

2014



**OHIO CASINO
CONTROL COMMISSION**
2014 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 Batchelder, Minority Leader of the House Heard, members of the Joint Committee on Gaming and Wagering and fellow Ohioans,

As Chair of the Ohio Casino Control Commission, it is my pleasure to update you on the events of the past fiscal year and provide a glimpse of the work that faces us in the future.

As our regulatory and law enforcement agency enters into its fourth year of existence, it's impressive to witness the growth of our staff's expertise. Given the ever-changing nature of the casino gaming industry, we have gained incredible knowledge and insight into the business from what happens on the gaming floor and "back of house" at casinos, all the way to the boardroom and Wall Street.

In the past year, we have reviewed and approved significant financial restructuring deals for both Ohio casino operators, brought all licensing and financial investigations and financial analysis duties in-house and have laid the groundwork for the upcoming wave of licensing renewals in the next fiscal year.

Our seasoned staff has performed more than 350 compliance audits in addition to the daily, monthly and annual financial reviews. Some of these audits revealed violations that led to sanctions and fines. In FY 14, the Commission issued sanctions that resulted in \$184,000 in fines, and issued another \$200,000 sanction which was pending as of June 30. All collected fines are deposited into the state's General Revenue Fund.

Another important Commission duty is making sure the casinos are filing accurate tax return data with the Department of Taxation. Casino tax revenues for this fiscal year totaled \$272.3 million, with the bulk of those funds sent directly to counties, cities, and local school districts in scheduled disbursements. In addition, more than \$10 million was funneled into the Problem Gambling and Addictions Fund, which helps provide prevention campaigns and counseling services statewide.

In the area of our law enforcement duties, our specially trained force of Gaming Agents, investigators and supervisors work around the clock at the four casino properties to enforce Ohio's criminal code regarding gaming-related crimes. During the past year, our agents filed a total of 319 charges statewide involving 268 individuals.

When it comes to projecting the future of casino gaming in Ohio, the crystal ball is somewhat hazy. Our state is still evolving as a gaming market. Today there are four casinos along with five "racinos" and the Lottery, all vying for Ohioans' gaming dollar. By the year's end, two more racinos will open, and only then will we have a good basis for evaluating tax revenue trends and projections.

It's been an exciting assignment to Chair this Commission, and during the past year, I was honored to be re-appointed and continue to serve as Chair for another term. I assure you we will remain focused on the targeted task of enforcing the highest standards possible in regulating our local casinos in order to protect the interests of our 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 Batchelder, Minority Leader of the House Heard and members of the Joint Committee on Gaming and Wagering,

When Ohio voters approved casino gaming in 2009, the new constitutional amendment required the General Assembly to enact the Casino Control Law within six months. It was a significant undertaking to write a comprehensive and effective law to regulate a complex industry that was largely unknown to lawmakers. Despite the tight timetable and many other challenges, the General Assembly enacted bipartisan legislation that has been recognized nationally for its strength and scope.

Like the legislature, the Commission faced an abbreviated timetable to hire experienced staff, create a licensing, regulatory and law enforcement framework and open four casinos in just 10 months - with one chance to get it right. Today, our success is reflected by the calls we get from new gaming jurisdictions turning to us for guidance and to learn from our experience.

Our success to date can be attributed to the leadership of Chair Davidson and the members of the Commission, a talented and dedicated staff, the clear blueprint of the Casino Control Law and a clear constitutional mission: to ensure the integrity of casino gaming.

As we move forward, we continually assess our work and processes, seeking ways to improve, be more efficient and to fully execute our mission.

One example came in June 2013 after we identified the need to strengthen the Commission's ability to restrict minors from entering casinos. We appreciate Senator Bill Coley's efforts to include this amendment to H.B. 59. Since that revision went into effect, our Gaming Agents have reported a dramatic drop in the number of underage violations.

Additionally, Senators Larry Obhof and Jim Hughes sponsored a measure that will strengthen our ability to fulfill our mission as a law enforcement agency. S.B. 141 would enable our Gaming Agents to directly pursue criminals who use Ohio casinos for money-laundering operations similar to the penalty that currently exists at the federal level.

Further, as the Commission is tasked with regulating skill games operations, we've asked for additional tools in response to growing evidence that businesses posing as skill games establishments are, in fact, operating illegal casinos. Our thanks go to Representatives Blessing and Buchy for their leadership on this issue through H.B. 491.

Our ability to fulfill the mandate of the constitutional amendment providing for casino gaming has hinged on the support and guidance we have received from numerous state agencies and government leaders. We will continually strive to be good stewards of the responsibilities entrusted to the Commission.

Sincerely,

A handwritten signature in black ink that reads "Matthew T. Schuler". The signature is fluid and cursive, with the first name being the most prominent.

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 must have experience in each of the following areas: law enforcement and criminal investigation, certified public accounting with auditing, or hold an Ohio law license. 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.

Davidson has served on the board of trustees of The Ohio State University, Franklin University, and The University of Findlay. She holds honorary Doctor of Law degrees from Ohio University and Capital University, an honorary degree in Government Leadership from The University of Findlay, and an honorary Doctor of Public Administration degree from The Ohio State University.



June E. Taylor (*term expires February 21, 2015*)

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 is chair of the Honorary Degree & Recognition Committee, and a member of the Audit Committee for a term through May 1, 2015.

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, 2015*)

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. 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 a technology entrepreneur focusing on marketing and education. He is founder and CEO of Creadio, a marketing technology firm supporting brands nationally, and Classana, an educational resource discovery engine. He has been named among the most important African Americans in technology by Business Insider and NBC News' The Grio online news magazine.

Lucas earned an Associate Degree in Business from the University of Toledo. He is a member of the Ohio Council of Community Schools Board of Directors, Kid's Unlimited Board of Directors, and has served on the Lucas County Court Appointed Special Advocate (CASA) Board of Directors.



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

Ranjan Manoranjan, Principal of PRIME AE Group, leads the business development in the Midwest region. He was the CEO of 3SG Corporation prior to its merger with PRIME TECH. 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, 2015)*

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.

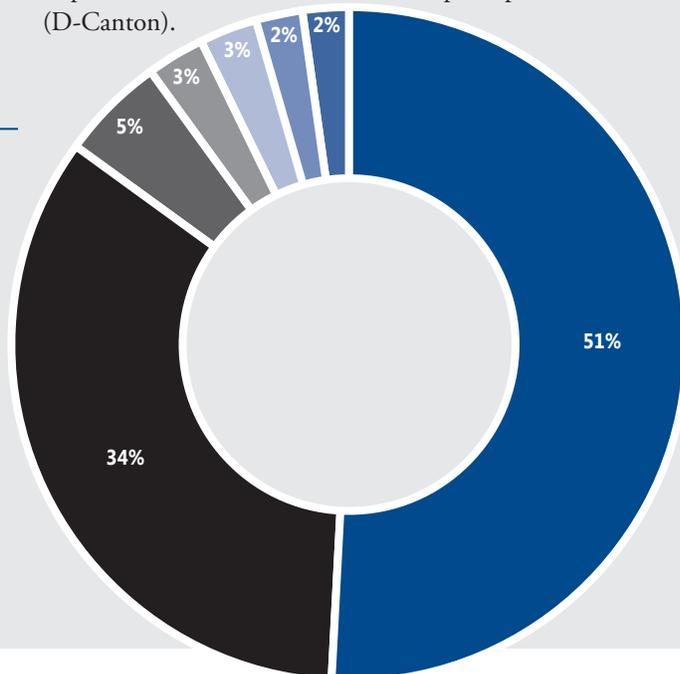
In a bipartisan effort, the 128th General Assembly passed House Bill 519, known as Ohio's Casino Control Law, which became effective on September 10, 2010, implementing Article XV, Section 6 (C) of the Ohio Constitution. In general, the Act entrusts the Commission with the responsibility of ensuring 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. Current members of the Committee include: Rep. Cliff Rosenberger (R-Clarksville), Chair; Sen. Bill Coley (R-Liberty Township), Vice-Chair; Sen. Dave Burke (R-Marysville); Sen. Capri Cafaro (D-Hubbard); Rep. Mike Dovilla (R-Berea); and Rep. Stephen Slesnick (D-Canton).

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 that work with federal, state and local law enforcement agencies. Gaming Agents can also investigate illegal casino gaming operations outside of Ohio's four licensed casinos.

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 works collaboratively 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. The Commission recognizes and appreciates the collaboration to enforce the new criminal gaming statutes in relation to crime at casinos. During this fiscal year, 319 charges for felonies and misdemeanors occurring at Ohio casinos were presented to prosecutors. The total number of individuals charged statewide totaled 268.



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 2014 (July 1, 2013 - June 30, 2014)						
	Cleveland	Toledo	Columbus	Cincinnati	Total of Each Type of Charge Statewide	
Assault	1	0	0	0	1	0.31%
CCW/Weapons Violation	1	0	0	0	0	0.31%
Casino Cheat/Attempted Casino Cheat	20	5	7	14	46	14.42%
Counterfeit	3	0	0	0	3	0.94%
Disorderly and/or Intoxicated	2	1	1	4	8	2.51%
Falsification	0	1	1	3	5	1.57%
Fake ID/ False ID	1	0	1	18	20	6.27%
Forgery	1	0	0	3	4	1.25%
Harassment/Menacing	1	0	2	0	3	0.94%
Misuse of Credit Card	1	1	0	1	3	0.94%
Money Laundering	0	0	0	3	3	0.94%
Narcotics/Drugs	3	0	2	0	5	1.57%
Obstructing Official Business	2	0	0	0	2	0.63%
Possession of Criminal Tools	0	0	0	4	4	1.25%
Receiving Stolen Property	0	0	2	0	2	0.63%
Resisting Arrest	0	1	0	1	2	0.63%
Robbery	0	0	0	1	1	0.31%
Tampering with Records	0	0	0	3	3	0.94%
Theft	23	10	15	9	57	17.87%
Trespassing, Criminal	10	33	43	5	91	28.53%
Unauthorized Use of Property	0	0	1	1	2	0.63%
Underage Entry/Attempted Entry	7	10	8	15	40	12.54%
Underage, Aids Entry	1	2	3	0	6	1.88%
Vandalism/Criminal Damaging	4	0	1	2	7	2.19%
Total of All Charges Per Casino	81	64	87	87		
Total of All Charges Statewide					319	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: 268.

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 must review and 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

COMMISSION DIVISIONS (continued)

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.

During FY 14, two pieces of legislation were introduced pertaining to the work of the Commission. First introduced was a bill that would enable Gaming Agents to pursue criminals who use Ohio casinos for money-laundering operations. Senate Bill 141 (Obhof/Hughes) would make structuring transactions at a casino facility a fifth-degree felony, allowing a state criminal charge that mirrors the federal money laundering statute. The measure was passed by the Senate in June 2013. It is awaiting a vote by the full House following approval by the House Policy & Legislative Oversight Committee.

The second is a proposed state law granting the Commission additional tools to regulate skill games operations. House Bill 491 (Buchy/Blessing) was introduced in response to growing evidence that skill games businesses were violating Ohio law by operating games of chance and giving cash payouts. The measure was approved by the Ohio House in May and has been assigned to the Senate State Government Oversight & Reform Committee for future action.

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's hearing administrator. The Legal Division has developed internal agency policies, responds to all public records requests submitted to the Commission and has drafted proposed legislation for the Ohio General Assembly.

As part of its duties, the Legal 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 eight

individuals who pose a threat to the integrity of casino gaming on the list.

The Legal 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. In addition, these two divisions have facilitated, to date, six 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 casino gaming criminal offenses.

Finally, the Legal 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, which require 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

COMMISSION DIVISIONS (continued)

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. License holders are required to file for renewal every three years and the division must conduct a new suitability investigation. The first renewal cycle for casino operators and holding companies, gaming-related vendors, and casino gaming and key employees will begin in December 2014.

Licenses Granted July 1, 2013 - June 30, 2014	
Casino Gaming Employees	855
Key Employees	14
Management Companies	0
Operators	1
Operator Key Employees	4
Vendors	8
Vendor Key Employees	54
Total Licenses Granted	
Casino Gaming Employees	6,390
Key Employees	86
Management Companies	2
Operators	5
Operator Key Employees	70
Vendors	32
Vendor Key Employees	271

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), like software and

slot machines. Excluding daily, monthly and annual financial reviews, the Division performed more than 350 compliance audits.

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.

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 in the right way. Those approved processes are grounded in each casino's detailed internal controls, which are essentially a casino's playbook. Those playbooks average around 750 pages. If a casino has a sound business need for changing those controls, then the casino must come before the Commission for its approval. In FY 14, the Commission posted part of each casino's controls – specifically, the table game rules – on the OCCC website. The Commission took that step so that patrons had multiple ways to know the exact rules of the games that the casinos offer. The other ways include the rack cards available in each casino and on each casino's website.

Finally, and in very few instances, the Commission issues sanctions on a casino to encourage future compliance. In FY 14, the Commission issued sanctions resulting in \$184,000 in fines, and issued another \$200,000 sanction which was pending as of June 30. 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 \$10 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 ADAMHS Boards with 60 percent dedicated to prevention and 40 percent identified for treatment.

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. To reach the targeted demographic, ORG launched the interactive, multi-media *I Lost a Bet* problem gambling prevention campaign in January 2014. The campaign will continue throughout the current calendar year. In addition, future

surveys will be conducted every three years to track trends across the state and align prevention and treatment resources.

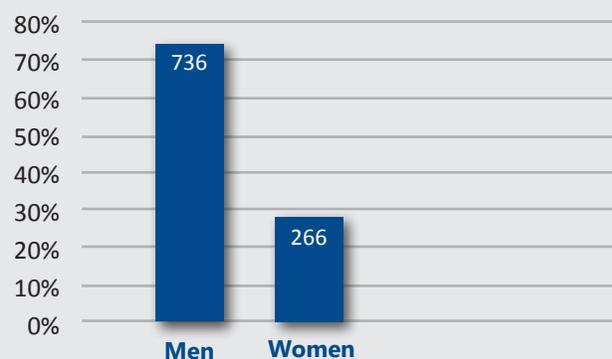
Another resource available to problem gamblers, and administered by the Commission, is the state's Voluntary Exclusion Program (VEP). It offers individuals the ability to ban themselves from a casino facility for one year, five years or their lifetime. Participants complete the Request for Voluntary 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. During the fiscal year, of the 91 individuals charged with criminal trespassing at Ohio casinos, 73 were enrolled in the VEP.

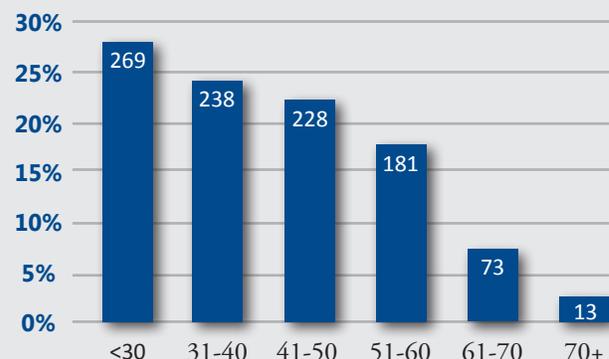
Since its inception, the program has grown exponentially. In FY 12, 45 individuals signed up for the VEP, with an additional 389 applicants in FY 13. This past fiscal year, the total number of applications has grown to 1,002, with enrollment including participants from 11 states and one Canadian province.

Voluntary Exclusion Program As of June 30, 2014
Total Number of Enrollees: 1,002

By Gender

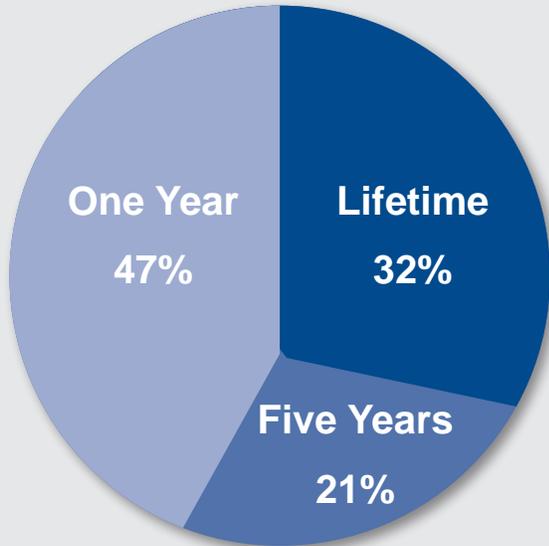


By Age



Voluntary Exclusion Program Through June 30, 2014

The Ohio Casino Control Commission has accepted 1,002 applications from residents in 11 states and one Canadian Province for the Voluntary Exclusion Program.



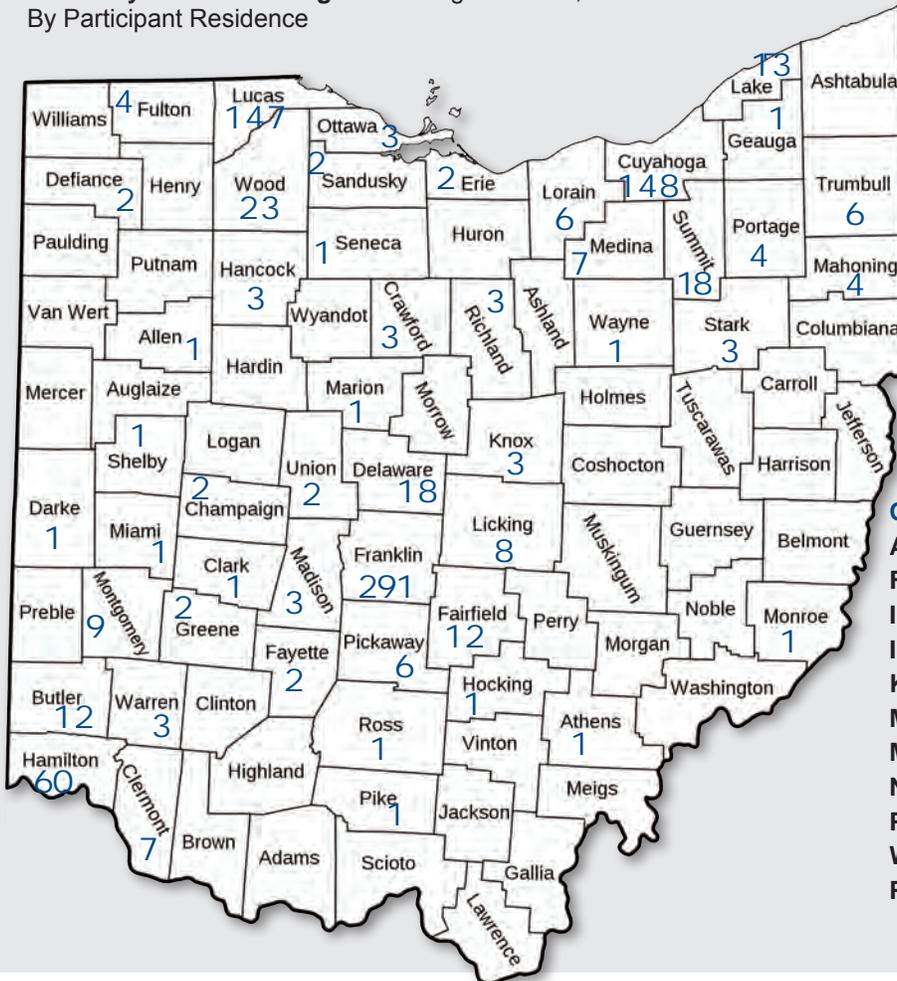
Length of Time of Exclusion by Applicants

- Lifetime 319
- Five Years 215
- One Year 468

Note: 82 participants have been removed from the program at the expiration of their exclusion period, and 14 have since asked to be reinstated.

Voluntary Exclusion Program Through June 30, 2014

By Participant Residence



CASINO RESPONSIBLE GAMING PLANS

Casino owners and operators are required to create, update and maintain Responsible Gaming Plans. The casino plans require Commission approval and outline and establish standards to address problem gambling, underage 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.

RESPONSIBLE GAMING MEANS:
Knowing when to stop

At Caesars, we're committed to responsible gaming. If you would like to restrict your credit, check cashing, mail, or casino play privileges, just ask any employee for information.

WHEN GAMBLING MIGHT BE A PROBLEM
 Gambling makes home life difficult
 Gambling to escape work or stress
 Gambling to obtain money
 Considering or committing to finance gambling
 Feeling remorse after gambling
 Changing sleeping or eating habits due to gambling
 Losing work time due to gambling
 Borrowing to finance gambling
 Considering harm to others as a result of gambling

Responsible Is Our Business
 If you think you or someone you care about has a gambling problem, call: 1-800-589-9966
 All calls are confidential.

HOLLYWOOD Casino
 TOLEDO, OH
RESPONSIBLE GAMING
 -program-

CINCINNATI'S HOMETOWN CASINO
YOUR NUMBER 1 IN YEAR 1
 horseshoecincinnati.com
1-800-589-9966

HORSESHOE CINCINNATI

GAMBLING PROBLEM? CALL

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: 2,261
Table Games: 80 gaming tables, 36 poker tables
Total Employment: 1,076
Licensed Employees: 701
Non-Licensed Employees: 375

Annual Revenue FY 2014

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	116	\$213,205	\$290,756,886	\$68,905,211	23.72%	76.28%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	2,261	\$28,871,824	\$1,668,969,881	\$138,003,546	8.27%	91.73%

Total AGR For FY 2014 \$206,908,757

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: Richard St. Jean
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: 953
Licensed Employees: 515
Non-Licensed Employees: 438

Annual Revenue FY 2014

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	80	\$471,430	\$157,768,144	\$34,675,462	21.98%	78.02%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	2,045	\$9,865,934	\$1,611,246,991	\$146,376,591	9.08%	90.92%

Total AGR For FY 2014 \$181,052,053

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: \$277.1 million

Slots: 1,968

Table Games: 86 gaming tables, 31 poker tables

Total Employment: 1,320

Licensed Employees: 903

Non-Licensed Employees: 417

Annual Revenue FY 2014

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	117	\$2,687,609	\$348,595,505	\$63,943,206	18.34%	81.66%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	1,968	\$41,173,308	\$1,860,143,570	\$146,324,489	7.87%	92.13%

Total AGR For FY 2014 \$210,267,695

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: Marcus Glover

Date Licensed: May 2, 2012

Date Opened: May 14, 2012

Gaming Space: 96,000 square feet

Certified Capital Investment: \$280.9 million

Slots: 1,583

Table Games: 89 gaming tables, 30 poker tables

Total Employment: 1,495

Licensed Employees: 1,110

Non-Licensed Employees: 385

Annual Revenue FY 2014

Table Games	Units at Year End	Table Promo Spend	Table Drop	Table AGR	Actual Hold %	Payout %
	119	\$3,199,019	\$540,677,119	\$96,859,844	17.91%	82.09%
Slots	Units at Year End	Slot Promo Spend	"Coin In"	Slot AGR	Actual Hold %	Payout %
	1,583	\$37,418,361	\$1,643,145,102	\$130,026,992	7.91%	92.09%

Total AGR For FY 2014 \$226,886,836

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 2014
(JULY 1, 2013 - JUNE 30, 2014)**

STATEWIDE TOTALS				
Table Game	Table Promo Spend	Table Drop	Table AGR	
	\$6,571,263	\$1,337,797,654	\$264,383,723	
Slots	Slot Promo Spend	"Coin In"	Slot AGR	
	\$117,329,427	\$6,783,505,543	\$560,731,618	

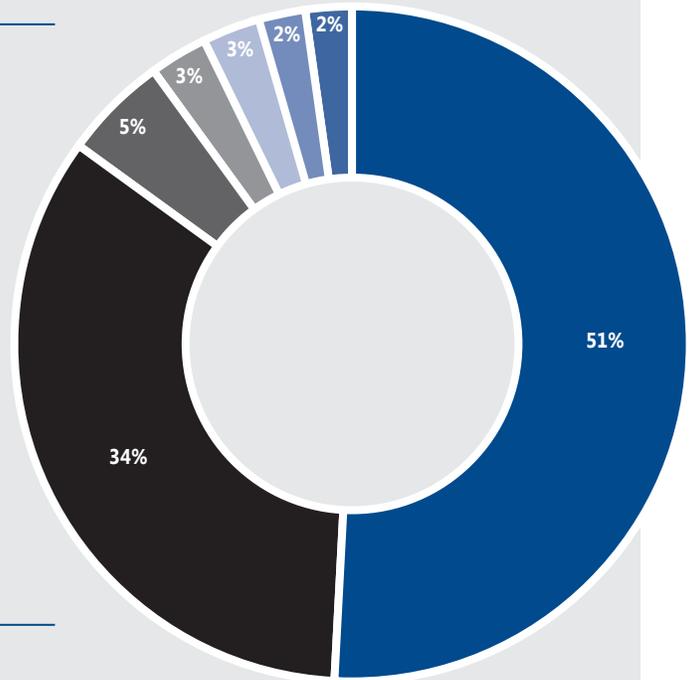
Total Statewide For FY 2014: \$825,115,341

DISTRIBUTION OF GROSS TAX RECEIPTS

The total allocated amount is based on tax collections received during fiscal year 2014. However, the tax collections from the fourth quarter were distributed in July 2014, after the close of the fiscal year.

Total Deposits for FY 14: \$273,393,330

- County Fund (51%): \$139,430,598.56
- Student Fund (34%): \$92,953,732.38
- Host City Fund (5%): \$13,669,666.52
- Ohio State Racing Commission Fund (3%): \$8,201,799.91
- Casino Control Commission Fund (3%): \$8,201,799.91
- Law Enforcement Training Fund (2%): \$5,467,866.61
- Problem Gaming & Addictions Fund (2%): \$5,467,866.61



**OHIO CASINO CONTROL COMMISSION FUND BALANCE REPORT
FISCAL YEAR 2014 ACTUAL**

REVENUE

TAX	ACTUAL
Gross Casino Tax	\$8,192,722
Total Tax*	\$8,192,722

LICENSE FEES	ACTUAL
Operators Fees	\$3,000,000
Vendors Fees	\$252,293
Key Employees Fees	\$141,116
Gaming Employees Fees	\$493,768
Total License Fees	\$3,887,177

TOTAL ALL REVENUE	\$12,079,898
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BEGINNING APPROPRIATION \$13,121,287

OCCC PERSONNEL EXPENSES	ACTUAL
Wages & Benefits	\$7,668,251
BCI Gaming Agents	\$384,334
Total Personnel Expenditures	\$8,052,585

OCCC OPERATIONAL SUPPORT EXPENSES	ACTUAL
Administrative Hearings	\$10,199
Rent	\$237,064
Research and Investigations	\$24,476
Purchased Personal Services	\$53,055
Supplies	\$184,198
Equipment	\$57,436
Travel	\$125,329
Training	\$33,844
Total Operating Expenditures	\$725,601

OTHER EXPENSES AND TRANSFERS	ACTUAL
Intrastate Payments	\$358,027
Total Other Expenditures	\$358,027

TOTAL ALL EXPENSES AND TRANSFERS	\$9,136,213
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ENDING APPROPRIATION BALANCE	\$3,985,074
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*Gross Casino Tax Revenue Total does not include the FY 2014 fourth quarter disbursement.



OHIO CASINO
CONTROL COMMISSION