

MAINE GAMBLING CONTROL BOARD

June 21, 2016

09:00 – 11:30am

45 Commerce Drive Suite #3

Augusta, Maine 04330

Meeting opened at 9:00 am

Board members present: Tim Doyle, Chair; Barbara Dresser Board Member; Robert Harmon Board Member, Greg McNeal Board Member.

Staff present: Detective Don Armstrong, Auditor Donald Berrie, Inspector Supervisor Vicki Gardner, Office Specialist I Janine Collins, Office Assistant II Mallory Reilly, Executive Director Patrick Fleming.

Legal counsel present: Assistant Attorney General Ron Guay,

Introductions:

The Board introduced themselves followed by introductions of the staff and counsel by Executive Director Fleming.

Review of the minutes: 05/16/2016

Motion to accept the minutes: Robert Harmon, Board Member

Second: Greg McNeal, Board Member

Vote: Unanimous

Executive Director Report: Legislature – The Executive Director has been doing some research on the advanced deposit wagering rules that the Board is required to adopt in order to regulate this new form of betting. He has reviewed several states rules and He is getting a better idea of how this process works and what rules would work best for the State of Maine. His plan is to bring the proposed rules to the Board at the September meeting for approval prior to going out to rulemaking. We have started collecting names and addresses of interested parties in order to keep them informed of the process as it moves forward.

Budget– We are at the end of this fiscal year and have come in under budget. It was somewhat confusing earlier in the year when our general fund all other account was swapped to our special revenue account but we kept on top of it and things worked out as they should. Beginning in July we will be back to coding things from our general fund budget as we have in the past.

FBI Audit – Just a reminder that we are being audited by the FBI this afternoon on our process for handling results from the fingerprint based background checks. He met with them and was a representative from OIT there to explain what security measures are in place to protect the information. This audit is just informational because it is the first time we are being audited. The FBI will send us a report with recommendations and then we will have to make adjustments in order to come into compliance.

PBT Upload – We have been working with Scientific Games and Oxford Casino to allow members of the Oxford Casino Players Club to put free slot play back (promo credits) on their card if they want to change machines or use the credits another day. In the past if the player was given free slot play they would have to use it all in one sitting because there wasn't a mechanism to track the credits if they were put back on the card. Oxford Casino upgraded their players club system and wanted to allow their players the ability to put promo credits back on their cards. Scientific Games has been working for several months to adjust their system to be able to accurately track these credits as they moved around. Sci Games made the necessary adjustments and the new tracking system was started last Wednesday, June 15th. The system is working well and is definitely a benefit to the players.

New England Consortium on Problem Gambling – On May 24th he attended the New England Consortium on Problem Gambling sponsored by the Massachusetts's Council on Compulsive Gambling. It was a one day event that had representatives from most of the New England States. Part of the discussion centered on the creation of a regional self-exclusion list. There was a lot of interest in the creation of the list but there were also hurdles pointed out and there's still work that needs to be done before something could be brought forward.

There was also a presentation regarding gambling addiction services being provided in the corrections system of Massachusetts for gambling addicted prisoners to prepare them for reintegration. Something they started doing is asking prisoners when they are being entered into the system about potential gambling addiction. It is something that hadn't been done in the past and they were finding a correlation between gambling addicted persons and reoffenders. They are now working with those prisoners and trying to help them prior to getting out and following up with them after they are released.

Massachusetts is also introducing a system called "Play My Way" which allows the patron to set limits on how much they want to play and the machine will warn them as they reach certain plateaus approaching their budgeted amounts. This is a strictly voluntary program and does not restrict the patron's play it just gives them advisories. This is a first of its kind program and was developed by Scientific Games. This system in in the Plainridge Park Casino and its effectiveness is being evaluated.

Jill Tobey – as the Executive Director had informed the Board Auditor Tobey has taken a new position at the Bureau of Insurance. Her last day was last Friday the 17th. He wanted to publicly express his gratitude to her for the hard work and dedication she had displayed during her time here. Auditor Berrie will be taking over Auditor Tobey's duties until a replacement can be found.

License Hearing – There will be an employee licensing hearing at the July meeting. A licensed employee was caught falsifying records on the casino floor. The employee has been since terminated but the violation rises to the level of Board action.

Auditors Report: May 2016 tax revenue was \$4,561,000 a decrease of \$139,000, or 3% from the same period in 2015. Year-to-date revenue through May 31st was \$21,593,000, an increase of \$1, 017,000 or 5% higher than the same period in 2015. We are now into the second quarter of calendar 2016. First quarter results were reported to you at the last meeting and partial second quarter results ended May 31st were \$8,988,000 or a decrease of \$167,000 or 2% from the same period in 2015.

The revenue trend chart depicts relative monthly performance over a three-year period. The chart also demonstrates that general revenue pattern has been consistent over time, with revenue dollars at their peak during the summer, tapering off during the fall and winter and then rebounding in the spring.

You have also received reports for Hollywood and Oxford Casinos showing monthly, quarterly and year-to-date allocations of these revenues for calendar year 2016.

Since we are only partially through the second quarter, hold compliance will not be reported until after June data can be included.

Audit Program: Due to the recent resignation of Auditor Tobey the on-site review activity will be postponed until a replacement can be brought on board and brought up to speed. Auditor Berrie thanked Jill for the energy and insight she brought to our on-site review program. She has provided valued enhancement and professionalism to the program for which I am grateful

State Police Report: Detective Armstrong informed the board incident in Oxford, 2 patrons use heroin in the parking lot, arrested and charged. 30 new and 67 renewals with 25 pending.

Unfinished Business: None

New Business: IC change for Hollywood Casino Bangor

Motion: Bob Harmon to reduce slot count employees to be consistent with the table games count.

Seconded: Greg McNeal

Vote: Unanimous

Penn National Recognition

Advertising Question- Goggle Search Tabled for more research

Public Comment: None

Motion to adjourn: Barbara Dresser, Board Member

Second: Robert Harmon, Board Member

Vote: Unanimous

Meeting Adjourned: 11:00am

Next meeting is July 19, 2016 at the Gambling Control Board Room

45 Commerce Drive, Augusta ME 04330

Respectfully submitted by Janine Collins Office Specialist I