



Annual Report 2009-2010

Division of Special Revenue

2009-2010 ADMINISTRATIVE REPORT
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**DIVISION OF SPECIAL REVENUE
AT A GLANCE**

Paul A. Young, Executive Director

Established – 1971

Statutory Authority – Chapters 54, 98, 226, 226b, 226c and 229a

Central Office – 555 Russell Road
Newington, Connecticut 06111

Number of approved authorized employees –104

Recurring operating expenditures -- \$8,577,746

Capital Outlay - \$84,898

Organizational Structure – Executive Administration: Three
major program areas: Legalized Gambling Regulation;
Charitable Games Regulation; Management Services.

AGENCY MISSION

The mission of the Division of Special Revenue is to ensure the highest degree of integrity in the conduct of all forms of legalized gaming within the State of Connecticut and the federally recognized Tribal Nations within the State. We accomplish our mission by licensing or permitting all individuals and entities that are involved with legalized gambling and by monitoring and educating to ensure compliance with the gaming laws and the Tribal-State agreements. We ensure public confidence in the honesty and fairness of all facets of gambling for the highest quality benefit to the State.

HISTORY AND DESCRIPTION OF THE DIVISION OF SPECIAL REVENUE

The Division of Special Revenue is the Connecticut State Agency responsible for regulating legal gaming. Established as the Commission on Special Revenue, pursuant to Public Act 865 of the 1971 session of the General Assembly, the Agency became the Division of Special Revenue following executive reorganization effective July 1, 1979. Since its inception, the Agency has provided the operational and regulatory framework for each form of authorized gaming and has acted so as to ensure the highest levels of integrity for the activities that have returned \$658,200,386 to the State during fiscal year 2009-2010.

Headed by an Executive Director, appointed by the governor, the Division works cooperatively with the five-member State Gaming Policy Board, also appointed by the Governor, to implement and administer the statutory provisions governing legal gaming, contained in Chapters 98, 226, 226b, 226c and 229a of the Connecticut General Statutes.

Current activities subject to Division oversight include the games of the Connecticut Lottery operated by the quasi-public Connecticut Lottery Corporation, and the statewide off-track betting operated by Autotote Enterprises. In addition, the charitable gaming activities of bingo, sealed ticket sales, bazaars, and raffles, conducted by nonprofit organizations, are subject to registration, permit, and regulatory requirements of the Division.

Pursuant to Tribal-State agreements, the Division also licenses the gaming related workers and registers the gaming service enterprises of the Foxwoods Resort Casino, in Mashantucket, operated by the Mashantucket Pequot Tribe, and the Mohegan Sun, in Montville, operated by the Mohegan Tribe. The Division also participates in oversight of the Tribal slot and/or video facsimile machine activity.

STATUTORY RESPONSIBILITY

Pursuant to the provisions of Chapters 54, 98, 226, 226b, 226c, and 229a of the Connecticut General Statutes, the Division of Special Revenue regulates the State's legalized gaming activities, ensuring compliance with current statutes and regulations, assures gaming integrity, and licenses individuals and entities involved in legalized gambling. The Division affords all individuals and entities entitled to a compliance meeting or hearing due process through a fair and objective forum. All parties are provided the opportunity to present evidence and testimony addressing statutory and regulatory violations, to determine suitability of applicants, licensees, permittees, and patrons, resulting in a fair and reasonable determination of the matter.

AFFIRMATIVE ACTION

The Division of Special Revenue, operating under a plan approved by the Commission on Human Rights and Opportunities, is an Affirmative Action/Equal Opportunity Employer. The Division did not knowingly do business with any bidder, contractor, sub-contractor, supplier of materials, or licensee who discriminates against members of any class protected under C.G.S. Sec. 4a-60.

GAMING POLICY BOARD

Under the provisions of Connecticut General Statutes Sec. 12-557(c), the Gaming Policy Board works in cooperation with the Division of Special Revenue to implement and administer the statutory and regulatory provisions governing legalized gambling. Although the Board and the Division work cooperatively on many matters, the Board has certain statutory authority beyond the scope of the Division. In general, the Division oversees day-to-day activities in regulation, licensing, and integrity assurance matters related to gaming, and the Board addresses issues of longer-range policy development.

Members of the Gaming Policy Board during the 2009-2010 fiscal years were: William F. Farrell of Madison, Chairman; Richard Antonetti of Watertown; Paul F. Pendergast of Bloomfield; Gayle A. Russell of Vernon; Edward F. Osswalt of Rocky Hill.

The Gaming Policy Board held six meetings in fiscal year 2009-2010. Significant actions taken include the following:

Resolved, That Autotote Enterprises, Inc.'s request to begin simulcasting at its existing Milford Off-Track Betting facility at 89 Roses Mill Road in Milford, CT be granted, conditioned upon the Executive Director's final written approval.

Resolved, That Autotote Enterprises, Inc.'s request to include simulcasting at its proposed Putnam Off-Track Betting facility at 146 Park Road in Putnam, CT be granted, conditioned upon the Executive Director's final written approval.

Resolved, That Autotote Enterprises, Inc.'s request for 2010 operating dates for the Connecticut Off-Track Betting System is approved.

Resolved, That in the matter of Anthony D. Leyko, the Gaming Policy Board affirms the decision of the Hearing Officer in the recommendation to revoke Anthony D. Leyko's Class IA license.

Resolved, That in the matter of Luis Rodriguez, the Board moves that the matter be remanded to the Division for a hearing as soon as the Division can schedule it, to consider the new evidence and his overall suitability for licensure.

Resolved, That in the matter of Ryan Tran, the Board moves to uphold the decision of the Hearing Officer.

Resolved, That Autotote Enterprises, Inc.'s request to establish a non-simulcasting facility at 24 Eugene O'Neill Drive in the City of New London is granted.

Resolved, That Autotote Enterprises, Inc.'s request to establish a non-simulcast facility at 600 Main Street, Windham, CT is granted.

Resolved, That Autotote Enterprises, Inc.'s request to establish a non-simulcast facility at 103 Tolland Turnpike, Manchester, CT is granted.

Resolved, That the Memorandum of Understanding between Immigration and Customs Enforcement Authority and the State of Connecticut is approved.

Resolved, That the Memorandum of Understanding between State of Maine and the State of Connecticut is approved.

Resolved, That the Gaming Policy Board adopt the Declaratory Ruling (Freshwater Package Store) as presented.

Resolved, That the request of Autotote Enterprises, Inc.'s expansion of the Torrington simulcast facility at 131 Water Street in the City of Torrington, Connecticut, pursuant to the terms of Section 12-571a(b) and 12-572(a) C.G.S., such authority to include Sunday wagering, is approved.

Resolved, That the Board moves to uphold the Hearing Officer's decision to revoke the license of the Petitioner, Nam Tae Hwang.

PUBLIC SERVICE

Regulation:

The Division of Special Revenue regulates Connecticut's authorized forms of gambling, Tribal Casino gambling, pari-mutuel wagering, State Lottery ticket sales, and Charitable Games.

Licensing:

The Division of Special Revenue licenses, registers, or permits individuals, organizations, and vendors to be employed by, or contracted with gaming licensees or permittees within the State, and those businesses authorized to sell Lottery tickets. The Division assures that only suitable individuals work within the gaming industry in Connecticut. Each and every person working in any capacity involving gambling is licensed by the Division. This also applies to corporations, businesses and other entities involved in the industry. There are approximately 18,000 active licenses currently in Connecticut's gaming industry. Upon initial application, license applicants are investigated for criminal and financial history, and again upon each renewal. The licensing process includes security background checks coordinated by the Division and conducted by internal Division staff, State Police personnel, and Federal law enforcement agencies.

Administrative Hearings:

The Division provides due process and an opportunity to be heard to those individuals or entities denied initial licensure, whose current license is in the process of being revoked, or who have regulatory issues, pursuant to the Uniform Administrative Procedures Act.

Ensuring compliance with law:

The Division ensures compliance with statutes, regulations, and procedures. In general, this is accomplished by maintaining on-site coverage to ensure statutory compliance, to be available and responsive to patron inquiries, and by research and investigative work. On-site coverage with permanent staff is maintained at the tribal casinos, Sports Haven and the Windsor Locks Off-Track Betting (OTB) facilities. Field staff visits lottery agents and licensees and Charitable Games permittees as well as other OTB facilities on an unannounced, random basis. The Division is a law enforcement agency, and does have staff members with police powers.

Ensuring the integrity of games (fair chance to win):

The Division tests wagering systems and related equipment to ensure the integrity of the games. The functional foundation that allows legalized gambling to exist and flourish is integrity assurance. The Connecticut public must not be exposed to gaming without a reasonable assurance that the games are operated fairly, and that every patron has a fair chance to win. The public's interest is served only when gaming is conducted in an

honest fashion. The Division conducts both field investigations and central office investigations, and monitors operations to assure that all gambling activities are consistently conducted in a fair and honest manner, and to detect and prevent any type of fraudulent activity in gaming.

Auditing/monitoring:

The Division conducts annual independent audits to ensure operations are compliant with statutory and regulatory requirements. In addition, the Division collects pari-mutuel and regulation fees, and pays grants to municipalities.

Education:

Conducted 9,375 visits to lottery agents to insure compliance with the regulations and to insure that they know how to obtain certain reports off the system.

A total of 569 pre-event, instructional and customer service meetings were conducted by the in-house and field staffs of the Charitable Games Unit to educate non profit permittees with statutory and regulatory requirements applicable to their permitted activities, and to assist the permittees in addressing regulatory concerns.

Support of program to confront problems of chronic gambling:

The Division of Special Revenue supports treatment and rehabilitation for chronic gamblers through its public awareness activities, pursuant to Section 12-563(a) of the Connecticut General Statutes, which provides that the Division shall inform the public of the availability of treatment programs for chronic gamblers. The Division also insures that funding for such programs is available, pursuant to Section 17a-713(b) of the Connecticut General Statutes.

The Division is an active member of the Connecticut Committee for Problem Gambling Awareness. The committee prepares and distributes informational materials designed to inform the public of the programs available for the prevention, treatment, and rehabilitation of compulsive gamblers.

Security Services:

The Division's security services worked in fiscal year 2009-2010 to ensure public trust and confidence by:

- Conducting background investigations of licensees and vendors of the gaming industry.
- Reporting gambling infractions and, whenever warranted, prosecuting to the fullest extent of the law.
- Conducting lottery agent inspections to assure each agent is in compliance with regulations that enhance public confidence and trust in the sale of tickets.

- Conducting OTB facility inspections, which help develop information and intelligence regarding any possible statutory regulation or violation that could impact public trust.
- Assisting in determining if a public safety emergency is imminent in any locale where lottery tickets are sold during large jackpot incidents, especially for Powerball.
- Providing for the enforcement of statutes and regulations as they relate to legalized gaming, specifically those designated to sworn officers of the agency.
- Provide oversight of Lottery Drawings.

IMPROVEMENTS AND ACHIEVEMENTS

- Facilitated the passage of a new statute during the 2010 legislative session – Public Act No. 10-10 ‘An Act Concerning the Advertisement of Bazaars and Raffles.’
- Facilitated the passage of a new statute during the 2010 legislative session – Public Act No. 10-132 ‘An Act Concerning Prizes for Teacup Raffles.’
- Submitted new regulations for the Connecticut Lottery Corporation.
- Signed a Memorandum of Understanding (MOU) between Immigration and Customs Enforcement (ICE) and the Division of Special Revenue.
- Signed a Memorandum of Understanding (MOU) between State of Maine, Maine State Harness Racing Commission and the Division of Special Revenue.
- Participated in the out-of-state travel ban.
- Participated in various statewide bans on spending restrictions for non-essential items.
- Participating in discussions with the Department of Information Technology on ways to convert the Division’s current licensing system to a more customer-friendly web-based system.
- Worked with the General Assembly on creating a Delinquent Lottery Agent Amnesty Program which will be implemented in FY 2011.
- Submitted various written documents, made oral presentations and met with various Legislators on Keno.

Technological

- Replaced CISCO switches at DOSR Headquarters. This increased network reliability and speed. The upgrade also set us up for replacing our traditional telephones with voice over IP phones that have become the standard.
- The Division has instituted the use of virtual servers which allows the running of multiple servers on a single hardware server. This allows the Division to efficiently utilize hardware assets which is critical during these tough economic times.
- Developed the previously sanctioned Licensee system. The new system allows the Unit issuing a license to quickly identify applicants that have been previously sanctioned for violations by other units within the Division.

- The Applications Team has begun moving and performance tuning all tables from individual Microsoft Access applications to a central database. This will increase our ability to maintain important information, increase the sharing of information within the Division and increase the speed that we can query the information.

Regulatory

- Accounted for approximately \$7.0 million in pari-mutuel taxes transferred to the General Fund and host municipalities.
- Accounted for approximately \$945 thousand in charitable gaming revenue transferred to the General Fund.
- Performed monthly audits to ensure the tribal casinos transferred the correct amount of slot revenue to the General Fund (approximately \$359.3 million).
- Ensured the correct amounts of principal and interest, which totaled almost \$25 million, were transferred to the state of Connecticut as a result of the settlements with the Mashantucket Pequot Tribe regarding Free Play and with the Mohegan Tribe regarding eBonus.
- Completed approximately 16 tests and reviews of hardware and software modifications to the on-line wagering systems.
- Completed approximately 24 monthly slot revenue audits and on a sample basis, verified in excess of \$7.18 billion jackpot payout and slot ticket deductions.
- Completed approximately 166 reviews of internal control revisions from two tribal nation casinos.
- Completed approximately 392 reviews of various types of license applications' financial information.
- Reviewed and approved 117 OTB contracts with gaming entities for racing/gaming events.
- Reviewed and approved 59 preliminary working papers and 51 executed working papers for instant games.
- The State continued to monitor the Free Slot Play promotion at Foxwoods that started on September 8, 2006 that was going to be heard in state court. Discussions continued as Foxwoods expanded the promotion to Electronic Slot Play where credits can also be downloaded to the machine without first going to a counter and getting a voucher. Mohegan Sun agreed that this decision would also be binding upon their eBonus program. A Settlement Agreement was reached and distributed on August 25, 2009 that was effective on July 1, 2009 and for all periods thereafter, no value shall be attributed to Free Play (Foxwoods) or eBonus (Mohegan Sun) coupons or credits actually played for purposes of calculating "gross operating revenues" under the MOU, so long as the aggregate amount of such coupons or credits played during a particular month do not exceed 5.5% of the total amount of "gross operating revenues" (as calculated in accordance with the MOU) from all Video Facsimile Machines for that month. The State will get 25% of the amount in excess of the 5.5%.
- Reviewed 1,222 Bazaar and Raffle Statements
- Reviewed 8,008 Ten Day bingo report returns.

- Accounted for:
 - o \$75,480 in registration/permit fees
 - o \$264,693 in Bingo regulation fees
 - o \$692,324 in Sealed Ticket sales receipts.
 - o \$945,375 in transfers to General Fund from Charitable Games
 - o \$12,989 in payments to municipalities from Charitable Games
 - o \$3,813,774 in transfers to General Fund from pari-mutuels
 - o \$3,252,407 in payments to municipalities from off-track betting and pari-mutuels
 - o \$1,347 in sheet ticket receipts

Legislative

- Public Act No. 10-10 ‘An Act Concerning The Advertisement Of Bazaars And Raffles’ enables sponsoring organizations permitted to conduct a bazaar or raffle to advertise the activity by posting an advertisement on the organization’s Internet website, sending an advertisement using electronic mail, or posting one or more lawn signs on private property, each no larger than eighteen by twenty-four inches, provided that the organization has obtained the property owner’s consent for such posting, and such posting complies with any applicable ordinance or planning or zoning regulation.
- Public Act No. 10-132 ‘An Act Concerning Prizes For Teacup Raffles’ increases the value of merchandise items that may be awarded at a teacup raffle from one hundred dollars per item to up to two hundred fifty dollars per item, and it also enables organizations to award gift certificates in addition to merchandise items.

INFORMATION AS REQUIRED BY STATE STATUTE

- Followed procedures approved by the Commission on Human Rights and Opportunities to prevent discrimination and to provide for equal opportunity in employment, contracting and service provision, in compliance with C.G.S. Sec. 46a-78.
- Provided information on Division receipts, disbursements, and administrative costs in compliance with C.G.S. Sec. 12-564(a).

**Regulatory Facts for the Division of Special Revenue
Fiscal Year 2009-2010**

Gambling Regulation

Fines collected for violations (all gaming combined) \$5,625

Charitable Games

Fines collected for violations \$ 2,720

Charitable Games Regulatory Visits (Total) 1,446

Bingos	612
Sealed Tickets	609
Bazaar	50
Raffles	175

Charitable Games Audits (Total) 101

Bingos	0
Sealed Tickets	101
Bazaars	0
Raffles	0

Charitable Games Pre-Event, Instructional and Customer Service Meetings (Total) 569

Charitable Games Registrations & Permits (Total) 3,283

Personal Identification Numbers (Bingo)	809
Raffle Permits	959
Individual Sales Permits (Sealed Ticket)	521
Bingo Permits	287
Sealed Ticket Permits	287
Bazaar Permits	309
Bingo Registrations	17
Amusement & Recreation Bingo Registrations (PTA/PTO)	73
Amusement & Recreation Bingo Registrations (Senior Citizens)	8
Bazaar and Raffle Equipment Dealers Registrations	2
Bingo Product Equipment Dealer Registration	7
Sealed Ticket Dispensing Machine Equipment Dealer Registrations	4

Security

Investigations Opened	107
Investigations Closed	96
Arrests	12

Criminal History Checks through June 30, 2010

<u>Lottery</u>		<u>Casinos</u>	
New Applications	975	Mohegan Sun – New applicants	1,276
Renewals	8,097	Renewals	6,575
<u>Parimutuel</u>		Foxwoods --	
New applications	149	New applicants	678
Renewals	598	Renewals	6,508

Charitable Games

PIN Bingo	809
Sealed Tickets	521

Provide oversight for 2,269 lottery drawings.

Administrative Hearing Presentations: 42
Number of Instant Lottery Games, subject to Special Revenue approval, transferred to the
State Police Forensic Laboratory for testing: 53

Licenses issued (Total) 3,713

Occupational 691
Lottery – New 325
Lottery – Renewals 2,697

Foxwoods Casino

Temporary licenses issued 752
Permanent licenses issued 731
Active licenses as of 6/30/2010 6,851

Mohegan Sun Casino

Temporary licenses issued 1,307
Permanent licenses issue 918
Active licenses as of 6/30/2010 7,135

Administrative Hearings (Total) 117

Casino 8
Lottery 88
Charitable Games 11
OTB 2
Patron Reinstatement 6
Gaming Policy Board Appeals 2

**Summary Information for the Division of Special Revenue Fiscal Year 2009-2010
Division Receipts for Transfer to General Fund:**

Form of Gaming Fund	Wagering Revenue	Amount Returned to the Public in Prizes	Amount Transferred⁽¹⁾ to the General
Lottery ⁽²⁾	\$ 996,846,808	\$ 608,754,786	\$ 285,500,000
Slot Machines			
Foxwoods Casino ^{(3) (4) (5)}	\$ 7,736,903,032	\$ 7,023,401,588	\$ 169,408,149
Slot Machines			
Mohegan Sun Casino	\$ 9,203,634,881	\$ 8,404,113,413	\$ 89,845,097 ^{(3) (4) (6)}
Off-Track Betting	\$ 190,746,664	\$ 145,533,044	\$ 3,813,774
Charitable Games	<u>\$ 37,948,339</u>	<u>\$ 18,467,607</u>	<u>\$ 945,375</u>
Total from gaming:	\$ 18,166,079,724	\$ 16,200,270,438	\$ 649,512,395

Other receipts and reimbursements available for transfer:

Registration and permit fees (Charitable Games)	\$ 75,480
License and Registration fees (Pari-Mutuel & Lottery)	\$ 34,080
Miscellaneous	<u>\$ 85,710</u>
Total available for transfer to the General Fund	\$ 649,707,665

Other receipts not available for transfer:

Taxes received and paid to host municipalities (OTB & Charitable Games)	\$ 3,265,396
Refunds and Reimbursements (mainly lottery)	\$ 144,722
Receivables (Casinos)	<u>\$ 5,082,603</u>
Total agency receipts:	\$ 658,200,386

⁽¹⁾ Lottery and casino transfers to the General Fund are made directly by the entities themselves, and not by the Division of Special Revenue.

⁽²⁾ Lottery Figures are preliminary and unaudited.

⁽³⁾ Tribal Casino contributions (amount transferred to the General Fund) are calculated based upon 25% of slot machine win, which is wagering revenue less amounts returned to the public in prizes. Beginning July 1, 2009, the State of Connecticut receives an additional 25% of the aggregate amount of Foxwoods Free Play and Mohegan Sun's eBonus coupons or credits actually played during each month exceeding 5.5% of "Gross Operating Revenue."

⁽⁴⁾ Foxwoods did not include \$61,340,585 of Free Play coupons and Mohegan Sun did not include \$50,626,451 of eBonus credits redeemed by patrons at slot machines in their video facsimile devices win amount; however the value of these wagered amounts is included in wagering revenue.

⁽⁵⁾ During fiscal year 2010 the Mashantucket Pequot Tribe and the State of Connecticut settled a lawsuit regarding the proper treatment of Free Play for the period of September 2006 through June 2009. As a result of this settlement, the State of Connecticut received \$19,266,210, including interest.

⁽⁶⁾ During fiscal year 2010 the Mohegan Tribe and the State of Connecticut settled a dispute regarding the proper treatment of eBonus for the period November 2007 through June 2009. As a result of this settlement, the state of Connecticut received \$5,727,731, including interest.

Disbursements and Administrative Costs for the Division of Special Revenue 2009-2010

The net cost of administering the Division of Special Revenue for Fiscal 2010 was \$8,662,644. This is inclusive of net general fund expenditures, net casino gaming expenditures and the capital equipment purchase fund. Total disbursements are \$15,782,080 inclusive of the net cost of administering the Division of Special Revenue and net expenditures of the pending receipts and betting taxes funds.

Net Disbursements for the Division of Special Revenue 2009-2010

Disbursement	Amount	Percent of Total
Net General Fund expenditures:	\$ 4,498,366	51.9%
Net casino gaming expenditures:	\$ 4,079,380	47.1%
Capital equipment purchase fund:	\$ <u>84,898</u>	1.0%
Total Expenditures: (net operating costs)	\$ 8,662,644	100%

Administrative Costs for Division of Special Revenue 2009-2010

Administrative Costs	Amount	Percent of Total
Operating Costs		
Personal Services / Payroll	\$ 3,715,459	82.6%
Data Processing Expenses (combined)	\$ 61,011	1.4%
Sealed Tickets (Purchase for Resale)	\$ 121,649	2.7%
Telephone & Utilities	\$ 279,504	6.2%
General repairs & maintenance (Building)	\$ 24,468	.5%
Office, maintenance, and misc. supplies	\$ 22,416	.5%
Rental of building (81 Alumni Rd.)	\$ 50,350	1.1%
All other operating expenses	\$ <u>223,509</u>	<u>5.0%</u>
Net General Fund Costs	\$ 4,498,366	100%
Casino Gaming	\$4,079,380	
Capital Equipment Purchase Fund \$ <u>84,898</u>		
Total Operating Costs:	\$ 8,662,644	
Non-Operating Costs		
Funds awaiting distribution	\$53,255	
Betting Taxes ⁽¹⁾	\$ <u>7,066,181</u>	
Total Non-Operating Costs:	\$ 7,119,436	
Net Total Costs:	\$15,782,080	

⁽¹⁾ Transfers to General Fund and payments to host municipalities from Pari-Mutuel and OTB operations.

Connecticut Lottery Corporation
Fiscal Year Ended June 30, 2010
(Results are preliminary and unaudited)

Lottery

Lottery Games	Sales	% of Total	Net Prizes	Amount Transferred to GF⁽¹⁾
Play 3 Day & Night				
Play 4 Day & Night	\$ 211,315,946	21.2%	\$ 107,795,979	\$ 85,279,639
Classic Lotto	\$ 29,904,367	3.0%	\$ 15,589,157	\$ 10,997,520
Cash 5	\$ 35,041,314	3.5%	\$ 18,807,556	\$ 12,731,898
Powerball	\$ 85,282,260	8.6%	\$ 40,007,359	\$ 37,426,507
Mega Millions ⁽²⁾	\$ 11,230,441	1.1%	\$ 5,852,184	\$ 3,591,795
Lucky4Life	\$ 30,698,268	3.1%	\$ 16,347,174	\$ 10,899,087
Scratch (Instant)	\$ <u>593,374,212</u>	<u>59.5%</u>	\$ <u>404,355,377</u>	\$ <u>124,573,554</u>
Total	<u>\$ 996,846,808</u>	<u>100.0%</u>	<u>\$ 608,754,786</u>	<u>\$ 285,500,000</u>

⁽¹⁾Total General Fund Transfer is actual; transfer by game is based on a preliminary estimated allocation.

⁽²⁾CT Lottery joined the multi-state lottery game, Mega Millions on January 31, 2010.

Pari-mutuel Wagering and Off-Track Betting 2009-2010

In compliance with Section 17a-713(b) of the Connecticut General Statutes, pari-mutuel and teletheater (a/k/a simulcast) performance fees totaling **\$178,700.00** were collected and deposited into the Chronic Gamblers Treatment and Rehabilitation Fund. Transfers to the General Fund totaled **\$3,813,773.54**. Total fines of **\$8,345.00** were collected related to regulatory violations.

Off-Track Betting

Off-Track Betting Facility	Total Performances	Amount Wagered	Amount Returned to Public (Prizes)	General Fund Transfers	Grants to Host Municipalities
SIMULCAST FACILITIES					
Bridgeport Shoreline Star	724	\$ 29,297,077	\$ 22,352,647	\$ 585,764	\$ 472,531
Bristol	584	\$ 4,881,752	\$ 3,724,606	\$ 97,605	\$ 78,088
East Haven	416	\$ 4,253,492	\$ 3,245,266	\$ 85,044	\$ 68,899
Hartford	672	\$ 17,601,805	\$ 13,429,563	\$ 351,929	\$ 285,424
Milford ¹	373	\$ 4,034,033	\$ 3,077,826	\$ 80,656	\$ 62,158
New Britain	672	\$ 11,292,025	\$ 8,615,421	\$ 225,772	\$ 181,850
New Haven, Sports Haven	725	\$ 31,370,795	\$ 23,934,821	\$ 627,225	\$ 591,227
Norwalk	584	\$ 8,213,585	\$ 6,266,678	\$ 164,222	\$ 128,629
Putnam ²	446	\$ 3,370,954	\$ 2,571,920	\$ 67,399	\$ 48,768
Torrington	584	\$ 3,750,282	\$ 2,861,334	\$ 74,983	\$ 61,643
Waterbury	671	\$ 12,362,174	\$ 9,431,907	\$ 247,168	\$ 199,066
Windsor Locks, Bradley Teletheater	725	\$ 35,251,859	\$ 26,895,938	\$ 704,823	\$ 671,099
Telephone Betting Days	364	\$ 25,066,831	\$ 19,125,117	\$ 501,184	\$ 403,025
Total	7,176	\$ 190,746,664	\$ 145,533,044	\$ 3,813,774	\$3,252,407

¹ Milford re-opened as non-simulcast on 3/31/09 and was authorized to simulcast on July 24, 2009, along with East Haven and Norwalk.

² Putnam opened as a simulcast 9/9/2009.

Charitable Games 2009-2010

A total of \$75,480 was collected in registration/permit fees from all Charitable Games activities. The net profit to charitable organizations totaled \$13,562,793 for all activities. Amounts wagered, prizes paid and amounts transferred to the General Fund are presented below:

Charitable Games				
Game	Authorized Organizations	Gross Wager	Prizes Paid	Transferred to General Fund
Bingo	287 ⁽¹⁾	\$ 19,273,816	\$13,999,176	\$ 51,704
Sealed Tickets	287 ⁽¹⁾	\$ 6,923,240	\$ 4,468,431	\$ 692,324
Raffles N/A ⁽²⁾	926 ⁽³⁾	\$ 11,291,966	N/A ⁽²⁾	
Bazaars	296 ⁽³⁾	\$ 459,317	N/A ⁽²⁾	\$ 1,347
Total	1,796	\$ 37,948,339	\$ 18,467,607	\$ 945,375

TABLE 4

(1) This reflects the number of permits issued during the fiscal year.

(2) Information not reported to the Division of Special Revenue.

(3) This reflects the actual number of reports received and verified during the fiscal year.

**The Number of Gambling Events and Games
Fiscal Year 2009-2010**

Event or Game	Number
Lottery Drawings	2,269
Play 3 Day (formerly Mid-day 3)	365
Play 4 Day (formerly Mid-day 4)	365
Play 3 Night (formerly Play 3)	365
Play 4 Night (formerly Play 4)	365
Cash 5	365
Classic Lotto	104
Powerball	105
MegaMillions	43
Lucky4Life	105
New Instant Lottery Games launched	42
Instant Lottery Games with Settlements during Year	45
Off Track Betting	
OTB Branch/Simulcast Race Days	364
OTB Non-Simulcast Branches (Milford re-opened March 31, 2009 and was authorized to Simulcast on July 24, 2009, along with East Haven and Norwalk)	
Simulcast Facilities	12
Telephone Betting Days	364
Simulcast Facility Performances	7,176
Bridgeport (Shoreline Star)	724
Bristol	584
East Haven	416
Hartford	672
Milford	373
New Britain	672
New Haven	725
Norwalk	584
Putnam (opened September 9, 2009)	446
Torrington (started simulcasting 12/31/08)	584
Waterbury	671
Windsor Locks	725
Charitable Games	
Bingos	8,436
Raffles	964
Bazaars	516
Sealed Ticket Games Offered	17
Casino Slot Machines (as of 6/30/10)	13,578
Foxwoods Casino - Slot Machines in Operation	7,173
Mohegan Sun Casino - Slot Machines in Operation	6,405
Education	
Gambling Regulation conducted 9,375 visits to lottery agents to insure compliance with the regulations and to insure that they know how to obtain certain reports off the system.	
Regulatory	
Reviewed and approved 117 OTB contracts with gaming entities for racing/gaming events.	
Reviewed and approved 59 preliminary working papers and 51 executed working papers for lottery instant ticket games.	

APPENDIX 1

History of Governors and Executive Directors Commission on Special Revenue/Division of Special Revenue

GOVERNOR	EXECUTIVE DIRECTOR	TERM
Thomas J. Meskill	Joseph Burns	1971-1973
Thomas J. Meskill/ Ella T. Grasso	John T. Macdonald	1973-1976
Ella T. Grasso	James M. Fitzgerald	1976-1979
Ella T. Grasso	John G. Devine	1979-1980
Ella T. Grasso	Harold Bassett	9/1980-12/1980
William A. O'Neill	Alfred Oppenheimer	1980-1987
William A. O'Neill	Orlando P. Ragazzi	1987-1989
William A. O'Neill	William V. Hickey	1989-1991
Lowell P. Weicker	Demetrios Louziotis	1991-1992
Lowell P. Weicker	Robert W. Werner	1992-1993
Lowell P. Weicker/ John G. Rowland	John B. Meskill	1993-1997
John G. Rowland	George F. Wandrak	1997-1998
John G. Rowland	Thomas Rotunda	1999-2001
John G. Rowland	Susan G. Townsley	2001-2004
M. Jodi Rell	Paul A. Young	2004-