

**Nebraska Commission on Problem Gambling
May 20, 2022
700 South 16th Street
Lincoln Nebraska**

MEETING MINUTES

The meeting was called to order at 9:32 a.m.

Roll Call: Present in person: Lutz, Moore, Zohner, Volnek and Leckband. Absent excused: Arch, Lambert.

Announcements:

Chairperson Lutz made the following announcements:

The notice of this meeting was posted publicly on May 6, 2022 on the state events calendar, and on May 9, 2022 on the program's website. The amended agenda was posted on the program's website on May 19, 2022, over 24 hours before the start of this meeting. The notice of meeting with the amended agenda has been available continuously here in the office of the Problem Gamblers Assistance Program in the Ferguson House, 700 South 16th street, Lincoln, Nebraska.

This meeting of the Commission on Problem Gambling is conducted according to the requirements of the Nebraska Open Meetings Act. A copy of the Open Meetings Act is posted on the door to this room.

Copies of other printed materials that may be considered by the Commission during the meeting are also available to the public on the table in the lobby. Commissioners Mark Canada and James Patterson have completed their service on this commission. Mark has been with us since 2013. James was a valuable member during his three years with us. In the past we have purchased memorabilia for retiring commissioners and unless there is an objection I will ask our staff to do so again for Mark and James.

Public comments on issues presented during this meeting will be allowed by the chair from time to time during the meeting and may also be requested by any member of the commission at any time.

I want to also note that the sequence of our discussion of agenda items and the timing of discussion are tentative and subject to ruling by the chair as this meeting goes on.

Let us now pause for a moment of reflection before we move on to the next item on the agenda.

Approval of minutes of previous meeting: Chairperson Lutz called for amendments or corrections to the minutes of the meeting of February 11, 2022, and hearing none, Commissioner Leckband moved approval, seconded by Commissioner Moore. The Chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

The written Director’s narrative report was distributed and is attached to these minutes.

Legislation: The director reported on the terms the casino legislation adopted in the recent session, including requirements for three studies that the Gaming Commission is required to conduct, one of which includes the topic of addiction to gambling in Nebraska.

Finance: Several financial reports from the Department of Administrative Services Accounting Division were distributed and reviewed with the Commission. These are referred to in the written report.

Summary of Fiscal Year-to-Date Operations: The director’s report summarizes the results of operations during the period July 1, 2021-April 30, 2022. The Commission reviewed spread sheets that itemize contractor performance and overall cost of services.

Other administrative topics: The director reported on several points not covered in the written report:

1. The board of the Nebraska Environmental Trust has given notice of its intent to terminate its lease of the Ferguson House and has notified the Commission on Problem Gambling that its sublease of space in the building is now on a month-to-month basis until state building division decides the future status of the Ferguson House property.
2. An online web-based invoicing system for counseling services is in development by state technical assistance staff and may be ready for use in a few months.
3. Gambling nationwide is increasing. Nebraska Charitable Gaming reported over \$376 million total wagering in the period April 1, 2021-March 31, 2022.

4. Casino openings are possible this fall. Gaming regulations became effective May 16, and license applications will be accepted in the near future. Partial openings of casinos in Lincoln and Grand Island are expected this fall.
5. Staff attended the annual Nebraska Association of Behavioral Health Organizations (NABHO) conference and made several contacts with potential gambling addiction counselors.
6. Webinars by national experts are being presented in April, May and June, and recorded for viewing on demand on the program website.

Affirm Executive Committee action: Heartland Counseling Service of South Sioux City.

The Commission reviewed and discussed the minutes of the executive committee dated March 24, 2022 on three issues:

1. Issuing a provisional certificate to Martinique Peters, who has completed training and passed our test for qualification.
2. Issuing a contract to Betty Hampton in the amount of \$2,500 in effect until June 30, 2023, to act as clinical calls moderator for Martinique during the time of her provisional certification.
3. Issuing a contract to Heartland Counseling Service in the amount of \$20,000 to pay for counseling services through June 30, 2022.

Commissioner Leckband moved for affirmation of the three actions taken by the executive committee. Commissioner Moore seconded the motion. After discussion the Chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

Approve director expense to attend the National Council on Problem Gambling annual conference in Boston on July 20-23.

The Commission reviewed detailed receipts for expenses for the director to attend the national conference in Boston. The expenses are:

Air Fare Lincoln to Boston and return: 1,154.20.

Conference registration: 963.00.

Hotel room in Boston: 1,744.91.

Commissioner Leckband moved that the Commission should reimburse the director for these expenses. Commissioner Moore seconded the motion. After

discussion the chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

Assistance for attendance at the Midwest Conference on Problem Gambling and Substance Abuse.

The director proposed financial assistance in the amount of \$225 each to support counselors who attend the annual Midwest Conference, offered virtually this year on June 15-16. The conference offers the opportunity to earn continuing education credits: up to 7.5 hours on gambling specific topics and 5.5 hours on related addiction therapy topics. Commissioner Moore moved approval of this support to our counselors. Commissioner Zohner seconded the motion. After discussion the chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

Approval of basic training course

The director proposed approval by the Commission of a 30-hour basic training course offered by the Midwest Conference organization as a qualification for certification of new counselors. Commissioner Moore moved approval of the training with the requirement that candidates for certification must pass our test offered on the Bellevue University website. Commissioner Leckband seconded the motion. After discussion the chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

Program Data and Helpline reports

Staff reported on data gathered from individuals accepted into counseling and callers to our helpline.

Agent/MediaSpark contract report

Patsy Sumner's report on the progress of the digital media campaign was received and is included in the commission's materials. In general, the campaign is performing as expected with increases in all tactics. The campaign focuses on awareness and informing the public about the program's counseling services.

Agent Brand contract award for fiscal year 2022-23

The commission reviewed a budget proposal for digital media message dissemination and website hosting and maintenance in the total amount of \$364,360.00. The budget calendar and detail was presented in the materials given

to the commissioners. Commissioner Leckband moved approval of the budget and issuance of the contract to Agent Brand. Commissioner Moore seconded the motion. After discussion the chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

Problem Gamblers Assistance Program annual budget

The director presented alternative budget proposals for consideration as the commission decides its budget for the fiscal year beginning July 1. The document identified as the #2 Budget Option provides for stable operations expenditures with an increase in hourly rates for counseling services to \$185 per hour. This is approximately equal to comparable service rates paid by Nebraska Medicaid. Commissioner Moore moved for approval of the #2 budget option. Commissioner Leckband seconded the motion. After discussion the chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried. The approved budget is attached to these minutes.

Counselor contract increases

The Director presented a list of seven counselor contracts to increase to provide payment for their services for the remainder of the contract year. Commissioner Leckband moved approval of the increases. Commissioner Zohner seconded the motion. After discussion the chair called for a vote. Voting yes: Lutz, Moore, Zohner, Volnek and Leckband. Voting no: none. Motion carried.

Election of Officers

The bylaws of the Commission require election of officers at the regular meeting in the fourth quarter of the even-numbered fiscal year, to serve for the following two years or until replaced. Commissioner Leckband moved for election by acclamation of the following:

Chair: Susan Lutz

Vice-chair: Cameron Arch

Secretary: Todd Zohner

In the absence of objection, the motion carried.

The next meeting of the Commission will be held on August 12, 2022 beginning at 9:30 a.m. at Ferguson House in Lincoln.

The meeting was adjourned at 12:13 p.m.

**NEBRASKA COMMISSION ON PROBLEM GAMBLING
MAY 20, 2022
DIRECTOR'S NARRATIVE REPORT**

AGENDA ISSUES THAT WILL AFFECT THE BUDGET

6. Affirm Exec. Committee action awarding contracts to Heartland Counseling in South Sioux City: for counseling services, \$20,000; for provisional counselor mentoring by Betty Hampton, \$2,500.
7. Approve Director attendance at National Council conference in July in Boston, \$3,862.11.
8. Support counselor registration for Midwest Conference in June, up to \$3,150.
13. Increase Agent Brand contract from the original amount of \$150,000 to \$365,000, beginning July 1.
15. Increase total counselor contract awards for the year ending June 30 from \$1,067,500 to \$1,195,000.

ACTIVITIES SINCE LAST MEETING

NABHO ANNUAL CONFERENCE Anne and I staffed a display table at the annual conference of the Nebraska Association of Behavioral Health Organizations (NABHO) on March 30-31. Last summer the Commission authorized a \$2,500 payment to the organization to help underwrite the event. Several counselors showed interest in our program. These may lead to new trainees and contracts in areas we do not serve now.

TRAINING WEBINAR On April 27 Lori Ruggle, a clinical psychologist from Maryland, presented a 90 minute webinar on the subject of screening for gambling disorder. We recorded her presentation and had it posted to our program website for free viewing. Upcoming webinars include Dr. Jon Grant on May 26 (comorbidities in gambling disorder) and Dr. Tim Fong on June 7 (impact of gambling disorder on physical health) will also be recorded and posted on the website. These webinars introduce features of addiction to gambling to behavioral health counselors and the general public.

CONTACTS WITH NEW COUNSELING AGENCIES We have developed contacts with Lutheran Family Services and Houses of Hope in Lincoln; Friendship House in Grand Island; and North Point Recovery in Omaha. Some of these may result in new counselors in our program but it is too early to be certain.

COMMISSION BUDGET FOR THE FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023: TAB 14 IN COMMISSION BINDERS

Last Friday, May 13, I distributed a 6-page document with a discussion of the budget process and projections of revenue for the next three years. At today's meeting the Commission should adopt its budget for the fiscal year that begins July 1. The budgets for the next two years will be discussed at the August meeting.

The discussion document from May 13 included a general outline of the program expenditures. Today's materials include outlines of program expenditures in detail. The details increase the projected expenditures in several categories by \$14,111. These projections are based on this year's spending patterns and more careful predictions for next year spending in basic overhead.

Today's materials also include 4 budget alternatives for the Commission's consideration. These outlines give more detail of the categories of spending using the State coding system. Identical revenue projections and sources are listed on all 4. The differences among them are the assumed hourly rate for counseling and the assumed utilization of counseling services.

For instance, the first of the four budget options assumes that both the counseling hourly rate and utilization stay the same as they are now. The fourth option assumes that the hourly rate is increased to \$200 and utilization increases by about 10%.

All four of the proposals project program spending that is more than program revenue. The only way the program can do this is by spending from the carryover balance in the Gamblers Assistance Fund. Right now we project the balance will be \$1 million, all of which is available for program use. Each of the four budget options projects \$2.058 million of program revenue. This means that available funds for program activities are projected at \$3.058 million. All four of the budget options projects total program spending less than the available funds, and less than the appropriation approved by the Legislature.

STATUS OF CASINOS

The casino regulations drafted by the Racing and Gaming Commission became effective on May 16. Casino license applications are expected shortly. Some of the application procedures are still in development by staff at the Racing and Gaming Commission. Construction at proposed casino locations will begin soon, with limited openings likely this fall.

LEGISLATION: TAB 3

The Legislature adopted the final version of the casino enabling statute which became effective immediately. This law includes requirements for several studies to be completed before casinos can be authorized at locations other than the original six in Lincoln, Omaha, Grand Island, Columbus, Dakota City, Hastings. The requirements for these studies are included in Tab 3 of today's materials.

FINANCIAL REPORTS: TAB 4

State accounting financial reports for the period July 1, 2021 through April 30, 2022, are in tab 4 of today's materials.

The **Program Summary** itemizes revenue and spending for the period. Totals so far this year are on the second page of the report: **revenue \$1,666,995, and spending \$1,535,273**. Program revenue is about 3% more than the same month last year, while overall spending is up by about 20%.

The **Fund Summary by Fund** shows you the status of the Gamblers Assistance Fund, which is the main vehicle for the Program's revenue and spending. On the first page, far right column, on the line **Fund Equity Undesignated** shows cash on hand as of July 1, 2021 was **\$930,364**. Cash on hand on April 30 is shown on the top line, page 1, second column from the right under the heading **Account Balance Debit: \$1,141,355, subject to liabilities of \$79,270**. This is a 16% increase in the program's net cash position compared to the same month a year ago. The July 1 fund balance was 61% more than the year before as the result of higher revenue than projected combined with pandemic-induced spending reductions.

The **Budget Status** Report shows you that 83% of the fiscal year had elapsed as of April 30, and our program had spent 69% of our approved budget. We have stayed under budget every year.

INTERNAL OPERATIONS SPREADSHEETS: TAB 5

The Excel spreadsheets **Gamblers Assistance Contracts Performance** shows you the itemized results by contractor since July for the major categories of service. Near the bottom of the third page is a set of boxes with monthly overall totals. Here is a comparison to prior years:

- For the period July 2021 through April 2022, based on partial reporting, 181 new clients were admitted into our counseling services. Last year in the same period based on complete reporting, there were 193 new client admissions; the year before, 160.
- So far this fiscal year, for the period July 2021 through April 2022, an average of 179 admitted clients (not including short-term urgent care) have attended counseling each month.
- So far this year, again for the period July 2021 through April 2022 and based on partial reporting, counselors have been paid \$854,458 for counseling services. Last year the amount for the same period was \$822,112. The year before, it was \$990,688.

A second spreadsheet – **Itemized Cost of Counseling Service** - shows quantities and cost of the different items of counseling services at current rates of pay. In the first ten months of this fiscal year based on partial reporting our counselors have been paid for 6,647 hours of individual counseling; a year ago, the total was 6,999 hours.

OTHER TOPICS FOR THE COMMISSION

The dividers in the Commission binders include documents for the other items on the agenda. The Commission should note that Mark Canada and James Patterson have decided not to request renewal of their appointments. John Pulverenti of Omaha and Matt Monheiser of Sidney have applied for those positions but have not yet been appointed by the Governor. Since there were no other applicants, it is safe to presume that they will be appointed, subject to confirmation by the Legislature. Neither of these new candidates can vote on any matter before the Commission. Mr. Pulverenti will attend as a guest for today's meeting.

David Geier, Director
May 20, 2022.

AGENDA ITEM 14

#2 BUDGET OPTION: INCREASE COUNSELING RATES TO 185, NO INCREASE IN DEMAND

GAMBLERS ASSISTANCE PROGRAM BUDGET

FISCAL YEAR 2022-2023

REVENUE

Share of State Lottery profits <i>500,000 + 1%; Constitution Article III Section 24</i>	900,000
5% of State Lottery ad budget <i>Statute Section 9-831</i>	300,000
Share of Charitable Gaming tax <i>Legislative appropriation</i>	400,000
Share of Health Care Cash Fund <i>Legislative appropriation</i>	250,000
Share of Casino Wagering Tax <i>Racetrack Gaming Act Section 9-1204</i>	200,000
Investment Income <i>Gamblers Assistance Fund earnings</i>	<u>8,000</u>
TOTAL PROJECTED REVENUE	<u>2,058,000</u>

EXPENDITURES

510000 PERSONAL SERVICES

511100 PERMANENT SALARIES-WAGES	125,000
<i>David Geier salary: 80,000</i>	
<i>Anne McCollister salary: 45,000</i>	
Personal Services Salaries Subtotal	125,000
515100 RETIREMENT PLANS EXPENSE <i>Employer share 7.5%</i>	9,375
515200 FICA EXPENSE <i>Employer share 7.65%</i>	9,563
515500 HEALTH INSURANCE EXPENSE <i>Employer share of premiums</i>	22,950
516500 WORKERS COMP PREMIUMS <i>State assessment</i>	<u>1,000</u>
Personal Services Total	167,888

520000 OPERATING EXPENSES

521100 POSTAGE EXPENSE	100
521400 CIO CHARGES <i>State data</i>	12,000
521500 PUBLICATION & PRINT EXPENSE <i>State printing</i>	2,000
522200 CONFERENCE REGISTRATION <i>National Conference</i>	963
524600 RENT EXPENSE-BUILDINGS <i>Ferguson</i>	7,500
531100 OFFICE SUPPLIES EXPENSE	500
541100 ACCTG & AUDITING SERVICES <i>State Accounting</i>	3,000
541200 PURCHASING ASSESSMENT <i>State procurement</i>	400
554130 VIDEO SERVICES <i>Zoom Video</i>	5,760
534600 EDUCATIONAL SUPPLIES <i>Books, periodicals</i>	500
554900 OTHER CONTRACTUAL SERVICES <i>Data analyst; Counselor training</i>	75,000
559100 OTHER OPERATING EXPENSE <i>Association Membership</i>	3,500

559164 PROBLEM GAMBLING MESSAGES <i>Agent Brand media</i>	<u>365,000</u>
Operating Expenses Total	476,223
570000 TRAVEL EXPENSES	
571100 BOARD & LODGING <i>Commissioner travel; National Conference</i>	3,500
573100 STATE-OWNED TRANSPORT <i>.26/mile; 13.50/day</i>	1,000
574500 PERSONAL VEHICLE MILEAGE <i>Commissioner travel</i>	<u>500</u>
Travel Expenses Total	5,000
590000 GOVERNMENT AID	
595100 CONTRACTUAL AID <i>Counseling services</i>	<u>1,917,500</u>
<i>Assumes 10,000 hours counseling @185; 225 admission assessments @300</i>	
TOTAL ALL PROJECTED EXPENDITURES	<u>2,566,611</u>

LEGISLATIVE APPROPRIATION

LB 380 (2021) <i>Main appropriation</i>	1,950,447
LB 561A (2021) <i>Casino wagering tax projected</i>	1,226,455
LB 1011 (2022) <i>Salary increase adjustment</i>	<u>2,720</u>
TOTAL	<u>3,179,622</u>

Note that the final appropriation has one earmark: 1,150,000 may only be spent for counseling.

Salary limit total is 129,314 – any amount unspent on salaries may be spent for other purposes.

ATTEST:

Todd Zohner, Secretary