CASINO REVENUE FUND ADVISORY COMMISSION

REGULAR MEETING ON JANUARY 23, 2015

MINUTES OF MEETING

The regular monthly meeting of the Casino Revenue Fund Advisory Commission was held on Friday, January, 23. 2015. Those in attendance were:

Commission:

James Thebery, Chair

Enid Torok, Vice Chair

Tina Zsenak, DHS. Div. Aging Service

Jim Carney, Seniors

Joe Tyrell, CANJ

Joanne Fetzko, NJ4A

Keith Loughlin, for Asm. Chris Brown

Brian Ahrens, for Sen. Dawn Addiego

Mike Acevedo, for Asm Moriarty

Marshall Spevak, for Asm. Mazzeo & Sen. Whelan

Support Staff:

Desmond Webb, Treasury - OMB

Karen Storcella, Dept. of Treasury

Guests:

Ryan Reilly, Ocean Cty Trans.

Sharon Harrington, CCC

Tim Sharp, NJ Transit

The meeting was called to order by James Thebery at 10:30am, followed by the Flag salute led by Joe Tyrell. James Thebery welcomed commission members & guests and thanked them for attending. The minutes of the November 14, 2014 meeting were approved.

Jim T. discussed a few articles to the commission:

**Richard Stockton College** finalized the purchase of the Showboat Casino Hotel which closed on August 31, 2014. This will serve as a college campus, however, also intends to operate an open-to-the-public hotel with at least 479 rooms.

**Conflicting images of AC in 2014:** “Surviving casinos brighten picture” In an AC revenue report posted in November, 6 out of the 8 remaining casino’s percentage of revenue were increased. Also, a few of the casinos absorbed workers from the casinos which had closed.

**Hoping for luck to change:** Casino executives and analysts say the remaining (8) casinos have a better chance of success now that the market has contracted. In November, these (8) casinos saw their revenue increase by 11.5 percent compared with November 2013. Also, the state Division of Gaming Enforcement is expected to decide whether to let PokerStars, the world’s largest poke website, into New Jersey’s online gambling market. This will be decided sometime in 2015.

**N.Y. picks 3 casino sites:** New York State awarded (3) casino licenses to Catskills, Schenectady and the Finger Lakes regions.

Governor Christie appointed Kevin & Kevin to look into finances of Atlantic City.

Revel was sold to a developer from Florida. There are still pending issues.

Jim T. mentioned that there is a federal grant to help the workers formerly employed at the AC casinos. $13M of the funds will be released immediately and $7M is pending.

Jim would also like to start working on the Annual Report next meeting. Would like to research & update to present to commission. This brought up the conversation to update the surveys. Tina & Joanne will be working on updating the surveys and sending to the necessary agencies.

Joe Tyrell presented Slate of Officers (CRFAC) for 2015:

Jim Thebery – Chair

Enid Torok – Vice Chair

Tina Zsenak – Secretary

Committee accepted for 2015.

Joe Tyrell Update:

**NY** approved 7 licenses (4 upstate & 3 closer to NYC). Issued (3) Catskills, Schenectady and the Finger Lakes regions. This will be more competitive for PA than AC.

**PA** 2nd license in Philadelphia area near Parx casino. This will have an approximate 20% impact to AC.

**NJ**

Struggles: 4 casinos closed last year. However, the Casino revenue stabilized with the other casinos this past year. **Harrahs**: meetings facilities (October 2015) 1800 meetings already booked. **Resorts:** also opening conference center. **Tropicana:** focusing on Healthcare market – fitness center.

Joe added, with the exception of Resorts, all Casinos have internet gambling.

Marshall Spevak – tax appeals are the most important issues to the fiscal situation or the Casino industry will continue to drop. They had $210m in property taxes. Question came up: could Casinos close during the week? Answer: Chelsea hotel does it now and opens during peak season only.

Jim T. asked if the new owners of the Casinos/hotels are responsible for the pensions, back taxes, etc. Marshall responded, “probably are responsible, however, it is a building to building decision. Joe Tyrell added that Trump will be responsible for pension.

Ryan Reilly (Ocean Cty) – Marketing & advertising were great for shopping, concerts and special events, however, people are not coming to AC to gamble. Transportation needs an increase to revenue. COST voted to hire a lobbying firm to discuss: gas taxes & implementing a $1 surcharge (municipal courts) – more on user fees instead of tax based across the boards.

Jim Thebery – if Meadowlands builds a casino (November ballot), CRFAC will be bypassed – AC will get 60% for revitalization. Enid mentioned that this is still in the talking stage – nothing etched in stone.

Jim discussed our mission of the Casino Revenue Fund Advisory Commission. This is to fund the agencies for the disabled & aging. Post 911 veterans program was mentioned. This program may be waived. This will affect approximately 1400 people. This is needed to have the veterans family & loved ones care for them instead of placing in nursing homes.

Meeting adjourned at 12:30p. Next meeting will be held in on Friday, March 27, 2015 at the State House Annex Room 1, Trenton, NJ.