

Maryland Lottery and Gaming Control Agency

Wes Moore, Governor • John Martin, Director



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TO: Maryland Lottery and Gaming Control Commission
John Martin, Director

FROM: Paula Yocum, Managing Director, CFO

DATE: October 16, 2023

SUBJECT: Report for the October Commission Meeting

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

I. BUDGET

• FISCAL YEAR 2023 Final Expenditures

Program	Expenditures
Lottery	\$115,007,347.11
VLT General Fund	\$5,671,631.80
VLT Special Fund	\$13,084,905.67
Sports Wagering and Fantasy Gaming	\$2,206,868.97
Total	\$135,970,753.55

• FISCAL YEAR 2024 Budget Appropriation

Program	Appropriation
Lottery	\$94,338,821
VLT General Fund	\$6,748,907
VLT Special Fund	\$13,471,178
Sports Wagering and Fantasy Gaming	\$4,900,603
Total	\$119,459,509

• FISCAL YEAR 2025 Budget Request

The Agency has submitted our Fiscal Year 2025 budget request to the Department of Budget Management – Office of Budget Analysis.

II. ACCOUNTING/FINANCE

• **Promotion Fund (Unclaimed Prizes)**

○ Beginning Balance as of August 31, 2023	\$13,793,547
○ Estimated increase in September, 2023	\$2,140,355
○ Estimated usage in September, 2023	<u>(\$2,321,263)</u>
○ Estimated Ending Balance as of September 31, 2023	\$13,612,639

- The monthly financial statements will be provided separately when received from the auditors.
- The Annual Generally Accepted Accounting Principles (GAAP) audit is in process and will be provided once completed.

III. FANTASY COMPETITION

- Fantasy Competition Operator quarterly tax forms and tax revenue for the quarters ending:

<u>Quarter Ending</u>	<u>Amount Collected for Quarter</u>
September 30, 2023	\$173,392.19
December 31, 2023	Not available yet
March 31, 2024	Not available yet
June 30, 2024	Not available yet
FY 2024 Total	\$173,392.19

IV. SPECIAL PROJECTS

- *The Sports Entertainment Facilities and Events, Prince George’s County Blue Line Corridor Facilities, and Racing Facilities Act (the “Sports Entertainment Facilities Act”) was enacted as Chapter 61 (HB 897) of the Acts of 2022, and amended by Chapter 468 (SB 442) of the Acts of 2023 (the “Amendment” and with the Sports Entertainment Facilities Act, the “Act”) by the Maryland General Assembly. Subject to the terms and conditions set forth in the Act, the Maryland Stadium Authority (the “Authority”) is authorized to issue up to \$220 million in bonds to finance the design, construction, equipping, and furnishing of any segment of a Sports Entertainment Facility (a “Sports Entertainment Facility”) as defined in the Act. Because the capital improvements projects will be funded by lottery revenues, the Maryland Lottery & Gaming Control Agency is assisting the Maryland Stadium Authority in the debt*

service preparations. The department and other Agency personnel have been participating in the compilation and review of documents required for the bond offerings; assisting the credit rating agencies in determining of the credit rating for this offering through presentation of various Lottery information to the rating agency personnel; and participating in the due diligence conducted by the Underwriter in connection with the issuance of the bond.

- The department's Special Projects Manager is a loaned executive for the 2023 Maryland Charity Campaign which launched in October. The Agency's goal is \$13,081.66 for this year's campaign.