

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – April 21, 2021
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 March 17, 2021 meeting were approved following a motion by Commissioner Slaby and seconded by Commissioner Brown.

Executive Director Matthew Schuler began his report with a budget update by Rick Anthony, Deputy Executive Director and Director of Operations, recapping the first three quarters of the fiscal year. Mr. Anthony reported that generally the Commission's budget is in good shape, with revenue being above estimates and expenses being below. Mr. Anthony provided some highlights from the first three quarters, including tax revenue being 6% above the revised estimates for the year. It was noted, however, that the first quarter of the budget was revised to consider the closures of the casinos during the pandemic. Mr. Anthony pointed out that although casino revenue was above the revised estimates, that revenue would have been below the original budget estimates by \$1.6 million. Casino revenue did appear to be strong in March of this year and is trending similarly for April. Vendor licensing fees were above estimates, while casino gaming fees continued to be below. Mr. Anthony indicated that casino gaming fees will mostly likely be below estimates for the year, which is attributed to the pandemic closures and curfews. An uptick in those fees is beginning to be seen during this last quarter. There was a substantial increase in miscellaneous revenue fees due to a recent CARES Act reimbursement for personal protective equipment and to cover costs of personal computers needed for employees teleworking.

On the expense side, Mr. Anthony reported that wages and benefits continue to be below estimates because of the consolidation of positions and cost savings days. Commission hearings are currently suspended for both casino gaming and skill-based amusement machine divisions, resulting in hearing expenses being below estimates. Mr. Anthony indicated that hearings are anticipated to resume in the next quarter, and a rise in those expenses is anticipated. Both the enforcement and operating funds' supplies and maintenance costs were reported to continue to be below estimates, to which Mr. Anthony credited the Commission's continued efforts to maximize efficiencies to save on costs.

Next, Mr. Schuler provided a legislative update, advising the Commissioners that testimony had been presented to the Senate Primary & Secondary Education Committee regarding the Commission's budget recommendation for fiscal years 2022-2023. Mr. Schuler indicated that it seemed the requested appropriation will remain the same when reviewed by the Senate. The testimony was well received, and the work of the Commission was appreciated.

Then, Mr. Schuler provided an update regarding sports betting legislation. He reported that Senate President Matt Huffman has created the Select Committee on Gaming to examine sports betting policy issues. The Committee recently held nine hearings and heard testimony from numerous industry stakeholders regarding tax rates, which businesses should be allowed to take wagers, and who should oversee sports betting in Ohio. As a regulator, the Commission did not participate in the hearings, but has made itself available a resource to the Committee members. Now that the preliminary hearing process is complete, a bill will be crafted and introduced very soon. A House of Representatives bill is also expected to be introduced in the near future. Mr. Schuler indicated that he would continue to apprise the Commissioners of any additional updates regarding sports betting legislation.

Mr. Schuler ended his report by re-introducing Mr. Brad Hirsch, previously the Assistant General Manager for Horseshoe Cleveland Casino, who has returned to Ohio as the new General Manager for the Hollywood Casino Toledo (HCT). Mr. Hirsch thanked the Commission staff for their assistance with his license and expressed his excitement to be working in Ohio and with the Commission once again. Mr. Hirsch stated that the HCT team has done well despite the challenges the pandemic brought over the last year. The team remains hyper-focused on protecting employees, customers, and community by upholding COVID protocols. Mr. Hirsch indicated he was excited about future opportunities to re-invest in Toledo and Ohio and anticipates a very prosperous new year.

Anna Marin Russell, Manager of Investigations and Senior Legal Counsel, presented for consideration the gaming-related vendor license renewal application for Konami Gaming, Inc. (Konami) as well as four key employee license renewal applications for Akira Gemma, Kimihiko Higashio, Kagemasa Kozuki, and Stephen Sutherland. The Division of Licensing & Investigations completed suitability investigations of Konami and the associated key employees, which did not uncover any material derogatory information. Ms. Russell recommended approval of proposed Resolution 2021-13, granting the gaming-related vendor and key employee licenses. A motion to approve the Resolution was made by Commissioner Manoranjan. The motion was seconded by Vice-Chair Davidson and approved.

Then, Ms. Russell presented for consideration the gaming-related vendor license renewal application for Aristocrat Technologies, Inc. (Aristocrat) as well as the key employee license renewal applications for Julie Cameron-Doe and Neil Chatfield. The Division of Licensing & Investigations completed suitability investigations of Aristocrat and the associated key employees, which did not uncover any material derogatory information. Ms. Russell recommended approval of proposed Resolution 2021-14, renewing the gaming-related vendor and key employee licenses. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Brown and approved.

Next, Ms. Russell presented for consideration eight 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 2021-15, granting or renewing, as applicable, key-employee licenses to: Felicia Hendrix, Penn National Gaming, Inc.; Tatsuhiko Saruwatari, Japan Cash Machine Co., Ltd.; Bradley Hirsch, Hollywood Casino Toledo; John

Connelly, Interblock USA L.C.; Matthew Cullen, JACK Investment Co., LLC; Stacy King, JACK Cleveland Casino; Robert Parente, Scientific Games Corporation; and Thomas Reilly, Scientific Games Corporation. A motion to approve the Resolution was made by Commissioner Lucas. The motion was seconded by Commissioner Brown and approved.

Andromeda Morrison, Director of Skill Games and Senior Legal Counsel, presented for consideration 27 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 2021-16, granting skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Steinhauer. The motion was seconded by Commissioner Manoranjan and approved.

Chris Fleenor, Manager of Compliance and Gaming, presented for consideration the approval of an amended casino gaming area designation for Hard Rock Casino Cincinnati (Hard Rock), to adjust its designated gaming area. Hard Rock requested to change the currently designated gaming area to incorporate an additional outdoor gaming space, which it plans to be ready for use in June 2021. Chair Taylor made a motion to approve the adjustment to the existing casino gaming area designation for Hard Rock. The motion was seconded by Commissioner Brown and approved.

William Cox, Senior Legal Counsel, presented for consideration administrative rules due for five-year review or are otherwise affected by rules due for this review. Mr. Cox explained that each administrative rule must be reviewed prior to its review date, and the Commission must consider, among other things, whether the rule is still necessary, must be amended, or conflicts with other rules. Next, Mr. Cox provided a substantive review of each of the administrative rules and then requested approval to amend or rescind rules 3772-7-01, 3772-9-01 – -03, -05 – -10, -12 – -13 , 3772-17-01, and 3772-29-01. Upon this approval, staff will prepare and file a Business Impact Analysis and the rules with the Common Sense Initiative Office (CSIO). After CSIO review and authorization, staff will then proceed with filing the rules with the Joint Committee on Agency Rule Review (JCARR). After JCARR's jurisdiction ends, staff will seek approval for the final filing at a future public meeting. A motion to approve the initial filing was made by Commissioner Steinhauer. The motion was seconded by Commissioner Brown and approved.

Ms. Morrison then presented for consideration six skill gaming final orders:

A final order regarding the denial of skill-based amusement machine license applications (case #2020-SLIC-261 & -262). 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 Vice-Chair Davidson and approved.

A joint final order regarding Michael Jordan (case #2020-SLIC-171) and Michael Jordan Amusements (case #2020-SLIC-172). Chair Taylor moved to approve and adopt the Report and Recommendation without modifications to deny the Skill-Based Amusement Machine Key-Employee and Type-C Operator

License Applications for Michael Jordan and Michael Jordan Amusements. The motion was seconded by Commissioner Brown and approved.

A joint final order regarding Ohio Lucky Star (case #2020-SLIC-141) and Akbar Ali (case #2020-SLIC-142). Chair Taylor moved to approve and adopt the Report and Recommendation without modifications to deny the Skill-Based Amusement Machine Type-C Operator and Key-Employee License Applications for Ohio Lucky Star and Akbar Ali. The motion was seconded by Commissioner Slaby and approved.

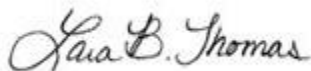
A joint final order regarding Michael Parasson (case #2020-SLIC-198), Andy's in the Park (case #2020-SLIC-199), and MGP Enterprises (case #2020-SLIC-200). Chair Taylor moved to approve and adopt the Report and Recommendation without modifications to deny the Skill-Based Amusement Machine Key-Employee and Type-C Location License Applications for Michael Parasson, Andy's in the Park, and MGP Enterprises. The motion was seconded by Commissioner Lucas and approved.

A joint final order regarding Franklin Skelton (case #2020-SLIC-189) and T Bird Bar and Grill (case #2020-SLIC-190). Chair Taylor moved to approve and adopt the Report and Recommendation without modifications to deny the Skill-Based Amusement Machine Key-Employee and Type-C Location License Applications for Franklin Skelton and T Bird Bar and Grill. The motion was seconded by Vice-Chair Davidson and approved.

A joint final order regarding Russell Young (case #2020-SLIC-122) and South Dayton Entertainment, INC (case #2020-SLIC-123). Chair Taylor moved to approve and adopt the Report and Recommendation without modifications to deny the Skill-Based Amusement Machine Key-Employee and Type-C Operator License Applications for Russell Young and South Dayton Entertainment, INC. 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: May 19, 2021