

2012 SALARY INDEX & CASINO UPDATE



Recap

It “appears” that the economy and the Casino industry are finally getting back on the right track, and headed in the right direction. While we are cautiously optimistic that this trend will continue, other global economies sit on the brink of failure and thus may affect future US stability. As of this writing the presidential campaign in the United States is in full swing and the clear winner has not been decided. As such, by

the time you read this article we remain hopeful that all has continued on the path of positive prosperity.

Currently the unemployment rate in the United States is at 8.2%, down from 9.2% the same time this article came out last year. The unemployment rate in the top 2 gaming jurisdictions stands at 11.6% in the Las Vegas area, down from 12.4%; and 12.7% in the Atlantic City region, down from 12.9% a year ago. Again, heading in the right direction!

Slot Machines

According to Casino City’s Gaming Business Directory, currently in the United States there are 1,413 Casinos with at least 1 Slot machine, and this number is up by 24 properties year over year (YOY). As we have done for the last 7 years in 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

Utilizing these categories we find there are a total of 678 Casinos (up 7 YOY): 345 Small Casinos (up 11); 206 Mid Sized Casinos (up 3); 91 Large Casinos (down 2); and 36 Mega Casinos (down 5). During the downturn in the economy many properties have right-sized in the number of machines they had on the floor. The economy is still having an anemic effect on casino revenues, and thus staffing levels, however we do see positive signs in both areas and overall the number of casinos is holding steady.

Of the Mega Casinos there is a new leader: WinStar World Casino in Thackerville, Oklahoma with 6,771 Slot machines. They increased by 537 machines YOY to overtake the number one spot which had always been held by Foxwoods Resort & Casino, located in Connecticut, which dropped down into the number two position with 6,440 machines (60 machine decrease YOY). Connecticut also is home to the third largest property, Mohegan Sun Casino, which houses 6,405 machines, which is the same

Small Casino

	Manager	Director	Vice Pres
Facilities	45K-55K	50K-75K	70K-80K
Finance	50K-65K	65K-85K	85K-105K
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-90K	85K-105K
Surveillance	50K-65K	65K-75K	75K-85K
Table Games	55K-65K	65K-80K	75K-95K
General Manager			90K-135K

Medium Sized Casino

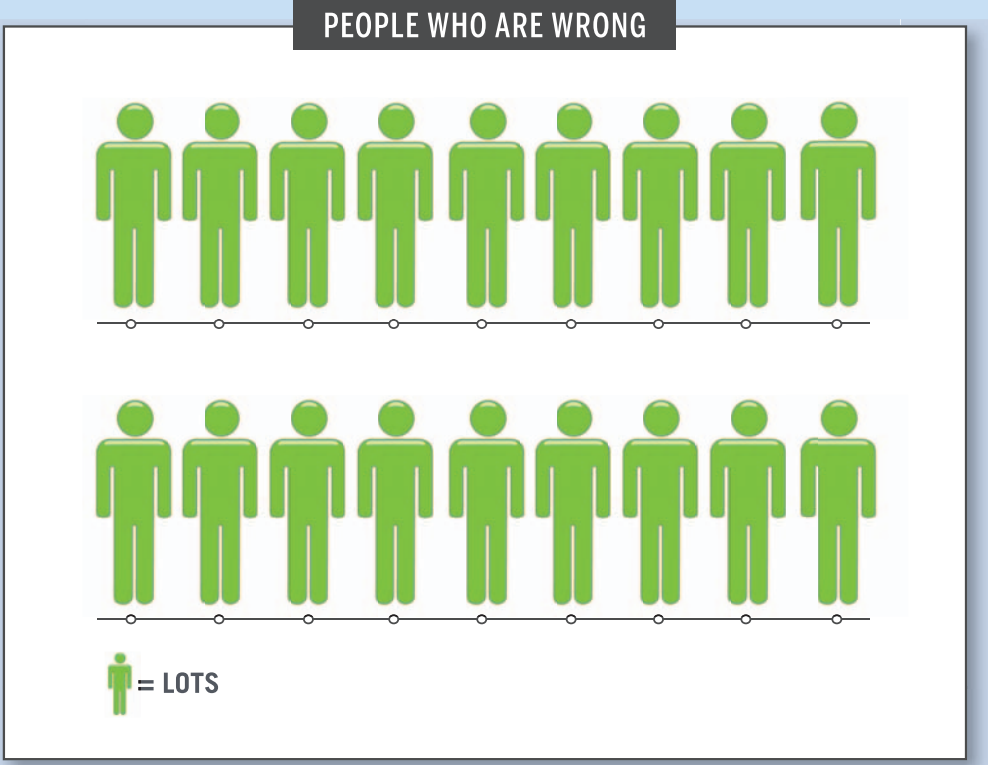
	Manager	Director	Vice Pres
Facilities	55K-70K	70K-90K	85K-115K
Finance	65K-80K	85K-120K	115K-130K
Food & Beverage	60K-75K	80K-115K	100K-125K
Hotel	60K-75K	75K-100K	100K-125K
Human Resources	60K-75K	75K-115K	95K-125K
IT	60K-75K	80K-120K	110K-135K
Marketing	60K-80K	85K-125K	110K-130K
Security	50K-70K	75K-95K	90K-115K
Slot Ops	60K-75K	85K-120K	105K-130K
Surveillance	55K-70K	75K-95K	90K-115K
Table Games	60K-70K	75K-110K	95K-120K
General Manager			150K-250K

number of machines as last year. The fourth largest property remained the Empire City at Yonkers Raceway, New York, which is a horse racing casino (Racino), and has 5,300 machines, also the same amount as last year. And rounding out the Top 5 is a newcomer to the list, Seminole Hard Rock Hotel & Casino Tampa, in Tampa, Florida, with 5,008 machines. Nationwide there are more than 837,000 Slot (Electronic) machines. More than 183,000 are found in Nevada; 67,000 in California; and 65,000 in Oklahoma; and four of the top five Mega properties in the United States are Native American owned.

Table Games

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

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- TIME & ATTENDANCE
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- ABSENCE MANAGEMENT
- HR & PAYROLL
- HIRING
- LABOR ANALYTICS



- Small Casino: 1-19 Tables
- Mid Casino: 20-69 Tables
- Large Casino: 70-149 Tables
- Mega Casinos: More than 150 Tables

We changed the criteria this year to more closely align percentage-wise with the Slot chart. Breaking down the numbers we see that in the US there is a total of 903 properties that house at least 1 Table game, and this number is down from 906 Casinos last year. Of these there are 574 Small Casinos (up 11 YOY); 251 Mid Sized Casinos (new criteria); 67 Large Casinos (new criteria); and 11 Mega Casinos (new criteria). The five largest Mega Casinos Table Games-wise currently in operation are listed below. The top two are both Native American properties, while the remaining three are publicly traded companies:

- Foxwoods Resort Casino, Connecticut, 353 Tables (down 1 YOY)
- Mohegan Sun Casino, Connecticut, 337 Tables (no change)
- Wynn Las Vegas and Encore Resort, 268 Tables (new criteria)
- Venetian Resort Hotel Casino and Palazzo Resort Hotel Casino, 245 Tables (new criteria)
- Borgata Hotel Casino and Spa, 184 Tables (new to the list)

According to the American Gaming Association's (AGA) 2012 State of the States survey, 22 states have Commercial Casinos which include: Land-based, Riverboat, Dockside casinos and Racinos. Nationwide Commercial gaming revenues in 2011 grew to \$35.6 billion, up 3.0% YOY, and the 3 states that housed the most Casinos were:

- Nevada: 256 (no change)
- Colorado: 40 (up 3)
- South Dakota: 35 (up 1)

Of the 25 states that have Native American Casinos, the 3 states that have the most Casinos were:

- Oklahoma: 114 (up 7)
- California: 70 (down 3)
- Minnesota: 38 (no change)

A poll by the AGA showed that 53% of casino patrons favor Slots and Video machines as their game of choice, followed by Blackjack, Poker, Craps and Roulette. Another poll asked "if you never or rarely gamble, what are your favorite things to do at a casino?" 70% of respondents said Dining, followed by Shows, Bars & Nightclubs, and then Shopping.

Executive Wages

Salary ranges in the Casino industry have pretty much been flat for the last 4 years; however we have seen a slight upward trend the last couple of quarters. Barring

Large Casino

	Manager	Director	Vice Pres
Facilities	65K-85K	90K-120K	105K-135K
Finance	65K-85K	90K-125K	125K-165K
Food & Beverage	65K-85K	90K-130K	115K-140K
Hotel	65K-75K	90K-120K	120K-150K
Human Resources	65K-80K	85K-125K	105K-140K
IT	70K-90K	95K-130K	125K-155K
Marketing	70K-90K	95K-130K	125K-175K
Security	65K-80K	85K-110K	100K-135K
Slot Ops	70K-85K	90K-120K	120K-155K
Surveillance	65K-80K	85K-110K	100K-135K
Table Games	65K-75K	80K-110K	100K-140K
General Manager			275K-350K

Mega Casino

	Manager	Director	Vice Pres
Facilities	70K-85K	90K-135K	120K-160K
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-165K
IT	75K-100K	115K-145K	145K-200K
Marketing	75K-95K	110K-160K	150K-240K
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-225K
General Manager			350K-600K

any major unforeseen financial, natural, or manmade disasters, we are very optimistic that this trend will continue. As you view the salary index chart please remember that this is just an overview gauge of the industry. Many factors come into play which affects these salary ranges including: competition, tax structures, location, bonus potential, etc. Depending on the organizational chart and/or size of the property, titles can be a matter of semantics where the Manager title could be interchangeable with a Director or Vice President title.

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. Here is hoping the economy continues to get healthy, and look for us in the next issue!

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