



STATE OF MAINE
Department of Public Safety
Gambling Control Board
87 State House Station
Augusta, Maine
04333-0087

JANET T. MILLS
GOVERNOR
MICHAEL SAUSCHUCK
COMMISSIONER

STEVEN SILVER
CHAIRMAN
MILTON CHAMPION
EXECUTIVE DIRECTOR

Gambling Control Board
Minutes of November 17, 2020 Board Meeting
Held online via Zoom application.

CALL TO ORDER

Chairman Steven Silver called the meeting to order at 9:00 am via Zoom application online due to the current Coronavirus pandemic.

MEMBERS PRESENT ONLINE

Steven Silver, Board Chair
Robert Harmon
Andrew Conant
Dr. Charmaine Brown

STAFF PRESENT ONLINE

Milton Champion, Executive Director
Vicki Gardner, Inspector Supervisor
Mallory Reilly, Office Specialist I
James Horr, Auditor
Det. Don Armstrong

Katie Johnson, Assistant Attorney General
Ron Guay, Assistant Attorney General
John Nichols, Assistant Attorney General
Michael Sauschuck, DPS Commissioner

MINUTES REVIEW AND APPROVAL

October 2020 Meeting Minutes

Mr. Robert Harmon moves to approve the October 2020 Board minutes as printed. Dr. Charmaine Brown seconded the motion, moves to roll call.

Members

Steven Silver: Yea
Bob Harmon: Yea
Andrew Conant: Yea
Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Champion provides his report to the Board. In October 2020 there were 6 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 671 observations, 29 checklists. There was 1 formal complaint of potential violations. The Unit had 2 minor violations that were being monitored from the activity log and 0 patron complaints. (7) dispositions of formal reports sent to members for review per statute. There were 11 self-exclusions.

For the month of October 2020, the Unit has identified a decrease of 26.5% in total tax revenue for both facilities versus October 2019. A decrease of 7.0% from last month. Year to date there has been an identified decrease of 50.3% versus last year at the same time and 3.0% less than last month's year to date. Therefore, the Unit is seeing increasing revenues each month.

Oxford reported a 9.4% win for the month of October from slots and 20.4% win from table games. Oxford's payback percentage was 90.6%. Average gross win per machine of \$151.16. Hollywood reported a 10.4% average win for the month of October from slots and 34.7% win from table games. Hollywood's payback percentage was 89.6%. Average gross win per machine was \$333.85.

STATE POLICE REPORT

Detective Don Armstrong presents his report to the Board. He informs Members that 22 Initial applications and 36 renewal applications were investigated and completed, with 34 applications currently still pending. Criminal activity was quiet in the past month, there were 2 Tito thefts and all funds were recovered. Detective Armstrong completed the suitability investigation of 2 companies which will be presented later in the meeting. Oxford Police Department responded to the Casino 8 times, and Bangor Police Department responded to the Casino 6 times, both numbers may include calls to the adjoined Hotel and not just to the Casino floors themselves.

Consent Agreements – AAG Ron Guay

AAG Ron Guay presented four consent agreements for Board approval, all of which are to remain confidential. The Board was given necessary information regarding each consent agreement ahead of the meeting. The complaint committee recommended each outcome for all four consent agreements, and the Office of the Attorney General signed off on each agreement.

GCB 2019-28 – This consent agreement pertains to activity at a casino in particular the shuffling of cards and resulted in a fine to the facility in the amount of \$1,582.

Mr. Robert Harmon moves to adopt this consent agreement as presented. Dr. Charmaine Brown seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

GCB 2019-33 – There was a shuffler issue, and as a result there were fewer than 52 cards offered for play. A warning is recommended in this case and not a monetary fine. The facility has taken legitimate steps to ensure this incident does not happen again.

Mr. Robert Harmon moves to adopt this consent agreement as presented. Dr. Charmaine Brown seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

GCB 2019-37 – Similar to the previous incident, a shuffler issue occurred but at the other facility. A warning is recommended and not a monetary fine.

Mr. Robert Harmon moves to adopt this consent agreement as presented. Dr. Charmaine Brown seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

GCB 2020-40 – A facility allowed a minor to enter the gaming floor for 43 minutes and did not discover the minor's age until they attempted to cash out chips. The facility understood the seriousness of the incident, took the proper steps to correct the situation, and gave the proper training to the employees involved.

Dr. Charmaine Brown moves to adopt this consent agreement as presented. Mr. Andrew Conant seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

LICENSE APPLICATIONS

Aruze Gaming – Ms. Nadia Akopyan, Director of Regulatory Compliance, gave a PowerPoint presentation outlining the company's products and Key Executives. Aruze Gaming presented an electronic Craps Table Game which includes slot machine technology and table game gameplay, which won the Platinum Award for the most innovative product of the year. Detective Armstrong gave his report of findings when investigating the company and its Key Executives; all checks came back with no adverse reports. Christian Smith, CPA from Wipfli reviewed the company's financial suitability; his analysis concluded that the company and its keys meet the requirements

of financial responsibility. Executive Director Champion stated that after reviewing the State Police interviews, the financial review by Wipfli, and any other material brought to his attention, it is the opinion of the Department that Aruze Gaming is suitable for licensing as a table games distributor in the State of Maine.

Mr. Robert Harmon moves to approve Aruze Gaming for Table Games Distributor license. Mr. Andrew Conant seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

Glory Global – Mr. Joseph Wilcox, Regulatory Compliance Manager, presented to the Board what it is that Glory Global does. The company manufactures Cash Handling equipment, not only for Casinos but for financial institutions as well. The equipment Glory Global will be providing to the Casinos in Maine is a fully automated Tito redemption kiosk, which also has ATM functionality. Detective Armstrong gave his report of findings when investigating the company and its Key Executives; all checks came back with no adverse reports. Christian Smith, CPA from Wipfli, reviewed the company's financial suitability; his analysis concluded that the company and its keys meet the requirements of financial responsibility. Executive Director Champion stated that after reviewing the State Police interviews, the financial review by Wipfli, and any other material brought to his attention, it is the opinion of the Department that Glory Global is suitable for licensing as a Gaming Service Vendor in the State of Maine.

Mr. Robert Harmon moves to approve Glory Global for Gaming Service Vendor license. Dr. Charmaine Brown seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

UNFINISHED BUSINESS

N/A

NEW BUSINESS

Internal Controls – Hollywood Casino –

Ronnie Little, Dir. of Finance, presented the requested changes to the Board. Hollywood Casino is requesting Internal Control changes that would allow them to include additional wagers for free bet and match play coupons for table games players. Currently they can use their coupons for two bets, one on blackjack and one on craps. This change would allow them to have multiple bets to

choose from, including roulette or any novelty games. It would also change the language to allow players to double down for less than or equal to their bet on blackjack; as it is written now it has to be equal to the amount of the coupon.

Katie Johnson, AAG, stated that these changes seemed consistent with chapter 29 of the Rules, and that the existing internal controls do not really address promotional credits and match play.

Dr. Charmaine Brown moves to approve the requested changes to the Hollywood Casino internal controls. Mr. Robert Harmon seconded the motion.

Members

Steven Silver: Yea

Bob Harmon: Yea

Andrew Conant: Yea

Dr. Charmaine Brown: Yea

The motion passed 4 in favor.

PUBLIC COMMENT

N/A

Executive Director Champion informed the Board that current CDC guidelines for COVID-19 do not currently permit the play of Craps or Roulette in the facilities, so this would be an ideal time to make any changes and updates to be prepared for when the guidelines are eventually lifted.

ADJOURNMENT

The meeting adjourned at 10:27 AM. The next Board meeting will be held on December 15, 2020 at 9:00am.

Respectfully submitted by:

Mallory Reilly

Office Specialist I

Board approved: 12/15/2020