



The Indiana Casino Gaming News

HOLIDAY EDITION

A regular update of issues regarding Indiana casinos

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Belterra Casino License Renewed

Belterra Casino, located in Switzerland County, received unanimous approval for a five-year license renewal from the Indiana Gaming Commission. Belterra, which opened its doors in the fall of 2000, is the newest of Indiana's casinos.

As stated in the Riverboat Gaming Act, each casino must renew its gaming license every five years. The Indiana Gaming Commission evaluates the performance of the casino in order to decide whether or not to renew a license.

Though Belterra struggled during its first couple of years of operation



A view of Belterra's beautiful glass ceiling

(monthly gross revenues averaged \$8 million), it has prospered since then with gross revenues now at \$13.5 million per month. The addition of 300 hotel rooms certainly helped increase revenue.



With 300 additional hotel rooms, Belterra's total room count is now 608

Mike Jones, President of the Switzerland County Council told the commission, predictions that Belterra would help improve the lives of local residents have proven to be accurate.

First of all, Belterra helped offset the job loss for 400 people put out of work when two manufacturers left town. Currently, the casino has about 900 full-time employees and 350 part-time employees who have earned \$162 million in wages since Belterra's opening.

In addition to the improved job market, Switzerland County has received over \$55 million in taxes and direct incentive payments. That money went towards building a medical clinic, a new emergency dispatch center, a jail, firefighting equipment and ambulances. Belterra also pays into an educational endowment.

Inside this issue:

Trump Sells Casino To Majestic Star **2**

Horseshoe Employees Have a Heart **3**

Resorts Puts the 'Give' in Thanksgiving **3**

Message from the Director **4**





Trump Sells Casino To Majestic Star

After a long negotiation process, The Majestic Star Casino, LLC agreed to a stock purchase of Trump Indiana, Inc.



tain taxes, fees and other expenses, the sale is anticipated to result in about \$227 million in net proceeds to Trump Entertainment Resorts, Inc. The deal is expected to close by the end of 2005.

Along with its current riverboat casino (left) Majestic Star will also own the Trump riverboat (below)

which includes a riverboat casino and hotel at Buffington Harbor in Gary. Majestic Star Casino and Trump Casino share a dock and they currently own, develop and operate all common land-based and waterside operations in support of their riverboat casinos.

The agreement calls for Majestic Star to pay a purchase price of \$253 million which represents approximately 8.1 times the trailing 12-month Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of Trump Indiana. After accounting for cer-

Though Trump Indiana was a solid operator for Trump Entertainment Resorts, it was never perceived as part of the company's core business. The sale will provide funding for Trump's efforts to reinvigorate its Atlantic City properties. "We are very pleased with the outcome of this strategic transaction. We are also appreciative of the partnership we had with Majestic Star, and are confident that they will continue to operate both



assets with great success," said Mr. Trump.

Because of this agreement, Barry Morris has been appointed as Vice President and General Manager of Majestic Star Casino. Troy Keeping, who had served in that role since 2003, resigned his position to pursue other interests. "Troy's contribution to Majestic Star and Barden Gaming has been significant, as are his contributions to the Chicagoland

and Northwest Indiana communities. Troy is undertaking a new venture for himself and we certainly wish him the very best of luck," stated Mr. Barden.

Survey Says — We'd Do It Again

A recent white paper in the American Gaming Association (AGA) 10th anniversary series explores the impact that casinos have had on communities around the country. Peter D. Hart Research Associated surveyed 201 local community leaders in areas with commercial casino gaming. The most crucial part of the survey is the fact that "...with the benefit of hindsight, fully 75 percent say they would vote to allow casinos [in their community] if they could go back and do it all over again."

Certainly, when a casino is introduced into a community, there

are high expectations concerning contributions to the tax base, jobs and economic development. This survey revealed that over 85% said that casinos met or exceeded their expectations concerning tax revenue generated. In fact, 73% said that because of revenue generated by casinos, their communities were able to undertake new projects that could not have done otherwise.

Though the casino industry is often viewed as a 'cash cow', 58% of those surveyed indicated that if their community needed to raise taxes that *all* businesses,

including casinos, should pay the *same* tax increase.

The negative impacts that communities feared before introducing casinos simply did not materialize. The only concern that stood out amongst those polled was that casinos have led to an increase in problem gambling, which only 19% volunteered as a problem.

Taking everything into consideration, 79% say that the casinos' net impact on their community has been positive.



Horseshoe Employees Have a Heart

When it comes to giving back to the community, Horseshoe employees are H.E.R.O.s (Horseshoe Employees Reaching Out). Recently, Horseshoe Casino and the American Heart Association teamed up for this year's Northwest Indiana Heart Walks, which were held in Lake and Por-

ter counties, and raised almost \$10,000 for the American Heart Association (AHA).

The Heart Walk is the AHA's top fund-raising campaign. It is a non-competitive walking event in which local businesses raise much-needed funds to help

fight heart disease and stroke.

For Lisa K., Senior Human Resources Representative at Horseshoe Casino, the Heart Walk was a special experience. About a year ago, her mother underwent open heart surgery. "My mother had to have her heart valve replaced and was hospitalized for one month," said Lisa. "It was really scary." Lisa and her family understand the importance of the advancements made possible through funding provided by the American Heart Association.

Rick Mazer, Senior Vice President & General Manager for Horseshoe Casino is proud of the effort his team of employees put into the fundraising event. "It's always great to see our employees band together to give back to the community by helping to improve the quality of life for all."

2005 Horseshoe Lake County Heart Walk Team



Resorts Puts the 'Give' in Thanksgiving

Resorts East Chicago treated over 300 less fortunate senior citizens to a delicious Thanksgiving feast when they hosted their annual Holiday Feeding Program at the Salvation Army in East Chicago. All of the food was provided and prepared by the casino's culinary staff, while several other employees also took time out of their workday to help out during the lunch. The Holiday Feeding Program seeks to provide a traditional Thanksgiving meal to local citizens who otherwise, may not have the opportunity to enjoy Thanksgiving dinner. All leftover food from the feeding program was donated to the St. Joseph's Carmelite Home for Girls and Boys in East Chicago, IN.

In addition, Resorts East

Chicago donated a total of 67 turkeys to three different charitable organizations to help them in their Thanksgiving holiday feeding activities. 52 turkeys were donated to the East Chicago Chapter of God First Ministries who distributed the turkeys to a number of local churches and needy residents throughout the East Chicago community. Resorts donated 15 turkeys and ten turkey platters to The Old Firehouse Community Center in Gary. Their community Thanksgiving dinner fed hundreds of less fortunate residents of Gary as well as numerous firemen who were on duty during the Thanksgiving holiday. The final ten turkeys were donated to the Food Bank of Northwest Indiana.



Resorts Employees take time out to serve up a Thanksgiving feast



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Ten Years of Giving for Aztar

Casino Aztar and its guests teamed up to make the holiday season brighter for less fortunate children in the area. The 10th Annual \$10,000 Cashless Slot & Blackjack Holiday Charity Tournaments took place each day through Sunday, December 11.

A player donated \$10 or a new toy valued at \$10 and then enjoyed the excitement of slot and blackjack tournament action. All entry fee proceeds and toys were donated to the Salvation Army Toy Town and Santa Clothes Club.

Since Casino Aztar opened in 1995, more than \$58,000 in cash and 7,091 toys have been contributed to local charities at the holidays.

MESSAGE FROM THE DIRECTOR:

SEASON'S GREETINGS



As the holiday season quickly approaches, it's natural to reflect on the events of the past year. Certainly the hurricanes that ravaged the Gulf Coast and the tornadoes in Evansville stand out in my mind. Not only was the casino industry brought to its knees, but many other businesses and families suffered horrible losses.

I'm reminded of how fortunate we are. Though the news isn't covering it much anymore, all of those people whose homes were devastated by the storms will be celebrating the holiday season in a much different way. It puts the commercialism of the holidays in perspective and it makes us stop and think about the things that are important in life.

Many employees in our industry were directly affected by the storms. Indiana casinos provided assistance from housing to meeting whatever needs their employees and families were experiencing.

Especially because of the hurricanes and tornadoes, so many people are 'going without' this year. It's amazing how much of a difference a helping hand can make.

Our casinos gave generously during the aftermath of the hurricanes and tornadoes and they are out there doing it again — helping others during this holiday season. They are setting a good example for all of us. Get out there and lend a hand. Giving is contagious.

May peace and happiness be with you and your families during this special time of year.

Mike Smith, Executive Director

Season's Greetings from all of us here at the Casino Association of Indiana. We wish each and every one of you a very happy holiday season!

