

MGHA Monthly Report



Message from Executive Director



Nolen Canon is retiring from the Mississippi Gaming Commission at the end September. This will mark the fourth such event in the past year with Jerry St. Pe', John Hairston and Wally

Carter all stepping down. These gentlemen have served our industry admirably, leading us through the most challenging events in our near 25 year history. We have been blessed to have the benefit of their dedication, intelligence and talent. To each of them, God speed.

Our three new commissioners are: Jerry Griffith, Alben Hopkins and Tom Gresham.

I know each of these fine gentlemen, and you can rest assured that the legacy of dedication and service to our industry will be carried by these new commissioners.

Larry

Gaming Revenues Continue to Outperform

A nine percent (9%) increase in gaming revenues on the Gulf Coast marks the month of July 2015. We can also report an increase in revenue along the River Counties, combining for a five percent (5%) statewide increase in July gaming revenues. While one month does not make a trend, the prior months leading up to July show an upward trend of seven percent (7%) along the Gulf Coast and two percent (2%) overall for the state. Along the Gulf Coast, we continue to trend toward 2008 levels. With kids heading back to school, we will see if the upward trend continues in August.

Table 1: Mississippi Gaming Revenues

	Gulf Coast	River Counties	Overall
July 2015	104,202,529	85,374,930	189,577,459
July 2014	95,489,386	84,768,029	180,257,415
July 2013	96,441,106	95,027,999	191,469,105
July 2012	105,439,464	99,072,300	204,511,764
July 2011	99,475,389	111,109,334	210,584,723
2015 vs. 2014	9.1%	0.7%	5.2%

	Gulf Coast	River Counties	Overall
YTD 2015	683,844,109	584,796,832	1,268,640,941
YTD 2014	638,488,497	605,207,525	1,243,696,022
YTD 2013	635,085,012	660,806,658	1,295,891,670
YTD 2012	667,518,321	709,571,610	1,377,089,931
YTD 2011	665,200,923	668,344,962	1,333,545,885
2015 vs. 2014	7.1%	-3.4%	2.0%

Experience Tunica and The Delta Regions

While we all work in the gaming industry, we should not take for granted the unique offerings that each region in our state offers to our visitors. If you have never visited Tunica and the rest of the Delta region, you are missing a great deal of Mississippi's unique offerings. Next time, you have a couple days to do some traveling, you should make a trip to view these areas not only from a gaming product standpoint, but also to give you a flavor for what makes each of these areas distinct. As you are likely aware, **Vicksburg** houses a national military park, retains many Civil War sites and structures, and has an array of retail and culinary offerings. **Natchez** has a number of antebellum homes that are open to the thousands of visitors that are interested in the Civil War. **Greenville's** blues and literary history has made it an international destination for music and literary enthusiasts. Blues trail sites are varied and the area's agrarian history makes it an important link

in the ever-increasing agritourism market. **Tunica** also offers visitors a wealth of Blues music history and agritourism offerings along the historic Hwy 61 route. Its close proximity to Memphis heightens its appeal and allows visitors broad access to international transportation. These markets are a sizable factor in the success of the gaming community statewide. They provide local jobs and generate tax revenues going to our state coffers. Each market is seeing the challenges brought on by the expansion of gaming, but truly, each of these areas offers a visitor a unique experience of both gaming and Southern Hospitality. To support the gaming industry in these areas not only must we broadcast the comprehensive tourism experience available for visitors, but we must relay this focus to our state leaders so they understand the important complimentary relationship of gaming and tourism. Mississippi truly is a unique tourism destination. If you haven't already, experience it for yourself, and then pass it on.

MS Power Refund—Ask for Your Check

By: Mike Bruffey



In July, the Mississippi Public Service Commission (PSC) approved Mississippi Power's Refund Plan. As background, in March 2013, the PSC approved a Mississippi Power rate increase of 18%. The MPC Rate Increase was in effect from April 2013 to July 2015 - a 28 month period. Recently, the Mississippi Supreme Court ruled that the 18% rate increase was improper; and, consequently, the court ordered Mississippi Power to issue a refund to its customers for these charges. By letter dated July 21, 2015, Mississippi Power submitted its MPC's Refund Plan requesting 90 days to issue a credit and 120 days to issue a check to refund these charges to its ratepayers. The PSC granted the request. At the same meeting, Mississippi Power requested a new 18% rate increase to become effective August 2015. The PSC granted the request. The outcome of the rulings is two-part: first, Mississippi Power ratepayers will not see a decline in their monthly billings after July 2015; however, ratepayers will be able to receive a refund for the 28 month period within the next 120 days (by December 2015). Note: You should be sure to contact Mississippi Power to let them know if you want a check cut for your refund; otherwise, it appears you will receive a credit. To view a copy of the Mississippi Power letter dated July 21, 2015, please go to our website and look under the **Studies & Analysis** tab.

Register for G2E on our Website

If you go to our website (www.msgaming.org) you will see the G2E logo on our homepage. If you click on the G2E logo, you can register and find details. We hope to see you there!



Our Plans for SGS 2016

We have begun holding meetings as we plan for SGS 2016. We have secured several key exhibitors, but are awaiting a commitment from a few gaming manufacturers to exhibit. As you deal with these vendors, please talk up our show and encourage them to exhibit at SGS. It promises to be a great show. Also, we have formed a "social media" team and we are in the process of putting together a social media plan. Grand Bear will host the golf tournament, and we expect the Welcome Reception and Opening Night events will be held at the Hard Rock and Golden Nugget. Details are being finalized, but things are starting to take shape for next year's show. More to follow ...



MAY 3 - 5, 2016 • BILOXI, MS
MISSISSIPPI COAST COLISEUM AND CONVENTION CENTER



Thank You to our Exhibitors, Sponsors and Attendees for Supporting the 2015 Southern Gaming Summit / BingoWorld

Press Room Updates

July Updates to the [Press Room](#) on MGHA website:

- 3rd Circuit (en banc) May Rehear Sports Betting Ruling
- MGHA Submits Comments to Department of Labor
- MDA Releases Tourism Visitors Report
- New York Examining Online Gaming – 3rd year in a row
- Israeli Online Co. 888 Raises Bwin. Party bid to \$1.55 billion
- Gulf Coast Gaming Rebuilds After Casino Industry’s ‘Single-Biggest Disaster’
- 3rd Circuit Upholds Ban Against NJ’s Sports Betting Law
- One Coast Regionalism Concept
- Boomtown Casino Biloxi Debuts RV Park, Noodle Bar

Welcome– Bob Little

Resorts Casino Tunica recently announced the appointment of Bob Little as Vice President and General Manager, contingent on licensing approval by the Mississippi Gaming Commission. Bob joined the Resorts team on August 3, 2015. He has more than 30 years of casino management experience at both the property and corporate levels, including extensive Mississippi market experience in Natchez and Vicksburg and management stints in multiple Louisiana markets. Bob and his family will be relocating immediately to the north Mississippi area from Las Vegas. Please join us in welcoming Bob to the Resorts Tunica team.



Bob Little, Vice President and General Manager

Upcoming Events

**Governor’s Conference on
Tourism—MGHA Presenting
(September 27—29)
Vicksburg, MS**

**MGHA Monthly Call
(October 2 at 2 p.m.)
MGHA Conference Line**

**MGC October Meeting
(Oct. 15 at 9 a.m.)
MGC Office in Jackson**

Regional Statistics

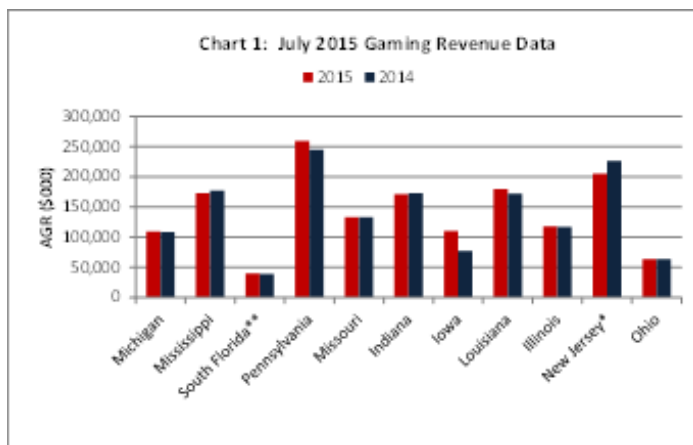


Table 2: AGR Summaries (\$000)

	July '15	July '14	Change	Trailing 3 Mos. Current	Trailing 3 Mos. Prior Yr.	Change
Iowa	125,687	82,200	52.9%	365,160	242,928	50.3%
Louisiana	215,924	180,073	19.9%	598,967	531,495	12.7%
Indiana	183,757	171,990	6.8%	550,870	537,010	2.6%
Pennsylvania	280,177	262,525	6.7%	817,213	782,361	4.5%
South Florida**	42,068	39,498	6.5%	128,575	120,243	6.9%
Mississippi	189,577	180,257	5.2%	547,353	529,319	3.4%
Michigan	114,774	111,336	3.1%	344,519	334,852	2.9%
Missouri	146,177	141,832	3.1%	432,169	423,947	1.9%
Illinois	127,578	124,791	2.2%	376,068	371,496	1.2%
Ohio	69,475	68,025	2.1%	204,018	202,825	0.6%
New Jersey*	244,971	264,185	-7.3%	658,443	723,059	-8.9%

* Excludes \$125 million in online gaming revenue
** South Florida only includes slots at racetracks

Mississippi Gaming Statistics

July 2015 Table Game Analysis

Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	North River Summary	
North River	Win	3,349,416	2,359,398	520,721	528,224	1,141,175	Win	7,898,934
	WPUD	\$756	\$2,819	\$933	\$897	\$783	WPUD	\$1,003
	Units	143	27	18	19	47	Units	254
	Unit Mix	56.3%	10.6%	7.1%	7.5%	18.5%		
	Drop	22,586,266	14,144,248	2,451,250	2,012,893	5,887,252	Drop	47,081,909
	% of Drop	48.0%	30.0%	5.2%	4.3%	12.5%	As % Prior year	96.5%
Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	South River Summary	
South River	Win	1,654,626	562,379	103,339	191,176	163,842	Win	2,675,362
	WPUD	\$821	\$1,512	\$476	\$771	\$755	WPUD	\$872
	Units	65	12	7	8	7	Units	99
	Unit Mix	65.7%	12.1%	7.1%	8.1%	7.1%		
	Drop	8,219,096	2,416,283	603,655	573,022	756,697	Drop	12,568,753
	% of Drop	65.4%	19.2%	4.8%	4.6%	6.0%	As % Prior year	101.9%
Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	Gulf Coast Summary	
Gulf Coast	Win	6,928,079	2,617,819	1,323,040	1,332,858	5,033,252	Win	17,235,048
	WPUD	\$947	\$2,346	\$1,377	\$1,536	\$1,674	WPUD	\$1,299
	Units	236	36	31	28	97	Units	428
	Unit Mix	55.1%	8.4%	7.2%	6.5%	22.7%		
	Drop	44,286,581	17,204,379	6,131,376	4,868,947	26,710,843	Drop	99,202,126
	% of Drop	44.6%	17.3%	6.2%	4.9%	26.9%	As % Prior year	107.8%

July 2015 Slot Analysis

Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	North River Summary	
North River	Win	31,924,224	1,015,225	4,304,368	7,912,350	4,184,927	Win	49,341,094
	WPUD	\$178	\$141	\$147	\$227	\$201	WPUD	\$182
	Units	5,777	232	942	1,125	671	Units	8,747
	Unit Mix	66.0%	2.7%	10.8%	12.9%	7.7%		
	Coin In	351,589,026	14,742,684	59,154,632	117,045,226	78,401,367	Coin In	620,932,935
	% of Coin In	56.6%	2.4%	9.5%	18.8%	12.6%	As % Prior year	93.1%
Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	South River Summary	
South River	Win	18,307,548	487,902	1,440,234	2,836,770	918,609	Win	23,991,063
	WPUD	\$141	\$89	\$92	\$125	\$182	WPUD	\$134
	Units	4,187	176	503	731	163	Units	5,760
	Unit Mix	72.7%	3.1%	8.7%	12.7%	2.8%		
	Coin In	199,748,738	9,581,242	20,578,533	51,069,393	18,057,095	Coin In	299,035,001
	% of Coin In	66.8%	3.2%	6.9%	17.1%	6.0%	As % Prior year	103.8%
Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	Gulf Coast Summary	
Gulf Coast	Win	56,710,640	2,896,513	8,638,922	11,917,268	5,925,747	Win	86,089,090
	WPUD	\$195	\$154	\$192	\$254	\$346	WPUD	\$206
	Units	9,376	605	1,450	1,512	553	Units	13,496
	Unit Mix	69.5%	4.5%	10.7%	11.2%	4.1%		
	Coin In	658,343,570	54,900,651	151,753,187	187,697,668	98,504,197	Coin In	1,151,199,273
	% of Coin In	57.2%	4.8%	13.2%	16.3%	8.6%	As % Prior year	106.0%

Member Directory

- Ameristar Casino Hotel, Vicksburg
- Bally's Casino, Tunica
- Beau Rivage Resort Casino, Biloxi
- Boomtown Casino, Biloxi
- DiamondJacks Casino & Hotel, Vicksburg
- Fitz Casino & Hotel, Tunica
- Golden Nugget Biloxi
- Gold Strike Casino Resort, Tunica
- Hard Rock Casino, Biloxi
- Harlow's Casino Resort, Greenville
- Harrah's Gulf Coast, Biloxi
- Hollywood Casino Gulf Coast
- Hollywood Casino, Tunica
- Horseshoe Casino, Tunica
- IP Casino Resort Spa, Biloxi
- Island View Casino Resort, Gulfport
- Isle of Capri, Lula
- Isle of Capri, Natchez
- Lady Luck Casino, Vicksburg
- Magnolia Bluffs Casino, Natchez
- Palace Casino Resort, Biloxi
- Resorts Tunica Hotel & Casino
- Riverwalk Casino Hotel, Vicksburg
- Roadhouse Casino, Tunica
- Sam's Town Hotel & Gambling Hall, Tunica
- Silver Slipper Casino, Bay St Louis
- Treasure Bay Resort, Biloxi
- Trop Casino, Greenville

For a list of MGHA Associate members, visit www.msgaming.org.

Associate Member of Month



Julia Caramo & Associates is a full service marketing firm volunteering their expertise to help MGHA add “social media” to the SGS 2016 experience. Thank you Julia for contributing your expertise to MGHA.

The Mississippi Gaming & Hospitality Association (MGHA)* is a non-profit organization made up of casino operators and vendors whose mission it is to protect and enhance the reputation and success of the gaming industry within the State of Mississippi. We seek to accomplish our mission by:

- ♦ Cooperating with government officials in advancing the gaming industry's common goals and objectives;
- ♦ Promoting comprehensive and fair regulation of the gaming industry to insure integrity at all levels of operation;
- ♦ Advocating fair and reasonable taxation of the industry, which will permit operators to maximize employment opportunities and re-invest, expand and improve existing facilities;
- ♦ Promoting and participating in public education throughout Mississippi regarding the benefits of casino gaming, including job creation, economic development and how the industry can help the State in maximizing its tax revenues; and
- ♦ Supporting and enhancing responsible gaming programs and offering education and assistance to individuals with gambling problems

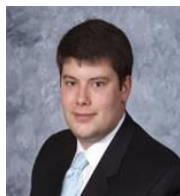
For questions about membership contact Executive Director Larry Gregory via email at lgregory@msgaming.org or by phone at 601-965-6992.

*The MGHA was originally chartered in 1993 as the Mississippi Casino Operators Association (MCOA). In March 2013, the Board of Directors voted to change the name of the association to better reflect its mission.



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How Long Should Video Surveillance be Kept?



In addition to well-trained and loyal employees, surveillance is critical to a casino's security and risk management strategies. Though the cost of storing footage from these systems has plummeted in the digital age, the question remains, how long should recordings be stored? There are other considerations, but this article focuses on MGC requirements and concerns that this issue raises regarding litigation.

The relevant MGC regulation is in 13 Administrative Code Part 3, Rule 6.10. It basically requires that casinos retain video recordings for at least 14 days. Casinos must also keep a log of certain specific activities that are observed, such as potential violations of law or regulations. This log must be maintained and each record stored for 3 years.

As for litigation, generally a party involved in pending litigation or that has notice of a potential legal claim, must preserve evidence. Otherwise, regardless of whether the loss of the evidence is intentional or an honest mistake, courts may impose sanctions or assume that the evidence would have hurt the party's case. Preserving such evidence is advisable at least until litigation is completely resolved or until the applicable statute of limitations has run, which can be from 1 to 3 years, or even longer, depending on the particular circumstances. Considering this, surveillance plans should provide a detailed policy for video retention and, as always, it is advisable to consult legal counsel.

Patrick Zimmerman is an MGHA Associate Member and attorney-at-law. He is the former Director of Investigations for the Mississippi Gaming Commission. He welcomes your comments or suggestions at 601-376-9741 or pat@zimmermanlawfirm.ms