

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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TO: Maryland Lottery and Gaming Control Commission
Gordon Medenica, Director

FROM: Paula Yocum, Managing Director, Acting CFO

DATE: November 12, 2020

SUBJECT: Report for the November Commission Meeting

This is a status update of ongoing and special projects in Finance.

I. BUDGET

- **FISCAL YEAR 2020 Final Expenditures**
 - Lottery: \$77,743,420
 - VLT Special Fund: \$10,842,801
 - VLT General Fund: \$ 6,461,424
 - COVID 19 – Fund 9: \$95,651
- **FISCAL YEAR 2021 (was reduced by \$119,756, see approved budget amounts below)**
 - Lottery: \$85,009,877
 - VLT Special Fund: \$11,660,871
 - VLT General Fund: \$ 6,566,576
- **FISCAL YEAR 2022**
 - The Fiscal Year 2022 budget has been submitted to DBM.
- **Promotion Fund (Unclaimed Prizes)**
 - Beginning Balance as of October 1, 2020 \$3,873,518
 - Estimated increase in October, 2020 \$1,044,394
 - Estimated usage in October, 2020 (\$1,326,862)
 - Estimated Ending Balance as of October 31, 2020 \$3,591,050

II. ACCOUNTING/FINANCE

- The June and GAAP financial statements will be provided separately when received from the auditors.

III. PROCUREMENT

- Central Monitor and Control System for a Video Lottery Terminal Program RFP (#2021-06): RFP for a replacement contract to provide the customization, development, implementation, operation, and maintenance of a complete turnkey VLT Control System was issued on October 1, 2020. A virtual Pre-Proposal Conference was held on October 21, 2020, and 48

vendor questions have been answered, along with several RFP amendments. Proposals are due by December 2, 2020.

- Televised Drawings of Lottery Draw Games and Related Services Contract (#2017-02) with Hearst Stations, Inc., WBAL Division was approved by the BPW on October 21 for a one-year extension through 12/10/2021.
- Lottery Central Monitoring and Control System Contract (#2015-01) with Scientific Games Incorporated, Inc.: Modification #2 in the amount of \$910,400 for the term 1/31/2021 (or sooner upon BPW approval) – 3/31/2023 to provide (1) a license to use the Willy Wonka Golden Ticket™ imagery, marks and logos for an Instant Ticket game, and for supporting marketing and advertising to promote the game, and (2) prizes to be awarded to winners of the Instant Ticket game and related second chance promotion. This Modification will be submitted to the Commission for review/approval at its November meeting and, subject to Commission approval, will be submitted to DGS to appear on the BPW Agenda in January 2021.
- MBE/VSBE/SBR Activities:
 - A summary of the MLGCA's MBE/VSBE participation is attached.