

**CASINO REVENUE FUND ADVISORY COMMISSION**  
**REGULAR MEETING ON July 13, 2018**  
**MINUTES OF MEETING**

The regular meeting of the Casino Revenue Fund Advisory Commission was held on Friday, July 13, 2018 at the State House Annex. Those in attendance were:

**Members:**

Jim Thebery, Chair NJACDS  
Dennis McGowan representing Tina Zsenak, Vice Chair – DHS  
Joe Tyrell, CANJ  
Margaret Carrigg, Seniors – Hudson County  
Ted Conrad – Sen Republican Office  
Derek DeLuca – Assembly Republicans  
Catherine Tung – representing Asm. Mazzeo

**Guests:**

Lisa Tulley, NJ Transit  
Sharon Harrington, CCC

**Support:**

Karen Storcella, Treasury  
Desmond Webb, OMB

Jim opened the meeting followed by the flag salute by Peggy Carrigg. Minutes for the May 11, 2018 approved.

**Membership:**

Introduction/welcome of committee and guests were announced.

**Joe Tyrell**

**Daily Tax Report:** State – S.2602/A. 4111 would levy an 8.5% gross revenue tax on in-person wagering and a 13% levy on online sports bets. The tax is applied to the operator's gross revenue-the amounts wagered minus the amounts paid out as prizes. For casinos, the tax would be paid to the Casino Revenue Fund and for racetracks, the tax would be paid to general fund.

Casinos, racetracks & former racetracks are only permitted to run sports betting.

**On-line gambling:** 80% players online. 15% actually visit the brick and mortar casinos.

**Gaming News:**

Casino Control Commission unanimously approves license for Hard Rock AC – as reported by The Press of Atlantic City.

Monmouth Park must wait to open sports book – as reported by ESPN.

Ocean Resort Casino to partner with William Hill (Nevada) to offer sports betting – as reported by CalvinAyre.com.

Resorts Casino and DraftKings announce sports betting partnership – as reported by ESPN.

CRFAC should receive 15% from sports betting.

**Desmond Webb provided following reports: (increase in revenue)**

CRF Revenue as of July 11<sup>th</sup> (by Fiscal Year)

End of Year Total CRF (2011- July 2018)

Gross Casino Revenues as of May 2018

Monthly Internet Revenues as of May 2018

**Sharon Harrington – Highlights at AC  
DGE May 2018 gaming revenue results**

Industry:

Casino Win from the industry for May 2018 was \$193.4M reflecting a 7.2% decrease from May 2017. Internet Gaming Win was \$24.3M in May 2018 reflecting an increase of 15.3% from the prior period. The Industry's Total Gaming Win for the month was \$217.7 reflecting a 5.1% decrease from May 2017.

Year-to-date, the Industry's Total Gaming Win was \$1.027B reflecting a decrease of 4.3% compared to last year.

Tax Information:

For the month of May 2018, total gaming taxes were \$17.7M. Total gaming taxes reflect 8% of taxable casino gross revenue and 15% of Internet gaming gross revenue. The casino industry incurred \$3.0M in Investment Alternative Tax Obligations, which reflects 1.25% of casino gross revenue and 2.5% of Internet gaming gross revenue.

Hard Rock Hotel & Casino opened on June 28<sup>th</sup>. Hard Rock's leadership invested \$500 million for the complete makeover of the former Trump Taj Mahal property. This project created more than 3,000 permanent jobs and features 165,000 sq. ft. of meeting and convention space, as well as 5,700 concert seating space. HR plans to host more than 300 nights of live entertainment this year.

Ocean Resort Casino opened on June 28<sup>th</sup>. The Ocean Resort partnered with the Hyatt Hotel. The Ocean Resort is part of Hyatt's deluxe "unbound collection."

Stockton University's Atlantic City Campus, located at the intersections of Atlantic, Albany & Pacific Avenues is scheduled for this fall semester's "grand opening" of the \$207M campus. The project includes a housing and student center on the Boardwalk for 500+ students, a parking garage and an academic building for up to 1,800 students.

Boardwalk Hall to host men's and women's MAAC basketball championships – as reported by the Press of Atlantic City.

Borgata Hotel Casino & Spa to celebrate 15<sup>th</sup> year with summer programming – according to a May press release, the Borgata will celebrate its 15<sup>th</sup> anniversary in AC with summer programming line-up including headline concerts, celebrity chef events, promotions and giveaways.

**General:**

Travel expense reports were distributed to committee and instructed to use for travel expenses to and from the CRFAC meetings in Trenton. (ie. Mileage, tolls, parking)

Motion to close the meeting – motion seconded. 12:25p. Next meeting will be on Friday, September 14, 2018 at the State House Annex, in Trenton, NJ Room 10. Room 10 is on the 3<sup>rd</sup> floor.

