

SALARY INDEX & CASINO UPDATE



Recap

Quite a bit has transpired in the industry since Nevada legalized gaming in 1931 with the signing of the “wide open gambling bill.” That was 80 years ago, and it wouldn’t be until 1978, another 47 years later, that New Jersey would become the next state to allow legal casinos with the opening of Resorts Casino Hotel in Atlantic City.

Currently there are 38 states that have casinos, which mean that in the last 33 years, 36 more states have approved and added casinos. Quite a large leap! So what contributed to this phenomenon?

In my opinion the biggest factor has been the public’s perception and general acceptance of gaming as a legal form of entertainment, and no longer considered as a sinful vice or worse. There certainly still are strong anti-gaming sentiments throughout the country; however the majority of states now accept, and for the most part embrace, casinos.

The other factor, which unfortunately has hit home extremely hard the last few years, is the economic environment in the United States. As millions of Americans lost their jobs and homes, more and more states scrambled to find added revenues and to get their residents back to work. Casinos were a quick and reasonable solution, and many governors were forced to switch their allegiance to pro-gaming to accomplish this feat. As of this writing 46 states are saddled with budgets that are in the red and are scrambling to cut expenses and services which hopefully will generate badly needed income. Currently the unemployment rate in the United States is 9.2%, and the unemployment rate in the top 2 gaming jurisdictions stands at 12.4% in the Las Vegas area, and around 12.9% in the Atlantic City region.

Slot Machines

According to Casino City’s Gaming Business Directory, currently in the United States there are 1,389 Casinos with at least 1 Slot machine, and this number is up by only 10 properties year over year. As we have done for the last 6 years for Gaming & Leisure Magazine, here is the break down for the properties that we will review:

Small Casino: 300-999 Machines

Mid Casino: 1,000-1,999 Machines

Large Casino: 2,000-2,999 Machines

Mega Casinos: More than 3,000 Machines

Small Casino

	Manager	Director	Vice Pres
Facilities	45K-55K	50K-70K	65K-75K
Finance	50K-65K	65-85K	85K-100K
Food & Beverage	55K-65K	65K-75K	75K-90K
Hotel	50K-65K	65K-75K	75K-90K
Human Resources	55K-65K	65K-75K	70K-85K
IT	55K-70K	70K-85K	85K-110K
Marketing	55K-65K	65K-80K	80K-110K
Security	50K-65K	65K-75K	75K-85K
Slot Ops	60K-70K	70K-85K	80K-105K
Surveillance	50K-65K	65K-75K	75K-85K
Table Games	55K-65K	65K-80K	75K-95K
General Manager			90K-135K

Utilizing these categories, there are a total of 671 Casinos (down 5 from 676 last year): 334 Small Casinos (up 3), 203 Mid Sized Casinos (up 1), 93 Large Casinos (up 2), and 41 Mega Casinos (down 11). Many properties have downsized in the number of machines they had on the floor. While the economy still is having a detrimental effect on casino revenues and staffing levels, the overall number of casinos is holding steady.

Of the Mega Casinos, Foxwoods Resort & Casino, located in Connecticut, is still the country’s leader with 6,500 machines however this number is down 1,100 machines from last year. Next is the Mohegan Sun Casino, also in Connecticut, with 6,405 machines, which is up roughly 200 machines. Then comes WinStar World Casino in Thackerville, Oklahoma with 6,234 machines, also up around 200 machines from last year. The fourth largest is the Empire City at Yonkers Raceway, New York, which is a horse racing casino (Racino), and has 5,300 machines, which is the same amount as last year. And the fifth largest property is located in Atlantic City and is actually 3 casinos all under one roof: Bally’s Atlantic City, Wild Wild West Casino, and the Claridge Casino, all encompassing around 5,200 machines.

Table Games

The chart above showed the number of Machines that a casino has, and now let’s create another chart utilizing Table Games, excluding Poker, as a comparison:

As millions of Americans lost their jobs and homes, more and more states scrambled to find added revenues and to get their residents back to work. Casinos were a quick and reasonable solution, and many governors were forced to switch their allegiance to pro-gaming to accomplish this feat.

Small Casino: 1-19 Tables

Mid Casino: 20-3 Tables

Large Casino: 40-79 Tables

Mega Casinos: More than 80 Tables

By honing in on this chart we see that in the US there a total of 906 properties that house at least 1 Table game and this number is down from 912 Casinos last year. Of these, there are 563 Small Casinos (down 23 from last year), 153 Mid Sized Casinos (up 3), 124 Large Casinos (up 12), and 66 Mega Casinos (up 2). Of these, the five largest Mega Casinos which are currently in operation consist of:

- Foxwoods Resort Casino, Connecticut, 354 Tables, up from 280
- Mohegan Sun Casino, Connecticut, 337 Tables, down from 350
- Bally's/Wild Wild West/Claridge, Atlantic City, 212 Tables, no change
- Borgata Hotel Casino & Spa, Atlantic City, 200 Tables, no change
- Tropicana Atlantic City, 17 Tables, new to the list

Of the 22 states that have Commercial Casinos (exclusive of Native American Casinos), the 3 states that house the most casinos are:

Nevada: 256

Colorado: 37

South Dakota: 34

Of the 28 states that have Native American Casinos, the 3 states that house the most casinos are:

Oklahoma: 107

California: 73

Minnesota: 38

According to the American Gaming Association's 2011 State of the States survey, nationwide Commercial gaming revenues in 2010 grew to \$34.6 billion, from \$30.74 billion in 2009. Commercial Casinos, which include land-based, riverboat, dockside casinos, and racinos, are located in 22 states. Of these jurisdictions, the largest revenue decreases year-over-year included:

New Jersey: 9.4%

Illinois: 4.2%

Louisiana: 3.7%

Mississippi: 3.2%

Executive Wages

Salary ranges for the Casino industry have been pretty much flat for the last 3 years. We are starting to see a slight upward trend in these ranges, but believe they will remain stagnate for at least the remainder of the year. As you view the salary index chart please remember that this is just a broad-brushed gauge, and that sometimes the Manager level title could be interchangeable with a Director or Vice President level title, depending on the organizational chart and/or size of property.

As always we recommend a quantifiable and attainable bonus program in place as part of a long-term retention plan, and to have annual performance reviews given in a timely fashion. We hope this information has been helpful, and if you have any questions or comments we'd love to hear from you. Otherwise, look for us in the next issue!

Mid Sized Casino

	Manager	Director	Vice Pres
Facilities	55K-70K	70K-85K	85K-100K
Finance	65K-80K	85K-110K	115K-130K
Food & Beverage	60K-75K	75K-100K	100K-125K
Hotel	60K-75K	75K-100K	100K-125K
Human Resources	60K-70K	75K-105K	95K-125K
IT	60K-75K	75K-105K	110K-130K
Marketing	60K-75K	75K-115K	110K-130K
Security	50K-70K	70K-90K	90K-110K
Slot Ops	60K-75K	80K-110K	105K-130K
Surveillance	55K-70K	70K-95K	90K-115K
Table Games	60K-70K	75K-100K	90K-120K
General Manager			150K-250K

Large Casino

	Manager	Director	Vice Pres
Facilities	65K-75K	75K-100K	100K-130K
Finance	65K-85K	90K-125K	120K-160K
Food & Beverage	65K-85K	90K-120K	115K-140K
Hotel	65K-75K	90K-120K	120K-150K
Human Resources	65K-80K	85K-120K	105K-130K
IT	70K-90K	95K-120K	125K-155K
Marketing	70K-90K	95K-125K	125K-175K
Security	65K-75K	80K-105K	100K-125K
Slot Ops	70K-85K	90K-120K	120K-155K
Surveillance	65K-80K	85K-105K	105K-130K
Table Games	65K-75K	75K-105K	100K-135K
General Manager			250K-350K

Mega Casino

	Manager	Director	Vice Pres
Facilities	70K-85K	90K-125K	120K-150K
Finance	75K-95K	110K-150K	145K-200K
Food & Beverage	70K-95K	110K-130K	130K-170K
Hotel	70K-95K	100K-135K	130K-170K
Human Resources	70K-90K	105K-130K	125K-160K
IT	75K-100K	115K-145K	145K-200K
Marketing	75K-95K	110K-160K	150K-250K
Security	70K-90K	105K-130K	125K-160K
Slot Ops	75K-105K	110K-155K	150K-225K
Surveillance	70K-90K	105K-130K	125K-160K
Table Games	75K-100K	105K-140K	150K-125K
General Manager			350K-600K

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