

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – November 18, 2020
Meeting Held Virtually – Microsoft Teams Live Event

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:02 a.m. by Chair June Taylor. Vice-Chair Jo Ann Davidson and Commissioners McKinley Brown, Will Lucas, Ranjan Manoranjan, Lynn Slaby, and John Steinhauer were also in attendance. The minutes of the October 21, 2020 meeting were approved following a motion by Commissioner Slaby and seconded by Commissioner Lucas.

Executive Director Matthew Schuler began his report with Rick Anthony, Deputy Executive Director and Director of Operations, providing a budget report for the first month of the second quarter of FY21. Mr. Anthony reported that tax revenue for the quarter was up from original estimates by \$300,000.00. All of the casinos were noted to have held strong during the quarter, especially Hollywood Casino Toledo. Mr. Anthony indicated predictions are difficult to make until month-end at this time due to COVID-19, but the Commission will continue to track revenue trends. Overall, revenue was in better shape than originally estimated. Due to the casinos being shut down for three months, the timing of receiving licensing fees has been affected, causing fees received for this quarter to be down. Despite this, due to licensing fees being above estimates for the first quarter, casinos beginning to hire more staff with re-openings, and renewal licensing events, these factors should offset any shortage seen in the second quarter. Mr. Anthony noted that a reimbursement of \$7,500.00 in Coronavirus Aid, Relief, and Economic Security (CARES) funds were received to help balance personal protective equipment expenses incurred due to COVID-19. Another request for CARES funds was made this month, which should be received during the next quarter. On the expense side, wages and benefits remain on track. Purchased personal services were noted to continue to be below estimate but are anticipated to increase as the Commission begins holding administrative hearings again. New computers are being purchased for staff working from home to replace antiquated equipment that was assigned to employees. The cost for these computers will be shown on a future report.

Next, Mr. Schuler reported that the Licensing Division wrapped up a third licensing event at the JACK Cleveland Casino. A total of 275 applications were received over the course of these three events. Mr. Schuler noted that since 2012, over 3,500 initial, new, or key employee licenses have been issued to Cleveland applicants. Over the last few weeks, 229 renewal applications were received from individuals who have been at the casino since it opened in May 2012. Mr. Schuler thanked Office Manager Dina Lelonis and Gaming Agent Jerry Coffee for helping set up the event. Mr. Schuler also thanked JACK Talent Acquisition Manager, Mike O'Brien, and JACK Cleveland Recruiter, Ray Gambord, for ensuring that all COVID best practices were taken, including staggering of appointment times and applicant social distancing. Lastly, Mr. Schuler thanked the Licensing Division's director, managers, and supervisors for leading the event and setting a great example for the rest of Commission staff. The next licensing event will be held at the Hollywood Casino Toledo, and approximately 100 applications will be taken. The

Commission strives to make the application process as simple as possible for its applicants and licensees and feels this is best achieved by bringing staff to the casinos.

Next, Mr. Schuler reported that the Commission recently presented with partners in the State of Ohio's Diversity, Equity, and Inclusion Institute's annual event on October 28th. The presentation was named "Ohio for Responsible Gambling and the use of D&I Statistics for Prevention and Clinical Care for Problem Gambling and Gambling Disorder." The presentation provided an overview of the many forms of gambling in the state as well as environmental and physical risk factors, the likelihood for co-occurring disorders, and the lethality of gambling problems. The presentation focused on statistics gathered from the statewide problem gambling survey, information from treatment professionals, and the voluntary exclusion program, which demonstrate how age, race, ethnicity, education, employment, and military service can influence gambling behaviors. Mr. Schuler explained that these statistics are used to help derive data to form treatment prevention and outreach programming that cover the spectrum of Ohio's diverse population, which are in-turn tailored to those populations that are most in need. Mr. Schuler acknowledged Commission staff, Amanda Blackford, Maria Saliaris, William Cox, and Christopher Fleenor who were instrumental in ensuring this was a very well attended and received part of the annual event.

Mr. Schuler ended his report with a JACK Entertainment (JACK) financial update by Dan Reinhard, the company's Senior Vice President of Governmental Affairs. Mr. Reinhard provided an update on the casino's status post re-opening due to COVID-19. Mr. Reinhard reported that the enterprise's General Managers are busy preparing for Governor Mike DeWine's curfew for the pandemic slowdown. JACK is a part of the Responsible Restart Plan, which worked with local boards of health, staff, and the Commission to develop and execute a re-opening plan with pandemic safety measures. Mr. Reinhard noted that despite the challenges that additional cleaning and sanitation have added, casino staff have not wavered in their efforts. He noted further that the casino guests have demonstrated 99% mask compliance, and those who do not adhere to the casino mask-wearing policy are escorted out of the building. Mr. Reinhard reported that JACK continues to press forward to see how the organization can improve and do better with pandemic safety efforts. Additionally, JACK has added Katherine Hall to its staff, as the Vice President of Diversity and Inclusion, and she will lead the way in working with all departments to look for ways to improve diversity and inclusion and outreach to the community.

The Commissioners had questions that were confidential in nature relating to financial and trade-secret information. Due to the confidential nature of the materials being discussed, Chair Taylor made the following motion: "JACK Ohio LLC's financial update contains matters required to be kept confidential by state statute. In particular, this update includes financial and trade-secret information deemed confidential under R.C. 3772.16(A)(9) and (12), respectively. Accordingly, I move to go into executive session pursuant to R.C. 121.22(G)(5)." The motion was seconded by Commissioner Steinhauer and adopted by a roll call vote of 5-0.

The Commission moved into Executive Session at 10:30 a.m. The regular meeting of the Commission resumed at 11:42 a.m. with Chair Taylor stating that "We are now back on the record."

Anna Marin Russell, Manager of Investigations and Senior Legal Counsel, presented for consideration, the gaming-related vendor license renewal application for Everi Games Inc. (Everi). The Division of Licensing & Investigations completed a suitability investigation of Everi and its one holding company, which did not uncover any material derogatory information. Ms. Russell recommended approval of proposed Resolution 2020-40, renewing the gaming-related vendor license. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Lucas and approved.

Next, Ms. Russell presented to the Commission for consideration the gaming-related vendor license application for SG Gaming, Inc. (SG Gaming). The Division of Licensing & Investigations completed a suitability investigation of SG Gaming and its one holding company, which did not uncover any material derogatory information. Ms. Russell recommended approval of proposed Resolution 2020-41, renewing the gaming-related vendor license. A motion to approve the Resolution was made by Chair Taylor. The motion was seconded by Vice-Chair Davidson and approved.

Finally, Ms. Russell presented to the Commission for consideration four key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2020-42, granting key-employee licenses to: Arnaud de Cartier de Marchienne, Cartamundi Group; Michael Eklund, Scientific Games Corporation; Kevin Goskowsky, Hard Rock Casino Cincinnati; and Andrej Zupancic, Elektroncek Group BV. A motion to approve the Resolution was made by Commissioner Steinhauer. The motion was seconded by Commissioner Manoranjan and approved.

Berena Seifert, Manager of Skill Games, presented to the Commission for consideration 26 skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2020-43, granting skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Brown. The motion was seconded by Vice-Chair Davidson and approved.

Aleah Page, Manager of Licensing, Casino Gaming & Fantasy Contests, presented to the Commission for consideration the fantasy contest operator license application for No House Advantage LLC (No House Advantage). The Commission's Licensing & Investigations, Legal, Regulatory Compliance, and Problem Gambling Services Divisions completed a suitability investigation of No House Advantage, which did not uncover any material derogatory information. Ms. Page recommended approval of proposed Resolution 2020-44, granting an initial three-year fantasy contest operator license and a variance request. A motion to approve the Resolution was made by Commissioner Steinhauer. The motion was seconded by Commissioner Slaby and approved.

Craig Donahue, Manager of Compliance and Auditing, presented to the Commission for consideration the three-year approval of McDonald Cointot Crouse LLP (McDonald), Schulte & Company CPAs Inc.

(Schulte), and Withum Smith + Brown PC (Withum) as independent registered certified public accounting firms for the purpose of conducting financial statement and compliance audits for Ohio fantasy contest operators. Mr. Donahue explained that pursuant to Ohio Adm.Code 3772-74-15, fantasy contest operators are required to undergo a financial audit each year and a compliance audit once each three-year licensure period. A motion to approve McDonald, Schulte, and Withum was made by Commissioner Manoranjan. The motion was seconded by Commissioner Lucas and approved.

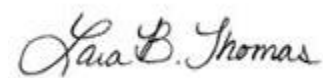
Andromeda Morrison, Director of Skill Games and Senior Legal Counsel, presented to the Commission consideration of one administrative rule, Ohio Adm.Code 3772-50-14, that is due for agency review by April 2021. Ms. Morrison explained that in conducting this review, the Commission must consider, among other things, whether the rule is still necessary, must be amended, or conflicts with other rules. Pursuant to R.C. 106.03, staff conducted such a review and did not uncover a need for any changes. After completing its review, staff recommended approval of the rule's no-change status and to begin the rule-filing process. Upon approval, Commission staff will file the rule along with a Business Impact Analysis with the Common Sense Initiative (CSIO). After the CSIO review and authorization, staff will then file the rule with the Joint Committee on Agency Rule Review (JCARR), which maintains jurisdiction over the no-change rule for 90 days from the date of filing. Vice-Chair Davidson made a motion to adopt proposed Resolution 2020-45, approving the filing of the no change rule Ohio Adm.Code 3772-50-14. The motion was seconded by Commissioner Brown and approved.

Matthew Oyster, General Counsel and Director of Licensing & Investigations, presented to the Commission for consideration one casino gaming final order regarding the denial of casino gaming license applications (case #2020-LIC-007, -025, -031, -032, & -035). Chair Taylor moved to deny the casino gaming license applications for the cases listed in the final order. The motion was seconded by Commissioner Slaby and approved.

Ms. Morrison then presented to the Commission for consideration a skill-based amusement machine licensure final order regarding the denial of skill-based amusement machine license applications (case #2020-SLIC-143 – -145, -173, -174, -205, -206, -224, -225, & -240). Chair Taylor moved to deny the skill-based amusement machine license applications for the cases listed in the final order. The motion was seconded by Commissioner Brown and approved.

There being no further business before the Commission, the meeting was adjourned.

Signed,



Lara B. Thomas

Commission Secretary

Approved: December 16, 2020