

Template for Item VIII.B.4. - Projected tax revenue for 5 years

BASE-CASE

NAME OF APPLICANT

Rivers Casino at Mohawk Harbor (Schenectady)

I.

Instructions

Submit 5-year projections, starting from date of opening:

Projected Opening Date (mm/dd/yyyy):

1/1/2017

- PLEASE FILL IN LIGHT GREY SHADED CELLS. USE FORMULAS AS APPROPRIATE.
- SECTION II. TAX PROJECTION SUMMARY WILL POPULATE AUTOMATICALLY. SECTIONS TO BE COMPLETED:
 - I. Instructions
 - II. Tax Projection Summary - information under "Jurisdiction"
 - III. Incremental Business Activity Taxes
 - IV. Table and Slot Machine Fees
 - V. Incremental Real Property Tax for the Gaming Facility
 - VI. Incremental Personal Income Tax
 - VII. Community Impact Payments
 - VIII. Assumptions
- FOR LINE ITEMS MARKED "SPECIFY", PLEASE USE THE COMMENT SPACE TO THE RIGHT TO DESCRIBE IN DETAIL WHAT IS CONTAINED IN THAT LINE ITEM.
- ALL COSTS OR DEDUCTIONS SHOULD BE ENTERED AS NEGATIVE NUMBERS. SUCH ROWS BEGIN WITH THE WORD "LESS."
- IN ADDITION TO COMPLETING THIS WORKSHEET, THE APPLICANT SHALL PROVIDE (IN THE ASSUMPTIONS SECTION) A DETAILED DESCRIPTION OF ALL ASSUMPTIONS RELEVANT TO THE TAX PROJECTIONS INCLUDED HEREIN.
- IF THIRD PARTY SOFTWARE IS USED TO GENERATE INFORMATION PROVIDED IN THIS TEMPLATE (E.G., IMPLAN), THE APPLICANT SHALL IDENTIFY (IN THE ASSUMPTIONS SECTION) THE NAME OF THE SOFTWARE AND VERSION/RELEASE DATE OF SUCH SOFTWARE.
- PROVIDE ALL DOLLAR AMOUNTS IN CURRENT-YEAR (UNINFLATED) DOLLARS
- PLEASE DO NOT ADD OR DELETE ROWS OR COLUMNS.

II.

Tax Projection Summary		Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021
Projected "Direct" NY State Tax Revenues from Proposed Gaming Facility						
Gaming Privilege Taxes and Table & Device Fees Pursuant to PML		\$ 74,493,672	\$ 78,926,812	\$ 82,059,565	\$ 84,095,854	\$ 86,183,050
Corporate Profits Taxes (1)		█	█	█	█	█
Sales & Use Taxes		\$ 941,570	\$ 1,009,072	\$ 1,057,414	\$ 1,083,730	\$ 1,110,479
Personal Income Taxes (2)		█	█	█	█	█
Total "Direct" NY State Tax Revenues		\$ 78,121,554	\$ 83,093,251	\$ 86,602,749	\$ 88,884,893	\$ 91,246,960
Projected "Indirect" NY State Tax Revenues from Induced Incremental Economic Activity (3)						
Corporate Profits Tax (4)		\$ 42,937	\$ 45,110	\$ 46,932	\$ 48,349	\$ 49,809
Sales & Use Taxes		\$ 206,368	\$ 216,810	\$ 225,570	\$ 232,382	\$ 239,400
Personal Income Taxes (4)		\$ 56,291	\$ 59,140	\$ 61,529	\$ 63,387	\$ 65,301
Total "Indirect" NY State Tax Revenues		\$ 305,597	\$ 321,060	\$ 334,031	\$ 344,118	\$ 354,511
Jurisdiction						
Projected "Direct" Host Community Tax Revenues from Proposed Gaming Facility						
Total "Direct" Host County Tax Revenues	Schenectady	\$ 1,875,297	\$ 1,982,690	\$ 2,064,114	\$ 2,111,949	\$ 2,160,460
Total "Direct" Host City Tax Revenues	Schenectady	\$ 1,304,861	\$ 1,330,958	\$ 1,357,578	\$ 1,384,729	\$ 1,412,424
Total "Direct" Host City School District Tax Revenues	Schenectady	\$ 2,097,268	\$ 2,139,213	\$ 2,181,998	\$ 2,225,637	\$ 2,270,150
Projected "Indirect" Host Community Tax Revenues from Induced Incremental Economic Activity						
Total "Indirect" Host Village Tax Revenues		\$ -	\$ -	\$ -	\$ -	\$ -
Total "Indirect" Host City/Town Tax Revenues		\$ -	\$ -	\$ -	\$ -	\$ -
Total "Indirect" Host County Tax Revenues	Schenectady	\$ 349,238	\$ 366,910	\$ 381,733	\$ 393,261	\$ 405,138
Community Impact Payments (if any)						
Total Host Village Impact Payments		\$ -	\$ -	\$ -	\$ -	\$ -
Total Host City/Town Impact Payments		\$ -	\$ -	\$ -	\$ -	\$ -
Total Host County Impact Payments		\$ -	\$ -	\$ -	\$ -	\$ -

III.

Incremental Business Activity Taxes

		Year 1	Year 2	Year 3	Year 4	Year 5
		2017	2018	2019	2020	2021
Assumptions						
Gaming Facility Financial Metrics						
Casino Department						
Gross Gaming Revenues* from Slot Machines and Electronic Gaming		201,873,420	213,985,826	222,545,259	228,108,890	233,811,612
Devices	Amount (\$)	153,423,800	162,629,228	169,134,397	173,362,757	177,696,825
Gross Gaming Revenues* from House-Banked Table Games	Amount (\$)	48,449,621	51,356,598	53,410,862	54,746,134	56,114,787
Gross Gaming Revenues* from Other Gaming	Amount (\$)					
<u>Less: Complementary Sales</u>	Amount (\$)					
Total Casino Gross Revenue	Amount (\$)					
Other Departments						
Hotel Revenues	Amount (\$)	6,380,000	7,038,000	7,519,000	7,704,000	7,888,000
Hotel Nights (submit if required for projection of Bed Taxes)	No. of Nights					
Food & Beverage Revenues	Amount (\$)	17,159,241	18,188,795	18,916,347	19,389,256	19,873,987
Non-Alcoholic Beverage Revenues	Amount (\$)					
Alcoholic Beverage Revenues	Amount (\$)					
Retail Revenues	Amount (\$)					
Entertainment/Ticket Revenues	Amount (\$)					
Number of Taxable Ticket Sales (submit if required for projection of Entertainment/Amusement Taxes)	No. of Tickets					
Places of Amusement Admissions Revenue	Amount (\$)					
Other Revenues	Amount (\$)					
Estimated Taxable Income						
EBITDA	Amount (\$)					
Less: Depreciation & Amortization	Amount (\$)	20,168,761	20,846,047	21,776,885	22,903,520	24,058,322
<u>Less: Deductible Interest</u>	Amount (\$)					
Estimated Taxable Income	Amount (\$)					
"Spillover" / Induced Economic Activity						
Incremental Net Taxable Sales by Other NY Businesses	Amount (\$)	5,159,205	5,420,261	5,639,239	5,809,544	5,984,992
Incremental Net Taxable Corporate Taxable Income						
Incremental Net Revenues for Other NY Businesses	Amount (\$)					
<u>Assumed Margin</u>	%	5.00%	5.00%	0.05%	5.00%	5.00%
Estimated Taxable Income for Other NY Businesses	Amount (\$)					

Incremental Tax Projections

Gaming Facility Business Activities
Gaming Privilege Taxes

Gaming Privilege Tax under PML Sec. 1351 on Gross Gaming Revenues* from Slot Machines and Electronic Gaming Devices
Binding Supplemental Fee Pursuant to PML Sec. 1351 on Gross Gaming Revenues* from Slot Machines and Electronic Gaming Devices
Gaming Privilege Tax under PML Sec. 1351 on Gross Gaming Revenues* from Table Games
Binding Supplemental Fee Pursuant to PML Sec. 1351 on Gross Gaming Revenues* from House-Banked Table Games
Gaming Privilege Tax under PML Sec. 1351 on Gross Gaming Revenues* from Other Gaming
Binding Supplemental Fee Pursuant to PML Sec. 1351 on Gross Gaming Revenues* from Other Gaming

Corporate Profits Tax

F&B Sales Taxes

NY State Sales Tax
Host County Sales Tax
Host City/Town Retail Sales Tax
Host County Retail Sales Tax
NY State Food Sales Tax
Host Village Food Sales Tax
Host City/Town Food Sales Tax
Host County Food Sales Tax
NY State Non-Alcoholic Beverage Sales Tax
Host Village Non-Alcoholic Beverage Sales Tax
Host City/Town Non-Alcoholic Beverage Sales Tax
Host County Non-Alcoholic Beverage Sales Tax
NY State Alcoholic Beverage Sales Tax
Host Village Alcoholic Beverage Sales Tax
Host City/Town Alcoholic Beverage Sales Tax
Host County Alcoholic Beverage Sales Tax

Hotel Taxes

NY State Sales Tax (5)
Host County Sales Tax
Host County Lodging/Bed Tax

Jurisdiction	Rate (%)	Tax Amount (\$)	Tax Amount (\$)	Tax Amount (\$)	Tax Amount (\$)	Tax Amount (\$)
NY State	45.00%	69,040,710	73,183,152	76,110,478	78,013,240	79,963,571
NY State						
NY State	10.00%	4,844,962	5,135,660	5,341,086	5,474,613	5,611,479
NY State						
NY State						
NY State	7.10%					
NY State	4.000%	686,370	727,552	756,654	775,570	794,959
Schenectady	4.000%	686,370	727,552	756,654	775,570	794,959
NY State						
NY State						
NY State						
NY State	4.000%	255,200	281,520	300,760	308,160	315,520
Schenectady	4.000%	255,200	281,520	300,760	308,160	315,520
Schenectady	4.000%	255,200	281,520	300,760	308,160	315,520

Entertainment/Ticket Taxes							
Host Village Entertainment/Ticket Tax							
Host City/Town Entertainment/Ticket Tax							
Host County Entertainment/Ticket Tax							
Places of Amusement Admissions Taxes							
NY State Amusement Admissions Tax	NY State 4.000%						
Host Village Amusement Admissions Tax							
Host City/Town Amusement Admissions Tax							
Host County Amusement Admissions Tax							
Other Revenue, Income and Sales Taxes							
Specify Other Host Village Business Activity:							
Specify Other Host City/Town Business Activity:							
Specify Other Host County Business Activity:							
"Spillover" / Induced Economic Activity							
Incremental Corporate Profits Taxes on Other NY Businesses	NY State 7.10%						
Incremental Retail Sales, Food, Beverage, Lodging and Amusement Admissions Taxes from Other NY Businesses							
NY State Retail Sales Tax	NY State 4.00%	206,368	216,810	225,570	232,382	239,400	
Host Village Retail Sales Tax							
Host City/Town Retail Sales Tax							
Host County Retail Sales Tax	4.00%	206,368	216,810	225,570	232,382	239,400	
Other Revenue, Income and Sales Taxes							
Specify Other Host Village Taxes:							
Specify Other Host City/Town Taxes:							
Specify Other Host County Taxes: (6)	Lodging Tax 4.00%	142,870	150,100	156,164	160,880	165,738	

* = "Gross Gaming Revenues" in this table shall have the definition provided in PML Sec. 1301.25.

IV. Table and Slot Machine Fees		Year 1	Year 2	Year 3	Year 4	Year 5
		2017	2018	2019	2020	2021
Assumptions						
Number of Slot Machines and Electronic Gaming Devices		1,150	1,150	1,150	1,150	1,150
Number of Gaming Tables (House-Banked & Other Tables)		66	66	66	66	66
Tax Projections	Rate	Amount (\$)	Amount (\$)	Amount (\$)	Amount (\$)	Amount (\$)
Slot Machine Fees Pursuant to PML Sec. 1348	\$500 / Device	575,000	575,000	575,000	575,000	575,000
Gaming Table Fees Pursuant to PML Sec. 1348	\$500 / Table	33,000	33,000	33,000	33,000	33,000

V.

Incremental Real Property Tax for the Gaming Facility

Year 1	Year 2	Year 3	Year 4	Year 5
2017	2018	2019	2020	2021

Assumptions[@]

	Amount (\$)	Amount (\$)	Amount (\$)	Amount (\$)	Amount (\$)
Cost of Land Improvements ⁺					
Hard Construction Costs					
Soft Construction Costs Included in Assessed Value					
Financing Costs					
Infrastructure Improvements Owned by the Private Sector					
Infrastructure Improvements Owned by Governments					
<u>Construction Contingencies</u>					
Total Estimated Incremental Assessed Property Tax	4,080,657	4,162,270	4,245,516	4,330,426	4,417,034

**Current Ad
Valorum Rate**

Incremental Tax Projections

	(%)	% of Total	Tax Amount (\$)	Tax Amount (\$)	Tax Amount (\$)	Tax Amount (\$)	Tax Amount (\$)
Schenectady City	13.75	32.0%	1,304,861	1,330,958	1,357,578	1,384,729	1,412,424
Schenectady County	7.15	16.6%	678,528	692,098	705,940	720,059	734,460
Schenectady City School District	22.10	51.4%	2,097,268	2,139,213	2,181,998	2,225,637	2,270,150
	43.00						

@ = Submit pre-opening costs in Year 1 and post-opening costs in the year Incurred. Roll forward total assessed value from year-to-year and add new costs incurred in each year.

+ = Purchase Price of Land and Existing Improvements Excluded Because Already Taxed

VI. Incremental Personal Income Tax

Year 1
2017

Year 2
2018

Year 3
2019

Year 4
2020

Year 5
2021

Average Annual Wage / Salary and Tips

Average Annual Wage / Salary and Tips

Average Annual Wage / Salary and Tips

Average Annual Wage / Salary and Tips

Average Annual Wage / Salary and Tips

FTE Workers and Tips

FTE Workers and Tips

FTE Workers and Tips

FTE Workers and Tips

FTE Workers and Tips

Assumptions

Gaming Facility Workers

General and Administrative

Professionals, Managers, Executives and Technicians

Clerical Workers, Compliance, Accounting, and Sales

Human Resources

Production and Transport Operators, Laborers and Cleaners

Casino & F&B Total

Professionals, Managers, Executives and Technicians

Dealers and game supervisors

Clerical Workers, Sales and Hosts

Security and surveillance

Cleaners

Other

Hotel Total

Professionals, Managers, Executives and Technicians

Clerical Workers, Sales and Marketing Staff

Room cleaners, housekeeping supervisors

Other

Food and Beverage

Professionals, Chefs, Managers, Executives and Technicians

Clerical Workers, Sales and Service Workers

Food preparers and servers, Hosting staff, and Cleaners

Other

Other (including convention, entertainment, retail, etc.)

Professionals, Managers, Executives and Technicians

Production and Transport Operators, Laborers and Cleaners

Other

"Spillover" / Induced Economic Activity

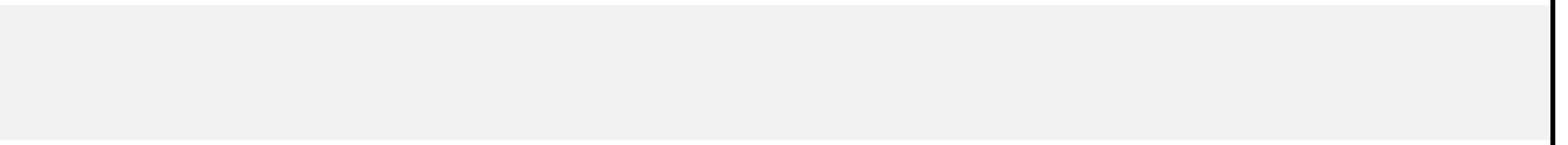
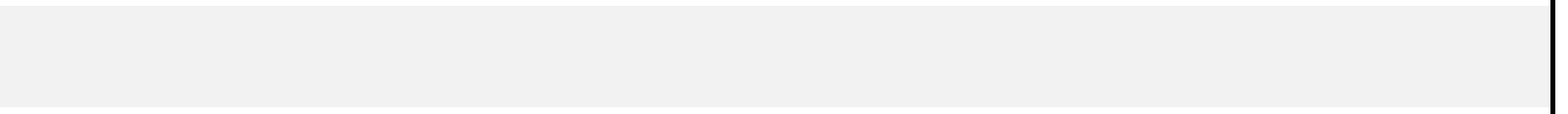
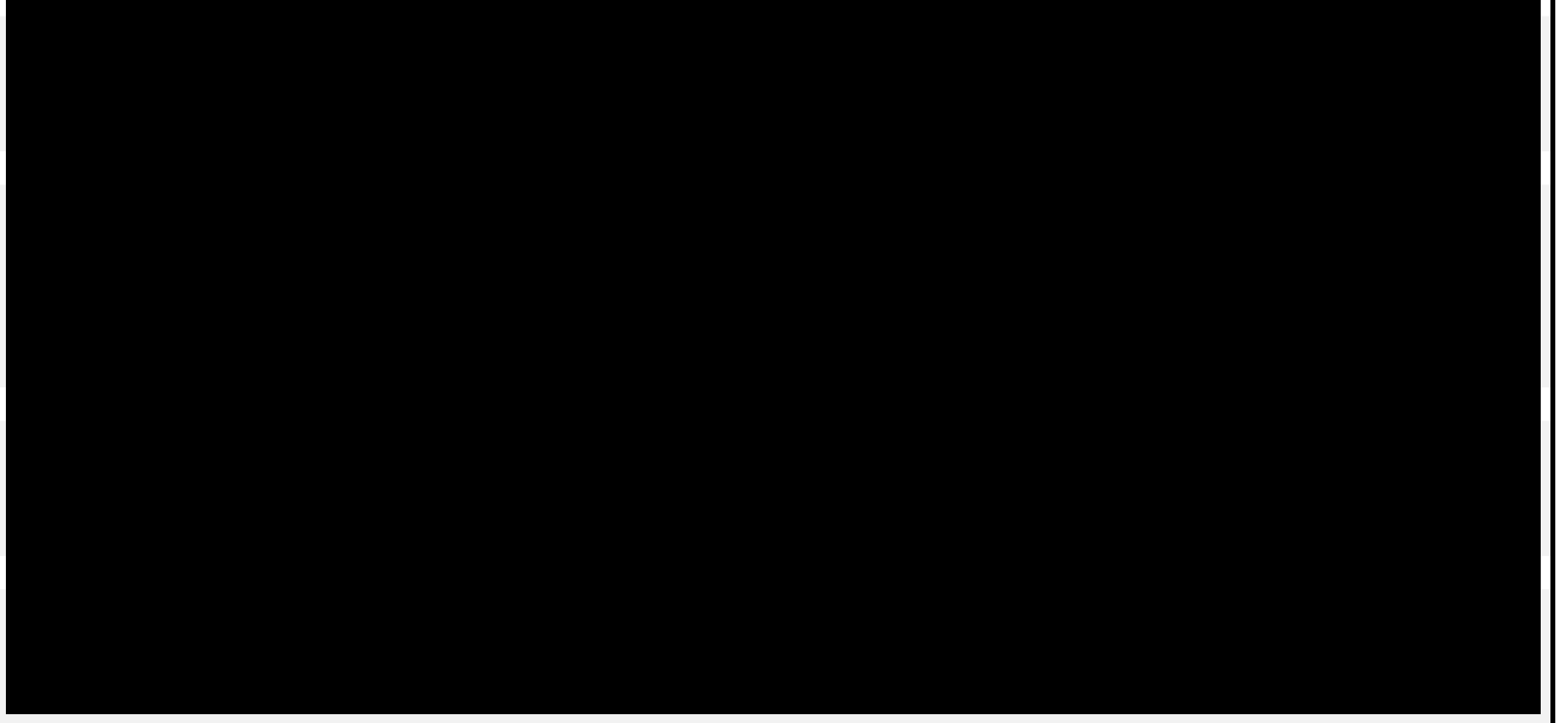
Total Incremental Job Creation (Other than Direct Gaming Facility Employment)

Professionals, Managers, Executives and Technicians

Clerical Workers, Sales and Service Workers

Production and Transport Operators, Laborers and Cleaners

Other



Incremental Tax Projections[#]

Gaming Facility Workers

General and Administrative

Professionals, Managers, Executives and Technicians

Clerical Workers, Compliance, Accounting, and Sales

Human Resources

Production and Transport Operators, Laborers and Cleaners

Casino

Professionals, Managers, Executives and Technicians

Dealers and game supervisors

Clerical Workers, Sales and Hosts

Security and surveillance

Cleaners

Other

Hotel

Professionals, Managers, Executives and Technicians

Clerical Workers, Sales and Marketing Staff

Room cleaners, housekeeping supervisors

Other

Food and Beverage

Professionals, Chefs, Managers, Executives and Technicians

Clerical Workers, Sales and Service Workers

Food preparers and servers, Hosting staff, and Cleaners

Other

Other (including convention, entertainment, retail, etc.)

Professionals, Managers, Executives and Technicians

Production and Transport Operators, Laborers and Cleaners

Other

"Spillover" / Induced Economic Activity

Total Incremental Job Creation (Other than Direct Gaming Facility Employment)

Professionals, Managers, Executives and Technicians

Clerical Workers, Sales and Service Workers

Production and Transport Operators, Laborers and Cleaners

Other

Tax Amount (\$) Based on Average Annual Wage/Salary and Tips	Total Tax Revenue by Worker Type	Tax Amount (\$) Based on Average Annual Wage/Salary and Tips	Total Tax Revenue by Worker Type	Tax Amount (\$) Based on Average Annual Wage/Salary and Tips	Total Tax Revenue by Worker Type	Tax Amount (\$) Based on Average Annual Wage/Salary and Tips	Total Tax Revenue by Worker Type	Tax Amount (\$) Based on Average Annual Wage/Salary and Tips	Total Tax Revenue by Worker Type
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[#] = Apply current NY State income tax rates to the average annual wage/salary & tips for the respective job category and multiply by the FTE workers in said category; assume filing as Single or Married Filing Separately, with no exemptions or deductions.

VII. Community Impact Payments

		Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021
Assumptions						
Gaming Facility Financial Metrics						
Casino Department						
Gross Gaming Revenues* from Slot Machines and Electronic Gaming Devices						
Gross Gaming Revenues* from House-Banked Table Games						
Gross Gaming Revenues* from Other Gaming						
<u>Less: Complementary Sales</u>						
Total Casino Gross Revenue						
	Base (Slot, Table, or Total GGR)					
	Rate (%)					
Community Impact Payments (if any)^		Amount (\$)	Amount (\$)	Amount (\$)	Amount (\$)	Amount (\$)
Host Village Impact Payments						
Fixed Host Village Impact Payments						
<u>Variable Host Village Impact Payments</u>						
Total Host Village Impact Payments						
Host City/Town Impact Payments						
Fixed Host City/Town Impact Payments						
<u>Variable Host City/Town Impact Payments</u>						
Total Host City/Town Impact Payments						
Host County Impact Payments						
Fixed Host County Impact Payments						
<u>Variable Host County Impact Payments</u>						
Total Host County Impact Payments						

* = "Gross Gaming Revenues" in this table shall have the definition provided in PML Sec. 1301.25.

^ = A Community Impact Payment is an amount payable, in addition to any business activity or real property taxes, under a host community, community benefit or similar agreement entered into between an Applicant, Manager or any of their affiliates and the Host Village, Host City/Town and/or Host County of its proposed Gaming Facility in connection with or as a condition of such government's endorsement, approval or recommendation of the proposed Gaming Facility. Community Impact Payments include direct payments to governments as well as contractually required contributions to charitable organizations. Community Impact Payments may be required, among other mechanisms, as lump sums at certain times or upon certain conditions, as periodic fixed amounts while the Gaming Facility operates or in amounts calculated as a measure of Gaming Facility financial performance such as gross gaming revenues. Submit community impact payments due in the pre-opening period under Year 1.

VIII. Assumptions/Notes

- (1) The structure of the Applicant is a Limited Liability Corporation; therefore Corporate Profits tax is not applicable. However, to be conservative we have utilized the 7.1% tax rate for this analysis. The NY State personal income tax brackets, which cap out at 8.82%, would likely result in a rate closer to 8%. For example, a filing of \$2 million calculates to an effective rate of 7.76%.
- (2) From IMPLAN, utilizing the staffing and payroll inputs as described in the Economic Impact Analysis, Exhibit VIII.B.4
- (3) We assume Induced Incremental Economic Activity means the impacts of induced visitation in the form of casino visitors spending money in the local economy off site, not the indirect/induced household income impacts from spending by the casino/hotel and by casino/hotel employees as calculated using IMPLAN as per Exhibit VIII.B.4
- (4) As computed for hotel and food beverage/retail sales shown in row 83 using "Industry Change" function in IMPLAN and the same multipliers and methodology as per Exhibit VIII.B.4. Row 83 is based on a capture of gaming visits of 1% for hotel stays at an ADR starting at █████ consistent with current local trends and 5% for F&B/retail spend at an average starting at \$12 and growing by 2% per year.
- (5) Note, the 5.875% New York State Lodging Tax contained in the Template applies to the New York City local rate.
Lodging/bed taxes are imposed and collected by the local jurisdiction on top of sales taxes. Sales taxes total 8% in Schenectady County, 4% to the State and 4% to the County.
Schenectady County collects a 4% lodging/bed tax on hotel room revenue in addition to the sales tax. There is no State lodging/bed tax.
- (6) Based on induced incremental hotel revenues at non-casino hotels in Schenectady consistent with the hotel market assessment by REVPAR.

