

Gambling Control Board Meeting Minutes

April 17, 2018

9:00 a.m.

Dept. of Public Safety

Introductions of Board Members – Present: Chair Timothy Doyle, Robert Harmon, Al Skolfield, Greg McNeal and Barbara Dresser

Introductions of Attorney’s General – Present: Ron Guay, A.A.G. and Katie Johnson, A.A.G.

Introductions of Staff

Present: Secretaries: Kathy Robitaille, Mallory Reilly, Det. Don Armstrong, Inspector Supervisor Vicki Gardner, and Auditor Lenny Yaskoweak

Review of the 2/17/18 meeting minutes:

Motion by Al Skolfield to accept the minutes as presented

Seconded by Greg McNeal

Unanimous vote with one abstention

Executive Director’s Report – Milton Champion

- 1) Operations – February – (21) Shipments of machines and/or associated equipment shipped to/from licensed facilities. On site inspectors completed (576) observations and (31) checklists. (5) minor violations being monitored from our activity log. (2) patron complaints. (2) dispositions of formal reports were sent for members review per statute. There were (4) self-exclusions.
- 2) In March - (31) Shipments of machines and/or associated equipment shipped to/from licensed facilities. On site inspectors completed (607) observations and (38) checklists. (3) minor violations being monitored from our activity log. (2) patron complaints. (2) dispositions of formal reports were sent for members review per statute. There were (15) self-exclusions.
- 3) For the month of February 2018, we have identified an increase of 11.2% in total tax revenue for both facilities versus February 2017. Year to date we have identified an increase of 1.8% versus last year at the same time.
 - a. Oxford reported a 10.3% win for the month of February from slots and 26.3% win from table games. Oxford’s payback percentage for February was 89.8%. Average gross win per machine of \$209.02
 - b. Hollywood reported a 10.8% average win for the month of February from slots and 28.4% win from table games. Hollywood’s payback percentage for February was 89.3%. Average gross win per machine was \$146.20
- 4) For the month of March 2018, we have identified an increase of 12.2% in total tax revenue for both facilities versus March 2017. Year to date has also increased 7.9% versus last year at the same time.
 - a. Oxford reported a 10.4% win for the month of March from slots and 25.9% win from table games. Oxford’s payback percentage for March was 89.6%. Average gross win per machine of \$236.48
 - b. Hollywood reported a 10.8% win for the month of March from slots and 27.7% win from table games. Hollywood’s payback percentage for March was 89.2%. Average gross win per machine was \$156.25.

State Police Report – Det. Don Armstrong

Det. Armstrong updated the Board on an incident he reported at the February meeting involving an underage person and the misuse of an ID. The subject collected jackpots while using someone else's identification. That report has been submitted to the Penobscot DA's office for review. There were nine thefts reported. Eight of the nine thefts reported were recovered and all funds were returned to the owners. The ninth one is still under investigation. There were 31 new license background checks and 48 renewals completed. There are 37 pending. Calls for service from local police departments; Bangor had 18 calls and he did not receive anything from the Oxford Police Dept.

Unfinished Business – Executive Director Milton Champion

The Financial Review had to be submitted on new forms, so that's still in the process.

Advance Deposit Wagering Rules were passed in Legislature and are now awaiting the Governor's approval to move forward with the final adoption approval by the Board at the May meeting. Dir. Champion also intends to review the ADW RFP with the Board to begin the RFP process for the one awardee.

Scientific Games – Due to new technology, the implementation of the new RFP contract will be presented to the Board at the May meeting for approval to extend the current contract to June 2019. There's no changes in cost or the Rider. This is an extension of the current contract.

New Business

North American Video (NAV) Director Champion gave a power point presentation of the background suitability investigation of NAV. NAV is a surveillance and security company spanning IP and analog video, access control, point-of-sale, license plate recognition and more. They are licensed in 35 other jurisdictions. Det. Armstrong completed a suitability investigation and found no issues or concerns and finds NAV and its principal executives to be suitable for licensing. MacPage completed a financial review of both the company and Key Executives and found that they demonstrate financial responsibility. Peter Rode, Chief Financial Officer was in attendance and answered any questions from the Board. Dir. Champion remarked that he has worked with this company in Florida and found them to be an excellent company to work with. Many times, there were staff members available 24/7 to do surveillance and access control work. An extremely good hardworking company with which to deal with. Attendees of the meeting were asked by Chairman Doyle if anyone was for? Against? Or neither for or against? No remarks made.

Motion by Barbara Dresser – NAV meets the suitability requirements as laid out by Maine law and our rules, both financially, character and suitability.

Seconded by Al Skolfield

Unanimous Vote

A.A.G. Ron Guay advised to add to the motion that the Board will issue a Gambling Services Vendor License, because the applicant meets the qualifications set out in Statute §1016 and §1019 to NAV.

Motion by Barbara Dresser to accept as stated
Seconded by Al Skolfield
Unanimous Vote

Penn Universal Management Application (PUMA) Upgrades – Hollywood Casino

Jim Baldacci, Deputy Chief and Financial Officer from Hollywood Casino made a presentation to the Board regarding the previously approved (2012) PUMA system adding upgrades and the addition of the new Salesforce or marketing system. *“The Marquee Rewards benefits will allow players to use a single player card at all Penn casino properties as well as online; allows patrons to accumulate tier points from play at multiple Penn casino properties; and allows comp value accumulated through play to be redeemed at any other Penn property regardless as to the property at which it was earned. PUMA is publicly branded as the “Marquee Rewards” player club program.”*

The customer comp worth will not interfere with Scientific Games Monitoring System, completely separate. No Board action required for this.

Financial Reporting – Dir. Milton Champion

Dir. Champion requested from the Board, that the Unit be able to delay the weekly financial collection and distribution for one week to allow a more precise final calculation of funds. Currently there are weekly adjustments due to the technical reporting of financial information in relation to communications and end of day reporting. This request would delay payments one time for distribution and give the facilities and Sci-Games the ability to catch up on the technology reporting due to timing and machines not communicating with the Central Site Monitoring System. This is a mutual request with both facilities, Scientific Games and the Dept. of Administrative and Financial Services in agreement. Tentatively, Dir. Champion requested that this begin with the June 6th reporting being distributed on the June 13th. This would be a onetime delay and going forward would still report and distribute on a weekly basis as outlined by Rules.

Chairman Doyle inquired if this would delay anyone’s fiscal year? He has concern in this area and asked Dir. Champion to follow up. Chairman Doyle wants it figured out so that nobody loses a payment during a fiscal year where budgets have been made. The topic was tabled until May to give Dir. Champion time to look into the impact of the requested change to those in receivership of the distribution of funds collected.

Public Comment

None.

Next Meeting Date – May 15, 2018 at 9:00 a.m.

(10:00 a.m.) Motion by Greg McNeal to go into Executive Session pursuant to Title 1, Section 405.6.E to receive advice from our Attorney concerning legal rights and duties of our Agencies.
Seconded by Al Skolfield
Unanimous Vote.

Executive Session.....

(10:38 a.m.) The Board finished the Executive Session. The Board received legal advice from their Attorney, no votes or actions were taken.

Motion to adjourn by Greg McNeal

Seconded by Al Skolfield

Unanimous Vote