

STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD

PUBLIC MEETING
Cadillac Place Hearing Room and Via Zoom
3062 W. Grand Blvd., Suite L-700
Detroit, Michigan 48202

August 9, 2022, 9:30 a.m.
MEETING MINUTES

On Tuesday August 9, 2022, the Michigan Gaming Control Board held a public meeting, in person and via Zoom, at the Board's office in Cadillac Place, 3062 W. Grand Boulevard, Suite L-700, Detroit, Michigan 48202.

Present: In attendance were the following Board Members:

Linda Forte, Chair
Mr. Andrew Palms
Deidre Lambert-Bounds

Also attending:

Henry Williams, Executive Director
Derek Mathis, Board Analyst
Kellie McGuire, Assistant Attorney General
Mr. Jason Geissler, Assistant Attorney General
D/F/Lt. Marcus Trammel, MSP
Mary Kay Bean, Communications Specialist

Business:

Ms. Forte called the meeting to order at 9:29 a.m. and Board Members Mr. Andrew Palms and Deidre Lambert-Bounds were present. Board Member Joni Thrower Davis was not present.

There was no preliminary business to discuss.

Ms. Forte stated the first order of business was to approve the minutes from the Board's regular public meeting held June 7, 2022. It was noted Board Members previously received copies of the minutes. Board Members were asked if there were any questions, concerns, or corrections; there were none.

A motion was made by Mr. Palms and supported by Ms. Lambert-Bounds that the Board accept and approve the minutes of the June 7, 2022, regular public meeting. A roll call vote was taken. Motion carried.

Mr. Williams presented his report to the Board stating since the last board meeting four new employees were hired, and none have resigned their position with MGCB. MGCB has 154 full-time employees and 16 vacant positions. Mr. Williams also informed the Board of the promotions of three Board employee.

Regarding the Board's budget, as of July 31, 2022, total expenditures were \$23,757,242. leaving an unexpended balance of \$11,203,554 in appropriated funding for fiscal year 2022, which includes funds for anticipated expenditures to the Attorney General's Office and the Michigan State Police.

Mr. Williams reported the three Detroit commercial casinos continued to operate at full capacity on a 24-hour-per-day, 7-day-per-week basis.

For casino operations, the casinos reported \$108.7 million in monthly aggregate revenue in May.

For the month ending May 31, 2022, gaming taxes for the three Detroit casinos were \$8.6 million compared to \$8.7 million for the same period the previous year.

The three Detroit casinos reported paying the State of Michigan \$90,279 in retail sports betting taxes. For the month of May 2022, the three Detroit casinos reported paying the City of Detroit \$110,341 in retail sports betting taxes. For May 2022, the three Detroit casinos reported paying the City of Detroit \$12.6 million in wagering taxes and development agreement payments, compared to \$12.8 million for the same period the previous year.

For casino operations, the casinos reported \$98.6 million in monthly aggregate revenue in June and \$107.2 million in monthly aggregate revenue in July.

For the months of June and July, gaming taxes for the three Detroit casinos were \$16.6 million compared to \$18 million for the same period the previous year.

The three Detroit casinos reported paying the State of Michigan \$65,363 in retail sports betting taxes. For the months of June and July, the three Detroit casinos reported paying the City of Detroit \$79,888 in retail sports betting taxes. For June and July 2022, the three Detroit casinos reported paying the City of Detroit \$24.3 million in wagering taxes and development agreement payments, compared to \$26.4 million for the same period the previous year.

For January through June 2022, \$139.8 million in state taxes and payments; \$134.9 million from internet gaming and \$4.9 million from internet sports betting have been paid. City of Detroit received \$36.9 million from internet gaming and \$2.8 million from internet sports betting for a total of \$39.7 million in taxes and fees.

Mr. Williams informed activities and positions being open for the Michigan State Police.

Mr. Williams discussed the recently approved 2023 State of Michigan Budget. This included more than \$7 million in additional funding for our department. \$2.4 million for 18 full-time positions to support the increased workload from internet gaming, internet sports betting, and fantasy contests. &1.8 million to increase IT support and network storage capacity, and speeds at the Detroit MGCB casino offices and \$3 million for advertising to promote responsible gaming campaign.

Mr. Williams discussed the agency celebrating 25 years where The Gaming Control Board has collected \$2.5 billion in wagering taxes to support K through 12 schools and over \$3 billion to the City of Detroit.

First regular agenda item the Board considered for approval was the recommendation of the Executive Director and the Casino Operations Division's Employee Licensing staff regarding the 191 Level 1 and Level 2 occupational license applications.

There being no questions from Board Members, it was moved by Board Member Palms and supported by Ms. Lambert Bounds that the Board enter an Order accepting and adopting the recommendations. A voice vote was taken. Motion carried.

The next agenda item was consideration of the Licensing & Investigations Division's recommendation regarding the pending supplier license application requests of 888 Atlantic Limited, 1930456 Ontario Inc. d/b/a Kallop, Digital Gaming Corporation, USA d/b/a DGC, Galaxy Gaming, Inc., Oryx Gaming International LLC d/b/a Oryx Gaming, PT Services (Delaware) LLC, and Spin Games LLC.

There were no questions from Board members. Mr. Palms made a motion for approval which was supported by Ms. Lambert Bounds. A voice vote was taken. Motion carried.

Next agenda item was consideration of the Licensing & Investigations Division's recommendations regarding the pending supplier license renewal requests of Ainsworth Game Technology Limited, A.J.R. Equities, Inc., Aristocrat Technologies, Inc., with New Key Person Tracey Lee Elkerton, Baratta Brothers, Inc. d/b/a Fairway Packing Company, Inc., Colasanti Construction Services, Inc., Continent 8 LLC d/b/a Continent 8, Del Bene Produce, Inc., with New Key Person Michael Anthony Del Bene, Diversified Construction Specialists, Inc., Galaxy Gaming, Inc., with New Key Person Cheryl Ann Kondra, Gaming Laboratories International, LLC, Gaming Partners International USA, Inc. d/b/a GPI USA, Guideline Mechanical, Inc., IGT, with New Key Persons Massimiliano Chiara, Enrico Drago, Nicola Drago, Mario Cesari, Maria Teresa Pinelli, and Ashley Maurene Hunter-Osterberg, International Precast Solutions, LLC, Jasman Construction, Inc., JMC Electrical Contractor, LLC d/b/a JMC Technology Group, Novomatic Americas Sales LLC, NRT Technology Corp., Sports Information Services Limited d/b/a Kambi, Sportradar Solutions LLC d/b/a Sportradar, with New Key Persons Jorn Arne Rees, Ulrich Harmuth, and Warren Stuart Murphy, Stadium Technology Group, LLC, Turner Electrical Services, LLC, and Unique Linen Services, Inc.

There being no questions from Board Members, Mr. Palms supported the motion put forth by Ms. Lambert-Bounds that the Board enter Orders finding the suppliers and their qualifiers eligible and suitable for license renewal and, accordingly, grant the requests for a one-year period. A voice vote was taken. Motion carried.

Next was consideration by the Board of the Licensing & Investigations Division's recommendations regarding the suitability of New Key Persons of supplier licensees BetMGM, LLC d/b/a ROAR Digital, with New Key Person Christopher Paul Halpin, Don Best Sports Corporation, with New Key Person Constance Purcell James, Don Best Sports Corporation, with New Key Persons WME IMG, LLC, WME IMG Holdings, LLC, Endeavor Parent, LLC, Endeavor Group Holdings, Inc., Endeavor Executive Holdco, LLC, Silver Lake West Holdco, L.P., Silver Lake West Holdco II, L.P., Silver Lake West Voteco, L.L.C., Patrick William Whitesell, Ariel Zev Emanuel, Jason Howard Lublin, Egon Pierre Durban, Stephen Eric Robert Evans, Fawn Evette Weaver, Jacqueline Dawn Reses, and Ursula Maxine Burns, Evolution US LLC, with New Key Person Sandra Ann Urie, IGT, with New Key Persons Enrico Drago, Massimiliano Chiara, Nicola Drago, Mario Cesari, Maria Teresa Pinelli, and Ashley Maurene Hunter-Osterberg, NYX Digital Gaming (USA), LLC, with New Key Person Constance Purcell James, NYX Digital Gaming (USA), LLC, with New Key Persons WME IMG, LLC, WME IMG Holdings, LLC, Endeavor Parent, LLC, Endeavor Group Holdings, Inc., Endeavor Executive Holdco, LLC, Silver Lake West Holdco,

L.P., Silver Lake West Holdco II, L.P., Silver Lake West Voteco, L.L.C., Patrick William Whitesell, Ariel Zev Emanuel, Jason Howard Lublin, Egon Pierre Durban, Stephen Eric Robert Evans, Fawn Evette Weaver, Jacqueline Dawn Reses, and Ursula Maxine Burns, SG Gaming, Inc. d/b/a Scientific Games, with New Key Person Constance Purcell James, SimpleBet, Inc., with New Key Person Geoffrey Hubert Woo, Sports Gambling Guides, LLC, with New Key Person Christopher William Nordling, Sportradar Solutions LLC d/b/a Sportradar, with New Key Persons Jorn Arne Rees, Ulrich Harmuth, and Warren Stuart Murphy. Board Members did not have any questions therefore, Mr. Palms put forth a motion for approval. The motion was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

Next was consideration by the Board of the Licensing & Investigations Division's recommendations regarding the suitability of New Key Persons of internet gaming operator and sports betting operator licensees for MGM Grand Detroit, LLC, d/b/a MGM Grand Detroit Casino with New Key Person Christopher Paul Halpin. Board Members did not have any questions therefore, Mr. Palms put forth a motion for approval. The motion was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

The Board then considered the Licensing & Investigations Division's recommendations regarding the Transfer of Interests of supplier licensees, Del Bene Produce, Inc., Don Best Sports Corporation, NYX Digital Gaming (USA), LLC, and Spin Games LLC. There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

Next agenda item was consideration of the Licensing & Investigations Division's recommendations regarding the pending casino license renewal requests of MGM Grand Detroit, LLC d/b/a MGM Grand Detroit Casino, with New Key Person Christopher Paul Halpin. Mrs. Forte asked if there was a representative from MGM present who would like to address to Board. CFO at MGM Grand, Mr. Steinagel addressed to board and provided his thanks to the Gaming Board staff and Board Members. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A roll call vote was taken. Motion carried.

Next agenda item was consideration of the Licensing & Investigations Division's recommendations regarding the pending casino license renewal requests of Detroit Entertainment LLC, d/b/a MotorCity Casino. Mrs. Forte asked if there was a representative from MotorCity present who would like to address to Board. President of MotorCity, Mr. Dall addressed to board and provided his thanks to the Gaming Board staff and Board Members. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A roll call vote was taken. Motion carried.

Next agenda item was consideration of the Licensing & Investigations Division's recommendations regarding the pending casino license renewal requests of Greektown Casino LLC, d/b/a Hollywood Casino at Greektown. Mrs. Forte asked if there was a representative from Greektown present who would like to address to Board. General Manager of Greektown, Mr. Drake addressed to board and provided his thanks to the Gaming Board staff and Board Members. There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Lambert-Bounds. A roll call vote was taken. Motion carried.

The Board next considered the Online Gaming and Legal Affairs Division's recommendation regarding the Acknowledgement of Violation of supplier licensee International Gaming

Technology. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of occupational licensee Angela Warfield. Assistant Attorney General Kellie McGuire summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of occupational licensee Clyde Coakley. Assistant Attorney General Kellie McGuire summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of occupational licensee John Williams. Assistant Attorney General Kellie McGuire summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of occupational licensee Larry Pitts. Assistant Attorney General Kellie McGuire summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Proposal of Decision of occupational licensee Patrick Bonner. Assistant Attorney General Kellie McGuire summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

Mrs. Forte addressed other business to consider which was the proposed draft of the 2022/2023 public meeting schedule. There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

There was one request from the public to address the Board. Mr. Mathis stated the request from the public was Mr. Levenson from 888 Atlantic. Mr. Levenson addressed to board and provided his thanks to the Gaming Board and Board Members.

Ms. Forte then announced the Board's next regular public meeting would be held October 18, 2022, at 9:30 a.m.

Ms. Forte then asked for a motion to go into closed session. Mr. Palms made the motion which was supported by Ms. Lambert-Bounds. A roll call vote was taken. Motion carried.

Following the closed session, the public meeting resumed, and a voice vote was taken to approve the minutes from the June 7, 2022, closed session. Motion carried.

Mr. Palms then made a motion to adjourn the public meeting which was supported by Ms. Lambert-Bounds. A roll call voice vote was taken. Motion carried.

Ms. Forte adjourned the meeting at 10:32 a.m.

Derek Mathis

Derek Mathis, Board Analyst