

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES  
10:00 A.M. – December 12, 2012  
RHODES TOWER, LOBBY HEARING ROOM  
30 W. BROAD STREET  
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission was called to order at 10:15 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Martin Hoke, Ranjan Manoranjan, Peter Silverman, John Steinhauer, and June Taylor were also in attendance. The minutes of the November 14, 2012 meeting were approved following a motion by Commissioner Steinhauer, seconded by Commissioner Brown.

Kevin Kline, General Manager of the Horseshoe Cincinnati Casino, gave a progress report on the construction of the casino. The casino has received a temporary occupancy permit for the back of the house, over 1,000 slot machines have been delivered, and several major hiring events have occurred.

Executive Director Matt Schuler began his report noting that the OCCC Licensing Division has been re-structured. David Acosta has been named Director of Licensing, and Tony Forchione is Director of Investigations. Tony reported that he is completing the investigations for Horseshoe Cincinnati key employee licenses, and that the licensing division received over 600 gaming employee applications in Cincinnati this week. To date, 3,810 Gaming Employee Licenses have been issued.

Patrick Martin, OCCC Director of Regulatory Compliance, reported that the first draft of Internal Control standards has been submitted by Horseshoe Cincinnati Casino. The regulatory compliance audit staff has completed over 200 audits. Mr. Martin noted that changes to casinos' Internal Control Plans will most likely be occurring at each monthly meeting. Financial Auditors for the Horseshoe Cincinnati Casino are on track to be hired and trained prior to that casino's opening.

OCCC Director of Enforcement, Karen Huey, provided an update on criminal cases at the casinos, noting the recent indictment of ten individuals in Columbus. Ms. Huey also introduced Doug St. Clair, gaming agent supervisor in Toledo, and announced that Stuart Koeppel will be the Gaming Agent Supervisor in Cincinnati. The hiring process for Cincinnati gaming agents is underway, with a goal of having agents hired by January 28, 2013, and training commencing on February 4, 2013.

Laura Clemens, Responsible Gambling Program Coordinator, reported 172 individuals have signed up for the Voluntary Exclusion Program. Calls to the shared problem gambling helpline are down slightly overall from last month, but show an increase in those coming from 18-24

year olds. A two-stage training process for treatment providers to receive certification is scheduled for the next year in several Ohio cities.

Rick Anthony, Director of Operations, introduced the recently hired Office Managers at the OCCC Casino offices: Dina Leonis, Cleveland; Judith Medina, Toledo; and Tammy Kirkpatrick, Columbus. He reviewed OCCC revenue and expenditures and noted that the Office of Budget and Management will have official state revenue estimates available in January or February, which can then be used to review and revise OCCC estimates and forecasts.

Executive Director Schuler concluded his report by making a recommendation to the Commission that contingent upon meeting all requirements, the Horseshoe Cincinnati Casino be given an opening date of March 4, 2013. Commissioner Silverman made a motion to approve the March 4 date. The motion was seconded by Commissioner Brown and approved. A date for the controlled demonstration prior to the opening date will be submitted by the casino operator for approval by the Commission.

Commission Resolution 2012-90, authorizing the adoption and final filing of certain Administrative Rules, was brought up for consideration in a motion by Commissioner Taylor, seconded by Commissioner Manoranjan. The motion was approved and the following rules were adopted:

- 3772-9-05 Transportation of slot machines to and from a casino facility
- 3772-9-12 Game authentication
- 3772-9-13 Redemption kiosks
- 3772-10-05 Forms, records and documents
- 3772-10-18 Table drop boxes and slot bill validator canisters: physical requirements and transportation
- 3772-10-28 Amendments to internal control plans
- 3772-11-11 Chip specifications
- 3772-11-13 Primary, secondary, and reserve sets of gaming chips
- 3772-11-42 Poker room; banks and transactions

The next item before the Commission was the consideration of an auditor to perform the required annual financial review for each casino operator. Penn National Gaming made a request for approval of Ernst & Young LLP as the auditor to perform this function. Commissioner Manoranjan made a motion to approve Commission Resolution 2012-92, granting that approval. The motion was seconded by Commissioner Hoke and approved. Tony Forchione, OCCC Director of Investigations, presented the results of investigations of Ainsworth Game Technology Ltd. and eight key employees of Ainsworth, seeking to be licensed as a gaming related vendor. Appearing before the Commission on behalf of Ainsworth were Lloyd Levinson, Counsel, and Daniel Gladstone, CEO. Commissioner Silverman moved adoption of Commission Resolution 2012-91, granting a gaming-related vendor license to Ainsworth Gaming Technology, Ltd., and granting plenary licenses to eight Ainsworth key employees.. Hollywood Casino Toledo requested certain amendments to its Internal Control Plan and requested one waiver to the administrative code. Patrick Martin, OCCC Director of Regulatory Compliance, presented the amendments and waiver. The waiver sought to allow replacement

of damaged cards discovered on a multiple-deck table game but not replacement of the entire multiple deck set. Commissioner Silverman moved that the waiver be granted and the motion was seconded by Chair Davidson. Following discussion on the motion, Commissioner Steinhauer moved to amend the motion to require that the entire replacement deck be destroyed once replacement cards for any one game are used. The Commission approved that modification and the main motion carried.

Amendments to Internal Controls being sought by Hollywood Casino Toledo were then reviewed by Patrick Martin. OCCC staff reviewed these amendments and recommends their approval. John Barron, Deputy Executive Director and General Counsel, recommended that the motion to approve the Internal Control amendments be harmonized with the change made to the previously approved waiver. Chair Davidson moved to approve the amendments with such language. Commissioner Taylor seconded the motion and the Internal Control amendments were approved.

John Barron presented to the Commission a settlement agreement proposed in the matter of Key Employee license applicant Roger L. Dillard, III (Case # 2012-0019). Commissioner Manoranjan made a motion to approve the settlement agreement. The motion was seconded by Commissioner Brown and approved.

The Casino Gaming Employee License applications for eight additional applicants were brought before the Commission for Final Orders. Upon notification by the OCCC of the intent to deny their licenses, these eight applicants chose not to request a hearing. Commissioner Steinhauer made a motion to deny the eight licenses. The motion was seconded by Commissioner Manoranjan and approved.

Tammy Collins, Director of Prevention Services for the Ohio Department of Alcohol and Drug Addiction Services (ODADAS), previewed the prevention efforts being considered by ODADAS based on the findings of the prevalence survey. She noted that there are approximately 161 prevention providers statewide. A more concise document outlining a proposed prevention program is being developed and will reflect the impending merger of ODADAS with the Ohio Department of Mental Health.

Matt Oyster, OCCC Deputy General Counsel, and Andromeda McGregor, Assistant Attorney General, provided a review of the Code of Conduct for Commission members as it applies to *ex parte* communications.

There being no further business before the Commission, the meeting was adjourned at 1:00 p.m.

Submitted by

Katherine L. Kelly,

Commission Clerk