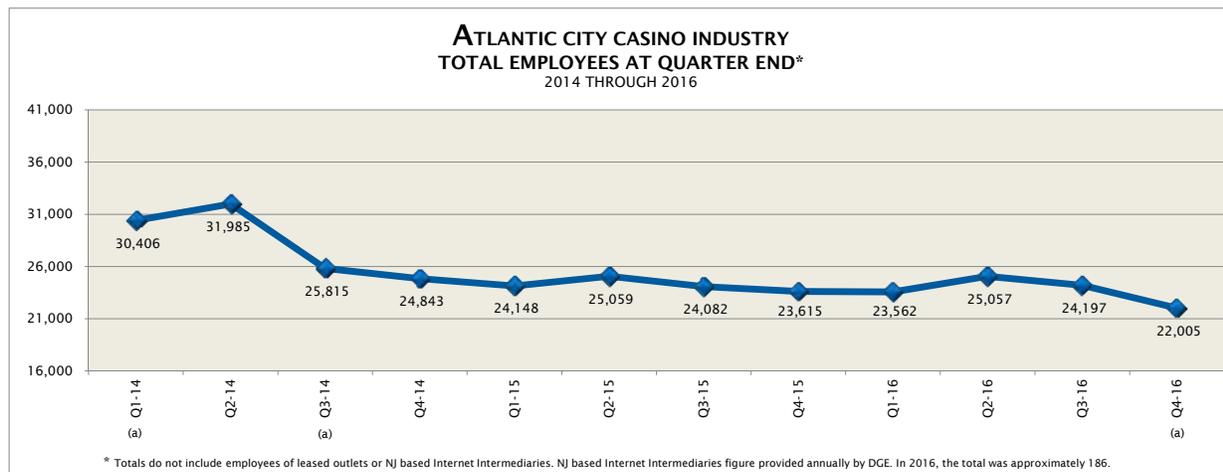
Source of data: DGE Zip Code Report by Casino.

ATLANTIC CITY CASINOS (INCLUDES CLOSED CASINO) EMPLOYMENT STATISTICS

FOR THE THREE YEARS ENDED DECEMBER 31, 2016

	2016	2015	2014
Bally's AC	2,486	2,660	2,993
Borgata	5,763	5,784	6,042
Caesars AC †	2,952	2,888	2,724
Golden Nugget	2,200	2,164	2,081
Harrah's AC	3,426	3,271	3,663
Resorts †	2,047	1,817	1,881
Tropicana	2,951	2,839	2,857
TOTAL FOR CURRENT OPERATORS	21,825	21,423	22,241
Discontinued Operators (a)	180	2,192	2,602
INDUSTRY TOTALS	*22,005	23,615	24,843

*16,210 (73.7%) are full time employees, 3,135 (14.2%) are part time employees, and 2,660 (12.1%) are considered other employees. † Caesars figures include Caesars Interactive Entertainment (CIENJ) and Caesars Enterprise Services (CES, formerly HEC) and Resorts figures include Resorts Digital. Totals do not include employees of leased outlets. NJ based Internet Intermediaries employee totals provided annually by the DGE. In 2016, the total was approximately 186.



(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. Trump Taj Mahal closed to the public on October 10, 2016, reducing total industry employees by 2,068.

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

ATLANTIC CITY CASINOS (INCLUDES CLOSED CASINO) SALARIES AND WAGES

FOR THE THREE YEARS ENDED DECEMBER 31, 2016

(\$ IN THOUSANDS)

	2016	2015	2014
Bally's AC (a)	\$ 66,119	\$ 65,638	\$ 71,071
Borgata	148,052	142,819	139,637
Caesars AC (a)	69,014	68,042	69,667
Golden Nugget	66,430	51,277	55,442
Harrah's AC (a)	86,237	83,701	80,334
Resorts/Resorts Digital Gaming	46,175	42,249	42,340
Tropicana	75,267	71,569	68,496
TOTAL FOR CURRENT OPERATORS	\$ 557,294	\$ 525,295	\$ 526,987
Discontinued Operators (b)	43,437	58,164	157,045
INDUSTRY TOTALS (c)	\$ 600,731	\$ 583,459	\$ 684,032

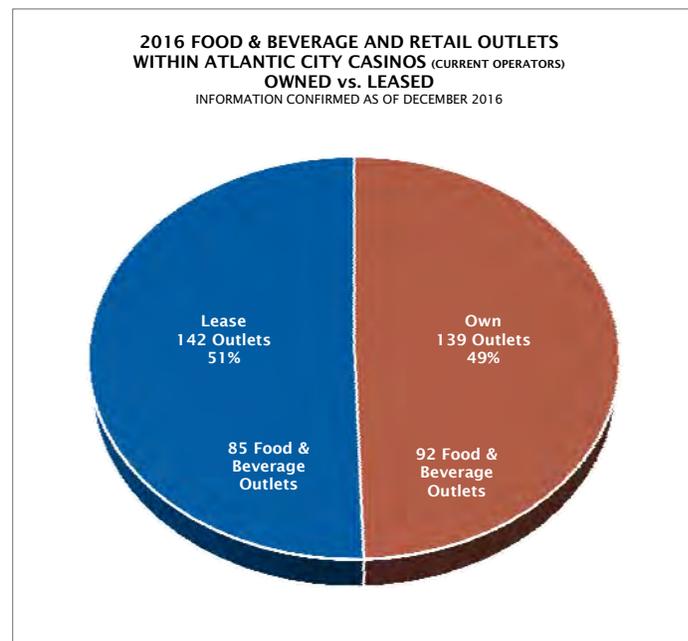
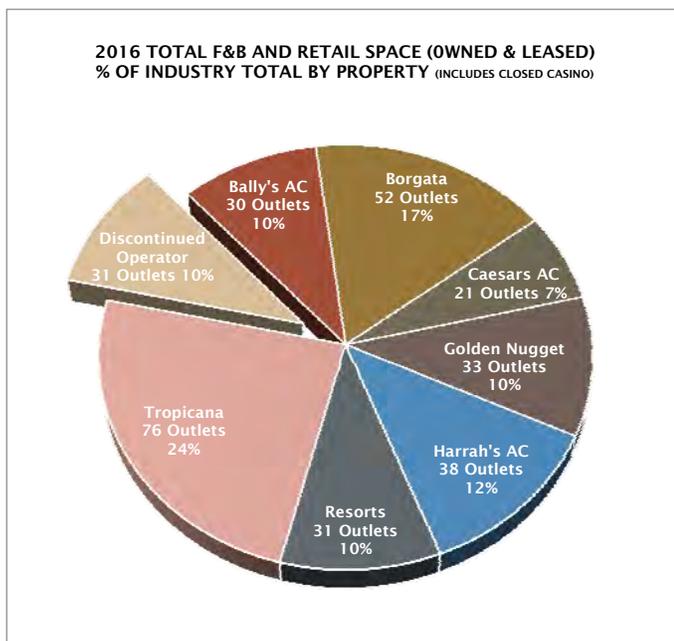
(a) Totals do not include Caesars Interactive Entertainment or Caesars Enterprise Services (formerly HEC).

(b) Number of casinos reduced to 7 from 12.

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

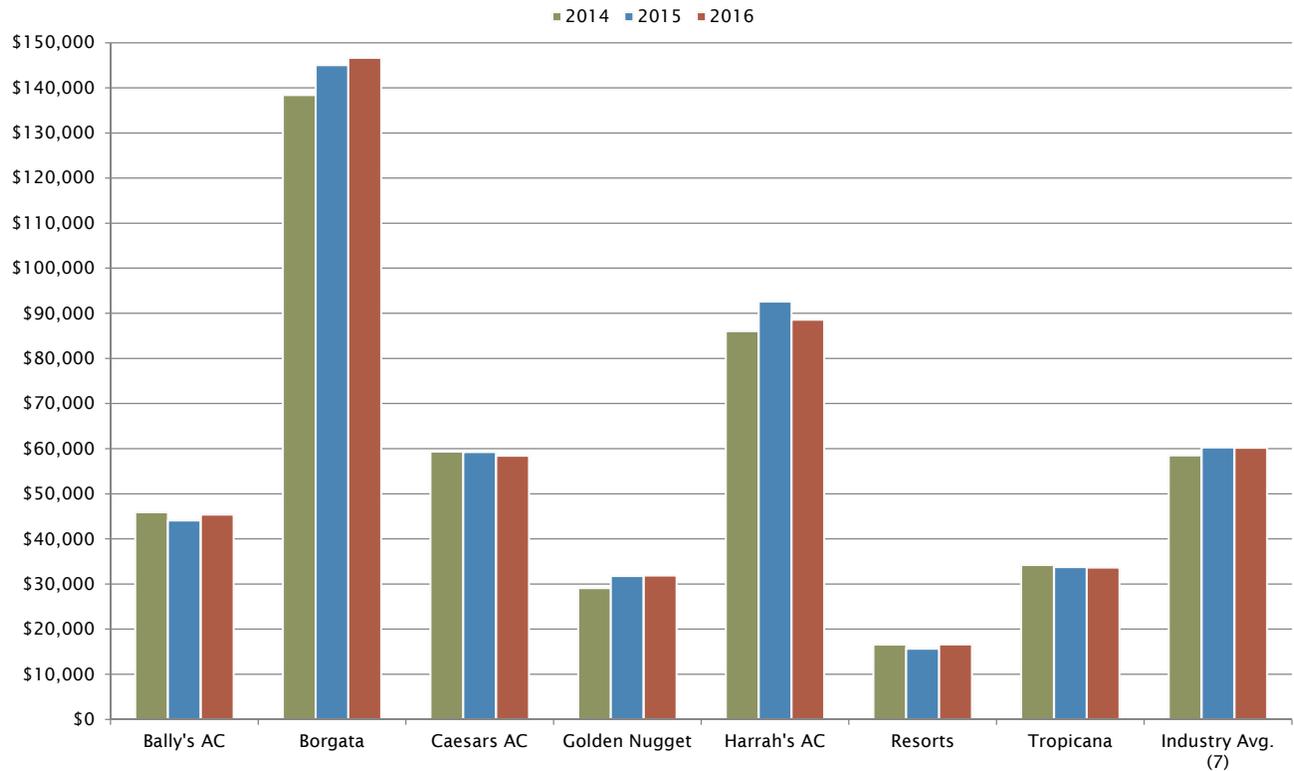
Source of data: Form DGE-370.

ATLANTIC CITY CASINOS - FOOD & BEVERAGE AND RETAIL SPACE



FOOD AND BEVERAGE REVENUE (a) (CURRENT OPERATORS)

2014-2016 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		
	2014	2015	2016	2014	2015	2016
Bally's AC	\$ 45,927	\$ 44,079	\$ 45,409	\$ 25,472	\$ 24,084	\$ 25,847
Borgata	138,396	144,992	146,631	51,804	54,772	57,103
Caesars AC	59,364	59,276	58,446	42,904	38,463	38,795
Golden Nugget	29,141	31,802	31,884	12,572	14,449	16,252
Harrah's AC	86,063	92,589	88,599	47,602	49,962	47,497
Resorts	16,593	15,704	16,620	10,636	10,717	10,591
Tropicana	34,238	33,782	33,682	19,780	18,097	17,601
Total for Current Operators	409,722	422,224	421,271	210,770	210,544	213,686
Industry Avg. (7)	58,532	60,318	60,182	30,110	30,078	30,527
Discontinued Operators (b)(c)	75,488	18,602	9,659	40,476	11,594	6,156
Industry Totals	\$ 485,210	\$ 440,826	\$ 430,930	\$ 251,246	\$ 222,138	\$ 219,842

■ indicates an increase in revenue from 2015.

(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.

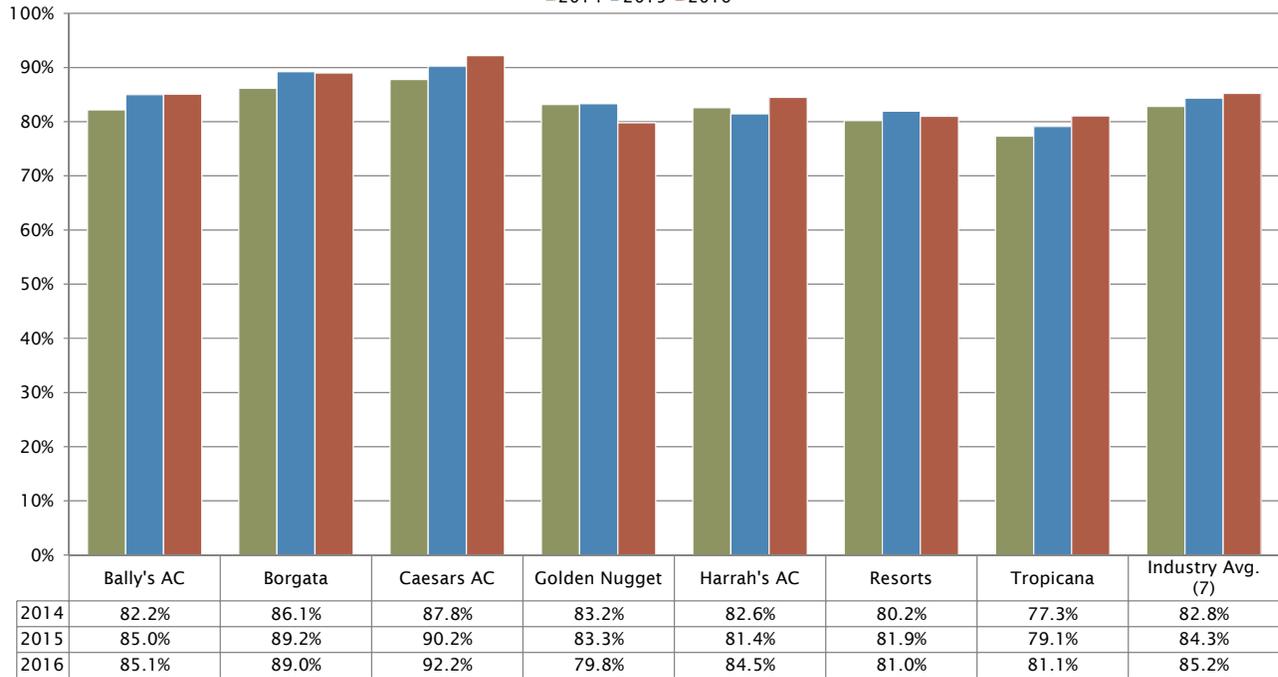
(c) Taj Mahal closed to the public on October 10, 2016.

Source of data: Forms DGE -210 and DGE-245 as of 04/07/17.

HOTEL OCCUPANCY RATES FOR ATLANTIC CITY CASINOS (CURRENT OPERATORS)

2014-2016 YEARLY AVERAGES BY CASINO

■ 2014 ■ 2015 ■ 2016



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

ATLANTIC CITY CASINO INDUSTRY HOTEL ROOM STATISTICS (CURRENT OPERATORS)

FOR THE YEAR ENDED DECEMBER 31, 2016

	Bally's AC	Borgata	Caesars AC	Golden Nugget	Harrah's AC	Resorts	Tropicana	Industry Total
# of Hotel Rooms (a)	1,251	2,767	1,141	716	2,587	942	2,047	11,451
# of Available Room Nights	450,863	1,012,722	404,499	264,226	938,793	344,772	724,789	4,140,664
Average Rate per Occupied Room	\$101	\$133	\$104	\$80	\$106	\$83	\$94	\$107 (b)

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

(b) Industry average room rate up \$2 from 2015.

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

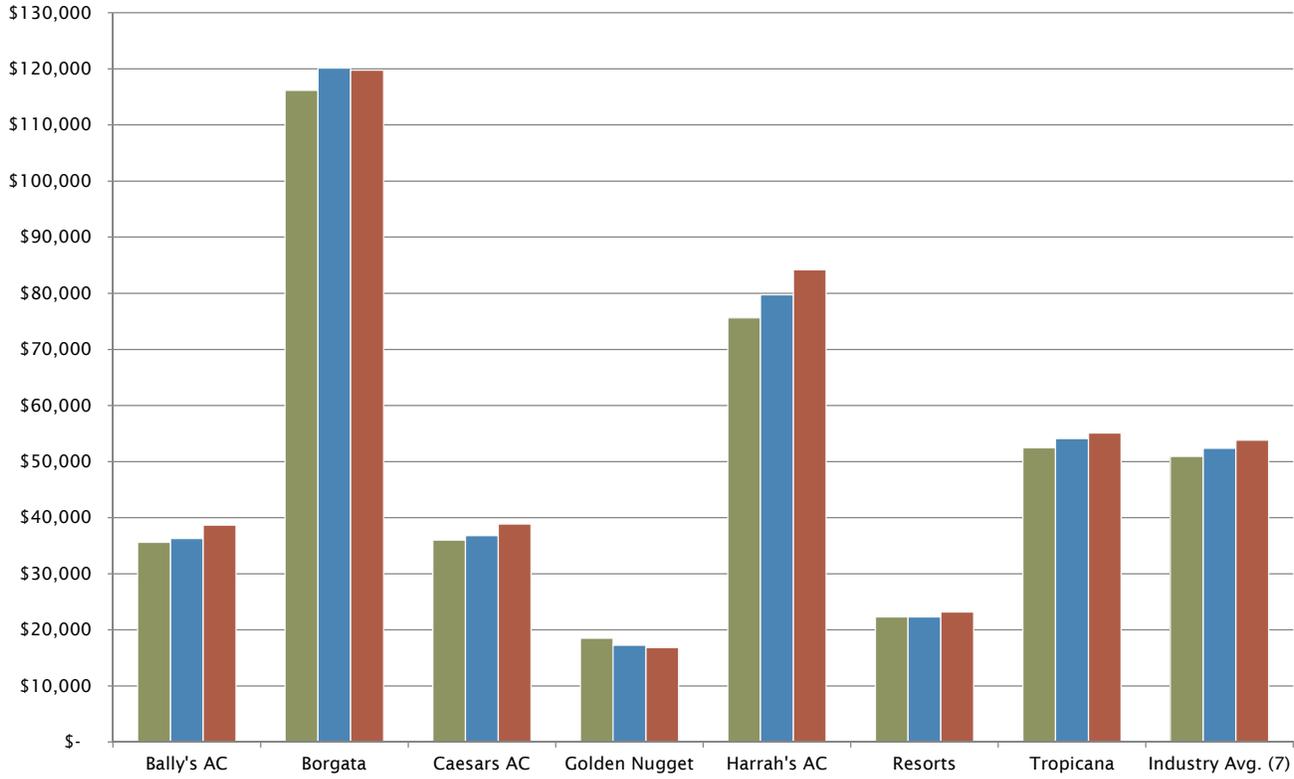
In CY 2016, four out of the seven current operators saw an increase in its hotel occupancy rate from 2015.

In CY 2016, six out of the seven current operators had an average room rate higher than its 2015 average room rate.

HOTEL ROOMS REVENUE (CURRENT OPERATORS)

2014-2016 YEARLY REVENUE BY CASINO
(\$ IN THOUSANDS)

■ 2014 ■ 2015 ■ 2016



(\$ IN THOUSANDS)	HOTEL ROOMS REVENUE (a)			HOTEL ROOMS PROMOTIONAL ALLOWANCES		
	2014	2015	2016	2014	2015	2016
Bally's AC	\$ 35,609	\$ 36,303	\$ 38,673	\$ 19,256	\$ 18,102	\$ 21,636
Borgata	116,159	120,132	119,782	70,660	72,981	74,683
Caesars AC	35,998	36,783	38,858	19,367	19,291	21,218
Golden Nugget	18,495	17,255	16,855	11,981	12,731	12,259
Harrah's AC	75,599	79,751	84,192	39,943	42,063	40,035
Resorts	22,330	22,317	23,187	10,844	12,188	12,722
Tropicana	52,426	54,095	55,104	16,396	17,173	18,480
Total for Current Operators	\$ 356,616	\$ 366,636	\$ 376,651	\$ 188,447	\$ 194,529	\$ 201,033
Industry Avg. (7)	50,945	52,377	53,807	26,921	27,790	28,719
Discontinued Operators (b)(c)	116,073	39,582	28,767	55,294	24,965	16,914
Industry Totals	\$ 472,689	\$ 406,218	\$ 405,418	\$ 243,741	\$ 219,494	\$ 217,947

■ indicates an increase in revenue from 2015.

(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.

(c) Taj Mahal closed to the public on October 10, 2016.

Source of data: Forms DGE -210 and DGE-245 as of 04/07/17.

NUMBER OF OCCUPIED ROOM NIGHTS FOR ATLANTIC CITY CASINOS (INCLUDES CLOSED CASINO) FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

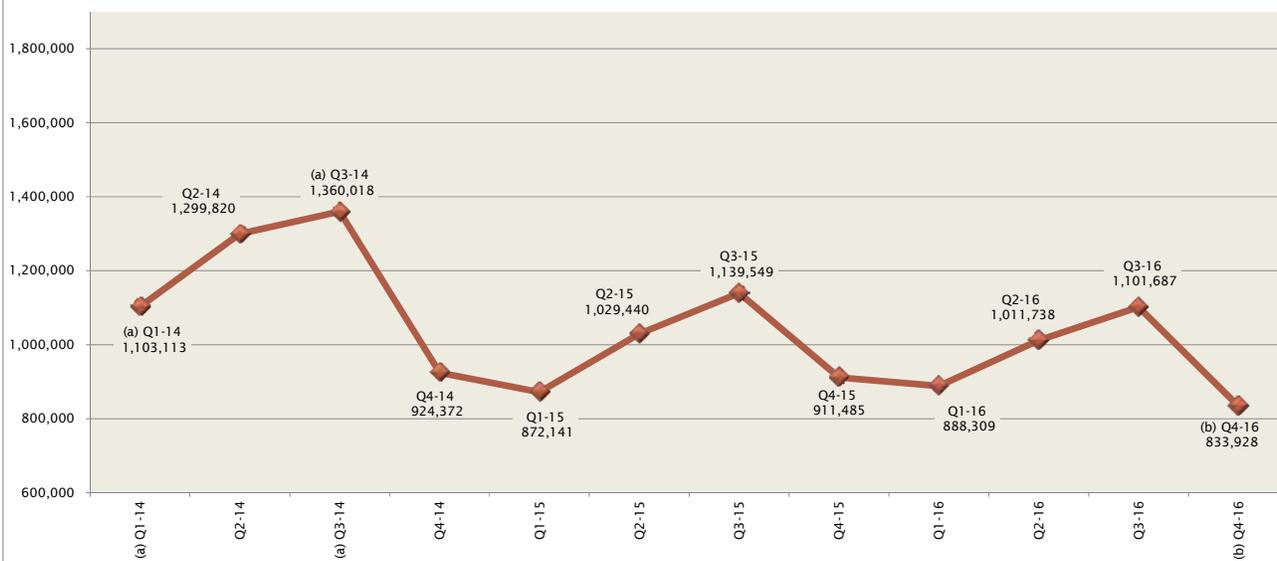
Casino	2016	2015	Difference	% Difference
Bally's AC	383,550	383,366	184	0.0%
Borgata	900,925	901,151	(226)	0.0%
Caesars AC	372,958	369,220	3,738	1.0%
Golden Nugget	210,825	219,308	(8,483)	-3.9%
Harrah's AC	793,312	769,672	23,640	3.1%
Resorts	279,304	281,757	(2,453)	-0.9%
Tropicana	587,499	584,479	3,020	0.5%
Industry Totals (7)	3,528,373	3,508,953	19,420	0.6%
Discontinued Operator (a)	309,195	443,662	(134,467)	N/A
Industry Totals (8)	3,837,568	3,952,615	(115,047)	-2.9%

■ indicates an increase in occupied room nights from 2015.

(a) Taj Mahal closed to the public on October 10, 2016.

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

ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINOS) NUMBER OF OCCUPIED ROOM NIGHTS BY QUARTER 2014 THROUGH 2016



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

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

In CY 2016, Hotel Rooms Revenue for the seven current operators increased 2.7% from 2015.

NON- GAMING TOTAL REVENUE (a) (INCLUDES CLOSED CASINO)

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

Type of Revenue (\$ In Thousands)	2016	2015	\$ Change	% Change
Rooms	\$ 376,651	\$ 366,636	\$ 10,015	2.7%
Food and Beverage (b)	421,271	422,224	(953)	-0.2%
Entertainment and Other	146,886	141,810	5,076	3.6%
Total Non- Gaming Revenue (7 Casinos)	\$ 944,808	\$ 930,670	\$ 14,138	1.5%
Non-Gaming Revenue Discontinued Operator (c)	46,043	67,639	(21,596)	N/A
Total Non- Gaming Revenue (8 Casinos)	\$ 990,851	\$ 998,309	\$ (7,458)	- 0.7%
Total Third Party Business Sales (8 Casinos) (d)	\$ 208,853	\$ 207,630	\$ 1,223	0.6%

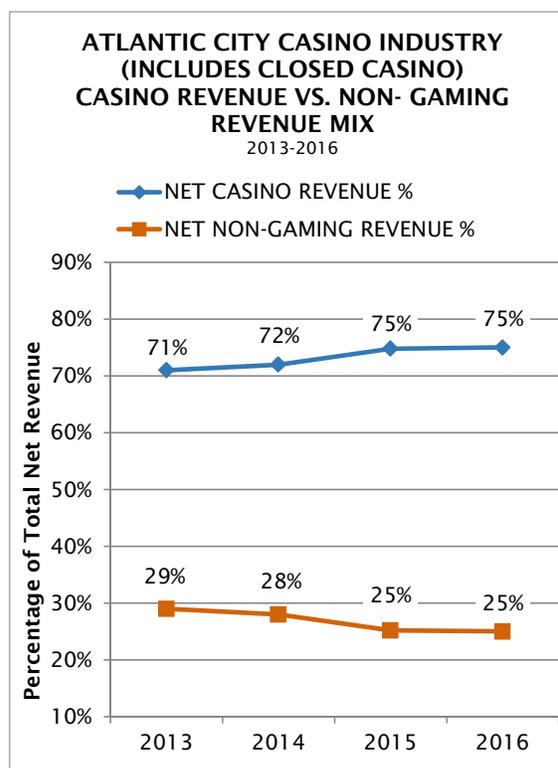
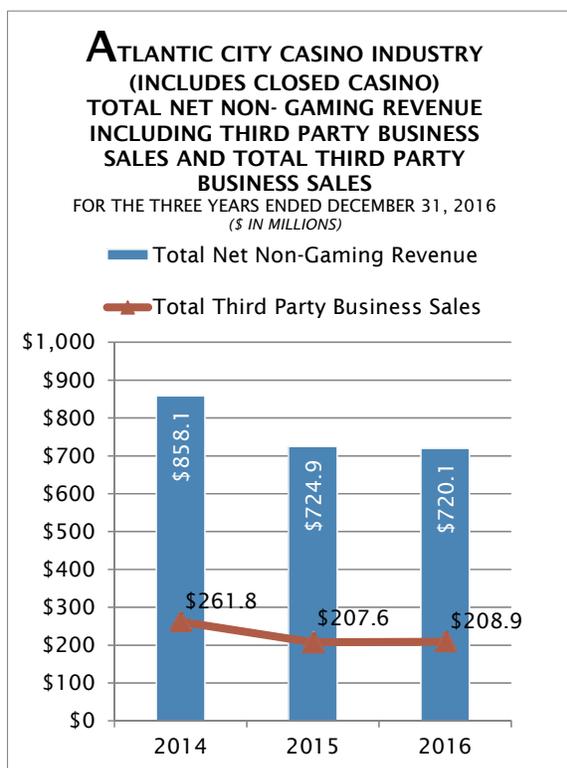
(a) Not adjusted for promotional allowances. Current year revenue figures are unaudited. Prior revenue figures may have been updated from last year's report due to amendments.

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

(c) Taj Mahal closed to the public on October 10, 2016.

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

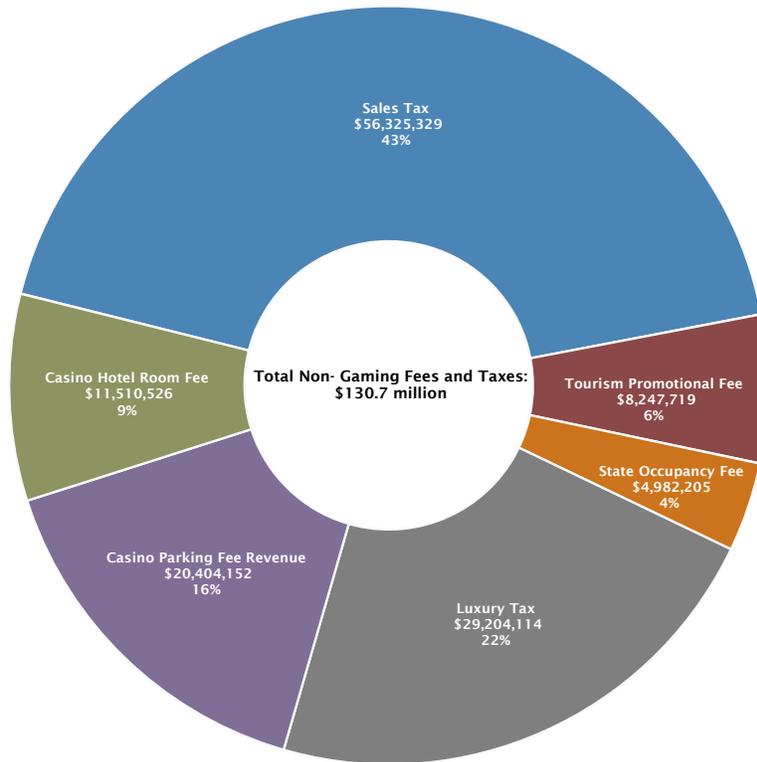
Source of data: DGE Quarterly Press Releases and Statistical Summaries of Income.



Note: Casino Revenue excludes promotional allowances and 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.

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

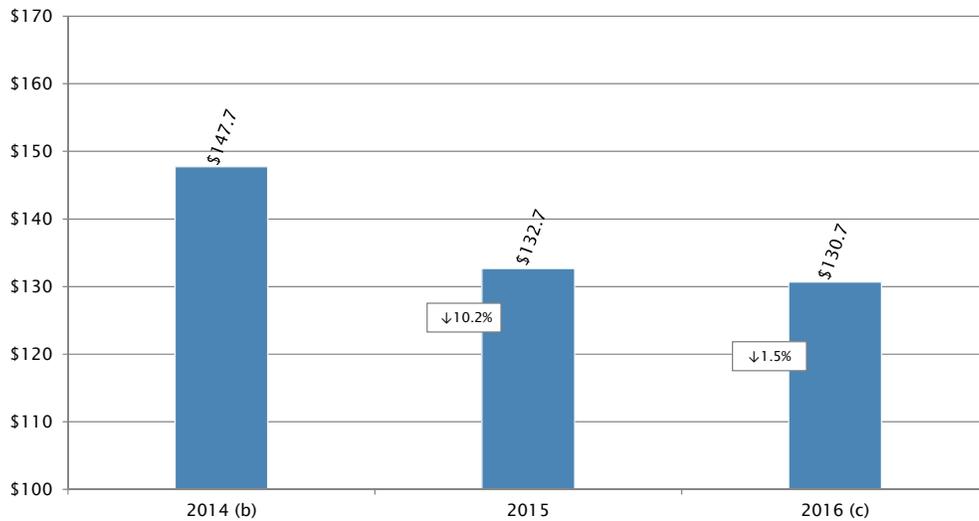
ATLANTIC CITY/COUNTY 2016 SELECTED NON- GAMING FEES AND TAXES



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 Taxes and Fees Source Report.

ATLANTIC CITY/COUNTY SELECTED NON- GAMING FEES AND TAXES (a) FOR THE THREE YEARS ENDED DECEMBER 31, 2016 (*\$ 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) Four casinos closed to the public.
 (c) Taj Mahal closed to the public.

Source of data: State of New Jersey Department of the Treasury, Division of Taxation and DGE Taxes and Fees Source Report.

ATLANTIC CITY
CASINO PARKING FEE REVENUE, LUXURY TAX, TOURISM PROMOTIONAL FEE REVENUE
AND HOTEL/MOTEL TOTAL STATE OCCUPANCY FEE REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (\$ IN THOUSANDS)



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

ATLANTIC CITY CASINO INDUSTRY
PARKING SPACE TOTALS

FOR THE YEAR ENDED DECEMBER 31, 2016

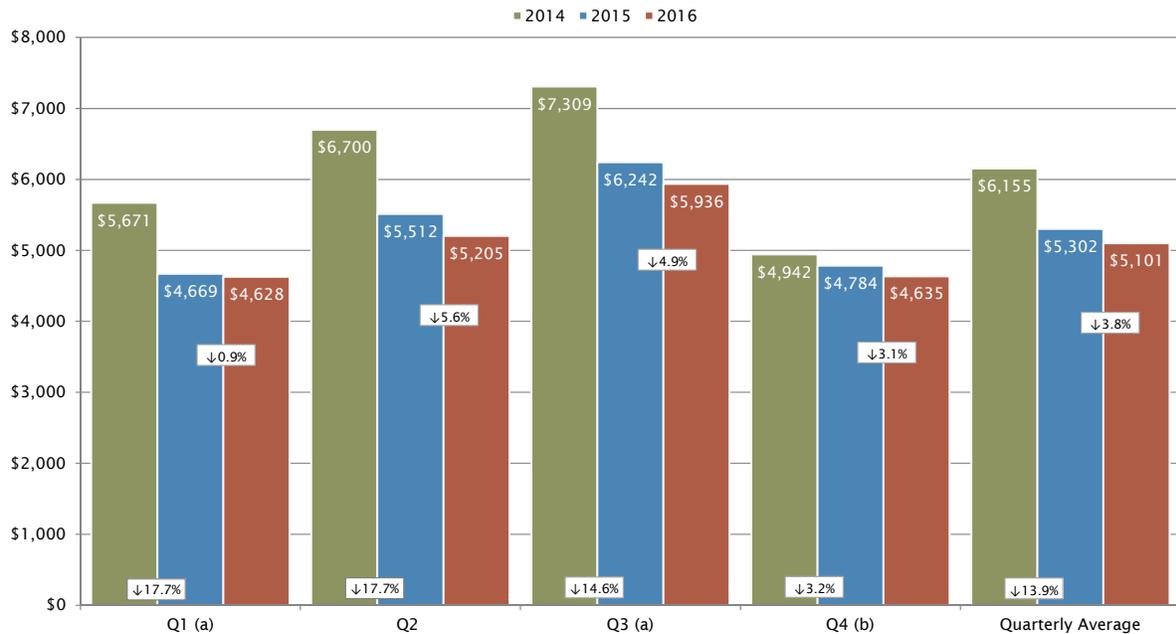
Bally's AC	2,668
Borgata	6,433
Caesars AC	5,364
Golden Nugget	2,690
Harrah's AC	5,782
Resorts	1,871
Tropicana	4,940
Industry Totals	29,748

Parking spaces provided by the casinos to the CCC.



ATLANTIC CITY CASINO PARKING FEE REVENUE (INCLUDES CLOSED CASINOS)

QUARTERLY TOTALS 2014 THROUGH 2016
(\$ IN THOUSANDS)

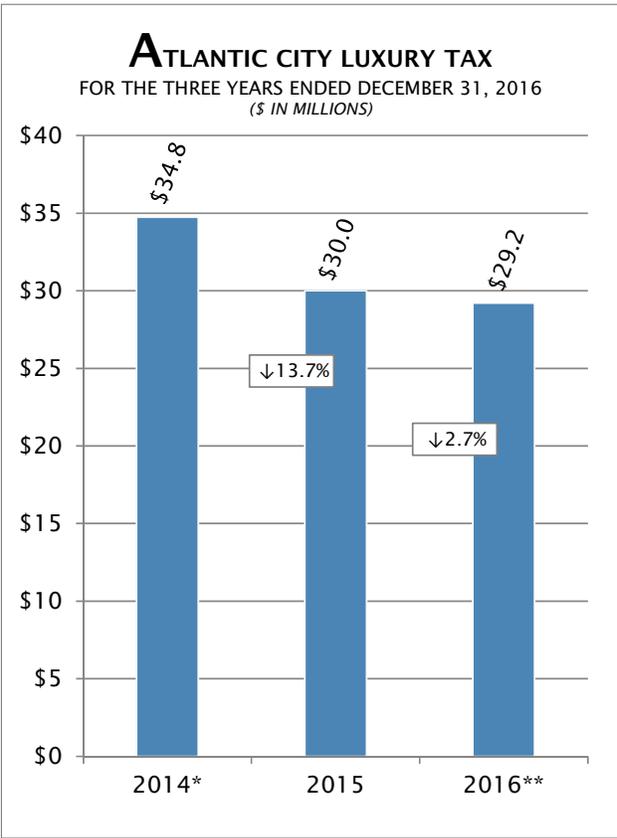
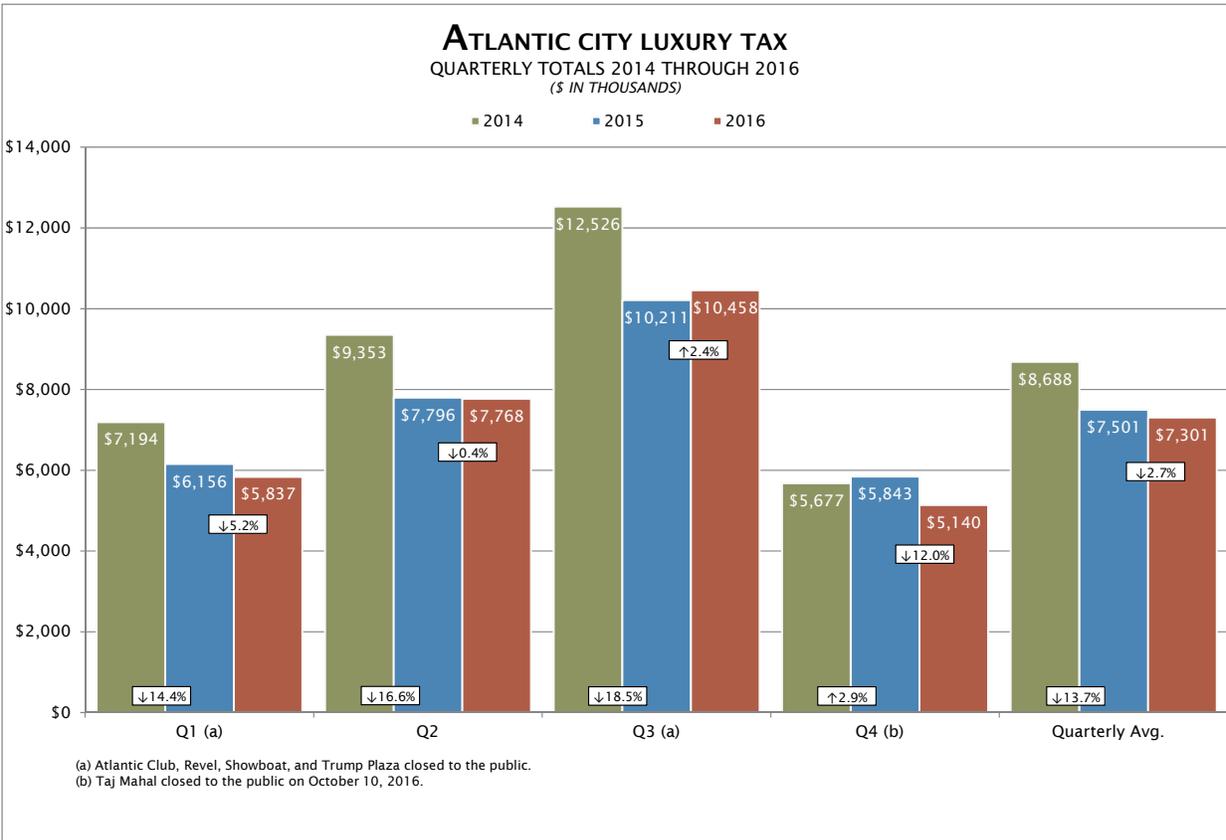


(a) In 2014, four casinos closed to the public.
(b) Taj Mahal closed to the public on October 10, 2016.

ATLANTIC CITY CASINO INDUSTRY (INCLUDES CLOSED CASINO) CASINO PARKING FEE REVENUE

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015	Growth (Decline)	
			\$	%
January	\$ 1,450,479	\$ 1,569,309	(118,830)	(7.6)
February	1,503,828	1,402,719	101,109	7.2
March	1,673,361	1,697,241	(23,880)	(1.4)
April	1,647,699	1,690,287	(42,588)	(2.5)
May	1,773,843	1,966,455	(192,612)	(9.8)
June	1,783,131	1,855,392	(72,261)	(3.9)
July	2,164,788	2,202,102	(37,314)	(1.7)
August	2,064,000	2,236,890	(172,890)	(7.7)
September	1,707,591	1,802,754	(95,163)	(5.3)
October	1,599,846	1,630,434	(30,588)	(1.9)
November	1,527,498	1,620,180	(92,682)	(5.7)
December	1,508,088	1,532,997	(24,909)	(1.6)
INDUSTRY TOTALS	\$20,404,152	\$21,206,760	(802,608)	(3.8)



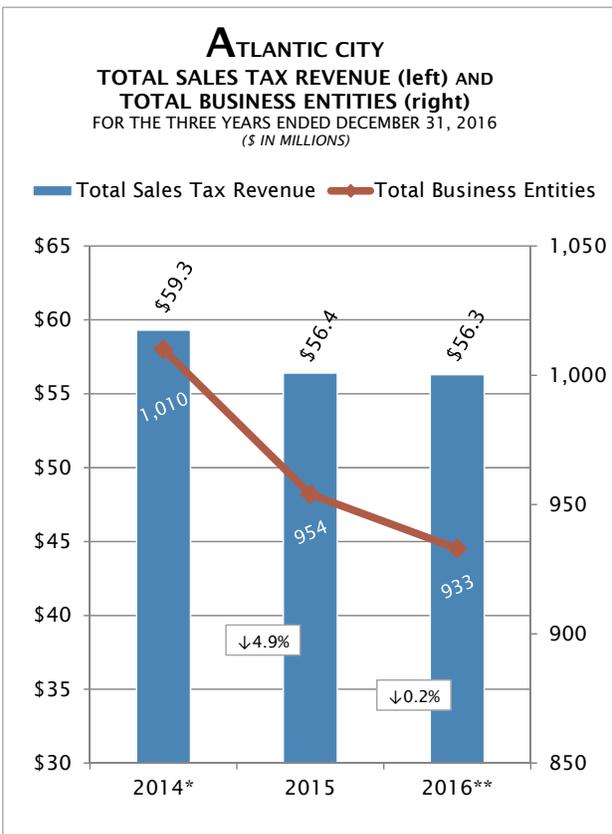
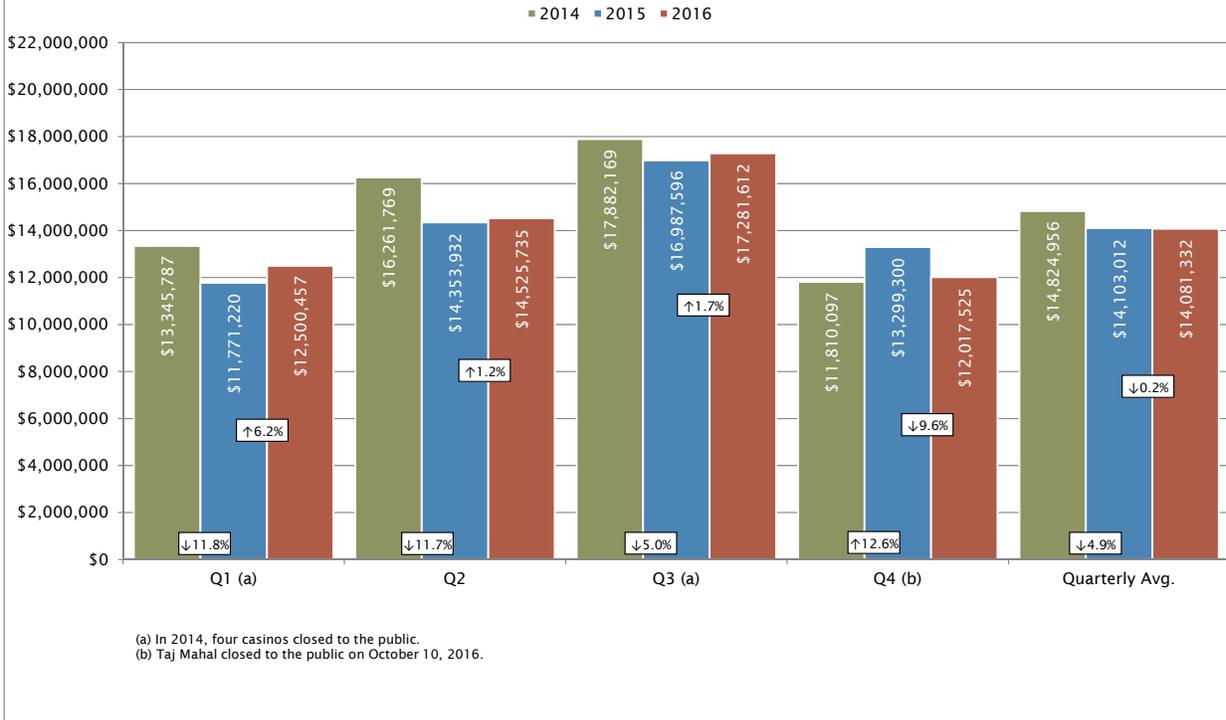
* Four casinos closed to the public.
** Taj Mahal closed to the public.

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/COUNTY CODE 0102 SALES TAX REVENUE

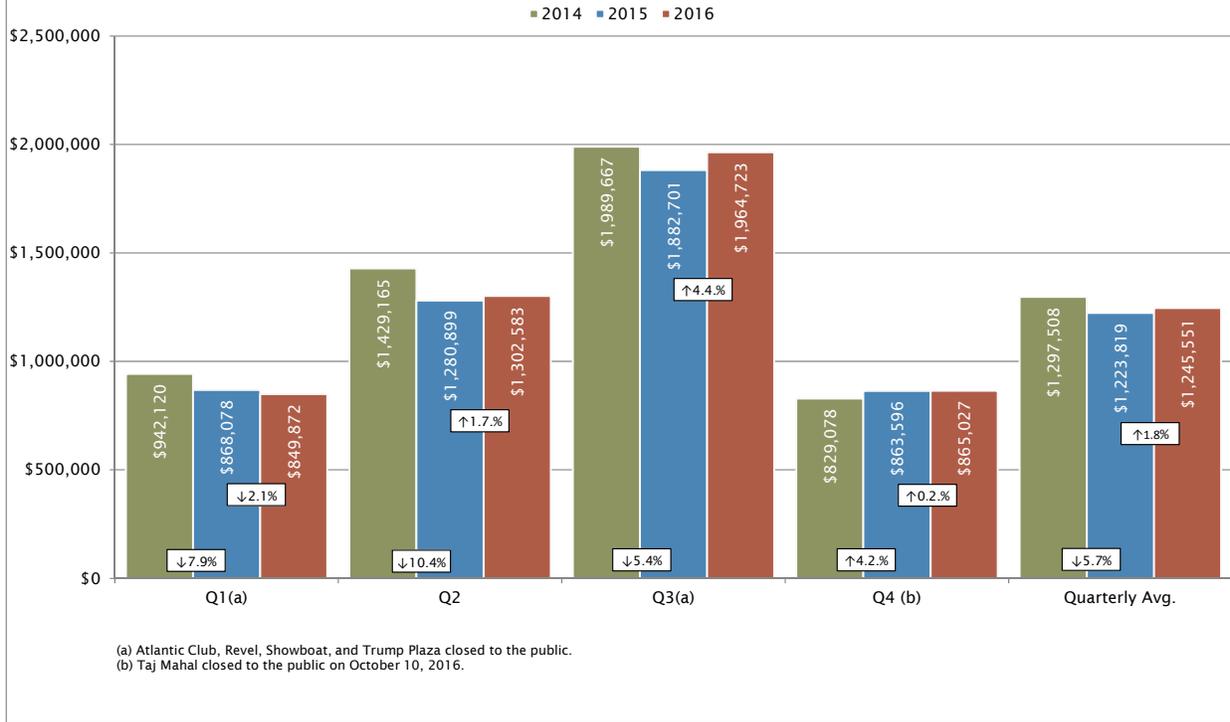
QUARTERLY TOTALS 2014 THROUGH 2016



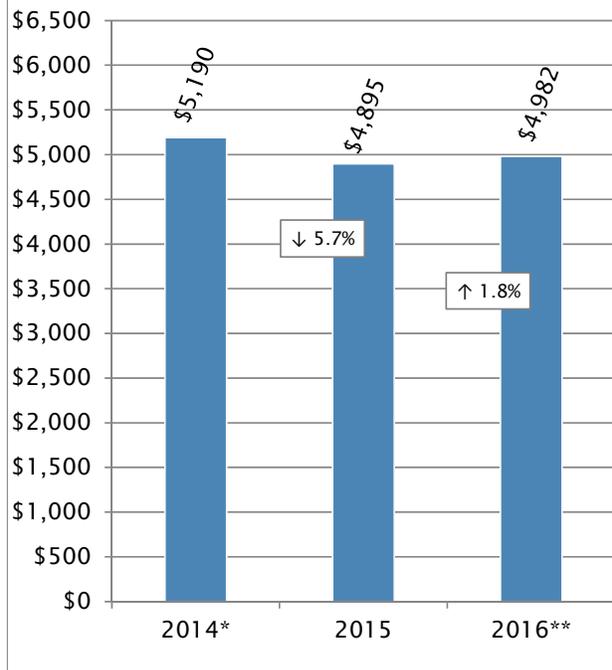
Sales Tax revenue does not typically include business entities that have Atlantic City locations but are primarily based outside of Atlantic City. Total number of business entities represents Atlantic City-based business entities active at any time during the year. Subject to change.

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 2014 THROUGH 2016



ATLANTIC COUNTY STATE OCCUPANCY FEE REVENUE FOR THE THREE YEARS ENDED DECEMBER 31, 2016 (\$ IN THOUSANDS)



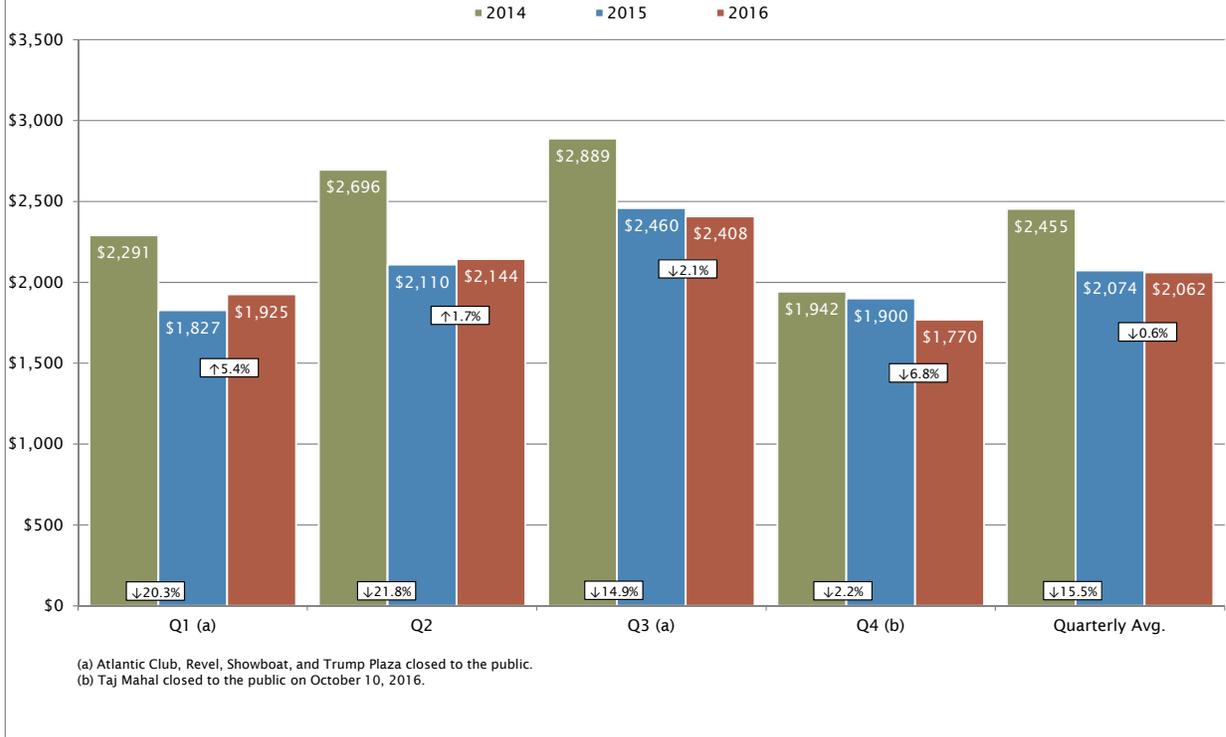
* Four casinos closed to the public.
** Taj Mahal closed to the public.

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.

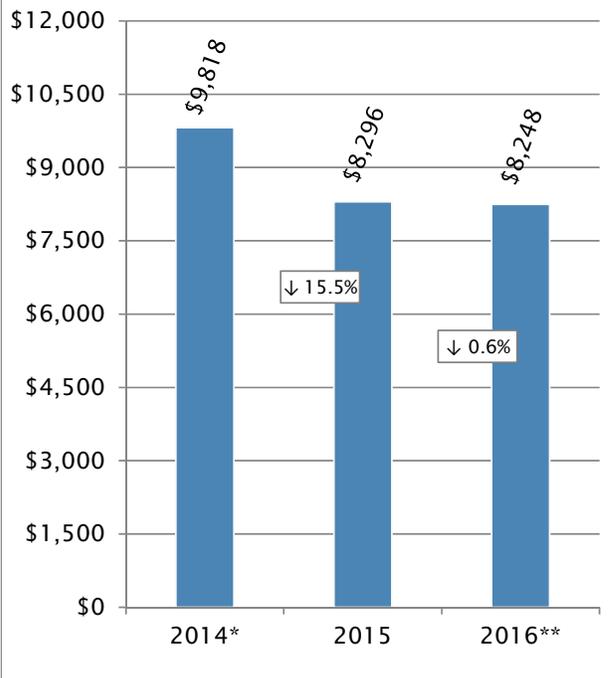
Source of data: State of New Jersey Department of the Treasury, Division of Taxation - Hotel/Motel Information County Totals Reports.

ATLANTIC CITY TOURISM PROMOTIONAL FEE REVENUE

QUARTERLY TOTALS 2014 THROUGH 2016
(\$ IN THOUSANDS)



ATLANTIC CITY TOURISM PROMOTIONAL FEE REVENUE FOR THE THREE YEARS ENDED DECEMBER 31, 2016 (\$ IN THOUSANDS)



* Four casinos closed to the public.

** Taj Mahal closed to the public.

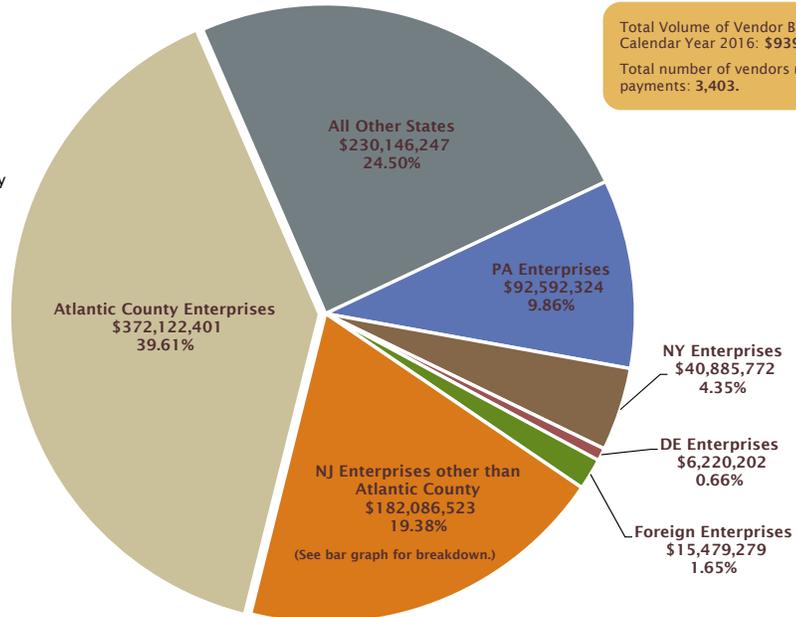
The Atlantic City Tourism Promotional Fee is \$2 per occupied casino hotel room and \$1 per occupied non-casino hotel/motel room in Atlantic City as reported to the Division of Taxation. Proceeds are appropriated to a special fund held by the convention center operating authority exclusively for the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

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

ATLANTIC CITY CASINO INDUSTRY TOTAL DOLLAR VOLUME OF VENDOR BUSINESS*

FOR THE YEAR ENDED DECEMBER 31, 2016

- 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 2016: \$939,532,748.
Total number of vendors receiving payments: 3,403.

*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.

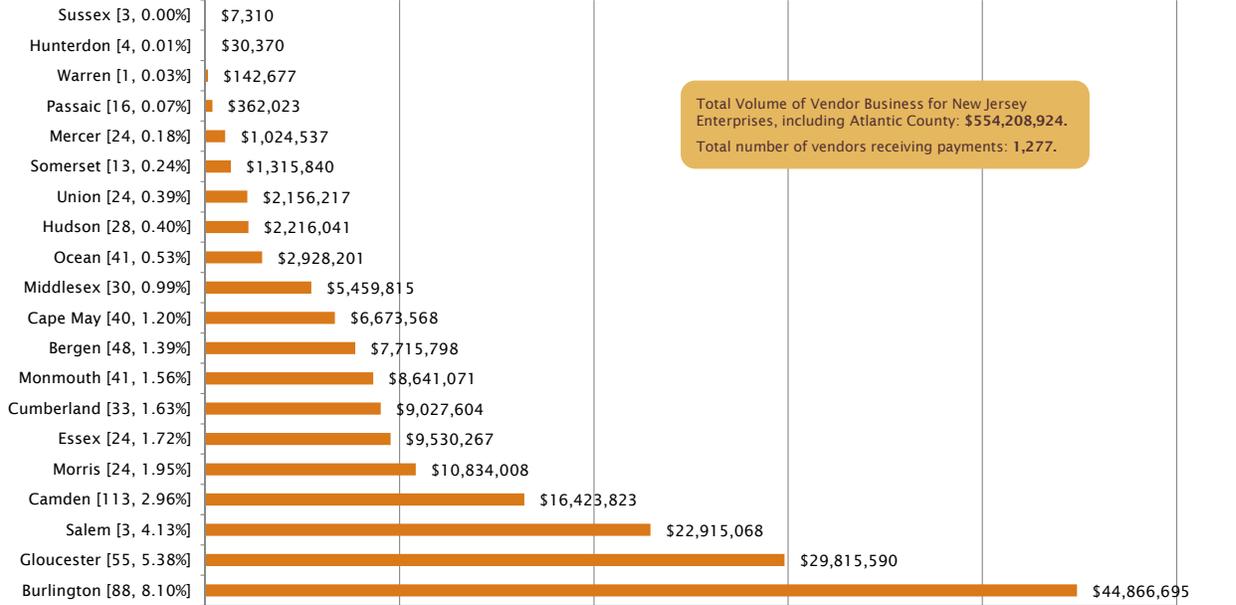
Numbers reflect the states in which offices serving hotel/casinos are located and may not be the states in which the enterprises are incorporated or have a home office.

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, 2016



Total Volume of Vendor Business for New Jersey Enterprises, including Atlantic County: \$554,208,924.
Total number of vendors receiving payments: 1,277.

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

* Atlantic County Enterprises: 622 companies for a dollar volume of business of \$372,122,401, or 67.14% of total New Jersey \$ business.

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

CASINO REVENUE FUND

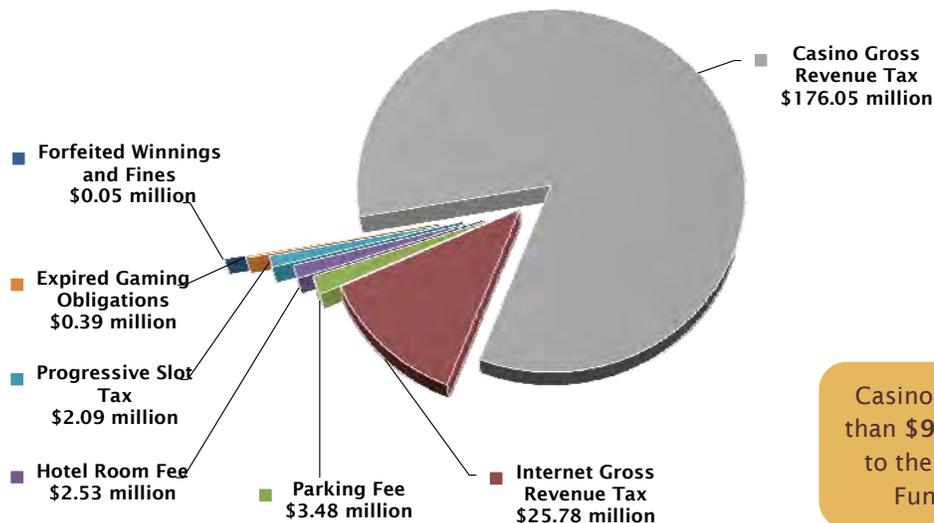
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Funding is generated through two casino related taxes and five casino related fees. 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 (CRF) for the benefit of the aged and disabled citizens of the State of New Jersey. Specifics on actual CRF appropriations may be obtained on the Casino Revenue Fund Advisory Commission's website. Gross gaming revenue is the amount won from gamblers after all payouts have been made. Casino licensees are permitted to take a deduction for casino and Internet promotional gaming credits (both at a rate of 8%) for the purpose of calculating taxable gross revenue.

The responsibility for administering these taxes and fees resides with the Division of Gaming Enforcement, Division of Taxation, and the Casino Control Commission.

- Gross Revenue Tax includes audit assessments, penalties, interest, and other adjustments.
- Casino Parking Fee: Casinos remit a fee of \$3.00 per day for each occupied casino parking space. In FY 16, \$0.50 of the parking fee revenue was allocated to the CRF and \$2.50 was allocated to the Casino Reinvestment Development Authority (CRDA) for statutorily restricted projects and the benefit of Atlantic City.
- Casino Room Fee: Casinos remit \$3.00 per day for each hotel room occupied by a guest. In FY 16, \$1.00 was allocated to the CRDA and \$2.00 was allocated to the CRF with a portion used to fund debt service on hotel expansion bonds.
- Multi-Casino Progressive Slot Tax: An 8 percent tax on casino service industry enterprise multi-casino progressive slot revenue.
- Expired Obligations: Casinos are required to remit a percentage of each expiring gaming obligation.
- Forfeited Winnings: Winnings of underage gamblers or excluded persons are subject to forfeiture. Forfeitures under \$100,000 are split equally between CRF and compulsive gambling programs. For forfeitures over \$100,000, compulsive gambling programs receive \$50,000 and the balance is allocated to the CRF.
- 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 CRF.

Total Taxes Deposited Into Casino Revenue Fund for FY 2016
\$210.37 million



Casinos have paid more than **\$9.9 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 03/16/17).

INDEPENDENT AUDITOR'S REPORT

The State of New Jersey
2016
Fiscal Year

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

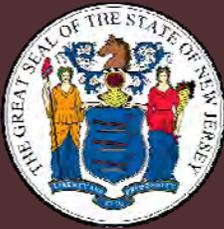


Chris Christie, Governor
Kim Guadagno, Lt. Governor

Is available at:

<http://www.nj.gov/treasury/omb/publications/16cafr/pdf/fullcafr.pdf>

Chris Christie
Governor



New Jersey
Casino
Control Commission

Matthew B. Levinson
Chairman/CEO

Sharon Anne Harrington
Vice Chair

Alisa Beth Cooper
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