

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor



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TO: Maryland Lottery and Gaming Control Commission

FROM: Charles LaBoy, Assistant Director for Gaming

DIVISION: Executive - Gaming

DATE: April 14, 2015

SUBJECT: Report for the April 23rd Commission Meeting

A. VLT Audit Department

| Audit Summary | | | |
|------------------------|-------------------------|------------|-----------------|
| Video Lottery Facility | Audit Area | Status | Periods Covered |
| Maryland Live Casino | Compliance & Operations | Completed | February |
| Rocky Gap | Compliance & Operations | Completed | February |
| Ocean Downs | Compliance & Operations | Completed | February |
| Hollywood Casino | Compliance & Operations | Completed | February |
| Horseshoe Casino | Compliance & Operations | Completed | February |
| Bingo World | Compliance & Operations | Completed | January |
| Maryland Live Casino | Compliance & Operations | In Process | March-April |
| Rocky Gap | Compliance & Operations | In Process | March-April |
| Ocean Downs | Compliance & Operations | In Process | March-April |
| Hollywood Casino | Compliance & Operations | In Process | March-April |
| Horseshoe Casino | Compliance & Operations | In Process | March-April |
| Delta Bingo | Compliance & Operations | In Process | March-April |

a. Staffing Update

1. Internal Auditor – 2 auditors have accepted a conditional offer pending background approval.
- b. An Audit Committee meeting was held on April 3, 2015 where the status of gaming and lottery audits was discussed. The audit committee reviewed video lottery facility operations including a financial update of Caesars Horseshoe Baltimore.

B. Electronic Gaming Device Operations

| | Hollywood | Ocean Downs | MD Live | Rocky Gap | Horseshoe | Bingo Halls |
|------------------|-----------|-------------|---------|-----------|-----------|-------------|
| VLT Installs | 38 | 137 | 145 | 90 | 75 | 20 |
| VLT Removals | 52 | 146 | 158 | 92 | 31 | 20 |
| Floor Moves | 53 | 7 | 116 | 10 | 23 | 0 |
| Game Conversions | 9 | 7 | 112 | 4 | 20 | 0 |

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| | | | | | | |
|-----------------|----|---|----|---|----|---|
| Change Requests | 12 | 7 | 19 | 4 | 12 | 8 |
|-----------------|----|---|----|---|----|---|

- a. NTP's were issued on March 19/20 for the lease of VLTs at Ocean Downs and Rocky Gap for the period covered under the VLT master contract renewal and included 521 new VLTs. Installs of the new devices are estimated to go through the first week of May.
 - b. The Hollywood Casino at Perryville's floor reconfiguration is complete and they are operating 850 VLTs.
 - c. Maryland Live's floor reconfiguration is scheduled to begin in April and continue through mid-year.
 - d. 436 State owned devices are scheduled to be auctioned on May 12.
- C. Responsible Gambling
- a. Voluntary Exclusion Stats
 1. 18 new participants joined the casino VEP since the last report, bringing the total number of participants from 725 to 743.
 2. The actual number of participants who applied to be on the VEP list is 746, however there had been 3 official removals from the list in late 2014. Currently there are 10 more requests for removal from the VEP list in process.
 3. To date, there are now 113 violations that have occurred since the Casino VEP program began, up 8 from the February Report.
 4. 4 more individuals have joined the Lottery VEP list bringing the total number of participants from 99 to 103.
 5. 8 VEP violators were found on casino properties during the month of March and the first day of April, all cited for criminal trespass, court pending.
 - b. Staff continues to participate on behalf of the MLGCA on the National Council on Problem Gambling Conference Planning and Program Committees for the 2015 NCPG Conference to be held in Baltimore in July, 2015.
 - c. The Bingo Facilities' webinar on Problem and Responsible Gambling is now available on the MLGCA's website for Bingo staff/volunteers to take as part of their licensing requirements. Guidelines and the password to enter the webinar have been sent to all the Bingo facility managers. The target date for completion of the webinar by all staff and volunteers is June 30, 2015.
 - d. Staff met with the Lottery Assistant Director John Martin to review a the potential to accredit the Maryland Lottery through a newly developed collaborative National Verification Process developed between the National Council on Problem Gambling and NASPL. Also discussed was training on Responsible gambling for Lottery staff and retailers.