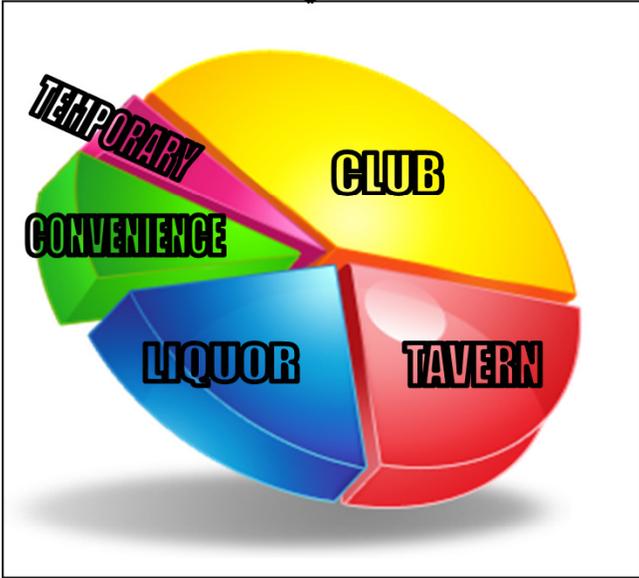




**TOTAL
BOARD OF EDUCATION
ALLOCATIONS
FY 2004 TO FY 2011
\$2,678,695**

**TOTAL
FIRE DEPARTMENT
ALLOCATIONS
FY 2004 TO FY 2011
\$791,627**



Fiscal Year 2011
Summary

September 08, 2011
Gerald M. Joy
Gaming Administrator

ALLEGANY COUNTY GAMING

Executive Summary for Allegany County Paper Gaming Office for the Fiscal Year 2011

History

The Allegany County Gaming Office was created in the fall of 2003. In order to condense this report we will mostly show trends based only on the last three years of information.

FY2011

The presentation of the FY 2011 Executive Summary will illustrate a shortfall of the projected gaming revenues for the third consecutive year. The slight surcharge in 2007 – 2008 was credited in part by the introduction of the electronic gaming machines. Those machines were deemed illegally by legislation enacted and effective July 01, 2008. Since that time the combined high unemployment, recession and sluggish economy appears to have impacted disposable incomes. Due to the lack of patronage in Clubs and Taverns many operators were forced to reduce hours of operation also resulting in the negative impact for sale of paper gaming.

Fiscal Records

- **Overall revenues for fiscal year 2011 were \$445,449 dollars or \$29,551 dollars less than projected revenues of \$475,000 dollars. This figure represents a 6% shortfall.**
- **The Cumberland area tax revenue for fiscal year 2011 was \$2,311.00 less than fiscal year 2010.**
- **Wholesaler license sales met projected revenues holding at \$5,000 dollars.**
- **Sticker revenues slightly exceeded the projected revenue of \$33,000 dollars by \$395 dollars.**
- **Convenience Store revenues were up slightly by 3 % or \$975 dollars for a total of \$30,393 dollars.**
- **Club revenues were down 3 % or \$3,638 dollars for a total of \$179,376 dollars.**
- **Liquor Store revenues were down 3 % or \$3,432 for a total of \$84,108 dollars.**

Gaming Office

- **Overall expenses for the operation of the Gaming Office decreased by 10 % or \$11,730 less than the Fiscal Year 2010. Total operating expenditures were \$111,243 dollars.**
- **Elements of the fringe benefits decreased; however, the larger savings was attributed to the decrease in payroll of \$9,063 dollars for a total of \$88,390 dollars.**
- **Inspector mileage decreased another \$1,626 dollars for a total of \$4,489 dollars.**
- **Other cost (office supplies, gas, telephones, auto repair, etc) decrease an additional \$726 dollars or 8 % for a total of \$5,215 dollars.**
- **This FY, the Gaming Office issued eight citations for violations of the Allegany County Gaming Rules and Regulations. Two thousand three hundred dollars was collected and (\$2,300) applied to the General Fund.**

Allocations of Funds

Allegany County Government allocates funds to only two institutions; Fire and Rescue Units and Education.

- **Fire and Rescue**

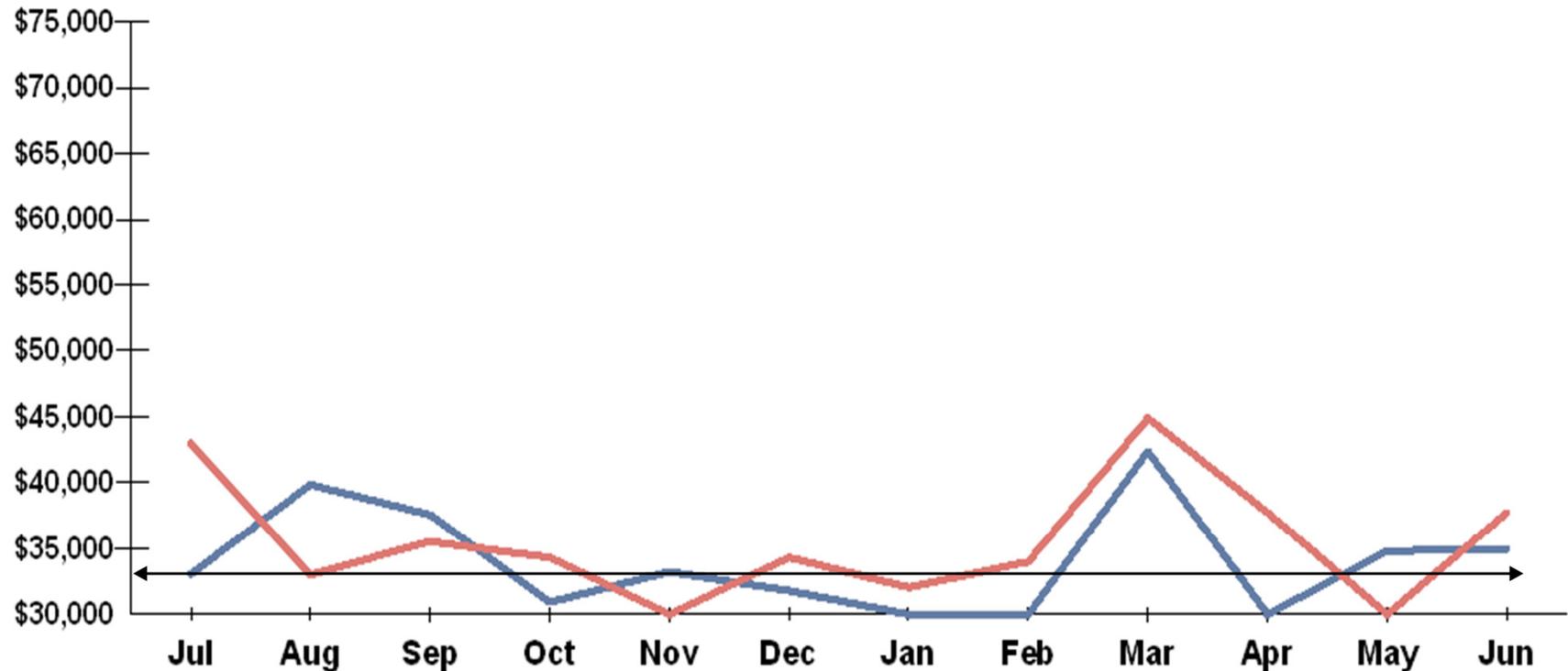
After deduction of operating expenses for the gaming office \$83,552 dollars will be allocated to the Fire and Rescue Units. The amount would be a decrease of \$2,278 dollars or 2.7 % less than last year.

Allegany County has 28 Volunteer Departments eligible to share this amount.

In this report not all graphs will be displayed totaling exactly 100 percent. Due to the nature of the programming used to generate these totals percentage numbers may be displayed as a +1/-1 percent.

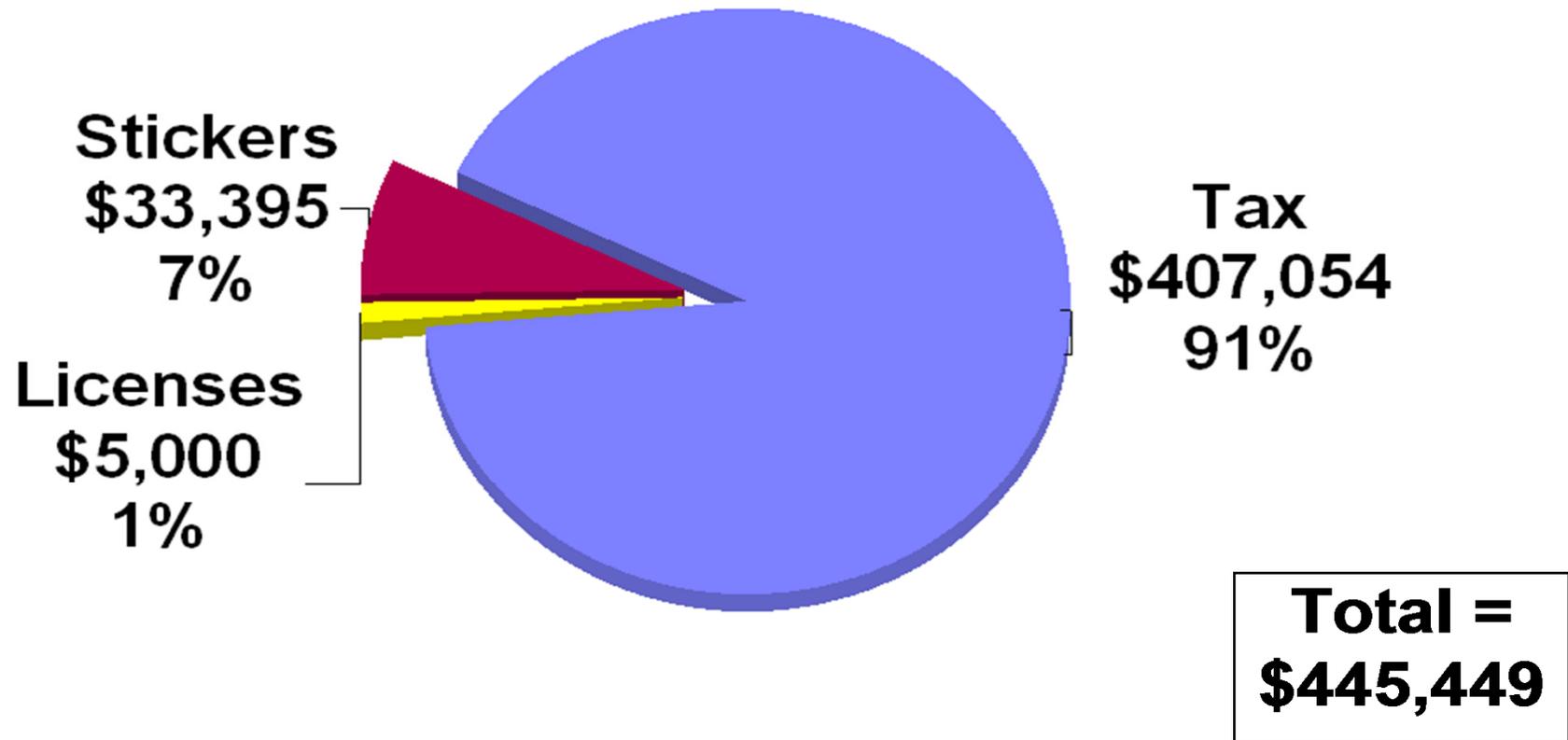
Allegany County Paper Gaming Fund Tax Revenues By Month - FY 11 Versus FY 10

— FY 10 — FY 11

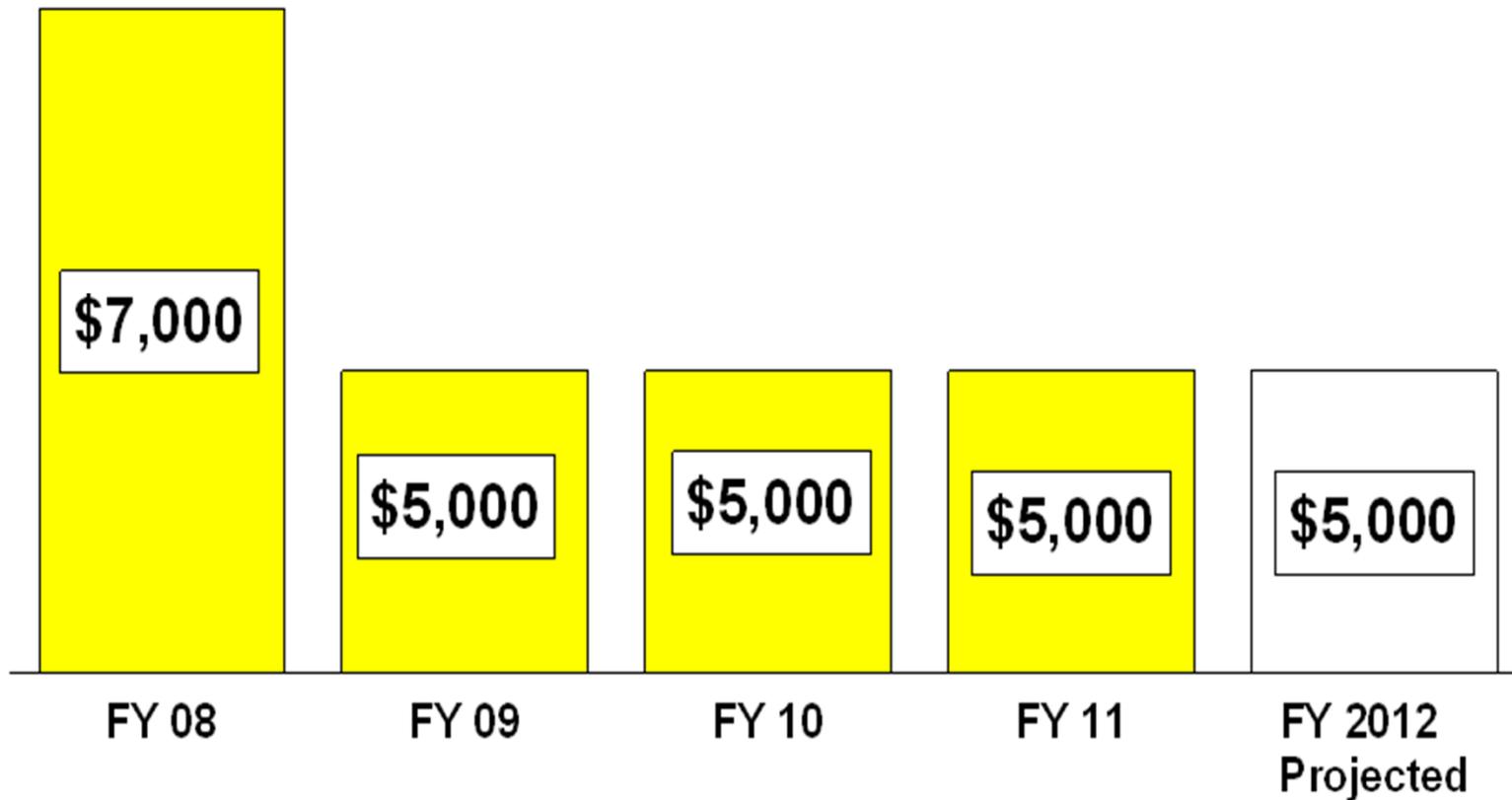


The solid line indicates a monthly target of \$33,000 tax dollars. This year seven out of twelve months met or exceeded that monthly total. Five of the remaining months were an average of \$3,000 dollars short each month.

**Allegany County Paper Gaming Fund Revenues by Type
Fiscal Year 2011**

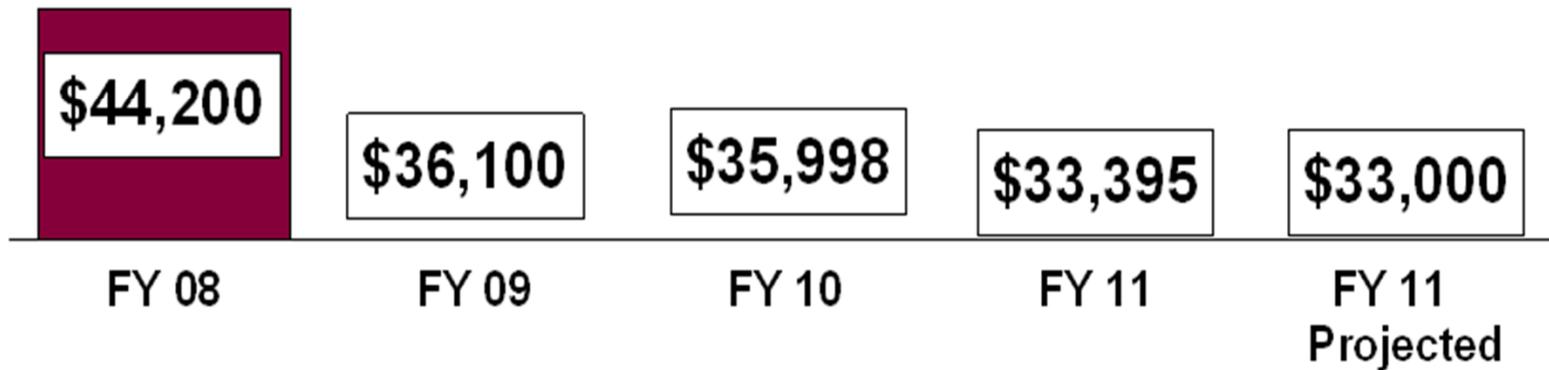


**Allegany County Paper Gaming Fund
Wholesaler License Fee Revenues
Fiscal Years 2008 - 2011**

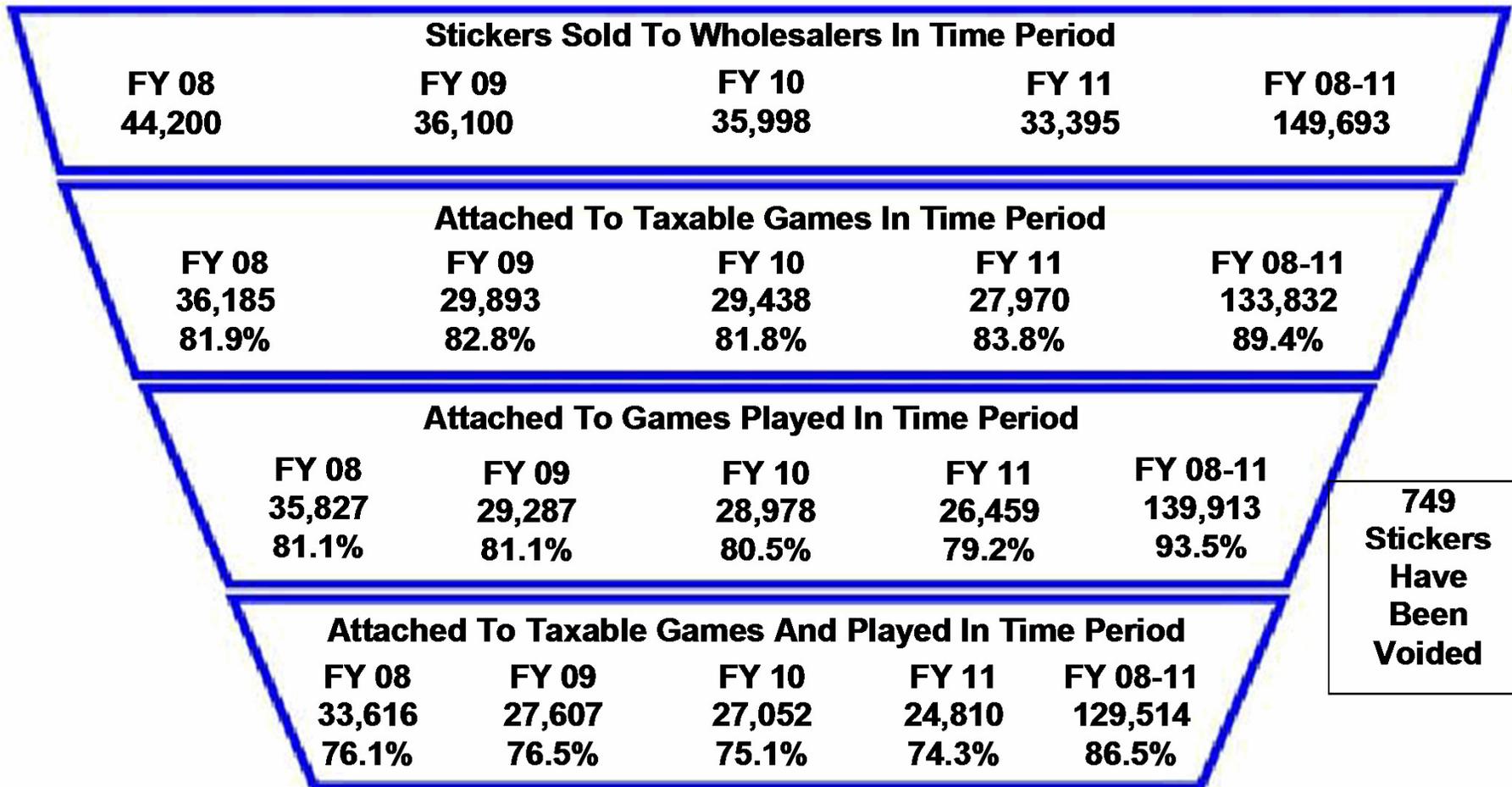


All five licensed wholesalers for FY10 renewed their license for FY 2011

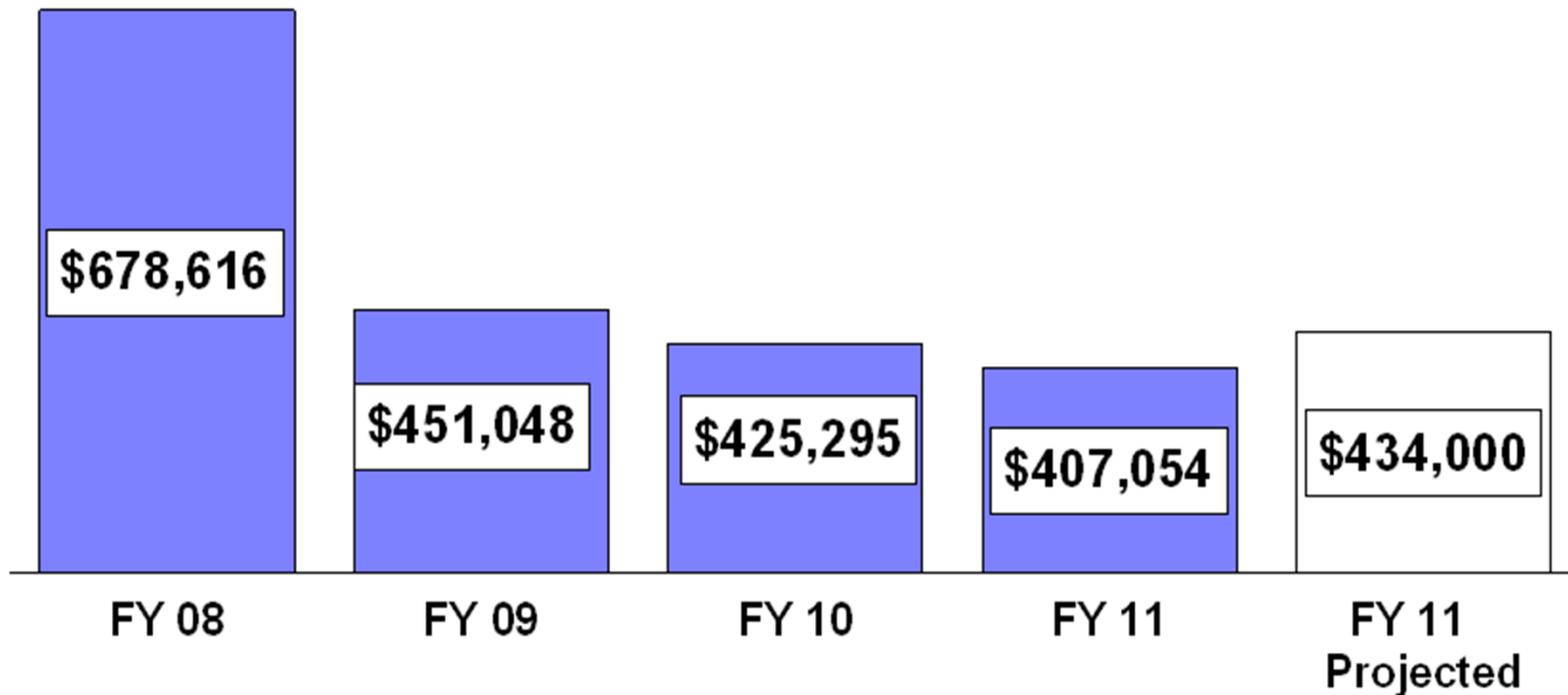
**Allegany County Paper Gaming Fund
Sticker Revenues
Fiscal Years 2008 - 2011**



**Allegany County Paper Games
Distribution of Gaming Stickers - Fiscal Years 2008 - 2011**



**Allegany County Paper Gaming Fund
Tax Revenues
Fiscal Years 2008 - 2011**

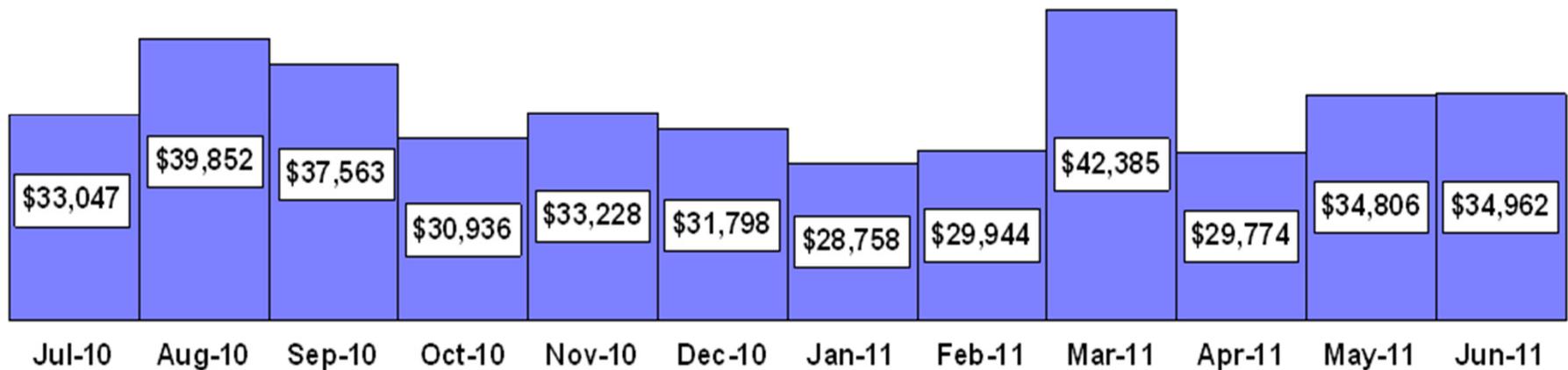


This year tax revenues were \$26,946 dollars short of projected tax revenues.

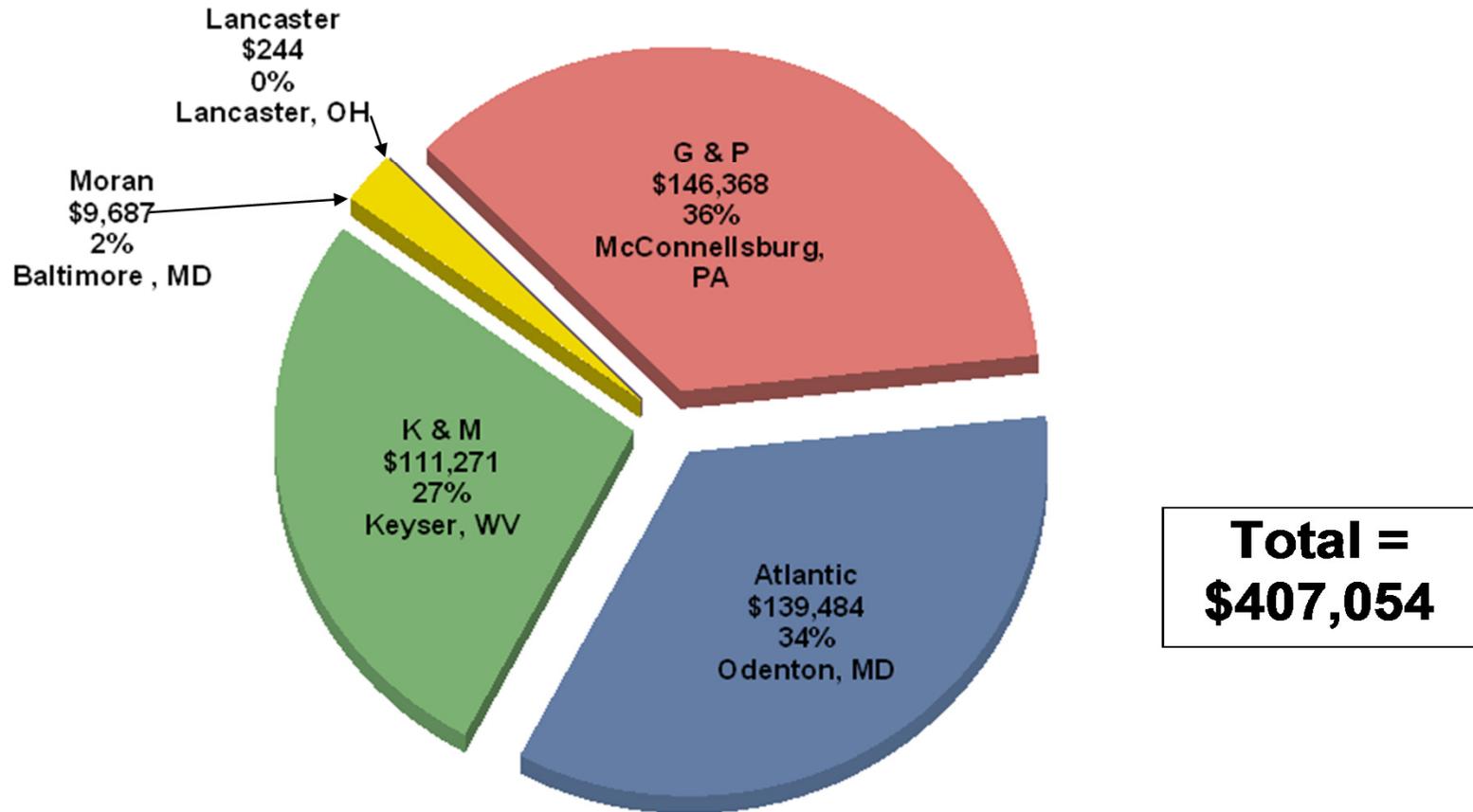
Paper Gaming Fund Tax Revenues By Month Fiscal Year 2011

\$33,921
Monthly
Average

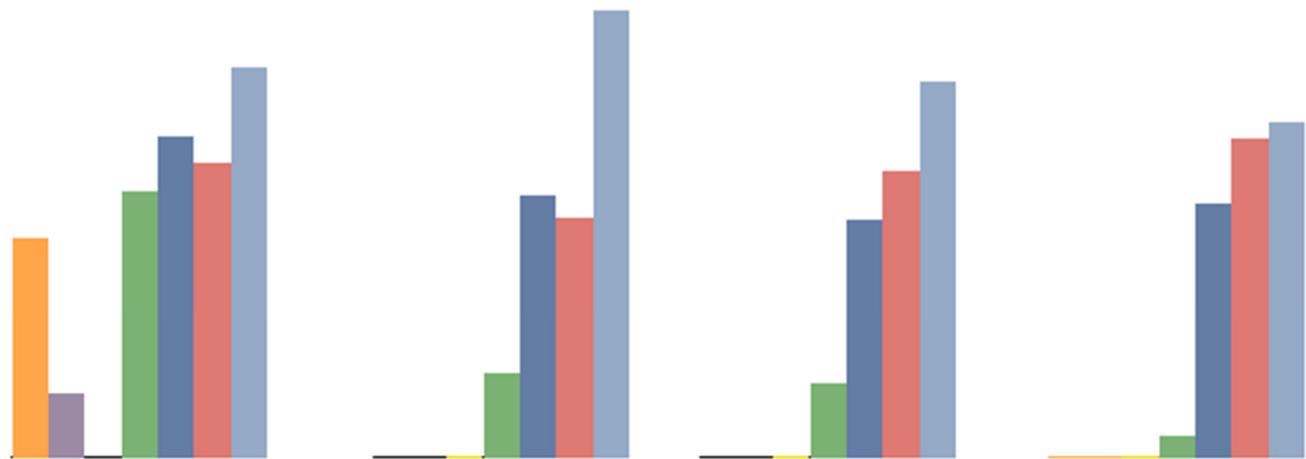
Total = \$407,054



Allegany County Paper Gaming Wholesaler Fiscal Year 2011

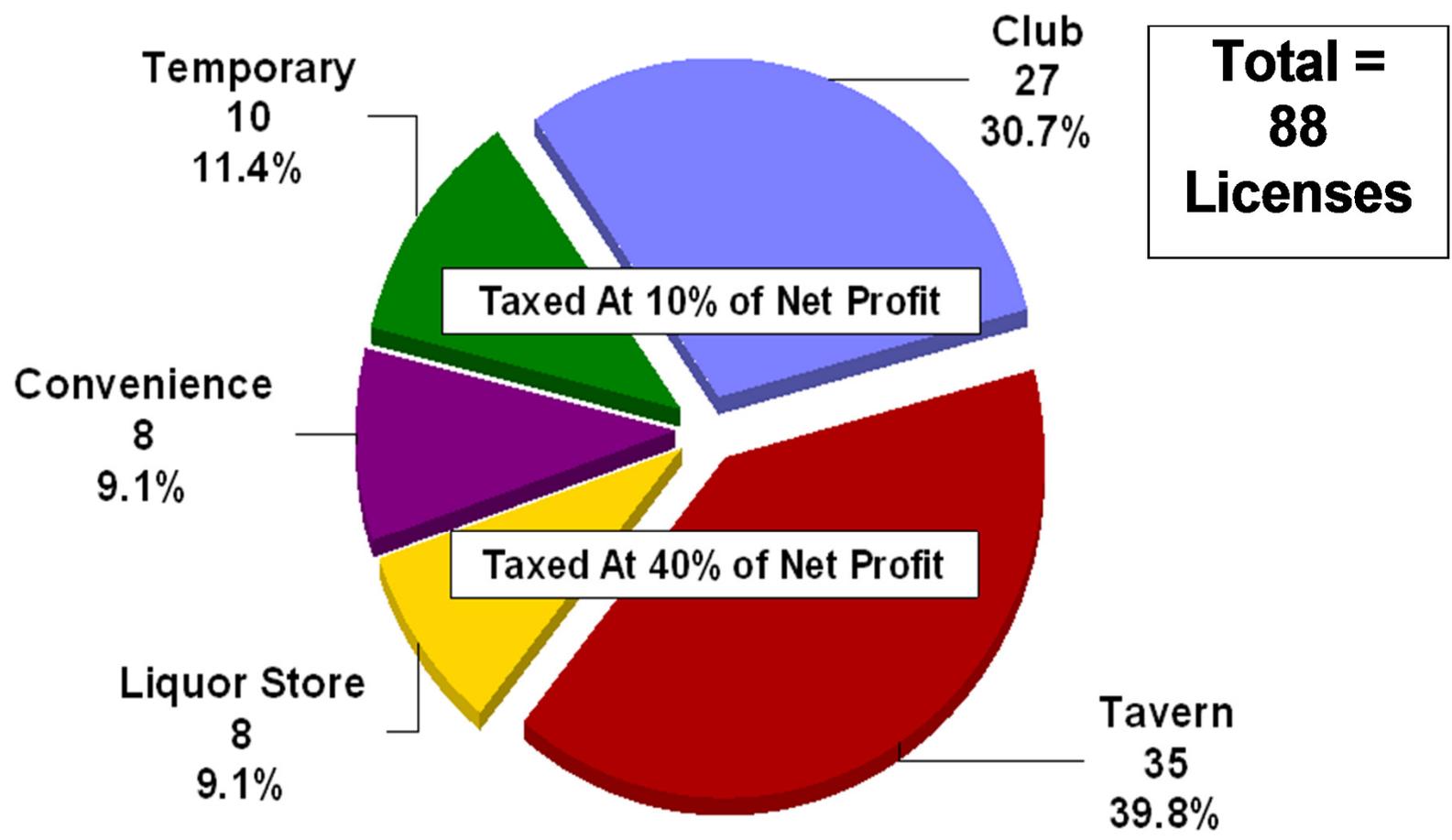


Tax Revenues By Allegany County Paper Gaming Wholesaler Fiscal Years 2008 - 2011

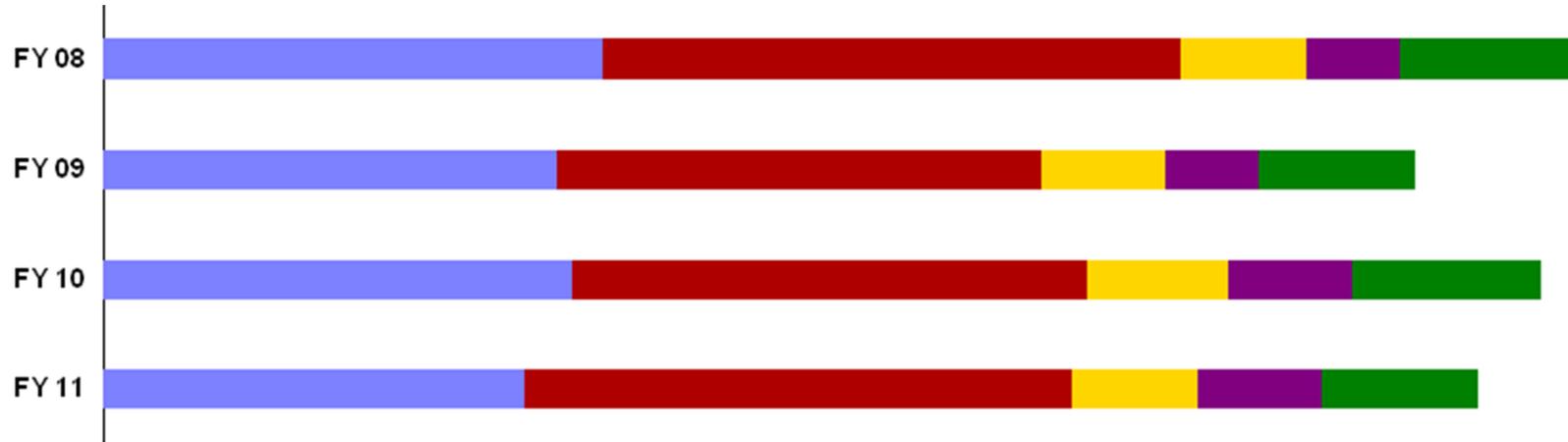


	FY 08	FY 09	FY 10	FY 11
Platinum	\$95,599	\$0	\$0	\$0
JR	\$27,914	\$0	\$0	\$0
Lancaster	\$225	\$487	\$601	\$244
Moran	\$116,320	\$36,779	\$31,964	\$9,687
K & M	\$140,189	\$114,104	\$103,917	\$111,271
Atlantic	\$128,493	\$104,659	\$124,913	\$139,484
G & P	\$169,875	\$195,020	\$163,900	\$146,368
Total	\$678,616	\$451,048	\$425,295	\$407,054

Allegany County Paper Gaming Operator Licenses By Type Fiscal Year 2011



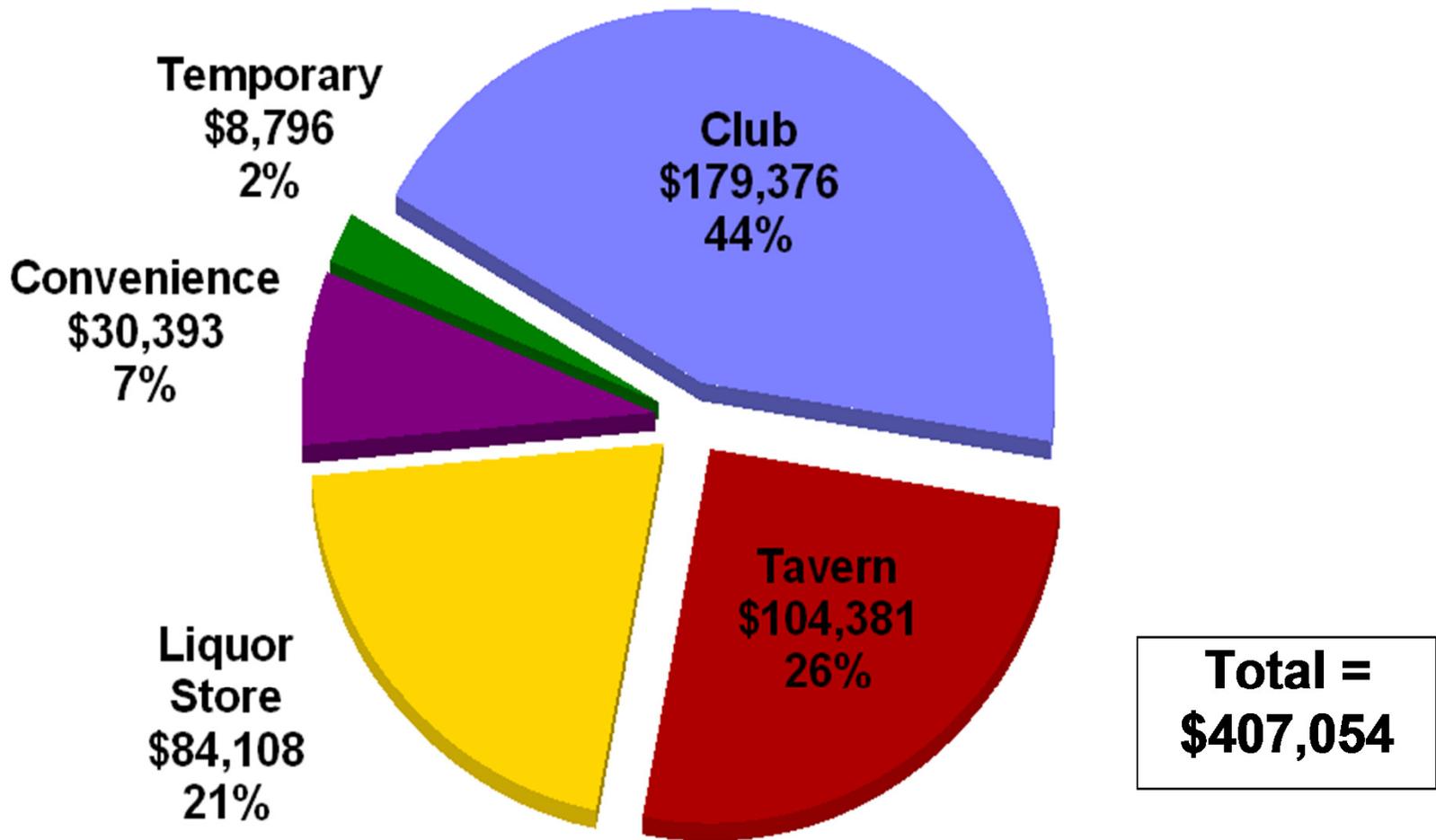
Allegany County Paper Gaming Operator Licenses By Type Fiscal Years 2008 - 2011



	FY 08	FY 09	FY 10	FY 11
■ Club	32	29	30	27
■ Tavern	37	31	33	35
■ Liquor Store	8	8	9	8
■ Convenience	6	6	8	8
■ Temporary	11	10	12	10
Totals	94	84	92	88

Clubs declined by three; Potomac River Sportsman’s Club, Frostburg Eagles, and Maplehurst Country Club. Maplehurst leased thier facility to become a “for profit” with a classification of a Tavern. Later, Frostburg Eagles regained status as a Club.

Tax Revenues By Allegany County Paper Gaming Operator Type Fiscal Year 2011



Clubs and Taverns combined generate 70% of the tax revenues. Liquor store overall tax revenues decrease \$3,432 dollars, however, their percentage points remained constant.

Allegany County Paper Gaming Fund Tax Revenues By Operator Type Fiscal Years 2009 - 2011

**Difference
-\$3,639**

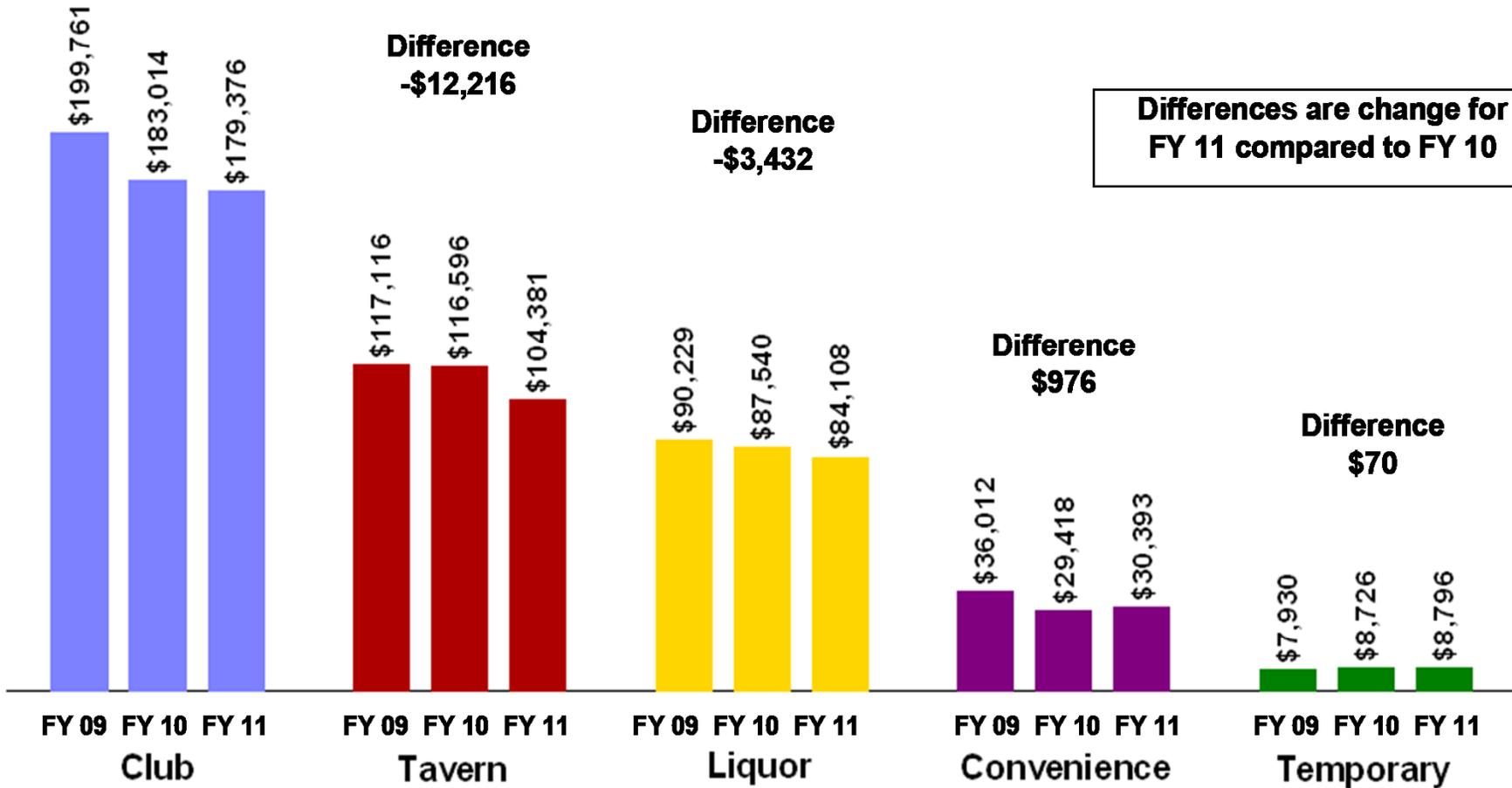
**Difference
-\$12,216**

**Difference
-\$3,432**

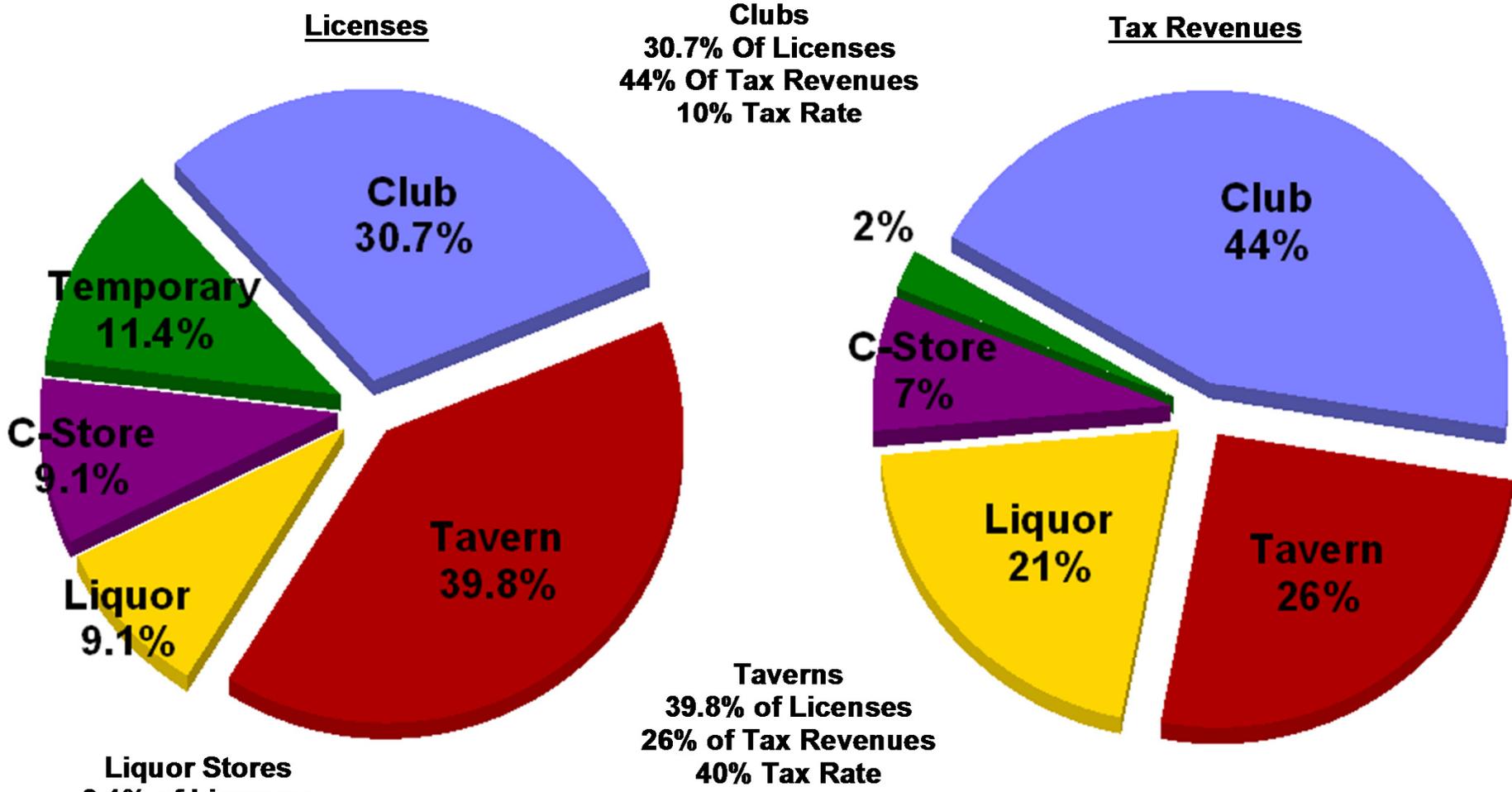
**Differences are change for
FY 11 compared to FY 10**

**Difference
\$976**

**Difference
\$70**

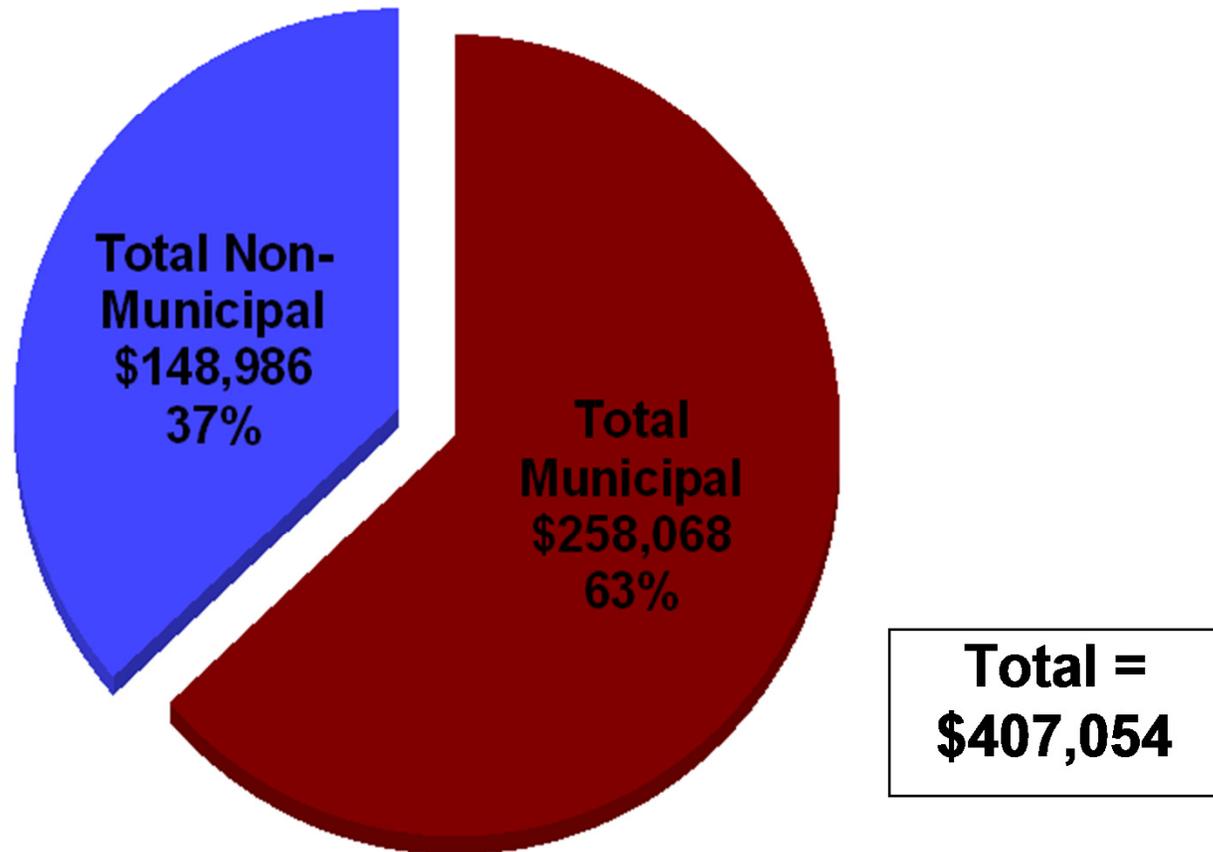


Allegany County Paper Gaming Operator Type License % Versus Revenue % Fiscal Year 2011

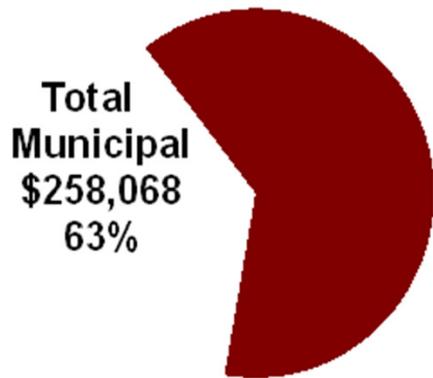


Club tax revenue increased one percentage point while Taverns decrease one percent. Others remained constant.

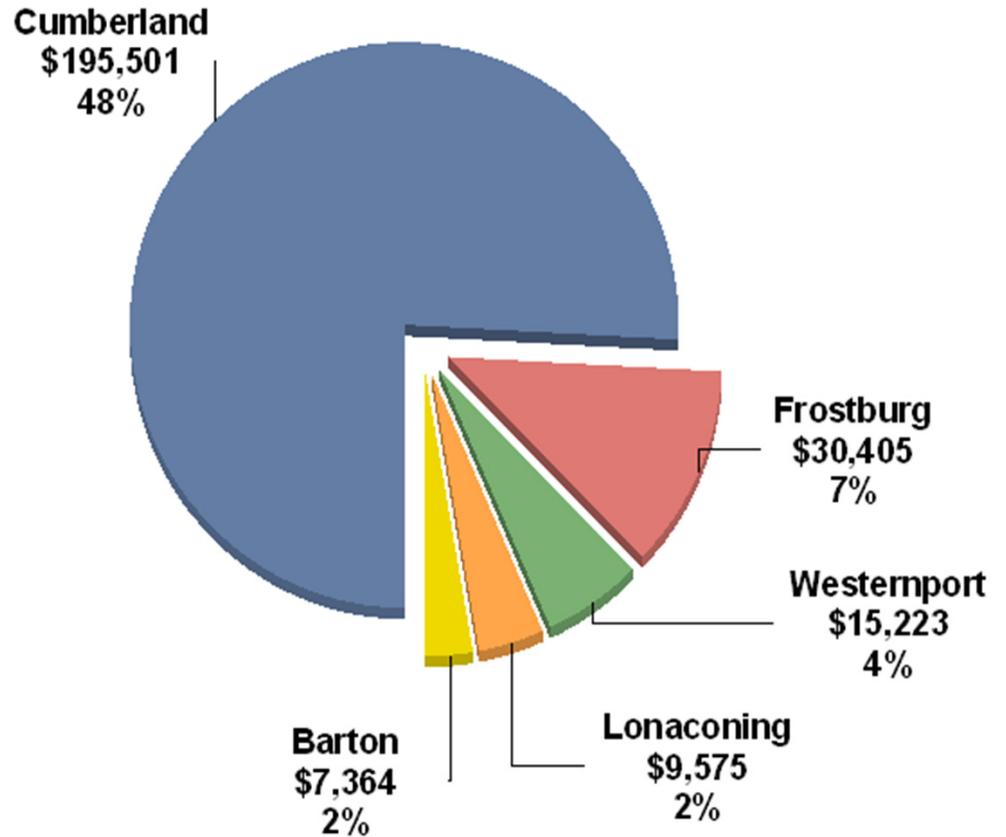
**Allegany County Paper Gaming Operator Tax
Revenues Municipal Versus Non-Municipal
Fiscal Year 2011**



Allegany County Paper Gaming Operator Tax Revenues By Municipal Areas Fiscal Year 2011



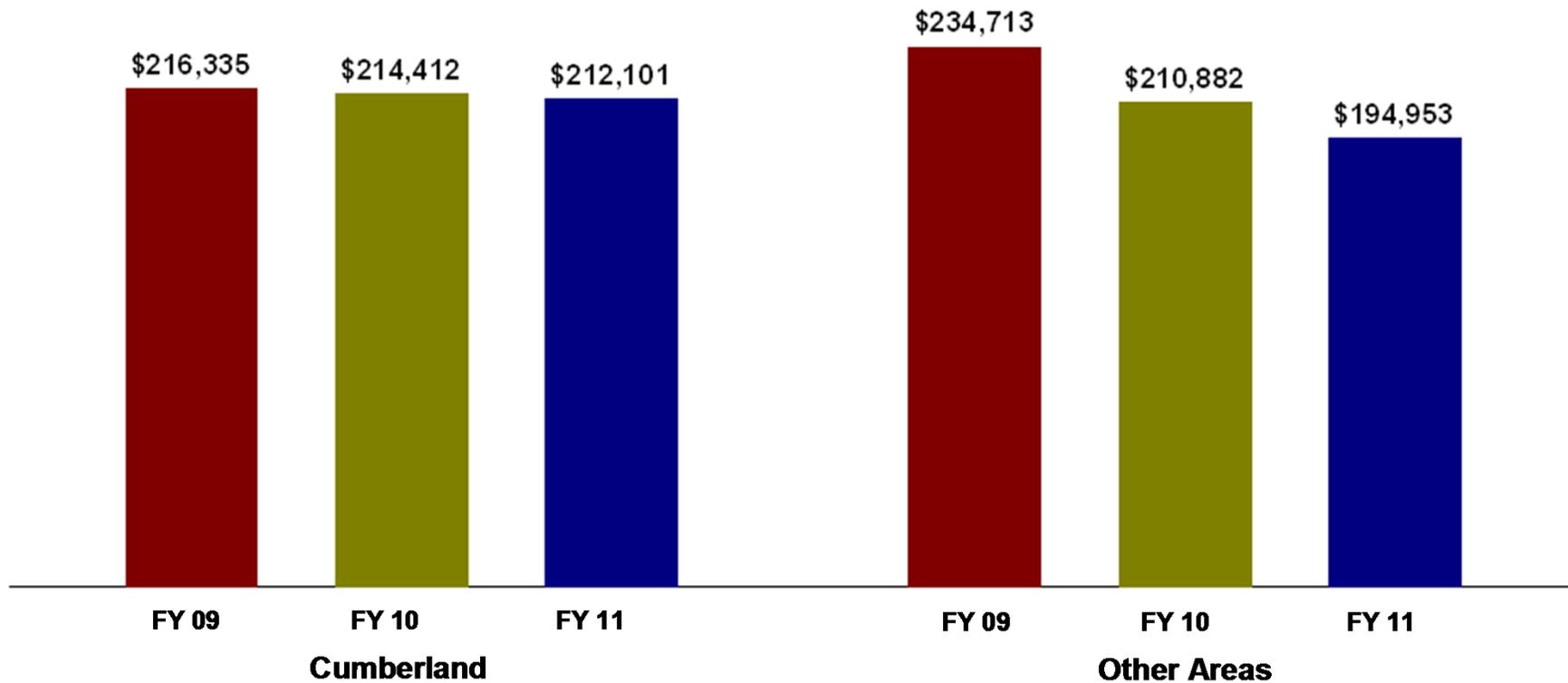
Total Tax Revenues = \$407,054



Allegany County Paper Gaming Operator Tax Revenues Cumberland Area Versus Other Areas Fiscal Years 2009 - 2011

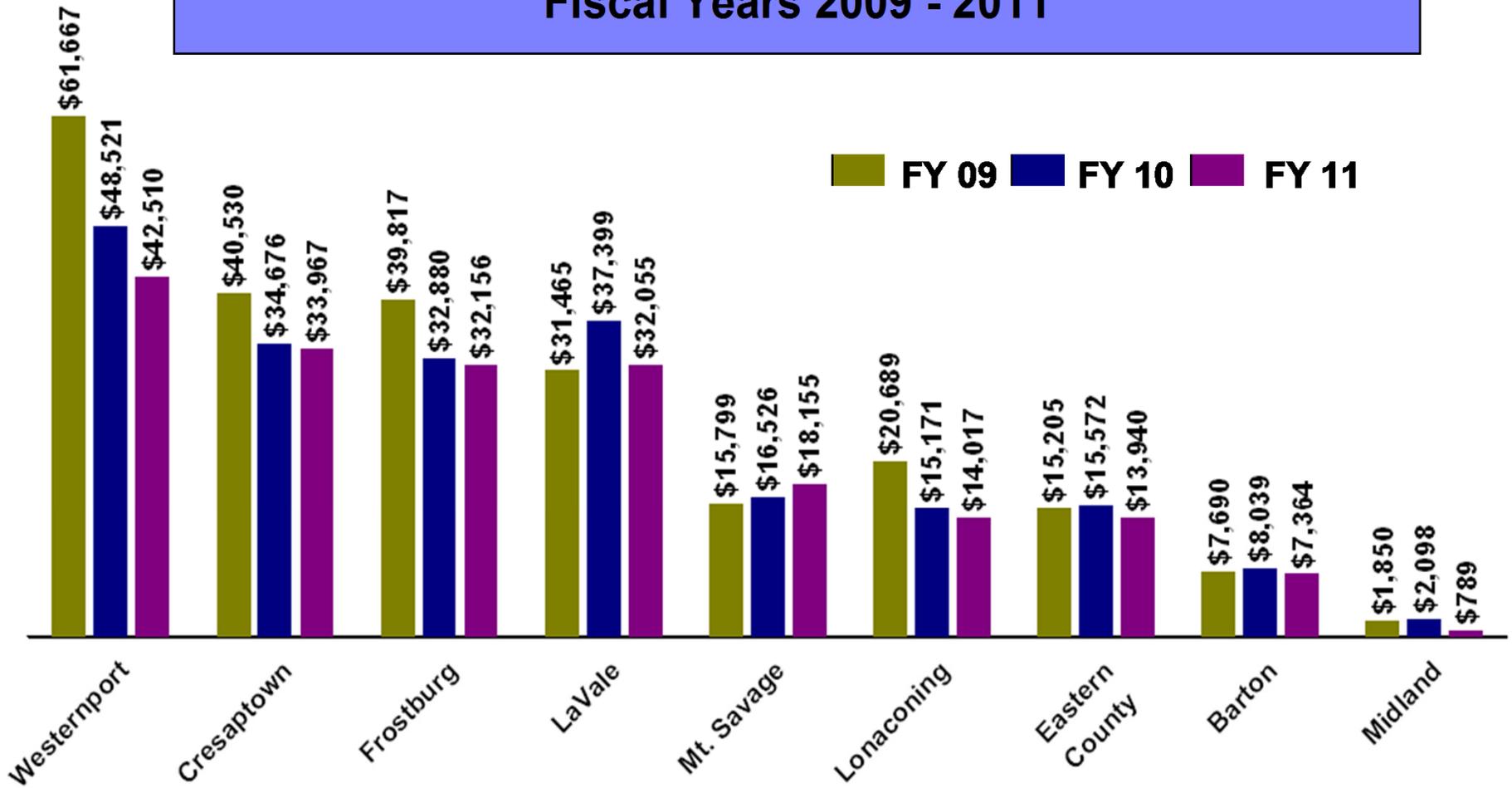
**Difference Between
FY 11 and FY 10
-\$2,312**

**Difference Between
FY 11 and FY 10
-\$15,929**

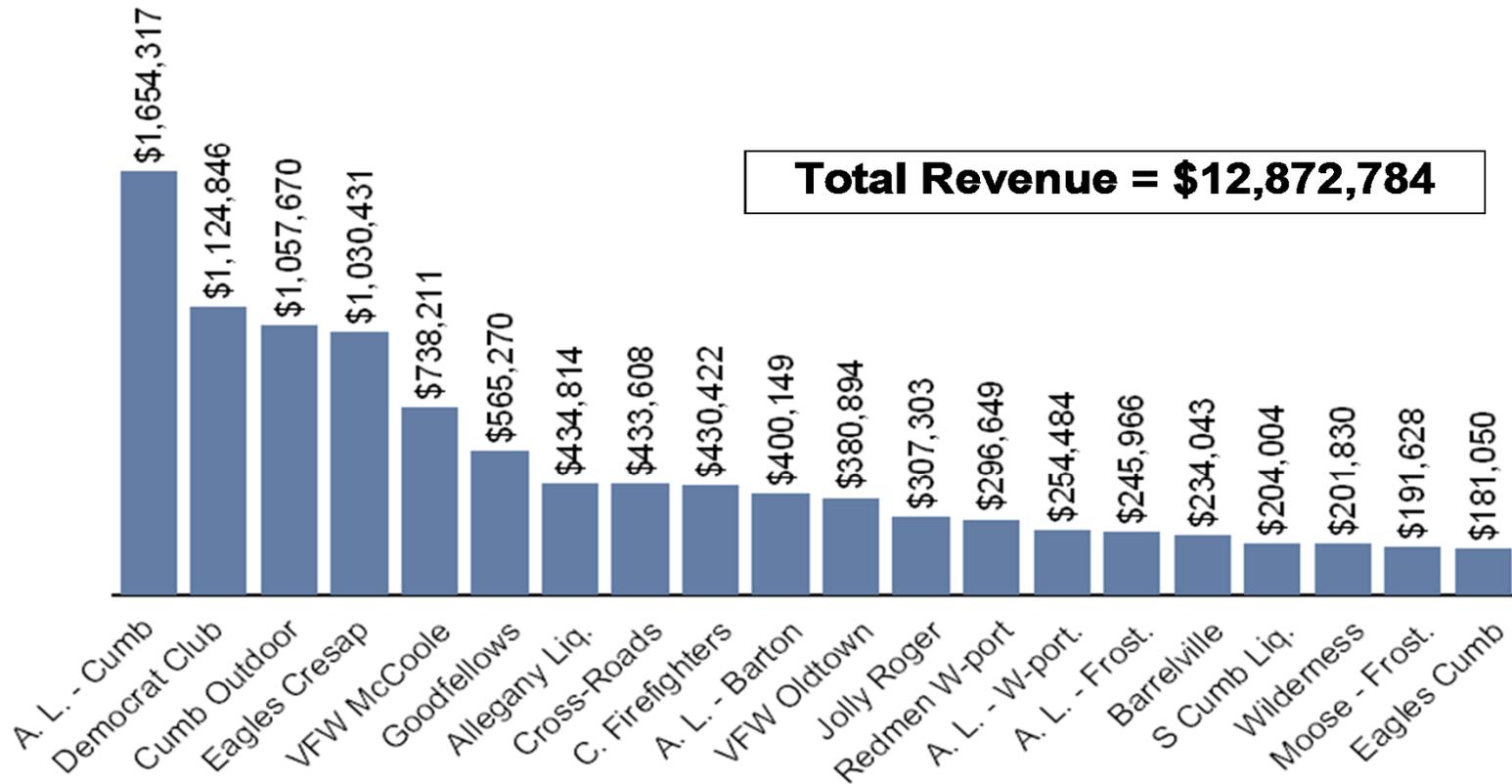


Although Cumberland area declined in revenues, the decline was not as severe as other areas.

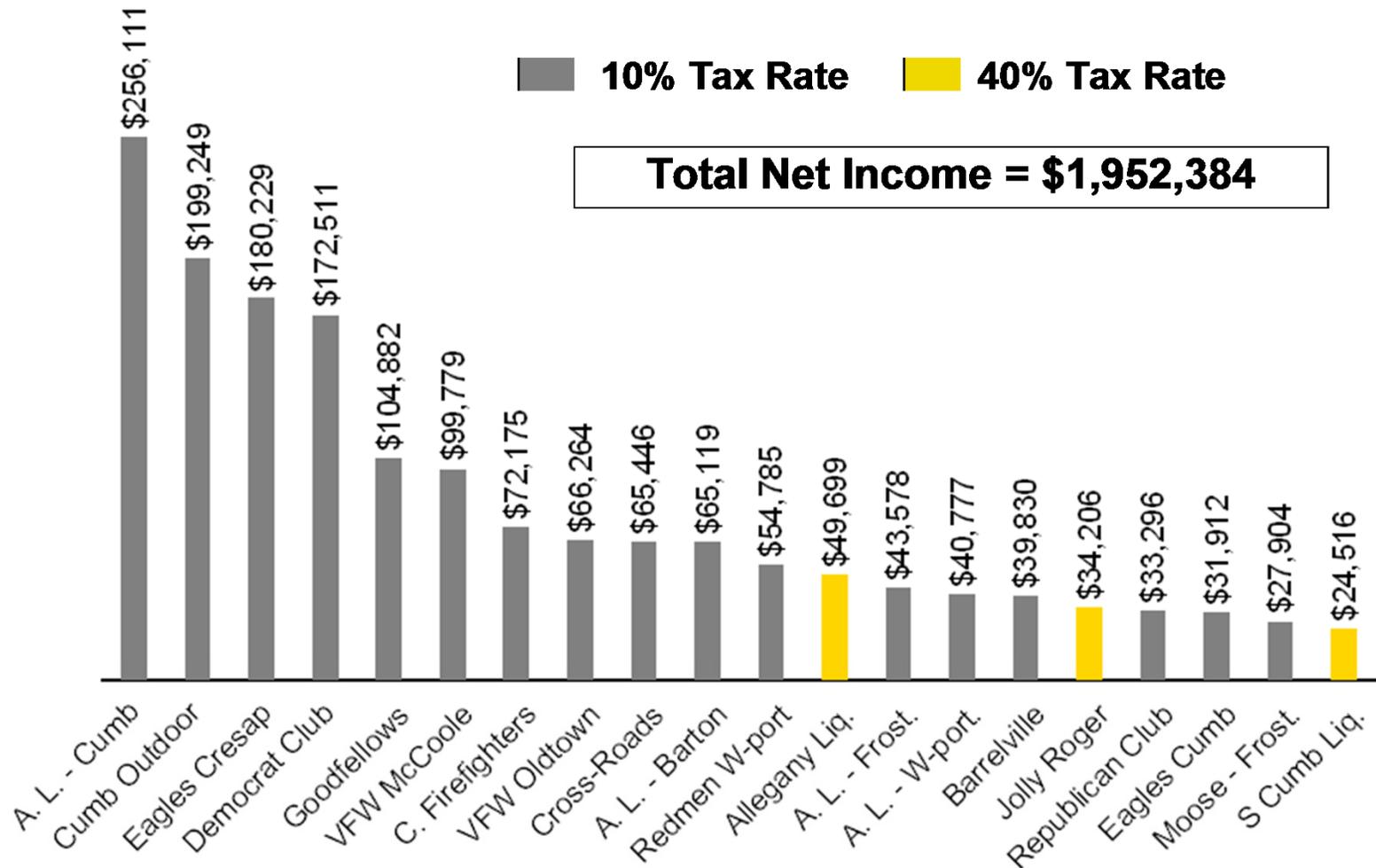
Allegany County Paper Gaming Operator Tax Revenues Other Areas (Excludes Cumberland) Fiscal Years 2009 - 2011



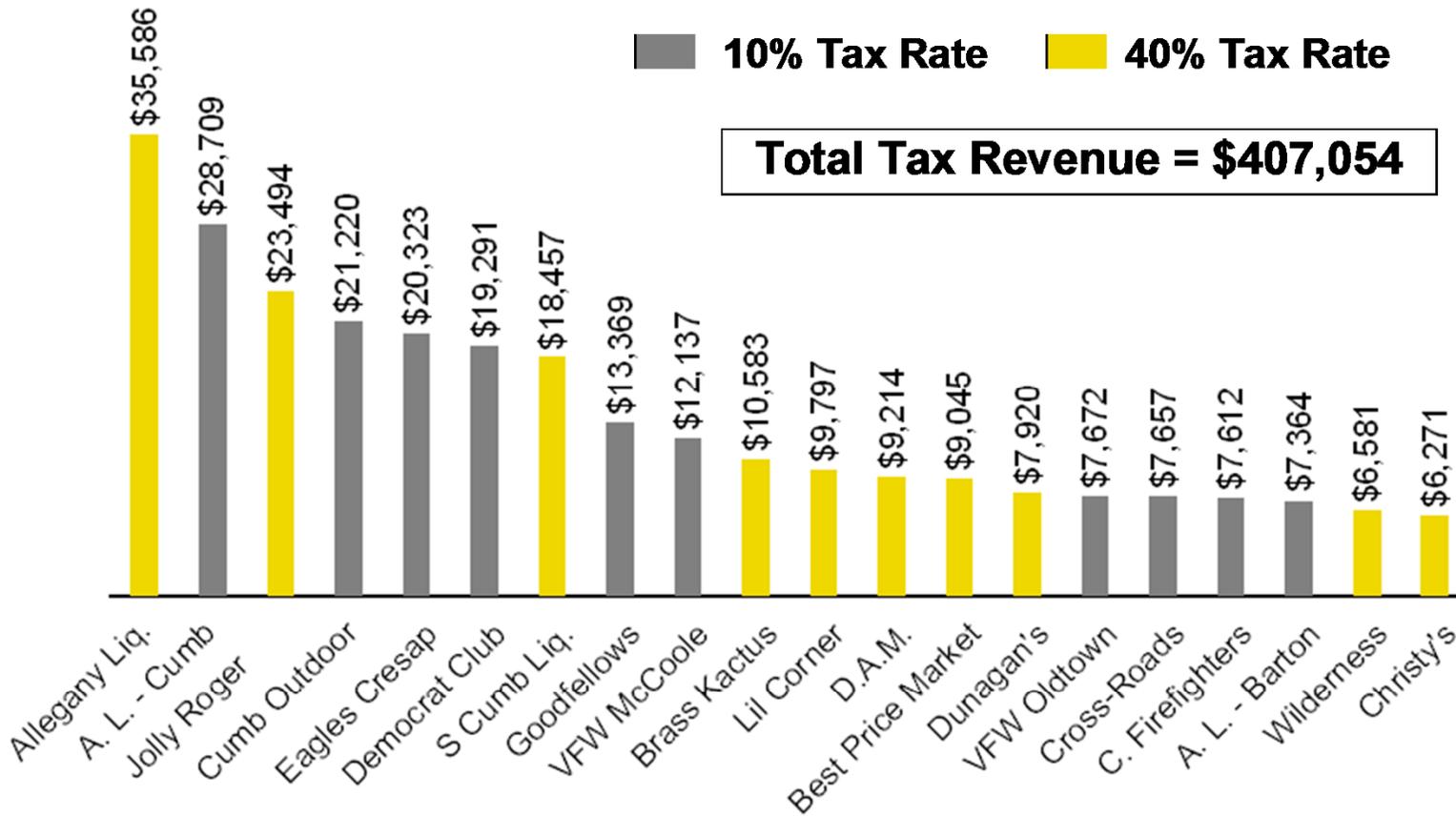
Revenues By Allegany County Paper Gaming Operator Top 20 For Fiscal Year 2011



Net Income By Allegany County Paper Gaming Operator Top 20 For Fiscal Year 2011

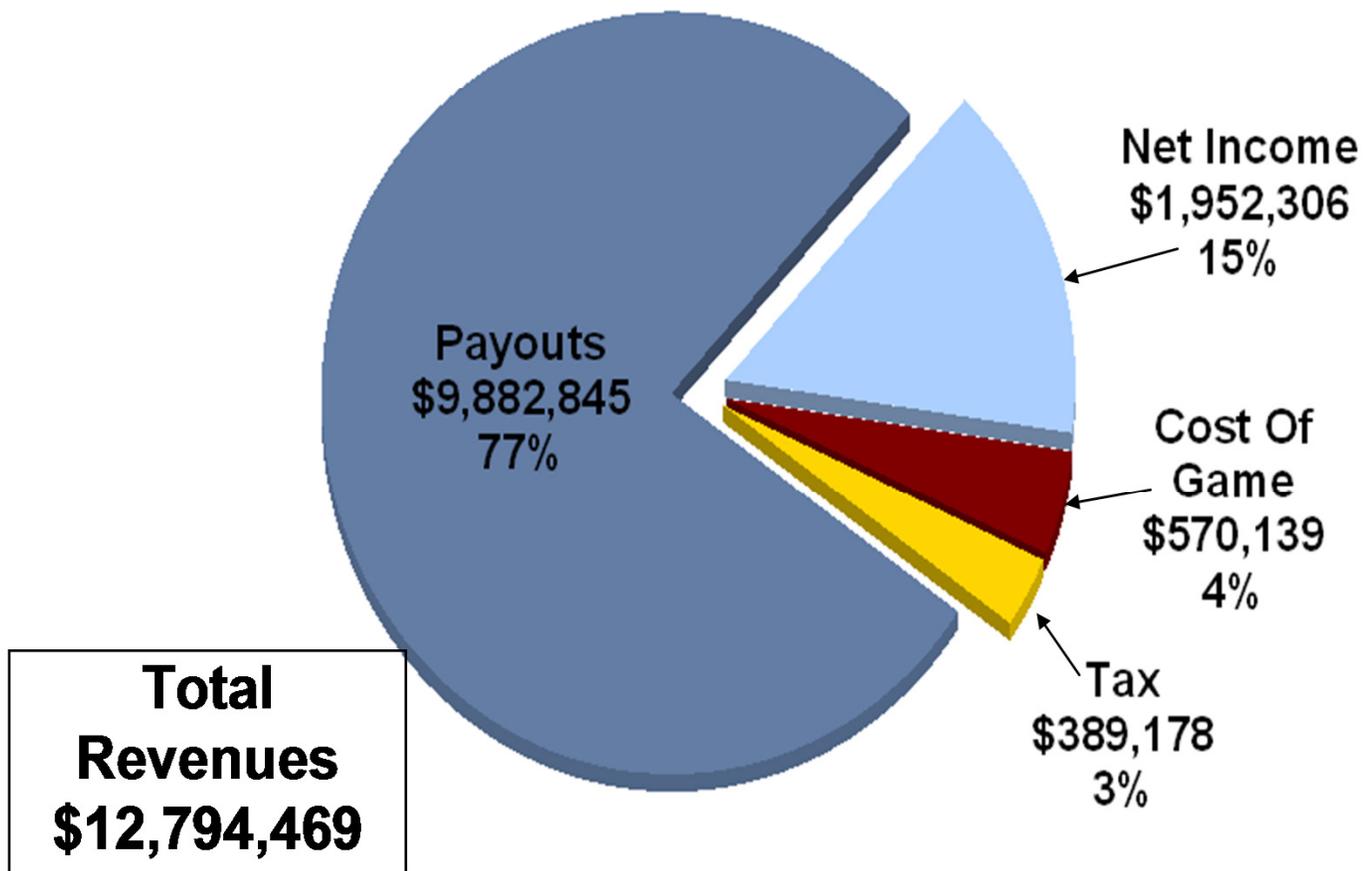


Tax Revenues By Allegany County Paper Gaming Operator Top 20 For Fiscal Year 2011



Distribution of Operator Gaming Revenues* Fiscal Year 2011

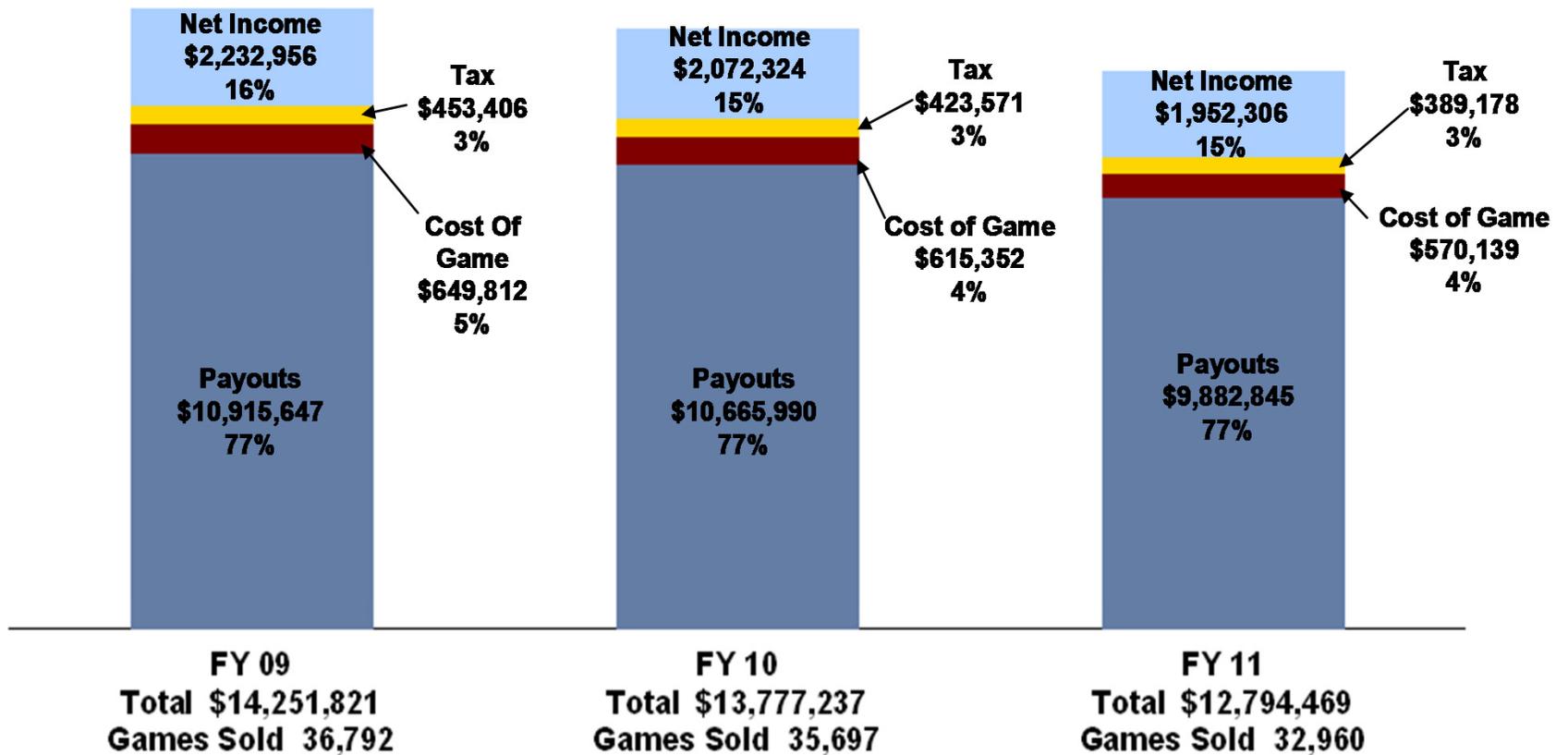
*Based on games started during fiscal year.



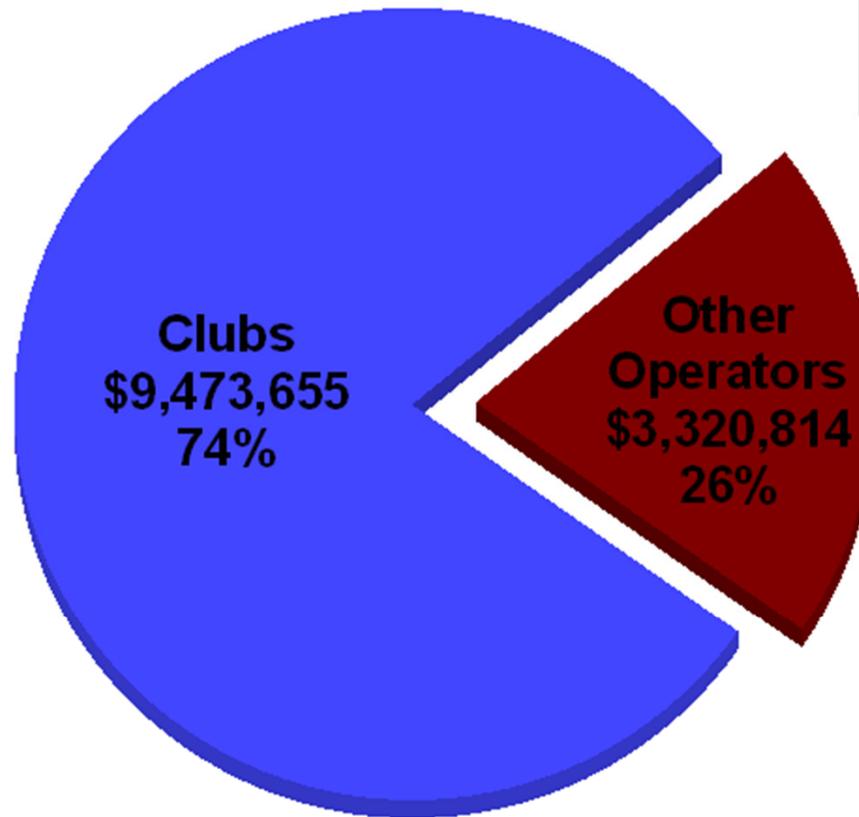
Distribution of Operator Gaming Revenues*

Fiscal Years 2009 - 2011

*Based on games started during fiscal year.



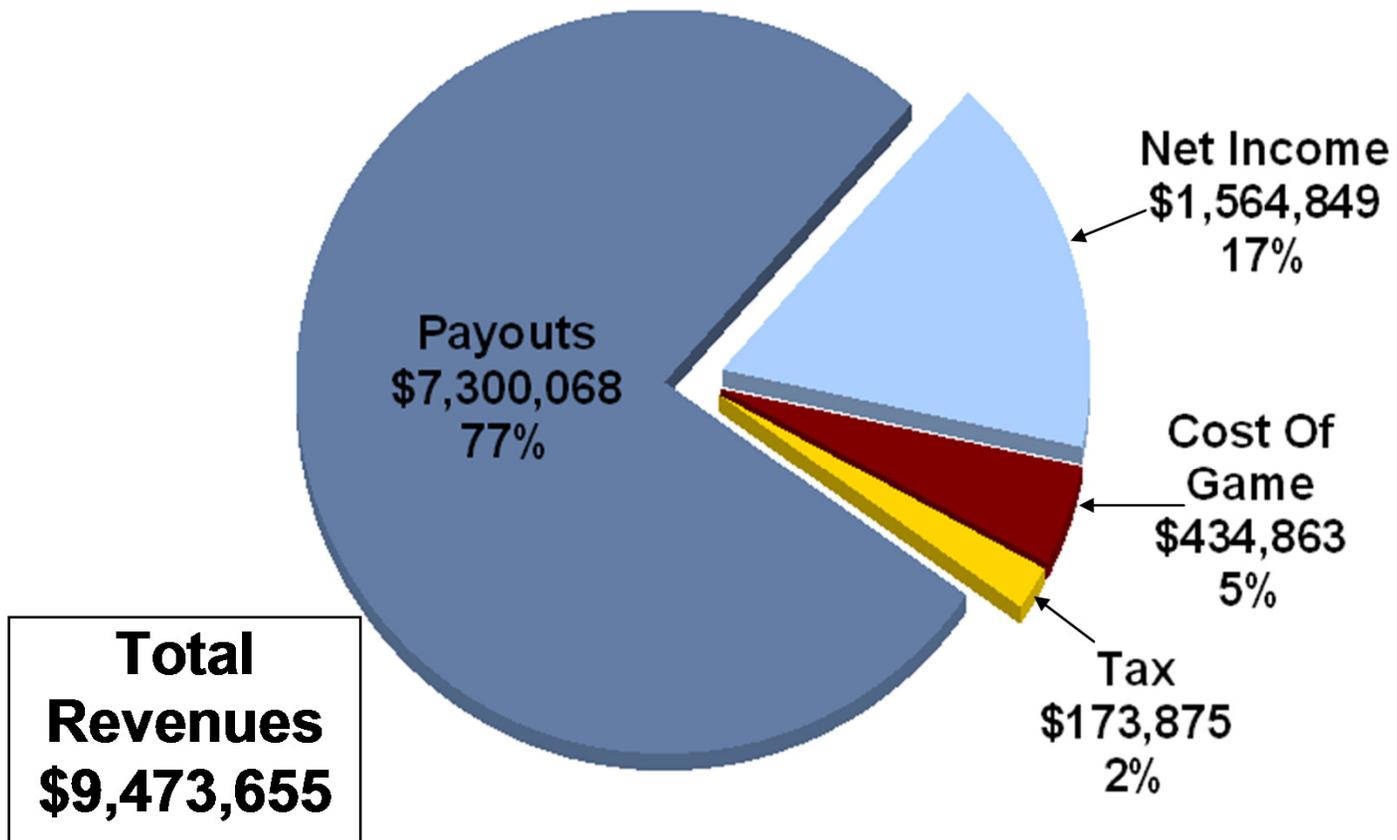
**Allegheny County Paper Gaming Operator Revenues
Clubs Versus Other Operators
Fiscal Year 2011**



**Total =
\$12,795,129**

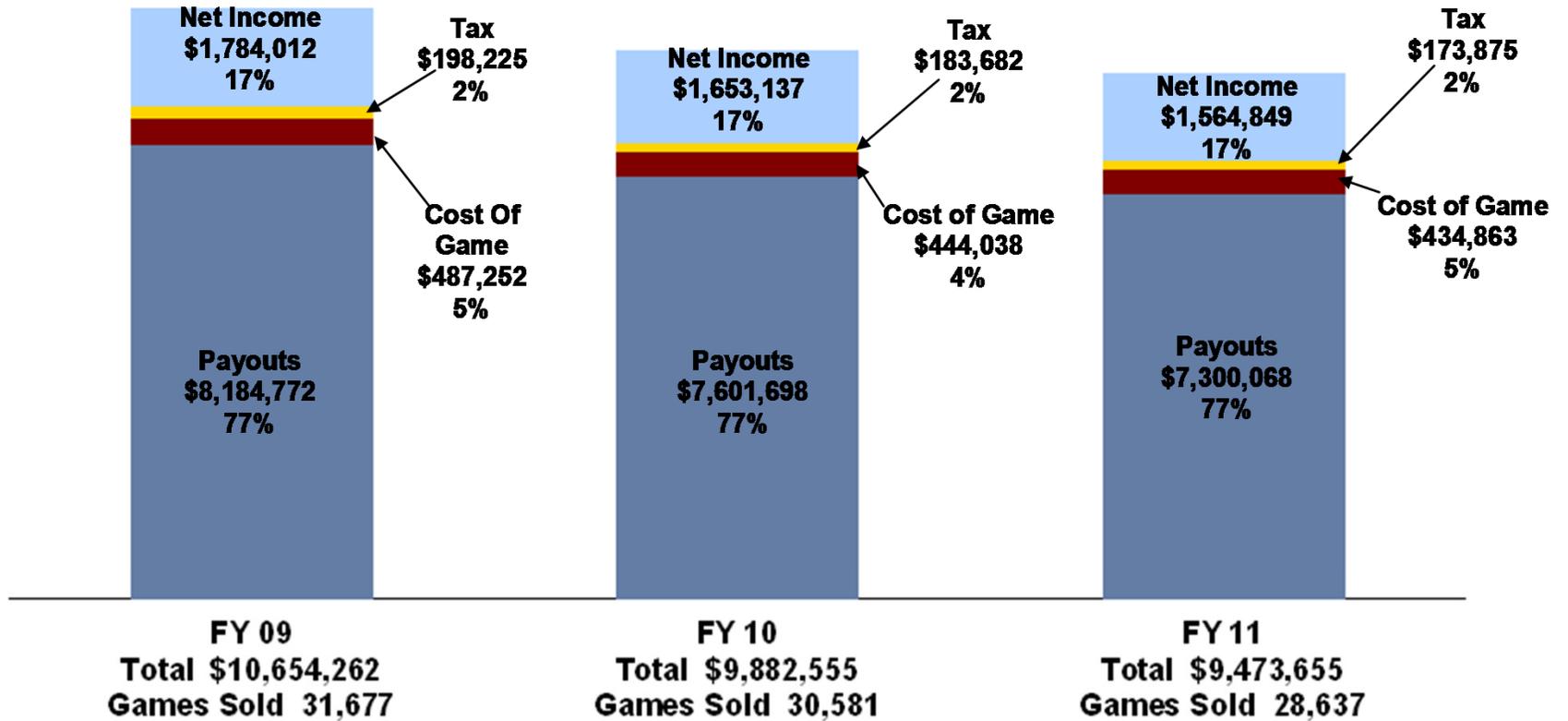
Distribution of Club Revenues* Fiscal Year 2011

*Based on games started during fiscal year.



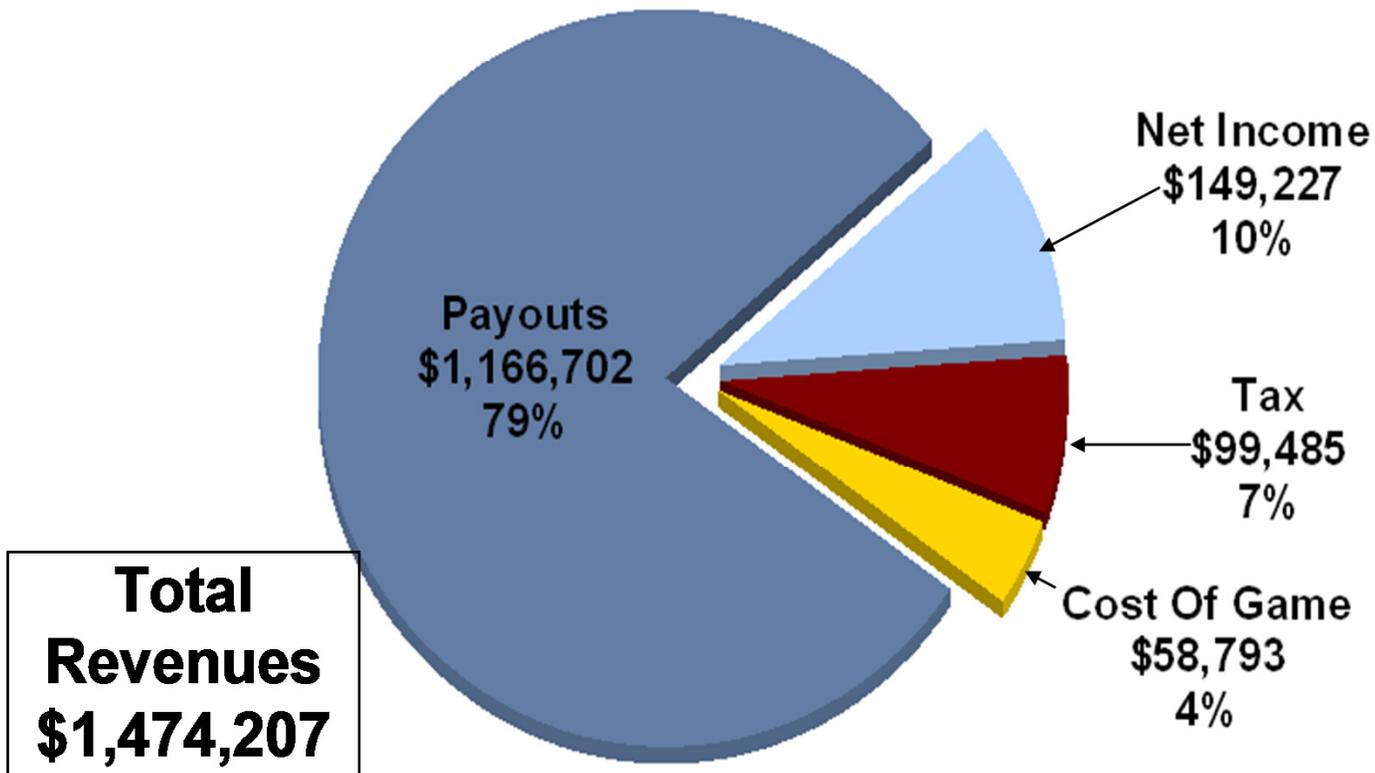
Distribution of Club Gaming Revenues* Fiscal Years 2009 - 2011

*Based on games started during fiscal year.



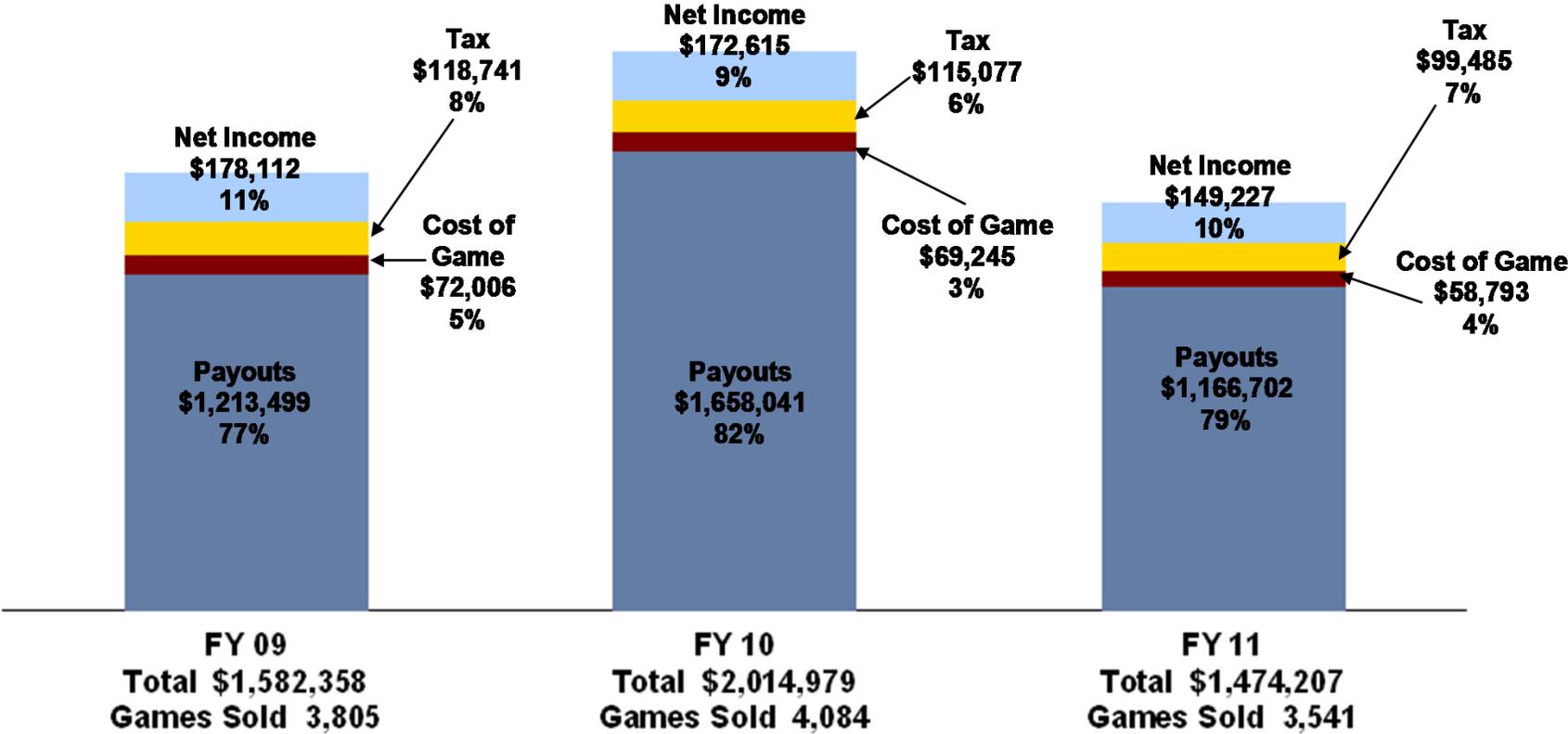
Distribution of Tavern Revenues* Fiscal Year 2011

*Based on games started during fiscal year.



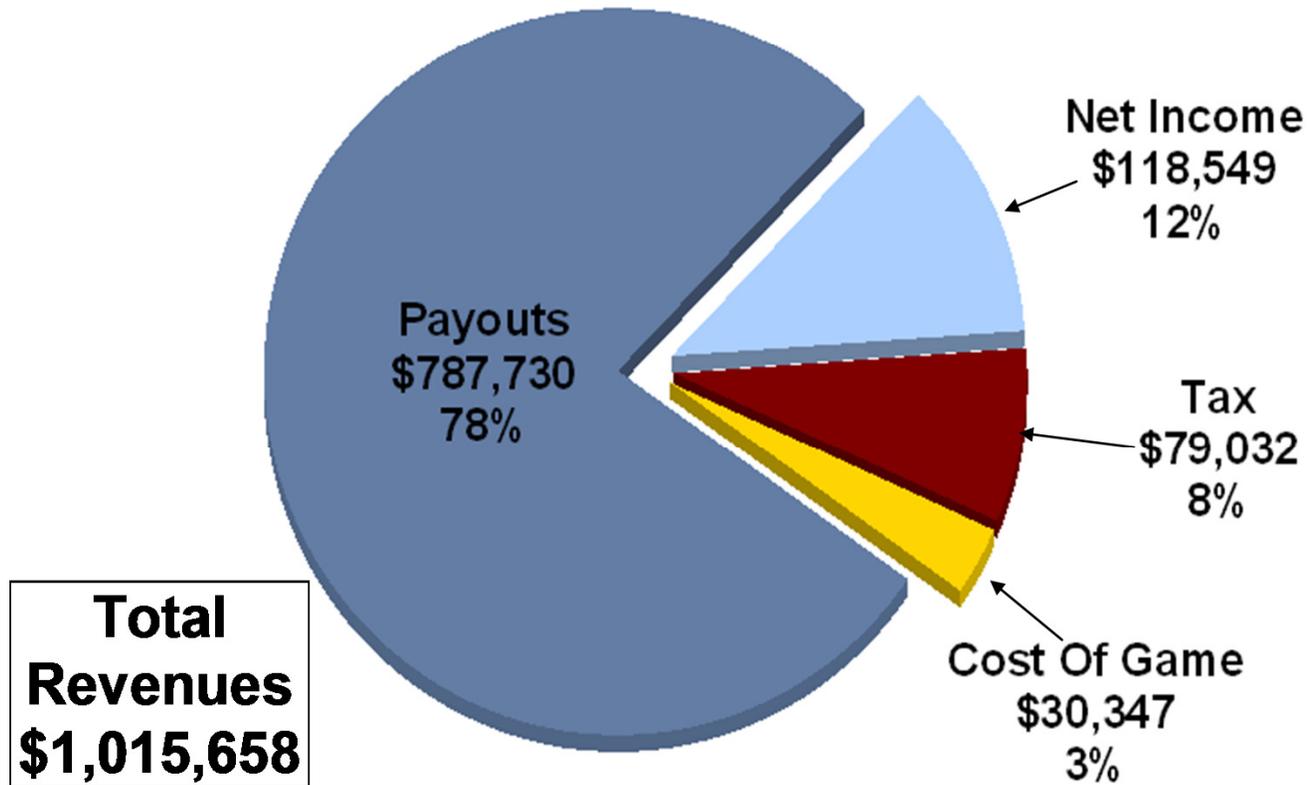
Distribution of Tavern Gaming Revenues* Fiscal Years 2009 - 2011

*Based on games started during fiscal year.



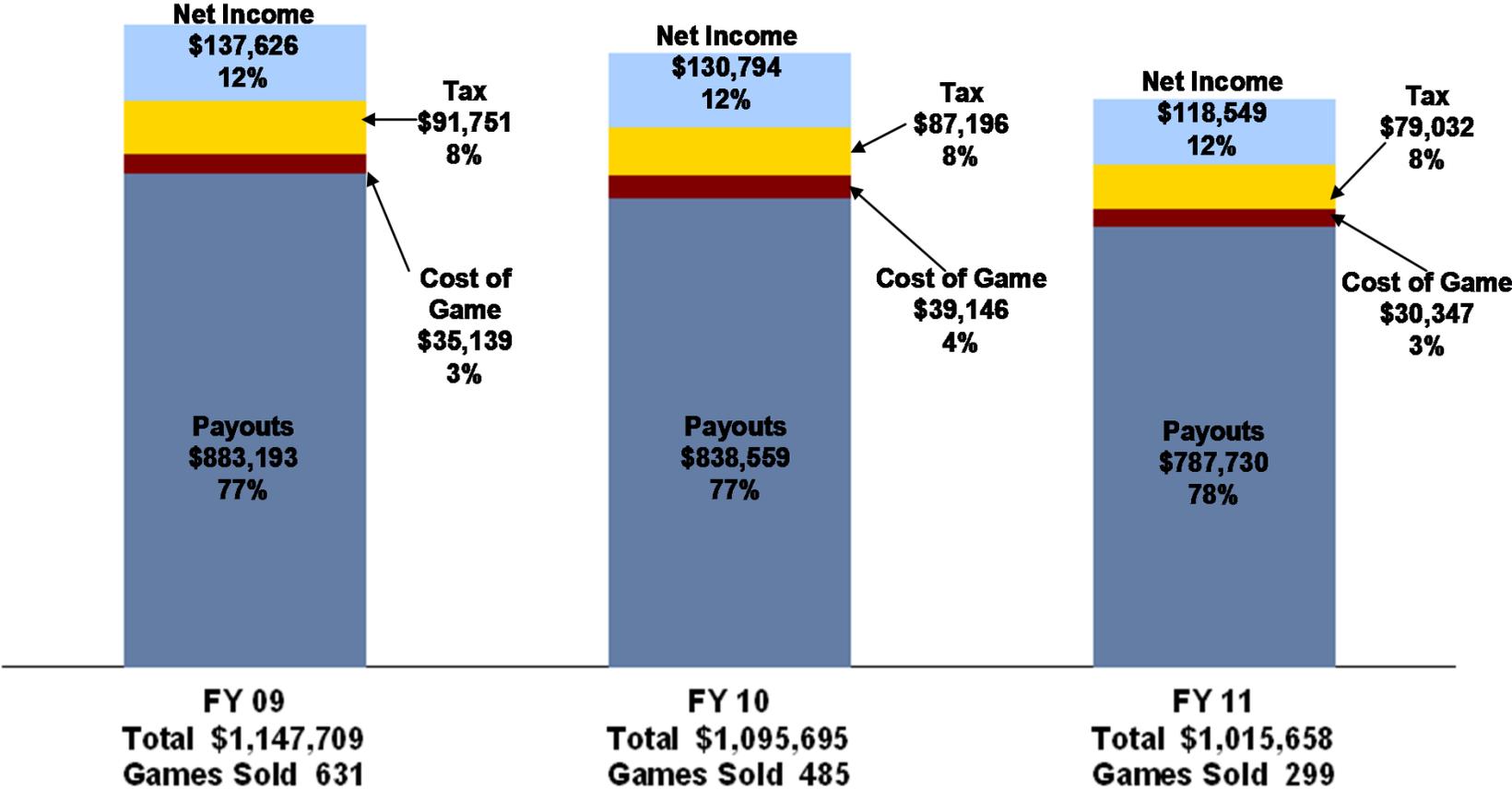
Distribution of Liquor Store Revenues* Fiscal Year 2011

*Based on games started during fiscal year.



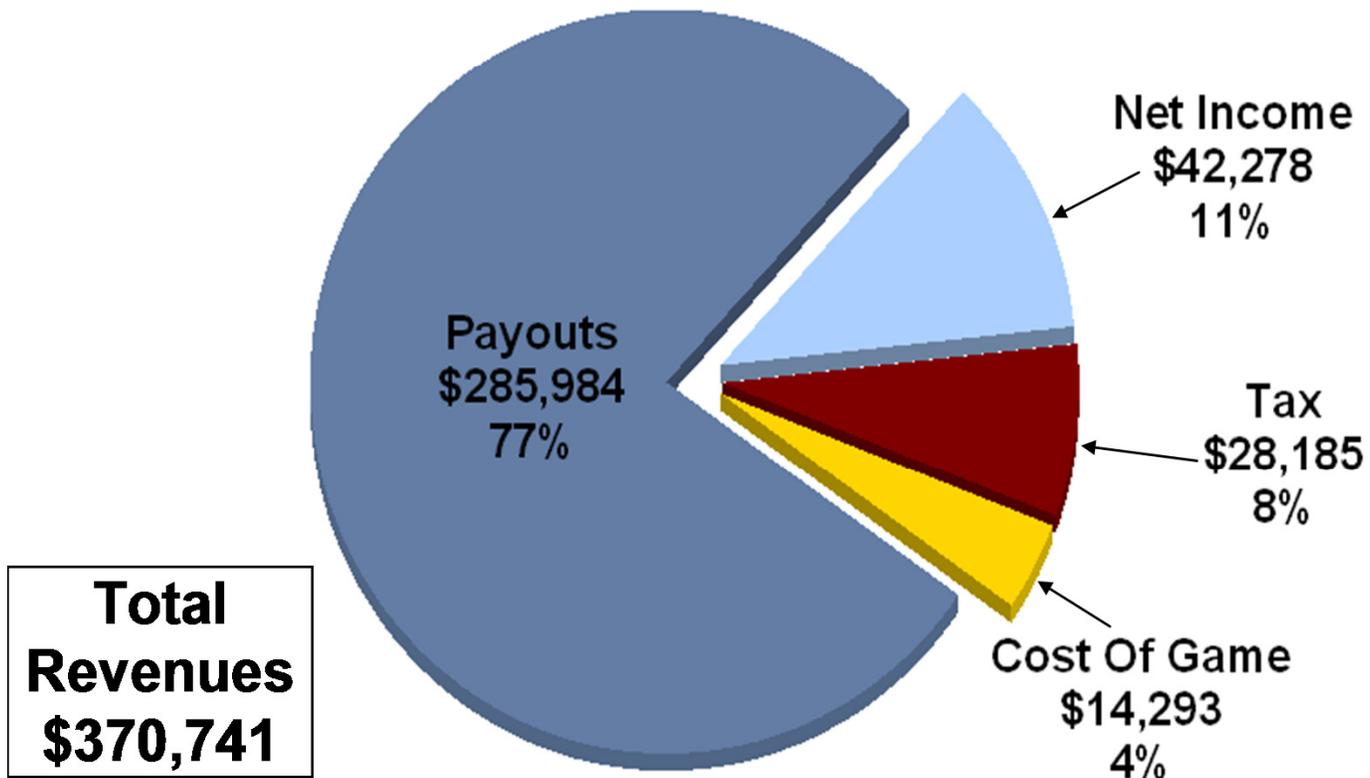
Distribution of Liquor Store Revenues* Fiscal Years 2009 - 2011

*Based on games started during fiscal year.



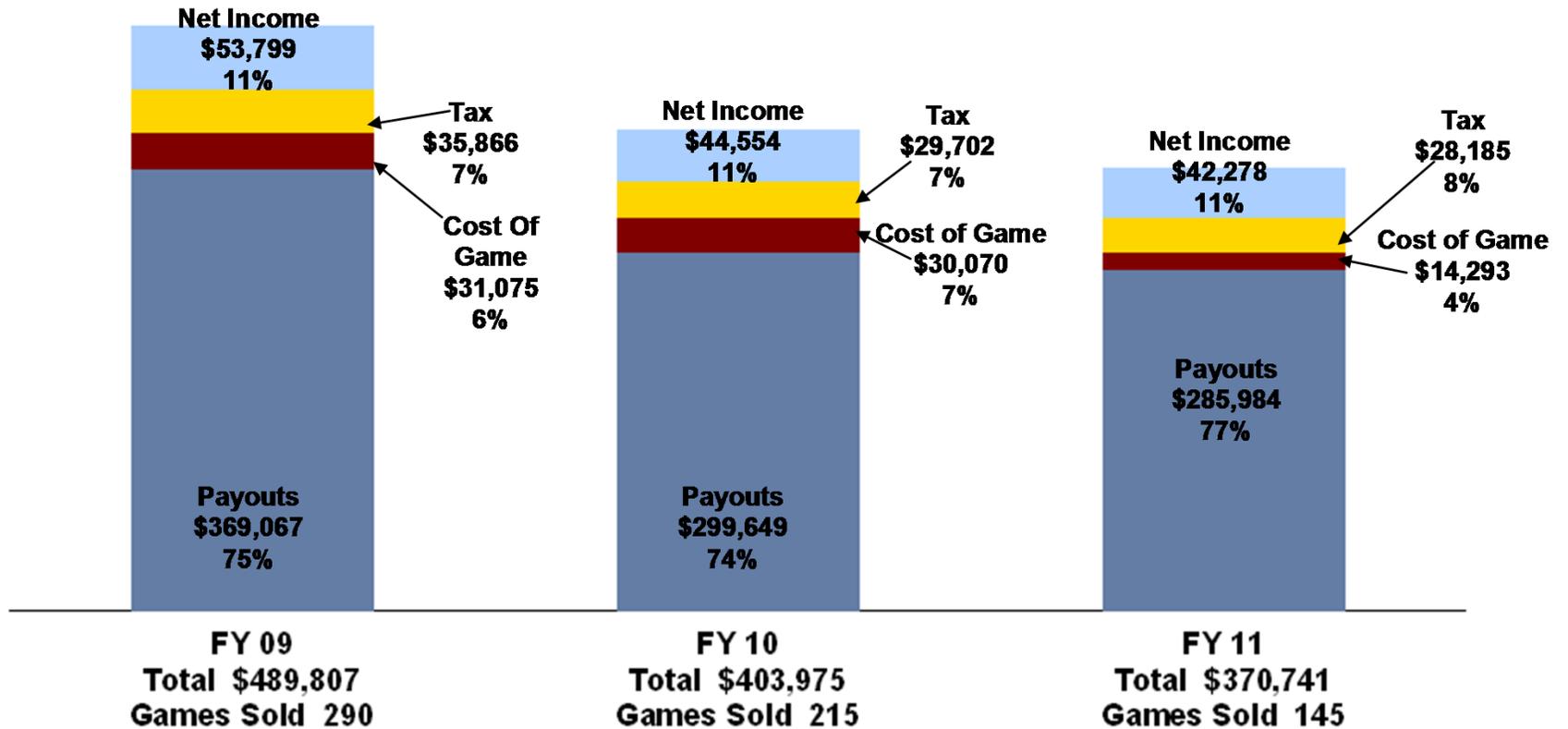
Distribution of Convenience Store Revenues* Fiscal Year 2011

*Based on games started during fiscal year.



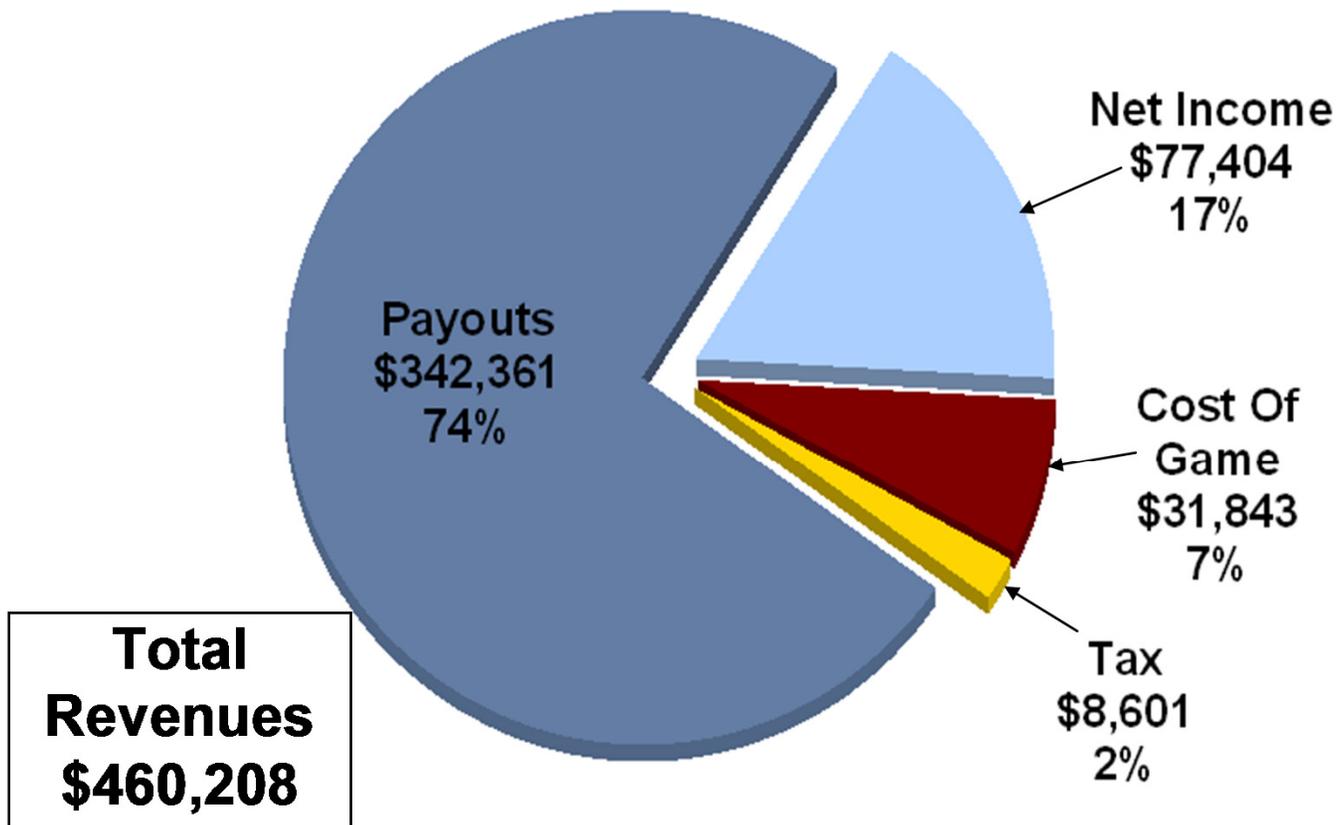
Distribution of Convenience Store Revenues* Fiscal Years 2009 - 2011

*Based on games started during fiscal year.



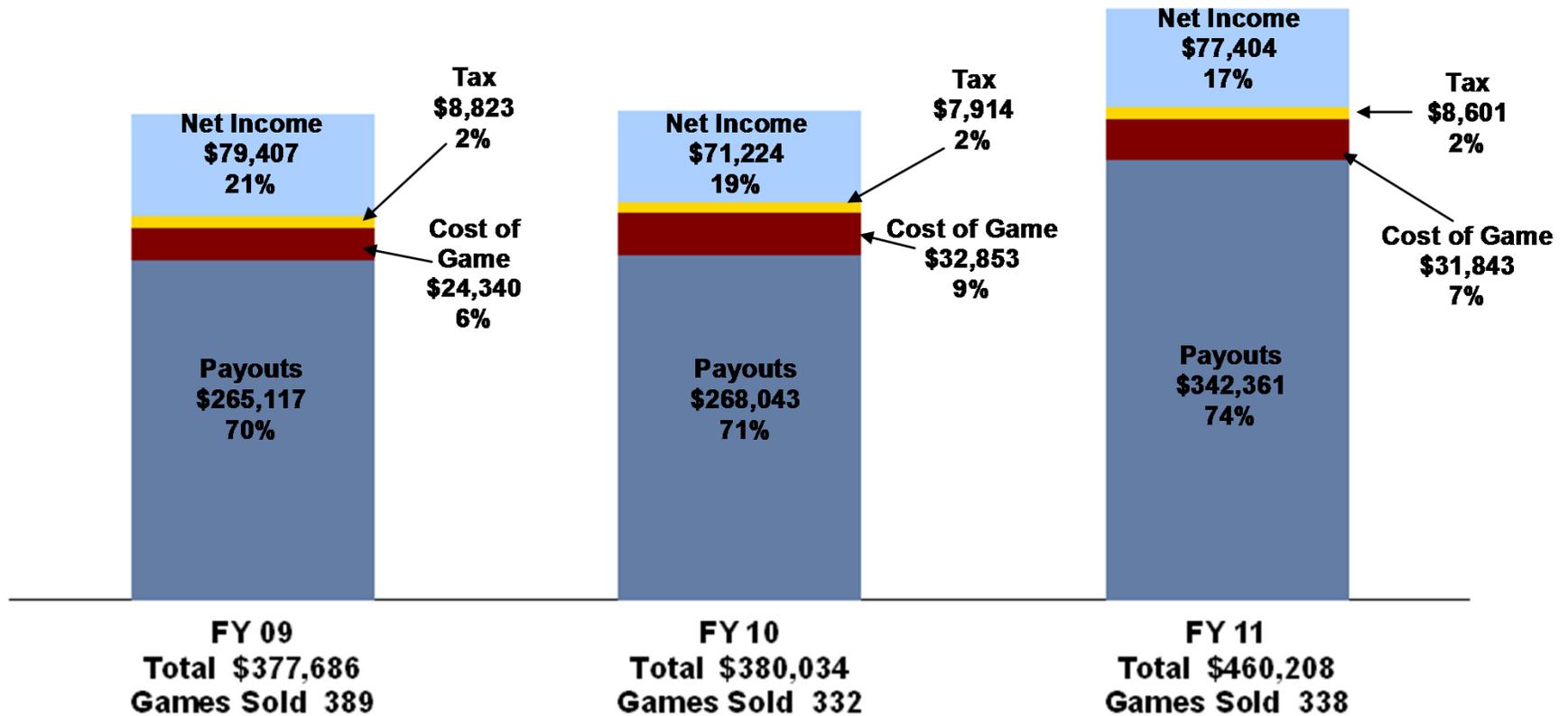
Distribution of Temporary Operator Revenues* Fiscal Year 2011

*Based on games started during fiscal year.



Distribution of Temporary Operator Revenues* Fiscal Years 2009 - 2011

*Based on games started during fiscal year.



Allegany County Inspections of Paper Game Operators Fiscal Years 2009 - 2011

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
Inspections	921	860	672
Number of Operators	74	80	79
Each Operator Inspected	12.4	10.8	8.5
Each Operator Inspected Monthly	1.0	0.9	0.7

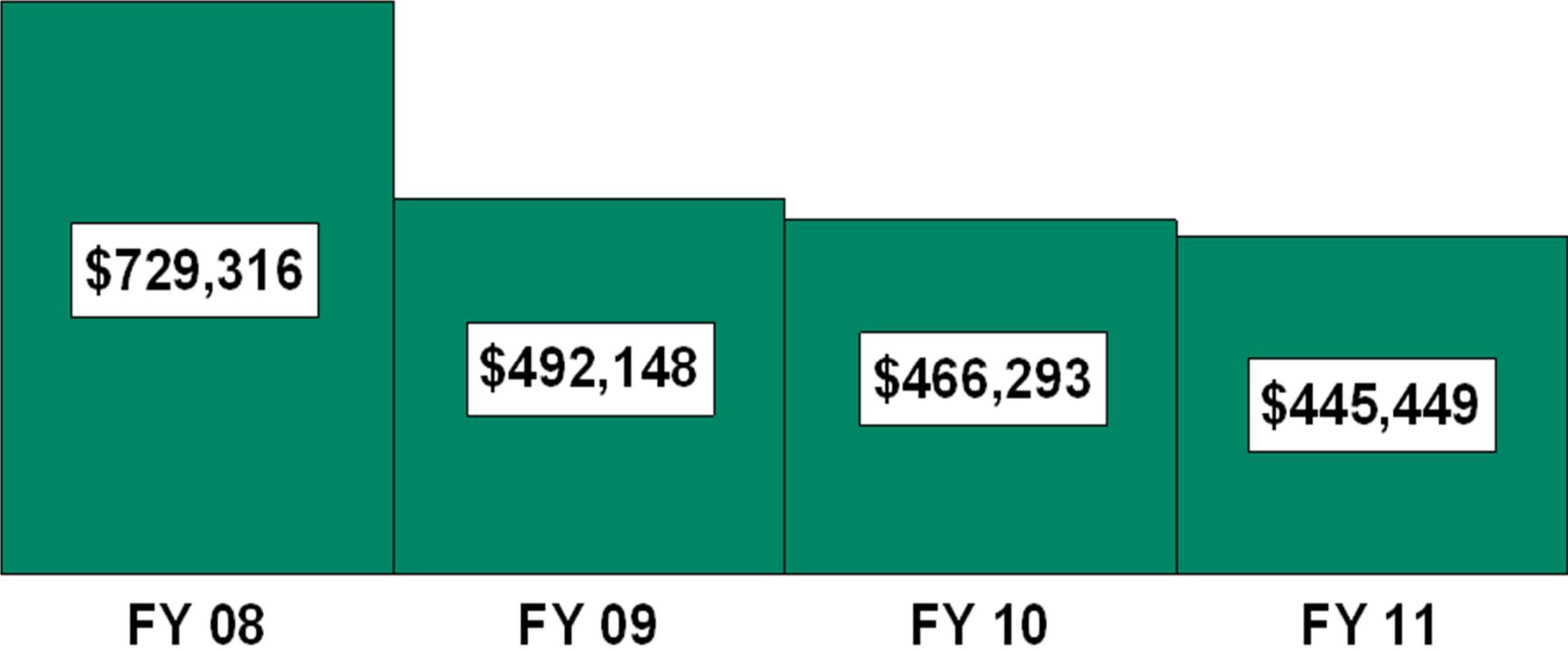
Inspections are random and unannounced

Generally, no more than two inspections are conducted in the same area in the same day except occasionally in Cumberland. Cumberland has 34 percent of the operators.

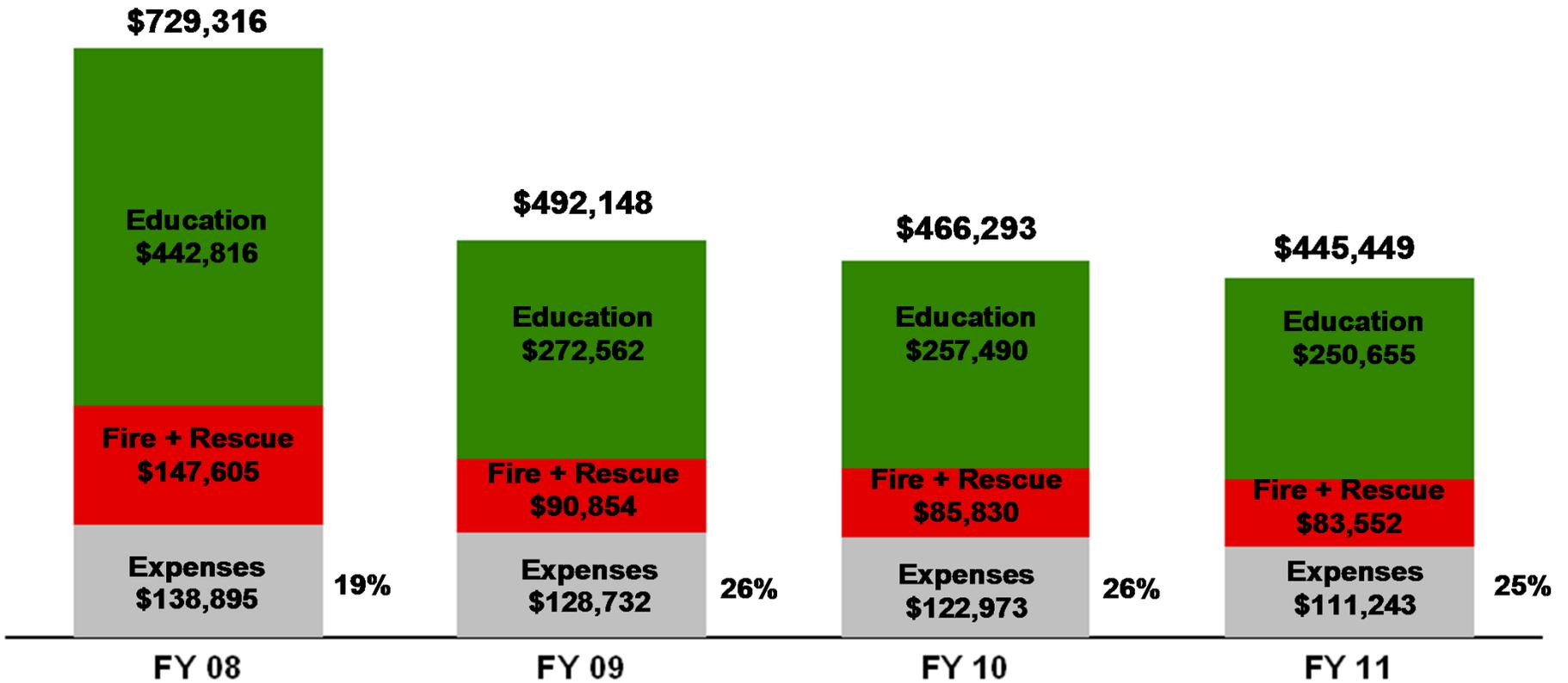
Inspections are conducted randomly everyday of the week. The inspections have been fairly equally divided across the days of the week.

Random monitoring insures no patterns are allowed to develop for any specific operator for inspection purposes. Random inspections insure no one operator expects an inspection on a fixed time or day.

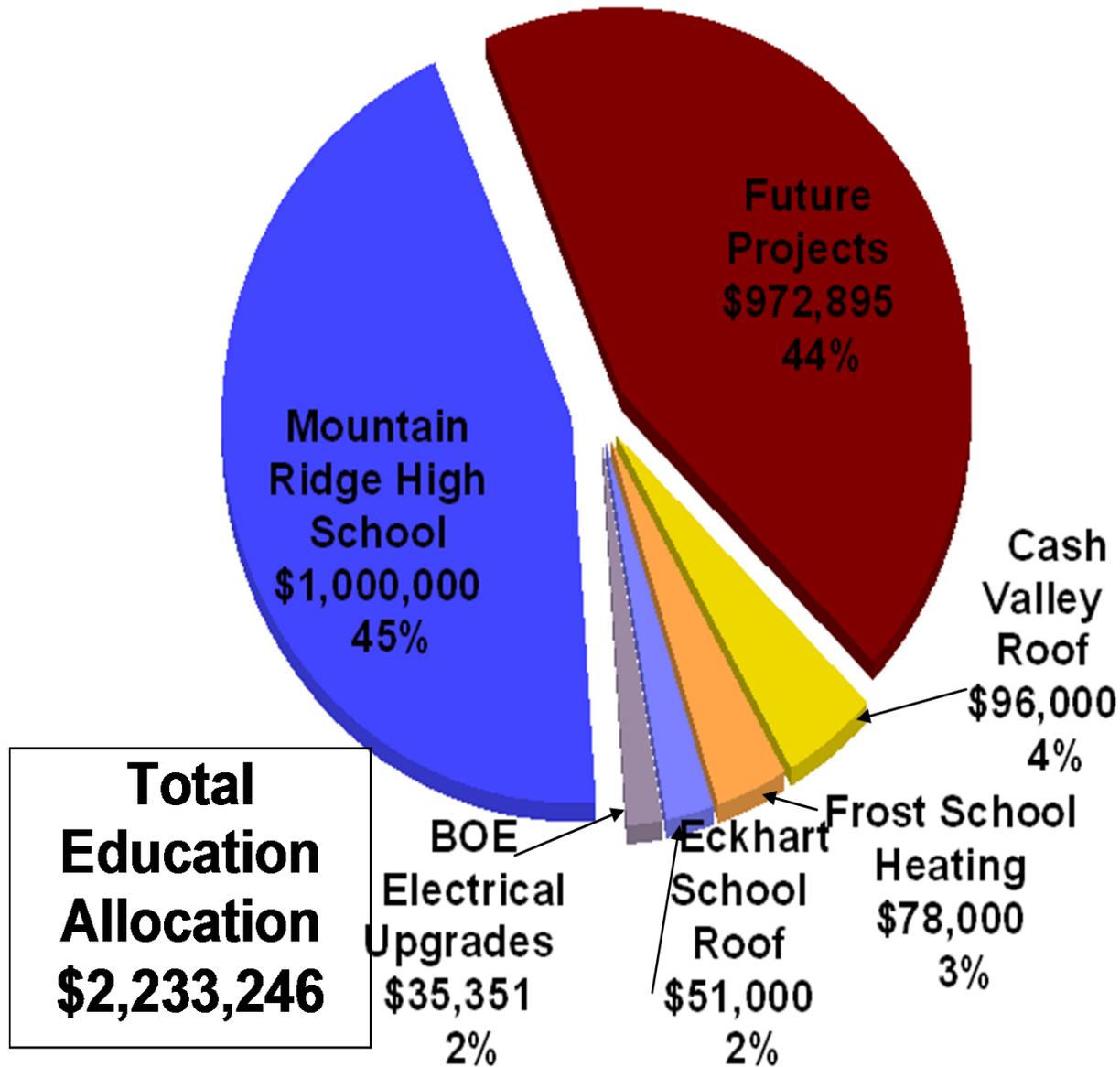
**Allegany County Paper Gaming Fund Revenues
Fiscal Years 2008 - 2011**



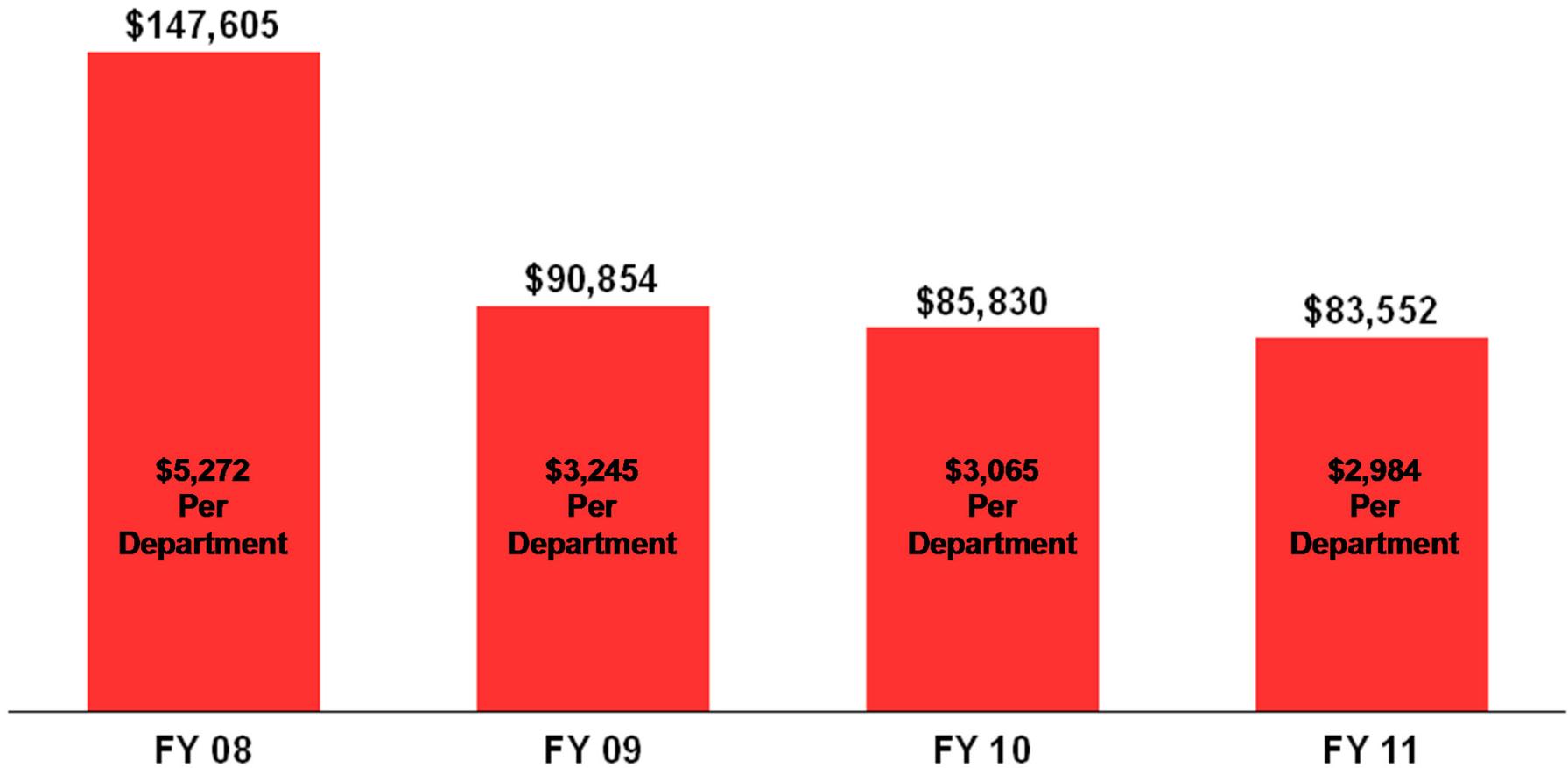
Allegany County Paper Gaming Fund Distribution Fiscal Years 2008 - 2011



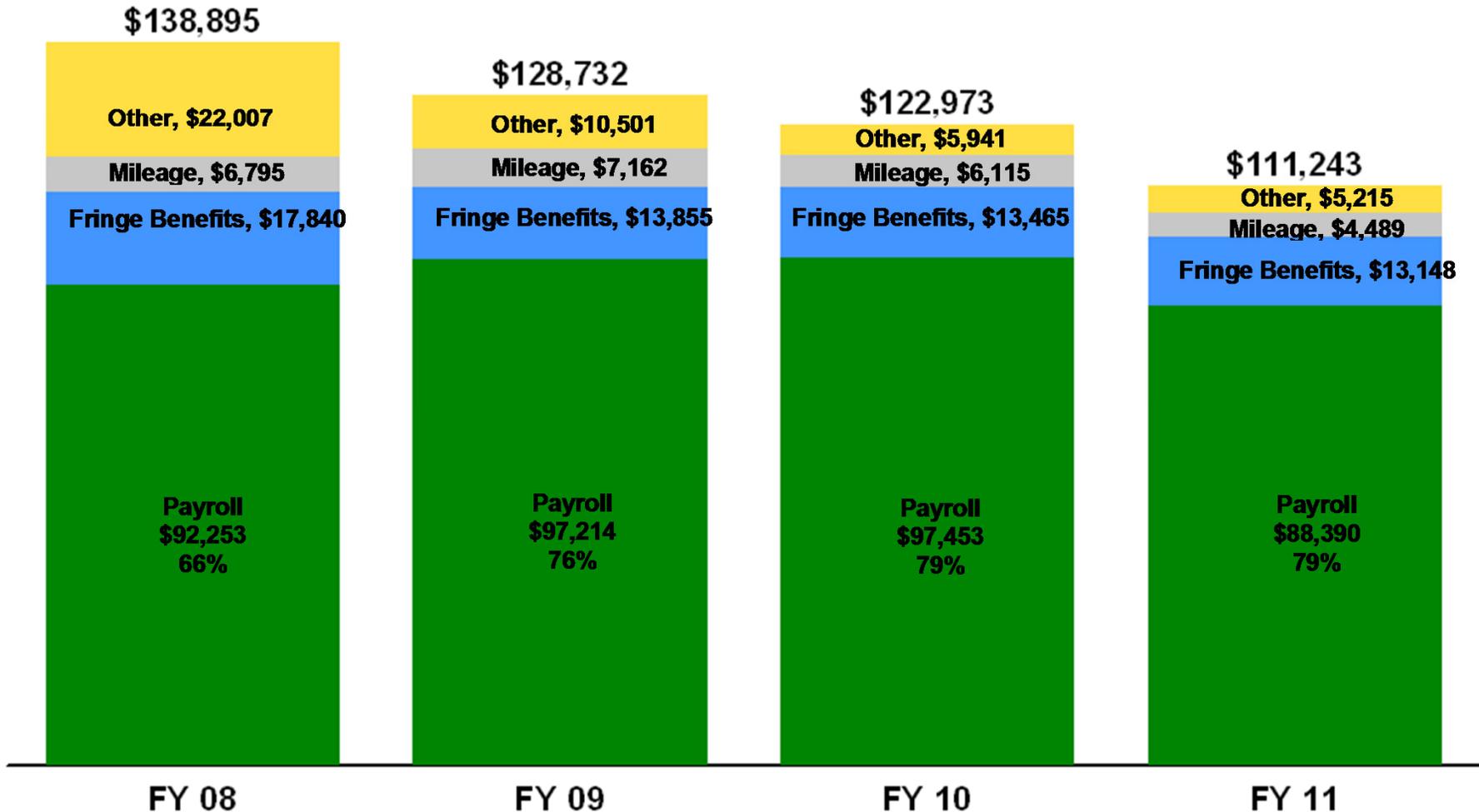
Education Allocations From The Paper Gaming Fund Fiscal Years 2004 - 2010



Fire Allocations From The Paper Gaming Fund Fiscal Years 2008 - 2011

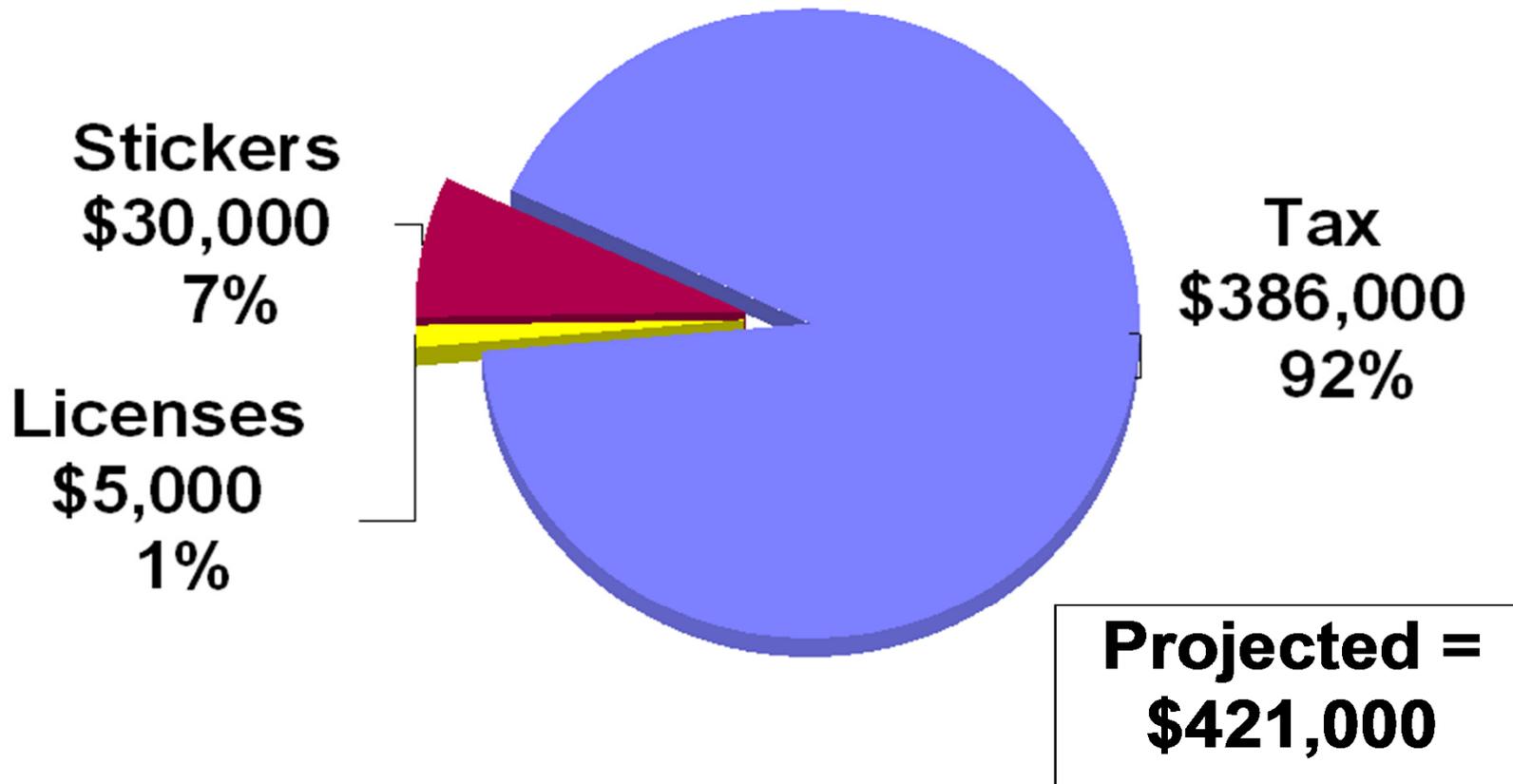


Expenses For Allegany County Gaming Office Fiscal Years 2008 - 2011



This year overall operating expenses were reduced by \$11,730 dollars. This effort was the result of decreased staff hours, mileage, and fringe benefits.

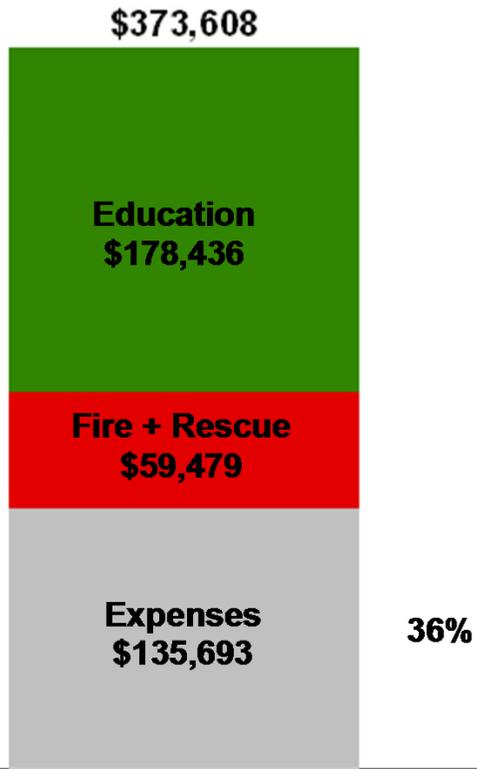
Projected Allegany County Gaming Fund Revenues Fiscal Year 2012



Projected Expenses For Allegany County Gaming Office Fiscal Year 2012



**Projected Allegany County Gaming Fund Distribution
- Fiscal Year 2012**



Conclusion

This presentation and prior years are available on line at www.gov.allconet.org/gaming/presentations.

The public is invited to email the Gaming Office at gaming@allconet.org