

P E N N S Y L V A N I A

# GAMING

**CONTROL BOARD**

2013 ~ 2014 ANNUAL REPORT





William H. Ryan, Jr.

## Chairman's Message

As the board begins its tenth year of existence, those of us who have been given the opportunity to serve as regulators of the Commonwealth's casino industry can take great satisfaction from its success.

Despite markedly increased competition, Pennsylvania's twelve casinos continue to generate more than \$1.3 billion a year in tax revenue – more than any other individual state that offers commercial casino gaming and more than Nevada, New Jersey and Delaware combined. And, these casinos are providing good paying jobs to more than 16,000 people, most of whom reside in Pennsylvania.

The casinos also spent more than \$300 million for goods and services with other Pennsylvania businesses this past fiscal year and continue to make substantial charitable contributions to worthy organizations within their communities.

While we applaud the industry's success, Board members know that our main job is to protect Pennsylvania citizens and all of the casinos' patrons through fair but firm enforcement of our statutes and regulations. Overall, the industry's compliance is good. However, in the past fiscal year the Board did assess \$700,000 in fines for various violations of our admittedly strict regulatory standards.

Certainly the market environment has become much more competitive with the expansion of casino gaming in states bordering Pennsylvania. We will, however, continue to be vigilant while fully understanding that we also have an obligation to act reasonably and allow casinos to make sound business decisions that best ensure their future success.

It has been my honor to serve as Chair of the Gaming Control Board for the past three years and I look forward to continuing to work with my six colleagues to provide the strong but fair oversight that the people of Pennsylvania have a right to expect.

William H. Ryan, Jr.  
Chairman



Kevin F. O'Toole

## Executive Director's Message

Thank you for taking the time to read the Pennsylvania Gaming Control Board's 2013-2014 Annual Report which summarizes the dedicated work of my colleagues in regulating the Commonwealth's casino industry. The report also contains information on the operation and revenue generation of the 12 casinos during fiscal year 2013-2014.

While this report is highly informative, I also invite you to explore our web site at [www.gamingcontrolboard.pa.gov](http://www.gamingcontrolboard.pa.gov) for additional information such as videos and transcripts of our public meetings and hearings; casino-by-casino and statewide revenue information; press releases; licensing instructions and applications; information on how to become a vendor for casinos; how to request a speaker from the PGCB for your organization; and, information on recognizing a gambling problem and finding assistance.

Finally, we always invite you to contact us to share your thoughts. Feel free to send us an e-mail at [pgcb@pa.gov](mailto:pgcb@pa.gov).

Kevin F. O'Toole  
Executive Director

# Board Members



Annmarie Kaiser  
Board Member  
Designated by the Governor



William H. Ryan, Jr.  
Chairman  
Designated by the Governor



David W. Woods  
Board Member  
Designated by the Governor



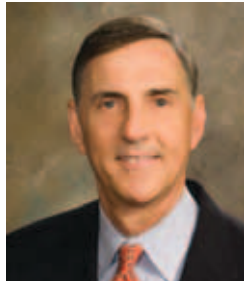
Keith R. McCall  
Board Member  
Designated by the  
Minority Leader of the  
House of Representatives



John J. McNally, III  
Board Member  
Designated by the  
Speaker of the  
House of Representatives



Anthony C. Moscato  
Board Member  
Designated by the  
President Pro Tempore  
of the Senate



Gregory C. Fajt  
Board Member  
Designated by the  
Minority Leader  
of the Senate



The Honorable  
Dan Meuser  
Ex-Officio Member  
Secretary of Revenue



The Honorable  
Robert M. McCord  
Ex-Officio Member  
State Treasurer



The Honorable  
George Greig  
Ex-Officio Member  
Secretary of Agriculture



## Bureau of Licensing

The Bureau of Licensing spent the last fiscal year focusing on improving the effectiveness and efficiency of its operations.

During this time, the Bureau processed nearly 8,000 applications for entities and individuals associated with, working in and supporting the casino industry; enhanced its applications; leveraged technology to streamline processes; and, conducted ongoing reviews for regulatory compliance.

Bureau highlights during the 2013-2014 fiscal year:

- Continued to oversee the four remaining Category 2 applications for Philadelphia's second and final casino and the one Category 1 application for a racetrack casino in Lawrence County.
- Renewed a total of 16 licenses for casinos, casino management companies, table game and slot machine manufacturers and suppliers.
- Reviewed more than \$1.3 billion in casino spending to ensure the appropriate licensure of all companies that provide non-gaming goods and services to casinos.
- Increased the efficiency of the application process for casinos, casino management companies, along with table game and slot machine manufacturers and suppliers by posting enhanced applications to the PGCB website that allow applicants to electronically complete the documents.
- Reviewed and analyzed more than 500 jobs compendium submissions from casinos.
- Facilitated the upgrade of the SLOTS-link electronic application system for gaming and non-gaming employees.
- Reviewed weekly and monthly reports submitted by the industry to ensure the appropriate status of the more than 55,000 gaming and non-gaming applications currently in our database.
- Assisted individuals with filing applications or inquiring about the status of previously filed applications through the handling of more than 4,000 calls via the Bureau of Licensing's toll-free telephone line.
- Printed and distributed nearly 10,000 credentials for employees of casinos along with other individuals working in the gaming industry.
- Scanned and catalogued nearly 500,000 pages of applications and supplemental information into an electronic document storage system for use throughout the agency.
- Authorized more than 1,100 businesses to provide non-gaming goods and services to casinos ranging from construction materials to food and beverage supplies.

Applications Approved by Type:	7/1/13 - 6/30/14
Category 1	1
Category 2	1
Category 3	-
Slot Machine Manufacturer	6
Table Game Manufacturer	4
Table Game Manufacturer Designee	2
Slot Machine Supplier	2
Table Game Supplier	-
Management Company	-
Affiliate	25
Key Employee	81
Principal	133
Principal Entity	11
Junkets	2
Gaming--Level 2	579
Gaming	3,768
Non-Gaming Employee	1,626
Certified/Registered/Notifications Gaming Service Providers, Affiliates, Employees	829
<b>TOTAL</b>	<b>7,070</b>

Number of Applications:	7/1/13 - 6/30/14
Received	7,986
Approved	7,070
Denied	34
Surrendered	30
Withdrawn	603
Not Accepted	2
Revoked	26
Suspended	8



## Beyond Enforcement PGCB Emphasizes Public Outreach

The establishment of a casino gaming industry in Pennsylvania and the work of the Pennsylvania Gaming Control Board (PGCB) to tightly regulate this new industry is important to all Commonwealth residents. Therefore, the PGCB has an interest in making sure that citizens are well-informed of its regulatory work and the impact of the casino industry statewide and within communities.

Through its Speakers Bureau, the PGCB provides face-to-face interaction

with diverse types of community organizations. Since the start of 2010, PGCB Commissioners or staff have presented and answered questions through appearances before over 250 organizations. These include service and fraternal clubs such as the Lions, Masons, Rotary, Exchange and Kiwanis; professional organizations such as Chambers of Commerce, AARP and other groups representing retired professionals; legislative sponsored events such as senior fairs; and, various Pennsylvania universities whose students

are preparing to enter the casino and hospitality industry.

Most importantly, these opportunities allow us to enhance our regulatory efforts by hearing the concerns and thoughts of the public regarding casino gaming.

Requests for a speaker are just a click away. A link has been placed on the homepage of the PGCB's web site, [www.gamingcontrolboard.pa.gov](http://www.gamingcontrolboard.pa.gov), that allows someone to request a speaker. Or, anyone can call the PGCB's Communications Office at 717-346-8321 to request a speaker.





## Office of Compulsive and Problem Gambling

The PGCB's Office of Compulsive and Problem Gambling (OCPG) remains committed to:

- Assisting Pennsylvanians affected by compulsive gambling by ensuring that every casino operator has established, and complies with, an approved compulsive and problem gambling plan;
- Directing problem gamblers and their families to compulsive gamblers assistance organizations' toll-free helplines for crisis counseling, referral services and treatment.
- Heightening public awareness of the dangers of compulsive, problem, intoxicated and underage gambling;

- Developing prevention programs and harm reduction tools for gamblers;
- Creating new problem gambling materials and outreach programs;
- Establishing education materials for residents of all ages.

During the 2013-2014 Fiscal Year, the OCPG's Director and its Program Analyst maintained the Board's Self-Exclusion Program. In addition, the staff collected and analyzed data from Pennsylvania and other states' Self-Exclusion Programs, communicated with the general public about self-exclusion and problem gambling, collaborated with other state agencies, and attended and participated in several conferences on problem gambling.

Additionally, OCPG supported and participated in the first ever National Problem Gambling Awareness Month (NPGAM), a grassroots public awareness and outreach campaign held during the entire month of March. The OCPG created informational documents to hand out during NPGAM in Harrisburg at Strawberry Square and the Capitol.

The OCPG also participated in Senior Expos and Health Fairs throughout the Commonwealth to promote the recognition of problem gambling, while the OCPG Director also made public presentations at several events, including the Council on Compulsive Gambling of Pennsylvania's annual statewide conference.

Through June 30, 2014, data from Pennsylvania's self-exclusion program, which is based upon responses from individuals during the intake interview, shows that:

There are a total of **6,930** individuals that have requested Self-Exclusion

**4,010 or 58%** are males and

**2,920 or 42%** are females

Individuals range between **21 and 81** years of age.

**1,499 or 22%** of the self-excluded individuals are currently involved in a treatment program (including Gamblers Anonymous) or have sought treatment in the past.

**452 or 6.5%** have been self-excluded in other jurisdictions such as New Jersey and Delaware.

**4,386 or 63%** of the self-excluded persons participated in gambling in a PA casino prior to signing up for the Board's Self-Exclusion Program.

If you or someone you know has a gambling problem, call  
The Council on Compulsive Gambling at 1-800-848-1880 or 1-800-GAMBLER



## Office of Diversity

Pursuant to §1212 of the Pennsylvania Race Horse Development and Gaming Act (“the Act”), the PGCB is charged with promoting and ensuring diversity in all aspects of legalized gaming.

As of June 30, 2014, the casinos/resorts employed a total of 17,768 individuals. Residents of the Commonwealth comprise 89% of the casinos workforce. Approximately 44% of the employees are females while 31% of those employed at the casinos are racial minorities. Executive/Management/Professional staff at the casinos consists of a total of 2,585 individuals. Of this total 62% are male, 38% are female and 21% are racial minorities. The casinos’ training and retention efforts have resulted in thousands of internal promotions. Additionally, the casinos continue to work to meet the goals of the legislature in the area of table-games employment. Pennsylvania residents currently comprise 81.1% of table games employees.

The Diversity Committees established by the casinos, consisting of executive level staff, continue to follow best practices while engaging in employee recruitment, training and retention related activities. The respective Committees have developed and implemented recruitment plans, employee referral programs, advertising plans with local media outlets, sponsored and hosted career workshops in the local communities to increase awareness, developed an internet presence, and built

working relationships with area colleges and universities, workforce development and training organizations and regional chambers of commerce.

The casino’s supplier diversity programs continue to create opportunities for local business entities. During their infancy, many of the casinos encountered challenges in their ability to advance goals of inclusiveness. In most instances, resources were allocated to start-up costs, outlays related to transitions from temporary to permanent facilities, considerable expenditures linked to the purchasing of slot machines, table games, and associated equipment and devices. Unfortunately, no minority or women owned business enterprises manufacture slot machines. Notwithstanding the initial challenges casinos encountered, they have worked to create environments where procurement professionals are supported by executive level staff in diversifying the supply of goods and services. Through relationships with minority, women and local businesses, the casinos have been able to merge analytical market knowledge and identify areas with clear-cut purchasing potential.

The casinos are committed to expanding opportunities to qualified businesses that are capable of providing exceptional services at competitive value and cost. The casinos are promoting awareness and outreach initiatives among current and potential suppliers. These

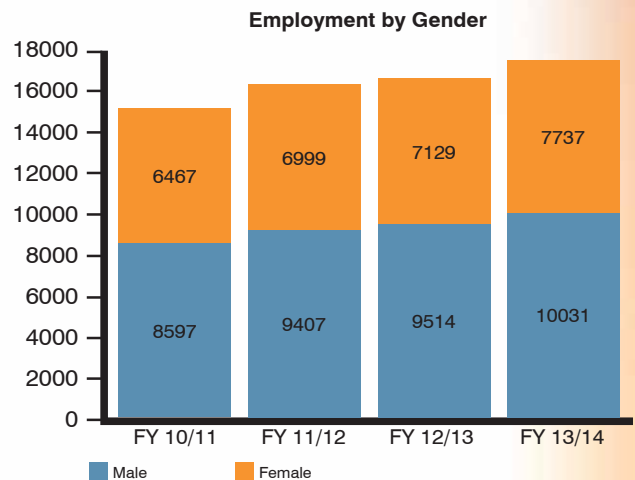
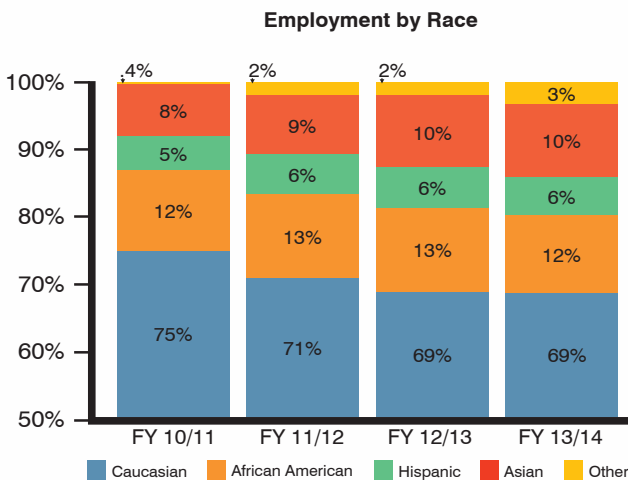
programs include, but are not limited to, purchasing upgraded systems that track supplier diversity performance, intense focus on second-tier subcontracting with minority and women’s business enterprises as part of the process written into the prime supplier’s contracts, strategic partnerships with local chambers of commerce, ongoing attendance at supplier fairs, hosting on-site vendor events, facilitating in-person meetings with suppliers, and mentoring small businesses. Moreover, the casinos support organizations promoting supplier diversity and economic empowerment, such as the Minority Supplier Development Council and the Women’s Business Enterprise Council of Pennsylvania, Delaware and New Jersey.

Community outreach, sponsorships and donations to charitable causes continue to be a priority for the casinos. As in previous years, casino employees routinely volunteer thousands of hours to various organizations, fund raisers, neighborhood re-vitalization efforts, and educational pursuits throughout the Commonwealth. The casinos have distributed approximately \$63 million towards philanthropic activities since 2006.

The PGCB remains committed to monitoring the activities of the casinos in promoting diversity and ensuring compliance with the Act.

[Click on Charts for Gaming Diversity Report](#)

### Statewide





◀ Michael Cruz | Chief Technology Officer

## Bureau of Gaming Laboratory Operations & Office of Information Technology

The Bureau of Gaming Laboratory Operations (GLO) and Office of Information Technology (OIT) are responsible for the performance and integrity of slot machines and associated equipment in Pennsylvania casinos, and for the overall planning, organization and execution of all information technology functions within the Board.

### Office of Information Technology

OIT works with staff from every area of the PGCB in the support and development of applications to assist staff in both the licensing and enforcement of casino gaming. Staff provides the daily support of all technology for agency employees including oversight and maintenance of all computers, servers, networks, software, and telecommunications equipment.

### Bureau of Gaming Laboratory Operations

The Bureau of Gaming Laboratory Operations has a significant role in

guaranteeing the operational integrity of the casino game operations. Located in Harrisburg along with field staff throughout the Commonwealth, GLO's mandate is to test, evaluate and insure the integrity of gaming equipment utilized by casino licensees of the Commonwealth.

GLO divides its critical functions between two major areas:

#### Laboratory Review

By law, all casino related products are tested in GLO's 5,100 square foot Harrisburg gaming lab in order to certify regulatory compliance for minimum design standards and in meeting the 85% minimum payback mandated by law. Testing also includes such items as automated shufflers, progressive systems, electronic table games, and other equipment necessary to conduct gaming. The Bureau utilizes a submission process designed to enhance the overall quality of products submitted to the lab for review. To reduce the number of products rejected

due to operational deficiencies, the manufacturers are provided with check lists of the minimum standards for each product and testing procedures conducted in the laboratory environment.

#### Technical Field Operations

GLO staff conducts onsite reviews for the technical compliance of the slot machine floor, table game floor and the IT room of every casino. These reviews insure that only approved products are used at casinos. Inspections include reviewing for proper connectivity to the Department of Revenue's Central Control Computer System; inspection of slot machines for configurable options; inspections of table game devices for compliance; investigating other regulatory violations concerning the gaming equipment; and, enforcement of the theoretical slot machine payout threshold (between 85% and 100%) during game inspections.

Gaming Laboratory Operations	7/1/2013 - 6/30/2014
Paytables Reviewed	13,817
Paytables Rejected	1,066
Associated Software/Hardware Reviewed	1,267
System and Kiosk Software Reviewed	53
*Progressive Game Verifications	807
Gaming Device Inspections	35,835
Total	52,845

\* Each Progress Game verification may cover multiple devices.





## Bureau of Casino Compliance

The Bureau of Casino Compliance provides round-the-clock representation in every Pennsylvania casino to assure the integrity of gaming. The Casino Compliance Representatives (CCR's) assure that the Pennsylvania casinos operate in compliance with PGCB regulations.

CCR's thoroughly investigate and document all patron complaints. When the investigation is complete the patron is contacted and advised the outcome of the inquiry. Violations of a criminal nature are referred to the Pennsylvania State Police for investigation.

CCR's also are involved in matters of Compulsive and Problem Gaming including proper oversight and attention by the casino. This involvement includes CCR's enrolling members of the public into the PGCB's voluntary Self-Exclusion Program.

At the inception of gaming in Pennsylvania, the Bureau of Casino

Compliance was given the task of reporting to the Board all activities and licensing issues at each casino. The Bureau has generated over 172,813 activity reports to date. Additionally, the Bureau initiated 40,941 enforcement investigations which are forwarded to the Office of Enforcement Counsel for action.

The Bureau of Casino Compliance works to ensure that security and safety at each casino is not compromised. Thousands of surveillance camera reviews are performed annually to safeguard assets, enhance patron safety, resolve complaints and identify potential criminal activity.

The Bureau utilizes numerous industry sources and works cooperatively with various national and international regulatory agencies to identify chronic criminal behavior and technology improvements. The Bureau's attentiveness to criminal behavior not only protects the patron and casino,

but has led to the exclusion of many professional cheaters.

The Bureau has also taken on the role of coordinating the PGCB's oversight of gaming floor plan changes including the number and location of slot machines and table games. Additionally, the Bureau maintains the voluntary credit exclusion program and is responsible for the collection and review of Currency Transaction Reports by Casino and Suspicious Activity Reports by Casino.

The Pennsylvania gaming industry continues to expand and evolve. The Bureau of Casino Compliance will remain vigilant and prepared for both the expansion of existing casinos and the possible opening of new facilities. The Bureau will ensure that the best practices of gaming regulation are implemented and the gaming industry is in a position to meet the needs and expectations of the gaming public.

Licensed Operators	Slots*	Tables*	Gaming Floor (sq. ft.)*
Mohegan Sun at Pocono Downs	2,332	87	82,396
Parx Casino	3,387	154	153,407
Harrah's Philadelphia	2,800	126	106,102
Presque Isle Downs and Casino	1,720	46	61,397
The Meadows Racetrack and Casino	3,244	81	127,644
Mount Airy Casino Resort	1,869	80	67,746
Hollywood Casino at Penn National Race Course	2,433	70	99,356
Sands Casino Resort Bethlehem	3,012	200	145,359
Rivers Casino	2,991	113	138,140
SugarHouse Casino	1,606	61	52,644
Valley Forge Casino Resort	600	50	32,322
Lady Luck Casino Nemaquin	582	29	26,106

\*Maximum number of Slots, Tables and Gaming Floor (sq. ft.) approved for use as of June 30, 2014



## Bureau of Gaming Operations

The Bureau of Gaming Operations (BGO) works closely with other bureaus to ensure the integrity of slot machine and table game operations at the Commonwealth's 12 casinos.

BGO is comprised of a Compliance Unit, an Audit Unit and the Office of Racetrack Gaming. The responsibilities of the Compliance and Audit Units are described below, while a separate report is on the opposite page for Racetrack Gaming.

### Compliance Unit

Compliance Unit staff review internal controls and other required regulatory submissions including table game rules submissions, gaming guides, dealer training programs, tournament rules and schedules, and table game equipment submissions.

As required by the Gaming Act, it is the responsibility of each licensee to prepare a written system of internal controls delineating detailed operating procedures. Licensees are also required to train their employees to comply with all internal controls in the performance of their duties.

Examples of internal controls that must be submitted to BGO for review and approval include, but are not limited to, procedures for the:

- counting and recording of slot machine and table game revenue;
- safety of patrons including adequate security and surveillance coverage;
- prevention of underage gambling;
- safeguarding of casino assets including controlled access to

sensitive keys and restricted areas; and,

- issuance of casino credit.

The Compliance Unit also reviews submissions for cards, dice, chips, signs and layouts used in table game operations.

In fiscal year 2013-2014, Compliance Unit staff reviewed 500 internal control amendments, 432 table game submissions and 105 slot tournament submissions. BGO staff also created Table Game Rules Submission Request forms for the following new table games:

- Flop Poker
- Props & Hops
- Six Card Fortune Pai Gow Poker
- Raise It Up Stud Poker
- Lunar Poker
- Double Back Jack
- Free Bet Blackjack
- Criss Cross Poker

### Audit Unit

The Audit Unit performs regulatory compliance audits to determine if a casino has complied with applicable gaming laws, regulations and approved internal controls, and to ensure the proper reporting of gaming revenue to the Commonwealth.

BGO audits focus on key areas of casino operations including: cage operations, drop and count, surveillance, table games, casino credit, compulsive and problem gambling, slot jackpot payouts, access to restricted areas and control of sensitive keys.

Auditors obtain an understanding of the licensees' slot machine and table game operations through observation of gaming operations, examination of records and interviews with casino personnel. Audit reports include recommendations for corrective action and a response from the licensee to each finding of non-compliance. All findings are forwarded to the Office of Enforcement Counsel for review.

During FY 2013-2014, Audit Unit staff performed 15 audits, which included at least one at 10 of the 12 casinos. Of the 15 audits performed, three of those examined licensees' compliance with the gaming laws and regulations pertaining to the issuance of casino credit. The remaining 12 audits examined the topics described above as well as follow-up to prior audit findings.

The Audit Unit also reviews grant contracts under the Local Law Enforcement Grant Program. The PGCB is authorized to award up to \$2 million annually in grants to local law enforcement agencies and the Pennsylvania State Police for the purpose of investigating, enforcing and preventing unlawful gambling. During FY 2013-2014, audit staff reviewed grant contract documents for three local law enforcement agencies that received grants. The review involves an examination to determine if grant funds appear to have been properly allocated and expenditures accounted for in accordance with grant guidelines, the grant agreement and the approved project description and budget.

### The Bureau of Gaming Operations accomplished the following in 2013-2014:

Reviewed  
**500**  
internal control  
amendments

Reviewed  
**432**  
table game  
submissions

Performed  
**15**  
compliance audits

Reviewed  
**105**  
slot tournament  
submissions

Reviewed  
**3**  
local law  
enforcement grants



## Office of Racetrack Gaming

The Pennsylvania Race Horse Development and Gaming Act states that the authorization of limited casino gaming is intended to positively assist the Commonwealth's horse racing industry, support programs intended to foster and promote horse breeding, and improve the living and working conditions of personnel who work and reside in and around the stable and backside areas of racetracks.

The Office of Racetrack Gaming serves as the Pennsylvania Gaming Control Board's liaison between the gaming and horse racing industries in order to support the legislative intent of legalized gaming to assist the horse racing industry.

In order to monitor the impact casino gaming is having on the horse racing industry, the Office of Racetrack Gaming establishes and maintains effective relationships and acts in a liaison capacity to the Pennsylvania Department of Agriculture, Pennsylvania Harness Racing Commission, Pennsylvania Horse Racing Commission, casino and racetrack operators, horsemen's organizations, and related organizations. The Office of Racetrack Gaming regularly attends Pennsylvania Racing Commission meetings and provides reports to the

Board regarding all areas that impact casino gaming.

The Office of Racetrack Gaming also ensures each casino and racetrack operator submits an annual report summarizing how the introduction and expansion of gaming has fulfilled the intent of the Race Horse Development and Gaming Act to enhance live racing at the casino along with plans to promote live racing and increase both live handle and daily attendance at the racetrack.

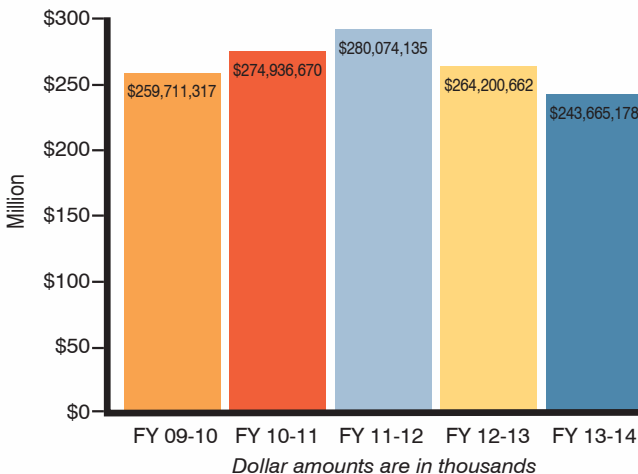
In accordance with the Pennsylvania Race Horse Development and Gaming Act, approximately 11% of revenue generated from slot machine gaming was earmarked for the horse racing industry in fiscal year 2013-2014. As a result, over \$240 million in slot machine tax revenue was generated for the Pennsylvania Race Horse Development Fund. Of this amount, approximately \$219 million was earmarked specifically for the horse racing industry to enhance purses, assist breeding operations, and provide health and pension benefits for horsemen. In addition, racetrack casino operators are continuing to improve the infrastructure of their racetracks. The casinos which host horse or harness racing invested over \$6 million last year and approximately \$56

million since the casinos began to open in 2006 to improve the stable and backside areas of their racetracks. In April 2014, the Office of Racetrack Gaming released its seventh annual Benchmark Report which provides additional information regarding the impact the Pennsylvania Race Horse Development Fund is having on both the horse racing industry and pari-mutuel wagering throughout the Commonwealth. This report examines trends in horse and harness racing before and after slot machine gaming commenced in 2006 and can be downloaded at this link: [http://gamingcontrolboard.pa.gov/files/reports/2013\\_Pari-Mutuel\\_Benchmark\\_Report.pdf](http://gamingcontrolboard.pa.gov/files/reports/2013_Pari-Mutuel_Benchmark_Report.pdf).

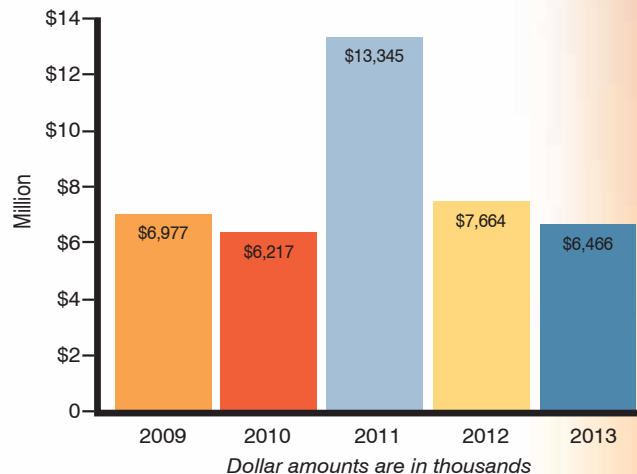
In addition, the Office of Racetrack Gaming regularly assists the Bureau of Gaming Operations in all areas of its responsibility including, but not limited to, the review of internal controls, table game operations, and promotional activities conducted at all twelve casinos. The Office of Racetrack Gaming reviewed the rules to approximately 3,400 promotions submitted by the twelve licensed casinos in Fiscal Year 2013-2014 to ensure all marketing activities within the Commonwealth do not adversely impact the public or the integrity of gaming.

*Click on Charts for Racetrack/Casino Benchmark Report*

**PA Race Horse Development Fund**



**Backstretch Improvements**





◀ R. Douglas Sherman | Chief Counsel

## Office of Chief Counsel

The Office of Chief Counsel (OCC) engages in and oversees legal services encompassing broad topical areas for the Pennsylvania Gaming Control Board. It is legal counsel to the Board on issues of policy and procedure including administration, personnel, budget, operations, licensing and all other matters that may emerge in the course of regulating casino gaming. Additionally, the OCC serves as the Board's legal representative in various court proceedings, including appeals of Board decisions. In addition, OCC oversees the ongoing repayment by casino operators of \$63.8 million that was borrowed from the Property Tax Relief Reserve Fund to fund the agency in its infancy, as well as the administration of local law enforcement grants for the purpose of combatting illegal gambling in the Commonwealth. Finally, during the last year, the OCC has overseen the implementation and conduct of the hearing process related to the second Category 2 License in the City of Philadelphia.

### Licensing:

The OCC advises and assists the Bureau of Licensing in all matters involving the licensing process, including the application process and on any licensing implications of actions involving

licensees. The OCC also works daily with the Bureau of Licensing on issues such as debt refinancing, corporate restructuring, and changes in ownership of licensed entities. Additionally, the OCC is instrumental in coordinating the compliance of a licensee with its Statement of Conditions by reviewing the quarterly responses required for each licensee.

In the fall of 2013, the OCC was focused on the preparation of the suitability reports that the Board will rely upon to make a decision regarding the award of the second casino license in the city of Philadelphia. Throughout 2014, OCC also produced renewal suitability reports for casinos currently operating in Pennsylvania and for numerous manufacturers, suppliers, junkets and gaming service providers.

### Regulatory Review:

The 2013-2014 fiscal year was dedicated to expanding the compliment of table game options available for play in all licensed facilities and revising the agency's existing body of regulations and policies. During the year, the Board initiated or finalized sixteen rulemakings which dealt with a wide range of topics including regulations relating to licensing and the licensing process, compulsive and problem gambling, linked slot

machine and table game progressive systems, transitioning temporary regulations and statements of policy into permanent regulation, and the rules of play for seven new table games and twelve new table game variations or side wagers.

### Litigation:

The Litigation Section of the OCC provides counsel to the Board on considerations including licensing matters, emergency suspensions, enforcement actions, petitions for relief, suspensions, revocations, consent agreements, withdrawals of applications, surrenders of licenses, placement of individuals on the Board's exclusion list, and Reports & Recommendations generated by the Board's Office of Hearings and Appeals. In total, during Fiscal Year 2013-2014, the OCC reviewed and provided legal advice to the Board on no fewer than 245 such matters.

During the same period of time, the Litigation Section represented the Board before judicial and administrative tribunals in which the Board was named as a party. Often times these cases do not involve gaming law, but rather, may invoke other areas of law including, but not limited to, employment law or the Pennsylvania Right-to-Know Law.







## Office of Hearings and Appeals

The Office of Hearings and Appeals (OHA) continues to be busy with its daily routine of receiving and processing all filings with the Board's Clerk, as well as conducting hearings, building records and producing Reports and Recommendations for the Board's consideration. OHA also responded to over 175 requests for public documents during this past Fiscal Year.

Key events in the past Fiscal Year included:

- August 2013 – OHA conducted the public input hearing for the Mountain-

view Thoroughbred Association, d/b/a Hollywood Casino at Penn National Race Course, in preparation for the Board's consideration of the renewal of the license;

- October 2013 – OHA conducted the public input hearing for the Sands Casino Resort Bethlehem, in preparation for the Board's consideration of the renewal of the license;
- January 2014 – OHA conducted the pre-hearing conferences for each of the Philadelphia Category 2 Appli-

cants in preparation for the licensing hearing held by the Board at the end of January 2014; and,

- May 2014 – OHA conducted the public input hearing for the Category 1 application of Endeka Entertainment for a license in the western part of the state.

During July 2013 through June 2014 the Board's Clerk received approximately 2,509 filings to be processed. The breakdown of the types of filings, as well as other information, is as follows:

TYPES OF FILINGS	July 1, 2013 – June 30, 2014	July 1, 2012 – June 30, 2013
Petitions	293	333
Answers/Motions/Misc.	1,445	1,562
Enforcement Actions	148 (includes 84 Exclusion Petitions)	171 (including 88 Exclusion Petitions)
Requests for Oral Hearing	86	102
Reports and Recommendations Issued	54	53
Exceptions	5	5
Disposed Hearing Files	52	94
Board Orders	405	469
OHA Orders	73	99
Total Orders Processed	478	568
Hearings Conducted by OHA	47	61
Records Certified to Courts	3	4



# Bureau of Investigations and Enforcement

The Bureau of Investigations and Enforcement (BIE) is an independent bureau within the Gaming Control Board whose mission is to ensure the integrity of the Commonwealth's gaming industry and protect citizens' interests by conducting thorough suitability and enforcement investigations.

In fiscal year 2013-2014, BIE's investigations of applicants for the Philadelphia Category 2 Slot Operator License resulted in over 150 investigations of entities, affiliates, management companies, and individuals associated with these applications.

### Licensing Investigations

BIE investigates all applicants for a license, permit, or registration, whether a casino employee, a manufacturer of gaming equipment, or a gaming service provider to a casino. As part of the background investigation, BIE conducts a comprehensive criminal history record check based upon information received from FBI fingerprint results, as well as other local police department and court checks.

After the background investigation is complete, BIE prepares a comprehensive report of investigation detailing the applicant's background and suitability. Then, the Office of Enforcement Counsel (OEC) makes the recommendation for an applicant's suitability to the Board.

BIE conducts license renewal investigations on all licensed entities and individuals every three years and on gaming service providers every four years.

### Enforcement Investigations

Since suitability is an ongoing requirement for all licensees, BIE investigates all licensees and other persons regulated by the Board for non-criminal violations of the Gaming Act. Examples that may be investigated are inadequate staffing of casino security departments; patron complaints regarding compulsive gambling or inaccurate payouts; failure to follow internal controls regarding document retention; and certain banned political contributions. BIE's report of investigation on these various violations or complaints is forwarded to the OEC for action.

### Tavern Gaming Investigations

On November 27, 2013, Governor Tom Corbett signed Act 90 of 2013, referred to as the Tavern Gaming Law,

which legalized small games of chance for taverns. According to this legislation, BIE is mandated with the responsibility of conducting background investigations for applicants for a tavern gaming license. As such, BIE conducts a thorough background investigation to include a federal and state criminal history record search, financial and tax review, and a regulatory history evaluation. BIE submits a background investigation report to the Pennsylvania Liquor Control Board, who either approves or denies the tavern gaming license.

### Financial Investigations

BIE has its own Financial Investigations Unit (FIU) that maintains and reviews all corporate compliance submissions presented to the Board. The FIU monitors financial stability of casinos to assure the public's interest is protected in accordance with the Act. FIU facilitates BIE investigators and analysts with in-depth financial investigations of principals and business enterprises. The FIU also reviews changes in debt financing and financial restructuring, as well as evaluating other issues that

require financial analysis for the Board's review.

### BIE Partners

BIE is designated a criminal justice agency relating to criminal history record information, but also relies heavily on obtaining current criminal history and regulatory information from their partners in law enforcement and the regulatory community. BIE has formed strong partnerships with many PA agencies, such as the Department of Revenue, the State Police, the Department of State, the Liquor Control Board, and the Department of Labor and Industry. BIE has also executed 17 memorandums of understanding with national and international gaming jurisdictions so that information regarding applicants and licensees can be easily shared.

Since the formation of BIE in 2006, BIE has conducted background investigations on over 62,000 individuals and 5,900 companies.

Investigation by Type:	7/1/12-6/30/13	7/1/13-6/30/14
Category 1	4	3
Category 2	7	-
Category 3	-	-
Slot Machine Manufacturer	9	6
Table Game Manufacturer	7	4
Table Game Manufacturer Designee	3	2
Slot Machine Supplier	-	3
Table Game Supplier	-	-
Management Company	6	-
Affiliate	86	73
Key Employee	141	82
Principal	349	263
Principal Entity	62	63
Junkets	3	4
Gaming--Level 2	739	801
Gaming	4,610	3,680
Non-Gaming Employee	1,496	1,690
Certified/Registered/Notifications Gaming Service Providers, Affiliates, Employees	989	1,312
Tavern Gaming Applicants	-	25
<b>TOTAL</b>	<b>8,511</b>	<b>8,011</b>



## Office of Enforcement Counsel

The Office of Enforcement Counsel (OEC) serves as the prosecutor in all noncriminal matters relating to casino gaming in the Commonwealth. In its regulatory function, the OEC operates separately and independently of the Pennsylvania Gaming Control Board (Board).

Guided by the mandates of the Act, Board approved regulations, established legal precedence, and Commonwealth statutory law, the OEC has three main functions: background Investigations; regulatory enforcement; and petition responses. During the 2013-2014 fiscal year, these functions resulted in OEC handling over 2,800 legal matters.

### Background Investigations

The OEC is responsible for reviewing and making recommendations regarding the suitability of initial applicants and renewal applicants for licensure by the Board. In this role, OEC is tasked with preparing background investigation reports, issuing and prosecuting denial

recommendations, answering withdrawal requests, and assisting the Bureau of Investigations and Enforcement (BIE) during the background investigation process. Additionally, with the passage of amendments to the Small Games of Chance Act, OEC is tasked with preparing background investigation reports for consideration by the Liquor Control Board for applicants seeking a Tavern Gaming License.

### Regulatory Enforcement

Through its enforcement duties, OEC ensures that those licensed by the Board conduct themselves in a manner consistent and in accordance with the Act and Regulations, and that patrons of the Commonwealth's casinos do not harm the character and integrity of the industry. In this role, OEC is the hub wherein all potential violations of the Act and Regulations come for resolution. OEC receives potential violation referrals from within the agency through the various Offices and Bureaus and at times, from

the Board members. OEC also receives violation referrals from the general public, licensees, the General Assembly, State, Federal, and Foreign Government Agencies, etc. Once received, those violation referrals that require investigative work are forwarded to BIE with as-needed guidance from OEC. Once BIE completes its investigation, the report is forwarded to OEC for review and appropriate action. When violation referrals do not necessitate an investigation by BIE, OEC, through its own initiative, takes the appropriate action.

### Petition Responses

OEC is also responsible for filing responses to petitions filed with the Board by licensees, applicants, or the general public and for ensuring that the requested relief does not run afoul of the Act or Board Regulations. In this role, OEC represents the various positions of Board staff in conjunction with the legal parameters presented by the Act and Regulations.

**Between July 1, 2013 and June 30, 2014 the following statistics are attributed to OEC's work on background investigation, regulatory enforcement and petitions filed with the Board:**

Background Investigation Reports	1208	Sworn Interviews	39
Sworn Statements	15	Warning Letters	158
Application Withdrawal Requests Processed	460	Compliance Conferences	12
Application Withdrawal Petitions Answered	61	Consent Agreements	23
License Surrender Petitions Answered	35	Enforcement Complaints	64
Licensing Hearings	18	Cease and Desist Requests	13
Gaming/Non-Gaming Employee Reviews	338	Revocation/Suspension Hearings	26
Demand Letters Issued	91	Involuntary Exclusion Petitions	84
Recommendations of Denial	51	Involuntary Exclusion Hearings	13
Tavern Gaming Background Investigation Reports	23	Regulatory Fines	\$744,146
Tavern Gaming Applicant Reviews Conducted	56	Answers to Petitions	30
Tavern Gaming Informational Calls/Emails	10	Petition Hearings	15

# Bureau of Financial Management & Administration

The Office of Financial Management (OFM) develops and monitors the annual agency budget and assists the Board in preparing both analysis and recommendations regarding the itemized gaming budgets of the Department of Revenue, Attorney General's Office, and Pennsylvania State Police to the legislative appropriations committees.

OFM also:

- bills, collects, reports and monitors all agency generated revenue;
- administers the Local Law Enforcement Grant Program; and,
- posts on its Internet website, a list of all the itemized expenses of employees and members for each month that were reimbursed

Also within this bureau is the Office of Human Resources (OHR) which:

- establishes, maintains and administers effective and comprehensive classification and compensation programs/policies;

- reviews and maintains the agency's organizational structure to ensure efficient operation and complement control;
- coordinates a highly competitive benefits program; and,
- ensures that all employees work in a safe and fair environment.

OHR staff support the board in achieving its goals and objectives by assisting managers in recruiting, retaining, and developing a talented and diverse workforce through the coordination of training and performance management programs. The OHR also strives to maintain a cooperative working relationship with the American Federation of State, County and Municipal Employees (AFSCME) who represent all professional, clerical, administrative and first-line supervisory positions at the PGCB.

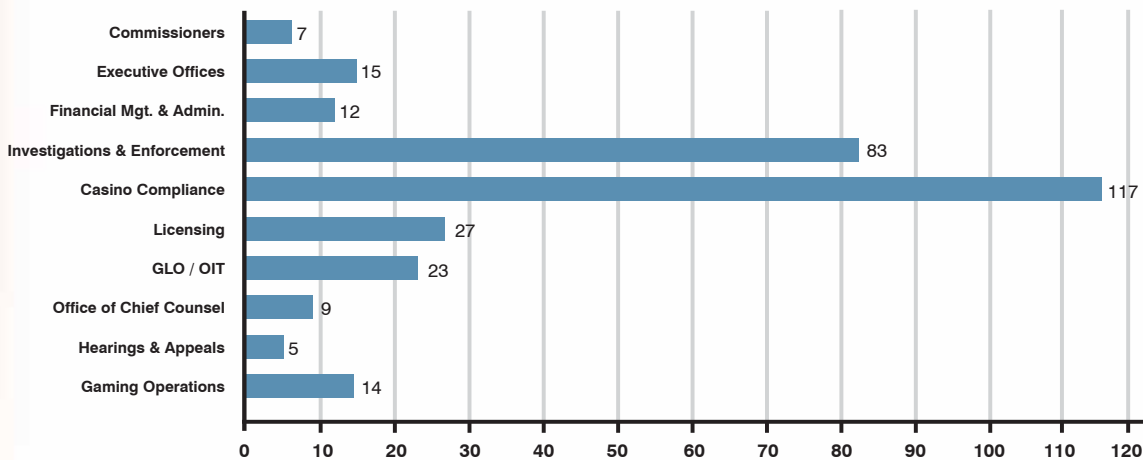
In fiscal year 2013-2014 OHR assisted the agency by:

- developing and implementing a comprehensive performance management process which established key competencies and standards unique to each position; and,
- assisted Bureaus with a review of staffing needs and structure resulting in an elimination of six positions;
- coordinated agency wide web based training to ensure staff understand and adhere to key policies and procedures, which resulted in more than 1,300 training hours for PGCB staff.

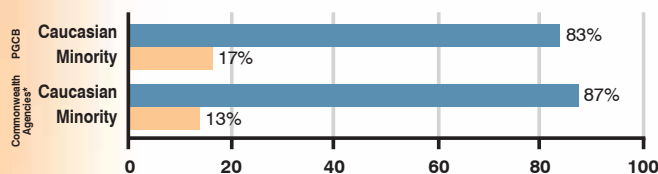
Office Services (OS) is responsible for the agency's procurement needs, office space leasing and fleet operations and travel. In fiscal year 2013-2014, OS continued its efforts to reduce costs wherever possible by:

- Further reducing the size of the automotive fleet; and,
- Reviewing current real estate leases for office spaces in Harrisburg and Scranton.

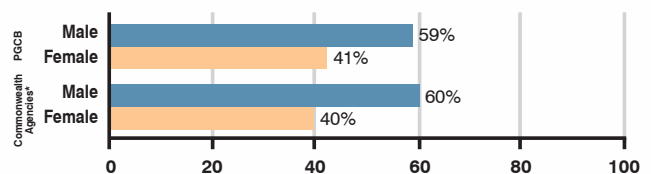
**Employees By Bureau**  
(as of June 30, 2014)



**Minority Representation**  
(as of June 30, 2014)



**Gender Representation**  
(as of June 30, 2014)





## Public Meetings and Executive Sessions

The Pennsylvania Gaming Control Board (Board) convenes public meetings monthly to conduct its business and render decisions on applications, petitions and reports and recommendations. In order to complete its work timely and efficiently, the Board may convene more than one public meeting during a single month.

It is customary for the Board to conduct an executive session the day prior to a public meeting for the purpose of discussing matters confidential under the state's Sunshine Law. An agenda is prepared for these executive sessions and the agenda is posted to the Board's website.

Additionally, the Board may consider matters that necessitate a hearing and these matters are conducted immediately prior to a scheduled public meeting. When the hearing is concluded, the Board's Chairman may call for an executive session to engage in quasi-judicial deliberations regarding the matters which were the subject of the hearing.

A log of executive sessions held by the Board during fiscal year 2013/2014, including reference to the agenda posted on the Board's website, is set forth below:

### Pennsylvania Gaming Control Board - Executive Session Log Fiscal Year 2013-2014

#### 7/16/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 7/17/2013.

#### 7/17/2013

Quasi-judicial deliberation regarding Consent Agreement between OEC & HSP Gaming (SugarHouse) regarding self exclusion person.

#### 8/20/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 8/21/2013.

#### 8/21/2013

Quasi-judicial deliberation regarding Mountainview Thoroughbred Racing Association's – Petition for Final Approval of Corporate Restructuring and Downs Racing, LP – Category 1 License Renewal

#### 9/17/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 9/18/2013.

#### 10/8/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 10/9/2013.

#### 10/29/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 10/30/2013.

#### 11/19/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 11/20/2013.

#### 11/20/2013

Quasi-judicial deliberation regarding Consent Agreement between OEC & Valley Forge Casino regarding Seasonal and Annual Dining Club Memberships

#### 12/10/2013

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 12/11/2013.

#### 1/7/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 1/8/2014.

#### 1/8/2014

Quasi-judicial deliberation regarding Mount Airy Petition to Modify Board Order of June 13, 2012; Éclair Holdings Company, etc. Transfer of interest; Congregation Rodeph Shalom and Schools Petition to Intervene and SugarHouse Petition to Intervene

#### 1/21/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 1/22/2014.

#### 1/22/2014

Quasi-judicial deliberation regarding Petition of Edward Weidner to Lift Suspension

#### 2/18/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia (Telephone Conference)

#### 2/25/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 2/26/2014.

#### 2/26/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 3/18/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 3/19/2014.

#### 3/19/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 4/1/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 4/8/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 4/9/2014.

#### 4/22/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 4/29/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 4/30/2014.

#### 4/30/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 5/20/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 5/21/2014.

#### 5/21/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 5/28/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

#### 6/10/2014

See Agenda posted on Gaming Control Board Website under "Meetings". Link to 6/11/2014.

#### 6/11/2014

Quasi-judicial deliberation regarding Consent Agreements between OEC and Bowman, Spagno & Morrissey

#### 6/11/2014

Quasi-judicial deliberation regarding Category 2 License in Philadelphia

## PGCB Statement of Revenue and Expenditures

Fiscal Year 2013-14

## Appropriation

Beginning Balance			
Casino Operator Assessments	\$31,153,000		
Restricted Revenue	<u>\$5,755,000</u>		
Available			\$36,908,000

## Expenditures

Personnel Expenditures			
Salaries	\$19,189,347		
Overtime	\$280,150		
Benefits	\$10,691,066		
Other Employee Paid Benefits	\$78		
Leave Payouts/Military Stipend	<u>\$76,798</u>		
Total Personnel Expenditures		\$30,237,439	
Operating Expenditures			
Travel	\$326,173		
Training	\$35,517		
Utilities/Comm	\$424,430		
Services	\$1,182,070		
Rentals/Leases	\$1,725,128		
Supplies	\$67,798		
Equipment(NFA)	\$49,032		
Inventory Expenses	\$59,210		
Other Operating Expenses	<u>\$725,254</u>		
Total Operating Expenditures		<u>\$4,594,612</u>	
Fixed Assets			
Hardware Servers	\$85,303		
Software Licensing Recurring	<u>\$168,905</u>		
		<u>\$254,208</u>	
Total Expenditures			<u>\$35,086,259</u>
Revenues Over (Under) Expenditures			\$1,821,741

Note: Expenditure figures as of September 4, 2014.

## Pennsylvania has 12 operating casinos.

As of June 30, 2014 PA casinos and related amenities employed 17,768 individuals and total tax revenue from slots machines and table games for FY 2013/2014 was \$1,393,928,308.



### Table Game Revenues FY 2013-14

Average Number of Table Games in June 2014	1,094
Gross Revenue	\$731,874,861
Taxes	\$105,284,155
Non-Banking Tables	213
Gross Revenue	\$55,553,827
Banking Tables	869
Gross Revenue	\$669,801,338
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	12
Gross Revenue	\$6,519,697

### Slot Revenues FY 2013-14

Average Number of Slot Machines in June 2014	26,398
Wagers	\$29,422,425,486
Payouts	\$26,516,485,214
Promotional Plays	\$652,524,578
Adjustments	\$177,899
Gross Terminal Revenue	\$2,319,890,598
* Taxes and Fees	\$1,288,644,153

### Taxable Slot Wins Per Day

July-13	\$248.56
August-13	\$249.37
September-13	\$235.13
October-13	\$229.19
November-13	\$238.23
December-13	\$216.01
January-14	\$208.28
February-14	\$243.07
March-14	\$262.46
April-14	\$248.50
May-14	\$257.45
June-14	\$236.15

### Local Share Distribution FY 2013-14

Statewide	
Slots -	\$135,470,806
Tables -	\$14,637,498

There is \$47,426,016 in Local Share Minimum amount included.



Mohegan Sun at Pocono Downs opened on November 14, 2006 in Luzerne County, Plains Township and is a harness racetrack. As of June 30, 2014 the casino employed 1,991 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	87
Gross Revenue	\$44,741,447
Taxes	\$6,263,803
Non-Banking Tables	18
Gross Revenue	\$3,491,202
Banking Tables	69
Gross Revenue	\$41,250,245
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	2,330
Wagers	\$2,690,414,175
Payouts	\$2,416,324,580
Promotional Plays	\$55,156,270
Adjustments	\$76,705
Gross Terminal Revenue	\$219,010,030
Taxes and Fees	\$122,798,451

**Taxable Slot Wins Per Day**

July-13	\$257.30
August-13	\$265.37
September-13	\$248.21
October-13	\$251.76
November-13	\$253.88
December-13	\$233.91
January-14	\$233.94
February-14	\$264.63
March-14	\$284.23
April-14	\$265.59
May-14	\$274.00
June-14	\$255.63

**Local Share Distribution FY 2013-14**

Luzerne County - CFA	Plains Township
Slots - \$11,761,967	Slots - \$2,605,077
Tables - \$447,414	Tables - \$447,414



Parx Casino opened on December 19, 2006 in Bucks County, Bensalem Township and is a thoroughbred racetrack. As of June 30, 2014 the casino employed 1,884 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	152
Gross Revenue	\$123,302,380
Taxes	\$18,229,236
Non-Banking Tables	46
Gross Revenue	\$16,192,903
Banking Tables	101
Gross Revenue	\$104,265,647
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	5
Gross Revenue	\$2,843,831

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	3,231
Wagers	\$4,980,259,892
Payouts	\$4,518,056,118
Promotional Plays	\$107,497,319
Adjustments	\$23,791
Gross Terminal Revenue	\$354,730,245
Taxes and Fees	\$192,473,516

**Taxable Slot Wins Per Day**

July-13	\$295.68
August-13	\$297.45
September-13	\$284.48
October-13	\$276.73
November-13	\$284.35
December-13	\$265.48
January-14	\$258.59
February-14	\$293.44
March-14	\$319.65
April-14	\$302.12
May-14	\$321.17
June-14	\$292.11

**Local Share Distribution FY 2013-14**

Bucks County	Bensalem Township
Slots - \$7,094,605	Slots - \$9,726,138
Tables - \$1,233,024	Tables - \$1,233,024





Harrah's Philadelphia Casino and Racetrack opened on January 23, 2007 in Delaware County in the City of Chester and is a harness racetrack. As of June 30, 2014 the casino employed 1,570 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	126
Gross Revenue	\$74,496,004
Taxes	\$11,042,801
Non-Banking Tables	35
Gross Revenue	\$9,097,002
Banking Tables	87
Gross Revenue	\$63,595,002
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	4
Gross Revenue	\$1,804,000

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	2,798
Wagers	\$2,742,146,540
Payouts	\$2,460,626,161
Promotional Plays	\$62,487,514
Adjustments	\$0
Gross Terminal Revenue	\$219,032,865
Taxes and Fees	\$122,521,691

**Taxable Slot Wins Per Day**

July-13	\$220.64
August-13	\$221.87
September-13	\$204.72
October-13	\$211.58
November-13	\$221.40
December-13	\$196.90
January-14	\$186.52
February-14	\$229.80
March-14	\$240.84
April-14	\$222.39
May-14	\$225.34
June-14	\$205.41

**Local Share Distribution FY 2013-14**

Delaware County	Chester City
Slots - \$4,380,657	Slots - \$9,703,143
Tables - \$744,960	Tables - \$744,960



Presque Isle Downs & Casino opened on February 28, 2007 in Erie County, Summit Township and is a thoroughbred racetrack. As of June 30, 2014 the casino employed 957 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	46
Gross Revenue	\$12,460,838
Taxes	\$1,744,517
Non-Banking Tables	9
Gross Revenue	\$1,041,201
Banking Tables	37
Gross Revenue	\$11,419,637
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	1,716
Wagers	\$1,568,698,246
Payouts	\$1,403,259,333
Promotional Plays	\$42,024,510
Adjustments	\$63,150
Gross Terminal Revenue	\$123,477,553
Taxes and Fees	\$73,471,685

**Taxable Slot Wins Per Day**

July-13	\$232.67
August-13	\$222.40
September-13	\$213.37
October-13	\$192.66
November-13	\$195.73
December-13	\$155.81
January-14	\$148.95
February-14	\$191.64
March-14	\$207.11
April-14	\$206.19
May-14	\$208.52
June-14	\$190.95

**Local Share Distribution FY 2013-14**

Erie County	Summit Township
Slots - \$11,121,947	Slots - \$1,195,126
Tables - \$0	Tables - \$0
Erie Co. Redevelopment Auth.	
Slots - \$0	
Tables - \$249,217	



Meadows Racetrack & Casino opened on June 11, 2007 in Washington County, North Strabane Township and is a harness racetrack. As of June 30, 2014 the casino employed 1,356 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	81
Gross Revenue	\$29,955,300
Taxes	\$4,193,742
Non-Banking Tables	14
Gross Revenue	\$2,481,613
Banking Tables	67
Gross Revenue	\$27,473,687
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	3,244
Wagers	\$2,850,301,636
Payouts	\$2,629,462,976
Promotional Plays	\$66,297,005.35
Adjustments	\$8,339
Gross Terminal Revenue	\$220,846,999
Taxes and Fees	\$123,611,644

**Taxable Slot Wins Per Day**

July-13	\$188.34
August-13	\$190.64
September-13	\$190.05
October-13	\$171.74
November-13	\$180.88
December-13	\$165.19
January-14	\$152.73
February-14	\$183.13
March-14	\$195.26
April-14	\$190.06
May-14	\$208.07
June-14	\$186.16

**Local Share Distribution FY 2013-14**

Washington Co. - DCED	Washington Co. Townships
Slots - \$8,833,359	Slots - \$3,167,865
Tables - \$156,159	Tables - \$143,394
North Strabane Twp.	
Slots - \$2,237,188	
Tables - \$299,553	



Mount Airy Casino Resort opened on October 22, 2007 in Monroe County, Paradise Township. As of June 30, 2014 the casino employed 1,220 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	80
Gross Revenue	\$42,013,330
Taxes	\$6,007,459
Non-Banking Tables	9
Gross Revenue	\$1,604,003
Banking Tables	70
Gross Revenue	\$40,039,936
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	1
Gross Revenue	\$369,391

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	1,869
Wagers	\$1,773,021,024
Payouts	\$1,599,403,081
Promotional Plays	\$32,773,283.00
Adjustments	\$0
Gross Terminal Revenue	\$140,844,660
Taxes and Fees	\$82,478,326

**Taxable Slot Wins Per Day**

July-13	\$231.35
August-13	\$231.69
September-13	\$216.32
October-13	\$199.62
November-13	\$199.71
December-13	\$168.04
January-14	\$169.89
February-14	\$177.46
March-14	\$224.73
April-14	\$216.18
May-14	\$219.36
June-14	\$216.76

**Local Share Distribution FY 2013-14**

Monroe County - CFA	Paradise Township
Slots - \$9,578,155	Slots - \$869,166
Tables - \$210,067	Tables - \$420,133
Monroe County	PHEAA
Slots - \$2,329,331	Slots - \$0
Tables - \$0	Tables - \$210,067



Hollywood Casino at Penn National Race Course opened on February 12, 2008 in Dauphin County, East Hanover Township and is a thoroughbred racetrack. As of June 30, 2014 the casino employed 1,107 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	70
Gross Revenue	\$34,360,555
Taxes	\$4,810,478
Non-Banking Tables	16
Gross Revenue	\$3,938,188
Banking Tables	54
Gross Revenue	\$30,422,367
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	2,432
Wagers	\$2,236,674,820
Payouts	\$1,995,223,615
Promotional Plays	\$24,691,970
Adjustments	\$5,914
Gross Terminal Revenue	\$216,765,149
Taxes and Fees	\$121,422,032

**Taxable Slot Wins Per Day**

July-13	\$260.36
August-13	\$259.25
September-13	\$237.32
October-13	\$234.38
November-13	\$235.04
December-13	\$218.53
January-14	\$208.60
February-14	\$239.91
March-14	\$271.08
April-14	\$250.79
May-14	\$254.34
June-14	\$240.16

**Local Share Distribution FY 2013-14**

Dauphin County	East Hanover Twp, Leb. Co
Slots - \$12,863,242	Slots - \$160,000
Tables - \$467,877	Tables - \$109,667
East Hanover Twp, Dauphin Co	
Slots - \$1,040,670	
Tables - \$109,667	



Sands Casino Resort Bethlehem opened on May 22, 2009 in Northampton County in the City of Bethlehem. As of June 30, 2014 the casino employed 2,232 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	200
Gross Revenue	\$177,243,417
Taxes	\$24,814,078
Non-Banking Tables	36
Gross Revenue	\$10,944,772
Banking Tables	164
Gross Revenue	\$166,298,645
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	3,012
Wagers	\$4,150,805,825
Payouts	\$3,726,678,663
Promotional Plays	\$143,736,910
Adjustments	\$0
Gross Terminal Revenue	\$280,390,252
Taxes and Fees	\$154,128,866

**Taxable Slot Wins Per Day**

July-13	\$262.05
August-13	\$272.04
September-13	\$246.97
October-13	\$239.94
November-13	\$267.89
December-13	\$230.11
January-14	\$222.63
February-14	\$247.83
March-14	\$273.81
April-14	\$262.26
May-14	\$285.37
June-14	\$248.79

**Local Share Distribution FY 2013-14**

Allentown City	Easton City	Northampton Co.
Slots - \$3,313,919	Slots - \$0	Slots - \$2,691,746
Tables - \$354,487	Tables - \$886,217	Tables - \$1,063,461
Bethlehem City	Lehigh County	
Slots - \$8,545,120	Slots - \$897,249	
Tables - \$886,217	Tables - \$354,487	



Rivers Casino opened on August 9, 2009 in Allegheny County in the City of Pittsburgh. As of June 30, 2014 the casino employed 1,774 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	113
Gross Revenue	\$68,431,134
Taxes	\$9,580,359
Non-Banking Tables	30
Gross Revenue	\$6,762,943
Banking Tables	83
Gross Revenue	\$61,668,191
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	2,982
Wagers	\$3,276,616,769
Payouts	\$2,939,227,663
Promotional Plays	\$60,312,785
Adjustments	\$0
Gross Terminal Revenue	\$277,076,321
Taxes and Fees	\$152,509,347

**Taxable Slot Wins Per Day**

July-13	\$263.06
August-13	\$257.58
September-13	\$248.70
October-13	\$246.00
November-13	\$257.61
December-13	\$250.57
January-14	\$235.72
February-14	\$278.68
March-14	\$278.69
April-14	\$260.12
May-14	\$260.74
June-14	\$239.98

**Local Share Distribution FY 2013-14**

Allegheny County	Visitors Bureau of Monroeville
Slots - \$5,541,526	Slots - \$0
Tables - \$0	Tables - \$102,646
Pittsburgh/ICA	Dept of Education
Slots - \$9,855,782	Slots - \$0
Tables - \$0	Tables - \$1,265,976



SugarHouse Casino opened on September 23, 2010 in the City of Philadelphia. As of June 30, 2014 the casino employed 1,077 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	61
Gross Revenue	\$86,213,180
Taxes	\$12,580,687
Non-Banking Tables	0
Gross Revenue	\$0
Banking Tables	59
Gross Revenue	\$84,710,704
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	2
Gross Revenue	\$1,502,476

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	1,605
Wagers	\$1,982,720,040
Payouts	\$1,773,555,217
Promotional Plays	\$33,376,951
Adjustments	\$0
Gross Terminal Revenue	\$175,787,872
Taxes and Fees	\$94,045,801

**Taxable Slot Wins Per Day**

July-13	\$305.06
August-13	\$306.71
September-13	\$286.26
October-13	\$287.78
November-13	\$299.05
December-13	\$272.52
January-14	\$264.72
February-14	\$332.45
March-14	\$339.19
April-14	\$312.30
May-14	\$315.75
June-14	\$285.54

**Local Share Distribution FY 2013-14**

Phila. School District	Philadelphia City
Slots - \$3,924,912	Slots - \$3,106,603
Tables - \$904,495	Tables - \$819,768





Valley Forge Casino Resort opened on March 31, 2012 in Montgomery County, Upper Merion Township and is a resort facility. As of June 30, 2014 the casino/resort employed 1,094 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	50
Gross Revenue	\$33,830,602
Taxes	\$5,244,727
Non-Banking Tables	0
Gross Revenue	\$0
Banking Tables	50
Gross Revenue	\$33,830,602
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	600
Wagers	\$860,277,143
Payouts	\$772,832,573
Promotional Plays	\$18,858,964
Adjustments	\$0
Gross Terminal Revenue	\$68,585,606
Taxes and Fees	\$36,692,775

**Taxable Slot Wins Per Day**

July-13	\$296.82
August-13	\$294.25
September-13	\$273.38
October-13	\$286.46
November-13	\$299.41
December-13	\$283.94
January-14	\$285.11
February-14	\$332.93
March-14	\$359.94
April-14	\$359.74
May-14	\$348.60
June-14	\$340.13

**Local Share Distribution FY 2013-14**

Upper Merion Township	Montgomery Co. - CFA
Slots - \$1,371,712	Slots - \$1,371,712
Tables - \$338,306	Tables - \$338,306



Lady Luck Casino Nemaocolin opened on July 1, 2013 in Fayette County, Wharton Township and is a resort facility. As of June 30, 2014 the casino/resort employed 1,506 individuals.

**Table Game Revenues FY 2013-14**

Average Number of Table Games in June 2014	28
Gross Revenue	\$4,826,674
Taxes	\$772,268
Non-Banking Tables	0
Gross Revenue	\$0
Banking Tables	28
Gross Revenue	\$4,826,674
Electronic Tables	0
Gross Revenue	\$0
Fully Automated Electronic Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2013-14**

Average Number of Slot Machines in June 2014	579
Wagers	\$310,489,378
Payouts	\$281,835,234
Promotional Plays	\$5,311,097
Adjustments	\$0
Gross Terminal Revenue	\$23,343,047
Taxes and Fees	\$12,490,019

**Taxable Slot Wins Per Day**

July-13	\$126.72
August-13	\$109.27
September-13	\$109.38
October-13	\$95.54
November-13	\$97.95
December-13	\$86.75
January-14	\$84.35
February-14	\$102.66
March-14	\$122.33
April-14	\$120.49
May-14	\$127.86
June-14	\$123.82

**Local Share Distribution FY 2013-14**

Fayette County - DCED	Wharton Township.
Slots - \$466,861	Slots - \$466,861
Tables - \$48,267	Tables - \$48,267



## **Vision Statement**

*The goal of the Pennsylvania Gaming Control Board is to be the premier gaming regulator in the United States, maintaining and enhancing public trust with honesty, integrity and credibility.*

## **Mission Statement**

*The Pennsylvania Gaming Control Board, guided by the Gaming Act and supported by a dedicated professional staff, will protect the interest of the public by ensuring the integrity of legalized gaming through the strict enforcement of the law and regulations, the licensing of qualified individuals and entities, and fulfilling the objectives of legalized gaming in the Commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities and enhance tourism.*





If you or someone you know has a gambling problem, call the Council on Compulsive Gambling of Pennsylvania's helpline (800) 848-1880 or the Pennsylvania Department of Health's Gambling Addiction Hotline (877) 565-2112.



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