MISSOURI GAMING ASSOCIATION

ANNUAL REPORT 2020

STATE OF THE INDUSTRY

IMPACT OF MISSOURI CASINOS IN 2020

www.missouricasinos.org

The Missouri Gaming Association is the statewide trade association of the Missouri casino entertainment industry and its related professionals. Formed in 1993, the Missouri Gaming Association works to increase awareness of the economic benefits the casino industry brings to Missouri.

In 2020, Casinos contributed $283.4 million in taxes and admission fees to the State of Missouri.

Casinos – Missouri's Highest Taxed Industry

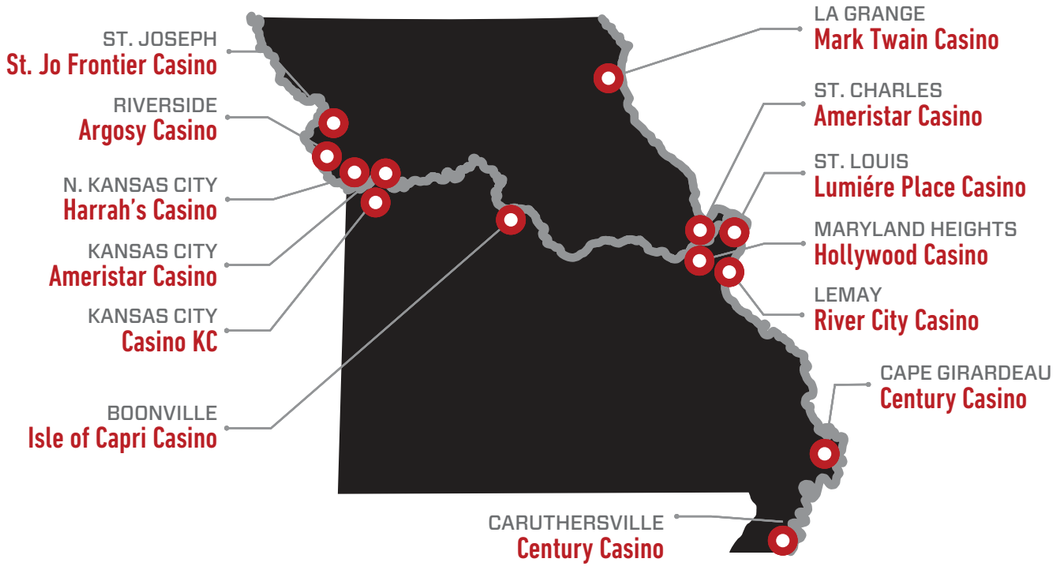
Casino tax revenue is one of Missouri's top sources of tax revenue. Casinos also generate many millions in annual corporate income, property and sales taxes.

Missouri is one of the highest-taxed casino jurisdictions in the country, paying a net effective tax rate of **25.2%** off the top, in addition to other business taxes. That effective rate includes a **21%** gaming tax (90% goes to the state, 10% to home dock communities), $2 per patron admission fee paid by casinos (split by the state and the communities), plus reimbursements to the state.

Missouri Gaming Ranks High

The St. Louis/Illinois region is the **9th** largest casino market in the U.S. and the Kansas City region is the **13th** largest (based on 2019 year AGR).

According to the Missouri Gaming Commission (MGC), Missouri ranks **9th** in the country in total state gaming tax revenue and **10th** in consumer spending on commercial casino gaming.



ECONOMIC IMPACT SINCE 1994

$3.17 billion
Missouri Capital Investments

$974.9 million
to all causes supported by admission

$7.69 billion
Educational Programs

$354.5 million
Veterans Programs

GAMING TAX REVENUES FUND HOST CITY PROJECTS

In 2020, host cities across Missouri received $56.2 million in gaming tax revenue.

Here are some of the special projects that gaming tax revenue has funded:

Isle of Capri - Kansas City, MO

The City of Kansas City received more than $11.9 million in gaming tax revenue from Isle of Capri for their 2020-2021 budget. The city allocated $1.86 million towards replacing their fleet of city vehicles. Other economic development projects include $7.75 million towards the Kauffman Performing Arts Center parking garage and $416,000 towards City Market, a top destination for locals and visitors featuring fresh produce, local goods and restaurants.

Ameristar Casino - St. Charles, MO

The city of St. Charles received more than $11.27 million in gaming tax revenue from Ameristar Casino in 2020. Numerous street improvement projects were funded with that revenue, including traffic calming measures, concrete and asphalt street repair, South Fifth Street reconstruction, heavy construction equipment and more. In 2020, $4.66 million was allocated to police department personnel costs and $2.96 million for fire department personnel costs.

Century Casino - Caruthersville, MO

Gaming tax revenue totaling $991,450 from Century Casino helped Caruthersville with many economic development and infrastructure initiatives. A total of $45,000 was allocated to riverfront development in the city's 2020-2021 budget. $275,000 will fund street improvement projects and $483,950 will support water/wastewater projects, including emergency flood initiatives and lift stations.

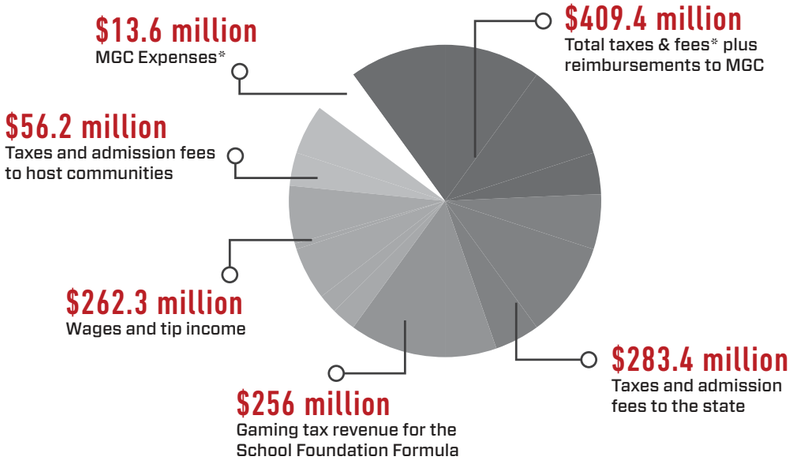
Isle of Capri - Boonville, MO

Boonville, Missouri received more than $3.13 million in gaming tax revenue from Isle of Capri last year. The revenue was allocated for numerous capital improvement projects, including $436,912 for street improvements, $357,000 for a soccer field project and $50,500 for parks equipment.

For information about projects funded by gaming tax revenue from other Missouri casinos, view the Missouri Gaming Commission 2020 annual report at www.mgc.dps.mo.gov.

ECONOMIC IMPACT FY 2020

$1.35 billion
Total Adjusted Gross Revenue



* Includes real estate & sales tax

7,736 Employees

43% Minority

48% Female

2021 OFFICERS

PRESIDENT
Michael Jerlecki, Hollywood Casino St. Louis

VICE PRESIDENT
Brian Marsh, Lumière Place Casino Hotel

SECRETARY
Lyle Randolph, Century Casino Cape Girardeau

TREASURER
Mike Tamburelli, Affinity Gaming St. Joseph

CASINOS ADAPTED DURING COVID-19

Missouri casinos found a way to take care of their team members, give generously, reopen safely and be a strong economic contributor.

The year 2020 was unlike any other in the history of casinos in Missouri. When the COVID-19 pandemic took hold last March, all 13 casinos were forced to close on short notice. Despite the hardships posed last year, Missouri casinos found a way to take care of their team members during the three-month closure, give generously back to the community, invest in capital improvements and ultimately reopen with new precautions to protect guests and be a major economic contributor to the state.

Highlights of casino response to the pandemic include:

- Most casinos had thousands of dollars of perishable food on hand when they had to cease operations, which they donated locally to those in need.
- Casinos and their team members donated more than **$618,000** to community service fundraisers even though many in-person charity events were cancelled.
- Casinos supported employees in various ways during the closure including paying wages, continuing health benefits, offering counseling services and providing support to navigate the unemployment process. A majority of employees were able to return to their positions once the casinos opened.
- All casinos implemented policies to meet or exceed the local guidelines of their community to keep guests and team members safe, including:
  - Requiring face coverings
  - Signage to assist in social distancing
  - Sanitizing stations
  - Taking temperatures
  - Spreading out or closing slot machines
  - Limiting guests at game tables and restaurants
  - Stringent cleaning protocols
  - Health education and employee training
  - Providing PPE for team members and guests
  - Plexiglass barriers
  - COVID-19 testing of team members
  - Contact tracing
  - Adjusting food and beverage service

Casino KC maintained the same level of charitable contributions in 2020 by supporting organizations such as **Veterans Community Project, Adopt-a-Highway, Cystic Fibrosis Foundation, Habitat for Humanity, Jewish Vocational Services, Kansas City Pet Project at KCCAC, Leukemia & Lymphoma Society, Urban Ranger Corps** and more.

Century Casino Cape Girardeau donated over $40,000 in cash donations, including $9,000 from employee donations, and more than $23,000 of in-kind donations, such as the use of banquet space and food vouchers. Employees volunteered more than 500 hours. The casino held three **American Red Cross** blood drives and hosted the **Cape Riverfront Farmers' Market** during the closure.

Century Casino Caruthersville supported numerous organizations including **Humane Society, Pemiscot County Initiative Network, Ministerial Alliance, Caruthersville Schools, Delta Children's Home** and **Adopt-A-Highway** highway clean up.

Lumiere Place Casino & Hotels – St. Louis donated 40 bicycles along with a cash donation to provide toys to underprivileged children in St. Louis City.

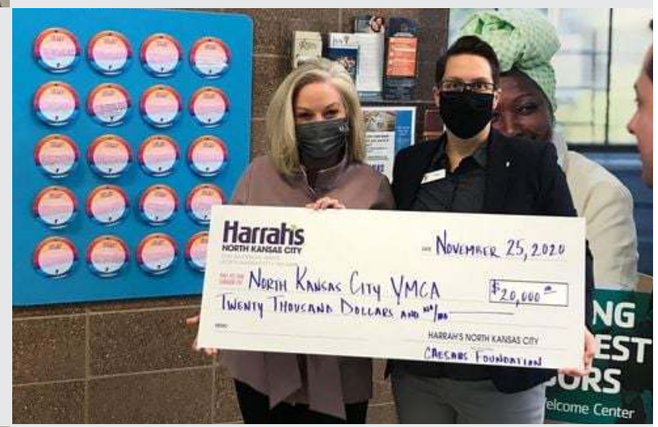
St. Jo Frontier Casino actively supported numerous organizations in 2020, including **Second Harvest, Noyes Home, YWCA** and **Pivotal Point**. They also donated and gave out food to local charities during the pandemic.

Hollywood Casino St. Louis supported numerous organizations, including **Maryland Heights Chamber of Commerce, St. Louis Area Food Bank, PNG Fund, Barstool Fund, Backstoppers, St. Louis Crisis Nursery, Warrior Transition Network Foundation** and **Caring Solutions.**

At **Argosy Casino Hotel & Spa**, on-site contribution boxes raise funds for charity, including **American Cancer Society's Relay for Life, Synergy** and **Ronald McDonald House Charities.**

River City Casino & Hotel's charity-of-choice continues to be **Feed My People**. River City was able to raise more than $8,600 for this very worthy South County organization.

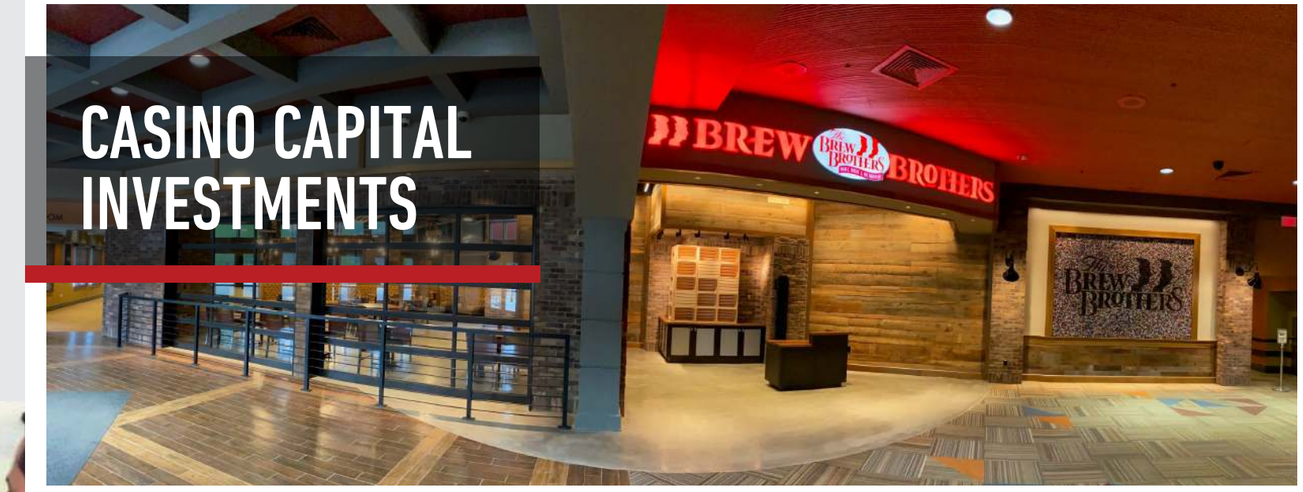
Harrah's North Kansas City team members raised more than $17,000 for organizations like **NKC Hospital** through monthly Jean Day fundraisers. The Caesars Foundation proudly donated $20,000 to **NKC YMCA** to help address food insecurities and develop the new American Welcome Center. Team members also volunteered and delivered food to the **NKC YMCA** for distribution.



Mark Twain Casino donations to the **Heroes Fund** and **Holiday Heals** through the local hospital foundations helped offset financial hardship to area individuals and hospital employees impacted by the pandemic. Other organizations supported included **Hannibal Regional Foundation, Blessing Foundation, Quincy YMCA** and **The Child Center, Inc. Hannibal**. Also, casino guests donate spare change totaling $8,000 for local and national charities.

Despite many in-person volunteer events being cancelled due to the pandemic, **Isle of Capri Casino Boonville** financially supported local charities through a very difficult year, including **Harvest House, Central Missouri Community Action, The Food Bank for Central & Northeast Missouri, Neighbors Helping Neighbors, Boonslick Heartland YMCA, Rainbow House, Inc., Riding For Our Veterans, Boonville Kiwanis Club** and more.

CASINO CAPITAL INVESTMENTS



Missouri casinos made significant capital investments to add amenities, expand dining options and modernize infrastructure.

Guests at **Ameristar Casino Hotel Kansas City** now enjoy updated accommodations following the casino's $9.7 million complete renovation of all 184 hotel rooms. Two new restaurants also were added — The Burger Joint and Willy & Jose's, a Mexican dining option.

Harrah's North Kansas City completed an upscale, private gaming room that allows qualifying guests a private room in which to gamble.

Ameristar Casino Resort Spa St. Charles' $3.9 million capital improvement projects in 2020 are highlighted by new slot machines and the transition of the Landmark Buffet to the Landmark Atrium.

Isle of Capri Casino Boonville completed the $2.7 million The Brew Brothers®, a comfortable, modern restaurant where guests can catch sports games on more than 20 TVs, including three huge video walls.

On their 8th floor, **Lumiere Place Casino & Hotels – St. Louis** added the innovative, interactive Topgolf Swing Suite, featuring two golf simulator bays and a variety of virtual games.

Three casinos — **Century Casino Cape Girardeau, Century Casino Caruthersville and Casino KC** — completed rebranding under new names.

GAMING REVENUE BENEFITS MISSOURI

$395.8 million FY 2020

$11.7 million Veterans Commission Trust Fund

$13.6 million MGC Expenses*

$256 million School Foundation Formula

$56.2 million Host Cities

$4 million Missouri National Guard Trust Fund

$4 million Access Missouri Financial Assistance Program

$70,000 Compulsive Gamblers Fund

*Direct Reimbursements to cover Missouri Gaming Commission expenses that are not covered by casino licensing fees and admission fees.

project 21

SCHOLARSHIP INSPIRES YOUTH TO EDUCATE PEERS

"It is important to be educated on the risks of underage gambling just as we are educated on the risks of alcohol and drugs."

– ABIGAIL HORN

Now in its 25th year, the Project 21 Scholarship program has awarded more than $165,000 in scholarships to Missouri high school seniors and educated hundreds of thousands of Missouri students about the issues and dangers of underage gambling. In Missouri, it's illegal for anyone under 21 to gamble in a casino.

In 2020, the Missouri Gaming Association awarded one $2,500 scholarship and three $1,500 scholarships through Project 21. Students created essays, posters or videos, and displayed or published them at their schools to educate peers about the illegality and dangers of underage gambling.

Abigail Horn of Central High School in St. Joseph won the $2,500 Project 21 scholarship by creating an essay and poster titled "All Bets Off Until 21." Her poster was displayed for teachers and classmates at her high school.

"It's a startling statistic to hear that up to 80% of high school students have gambled for money this past year, according to ncpgambling.org," said Horn. "It is important to be educated on the risks of underage gambling just as we are educated on the risks of alcohol and drugs".

The $1,500 Project 21 Scholarship winners were Gwyneth Anne Wood of Tipton High School, Claudia St. John of Staley High School in Kansas City, and Morgyn Taylor of Eldon High School.

For more information about the Project 21 Scholarship program, visit www.missouricasinos.org.

"It's a startling statistic to hear that up to 80% of high school students have gambled for money this past year."

$165,000 Awarded
in Project 21 Scholarships cumulatively

CASINOS SUPPORT LOCAL COMMUNITIES

$618,935
2020 Charitable Contributions

Though many charitable organizations had to cancel events due to the coronavirus pandemic, Missouri casinos continued to find ways to support community organizations through volunteerism, attending socially distant fundraising events, donating food during the closure and by contributing $618,935 in cash and in-kind donations.

Ameristar Casino Resort Spa St. Charles team members donated more than $13,000 through the **Annual Giving Campaign** and over $2,500 for team members at Boyd Gaming's Delta Down property who were impacted by **Hurricane Laura**. Ameristar gives team members up to eight paid hours per calendar year when volunteering for a charity of their choice.

Through the Wreaths of Hope Campaign, Ameristar Casino Hotel Kansas City supported **Habitat for Humanity, Valor Ranch, Wayside Waifs, Bags of Fun, Midwest Innocence Project, Ronald McDonald House Charities of Kansas City, Gilda's Club, Nourish KC** and **KVC Kansas**. Other activities include a school supply drive for team member families, **Salvation Army** toy drive and on-site projects to help **Wayside Waifs** improve their facility.