

CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – May 15, 2013
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 10:10 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Martin Hoke, Ranjan Manoranjan, John Steinhauer, and June Taylor were also in attendance. The minutes of the April 17, 2013 meeting were approved following a motion by Commissioner Steinhauer, seconded by Commissioner Brown.

Mr. Frank Donahue, Chief Compliance Officer, began a presentation by Penn National Gaming of their proposal to transfer most of the real estate assets of Penn to a real estate investment trust, and to refinance existing debt. Leading Penn's presentation was Mr. Timothy Wilmot, President and Chief Operating Officer. Mr. Wilmot was joined by Desiree Burke, Chief Accounting Officer, and Brandon Moore, Corporate Counsel. Penn is seeking regulatory approval for the transactions and will have additional documentation to present at a later meeting.

Executive Director Matt Schuler began his report to the Commission with notification that Rock Ohio Caesars has submitted for Commission approval, a debt re-financing transaction. OCCC staff is reviewing the submission with Spectrum Gaming and will have a full report for the June 19th Commission meeting. Mr. Schuler then introduced OCCC staff to provide updates.

David Acosta, Director of Licensing, reported 5,353 gaming employee licenses have been issued to date, and said that number will increase as backfilling of positions continues particularly in Cleveland where some employees are moving to the Racino property.

Patrick Martin, Director of Regulatory Compliance, announced the promotion of Craig Donahue to Manager of Audits and reported the annual audits of the casinos are ongoing. Mr. Martin will be presenting additional Internal Control proposals at the June meeting.

Karen Huey, Director of Enforcement, explained some trends that are being detected including an uptick in cheating as a casino opens, and money laundering attempts by patrons. OCCC staff is receiving ongoing anti-money laundering training. The Enforcement staff continues to watch for underage activity. Ms. Huey also noted that the OCCC's Memorandum of Understanding with the Office of the Attorney General, which provided for the initial placement of gaming agents in the casinos, ends on June 30. Ms. Huey reviewed a recent meeting of all the gaming agent supervisors and investigators at which time planning, training and equipment needs were discussed.

Laura Clemens, Director of Government Affairs and Problem Gambling Program Coordinator, reported 365 Voluntary Exclusion Plans (VEPs) now on file. Those under age 30 still make up the largest number of VEPs. The gambling assistance helpline trends continue and a new vendor for that service will be in place in August, 2013. In the legislature, Executive Director Schuler gave budget testimony for the agency on April 30. Legislation which places a moratorium on Internet Cafes and has now been signed into law, was reviewed.

Rick Anthony, Director of Operations reported that agency expenses are currently under estimates, and revenues are about where predicted with fee revenue from Key Employee applications hard to accurately predict.

Hannah Smith, OCCC Assistant General Counsel, presented administrative rules that have completed the required CSI and JCARR reviews and are ready for final filing. The rules will take effect ten days after the filing.

3772-2-06 Passive investor

3772-5-06 Key employee license temporary credential

3772-8-06 Casino gaming employee license temporary credential

3772-10-03 Casino operator or casino operator applicant's organization

3772-10-29 Slot machine tournaments

3772-11-42 Poker room; banks and transactions

3772-13-02 Advertising; promotion of responsible gaming

Commissioner Taylor made a motion to adopt Commission Resolution 2013-13, approving the rules. The motion was seconded by Commissioner Hoke and approved.

Patrick Martin, Directory of Regulatory Compliance, presented amendments to Internal Controls being proposed by three of the four casinos. Horseshoe Cincinnati Casino is proposing a new section be added to their controls for vendor certification standards. Horseshoe Casino Cleveland is also requesting the vendor certification standards as well as technical corrections to their Information Technology, Internal Audit, and Sensitive Keys sections. Hollywood Casino Columbus is requesting numerous changes in wording based on OCCC audits; is proposing two new table games; and has revised its promotional fund controls. Mr. Martin also noted that Hollywood Casino Columbus is adding a monthly reconciliation and has added staff in their revenue audit section. Mr. Martin explained that these proposed changes have all been thoroughly reviewed by OCCC staff and are recommended for approval.

Commissioner Hoke made a motion to approve the changes to Internal Controls as proposed. The motion was seconded by Commissioner Manoranjan and approved.

John Barron, OCCC Deputy Executive Director and General Counsel, reviewed the final orders for three individuals:

In re: Timothy Carter, (Case # 2013-002), Chair Davidson made a motion to approve and adopt the recommendation of the Hearing Examiner, to deny the gaming employee license application. The motion was seconded by Commissioner Taylor and approved.

In re: Ryan Straker, (Case # 2013-019), Chair Davidson made a motion to revoke the casino gaming employee license and place Mr. Straker on the involuntary exclusion list. The motion was seconded by Commissioner Taylor and approved.

In re: Cordero Young (Case # 2013-020), Chair Davidson made a motion to revoke the casino gaming employee license and place Mr. Young on the involuntary exclusion list. The motion was seconded by Commissioner Taylor and approved.

Mr. Barron noted that the Commission has authority to place individuals on the involuntary exclusion list. Neither Mr. Straker nor Mr. Young had requested a hearing. The involuntary exclusion list will be posted on the agency website.

There being no further business before the Commission, the meeting was adjourned at 11:45 a.m.

Signed,

Katherine L. Kelly

Commission Clerk