

# The Workforce Economic Benefits of Minnesota Indian Gaming Association Member Tribes' Casino-Resorts

by  
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for the  
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## INTRODUCTION

This study was undertaken for the Minnesota Indian Gaming Association (MIGA) to estimate the direct economic benefits of its member tribes' casino-resort employment in Minnesota. In contrast to many economic impact studies built on conjectures and estimates from secondary data, this analysis is based directly on primary employer data. It is therefore a firm lower bound assessment of the direct benefits of Indian gaming to local communities and the state as a whole.

A questionnaire was developed to determine the tribal casino workforce size in terms of full-time and part-time employees and their wages. Payroll for calendar year 2005 was compiled together with wage scales. Employment taxes were then recorded, including taxes withheld, worker and firm contributions to Social Security and Medicare, and total costs for Unemployment and Workers' Compensation. Medical and dental insurance costs were generated to determine the extent of health care benefits, as well as life and disability insurance benefits. Retirement savings benefits were also recorded together with other benefits such as educational assistance and flexible spending accounts.

Taken together, these data allow a clear assessment of the direct employment benefits resulting from tribal casinos and the casino-resort industry in Minnesota. As the study shows, these impacts are significant, especially relative to other employers in rural areas. The jobs created in the casino-resort industry are also, in the main, good ones with attractive benefits packages.

Following the Executive Summary of Findings and Conclusions, the report identifies the tribes and casinos included in the study, describes the study framework, and then presents detailed study findings in the following categories:

- Employment
- Payroll
- Employment Taxes
- Healthcare
- Retirement Savings
- Other Job Benefits

Finally, the report includes an analysis of the role played by tribal casino payrolls in the total wage economies of their home counties, followed by a statistical summary of the findings.

## **EXECUTIVE SUMMARY CENTRAL FINDINGS AND CONCLUSIONS**

### **Tribal casino-resort jobs generated \$429 million in direct benefits to the Minnesota economy.**

Tribal casino employment brought \$429 million in direct economic benefits to the Minnesota economy in 2005. The tribal casino workforce totaled 12,900 jobs, including 11,100 full-time and 1,800 part-time positions. The total payroll was \$335 million, including \$251 million in take-home pay. State and federal employment taxes totaled \$90 million. Medical and dental healthcare insurance benefits were \$66 million. Employee retirement savings were \$15 million. Other worker benefits, including life and disability insurance, were worth more than \$7 million. (See Chart, Appendix 1)

### **Rural Minnesota benefits the most from tribal casino employment.**

The rural (non-metro) tribal casino workforce had 9,100 jobs, including 7,900 full-time positions. The rural tribal casino payroll was \$211 million, or 0.6% of all wages paid in rural Minnesota (\$34 billion) in 2005. Tribal casino jobs brought \$285 million in direct economic benefits to rural Minnesota, including \$159 million in take-home pay, \$65 million in employment taxes, \$48 million in healthcare, \$10 million in retirement savings, and \$4 million in other employee benefits. (See Charts, Appendices 2 and 3)

### **Tribal casino-resorts are leaders in the leisure and hospitality industry.**

Rural (non-metro) tribal casino workers represent 9% of rural Minnesota's leisure and hospitality workforce and 18% of the rural industry payroll. Statewide, tribal casino workers are more likely than other leisure and hospitality workers to have healthcare or retirement benefits, paid time off, life or disability insurance or other benefits such as flexible savings accounts and tuition assistance. Tribal casino workers are also more likely to be full-time employees and have higher starting wages than other leisure and hospitality workers.

### **The minimal growth of tribal casino-resort employment since 2000 may reflect a maturing gaming market with limited absorptive capacity for future growth.**

In 2000, tribal casino-resorts employed 13,339 people.<sup>1</sup> Six years later, they employ 12,900. These relatively stable employment figures suggest that Minnesota's tribal casinos are operating in a mature market with limited capacity to absorb future gaming growth. The majority of new capital investment on tribal lands over the past six years has not been in new or substantially expanded gaming facilities, but in ancillary facilities such as hotels, marinas and golf courses, a further indication that tribes anticipate limited future growth in their gaming operations. (See Chart, Appendix 4)

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<sup>1</sup> Marquette Advisors unpublished report for the Minnesota Indian Gaming Association, 2001.

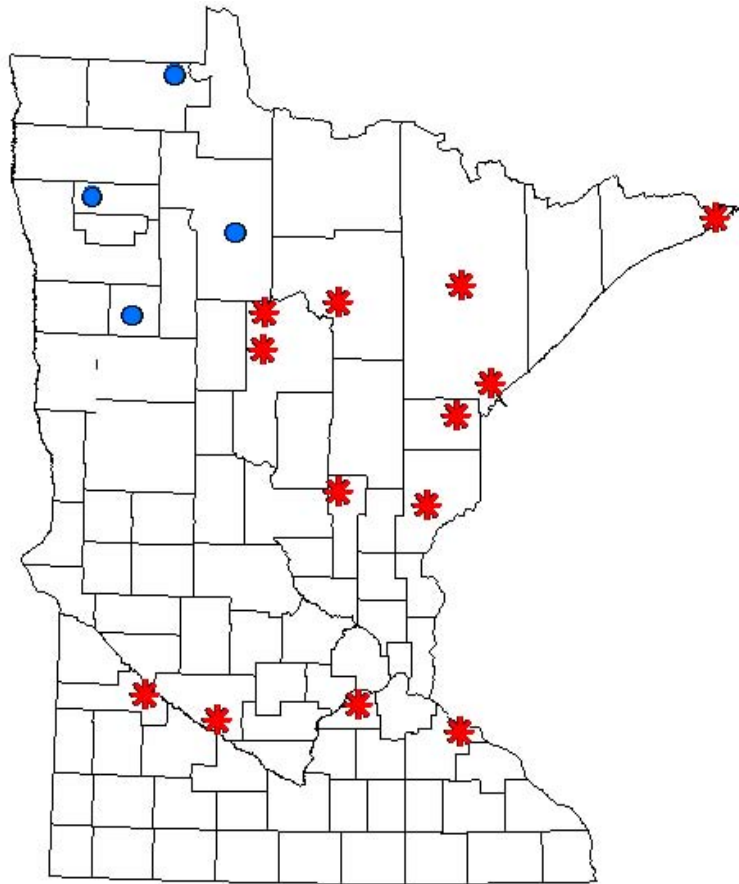
## MIGA MEMBER CASINO-RESORTS

Nine MIGA member tribes own and operate 13 casino-resorts:

- Bois Forte Band of Chippewa (BFBC) has *Fortune Bay Resort Casino* in Tower.
- Fond du Lac Band of Lake Superior Chippewa (FDLB) has *Black Bear Casino and Hotel* in Carlton, and *Fond-du-Luth Casino* in Duluth.
- Grand Portage Band of Lake Superior Chippewa (GPBC) has *Grand Portage Lodge and Casino* in Grand Portage.
- Leech Lake Band of Ojibwe (LLBO) has *Northern Lights Casino & Hotel* in Walker, *Palace Casino & Hotel* in Cass Lake, and *White Oak Casino* in Deer River.
- Lower Sioux Indian Community (LSIC) has *Jackpot Junction Casino Hotel* in Morton.
- Mille Lacs Band of Ojibwe (MLBO) has *Grand Casino Hinckley* in Hinckley, and *Grand Casino Mille Lacs* in Onamia.
- Prairie Island Indian Community (PIIC) has *Treasure Island Resort and Casino* in Red Wing.
- Shakopee Mdewakanton Sioux Community (SMSC) has *Mystic Lake Casino Hotel* and *Little Six Casino* in Prior Lake.
- Upper Sioux Indian Community (USIC) has *Prairie's Edge Casino Resort* in Granite Falls.

Two non-MIGA tribes with casino-resorts are not included in this analysis. The Red Lake Band of Chippewa Indians owns and operates *Seven Clans Casino* Thief River Falls, *Seven Clans Casino* Warroad, and *Seven Clans Casino* Red Lake. The White Earth Band of Ojibwe Indians owns and operates *Shooting Star Casino Hotel* in Mahanomen.

## MIGA Member Casino-Resort Locations



*Stars are MIGA member casino-resorts. Circles are non-MIGA member casino-resorts.*

Tribal casino-resorts offer a range of leisure and hospitality services. Gaming facilities include 17,400 video "slot" machines, 300 card tables, bingo, and pull-tabs. Lodging accommodations include 2,700 hotel rooms, generally with conference and/or entertainment facilities. Other amenities often include restaurants, golf courses, convenience stores, RV parks, and marinas.

Tribal casino-resorts are located primarily in rural Minnesota, and most are in the eastern half of the state. SMSC is the only tribal casino-resort operator in the DEED seven-county Twin Cities metropolitan area planning region. GPBC, FDLB, and BFBC operate in the Northeast planning region. LLBO is in the Northwest region (except White Oak which is in the NE region). MLBO and LSIC are together in the Central region. PIIC is in the Southeast region and USIC is in the Southwest planning region.

## STUDY FRAMEWORK

This analysis is based on primary data from MIGA member tribes in response to a workforce survey of casino-resort employment, payrolls, employment taxes and benefit costs in 2005 (see appendix). Findings are reported for tribal casinos as a whole, and include just the casino-resort jobs, not any other tribal employment. Full-time employment is an important feature of the tribal casino workforce, since these jobs include employee benefits. In this analysis, wages and benefits are calculated for the weighted average full-time tribal casino employee. Unlike a simple average, the weighted average puts more emphasis on larger employers, since they have a greater influence on the typical casino-resort worker's wage and benefit compensation.

In 2005, the Minnesota economy had 2.6 million public and private sector jobs and a total payroll of \$108 billion.<sup>2</sup> One million jobs were in rural (non-metro) Minnesota with a payroll totaling \$33 billion. Casino-resorts are part of the leisure and hospitality industry, which includes arts, entertainment, and recreation, as well as accommodations and food service. The Minnesota leisure and hospitality industry has 250,000 employees, and 100,000 work outside the seven-county Twin Cities metropolitan area. The industry payroll was \$3.9 billion statewide and \$1.15 billion in rural Minnesota alone.

Tribal casino employee benefits are compared with the worker benefits offered by Minnesota private employers, using the first ever benefits survey conducted by the Minnesota Department of Employment and Economic Development in 2005.<sup>3</sup> The DEED survey was based on a stratified random sample of Minnesota private employers, and covers calendar year 2005, the same as the MIGA survey. Indeed, many questions in the MIGA survey came from the DEED questionnaire. DEED survey findings are reported for Minnesota collectively, and in more detail for eight industry sectors, six economic planning regions, and five employer size categories. Tribal casino-resorts are part of the leisure and hospitality industry. Tribal casino-resorts are located in all six DEED planning region. And all MIGA member tribes, except GPBC, had more than 250 employees, qualifying them as "very large" employers in the DEED survey framework.

The DEED survey is a fortunate reference for benchmarking the quality of tribal casino job benefits, however, comparisons between the two surveys carry a statistical footnote. The tribal casino analysis calculates the weighted mean average among many employees, but few employers. The DEED survey calculates the median (or middle most observation) for average employee among many employers. If firm sizes were distributed in a normal or bell curve, the median would equal the mean average. But tribal casino employers are all large, and large employers generally provide better employee benefits. Using weighted averages only bias further toward the compensation structure of members like SMSC and MLBO. Minnesota private employers, on the other hand, are predominately small and rural, especially in the leisure and hospitality industry. The DEED survey method tends to skew results toward the

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<sup>2</sup> "Quarterly Census of Employment and Wages." Minnesota Department of Employment and Economic Development. <http://www.deed.state.mn.us/lmi>

<sup>3</sup> "Minnesota Employee Benefits Survey." Spring 2005. Minnesota Department of Employment and Economic Development. <http://www.deed.state.mn.us/lmi>

compensation structure of smaller firms, where employee benefits are generally more limited. Both of these statistical methods are appropriate for their respective data, both surveys provide the best available information, and both studies reflect the typical worker and their employment benefits.

# TRIBAL CASINO WORKFORCE SURVEY FINDINGS

## EMPLOYMENT

**Tribal casino-resorts employed 12,900 workers in 2005.** The workforce included 11,100 full-time and 1,800 part-time positions. The average workforce (by tribal employer) was 1,150 jobs, with the largest at 3,800 positions and the smallest at 200 positions.

**Tribal casino-resorts brought 9,100 jobs to rural Minnesota.** TRIBAL CASINO casino-resorts outside the seven-county Twin Cities metropolitan area employed 7,900 full-time and 1,200 part-time positions in 2005. Seventy-two percent of TRIBAL CASINO (full-time) employees work in rural Minnesota.

**Tribal casino jobs offer workers easier access to healthcare and other benefits.** Hourly tribal casino employees need an average 32 hour workweek to qualify for full-time benefits. The median qualifying workweek among Minnesota private employers was also 32 hours, and was typical of very large employers. But according to the DEED survey, in the leisure and hospitality industry the median qualifying workweek was 35 hours, and in four of the six DEED planning regions a minimum of a 35 hour workweek.

**Tribal casino jobs go to Minnesotans.** Less than 4% of TRIBAL CASINO employees (550) were non-Minnesota residents. The most notable non-resident employers were casino-resorts located near the state border (PIIC, FDLC, MLBO, GPBC). Out-of-state employees are subject to the same state and federal employment taxes as Minnesota residents.

**Tribal casino average starting wage is higher than state or federal minimums.**

- The tribal casino workforce included 10,800 full and part-time hourly jobs. Sixty percent were tip-eligible positions and 40% were non-tip jobs. The (weighted) average starting wage for non-tip TRIBAL CASINO employees was \$7.11 an hour, with a range by employer from \$5.70 to \$9.30 an hour. For comparison, the federal minimum wage rate is \$5.15 an hour, and the Minnesota minimum rate is \$5.25 for small employers (annual sales < \$625,000) and \$6.15 for large employers.
- The (weighted) average tribal casino tip-eligible job had a starting wage of \$5.73 an hour, with an employer range from \$5.00 to \$6.75 an hour. The gross wage for tip-eligible employees is base pay plus gratuities. The federal minimum wage for tipped workers is \$2.13 an hour. Under Minnesota law, the minimum wage is \$6.15 an hour regardless of the tip potential. Only six other states set minimum wages for tip-eligible workers at the same level as non-tip workers. Minnesota also has a \$4.90 hourly training (90 day) rate for new employees under the age of 20. Tribal casino-resort workers must be at least 21 years old.



## PAYROLL

**Tribal casino-resort payrolls totaled \$335 million.** The total payroll for all 12,900 tribal casino-resort employees in 2005 was \$335 million.

**Tribal casino workers earned \$251 million in take-home pay.** The total tribal casino payroll was \$335 million, and after employee-paid taxes and benefit costs, tribal casino workers took home \$251 million in earnings. (Payrolls include tip income for tip-eligible employees.)

**Tribal casino jobs brought \$211 million in payroll to rural Minnesota.** Two-thirds of the \$335 million tribal casino payroll (\$211 million) was paid to casino-resort employees working outside the seven-county Twin Cities metropolitan area. Net earnings or take-home pay totaled \$159 million.

**Tribal casino payrolls support full-time jobs.** While part-time workers make up 15% of the tribal casino jobs, they earn only 7% of the total payroll. The remaining \$313 million (or 93%) goes to pay full-time employees. The (weighted) average full-time tribal casino employee earned \$29,900 in gross income and \$21,700 in take-home pay.

**Tribal casino workers earned \$24 million in paid time off.** Tribal casino employees got \$24 million in employer paid holiday, vacation and/or sick leave in 2005. This cost equals 8% of the full-time Tribal casino payroll and averaged \$2,200 per full-time employee. Employer-paid time off (PTO) is not an additional economic benefit because it is already captured in payrolls.

**Tribal casino workers are more likely to get employer-paid time off.** All full-time tribal casino employees received paid time off in 2005. PTO is a common employee benefit for full-time workers in very large firms, and generally among Minnesota private employers. According to the DEED survey, just 40% of leisure and hospitality employers offered workers paid vacation time, and only 20% offered paid holidays.

## EMPLOYMENT TAXES

**Tribal casino workforce (state and federal) employment taxes were \$90.3 million in 2005.**

Employees paid \$40.8 million in income taxes, including \$28.5 million in federal income tax withholdings and \$12.3 million in Minnesota state income tax withholdings.

Employees and employers shared (nearly equally) \$45.5 million in FICA (Federal Insurance Contributions Act) taxes, including \$38.5 million in Social Security (federal old age survivor's disability insurance) and \$7.0 million in Medicare (federal Medicare employee employment tax).

Employers paid \$4.0 million in other employment taxes, including \$2.3 million in unemployment insurance claims and \$1.6 million in worker compensation insurance claims.

**The average full-time tribal casino job paid \$8,500 in employment taxes.** The (weighted) average full-time tribal casino job contributed \$8,500 in state and federal taxes counting both employee and employer shares.

**Tribal casino employment taxes in rural Minnesota totaled \$65 million.** State and federal employment taxes on tribal casino jobs outside the seven-county Twin Cities metropolitan area totaled \$65.4 million in 2005.

## HEALTHCARE

**Tribal casino worker healthcare (medical and dental) insurance cost \$66 million in 2005.** Employers paid \$55.5 million (84%) of healthcare costs, while employees paid \$10.5 million. The MIGA survey did not ask, but many appeared to be partially or entirely self-insured, which would add to annual healthcare cost volatility.

**Tribal casino full-time worker healthcare benefits average \$7,500 a year.** The (weighted) average cost for medical and dental insurance was \$7,500 per full-time eligible employee, although it ranged from \$5,500 to \$9,000 per worker.

**Tribal casino jobs brought \$48 million in healthcare benefits to rural Minnesota.** Medical and dental insurance for tribal casino employees working outside the seven-county Twin Cities metropolitan area cost \$47.6 million or 72% of total tribal casino healthcare costs.

**Tribal casino workers are more likely to be offered healthcare benefits.** Every tribal casino full-time employee is offered medical and dental insurance coverage, as individuals or families. Healthcare coverage is a typical employee benefit with very large firms, but the DEED survey shows only 80% of Minnesota private sector employees offer medical benefits. In the leisure and hospitality industry, only half the full-time workforce is offered medical insurance.

### **Tribal casino workers are more likely to be enrolled in a healthcare plan.**

The average tribal casino employee must work 32 hours a week to qualify for healthcare benefits. According to the DEED survey, a 32 hour qualifying workweek is standard for very large firms and Minnesota private employers generally. In the leisure and hospitality industry, the typical qualifying workweek is 35 hours, and throughout much of rural Minnesota the minimum workweek is 35 hours or longer.

New tribal casino employees must wait 90 days from the date of hire before being eligible for employer healthcare benefits. (The one exception is GPBC where the waiting period is 180 days, but then GPBC pays 100% of the cost, which is the most generous plan of any tribal casino employer.) In the DEED survey, about three-quarters of Minnesota private employers, very large firms, and leisure-hospitality employers required new employee healthcare benefit waiting periods. The length of waiting periods was not asked in the DEED survey, but waiting periods are generally seen as an employer cost containment measure.

83% of eligible tribal casino employees were enrolled in employer healthcare plans. Presumably, the other 17% got cheaper coverage elsewhere, such as a spouse's plan, or declined coverage because the employee premium was unaffordable. By comparison, less than two-thirds of eligible (full-time) Minnesota private sector employees participate in employer healthcare plans. According to the DEED survey, fewer than 40% of eligible (full-time) workers in the leisure and hospitality industry were enrolled in employer-sponsored healthcare plans.

All tribal casino full-time eligible workers are offered single or family dental care insurance. The DEED survey shows most very large employers (95%) offer single and family dental coverage, but only 29% of Minnesota private employers statewide offer single coverage, and fewer offer family dental plans. In the leisure and hospitality industry just 15% of employers offer full-time workers (single or family) dental care insurance.

**Tribal casino employer subsidies make worker medical insurance more affordable.** Medical insurance cost subsidies by tribal casino employers make the cost of medical insurance more affordable for casino-resort workers. The (weighted) average tribal casino employer medical insurance subsidy or cost share was 83% of single coverage (the employee) or 80% of family coverage. Very large employers in the DEED survey paid 80% of single medical insurance coverage or 75% of family coverage. Minnesota private employer (at the median) paid the entire single coverage cost or 50% of family coverage. The 100% employer cost share results from the large number of small employers in the DEED survey, who typically pay all single coverage medical insurance costs. Leisure and hospitality employers only paid 66% of the cost of single coverage or 50% of family coverage. Vision care is sometimes classified as a separate healthcare benefit, but most tribal casino survey respondents indicated eye care was part of the employer medical plan.

**Tribal casino employer subsidies make worker dental insurance more affordable.** The

(weighted) average tribal casino employer dental insurance subsidy or cost share was 73% of single coverage and 70% of family coverage. Unlike the MIGA survey, the DEED survey includes jointly shared costs, which makes comparisons difficult. In the most understated case, if Minnesota private employers pay their full share (47%), plus the entire employer-employee joint share (36%), the employer subsidy would equal 83%. If the employer paid only half the joint share, the employer subsidy would equal 70%, a figure comparable to the tribal casino employer subsidy. Compared to the typical Minnesota private employer, very large firms are more likely to subsidize dental care benefits and leisure and hospitality industry employers are less likely.

**Tribal casino workers have better access to flexible medical spending accounts.** Seven of nine tribal casino employers offer flexible medical spending accounts, which allow employees to set aside pre-tax income to pay for qualifying medical expenses. Just 19% of Minnesota private employers offered flexible medical spending accounts according to the DEED survey. Flexible medical spending accounts are common among very large employers (91%), but rare (7%) in the leisure and hospitality industry.

## RETIREMENT SAVINGS

**Tribal casino workforce retirement savings increased \$14.7 million in 2005.** Full-time tribal casino employees (except for USIC) can participate in a (401k) defined contributions retirement savings plan. Tribal casino employers (except for USIC and GPBC) also allow part-time employees to participate in 401k savings plans. The (weighted) average full-time tribal casino employee saved \$1,400 in 2005, with a range for individual member from \$300 to \$2,200. For comparison, the average 2005 Social Security tax contribution of a full-time tribal casino employee was \$3,600.

**Tribal casino employers paid \$6.0 million (40%) of worker retirement savings.** Tribal casino employers typically contributed between 2% to 5% of worker earnings to retirement accounts. In some cases, the employee contribution was matched by the employer, e.g. 50% of the first 6% in earning, or the employer contribution was unconditional, and the employee can contribute what they like, up to federal limits.

**Retirement savings of rural tribal casino workers increased \$10.6 million.** Tribal casino workers outside the seven-county Twin Cities metropolitan area increased their retirement savings in employer sponsored (401k) defined contribution plans by \$10.6 million in 2005. Rural tribal casino employers contributed \$5.9 million (56%) of the total increase.

**Tribal casino workers have better access to retirement savings plans.** While all tribal casinos, except USIC, have employer sponsored (401k) retirement savings plans, less than half (46%) of Minnesota private employers offer a retirement savings plan. According to the DEED survey, retirement plans are most common with very large firms (95%) and in the Twin Cities planning region (50%), but only 14% of leisure and hospitality employers offer this benefit. The widespread eligibility of part-time tribal casino employees to participate in retirement plans is

also above the standards of Minnesota private employers (20%) and the leisure-hospitality industry (7%).

## OTHER JOB BENEFITS

**Tribal casino workers earned more than \$7.0 million in additional benefits in 2005.** Tribal casino workers were offered or provided other employee benefits, including life and disability insurance. The (weighted) average cost per full-time tribal casino employee was at least \$600. Miscellaneous benefits may include food and beverages, employee discounts, worker assistance programs, or other kindred benefits.

**Tribal casino jobs brought \$4.0 million in other employee benefits to rural Minnesota.** For tribal casino workers outside the seven-county Twin Cities metropolitan area the cost of other employee benefits were at least \$4.1 million in 2005.

**Tribal casino workers are more likely to have life insurance.** All full-time tribal casino workers are offered life insurance and are covered under basic employer-paid policies, with the exception of USIC, which only offer employee-paid life insurance benefits. In addition, all tribal casino employees can increase coverage at their own expense. According to the DEED survey, just two-thirds of Minnesota private employers offer full-time workers life insurance, with 60% of eligible employees participating. Very large firms typically (88%) offer life insurance benefits, but only 35% of full-time leisure and hospitality workers have benefits offered.

**Tribal casino workers are more likely to have disability insurance.** Disability insurance gives a worker partial income protection from disabilities that prevent them from working and earning a paycheck. Short-term disability insurance replaces (part of) lost earnings for brief recovery periods, while long-term insurance protects against permanent disabilities that prevent the worker from returning to the workforce.

Six of nine tribal casino employers (covering 93% of tribal casino full-time workforce) offer employees short-term disability insurance. Three employers pay the full cost, while three offer employee-paid coverage. According to the DEED survey, half the workers in the Minnesota private sector, and just 21% of leisure and hospitality workers, are offered short-term disability benefits. Among very large firms, 77% of employees were offered short-term disability plans.

Six of nine tribal casino employers (covering 74% of tribal casino full-time workforce) offer employees long-term disability insurance. Four employers pay the full cost, and two offer employee-paid policies. The share of private sector employees offered long-term disability insurance is about the same as with short-term disability benefits. Tribal casino workers are still more likely to be offered long-term disability insurance than private sector workers generally, or leisure and hospitality workers, and as likely as workers in very large firms.

Only PIIC offers part-time workers employee-paid short-term and/or long-term disability

insurance. Just 9% of part-time workers with Minnesota private employers were offered short-term disability insurance, according to the DEED survey, and a similar share are offered long-term disability insurance.

**Tribal casino workers have better access to flexible child care spending accounts.** Six of nine tribal casino employers (covering 85% of tribal casino full-time workforce) offer employees flexible child care spending accounts. These accounts are pre-tax earnings set aside for qualifying child care expenditures, similar to flexible medical spending account. Just 15% of employers in the DEED survey offered workers child care spending accounts. While child care accounts are common among very large employers (89%), only 3% of employers in the leisure and hospitality industry offer this benefit.

**Tribal casino workers have better access to educational assistance.** Four of nine tribal casino employers (covering 75% of the tribal casino full-time workforce) offer employees tuition reimbursement or educational assistance. In the Minnesota private sector only 20% of firms offer tuition reimbursement, according to the DEED survey. Educational assistance is common among very large employers (80%), but only 7% of employers in the leisure and hospitality industry offer full-time employees this benefit.

## TRIBAL CASINO PAYROLL IMPACT ON LOCAL ECONOMIES

The Minnesota economy generated \$108 billion in wages and salaries for private and public employees in 2005. The total tribal casino payroll (\$335 million) accounted for three-tenths of one percent – or about one payroll dollar in every \$310 statewide. Outside the seven-county metropolitan area, tribal casino payrolls contributed 0.6% of all rural Minnesota wages in 2005, or twice the significance of tribal casino payrolls statewide. The Minnesota leisure and hospitality industry had a \$3.9 billion payroll in 2005, and the total tribal casino payroll was less than 1% of the statewide industry total. However, in rural Minnesota, tribal casino payrolls accounted for 18% of the rural industry payroll.

At the local level, tribal casino payrolls made significant contributions to the local economy, as shown in the chart below.

<b>Casino</b>	<b>Payroll</b>	<b>% of</b>	<b>Local Area</b>	<b>Total 2005 wages*</b>
<i>All MIGA TRIBE CASINOS</i>	<i>\$335 million</i>	<i>0.3%</i>	<i>Minnesota</i>	<i>\$108 billion</i>
<b>rural TRIBAL CASINOS</b>	<b>\$211 million</b>	<b>0.6%</b>	<b>rural Minnesota</b>	<b>\$33 billion</b>
<b>rural TRIBAL CASINOS</b>	<b>\$211 million</b>	<b>18%</b>	<b>rural MN leisure &amp; hospitality industry</b>	<b>\$1.15 billion</b>
<b>SMSC</b>	<b>\$125 million</b>	<b>8%</b>	<b>Scott County</b>	<b>\$1.50 billion</b>
<b>MLBO</b>	<b>\$75 million</b>	<b>17%</b>	<b>Pine &amp; Mille Lacs Counties</b>	<b>\$446 million</b>
<b>PIIC</b>	<b>\$46 million</b>	<b>7%</b>	<b>Goodhue County</b>	<b>\$700 million</b>
<b>LLBO</b>	<b>\$28 million</b>	<b>13%</b>	<b>Cass County (only)</b>	<b>\$227 million</b>
<b>FDLB</b>	<b>\$20 million</b>	<b>5%</b>	<b>Carlton County (only)</b>	<b>\$410 million</b>
<b>LSIC</b>	<b>\$20 million</b>	<b>13%</b>	<b>Renville County</b>	<b>\$155 million</b>
<b>BFBC</b>	<b>\$10 million</b>	<b>0.3%</b>	<b>St. Louis County</b>	<b>\$3.1 billion</b>
<b>USIC</b>	<b>\$7 million</b>	<b>6%</b>	<b>Yellow Medicine County</b>	<b>\$117 million</b>
<b>GPBC</b>	<b>\$4.4 million</b>	<b>6%</b>	<b>Cook County</b>	<b>\$68 million</b>

\* Quarterly Census of Employment and Wages, Minnesota Department of Employment and Economic Development.

## STATISTICAL SUMMARY

### Tribal casino-resort workforce economic benefits in 2005

**Statewide Minnesota economic benefits totaled \$429 million, including:**

- \$251 million in take-home pay, counting \$24 million in paid time off
- \$90 million in employment taxes
- \$66 million in medical and dental healthcare benefits
- \$15 million in 401k retirement savings
- \$7 million plus in life/disability insurance and other benefits

Total statewide workforce of 12,900 jobs, including 11,100 full-time positions

**Average full-time tribal casino job cost \$39,700, including:**

- \$21,700 in take-home pay, counting \$2,200 in paid time off
- \$8,500 in employment taxes
- \$7,500 in medical and dental healthcare benefits
- \$1,400 in retirement savings
- \$600 plus in life/disability insurance and other benefits

Average tribal casino full-time employee W2 income was \$29,900

**Rural Minnesota economic benefits totaled \$285 million, including:**

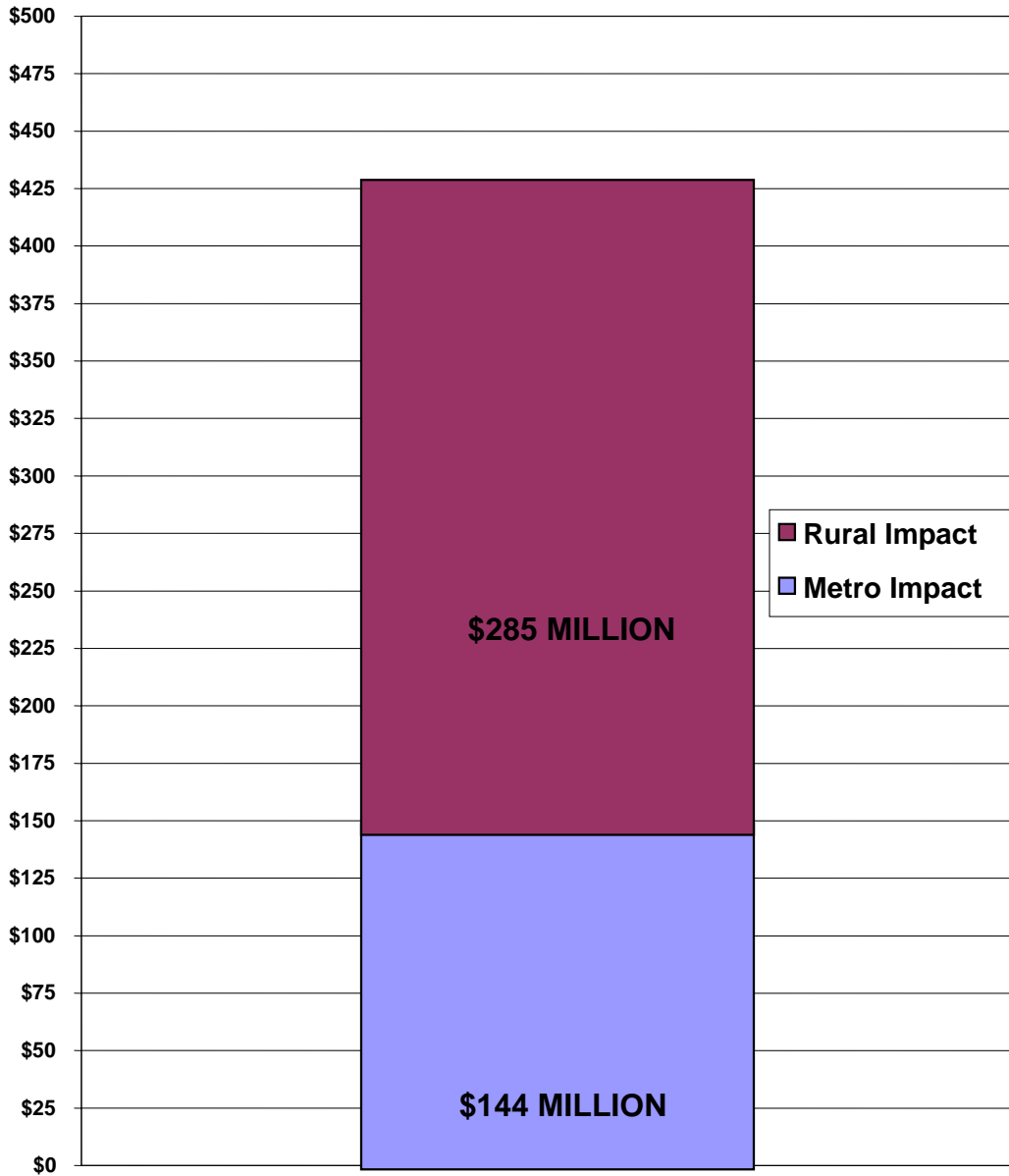
- \$159 million in take-home pay, counting \$14 million in paid time off
- \$65 million in employment taxes
- \$48 million in medical and dental healthcare benefits
- \$10 million in 401k retirement savings
- \$4 million plus in life/disability insurance and other benefits

Total rural workforce of 9,100 jobs, including 7,900 full-time positions



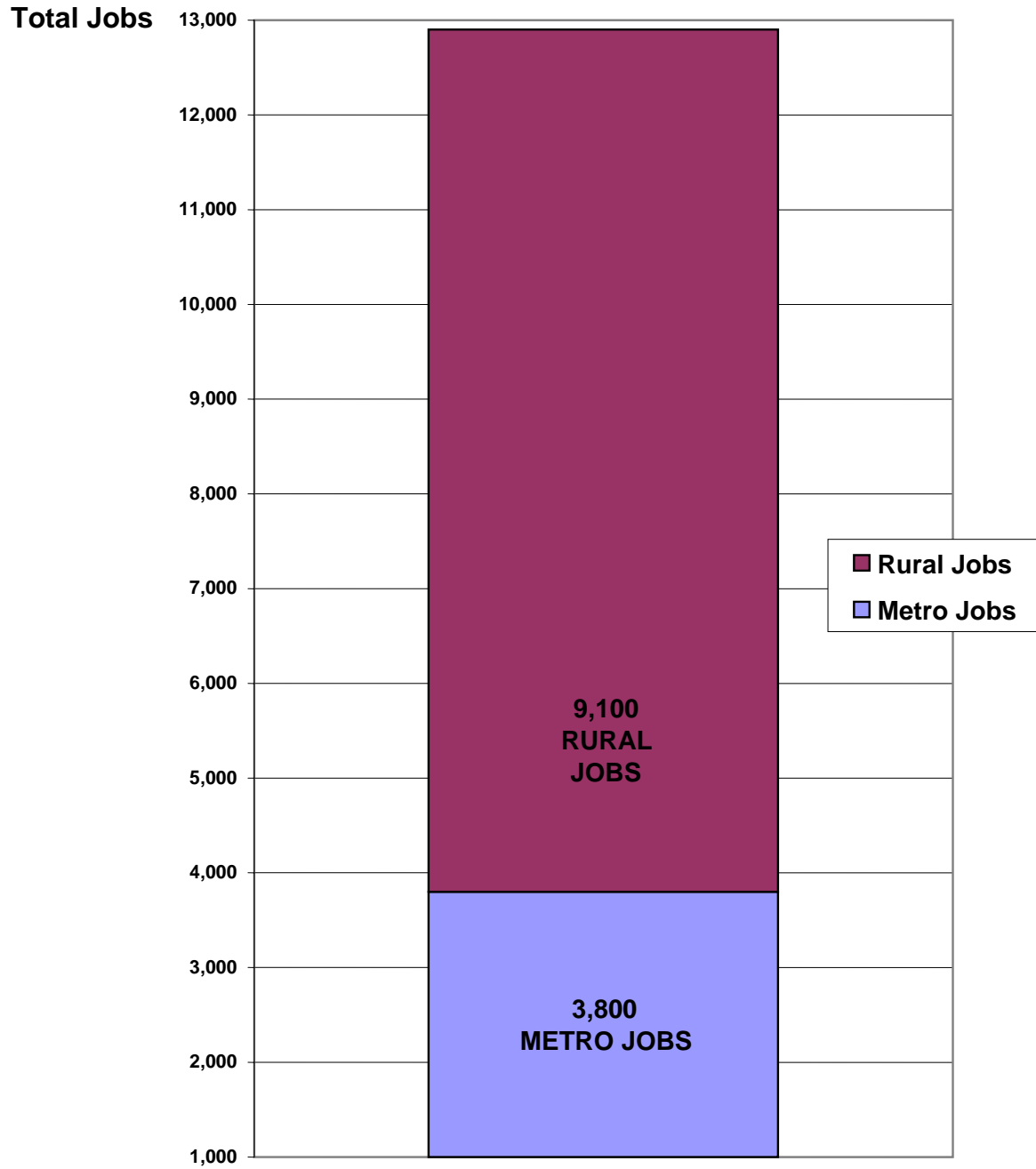
# APPENDIX/CHART 1

## 2005 TRIBAL CASINO-RESORT DIRECT WORKFORCE IMPACT In Millions of Dollars



## APPENDIX/CHART 2

### 2005 TRIBAL CASINO-RESORT EMPLOYMENT

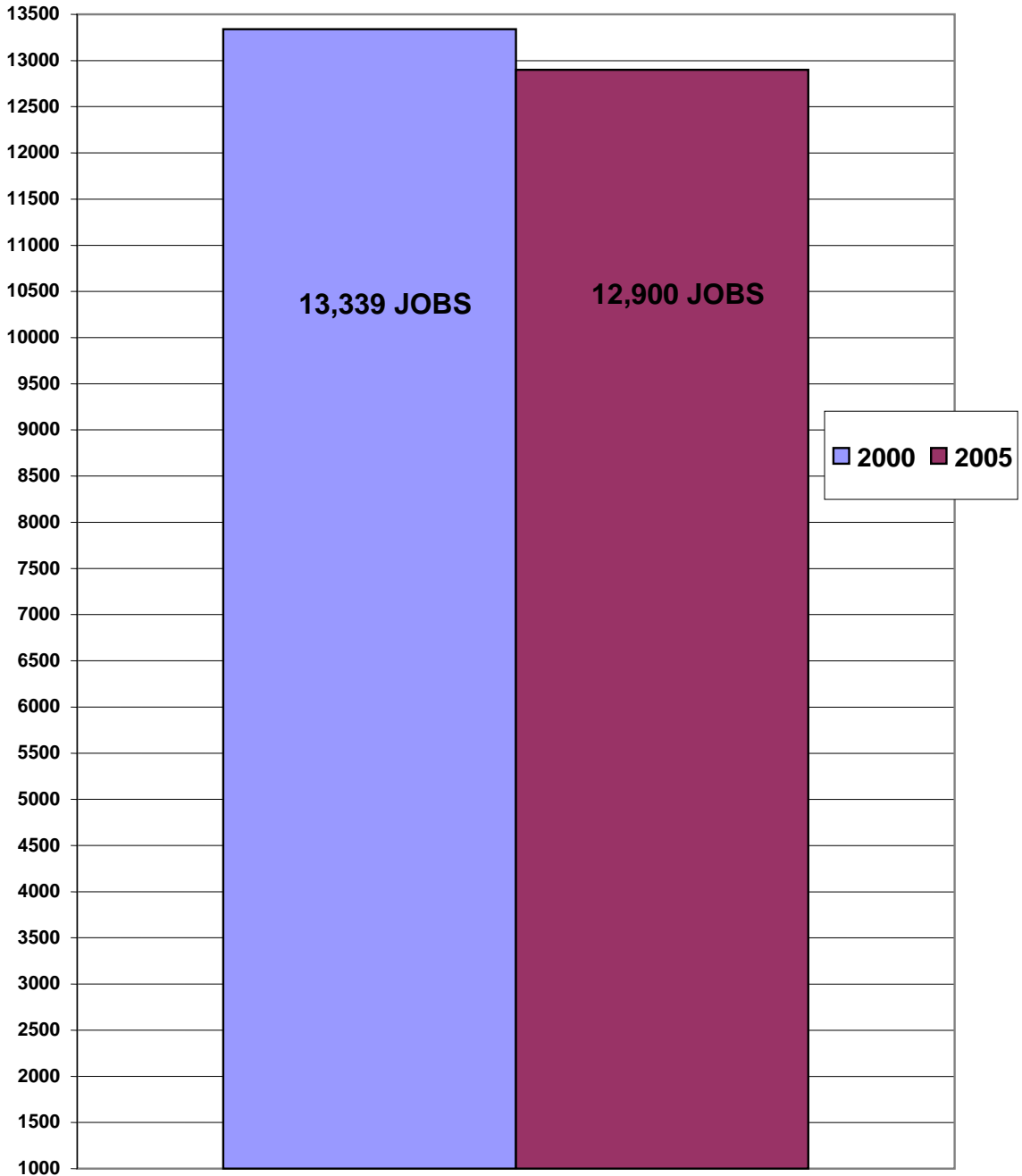


# APPENDIX/CHART 3

## EMPLOYMENT COMPARISON, 2000 TO 2005

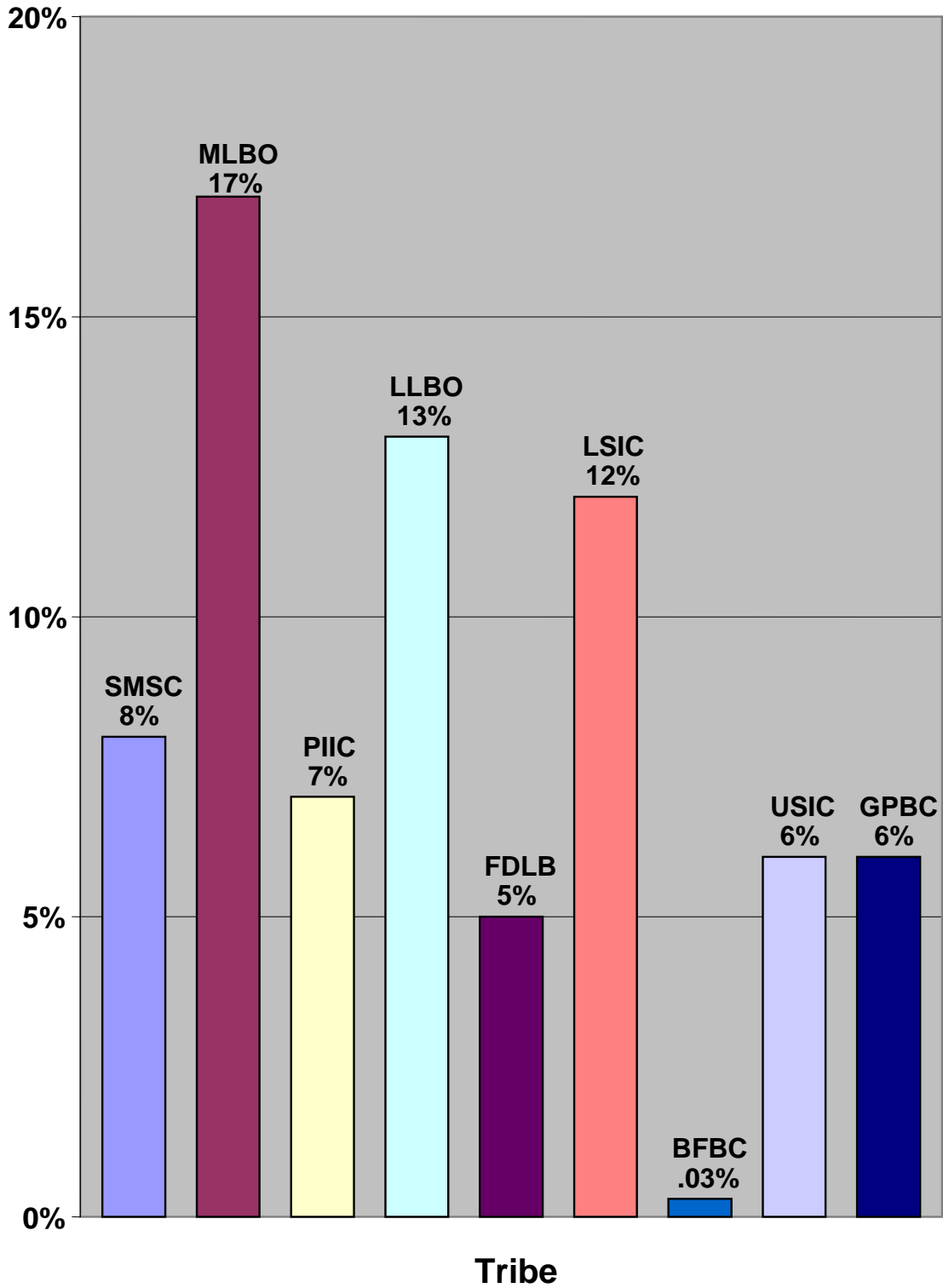
### TRIBAL CASINO-RESORTS

Total Jobs



# APPENDIX/CHART 4

## TRIBAL CASINO WAGES AS PERCENTAGE OF HOME COUNTY WAGES



## Appendix 5/MIGA Tribal Casino Workforce Survey Questionnaire

### Workforce - for calendar year 2005:

- 1) How many workers were employed? \_\_\_\_\_
- 2) How many workers were full-time hourly employees? \_\_\_\_\_
- 3) How many hours qualify as full-time? \_\_\_\_\_
- 4) How many workers were part-time hourly employees? \_\_\_\_\_
- 5) How many workers were salaried employees? \_\_\_\_\_
- 6) How many workers were non-tip hourly employees? \_\_\_\_\_
- 7) How many employees were not Minnesota residents? \_\_\_\_\_

### Payroll - for calendar year 2005:

- 8) What was total W2 payroll (including tips and PTO)? \$ \_\_\_\_\_
- 9) What was W2 payroll for full-time employees only? \$ \_\_\_\_\_
- 10) How many employees had W2 incomes over (2x co. avg.) \_\_\_\_\_
- 11) What was the minimum wage rate for non-tip hourly employee? \$ \_\_\_\_\_/ Hr
- 12) What was the minimum wage rate for tip-eligible hourly employee? \$ \_\_\_\_\_/ Hr
- 13) Does the firm offer paid time off (sick leave, vacation, holidays)? YES \_\_\_ NO \_\_\_
- 14) What was the total cost of paid time off in 2005? \$ \_\_\_\_\_

### Employment taxes - for calendar year 2005:

- 15) What was the total federal income tax withheld? \$ \_\_\_\_\_
- 16) What was the total state income tax withheld? \$ \_\_\_\_\_
- 17) What was total worker contribution to Social Security? \$ \_\_\_\_\_
- 18) What was total firm contribution to Social Security? \$ \_\_\_\_\_
- 19) What was total worker contribution to Medicare? \$ \_\_\_\_\_
- 20) What was total firm contribution to Medicare? \$ \_\_\_\_\_
- 21) What was total cost of Unemployment Compensation? \$ \_\_\_\_\_
- 22) Is the firm self insured? YES \_\_\_ NO \_\_\_
- 23) What was total cost of Workers' Compensation? \$ \_\_\_\_\_
- 24) Is the firm self insured? YES \_\_\_ NO \_\_\_

### Health care - for calendar year 2005:

- 25) Does the firm offer employee MEDICAL insurance? YES \_\_\_ NO \_\_\_
- 26) What percent of eligible employees is enrolled? \_\_\_\_\_%
- 27) How many hours (per week) are needed to qualify? \_\_\_\_\_Hrs
- 28) What share of single (employee) coverage does the firm pay? \_\_\_\_\_%
- 29) Does the firm offer family medical coverage? YES \_\_\_ NO \_\_\_
- 30) What share of family coverage does the firm pay? \_\_\_\_\_%
- 31) What is the typical waiting period to qualify for health care benefits \_\_\_\_\_
- 32) Does firm offer employee DENTAL insurance? YES \_\_\_ NO \_\_\_
- 33) What share of single (employee) coverage does the firm pay? \_\_\_\_\_%
- 34) Does the firm offer family dental coverage? YES \_\_\_ NO \_\_\_
- 35) What share of family coverage does the firm pay? \_\_\_\_\_%
- 36) Does the firm offer employee VISION insurance? YES \_\_\_ NO \_\_\_

- 37) What share of single (employee) vision coverage does the firm pay? \_\_\_\_\_%
- 38) Does the firm offer flexible medical spending accounts? YES\_\_\_NO\_\_\_
- 39) What was total firm health care cost in 2005 (medical, dental, vision)? \$ \_\_\_\_\_
- 40) What was total employee health care cost (medical, dental, vision)? \$ \_\_\_\_\_

**Life and Disability** - for calendar year 2005:

- 41) Does the firm offer LIFE insurance? YES\_\_\_NO\_\_\_
- 42) What share of life insurance cost does the firm pay? \_\_\_\_\_%
- 43) Do part-time employees qualify for life insurance? YES\_\_\_NO\_\_\_
- 44) Does the firm offer short-term DISABILITY insurance? YES\_\_\_NO\_\_\_
- 45) What share of short-term disability insurance does firm pay? \_\_\_\_\_%
- 46) Do part-time employees qualify for short-term disability insurance? YES\_\_\_NO\_\_\_
- 47) Does the firm offer long-term DISABILITY insurance? YES\_\_\_NO\_\_\_
- 48) What share of long-term disability insurance does firm pay? \_\_\_\_\_%
- 49) Do part-time employees qualify for long-term disability insurance? YES\_\_\_NO\_\_\_
- 50) What was total life and/or disability insurance costs to the firm? \$ \_\_\_\_\_
- 51) What were total life and/or disability insurance costs to workers? \$ \_\_\_\_\_

**Retirement** - for calendar year 2005:

- 52) Does the firm offer a retirement savings plan? YES\_\_\_NO\_\_\_
- 53) Do part-time workers qualify for retirement savings? YES\_\_\_NO\_\_\_
- 54) Are workers offered a defined benefits (pension) plan? YES\_\_\_NO\_\_\_
- 55) Are workers offered a defined contributions (401k) plan? YES\_\_\_NO\_\_\_
- 56) What is the employer (401k) match (e.g. 50% on first 5%)? \_\_\_\_\_
- 57) What was total retirement contribution by firm in 2005? \$ \_\_\_\_\_
- 58) What was total retirement contribution of workers in 2005? \$ \_\_\_\_\_

**Other employee benefits** - for calendar year 2005:

- 59) Does firm offer tuition/educational assistance or reimbursement? YES\_\_\_NO\_\_\_
- 60) What was total assistance/reimbursement cost in 2005? \$ \_\_\_\_\_
- 61) Does the firm offer child care spending accounts? YES\_\_\_NO\_\_\_
- 62) What other employee benefit does the firm offer? \_\_\_\_\_
- 63) What was cost to the firm for this benefit? \$ \_\_\_\_\_