

**OHIO CASINO CONTROL COMMISSION
MEETING MINUTES**

**10 A.M. –August 3, 2011
RIFFE CENTER, 77 SOUTH HIGH STREET
31st FLOOR, SOUTH B AND C
COLUMBUS, OH 43215**

The meeting was called to order at 10:10 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Peter Silverman, Ranjan Manoranjan, John Steinhauer and June Taylor were in attendance. Commissioner Martin Hoke was unable to attend because of an out of state commitment. The minutes of the July 20, 2011 meeting were approved.

Resolution 2011-6 to adopt rules on Instructions for Casino Operator/Management Company/Holding Company License Application approved by the Joint Committee on Agency Rule Review on July 11, 2011 was adopted following a motion by Commissioner Silverman and seconded by Commissioner Taylor. Chair Davidson thanked the Attorney General's staff for their assistance in getting the Commission's first rule through the process.

Resolution 2011-7 to approve a 90-day Personal Services Contract for Joy Estose was approved following a motion by Commissioner Silverman and seconded by Commissioner Manoranjan. Joy Estose recently retired from the Department of Administrative Services and will be working on human resources issues for the Commission.

Chair Davidson introduced John Finamore, Senior Vice President for Regional Operations of Penn National Gaming, who briefly spoke to the Commission on his background in the casino gaming industry.

Daryl Morrison, Compliance Manager of Hollywood Casino in Toledo, provided an update on construction of the Toledo Casino including the total of the construction contract (\$127.9 million), number of workers on site (310) and community outreach efforts. Ameet Patel, General Manager of the Columbus property, gave an overview of the construction progress at the Columbus site. He stated that he has just assumed his duties on a fulltime basis to oversee the project with 150 workers to date for a project that will ultimately employ over 2000. The Commission will receive monthly updates from both casino operators.

Chair Davidson indicated that the first deadline of the Timeline has been met with the availability of the application as of August 1 at noon. Blueprints are under review and a report will be forthcoming. Commission members were provided an updated Timeline and Gantt chart.

Hilary Damaser of the Attorney General's office reviewed changes to the Records Retention Schedule which are necessary to limit the amount of paperwork which could be generated. Changes to the Records Retention Schedule were accepted following a motion by Commissioner Silverman and seconded by Commissioner Brown. The schedule will be submitted to the Department of Administrative Services and then to the state Archives.

Susan Choe of the Attorney General's office reviewed previous changes to the Debt Transaction Rule. After questions from Commission members, as well as Lynne Kaufman of Cooper Levinson and John Oberle of Schottenstein Zox and Dunn representing Penn National, were

addressed, Commissioner Silverman offered a motion to approve the Debt Transaction Rule. The motion was seconded by a Vice Chairman Taylor and passed unanimously.

Chair Davidson mentioned that Commissioners, Attorney General Staff and consultants are accumulating recommendations of changes/clarifications to the statute and asked for additional input from members of the audience for future consideration by the legislature.

Sam Kirk of the Attorney General's staff reviewed changes to the Surveillance Standards made to date. He indicated that he has requested input from Spectrum Gaming on a number of issues and that additional changes will be made based upon their recommendations. This issue will be finalized at the August 17 meeting. The Key Employee License Rule was also reviewed by Sam Kirk. He shared a document comparing fees from several states. Spectrum Gaming has also been asked to review this Rule and their input will be considered. Attempting to determine the cost of employee investigations is important. This issue will also be finalized at the August 17 meeting.

Brian Johnson of the Attorney General's office reviewed the Ohio Supplemental Application to the Multi-Jurisdictional Personal History Disclosure Form. The Multi-Jurisdictional form is used by most other casino regulatory bodies both nationally and internationally. Suggestions for clarification on issues involving expunged records were made. It was again noted that getting a handle on the cost of employee investigations would be helpful.

Commissioner Silverman gave a brief report on his recent meeting with the Ohio Lottery Commission and the Ohio Department of Drug Addiction and Alcohol Services (ODADAS). He suggested that the Commission work with the Lottery to complete a broad-based survey of a large sample with statistical validity to obtain more information on the effects of gambling, particularly suicide, embezzlement and co-dependency, to determine the most effective way to deter these problems. Chair Davidson pointed out that the Ohio Revised Code requires the Commission to enter into an agreement with ODADAS on the use of funds to be set aside for problem gaming and other addictions which will be available in the second quarter of 2012. She indicated this issue would likely be reviewed again later in the year. The Problem Gambling Network of Ohio will be making a presentation at the August 17 meeting in recognition of Problem Gaming Week.

Hilary Damaser of the Attorney General's office introduced two new team members—Keith O'Korn (absent) and Matt Oyster of the Charitable Law Section. Matt Oyster reviewed the Gaming Related Vendor Rule and reviewed license periods and renewal information for other states. He also reviewed the first draft of the Casino Gaming Employee Rule. As with the other Rules being drafted, Spectrum Gaming will review and offer comments on this proposed rule.

The Commission then reviewed the Rock Ohio Caesars' request for approval of their proposed debt transaction. Steven Ingis and Sandy Greenburg from Spectrum Gaming commented on Spectrum Gaming's recommendation for approval based upon the gaming expertise of the lender, the financial model of the loan and the financials including the source and use of the funds. Dave Felman from Moelis stated that the report is consistent with their review of the financing arrangements as well. Following a motion by Commissioner Silverman and seconded by Commissioner Brown, the Commission unanimously approved Resolution 2011-10 – Action on Rock Ohio Caesars' Request for Approval of Debt Transaction (copy attached).

The meeting was adjourned at 2:05 p.m.