



STATE OF THE INDUSTRY

ANNUAL REPORT 2017

MISSISSIPPI
MCHA
GAMING & HOSPITALITY ASSOCIATION

ABOUT MGHA

The Mississippi Gaming & Hospitality Association (MGHA) was chartered in 1993 and works in cooperation with the American Gaming Association in Washington, D.C. As of this report, all of the 28 commercial casinos operating in Mississippi are members of MGHA and there are approximately 50 associate members made up of other associations, professional service providers and vendors that support the gaming, hospitality and tourism industry — the fourth largest industry in Mississippi.

The association advocates for policies that would allow Mississippi's commercial casino operators to stay strong and to support the state's \$6.3 billion gaming, hospitality and tourism industry with gaming accounting for nearly \$3 billion. The goal of the association is to ensure our industry remains competitive and strong, and continues to be a healthy contributor to the state's overall economy. With that in mind, MGHA has through collaboration come up with recommendations to support this goal:

- Encourage resort-style casino developments in Mississippi through tourism incentive programs. Tourism-related activities should include well-capitalized gaming resort projects and encourage other non-gaming amenities.
- Avoid policies that single out gaming from the tourism industry or puts an unfair burden upon the gaming industry.
- Maintain Mississippi's stable gaming regulatory environment.
- Invest in post-secondary curricula that will provide residents with the training and education needed to have an immediate impact on Mississippi's \$6.3 billion tourism industry and make the state's workforce more competitive.
- Continue to support the state's and the industry's initiatives to combat problem gambling.

The Mississippi gaming industry began in 1992 with a single riverboat in Biloxi. It has grown into a well-capitalized economic sustainer during the past 25 years and is a vital part of the overall tourism industry. In 2016, the Mississippi Development Authority – Tourism (MDA Tourism) office reported 23 million out-of-state visitors, while the casinos reported 14.2 million out-of-state visitors in the same period. This translates into an estimated 62 percent of out-of-state visitors coming to our state who take time to visit a casino. The MGHA will continue to work with its members and associate members to increase the number of visitors to our state.

MGHA STAFF



Larry Gregory,
Executive Director



Michael Bruffey,
Deputy Director

WWW.MSGAMING.ORG

The MGHA website is a valuable resource of information relevant to our industry here in Mississippi. It includes an updated list of members and associate members, updated news in our Press Room, our monthly newsletter, annual reports, studies, analysis and more.

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WELCOME LETTER

Welcome to the start of a new year! It's hard to believe another year has already passed. Feels like I was just writing this letter to begin my tenure as the chair of the MGHA, and now it is the start of the second year. Hopefully, all reading this would agree that 2016 has been a great year.

2016 marks the third year of revenue growth along the Gulf Coast, which has led our overall state gaming revenues to increase each of the past three years. While the operators along the Mississippi River have not had the revenue growth that has been seen along the Gulf Coast, the operators continue to reinvest in their operations and in their communities, and continue to make a positive impact, accounting for thousands of jobs and millions in tax revenue.

As we celebrate our achievements as an industry, we are all mindful that other states near and around Mississippi are planning to expand gaming and tourism. While we continue to monitor these developments, we cannot lose sight of the fact that Mississippi will always be a unique and attractive destination option so long as we continue to reinvest and refine our offerings. Being proactive and not reactive is our challenge, and I know we are up for it.

Some of our key moments from 2016 included:

- Larry Gregory, our executive director, was appointed to the board for the American Gaming Association in January.
- In August, Mississippi began its 25th year of gaming.
- AGA President and CEO Geoff Freeman held a Get to Know Gaming press conference in Biloxi, where he highlighted Mississippi's achievements in gaming and tourism.
- Allen Godfrey, executive director of the Mississippi Gaming Commission, was honored as Regulator of the Year for North America in September.
- Gulf Coast gaming revenues reached nearly \$1.2 billion for the first time since 2008.
- 2016 marked the third year in a row statewide gross revenues increased compared to prior years.

In 2017, we will highlight what gaming has brought to Mississippi over the past 25 years. To name just a few: the gaming industry has generated an estimated \$24 billion in tax revenue, with \$6.5 in state gaming tax revenue, enough to fund the state's entire budget for one year; it has created thousands of direct and indirect jobs that are high-quality and well-paying careers for Mississippi's residents; and, perhaps most notably, the industry has had a positive impact on communities, with an estimated \$850 million going to local government general funds, over \$637 million going to education and more than \$637 million going to public safety; the industry has donated millions of dollars to many charities in our communities and employees have donated countless hours of their time.

It is my honor to serve in this leadership role, but it is through a collective vision and working collaboratively that our vision is becoming a reality and our voice is heard. I want to extend a sincere thank you to all of our casino and associate members for their time and commitment to making our industry and our association one that is well respected and that serves as a model for other states to follow.

Please enjoy this eighth State of the Industry Annual Report.



Lee Dillard
MGHA Chair

OFFICERS AND CURRENT BOARD MEMBERS

OFFICERS

Lee Dillard, Chair — (North Region)
Tunica Roadhouse Casino & Hotel - Tunica

Paul Avery, Vice Chair — (Central Region)
Lady Luck Casino - Vicksburg

Cathy Beeding, Treasurer — (Coast Region)
Island View Casino Resort - Gulfport

Justin Carter, Secretary — (North Region)
Hollywood Casino - Tunica

Note: Officers represent the three regions within the state. Each officer is appointed for a two-year term. Officers also serve as board members for their respective property. The term of current officers will end December 31, 2017.

BOARD MEMBERS

R. Scott Barber
Horseshoe Tunica Hotel & Casino - Tunica

Toni Burns
Sam's Town Casino - Tunica

Justin Carter
Hollywood Casino - Tunica

Keith Crosby
Palace Casino Resort - Biloxi

Steve Ditchkus
Fitz Casino & Hotel - Tunica

Cheryl L. Duhon
Resorts Casino - Tunica

John Ferrucci
Silver Slipper Casino & Hotel - Bay St. Louis

Susan Foster
Hollywood Gulf Coast - Bay St. Louis

Marcus Glover
Beau Rivage - Biloxi

Roscoe Greene
Harlow's Casino Resort & Spa - Greenville

Bill Gustafson
Isle of Capri Casino & Hotel - Lula

Gerad Hardy
Ameristar Casino Hotel - Vicksburg

Chett Harrison
Golden Nugget - Biloxi

Wade Howk
Boomtown Casino - Biloxi

Melonie Johnson
Gold Strike - Tunica

Jonathan Jones
Harrah's Gulf Coast - Biloxi

Bob Little
Bally's Casino - Tunica

Duncan McKenzie
IP Casino Resort Spa - Biloxi

LuAnn Pappas
Scarlet Pearl Casino & Hotel - D'Iberville

John Phillipp
Trop Casino - Greenville

Kevin Preston
Magnolia Bluffs Casino - Natchez

Todd Raziano
Hard Rock Hotel & Casino - Biloxi

Anthony Scudiero
WaterView Casino & Hotel - Vicksburg

Ginny Tzotzolas
Riverwalk Casino Hotel - Vicksburg

Susan Varnes
Treasure Bay - Biloxi

Note: Each operator has a vote on MGHA matters. Each property designates a primary and secondary representative for voting purposes. MGHA communications are sent to both representatives. The primary representatives are listed above.

MILESTONES & HIGHLIGHTS 2016

- 2016 marked the beginning of the 25th year of gaming in Mississippi. Gaming tax revenue generated by Mississippi casinos is set to reach \$6.5 billion by the industry's 25th anniversary in 2017 — enough to fund the entire state budget for a single year.
- In 2016, the Mississippi gaming industry supported an estimated 21,250 direct jobs with a payroll exceeding \$686 million with benefits of more than \$207 million for a total of \$893 million. When taking into account the Native American gaming in Mississippi, payroll and benefits exceeded \$927 million.
- The Mississippi Tourism office (Visit Mississippi) estimates that in 2016 there were 23 million visitors to Mississippi with an estimated total spend of \$6.3 billion.
- In 2016, the gaming industry brought in more than 14.3 million out-of-state visits to Mississippi. Adding more than 9 million visits by Mississippians in 2016, commercial casinos generated gross revenue of \$2.895 billion and \$2.119 in gaming revenue, an increase of 1 percent year over year.
- In 2016, the gaming industry celebrated new projects and developments, including millions spent by operators on hotel and casino renovations, new restaurants and capital improvements, as well as Margaritaville Hotel & Resort that opened in Biloxi (a non-gaming venue). The industry generated \$776 million in non-gaming revenue, a .4 percent increase over prior year.
- Several more non-gaming developments are planned for the future, including a Galleria outdoor mall in D'Iberville, an aquarium in Gulfport, new hotel developments in Biloxi, a Sportsplex in Vicksburg, an outdoor entertainment venue in Tunica and more.

- Isle of Capri Biloxi had the distinction of being the first dockside riverboat casino to open in the United States, on Aug. 1, 1992. In 2016, almost 25 years later, Isle of Capri Casinos Inc. announced the sale of its assets to Eldorado Resorts Inc. for \$1.7 billion.
- In September 2016, the International Masters of Gaming Law (IMGL) recognized Allen Godfrey, executive director of the Mississippi Gaming Commission, as Regulator of the Year for North America.



MGC Executive Director Allen Godfrey (third from left) with some of the MGHA team, Justin Carter, secretary; Cathy Beeding, treasurer; Larry Gregory, executive director; Mike Bruffey, deputy director; and Lee Dillard, chair.

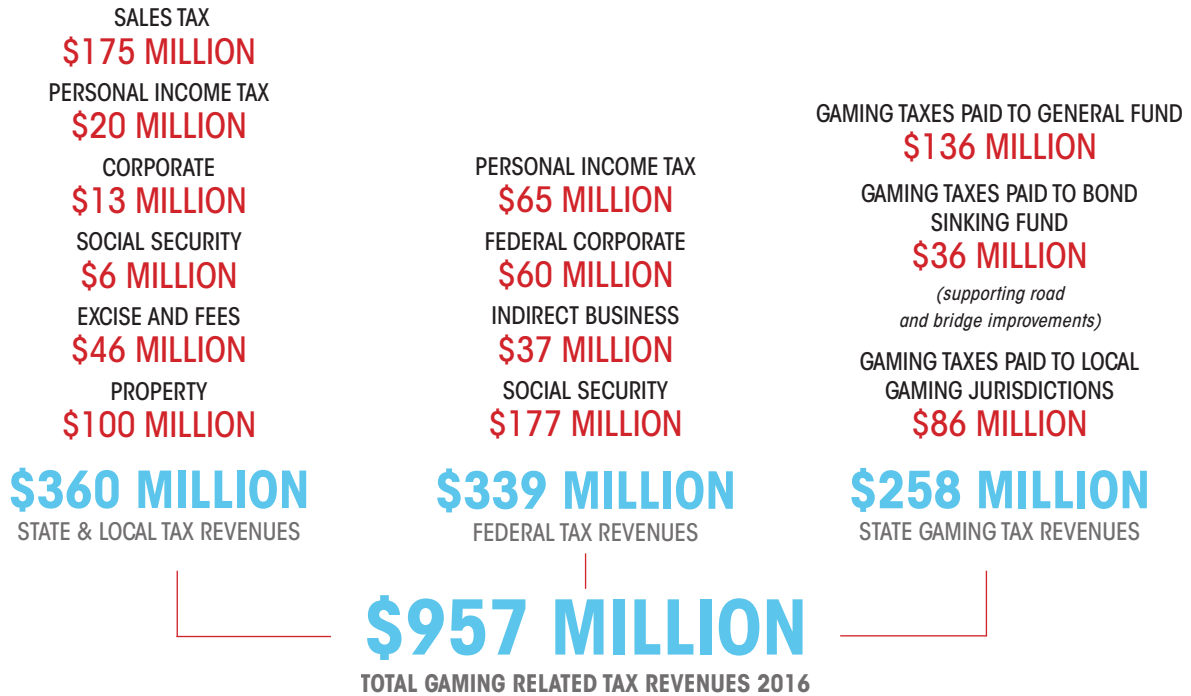
- In 2016, the state of Mississippi began receiving the settlement funds stemming from the Deepwater Oil Horizon tragedy that occurred in April 2010. In 2016, Mississippi received \$150 million. Overall, the settlement will bring more than \$1.5 billion to the state over the next 17 years with \$40 million to be paid each year from 2019 through 2033.
- In 2016, the Mississippi Legislature passed HB 1074 and created the Economic Development Infrastructure Fund (EDI Fund). The legislature also appropriated \$2.5 million to the EDI Fund (from the BP Settlement) to promote air service to eligible regional airports in the state.
- Looking forward to 2017, Mississippi leaders are urged to continue supporting improvements in air service and other amenities to keep the Mississippi gaming and tourism markets attractive and accessible.

MISSISSIPPI COMMERCIAL GAMING

Nearly

\$1 BILLION

PAID IN TAXES (LOCAL, STATE AND FEDERAL)



FOCUSING ON THE LOCAL SUPPORT

\$86 MILLION GAMING TAX REVENUES



LOCAL GENERAL FUNDS

40% | **\$34.4 MILLION**
\$34.4 MILLION TO CITY/COUNTY
GENERAL FUND



PUBLIC SAFETY

30% | **\$25.8 MILLION**
CITY PUBLIC SAFETY



EDUCATION

30% | **\$25.8 MILLION**
CITY / COUNTY SCHOOLS

2016

GAMING'S ECONOMIC IMPACT OVER \$4.4 BILLION

INCREASES SEEN IN BOTH GAMING AND NON-GAMING REVENUE

- In 2016, the direct output of Mississippi's commercial gaming industry's economic impact was more than \$4.4 billion.
- On a statewide basis, Mississippi casino operators realized \$2.895 billion in total revenue compared to \$2.865 billion in 2015, up \$30 million.
- On a statewide basis, Mississippi casino operators generated \$2.119 billion in gaming revenue compared to \$2.101 billion in 2015, up \$18 million.
- On a statewide basis, Mississippi casinos generated \$776 million in non-gaming revenue compared to \$764 million in 2015, up \$12 million.
- Overall, total revenue increased \$30 million as gaming revenue increased \$18 million and non-gaming revenue increased \$12 million, as compared to 2015.
- Notably, the operators spent nearly \$105 million in advertising and promotions compared to just over \$100 million in 2015.

COMPARING THE RIVER REGIONS AND THE GULF COAST REGION:

	<i>River Regions</i>	<i>Gulf Coast Region</i>	<i>STATE TOTAL</i>
Total Revenue	\$1,200,886,988	\$1,693,638,549	\$2,894,525,537
Gross Gaming Revenue	\$ 931,938,390	\$1,186,955,101	\$2,118,893,491
Non-Gaming Revenue	\$ 268,948,598	\$ 506,683,448	\$ 775,632,046
# of Casinos	16	12	28
Employees / Hotel Employees	7,600 + 750	9,800 + 3,100	17,400 + 3,850
Wages Paid	\$ 279,348,439	\$ 407,492,167	\$686,430,606
Benefits Provided	\$ 84,363,229	\$ 123,062,634	\$207,425,863
Hotel Rooms	4,820	6,635	11,455
Slots / Table Games / Poker	13,700 / 370 / 40	15,600 / 472 / 53	29,300 / 842 / 93
Advertising / Promo Spend	\$51,681,518	\$53,247,421	\$104,928,939

OBSERVATIONS FROM 2016

- As noted above, gaming operators generated \$2.895 billion in total revenue. Non-gaming revenue accounted for \$776 million or 27 percent of the total revenue (which comes from non-gaming amenities such as restaurants, hotels, spas, golf courses, ball games and other entertainment venues).
- Regionally, the ratio of gaming versus non-gaming revenue breaks down as follows:
Gulf Coast — Non-gaming revenue of \$506.7 million accounted for 30 percent of total revenue.
River Regions — Non-gaming revenue of \$269 million accounted for 23 percent of total revenue.
- The American Gaming Association reported that 53 percent of typical casino visitors also visit attractions outside the casino and with young adult visitors the percentage is 64 percent.
- In 2016, MGHA sought support from state and local leadership for funding of non-gaming amenities and for expanding air service to Mississippi. MGHA members continue to reinvest in Mississippi by making capital improvements to their properties. MGHA encourages state and local leaders to support investment in projects that will bring more visitors to Mississippi and that will enhance the visitor experience, resulting in more frequent visits and longer stays.
- MGHA continued to build and foster its vision through a partnership approach, building its associate membership to include the Mississippi Tourism Association, the Mississippi Hospitality & Restaurant Association, the Mississippi Hotel & Lodging Association, the MDA – Tourism Office (visitmississippi.org), the Mississippi Economic Council and more.
- With many Mississippi gaming operators also operating in Louisiana, there is natural cross marketing among properties in both states. Together, Mississippi and Louisiana continue to stand as the second largest gaming market in the country, second only to Las Vegas, Nevada.



Scarlet Pearl's LavaLinks
Miniature Golf Course



Biloxi Shuckers Stadium
at MGM Park

2016 BANNER YEAR

FOR GULF COAST CASINOS AND FOR TRAVEL & TOURISM INDUSTRY AS A WHOLE

In 2016, the Gulf Coast operators experienced revenue growth compared to prior year for a third year in a row — the first time this has happened since 2007. Gulf Coast revenues increased more than 3.5 percent, reaching nearly \$1.2 billion for the first time since 2008. Notably, between 2011 and 2016, the Gulf Coast operators invested more than \$1.6 billion, and in 2016, Margaritaville Resort (a non-gaming hotel and resort) opened in Biloxi featuring a water park and arcade-style entertainment for families.

While its official report is not released until March, for 2016, MDA Tourism's Office (Visit Mississippi) estimates a total of 23 million out-of-state visitors to Mississippi with an estimated spend of \$6.3 billion, representing increases in both categories. Craig Ray, director of Visit Mississippi, said, "We are very pleased to note that the overall increase in visitation to Mississippi continued in 2016, reaching 23 million visitors."

The travel and tourism industry remains the fourth largest industry in Mississippi, accounting for more than 86,600 direct jobs. The gaming industry accounts for 21,250 direct jobs, which equates to one-fourth of the total jobs making up the travel and tourism industry. In 2016, the Mississippi casino-resorts attracted 14.2 million out-of-state visitors and generated nearly \$3 billion in total revenue, of which \$2.119 billion was gaming revenue and \$776 million was non-gaming revenue, which equates to 46 percent of the visitor spend estimated by MDA Tourism.

Ray added, "We at Visit Mississippi attribute the increase in visitation and spend to the added amenities along the Mississippi Gulf Coast, recent seating expansion at football stadiums in Oxford and Starkville, among other reasons, such as a new Grammy Museum in Cleveland, Mississippi. The boost in visitation is good for all Mississippi businesses, and I appreciate and look forward to the continue collaboration with our industry associations in tourism, hotel, restaurant and gaming to further boost the state visitation numbers."

2016

VISITATION TRENDS

TO MISSISSIPPI CASINOS

STATE	2016	2015	2014	2013
Alabama	2,657,033	2,696,246	2,845,187	2,850,661
Arkansas	1,202,568	1,100,511	1,123,914	1,275,397
Florida	1,671,127	2,135,520	2,361,602	2,329,493
Georgia	799,009	954,636	1,032,624	1,064,334
Illinois	191,787	230,708	245,035	278,566
Indiana	94,244	103,149	114,476	124,693
Louisiana	3,864,785	3,155,081	3,260,595	3,237,043
Missouri	193,120	260,946	240,215	265,141
North Carolina	81,597	99,477	112,536	119,968
Ohio	84,944	97,311	111,458	126,627
Oklahoma	53,315	50,433	54,845	63,960
Tennessee	1,645,517	1,514,734	1,825,485	2,108,882
Texas	462,807	496,512	583,685	584,448
Other	1,064,176	1,038,939	1,149,437	1,380,787
Out of State Totals	14,275,833*	13,964,806	15,061,094	15,810,000
Mississippi Totals	9,177,795*	8,167,753	8,721,042	8,966,610
Totals	23,453,628*	22,132,559	23,782,136	24,776,610

* November and December 2016 projected.

North Summary – AL (6.1%); AR (1.7%); GA (1.7%); IL (3%); MO (3.4%); MS (23.4%); TN (32.4%); Other (6.25%)

Central Summary – AR (5%); LA (12%); MS (77%); TX (1.3%); Other (1.4%)

Coastal Summary – AL (17%); FL (15.5%); GA (6%); LA (17.2%); MS (30.5%); TN (1%); TX (2.3%); Other (4.4%)

OBSERVATIONS

- Through 2016, the total number of casino visits, including visits by Mississippians, reached approximately 23.5 million compared to 22.1 million during the same period in 2015, an increase of 6 percent. Out-of-state visitation numbers showed a slight increase, reaching 14.3 million on a statewide basis compared to 14 million last year (a 2.1 percent increase).
- A look at visitation on a state-by-state basis reveals significant increases in visitation from Louisiana outpacing the prior year by 15 percent, and, for the first time, exceeding one million visits during a single quarter.
- We saw increases in the visits from Tennessee (up 10 percent) and Arkansas (up 7.2 percent).
- Visits from Alabama and Texas held steady.
- We noted a 20 percent decline in visits from Florida, and we saw a similar percentage decline in visitors from Georgia.
- Overall, the visitation trends to Mississippi casino resorts in 2016 increased, but also the numbers were consistent with what one would expect as a result of the expansion of gaming in neighboring states.

REGIONAL GAMING EXPANSION 2016

BELOW WE EXAMINE GAMING DEVELOPMENTS IN THOSE STATES FROM WHERE MANY OF OUR CUSTOMERS ORIGINATE.

ALABAMA

In 2016, Alabama visitors accounted for 17 percent of Gulf Coast business and about 6.1 percent of North River business. Overall, visitation from Alabama remained flat for the year. Of significance, the Poarch Band of Creek Indians tribe (PCI) expanded its operations to a Wetumpka, Alabama, facility near Montgomery, and continued to operate its Atmore facility, which underwent substantial renovations in 2015. Also, the Victoryland “electronic bingo” facility located on I-85 just east of Montgomery reopened in September 2016. State legislators entertained a lottery bill in 2016. PCI is seeking to negotiate a compact with the state that will provide exclusivity. In November, the state formed the Governor’s Council on Gambling, an advisory committee formed to study all issues related to gaming, including the legal issues, which have been the source of much controversy over the past several years.

ARKANSAS & TENNESSEE

Approximately 32.4 percent of the visitors to the North River region travel from Tennessee. Arkansas accounts for about 17 percent and 5 percent of the business to the North River region and the Central River region, respectively. In 2016, Arkansas voters were going to consider a proposed constitutional amendment that potentially would have allowed three casinos to be operated in different Arkansas counties. The Arkansas Supreme Court struck the measure down as unconstitutional holding the measure was misleading. The measure was certainly controversial illustrated by a report showing more than \$2 million was spent buying air-time to promote or oppose the measure.

LOUISIANA

In 2016, Louisiana accounted for 17 percent of the visits to the Gulf Coast region and 12 percent of the visits to the casinos in the Central River region of Mississippi. Louisiana created the Riverboat Economic Development & Gaming Task Force in 2016 to study its gaming model, its markets and the industry as a whole. Together, Mississippi and Louisiana make up the second largest gaming market in the United States, accounting for 43 commercial casinos (and four racetracks) with more than \$4.5 billion in gross gaming revenue (net of video poker in Louisiana). The number of visitors coming from Louisiana to Mississippi increased almost 20 percent in 2016, which may be indicative of the cross-marketing efforts by the companies operating casinos in both states.

FLORIDA

Mississippi casinos attracted almost 1.7 million visits from Florida in 2016 compared to 2.135 million in 2015. This equates to a 20 percent decline. Mississippi’s efforts to incentivize new air service may help swing these numbers back in a positive direction. Florida has 13 casinos and tribal gaming in the central and southern part of the state. These operations, combined with the expansion of gaming operations in Alabama, appear to be the cause of the visitation declines. More competition may be on the horizon as well. A case pending before the Florida Supreme Court will decide whether a Gadsden County racetrack (where voters approved slots) will be allowed to operate slots based solely on voter choice or if additional legislative action is required. The ruling will impact Gadsden and at least six other counties — Brevard, Hamilton, Lee, Palm Beach, St. Lucie and Washington — where voters have, by referendum, authorized slots at local pari-mutuels.

GEORGIA

Almost 800,000 visits came from tourists traveling from Georgia to Mississippi casinos in 2016 representing 6 percent of the visitors to the Mississippi Gulf Coast and 1.7 percent of the visits to North River region casinos. The visits from Georgia have slipped like they have in Florida. Some speculate that with the developments in Alabama, the state legislature in Georgia is expected to consider whether to authorize a limited number of commercial casino licenses in the state in 2017.

GAMING EXPANSION – GENERAL COMMENTS

In 2016, gaming continued to expand its nationwide footprint with Massachusetts opening its first casino. Forty states now offer commercial gaming. MGM Resorts opened its new \$1.4 billion resort at the National Harbor in Maryland, and MGM, along with several other gaming companies, are vying for the opportunity to operate a large-scale casino near Atlanta, should Georgia legalize gaming. Whether commercial gaming or Native American gaming, operators continue to expand near and around Mississippi.

With gaming expansion a certainty, more competition is a certainty, as well. Mississippi is armed with many unique offerings and world-class assets, but we must continue to be strategic in Mississippi to ensure that we remain competitive and strong as an industry.

WORKING TO INCREASE VISITATION

MGHA continues to collaborate with regional tourism bureaus and our state associations for tourism, hospitality, restaurant and hotel, as we all have the same goal — to maximize the use of our resources to increase visitation to our state. As we work together to attract more visitors to Mississippi, we all benefit as more visitors lead to more spend and then to additional investments, jobs and tax revenues.

No. 1 DRIVER OF VISITATION: GAMING

- Statistically, the gaming industry is the No. 1 driver of visitation to Mississippi, drawing more than 14.2 million out-of-state visitors in 2016. As reported to the Mississippi Gaming Commission, the 28 casino operators spent more than \$100 million in advertising and promotions. Notably, over the past several years operators are spending more to attract and retain customers.

No. 2 DRIVER OF VISITATION: NON-GAMING AMENITIES

- Over a 10 year period, Las Vegas focused on becoming a more complete tourism destination focusing on developing hotels, food and beverage, including fine dining, as well as entertainment options appealing to families. In 1990, Las Vegas derived 61 percent of its total revenue from gaming. As of 2013, 64 percent of its revenue was being derived from outside casino floors.
- In 2016, MGHA's members continued focusing on efforts to support non-gaming amenities, consistent with advisory comments made to the Mississippi legislature in 2013. MGHA continues to seek support in the way of funding and appropriations for projects that would help make Mississippi gaming markets become premier tourism destinations. The Mississippi Gaming Commission supported this effort adopting Rule 1.5, which became effective on Jan. 1, 2014, requiring new gaming projects to include a minimum number of hotel rooms, gaming space, restaurants and a non-gaming amenity that the developer is required to show will attract more visitors or will grow the overall market. In December 2015, Scarlet Pearl opened, the first casino to open under the guidelines of newly adopted Rule 1.5, opening the Lava Links golf course — a world-class 36-hole miniature golf course.

No. 3 DRIVER OF VISITATION: SPECIAL EVENTS

- A slow weekend can be made into a peak weekend with a well-timed and well-planned special event. Several special events occurred during 2016 in different regions of the state:

GULF COAST REGION

PGA Mississippi Gulf Coast Classic Champions Tour Event teed off at the Beau Rivage's Fallen Oaks golf course marking its eighth anniversary.

Cruisin' the Coast marked its 20th anniversary in 2016 with record attendance including more than 8,500 registered cars.

The Mississippi Gulf Coast Marathon (from Bay St. Louis to Biloxi) welcomed 3,300 runners in 2016, its inaugural year.

CENTRAL RIVER REGION

Riverfest, sponsored in part by Vicksburg's four casinos, features live music, arts and crafts and more in downtown Vicksburg.





Delta River Cruisin'

Greenville has the Mississippi Delta Blues and Heritage Festival. This year will be the 39th year for the festival, which is sponsored in part by Harlow's Casino Resort.

NORTH RIVER REGION

Delta River Cruisin' is hosted by Memphis Street Rods and Sam's Town. It takes place in September, attracting more than 900 classic and custom cars.

The Rivergate Festival is in Downtown Tunica in the spring. This year will be the 25th annual event, featuring live music, a Tour de Blues Bike Ride, family activities, a barbecue contest and more.

No. 4 DRIVER OF VISITATION: MARKETING

- Marketing is essential. Many of the convention visitor bureaus (regional tourism offices) around the country have marketing budgets funded through hotel room taxes, food and beverage taxes and/or direct appropriations from the state legislature. Mississippi historically has followed this model but the funding levels of these regional CVBs has been much lower than those in other competing tourism destinations.
- In 2016, the MGHA and its casino members continued working strategically with the CVB offices to collaborate and share resources. For example, MDA Tourism has developed a logo that casino operators have placed on their direct mail pieces going out to customers across the country. Through this kind of collaborative effort, Mississippi visitation numbers are on the rise.

No. 5 DRIVER OF VISITATION: ACCESS

- According to Linda Hornsby, executive director of the Mississippi Lodging & Hotel Association, in 2003, a study was conducted to determine the viability of drawing more conventions to the Mississippi Gulf Coast.



Following Hurricane Katrina, millions of dollars were spent improving the Mississippi Gulf Coast Coliseum, which is now a beautiful state-of-the-art facility. However, these improvements were not enough to attract conventions to the area.

Hornsby said, "A feasibility study was conducted by Conventions, Sports & Leisure International, which concluded, in part, that the No. 1 challenge facing the Mississippi Gulf Coast convention business (or potential business) was the lack of convenient air service to the area. Conventions and air service go hand-in-hand. The potential for any destination to be successful is significantly reliant upon the availability and affordability of convenient air service."

- Clay Williams, executive director of Gulfport-Biloxi International Airport, said, "With the merger of the larger airlines, the regional airports continue to compete for the business of low cost air carriers. As more time goes by, we continue to see the larger carriers (of which there are now only four) moving out of regional airports to the larger airports, which is driving up airfares and requiring air travelers to drive one to two hours in order to travel by air." In 2016, the Mississippi Legislature passed HB 1074 creating the Economic Development & Infrastructure Fund and passed SB 2924 to appropriate \$2.5 million to the EDI Fund to incentive new air service to certain regional airports in the state. Williams reported, "Because of the EDI Fund and the appropriation we received last in 2016, we are close to getting a new low-cost air carrier to the Mississippi Gulf Coast, which will immediately bring more visitors to the area and will have an immediate positive impact on the area's economy."

MGHA's

SOUTHERN GAMING SUMMIT:



Welcome reception at Hard Rock Biloxi, May 3, 2016



Opening night party at Golden Nugget Biloxi, May 4, 2016

ONE OF THE GULF COAST'S PREMIER SPECIAL EVENTS

The Southern Gaming Summit and its companion event Bingo World were held at the Mississippi Coast Coliseum & Convention Center on May 3-5, 2016. Anthony Sanfilippo, chief executive officer of Pinnacle Entertainment, presented the opening keynote address, and the event featured more than two-dozen breakout sessions, in-depth educational workshops, a packed exhibitor floor and a live cooking event on the show floor. The show also included the annual AGA Global Gaming Women luncheon and discussion panel, golf tournament, welcome reception and opening party. There was also a charity slot tournament, which featured casino executives playing for their favorite charitable organization. Each year, the Mississippi Gulf Coast casinos showcase their staff and amenities to attendees, sponsors and exhibitors through numerous events where networking opportunities abound.

More than 2,200 registered attendees participated in the 2016 Southern Gaming Summit. Some highlights from a survey taken following the event include:

- Attendees came from more than 32 states, including Mississippi, Louisiana, Nevada, Colorado, Alabama and Texas.
- Nearly 90 percent of attendees reported they will return, are likely to return or may return.
- Nearly 90 percent of all speakers were likely to recommend the Southern Gaming Summit to co-workers.

- The Executive Roundtable, the Global Gaming Women's Luncheon and related educational session, Destination Marketing Dos and Don'ts, Executive Chef's Cooking Demonstration and many of the other sessions received 8 of 10 or higher marks.



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2016 MGHA ROLLS OUT RESPONSIBLE GAMING TRAINING

In 2016, MGHA began offering responsible gaming training to its members. Larry Gregory, MGHA's executive director, has more than 20 years of experience working as a regulator in the gaming industry, including 16 years serving as the executive director of the Mississippi Gaming Commission. During his tenure, Gregory saw first-hand the effects of compulsive gambling and worked closely with operators in addressing this important topic. Michael Bruffey, MGHA's deputy director, has more than 16 years of experience working with casino operators as in-house legal counsel, including four years working as vice president and general counsel for a Mississippi casino operator. Together, Gregory and Bruffey offer annual training to MGHA members who provide this training to their employees. The training is unique in that it provides the attendees with a perspective on responsible gaming from a regulatory body that enforces the regulations and from an operator perspective responsible for complying with the regulations. MGHA's training program has been approved by the MGC. MGHA's efforts to promote responsible gaming will continue in 2017, and the association will be looking for ways to support efforts to assist those negatively impacted by compulsive gambling.



2017 MGHA GOALS

Richard Bennett, chairman of the Gaming Committee in the Mississippi Legislature, said about the expansion of gaming in neighboring states, "As we continue to see headlines of other states planning to expand gaming, it is important that we continue to focus our efforts on ways to make our state gaming markets stronger premier tourism destinations, while also improving air service, supporting special events and marketing Mississippi to those beyond our borders."

MGHA has adopted the following goals for 2017:

No. 1

To support efforts that will increase visitation to Mississippi by improving air service and overall access to Mississippi's gaming and tourism markets.

No. 2

To support appropriations and funding sources for public-private projects in gaming counties that will attract families and more convention business to our state.

No. 3

Continuing to foster a unified approach to tourism in the state by supporting appropriations for special events and marketing of Mississippi and the many offerings the state has to share with visitors, including its casino resorts and amenities.

No. 4

To support responsible gaming in Mississippi and to support efforts to assist those negatively affected by compulsive gaming.



BY THE NUMBERS



STATEWIDE GROSS REVENUE:

- 2016 - \$2,894,525,537*
- 2015 - \$2,864,551,761
- 2014 - \$2,860,065,005

NORTH RIVER GROSS REVENUE:

- 2016 - \$823,420,331*
- 2015 - \$846,114,867
- 2014 - \$936,702,777

NORTH RIVER GROSS GAMING REVENUE:

- 2016 \$630,031,716*
- 2015 \$644,030,378
- 2014 \$687,683,015

Casinos: 9

Slots: 8,598 (2016), 8,952 (2015)

Table Games: 255 (2016), 267 (2015)

Poker: 30 (2016), 32 (2015)

Hotel Rooms: 4,070 (2016), 4,323 (2015)

Occupancy: 66.53% (2016), 61.75% (2015)

ADR: \$55.96 (2016), \$54.08 (2015)

Visitation: 5.25 million (2016), 3.83 million (2015)

Casino Employees: 5,037 (2016), 5,327 (2015)

Hotel Employees: 564 (2016), 516 (2015)

Bally's Casino - Tunica

Slots: 949

Tables: 16

Hotel Rooms: 238

Fitz Casino & Hotel - Tunica

Slots: 987

Tables: 20

Hotel Rooms: 506

Gold Strike - Tunica

Slots: 1,256

Tables: 61

Hotel Rooms: 1,133

Hollywood Casino - Tunica

Slots: 1,084

Tables: 21+6 poker

Hotel Rooms: 494 • RV Park

Horseshoe Tunica Hotel & Casino

Slots: 1,126

Tables: 75+24 poker

Hotel Rooms: 507

Isle of Capri - Lula

Slots: 917

Tables: 20

Hotel Rooms: 410 • RV Park

Resorts - Tunica

Slots: 799

Tables: 9

Hotel Rooms: 201

Sam's Town - Tunica

Slots: 990

Tables: 20

Hotel Rooms: 700 • RV Park

Tunica Roadhouse Casino & Hotel

Slots: 698

Tables: 24

Hotel Rooms: 135

* Based on projections for December 2016

BY THE NUMBERS



STATEWIDE GROSS REVENUE:

- 2016 - \$2,894,525,537*
- 2015 - \$2,864,551,761
- 2014 - \$2,860,065,005

CENTRAL RIVER GROSS REVENUE:

- 2016 - \$372,466,657*
- 2015 - \$385,441,551
- 2014 - \$387,463,682

CENTRAL RIVER GROSS GAMING REVENUE:

- 2016 - \$301,906,674*
- 2015 - \$310,504,639
- 2014 - \$307,866,406

Casinos: 7

Slots: 5,055 (2016), 5,713 (2015)

Table Games: 114 (2016), 115 (2015)

Poker: 9 (2016), 10 (2015)

Hotel Rooms: 727 (2016), 715 (2015)

Occupancy: 60.25% (2016), 56.64% (2015)

ADR: \$78.52 (2016), \$73.27 (2015)

Visitation: 3.20 million* (2016) v. 3.18 million (2015)

Casino Employees: 2,425 (2016), 2,302 (2015)

Hotel Employees: 197 (2016), 197 (2015)

Ameristar Casino - Vicksburg

Slots: 1,398

Tables: 36+10 poker

Hotel Rooms: 149 • RV Park

Harlow's Casino Resort & Spa - Greenville

Slots: 747

Tables: 15

Hotel Rooms: 105

Lady Luck Hotel Casino - Vicksburg

Slots: 612

Tables: 7

Hotel Rooms: 89

Magnolia Bluffs Casino - Natchez

Slots: 497

Tables: 19

Hotel Rooms: 142

Riverwalk Casino Hotel - Vicksburg

Slots: 644

Tables: 15

Hotel Rooms: 80

Trop Casino - Greenville

Slots: 609

Tables: 10

Hotel Rooms: 40

WaterView Casino Hotel - Vicksburg

Slots: 548

Tables: 12

Hotel Rooms: 122

* Based on projections for December 2016

BY THE NUMBERS



STATEWIDE GROSS REVENUE:

- 2016 - \$2,894,525,537*
- 2015 - \$2,864,551,761
- 2014 - \$2,860,065,005

GULF COAST GROSS REVENUE:

- 2016 - \$1,693,638,594*
- 2015 - \$1,632,995,343
- 2014 - \$1,535,898,546

GULF COAST GROSS GAMING REVENUE:

- 2016 - \$1,186,955,101*
- 2015 - \$1,146,316,578
- 2014 - \$1,078,635,757

Casinos: 12

Slots: 14,362 (2016), 14,718 (2015)

Table Games: 470 (2016), 474 (2015)

Poker: 50 (2016), 56 (2015)

Hotel Rooms: 6,472 (2016), 6,569 (2015)

Occupancy: 88.43% (2016), 84.35% (2015)

ADR: \$71.84 (2016), \$71.82 (2015)

Visitation: 14.79 million* (2016) v. 13.07 million (2015)

Casino Employees: 9,250, (2016), 9,679 (2015)

Hotel Employees: 3,091 (2016), 2,911 (2015)

Beau Rivage - Biloxi

Slots: 1,818

Tables: 80+16 poker

Hotel Rooms: 1,740

Boomtown Casino

- Biloxi

Slots: 900

Tables: 16

Hotel Rooms: 0 • RV Park

Golden Nugget - Biloxi

Slots: 1,190

Tables: 49 + 9 poker

Hotel Rooms: 705

Hard Rock Hotel & Casino - Biloxi

Slots: 1,218

Tables: 49+9 poker

Hotel Rooms: 479

Harrah's Gulf Coast

- Biloxi

Slots: 768

Tables: 34

Hotel Rooms: 499

Hollywood Gulf Coast

- Bay St. Louis

Slots: 1,098

Tables: 18+5 poker

Hotel Rooms: 291 • RV

Park

IP Casino Resort Spa

- Biloxi

Slots: 1,618

Tables: 58+15 poker

Hotel Rooms: 1,083

Island View Casino Resort - Gulfport

Slots: 1,842

Tables: 42

Hotel Rooms: 970

Palace Casino Resort - Biloxi

Slots: 893

Tables: 26

Hotel Rooms: 234

Scarlet Pearl Casino & Hotel

Slots: 1,277

Tables: 45+10 poker

Hotel Rooms: 300

Silver Slipper Casino - Bay St. Louis

Slots: 957

Tables: 28

Hotel Rooms: 129 • RV

Park

Treasure Bay Casino & Hotel - Biloxi

Slots: 816

Tables: 26

Hotel Rooms: 206

* Based on projections for December 2016

LETTER FROM EXECUTIVE DIRECTOR

The 2016 Annual Report offers a comprehensive review of Mississippi's robust gaming market. Last year was another solid year for our association as the gaming industry continued to have a profound impact in our state. I would like to highlight some of the successes from the year.

First and foremost, I am proud to note that our own Allen Godfrey, executive director of the Mississippi Gaming Commission, was named Regulator of the Year, North America by the International Masters of Gaming Law on Sept. 27, 2016, in Las Vegas. Allen met the qualifications of providing a stable regulatory environment and was credited with bringing the highest integrity to the profession.

Next, our state can look back and see some good numbers that indicate we may be in a strong position to see better growth than we have witnessed in the past few years. Modest growth appears to be in the immediate future, a prospect that is not unpalatable considering the economy of the past few years and the prospect of gaming expansion in neighboring states. With nearby states, including Florida, Alabama, Georgia and Arkansas, all pursuing gaming, we must continue to be vigilant to ensure they do not take away from the number of tourists who visit casinos in Mississippi. It is imperative that public policy makers within our state realize that expansion, indeed, is coming to our doorstep. We need to look at measures that will help us combat any future developments heading our way.

As always, gaming tax revenue feeds a large amount of money into the state and local coffers. We are proud that these dollars are being used for a variety of needs, such as education, transportation and public safety programs. More importantly, the most direct impact can be measured simply by the number of jobs our industry provides.

This past year the MGHA was proud to participate in a variety of programs, conferences and meetings, as well as the legislative session. Here are some of the highlights:

- We had our annual legislative reception co-sponsored with Mississippi Tourism Association at Duling Hall in Jackson, Mississippi.
- During the 2016 Legislative Session, we not only tracked the many bills that were introduced regarding gaming, we also kept a close eye on matters regarding regulation, taxes, infrastructure, transportation, tourism and economic development. Of special note, Daily Fantasy Sports was made legal in 2016. The bill authorized a task force to make recommendations by the 2017 Legislative Session on regulations and fees due.
- The American Gaming Association visited Biloxi on Aug. 3 as part of its Get To Know Gaming campaign. The annual campaign illustrates the beneficial role the industry plays in our communities across 40 states. Leaders from the gaming industry, legislators, nonprofits and the business community highlighted the positive impact gaming has in Mississippi and on the Gulf Coast.
- We are extremely proud of the \$4.4 billion impact from our casino industry. What industry wouldn't envy these numbers!

In 2017, we look ahead knowing we are solidly united in our efforts to bring even more tourism here for an even greater economic impact. Also, we want to take time to look back and reflect on the 25 years of Mississippi gaming and celebrate the many wonderful benefits this industry has brought to Mississippi.

In Partnership,

Larry Gregory

MGHA Chair





25 YEARS OF GAMING

BY THE NUMBERS

\$24 BILLION* TAX REVENUES

\$8.8 BILLION FEDERAL TAXES **\$6.5** BILLION STATE GAMING TAXES **\$9** BILLION STATE & LOCAL TAXES

\$3.6 BILLION MS GENERAL FUND

\$650 MILLION MS ROADS & BRIDGES

\$2.2 BILLION MS LOCAL JURISDICTIONS

\$637.5 MILLION LOCAL PUBLIC SAFETY

\$637.5 MILLION LOCAL EDUCATION

\$850 MILLION LOCAL GENERAL FUND

\$22.325 BILLION* WAGES & BENEFITS

525,000 DIRECT JOBS*
(AVERAGE OF 21,000 DIRECT JOBS/YEAR)

\$150 MILLION TIDELANDS LEASE PAYMENTS*

\$100 MILLION LEVEE FEES*

*estimated; based on multiple of average over the past 5 years.

25 YEARS OF GAMING

A LOOK BACK



1989-1990

The story of gaming in Mississippi began when Sen. Tommy Gollob introduced a bill to allow gambling aboard cruise ships — called “cruises to nowhere.” A year later, in June 1990, the Mississippi Legislature approved dockside gaming along the Mississippi River and along the Mississippi Gulf Coast. The gaming law authorized dockside gaming in those counties along the river and coastline, subject to voters in those counties voting by referendum whether or not to legalize gaming.

Almost immediately, along the Gulf Coast, Hancock County voters approved dockside casinos. Residents in Harrison County voted on the measure, but it did not pass.

Along the river, in Tunica County, voters approved dockside gaming without opposition.

In March 1992, given a second chance, Harrison County voters approved dockside gaming.



Biloxi before the gaming industry (circa 1980s).

1991-1993



August 1, 1992, Isle of Capri opened for business in Biloxi — the first dockside casino in Mississippi and the first dockside casino in the United States. Thousands of residents and visitors showed up on opening day and waited in long lines.

In the spring of 1992, Bernie Goldstein, an astute businessman from Iowa operating a riverboat cruise vessel in Bettendorf, Iowa, decided to head south down the Mississippi River to the Mississippi Gulf Coast. Affectionately known as the “Father of Riverboat Gaming,” Goldstein looked at the Point Cadet area in East Biloxi and liked what he saw. The city quickly leased the land to Goldstein’s company that came to be known as Isle of Capri Casinos Inc.



Bernie Goldstein

On August 15, 1992, the President Casino opened in Biloxi, followed by the Biloxi Belle, also in Biloxi.

In September 1992, Hancock County opened its first casino, Casino Magic Bay St. Louis.

October 1992, Tunica’s first casino (Splash) opened at Mhoon Landing. Splash saw long lines and enthusiastic crowds, so much so the

casino was able to charge a \$10 admission fee. Before Splash opened, Tunica County was reported to be one of the poorest counties in the country with the lowest per capita income.

Grand Casino Gulfport opened its doors and soon became a huge success.

Casino Magic Biloxi opened in June 1993, followed by Lady Luck Biloxi in December.

In just two years, more than 12 casinos

had opened across the state, bringing in thousands of jobs and millions in tax revenue.

The Legislature quickly found uses for the additional tax dollars, including the expansion of Highway 61 — what was once known as one of the most dangerous highways — in Tunica to four lanes. Funds were also spent on education and public safety.



Copa Casino (left), which began as a gambling cruise ship, opened in 1993 in the Port of Gulfport, under the ownership of Rick Carter and Terry Green.



In Tunica, Harrah’s Casino (left) opened in 1993, and in December of that year, President Casino and Bally’s Casino opened on the same day.



25 YEARS OF GAMING

A LOOK BACK

1993-2000



In Vicksburg, Isle of Capri (above) opened the first casino in August 1993, and was followed by Harrah's Casino in November, and Ameristar Casino and Rainbow Casino.



1994 turned out to be a banner year for casinos as Grand Casino (above), Treasure Bay, Gold Shore and Boomtown Casino all opened in Biloxi.



In 1994 in Tunica, Treasure Bay opened its second casino; Sam's Town (above) became the area's largest casino to date; and Fitzgeralds, Sheraton, Hollywood and Circus Circus also welcomed in visitors.



During the same period, in Greenville, Las Vegas Casino opened, and the city soon welcomed its second casino, the Jubilee.



In 1996, Bally's Saloon (above) and Horseshoe Casino opened in Tunica, and Harrah's opened its second Tunica property.

In Biloxi, the Palace Casino opened in early 1997 and Imperial Palace closed out the year with the distinction of having Mississippi's tallest hotel with 32 floors. In March 1999, the Beau Rivage (right) opened its doors in Biloxi.



2001-2005

Over the next five years casino expansion continued. But talk also began of what to do should a hurricane hit the Gulf Coast. There were several close calls in 2003 and 2004 before Hurricane Katrina hit the Gulf Coast in 2005. On August 27, 2005, the Hard Rock Casino celebrated a grand opening, but never opened to the public before being destroyed by Hurricane Katrina (right) just two days later. On August 29, 2005, the entire gaming industry on the Gulf Coast was in ruins with 15,000 casino employees facing the possibility of no jobs. Following Hurricane Katrina, the Mississippi legislature legalized onshore gaming to help revitalize the state's gaming market along the Gulf Coast.



25 YEARS OF GAMING

A LOOK BACK



From 2005 to 2008, the gaming industry along the Gulf Coast was rebuilding and rebranding. The Gulf Coast casino market was seeing a resurgence.

2005-2008



In 2006, Treasure Bay Casino moved off the water and reopened as a landbased casino and hotel.



Imperial Palace underwent a \$150 million renovation and was rebranded IP Casino Resort Spa. It was the first casino to reopen after Hurricane Katrina.



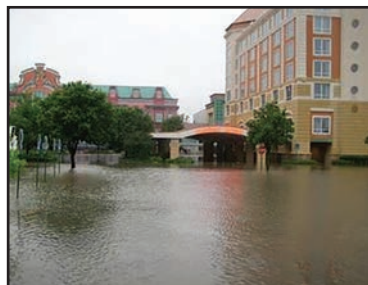
The Gulf Coast received millions in federal assistance to rebuild its infrastructure. Depicted above is the newly constructed bridge between Biloxi and Ocean Springs.

2008-2011

As the gaming industry was rebounding, the industry was suddenly impacted by the Great Recession in 2008, followed by the Deep Water Oil Horizon disaster in April 2010 and the Great Mississippi River Flood in May 2011.



This man-made disaster in 2010 kept visitors away for more than a year.



This natural disaster in 2011 closed casinos along the river for an average of 25 days.

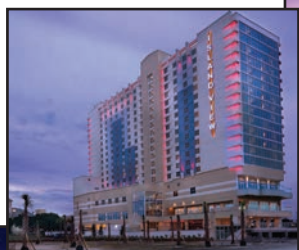
Combined with the downturn in the economy and natural and man-made disasters, all three of the regional gaming markets declined during this period. Several acquisitions occurred along the Gulf Coast and in the Central River market. With the expansion of gaming in Missouri, Oklahoma and Arkansas, visitors who once traveled to Tunica found more convenient gaming options causing the market to continue in a decline. Heading into 2012, operators remained committed to making their businesses thrive.

2012-2017

Since 2012, the industry has proven its commitment to Mississippi, continuing to reinvest, providing thousands of Mississippians with rewarding careers and paying millions in taxes to support our state.

Today, we can look back 25 years at the many challenges all Mississippians have faced and be very proud of the role this industry has played in supporting our communities in both good times and bad.

When gaming was legalized in 1990, it was unlikely anyone could have imagined the full extent of the positive impact this industry has had on Mississippi.



Along the Gulf Coast and in the Central River and North River markets, operators continue to reinvest — smartly — providing thousands of jobs and millions in tax revenues and attracting millions of visitors to Mississippi each year. Pictured clockwise from bottom left is Silver Slipper Casino & Hotel in Hancock County; Island View Casino Resort in Gulfport; Ameristar Casino Hotel in Vicksburg; Horseshoe Casino Hotel in Tunica.



25 YEARS OF GAMING COMMUNITY SUPPORT

CASINOS ENCOURAGE EMPLOYEES TO CONTRIBUTE

A nonscientific poll tracking feedback from more than 210,000 business leaders recently asked: How actively do you encourage employees to contribute to their community? The answers among the thousands of responders were:

Very — we even make it part of their work evaluations: 15 percent

Kind of — we suggest they participate in the community and suggest how to do so: 44 percent

Not very — if they participate, it's up to them: 34 percent

Not at all — we demand so much at work that they don't have time for community: 7 percent

Pose that question to executives in the gaming industry, and the answer "very" would no doubt rank at the top. John Phillipp, general manager at Trop Casino Greenville, said he is convinced that giving time and contributions is a winning community combination, and his company is one that believes in corporate social responsibility in communities in which it does

business. Added LuAnn Pappas, CEO at Scarlet Pearl Casino Resort in D'Iberville, "How do we encourage associates to contribute to their community? We lead by example, we encourage new ideas and we put them into action." They are not alone in their thinking.

Not only do casino companies show their support for their communities, casino employees do their part, too. Each year, casinos make cash contributions in excess of a million dollars, as well as non-cash contributions, while employees donate countless hours to provide support to local charities and civic organizations.

Throughout the year, employees are involved in mounting non-perishable food drives for local food pantries, hosting holiday events for the less fortunate, serving meals at food missions, joining efforts to fight breast cancer and other diseases, ensuring that children in poverty have toys under the tree for Christmas, brightening the lives of homebound seniors, building houses and much more.



Horseshoe Casino and Tunica Roadhouse clothing drive for tornado victims.



WaterView Casino Hotel in Vicksburg donates to Salvation Army.



IP Casino Resort Spa donates to area charities.



Bake sale for March of Dimes at Golden Nugget Biloxi.



Silver Slipper in Hancock County participates in Habitat for Humanity's Women Build.

25 YEARS OF GAMING & GIVING BACK



Hollywood Tunica at Relay for Life.



Bally's and Resort's Casino in Tunica school supplies donation.



Beau Rivage at humane society.



Riverwalk Casino Hotel Vicksburg holds community tree planting.



Island View Casino Resort donating to Womens Center for Non-Violence.



First responders lunch from Harrah's Gulf Coast.



Scarlet Pearl Casino Resort sending supplies to Louisiana flood areas.



Hard Rock Biloxi blood drive.



Treasure Bay team laying wreaths at Biloxi National Cemetery.



Boomtown Casino adopts family for Christmas.



Lady Luck Vicksburg donates to Warren County Children's Shelter.



Mid South Food Bank gets help from Gold Strike employees.



25 YEARS OF GAMING

EMPLOYEE FOCUS

The Mississippi gaming industry provided more than 21,250 direct jobs in 2016 and provided nearly \$1 billion in total labor income. As gaming celebrates its 25th anniversary in 2017, the MGHA asked employees across the state about their early experiences in the industry and how the gaming industry has affected their lives.

Cheryl L. Duhon
Vice President/General Manager,
Resorts Casino in Tunica Resorts
Regional Vice President, Marketing,
Resorts and Bally's Casinos in Tunica Resorts

Cheryl L. Duhon was in college when she started her career in the gaming industry. It was 2003, and she worked part-time as an environmental entertainment at Harrah's Casino in Lake Charles, Louisiana. She was looking for a career that offered opportunities and challenges in an exciting and high-energy atmosphere.

"I couldn't imagine an industry that offered all the elements I was seeking in a career — opportunities, challenges, fast-pace, excitement, energy and, most important, an all-encompassing education from the financial to the operational," she said. "But, I discovered that all of these existed in the casino world. I believe if individuals can conquer the multi-faceted casino business, they are well equipped to work in almost any industry."

Duhon started working in Mississippi in 2009, when she was hired at Riverwalk Casino in Vicksburg. She began in finance as the planning and analysis manager and transitioned to director of marketing, having previously held various positions in marketing. She moved to Tunica in late 2015.

"My family always wanted me to be the best I could be and they recognize that the casino industry has enabled me to grow both professionally and personally," Duhon said. "I was fortunate to have great mentors throughout my career and I often reflect on how it was my destiny to begin as a part-time environmental entertainer and continue to reap the benefits of the casino business as I progressed to a general manager role."

She added, "I have had the opportunity to meet a myriad of people from different backgrounds and perspectives, which encouraged me to always keep an open mind as I deal with various situations. And, many of the personal relationships have developed into lifelong friendships. Since the casino industry continues to evolve, there are always educational opportunities and goals to meet."



Cheryl L. Duhon

Chett Harrison
General Manager,
Golden Nugget Biloxi

Chett Harrison, a Mississippi native and graduate of the University of Southern Mississippi, started in the gaming industry as a marketing coordinator at Copa Casino in Gulfport in 1993.

"Gaming was new to the area and jobs were plentiful with all of the openings," Harrison said. "Plus, I thought it would be nice to go to work every day where a party is happening."

From his earliest experiences, Harrison said he realized, "With imagination you can create events, products and promotions that drive results you could actually see." He spent the next 13 years working in casino marketing, with the past nine years at the executive management level. Harrison joined Golden Nugget Biloxi as general manager in June 2014.

"I think everyone in the gaming industry has benefitted financially, which not only includes wages and medical insurance, but higher real estate values along the Coast," Harrison said, adding his career in the industry has given his family the opportunity to help others in need.



Chett Harrison

Fred Johnson
Slot Performance Manager,
Harrah's Gulf Coast

Fred Johnson got into gaming in 1991 in Mille Lacs, Minnesota, where he was promoted several times before being given the opportunity to transfer to Grand Casino Biloxi in 1992 as a slot tech on the swing shift.

Johnson, who met his wife at the Biloxi resort, said he enjoys the gaming industry for several reasons. "We get to meet some real interesting people and we work with some of the best minds in the casino business."

The father of two also added, "I am able to enjoy all the things I like to do and I get paid to live in South Mississippi."

25 YEARS OF GAMING

EMPLOYEE FOCUS



Ann Spencer
Regional Office Manager,
Resorts Casino in Tunica Resorts

Ann Spencer is a Day One Mississippi casino employee, starting at Splash Casino as a receptionist in August 1992. She had just lost a job working for a lumber company as a clerk and bookkeeper, when her brother-in-law said he knew the human resources for the "boat people." She set up an appointment at Splash Casino, "and the rest," she said, "is history."

Spencer said she began working at Splash Casino on Aug. 14, 1992. "My first day on the job as a receptionist, I had a broken table, a calculator, a pad of paper, pencil and a telephone — the bare necessities needed for the job. And, I knew I was in a different industry when I walked into my boss' office and found a refrigerator stocked with beer." That experience, she said, was quite different from her other jobs in the Southern town.

"The gaming industry has been a tremendous benefit for my family and me. Not just monetarily, but in friendships, knowledge and professional development opportunities," Spencer said. "I started as a receptionist making \$6.50 per hour and now I'm the regional office manager for Resorts and Bally's Casinos."

She added, "(The casino) is also a place where I have met many people who have truly become friends, not just bosses and coworkers. Most of the people who I met when I first started are still in the gaming industry and I have either worked with them in the area or have had contact with them in other states. The gaming industry is very large, but the casino community is small and I am very happy to be considered one of the "boat people."



Ann Spencer

James Larkin
Player Development Manager,
Hard Rock Biloxi



James Larkin

James Larkin started his gaming industry career in 1992, working as a casino dealer at Casino Magic Bay St. Louis. He had been working at UPS and was interested in an exciting casino environment that required him to display his personality on a daily basis.

Larkin recalled celebrating the passing of dockside gaming in February 1992. "All of the Coast dignitaries that pushed so hard to give a second pass at the bill were in full display and probably knew then how this would change the face of the Gulf Coast for decades to come," he said. "It was quite a celebration, and I knew then that it would be my career."

He also remembers the day Casino Magic opened. "All the staff had been preparing for months and yet we were all nervous with excitement. As we waited in the pits for the doors to be open, curiosity overwhelmed me, and I escaped the staging area for the opening team and hastened to the front doors of the casino. Several workers were still laying down carpet and gluing in the base moldings as I came to the entrance — we were very much to the wire," he said, adding the doors were covered with paper bags to prevent the public from peeking in.

"I tore a small hole to take a look. Nothing could have prepared me for the masses in wait — this would truly be a day of testing."

Now, 25 years later, Larkin and his wife are employed by the gaming industry. "When we met," he said of his wife, Stacey, "she was working in a lower-paying field. I encouraged her to go to school and become a dealer. She is now a floor supervisor at Beau Rivage. Together, we have raised two children, bought a house and live a comfortable lifestyle."

Roslyn D. Hinton
Director of Human Resources,
Harlow's Casino Resort in Greenville

Returning to the life of a civilian after leaving the Armed Forces as a United States Air Force veteran, Roslyn Hinton started in the gaming industry in 1993 as a Day One employee at Harlow's Casino Resort. She was excited to engage in a new environment after 10-plus years in the military.

"This industry has and is still benefiting me with an excellent source of income, as well as providing me with a network source of meeting new and interesting people," Hinton said.



25 YEARS OF GAMING

EMPLOYEE FOCUS

David Crabtree
Executive Chef,
Island View Casino Resort in Gulfport

It was in 1995 that David Crabtree worked at his first casino. He was a sous chef at Treasure Bay Casino in Biloxi. "The biggest attraction for me in joining the gaming industry was that it offered career stability and the hope for advancement," he said. "As well, in the early years, there was a definite excitement in South Mississippi about the casino industry, which, at the time I landed my first job, had only been in existence for three years."



David Crabtree

Even though Crabtree had worked in the hospitality sector prior to casinos, he said he was shocked at the amount of food prepared for buffets. In the early days, the Coast's hospitality industry was as it is today, strong and successful. "However, we were not accustomed to feeding so many people so quickly," Crabtree said.

"Honestly, labor issues and the adjustment to creating new service guidelines for a new industry did present some growing pains," Crabtree recalled. "However, I'm happy to say that today's Coast casinos offer high-quality dining experiences that can compete with any place in the country every day for thousands of guests."

The chef continued, "The industry has benefited so many people by supplying good paying positions in multiple fields in a more prevalent way than before legalization. I remember many people, frontline and executive level, were forced to leave the Coast to find work in the '80s and very early '90s. Now, the number of positions and varied careers that exist within the casino industry is truly mindboggling."

"Along with hard work and determination, the industry provided me with a stable career with benefits on the same level as many chefs throughout the country. And, quite simply, South Mississippi's gaming industry changed the course of my life. It gave me the opportunity to live and provide for my family in my hometown area — I could not ask for anything better."

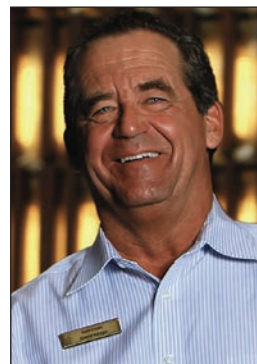
Alesia Shaw
Director of Marketing,
WaterView Casino Hotel

Alesia Shaw started in the gaming industry in June 1994, working at Lady Luck Casino in Lula as a special events coordinator. She was attracted to the gaming industry by the opportunity it provided to learn and grow, not only in the marketing field, but also in other areas of business.

"I remember the opening of the property," she said, "and the volume of people that came through the doors in just that night, the excitement with the band and all the movement on the floor. We worked as a team and that is something I try and carry with me — working together to achieve your property's goals is a very rewarding experience."

Shaw added, "I've benefited from the gaming industry in the opportunities it has provided to me to work with some interesting and incredible people by taking part in events and entertainment I would have never dreamed that I would be a part of."

Keith Crosby
General Manager,
Palace Casino Resort in Biloxi



Keith Crosby

Keith Crosby started his gaming career in 1978 in Atlantic City, but he moved to the Mississippi Gulf Coast in 1992, the year dockside gaming was launched. Crosby's first job in Biloxi was as director of marketing for the President Casino Broadwater Beach Resort.

Attracted to the job because it was in a region new to gaming, Crosby said he remembered Biloxi as it was 25 years ago, when it had no streetlights

on Highway 90 and no FM rock-

and-roll radio stations. He also recalls standing on top of the President's riverboat on the opening day and seeing the headlights on the cars headed to the property lining the highway all the way to Gulfport.

"Gaming has permitted me to provide for my family, put my children through school and serve my community while enjoying where I live," Crosby said.

ACKNOWLEDGEMENTS & RESOURCES



Michael Bruffey - MGHA Deputy Director
Editor of MGHA's State of Industry Annual Report

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RESOURCES

- The total revenues, visitation, slot, table games, poker tables, hotel rooms, ADR, occupancy rates, number of employees, number of hotel employees, wages, advertising and promotion spend, and other property information is contained in the monthly and quarterly reports posted by the Mississippi Gaming Commission. Go to www.msgamingcommission.com, reports> property> regional> hotel.
- The gross gaming revenue numbers contained in the report are an aggregate of the monthly GGR numbers reported by the MGC. The monthly figures are subject to further adjustment after they are released; therefore, the aggregate of these numbers as reported in this report may vary slightly from the total numbers reported by the MGC at year end.
- The tax figures on page 7 are taken, in part, from the American Gaming Association's (AGA) State of the State Report released in 2015 and in 2016. Also, the figures are taken from the Oxford Economics Study the AGA released in 2015.
- A history of HB 1074 — the Economic Development & Infrastructure Fund and SB 2964 mentioned in the report can be found on the MGHA's website. Go to www.msgaming.org, studies and analysis > air service development overview.
- The breakdown of the BP Oil Settlement as reflected in this report is based on various news reports, including the one published in the Clarion Ledger on July 2, 2015 entitled "MS to Receive \$1.5 billion in BP Oil Settlement."
- The highlights for 2016 are taken, in part, from various news reports accumulated during the year 2016. The reports are posted on the MGHA's website. Go to www.msgaming.org, press room.



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