

2015

OHIO CASINO
CONTROL COMMISSION
2015 ANNUAL REPORT



MISSION STATEMENT:

The Ohio Casino Control Commission has the responsibility to ensure the integrity of casino gaming by licensing, regulating, investigating and enforcing state laws.

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LETTER FROM THE CHAIR



Dear Governor Kasich, President of the Senate Faber, Minority Leader of the Senate Schiavoni, Speaker of the House Rosenberger, Minority Leader of the House Strahorn, members of the Joint Committee on Gaming and Wagering and fellow Ohioans,

It is my pleasure to provide you with this update on the work of the Commission during the past fiscal year. In addition to the day-to-day regulatory, licensing and law enforcement duties performed by staff, this past year saw the first licensing renewal cycle for the many entities and employees associated with the opening of the Cleveland and Toledo casinos in 2012.

This is no small undertaking, as each applicant must submit a new application and undergo a thorough background check and investigation. Thanks to the diligent work of our staff, we have been able to bring all licensing and financial investigations and financial analysis duties in-house, saving our agency more than \$1 million over the past year.

Additionally, our Gaming Agents continue to enforce the laws regarding gaming-related crimes. Agents filed a total of 453 charges statewide involving 354 individuals in fiscal year 2015.

Gaming Agents also initiated a number of investigations into illegal casinos. As there is growing evidence that businesses posing as skill games establishments are, in fact, operating illegal casinos, our agency has been given new tools by the Legislature that will enable us to provide proper oversight of these entities.

The Commission also continues to ensure Ohio's four casinos are properly reporting their tax revenues to the state. Counties, cities and local school districts will share the majority of the \$266 million casino tax revenue that was collected this past fiscal year, with the remainder supporting problem gambling services, law enforcement training programs, and the work of the Commission and the State Racing Commission.

The evolution of Ohio's gaming market is ongoing, as the final two "racinos" opened in Ohio last year. In just over two years, Ohioans looking to gamble have gone from having to travel out of state to being able to choose from four casinos and seven racinos. However, it will still be another year or so until we have enough data to accurately evaluate revenue trends among the facilities.

As we look to meet the challenges posed by the constantly changing nature of casino gaming, we remain committed to our mission – ensuring the integrity of casino gaming in Ohio – and to protecting the interests of Ohio and its citizens.

Sincerely,

A handwritten signature in black ink that reads "Jo Ann Davidson". The signature is written in a cursive, flowing style.

Jo Ann Davidson
Chair, Ohio Casino Control Commission



LETTER FROM THE EXECUTIVE DIRECTOR



Dear Governor Kasich, President of the Senate Faber, Minority Leader of the Senate Schiavoni, Speaker of the House Rosenberger, Minority Leader of the House Strahorn, and members of the Joint Committee on Gaming and Wagering,

Since casino gaming in Ohio was approved by the voters in 2009, I am struck by the many changes that have taken place within the state. Ohio's four casinos continue to adjust their offerings and amenities in response to both customer demand and competition, and with the opening of the final two "racinos" last year, Ohioans can now gamble at 11 facilities across the state.

What has not changed, however, is the Commission's commitment to ensuring the integrity of casino gaming in our state. Thanks to the strong regulatory, licensing and law enforcement framework that was established prior to the casinos' opening – the Commission continues to build its reputation as using a firm but fair hand with those we regulate.

Our success is a testament to the leadership of our Chair and the members of the Commission, as well as the expertise and dedication of our staff.

Now that all four Ohio casinos have been open for more than two years, the Commission continually looks at ways we can improve our operations and better execute our mission. While in some cases these changes can be accomplished through a vote of the Commission, others require legislative approval. Since the Commission's creation in 2009, we have worked in collaboration with members of the General Assembly on a number of provisions that strengthen our ability to fulfill our mission.

That partnership continued this past fiscal year. Thanks to the leadership of Senators Larry Obhof and Jim Hughes, the Legislature approved a measure that enables law enforcement to pursue felony charges against criminals who use Ohio's casinos for money-laundering operations. Senate Bill 141 went into effect in March of this year, making Ohio one of the first states to criminalize structuring.

The Commission also included language in the state budget giving the Commission rule-making authority with respect to skill games. This change will enable the Commission to adequately address illegal casinos that masquerade as skill-based amusement machine locations but are, in fact, operating illegal slot machines and paying out cash in violation of Ohio law. In the weeks and months ahead staff will determine how best to go about licensing and regulating these establishments.

As we move forward, the Commission will continue to uphold the Casino Control Law and the rules and regulations contained in the Ohio Administrative Code. We are mindful of the responsibilities entrusted to us, and appreciate the support we have received from our partners in the Legislature, the law enforcement community and other state agencies in our role overseeing casino gaming in Ohio.

Sincerely,

A handwritten signature in black ink that reads "Matthew T. Schuler". The signature is written in a cursive style with a large initial 'M'.

Matthew T. Schuler
Executive Director



ABOUT THE COMMISSION

The bipartisan Ohio Casino Control Commission was created to provide oversight of casino gaming. The Chair and six Commissioners are appointed by the Governor. No more than four Commissioners can be members of the same political party and all must be Ohio residents. At least one Commissioner shall have experience in each of the following areas: law enforcement and criminal investigation, be a certified public accountant, and be an attorney admitted to practice law in Ohio. In addition, at least one Commission member must reside in a county with a casino.

OHIO CASINO CONTROL COMMISSION CHAIR & COMMISSIONERS



Jo Ann Davidson (*term expires February 21, 2018*)

Jo Ann Davidson was appointed Chair of the Ohio Casino Control Commission by Governor John Kasich for her extensive leadership in local and state government as well as her track record of being a strong advocate for the people of Ohio. Davidson came to public service in 1967 after winning a seat on the Reynoldsburg City Council. In 1980, she was elected to the Ohio House of Representatives.

In 1995, Davidson's fellow representatives selected her as the Speaker of the Ohio House. She was the first woman to hold this position and remained as speaker until leaving the House of Representatives in 2000.

Over the past decade, Davidson has formed her own consulting firm, JAD and Associates, advising on a broad range of issues involving public policy development and analysis, strategic planning and political campaigns. In January 2005, she was elected Co-Chair of the Republican National Committee and served in this position until 2009. She also remains active with various board positions and charity organizations.



June E. Taylor (*term expires February 21, 2019*)

June Taylor serves as Vice Chair of the Ohio Casino Control Commission and brings a rich background in business, strategic planning and leadership. Taylor is president of MWV Pinnacle Advisory Services, a Cleveland-based private equity firm focused on minority business development. The firm invests in, and advises, businesses led by diverse management teams in unique industry sectors, thereby creating minority- and women-controlled businesses with competitive investment returns.

Taylor's solid background in business, industry and talent selection gave rise to her appointment to Cleveland State University's Board of Trustees, where she served as chair of the Honorary Degree & Recognition Committee, and as a member of the Audit Committee.

Taylor holds two degrees from Northwestern University: a Bachelor of Science in industrial engineering and a Master of Management from the Kellogg Graduate School of Management, with concentrations in finance and marketing.



McKinley E. Brown (*term expires February 21, 2019*)

McKinley E. Brown is a retired police officer who currently serves as Chief of Detectives in the Hamilton County Prosecutor's Office. He also assists and advises local police agencies with investigations and is a member of the Cold Case Squad.

Brown began his career in law enforcement in 1981 as a patrol officer with the Cincinnati Police Department and rose through the ranks to become Detective Sergeant of the Homicide Unit. He retired in 1998 to join the Hamilton County Prosecutor's Office.

Brown, a military veteran, has received countless awards, citations and commendations throughout his law enforcement career. Most recently, Brown was a 2010 inductee into the Greater Cincinnati Police Museum's prestigious 1132 Living Legends.



Martin R. Hoke (*term expires February 21, 2017*)

Northeast Ohio is home to Martin Hoke who is an attorney and former member of the U.S. House of Representatives, serving the 10th District from 1992 to 1996.

In addition to being a member of the Ohio Bar, Hoke has an impressive record as an entrepreneur. He most recently founded RhinoSystems, Inc., a medical device company that manufactures and markets an innovative ENT device he also invented.

Hoke has been a board member for various non-profit institutions, including the John F. Kennedy Center for the Performing Arts in Washington, D.C., the Emmanuel Promise of Hope Shelter in Cleveland and the Rock and Roll Hall of Fame and Museum.

Hoke graduated magna cum laude from Amherst College and received his law degree from the Case Western Reserve University School of Law.



Will Lucas (*term expires February 21, 2017*)

Will Lucas is a native of Toledo and entrepreneur focusing on education technology. He is founder and CEO of Classana, an internet discovery engine for educational resources, and also founded Creadio, a marketing technology firm supporting brands nationally. He has been named among the most important African Americans in technology by Business Insider and NBC News' "The Griot" online news magazine.

Lucas earned an Associate Degree in Business from the University of Toledo. He is a member of the Ohio Martin Luther King Jr. Commission and a TEDx organizer, curating TEDxToledo.



Ranjan Manoranjan *(term expires February 21, 2018)*

Ranjan Manoranjan, Principal of PRIME AE Group, leads business development in the Midwest region. He was the CEO of 3SG Corporation prior to its merger with PRIME AE Group. Manoranjan holds Accounting degrees from the Institute of Chartered Accountants in Colombo, Sri Lanka and the Institute of Cost and Management in London, England. He received his CPA designation from the Accountancy Board of Ohio in 1980.

Manoranjan was appointed to the Commission in 2011 as the CPA representative and reappointed in 2014. He also currently serves on the World of Children Board of Governors, an organization comprised of 16 international business executives who contribute their executive skills to improving the lives of children worldwide. Manoranjan currently serves on the Ohio Society of CPAs' Political Action Committee and has served on the Executive Board of the Ohio Society of CPAs, the Ohio Board of Tax Appeals, Columbus-Franklin County Finance Authority and Governmental Affairs Advisory Council.

Manoranjan was awarded the distinguished Ellis Island Medal of Honor in 2005 by the National Ethnic Coalition of Organizations (NECO) for his dedication to his ethnic heritage through American society.



John S. Steinhauer *(term expires February 21, 2019)*

John Steinhauer is a private practice attorney in Akron, Ohio. His areas of expertise include mergers and acquisitions, corporate, finance and real estate law. He specializes in managing complex interstate and multiple-jurisdiction litigation, labor, administrative agencies, regulatory matters and business transactions. He is licensed to practice in Ohio and the District of Columbia.

Steinhauer has extensive governmental experience at the state and local level. He worked for the Ohio General Assembly Legislative Reference Bureau, as an assistant city attorney and assistant prosecutor in Columbus and as special counsel for the Ohio Attorney General. He has also served as a trustee for The University of Akron where he has been the chairman and the vice chairman and also served on the university's foundation executive committee.

Steinhauer graduated from Cuyahoga Falls High School, and then attended The Ohio State University where he earned three degrees including his law degree. He also holds an Honorary Doctor of Law degree from The University of Akron.

**OHIO CASINO CONTROL
COMMISSION CHAIR &
COMMISSIONERS**



CONSTITUTION AND CODES

Historical Summary of Constitutional Amendment and Casino Control Law

Ohio's entrance into the world of casino gaming was somewhat unique with the approval of a constitutional amendment proposed by initiative petition that was backed by the parties that would become the owners/operators of Ohio's four casinos. The amendment was approved by 52 percent of voters in November 2009. It authorized casino gaming at facilities located at specific locations in Cincinnati, Cleveland, Columbus and Toledo and required the properties to be operated by licensed casino operators.

In addition to the customary fees and taxes imposed on Ohio businesses, the amendment levied a 33 percent tax on gross casino revenue and specified how proceeds of the tax are distributed (see Casino Revenue Distribution). The constitutional amendment also required each licensed casino operator to pay an upfront license fee of \$50 million per casino and to make an initial investment of \$250 million for the development of each casino facility.

The amendment also created the Ohio Casino Control Commission to license and regulate casino operators, management companies, key employees, casino gaming employees and gaming-related vendors. The Commission is comprised of seven members who are appointed by the Governor with the advice and consent of the Senate. The Commission has enforcement powers and may inspect the accounts and records of, or examine under oath, any person subject to the Commission's regulation.

The constitutional amendment also required the General Assembly to pass laws to facilitate the operation of the casino gaming amendment.

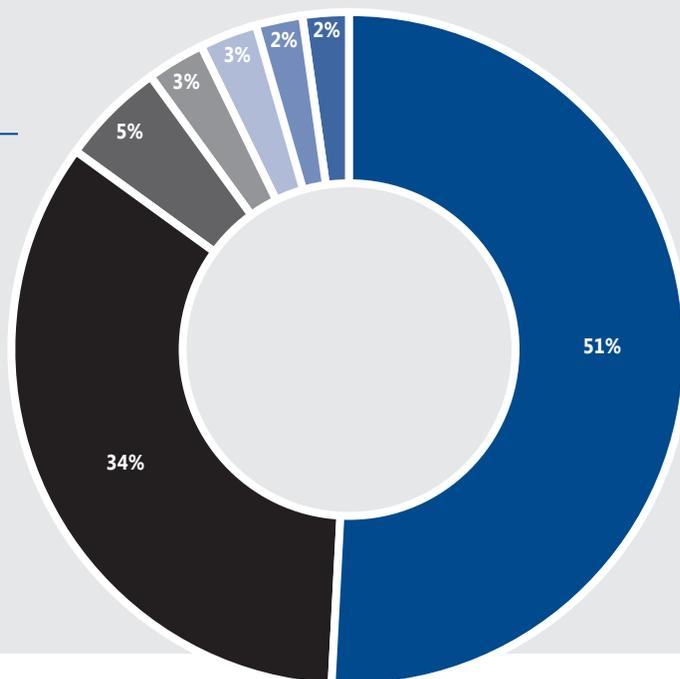
In a bipartisan effort, the 128th General Assembly passed House Bill 519, known as Ohio's Casino Control Law, which became effective on September 10, 2010, implementing Article XV, Section 6 (C) of the Ohio Constitution. In general, the Act entrusts the Commission with the responsibility of ensuring the integrity of casino gaming in Ohio by authorizing the Commission to license, regulate, investigate and exercise jurisdiction over all persons participating in casino gaming.

In February of 2011, Governor John Kasich appointed seven individuals to serve as commissioners for the newly created Commission. Commission Chair Jo Ann Davidson convened the first meeting in March 2011. By October, the Commission hired Executive Director Matthew T. Schuler and then built out the Commission staff to conduct the regulatory work surrounding the first two casino openings in May 2012.

The Casino Control Act also established the Joint Committee on Gaming and Wagering, which reviews the laws and rules governing the operation and administration of casino gaming activities. Additionally, the Committee is tasked with recommending any changes to the General Assembly. The Committee has a total of six members with three chosen by the Speaker of the House and three by the Senate President.

CASINO REVENUE DISTRIBUTION

- County Fund (51%)
- Student Fund (34%)
- Host City Fund (5%)
- Ohio State Racing Commission Fund (3%)
- Casino Control Commission Fund (3%)
- Law Enforcement Training Fund (2%)
- Problem Gambling & Addictions Fund (2%)



COMMISSION OVERVIEW

The Casino Control Law authorizes the Commission to license, regulate, investigate and penalize casino operators, management companies, holding companies, key employees, casino gaming employees and gaming-related vendors. The Commission also has jurisdiction over all persons participating in casino gaming authorized by Article XV, Section 6(C) of the Ohio Constitution, Revised Code Chapter 3772 and the adopted rules.

Commission staff members are assigned among seven divisions. All employees work to fulfill the mission and responsibilities of ensuring the integrity of Ohio's casino gaming industry. Along with the essential support divisions of legal, government affairs, communications and operations, the Commission's regulatory responsibilities center on the specialized, intertwined tasks of licensing and investigations, regulatory compliance and enforcement.

Currently, the Commission employs about 100 individuals spread across five office locations - including 24-7 coverage at the four casinos. The Commission maintains an office at each casino property as well as the agency's main office, located across from the Ohio Statehouse. While staff size has remained relatively small, the experience and expertise has grown exponentially since the Commission's creation in 2011.

COMMISSION DIVISIONS

Enforcement Division

The Enforcement Division is responsible for enforcing the Casino Control Law and serves as the Commission's law enforcement entity at all four Ohio casinos. The Commission is a law enforcement agency as defined in O.R.C. 109.71. Gaming Agents are certified peace officers in the State of Ohio and have arrest authority on all casino property as well as outside of the casino when enforcing the criminal section of the Casino Control Act.

Agents are headquartered at their respective casinos and staff a 24-7 operation. Their responsibilities include enforcement of criminal gaming statutes described in O.R.C. 3772.99, created to ensure a fair gaming environment for Ohio citizens and casino patrons. This division is comprised of Gaming Agents, investigators, and criminal intelligence analysts. Gaming Agents also investigate illegal casino gaming operations outside of Ohio's four licensed casinos. The partnerships Gaming Agents have cultivated with local sheriff offices, police departments and county prosecutor offices has proven invaluable in these investigations – which have resulted in the seizure of gaming machines and equipment among other items.

To date, Gaming Agents have worked collaboratively on joint investigations with Bulk Currency Task Forces statewide, the Federal Bureau of Investigation, the Drug Enforcement Agency, the Internal Revenue Service and the Secret Service as well as city police departments in Cincinnati, Cleveland, Columbus and Toledo.

This division also works with county and municipal prosecutor's offices in the jurisdictions where Ohio casinos are located. Due to these strong relationships, a large number of cases have progressed through the criminal justice system. During this fiscal year, 453 charges for felonies and misdemeanors occurring at Ohio casinos were presented to prosecutors. The total number of individuals charged statewide totaled 354.



In addition, the Enforcement Division has a robust intelligence system to collect, organize and disseminate intelligence information for both internal and external purposes. The division includes an intelligence analyst who works closely with federal, state and local intelligence units, as well as other gaming jurisdictions, to coordinate and develop casino-focused intelligence tracking. The intelligence unit also collects Currency Transaction Reports and Suspicious Activity Reports required to be filed by the casino operators. This information tracks large and suspicious money transactions and is used for trend analysis and coordination with law enforcement partners.

COMMISSION DIVISIONS (continued)

Ohio Casino Control Commission - Criminal Statistics Fiscal Year 2015 (July 1, 2014 - June 30, 2015)						
	Cleveland	Toledo	Columbus	Cincinnati	Total of Each Type of Charge Statewide	
Assault	0	4	0	0	4	0.88%
Bribery	1	0	0	0	1	0.22%
Burglary	1	0	0	0	1	0.22%
CCW/Weapons Violation	2	0	0	0	2	0.44%
Casino Cheat/Attempted Casino Cheat	36	5	4	4	49	10.82%
Criminal Mischief	0	2	0	0	2	0.44%
Disorderly and/or Intoxicated	2	9	2	2	15	3.31%
Domestic Violence	0	1	0	0	1	0.22%
Endangering Children	2	0	1	0	3	0.66%
Falsification	2	0	2	2	6	1.32%
Fake ID/ False ID	2	0	11	18	31	6.84%
Forgery	2	0	0	5	7	1.55%
Fraud	8	1	0	0	9	1.99%
Harassment/Menacing	0	1	2	0	3	0.66%
Inducing Panic	1	0	0	0	1	0.22%
Narcotics/Drugs	3	0	0	3	6	1.32%
Obstructing Official Business	5	2	0	2	9	1.99%
Possession of Criminal Tools	0	0	0	6	6	1.32%
Receiving Stolen Property	4	0	0	0	4	0.88%
Resisting Arrest	1	6	0	1	8	1.77%
Robbery	0	0	1	0	1	0.22%
Safecracking	1	0	0	0	1	0.22%
Tampering with Records/Evidence	2	0	0	0	2	0.44%
Theft/Attempted Theft/Grand Theft	17	12	10	7	46	10.15%
Trespassing, Criminal	14	49	93	9	165	36.42%
Unauthorized Use of Property/Vehicle	0	0	1	1	2	0.44%
Underage Consumption	1	1	1	1	4	0.88%
Underage Entry/Attempted Entry	5	7	8	20	40	8.83%
Underage, Aids Entry	2	3	1	2	8	1.77%
Vandalism/Criminal Damaging	8	0	6	2	16	3.53%
Total of All Charges Per Casino	122	103	143	85		
Total of All Charges Statewide					453	100%

* Statistics represent charges as presented to prosecutor including felonies and misdemeanors.

* Statistics reflect date on which incident occurred (NOT date filed with prosecutor).

* Number of individuals charged statewide: 354.

COMMISSION DIVISIONS (continued)

Government Affairs Division

The Government Affairs Division represents the interests of the Commission before the Ohio legislature and other governmental entities. This division serves as a liaison between the Commission, the General Assembly and the Governor's Office once an area of concern has been identified and provides a consistent message to facilitate the legislative process.

In addition, the Government Affairs Division acts as the Commission's point of contact with the Joint Committee on Gaming and Wagering established by the Ohio Casino Control Law. The Joint Committee reviews and can suggest changes to all constitutional amendments, laws and rules governing the operation and administration of casino gaming, including all changes to fees and penalties imposed under O.R.C 3772 and the rules adopted thereunder, when it determines such changes are desirable. By establishing and maintaining open lines of communication with the Joint Committee, the division relays any concerns or suggestions the Joint Committee may have for a collaborative process for producing effective regulatory policies.

In FY 15, the General Assembly approved two proposals pertaining to the work of the Commission. The first enables Gaming Agents to pursue criminals who use Ohio casinos for money-laundering operations. Senate Bill 141 (Obhof/Hughes) makes structuring transactions at a casino facility a fifth-degree felony, allowing a state criminal charge that mirrors the federal money laundering statute. The measure received final legislative approval in December 2014 and became law in March. The passage of Senate Bill 141 makes Ohio one of the first states in the nation to criminalize structuring.

The second grants the Commission additional tools to regulate skill games. Language was included in the state budget that gives the Commission rule-making authority with respect to skill games operations. Together with the Commission's law enforcement authority, these new provisions will allow the agency to adequately address illegal casinos that masquerade as legal skill games businesses.

In addition, lawmakers authorized the Ohio Department of Job and Family Services (ODJFS) to set up a system where casino and racino winnings could be used to satisfy past due court-ordered support, similar to a program already in use for lottery winnings. The Commission and

the Ohio Lottery facilitated meetings between ODJFS and the casinos and racinos to develop a data-match program to identify delinquent individuals before paying out winnings. Staff from the Commission's Regulatory Compliance Division will conduct regular audits to ensure the casinos are following the law. More than \$2 million has been seized since the program's inception in September 2014.

Legal Division

The Legal Division serves as legal counsel for the Commission's members and staff on issues of law, policy and procedure and is comprised of four attorneys and one paralegal, who also serves as the Commission secretary and the Commission's hearing administrator. The division develops internal agency policies, assists in employment matters, responds to all public records requests submitted to the Commission and drafts proposed legislation and rules for the Ohio General Assembly.

As part of its duties, the division advises and assists the Licensing and Investigations Division with the licensing process and manages an administrative hearing process to provide applicants and licensees the opportunity for a hearing on any administrative action regarding licensure or regulatory sanctions. The administrative hearing process also applies when the Commission intends to place an individual on the Involuntary Exclusion List. To date, the Commission has used its authority to place 10 individuals who pose a threat to the integrity of casino gaming on the list.

The division also works closely with the Regulatory Compliance Division to develop, interpret, and enforce the regulations to which all licensees, but specifically the casinos, must adhere. These two divisions have also facilitated settlement agreements with the four casinos in the state as the result of various regulatory compliance issues that have arisen.

Together with the Enforcement Division, the Legal Division works diligently to prepare subpoenas and court orders for its criminal cases, and regularly communicates with local prosecutors to continue to develop a strong foundation and sound precedent for the state's gaming offenses.

COMMISSION DIVISIONS (continued)

Finally, the division also provides training and counsel regarding Ohio's ethics laws, which is especially important because Commission members and staff are bound by specific mandates and prohibitions, requiring caution and vigilance in both their professional and personal lives.

Licensing and Investigations Division

The Casino Control Law requires every person conducting or participating in casino gaming to be licensed. The Licensing and Investigations Division conducts suitability investigations of each applicant to determine eligibility for licensure to ensure only suitable persons are involved in Ohio's casino business.

License applicants include casino operators, management companies, gaming-related vendors, key employees, and casino gaming employees. All suitability investigations result in a recommendation to the Commission to grant or deny a license. These recommendations are made following an extensive background check. Applicants also receive a thorough review of financial integrity, regulatory

history in other gaming jurisdictions, professional license verification, tax record examination, credit history analysis, database checks for bankruptcies and outstanding liens or judgments, and retrieval of court records.

The licensing process doesn't end once a license is issued. Suitability is an ongoing requirement for all licensees and the Commission has the authority to reopen a licensing investigation at any time. License holders have a duty to update the Commission regarding changes in personal information including change of address, criminal charges or bankruptcies. All license holders are required to file for renewal every three years and the division must conduct a new suitability investigation. The renewal cycle for casino operators, holding companies, gaming-related vendors, and casino gaming and key employees originally licensed by the Commission in 2012 began in late 2014.

In FY 15, the Commission adopted an amendment that lowered the fees associated with renewing a casino gaming employee license to \$196. This change – which went into effect on July 1 – brings Ohio's renewal fees in line with those charged in other jurisdictions. The total fees for an initial casino gaming employee license remain at \$546.

Initial Licenses Granted July 1, 2014 - June 30, 2015	
Casino Gaming Employees	962
Key Employees	22
Management Companies	1
Operators	0
Operator Key Employees	6
Vendors	5
Vendor Key Employees	15
Total Licenses Granted	
Casino Gaming Employees	7,370
Key Employees	108
Management Companies	3
Operators	5
Operator Key Employees	76
Vendors	37
Vendor Key Employees	286

Regulatory Compliance Division

The Regulatory Compliance Division ensures that the Commission's licensees comply with O.R.C. 3772, the related administrative code, and applicable internal control systems. To test that compliance, the Division examines slot machine activities, table game operations, financial transactions and conducts process audits. Those specialized tasks require the Commission to employ individuals with specialized knowledge in accounting, auditing and electronic gaming equipment (EGE), such as software and slot machines. Excluding daily, monthly and annual financial reviews, the Division performed more than 335 compliance audits in FY 15.

The division also works with two important partners. First, the division coordinates the state's three Certified Testing Laboratories, which examine EGE to ensure they meet requirements of Ohio law and Commission regulations before those items are allowed to enter the state. Before slots are allowed to be offered for play, the software is verified and sealed by Commission Agents to ensure the installed game is identical to the tested game.

COMMISSION DIVISIONS (continued)

Second, the division works with the Department of Taxation to ensure that the casinos are filing accurate tax return data with the state.

In addition to making sure that all casinos' finances are being correctly reported, the division also works to make sure that the revenue is being generated according to approved processes. Those processes are grounded in each casino's detailed internal controls. These internal controls average around 750 pages. All changes to a casino's internal controls require Commission approval.

Finally, and in very few instances, the Commission issues sanctions on a casino to encourage future compliance. In FY 15, the Commission issued sanctions that included \$215,000 in fines. Revenue from sanctions is deposited into the state's General Revenue Fund.

Responsible Gambling Division

The Responsible Gambling Division coordinates with state and local partners to provide education materials, prevention programs and treatment options under the umbrella of Ohio for Responsible Gambling (ORG). The initiative involves the Ohio Department of Mental Health and Addiction Services (OhioMHAS), the Ohio Lottery Commission, the Ohio State Racing Commission and the Ohio Casino Control Commission. ORG was awarded the Corporate Social Responsibility Award from the National Council on Problem Gambling for its collaboration among state agencies. Ours is the first state to bring the resources of multiple agencies together to help those seeking treatment

for a gambling addiction. One of the shared resources provided is Ohio's 24-hour Problem Gambling Helpline (1-800-589-9966).

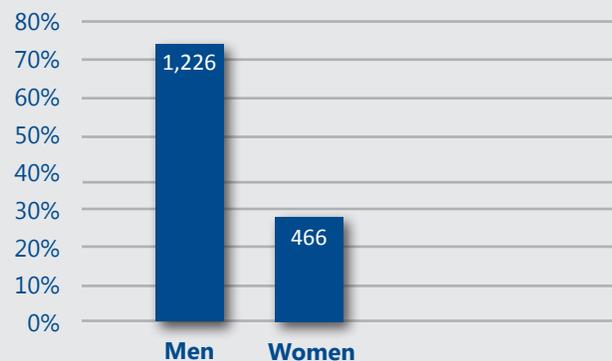
The importance of providing resources for Ohioans with a gambling addiction was clearly highlighted in the constitutional amendment that allows casino gaming in the state. The amendment earmarks 2 percent of the gross casino revenue tax to fund gambling and addiction treatment services. To date, more than \$15 million has been directed to the fund to support education and prevention efforts and to provide counseling. The money is allocated through an agreement between OhioMHAS and the Commission's Executive Director, and is distributed on a per capita basis to local Alcohol, Drug Addiction and Mental Health (ADAMH) Boards with 60 percent dedicated to prevention and 40 percent identified for treatment.

In FY 15, OhioMHAS undertook a review of the state's problem gambling services system of care. The state partnered with an expert in problem gambling service systems to solicit input and ideas for improvement. Stakeholders representing social service agencies, treatment providers, advocacy groups and ADAMH Boards all participated in the review. A final report will be presented to the Commission in October.

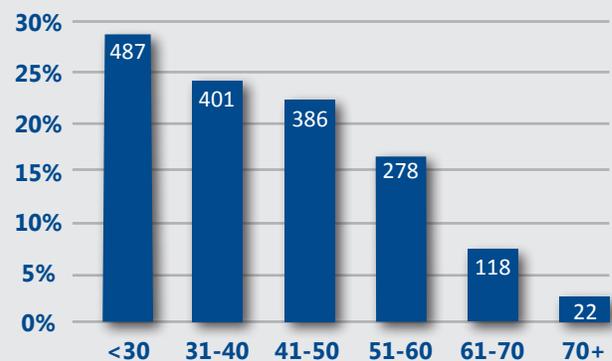
In a benchmark study released in October 2012, ORG measured the prevalence of at-risk and problem gambling prior to casinos opening in Ohio. The survey revealed the most at risk population was 18-24 year old men. ORG is preparing to follow up on the survey similar to the one done in 2012 to track trends in problem gambling across the

Voluntary Exclusion Program As of June 30, 2015 Total Number of Enrollees: 1,692

By Gender



By Age



COMMISSION DIVISIONS (continued)

state and better align prevention and treatment resources.

Additionally, *I Lost A Bet*, an interactive, multi-media problem gambling prevention campaign, was launched in 2014 and continued throughout FY 15. The campaign targeted young adults and utilized TV ads, billboards and social media to link to a website that included information about how problem gambling can disrupt lives and contacts for those seeking help. During the course of the campaign, the website saw more than 200,000 visitors, with more than 60 percent of the traffic coming from males age 18-34 – the targeted demographic.

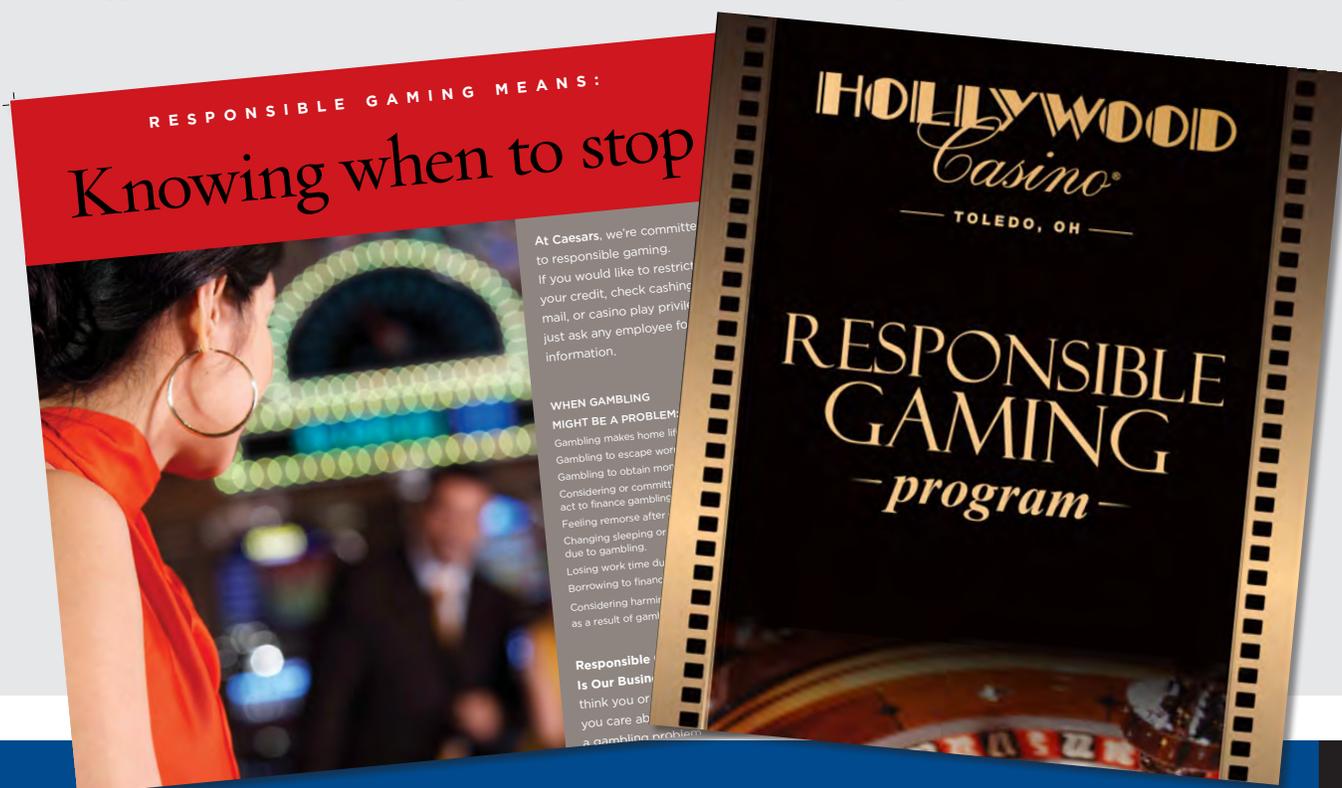
Another resource available to problem gamblers, and administered by the Commission, is the state's Voluntary Exclusion Program (VEP). It offers individuals the ability to ban themselves from a casino facility for one year, five years or their lifetime. Participants complete the Request for Voluntary Exclusion form in the presence of trained Commission staff. Once the request is validated, the individual is not permitted access to any Ohio casino facility during the length of their self-imposed ban.

The Commission provides a confidential list of participants and personal information to casino operators for purposes of enforcement. In addition to banning entrance to casino properties, the operators also are required to cease direct marketing efforts and deny check cashing or extending credit to exclusion participants. Ohio operators extend the exclusion to cover all their casinos nationwide. Participants who violate the voluntary ban can be charged with criminal trespassing and forfeit any casino winnings or things of value converted into a wagering instrument. During the fiscal year, of the 165 individuals charged with criminal trespassing at Ohio casinos, 112 were enrolled in the VEP.

Since its inception, the program has grown exponentially. In FY 12, 45 individuals signed up for the VEP, with an additional 389 applicants in FY 13. This past fiscal year, the total number of applications has grown to 1,692, with enrollment including participants from 13 states and one Canadian province.

CASINO RESPONSIBLE GAMING PLANS

Casino owners and operators are required to create and maintain Responsible Gaming Plans. The casino plans require Commission approval and outline and establish standards to address problem gambling, improper use of alcohol, responsible marketing and advertising and the prevention of gambling by minors. Each casino is required to prominently display the Problem Gambling Helpline number on all collateral materials, player cards and ATMs on property. The helpline number must also appear in all print, broadcast and electronic advertising and marketing. All promotional materials are reviewed and approved by the Commission's Responsible Gambling Division to ensure the problem gambling message is consistent.



CASINO PROPERTY SUMMARY



Hollywood Casino Columbus 200 Georgesville Road, Columbus, Ohio

General Manager: Himbert Sinopoli
Date Licensed: September 12, 2012
Date Opened: October 8, 2012
Gaming Space: 160,000 square feet
Certified Capital Investment: \$350.2 million

Slots: 2,234
Table Games: 78 gaming tables, 36 poker tables
Total Employment: 950
Licensed Employees: 645
Non-Licensed Employees: 305

Annual Revenue FY 2015

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	114	\$2,703,915	\$293,705,665	\$67,285,085	22.91%	77.09%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	2,234	\$32,071,119	\$1,726,365,416	\$141,680,830	8.21%	91.79%

Total AGR For FY 2015 \$208,965,915

Notes:

1. The listed payout percentage for slots is not the theoretical hold, but the actual payout average for the period.
2. Promotional play is included in "coin in" and "table drop" figures.
3. "AGR" is adjusted gross revenue and means the money received by the casino operator less winnings paid to patrons and less promotional spend.

CASINO PROPERTY SUMMARY



Hollywood Casino Toledo 777 Hollywood Boulevard, Toledo, Ohio

General Manager: Frank Quigley

Date Licensed: May 9, 2012

Date Opened: May 29, 2012

Gaming Space: 125,000 square feet

Certified Capital Investment: \$260 million

Slots: 2,045

Table Games: 60 gaming tables, 20 poker tables

Total Employment: 979

Licensed Employees: 434

Non-Licensed Employees: 545

Annual Revenue FY 2015

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	80	\$728,230	\$159,719,764	\$34,066,095	21.33%	78.67%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	2,045	\$9,869,552	\$1,679,450,119	\$154,302,398	9.19%	90.81%

Total AGR For FY 2015 \$188,368,493

Notes:

1. The listed payout percentage for slots is not the theoretical hold, but the actual payout average for the period.
2. Promotional play is included in "coin in" and "table drop" figures.
3. "AGR" is adjusted gross revenue and means the money received by the casino operator less winnings paid to patrons and less promotional spend.

CASINO PROPERTY SUMMARY



Horseshoe Casino Cincinnati 1000 Broadway Street, Cincinnati, Ohio

General Manager: Kevin Kline

Date Licensed: February 13, 2013

Date Opened: March 4, 2013

Gaming Space: 100,000 square feet

Certified Capital Investment: \$455 million

Slots: 1,951

Table Games: 91 gaming tables, 31 poker tables

Total Employment: 1,310

Licensed Employees: 902

Non-Licensed Employees: 408

Annual Revenue FY 2015

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	122	\$4,748,987	\$362,465,240	\$67,141,073	18.52%	81.48%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	1,951	\$30,112,462	\$1,550,705,299	\$125,588,416	8.10%	91.90%

Total AGR For FY 2015 \$192,729,489

Notes:

1. The listed payout percentage for slots is not the theoretical hold, but the actual payout average for the period.
2. Promotional play is included in "coin in" and "table drop" figures.
3. "AGR" is adjusted gross revenue and means the money received by the casino operator less winnings paid to patrons and less promotional spend.

CASINO PROPERTY SUMMARY



Horseshoe Casino Cleveland 100 Public Square, Cleveland, Ohio

General Manager: Scott Lokke

Date Licensed: May 2, 2012

Date Opened: May 14, 2012

Gaming Space: 96,000 square feet

Certified Capital Investment: \$354 million

Slots: 1,653

Table Games: 91 gaming tables, 30 poker tables

Total Employment: 1,567

Licensed Employees: 1,126

Non-Licensed Employees: 441

Annual Revenue FY 2015

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	121	\$5,127,550	\$528,558,766	\$100,029,487	18.92%	81.08%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	1,653	\$30,591,522	\$1,576,458,897	\$118,579,918	7.52%	92.48%

Total AGR For FY 2015 \$218,609,405

Notes:

1. The listed payout percentage for slots is not the theoretical hold, but the actual payout average for the period.
2. Promotional play is included in "coin in" and "table drop" figures.
3. "AGR" is adjusted gross revenue and means the money received by the casino operator less winnings paid to patrons and less promotional spend.

**CASINO REVENUE FISCAL YEAR 2015
(JULY 1, 2014 - JUNE 30, 2015)**

STATEWIDE TOTALS			
Table Game	Table Promo Spend	Table Drop	Table AGR
	\$13,308,682	\$1,344,449,435	\$268,521,740
Slots	Slot Promo Spend	"Coin In"	Slot AGR
	\$102,644,655	\$6,532,979,731	\$540,151,562

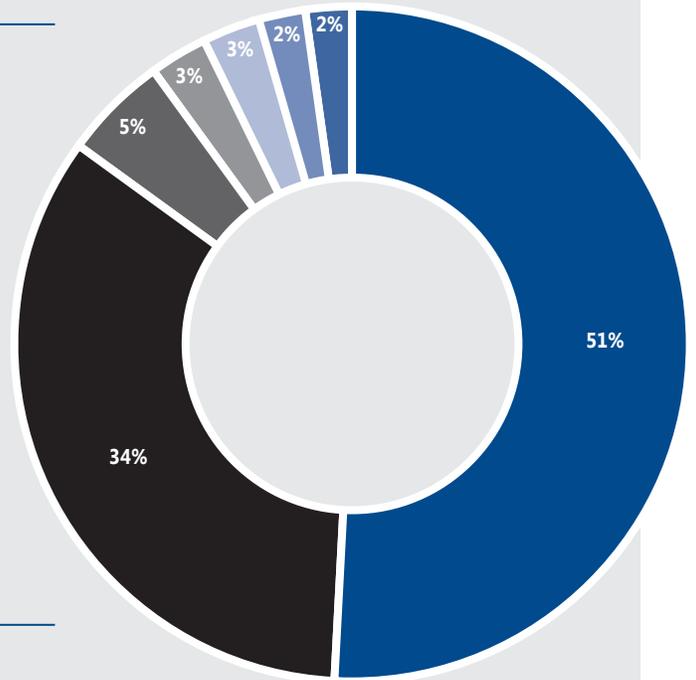
Total Statewide For FY 2015: \$808,673,302

DISTRIBUTION OF GROSS TAX RECEIPTS

The total allocated amount is based on tax collections received during fiscal year 2015. However, the tax collections from the fourth quarter were distributed in July 2015, after the close of the fiscal year.

Total Deposits for FY 15: \$266,014,462

- County Fund (51%): \$135,667,375.72
- Student Fund (34%): \$90,444,917.13
- Host City Fund (5%): \$13,300,723.10
- Ohio State Racing Commission Fund (3%): \$7,980,433.86
- Casino Control Commission Fund (3%): \$7,980,433.86
- Law Enforcement Training Fund (2%): \$5,320,289.24
- Problem Gaming & Addictions Fund (2%): \$5,320,289.24



**OHIO CASINO CONTROL COMMISSION FUND BALANCE REPORT
FISCAL YEAR 2015 ACTUAL**

REVENUE	
TAX	ACTUAL
Gross Casino Tax	\$8,018,947
Total Tax*	\$8,018,947
LICENSE FEES	ACTUAL
Operators Fees	\$3,016,275
Vendors Fees	\$140,000
Key Employees Fees	\$394,120
Gaming Employees Fees	\$431,590
Independent Testing Lab Fees	\$6,000
Total License Fees	\$3,987,985
TOTAL ALL REVENUE	\$12,006,932

BEGINNING APPROPRIATION	\$13,121,287
OCCC PERSONNEL EXPENSES	ACTUAL
Wages & Benefits	\$7,969,591
Total Personnel Expenditures	\$7,969,591
OCCC OPERATIONAL SUPPORT EXPENSES	ACTUAL
Administrative Hearings	\$971
Rent	\$237,064
Research and Investigations	\$0
Purchased Personal Services	\$112,617
Supplies	\$220,774
Equipment	\$34,750
Travel	\$127,692
Training	\$14,380
Total Operating Expenditures	\$748,249
OTHER EXPENSES AND TRANSFERS	ACTUAL
Intrastate Payments	\$597,447
Total Other Expenditures	\$597,447
TOTAL ALL EXPENSES AND TRANSFERS	\$9,315,287
ENDING APPROPRIATION BALANCE	\$4,227,387

*Gross Casino Tax Revenue Total does not include the FY 2015 fourth quarter disbursement.



OHIO CASINO
CONTROL COMMISSION