



# PENNSYLVANIA GAMING CONTROL BOARD

## Meeting of the Board

April 19, 2007

### Minutes

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A meeting of the Pennsylvania Gaming Control Board was held on April 19, 2007 in the North Office Building, Hearing Room 1. The meeting began at 12:15 p.m.

***Members in attendance were:***

Thomas Decker, Chairman  
Raymond S. Angeli  
Mary DiGiacomo Colins  
Jeffrey W. Coy  
Kenneth W. McCabe  
Sanford Rivers  
Gary A. Sojka

***Ex-officio designees in attendance were:***

Keith Welks, Acting Deputy State Treasurer for Fiscal Operations

***Individuals who appeared officially before the Board:***

Anne Neeb – agency update  
Eileen McNulty – budget update (revenue and expenditures)  
Michael Walsh – administration update  
Frank Donaghue – gaming and non-gaming applications  
Susan Hensel – licensing

A quorum of the Board being present Chairman Decker called the meeting to order.

**Announcements**

Chairman Decker announced that the Board held executive sessions on April 18 and prior to the meeting to discuss personnel matters. No business was conducted at these sessions. He also announced that the application period for Category 3 licenses will open April 20 and close June 29.

**Transcripts/Minutes**

On a motion by Board Member Angeli, seconded by Board Member Sojka, the transcripts and minutes of the April 9, 2007 meeting were unanimously approved.

**Executive Director**

**PGCB RESOLUTION NO. 2007-9 OCC – Internal controls for Chester Downs and Marina, LLC**

Motion Made: Board Member Colins  
Seconded: Board Member Sojka

WHEREAS Under Section 1202(a) of the Pennsylvania Race Horse Development and Gaming Act (the “Act”), the Pennsylvania Gaming Control Board (the “Board”) has general jurisdiction over all gaming activities or related activities; and

WHEREAS Under 58 Pa. Code, Section 467.2(a)(4), a slot machine licensee may not commence slot operations until a slot machine licensee’s internal control systems and audit protocols (collectively “internal controls”) have been approved by the Board; and

WHEREAS Chester Downs and Marina, LLC (“Chester Downs”), an entity for which a Conditional Category 1 Slot Machine License was approved on September 27, 2006, has submitted internal controls for Board approval; and

WHEREAS Chester Downs, as a condition to its license, acknowledged that the internal controls are reviewed and approved by the Board in concept form and expressly agreed to immediately implement any procedural revisions in its internal controls as requested by the Board should Board review of the internal controls as implemented support the conclusion; and

WHEREAS After full and careful consideration of the proposed internal controls, the Board authorized Chester Downs to commence slot operations on January 22, 2007; and

WHEREAS The internal controls submitted by Chester Downs meet the minimum requirements set forth in Section 1322 of the Act, including procedures for safeguarding assets and revenues; retaining accurate and reliable financial records; and ensuring complete connectivity to the central control computer system; and

WHEREAS Chester Downs has submitted a narrative description of its ownership structure; a jobs compendium; its surveillance system specifications; and standard operating procedures for its Finance, Information Technology, Internal Audit, Security, Slot Operations, and Surveillance Departments; and

WHEREAS The Board is in receipt of an attestation by Mr. Vince Donlevie, Senior Vice President and General Manager of Chester Downs, attesting that he believes, in good faith, that the submitted internal controls conform to the requirements of the Act and the regulations promulgated thereunder; and

WHEREAS The Board is in receipt of an attestation by Ms. Wendy Kasche, Vice President of Chester Downs, attesting that she believes, in good faith, that the submitted internal controls are designed to provide reasonable assurance that the financial reporting conforms to generally accepted accounting principles in the United States and comply with applicable laws and regulations, including the Act and the regulations promulgated thereunder; and

WHEREAS The Board is in receipt of a report prepared by Deloitte & Touche, LLP, an independent registered public accounting firm, which opines that, in all material respects, Chester Downs has complied with the design requirements set forth in the Board's regulations; be it

RESOLVED That the Board formally approves the internal controls of Chester Downs, subject to the condition that any implementation of an amendment to the internal controls will be preceded by notice to the Board.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2007-56 EXE – Delegated Authority to Executive Director**

Motion Made: Board Member Rivers  
Seconded: Board Member McCabe

Resolved, the Board hereby approves an Order delegating authority to the Executive Director for approving amendments to licensees' gaming floor plans.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2007-57 GLO – Approval of Shuffle Master prototype TMS300**

Motion Made: Board Member McCabe  
Seconded: Board Member Colins

Resolved, the Board hereby approves the prototype described as TMS300 using the Royal Match 21 Blackjack game theme manufactured by Shuffle Master, Inc.

Board Decision: Passed by unanimous vote

**Chief Financial Officer**

Eileen McNulty provided a report on February expenses from the general account.

**Administration**

**PGCB MOTION NO. 2007-58 HR – Employment**

Motion Made: Board Member Rivers  
Seconded: Board Member Angeli

**New Hires:**

Robert Allan, engineer, Bureau of Gaming Laboratory Operations  
Adam Thompson, engineer, Bureau of Gaming Laboratory Operations  
Jennifer Carosi, licensing analyst, Bureau of Licensing  
Jeannette Hartwick, administrative assistant, Bureau of Licensing

Resolved, the Board hereby approves the hiring of the above candidates for employment.

Board Decision: Passed by unanimous vote

**Chief Counsel**

**PGCB MOTION NO. 2007- 59 OCC – Denial of application for a gaming employee permit – Susan A. Moran, Docket No. 1001129**

Motion Made: Board Member Coy  
Seconded: Board Member McCabe

Resolved, the Board, after consideration of the evidentiary record, the Hearing Officer's Report and Recommendation and the Exceptions to the Report and Recommendation, overrules the exceptions and approves an Order denying the application of Susan A. Moran, Docket No. 1001129, for a gaming employee permit.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2007- 60 OCC – Non-gaming employee registration application amendment – Joseph F. Trainor, Docket No. 1002198**

Motion Made: Board Member McCabe  
Seconded: Board Member Coy

Resolved, the Board, after consideration of the evidentiary record, the Hearing Officer's Amended Report and Recommendation approves an Order granting Joseph F. Trainor, Docket

No. 1002198, 14 days in which to amend his non-gaming employee registration application, at which time the Bureau of Licensing shall promptly review and act upon the application.

Board Decision: Passed by unanimous vote

### **Licensing**

#### **PGCB MOTION NO. 2007- 61 LIC – Denial of non-gaming employee registrations**

Motion Made: Board Member Colins  
Seconded: Board Member McCabe

Resolved, the Board hereby approves an Order denying the non-gaming employee registrations as described by the Director of Licensing.

Board Decision: Passed by unanimous vote

#### **PGCB MOTION NO. 2007- 62 LIC – Application for vendor certification**

Motion Made: Board Member Angeli  
Seconded: Board Member Coy

Resolved, the Board hereby approves an Order approving the applications for vendor certification as provided by the Director of Licensing.

Board Decision: Passed by unanimous vote

### **Adjournment**

There being no further business before the Board, on a motion by Board Member McCabe seconded by Board Member Coy, the meeting was adjourned.