

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

\* \* \* \* \*

IN RE: GREENWOOD GAMING AND ENTERTAINMENT, INC. D/B/A  
PARX CASINO CATEGORY ONE LICENSE RENEWAL

\* \* \* \* \*

PUBLIC HEARING

\* \* \* \* \*

BEFORE: William H. Ryan, Jr., Chairman  
Gregory J. Fajt, Annmarie Kaiser, Keith R.  
McCall, John J. McNally, III, Anthony C.  
Moscato, David W. Woods  
Robert Coyne, Representing Daniel P.  
Meuser, Secretary of Revenue,  
Ex-Officio Member  
Jorge Augusto, Representing George Greig,  
Secretary of Agriculture  
Jennifer Langan, Representing Robert M.  
McCord, State Treasurer, Ex-Officio Member  
HEARING: Wednesday, November 19, 2014, 9:58 a.m.

Reporter: Bernadette Black

Any reproduction of this transcript  
is prohibited without authorization  
by the certifying agency

1 LOCATION: PA Gaming Control Board  
2 Strawberry Square Complex  
3 Second Floor  
4 Harrisburg, PA 17101

5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

A P P E A R A N C E S

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

DUSTIN MILLER, ESQUIRE  
Assistant Enforcement Counsel  
Office of Enforcement Counsel  
Verizon Tower  
303 Walnut Street  
Floor 10  
Harrisburg, PA 17110  
Counsel for PA Gaming Control Board

MARK S. STEWART, ESQUIRE  
Eckert, Seamans, Cherin & Mellot, LLC  
P.O. Box 1248  
Harrisburg, PA 17108  
Counsel for Greenwood Gaming & Entertainment, Inc.

## I N D E X

1		
2		
3	OPENING REMARKS	
4	By Chairman Ryan	6
5	OPENING STATEMENT	
6	By Attorney Stewart	6 - 7
7	INTRODUCTION	
8	By Mr. Green	7 - 8
9	DISCUSSION AMONG PARTIES	8 - 10
10	PRESENTATION	
11	By Mr. Ricci	10 - 14
12	PRESENTATION	
13	By Mr. Davis	14 - 19
14	PRESENTATION	
15	By Mr. Ricci	19 - 21
16	EXAMINATION	
17	By Attorney Miller	21 - 26
18	DISCUSSION AMONG PARTIES	26 - 28
19	QUESTIONS FROM BOARD	28
20	DISCUSSIONG AMONG PARTIES	28 - 29
21	CERTIFICATE	30
22		
23		
24		
25		

E X H I B I T S

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

		Page
<u>Number</u>	<u>Description</u>	<u>Offered</u>
5A	Conference Memorandum	27*
7	Memorandum	27*

\*Exhibit Not Attached

P R O C E E D I N G S

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

-----

CHAIR:

Thank you. Today, before we get to our regular agenda, we will have one public hearing. The public hearing involves Greenwood Gaming & Entertainment, Inc.'s category one license renewal for the Parx Casino. For the record, let me note that a public input hearing for this renewal was held on Thursday, July 17th, 2014. That hearing was held at the Bensalem Township Municipal Building. I see all representatives from Greenwood Gaming are seated, as are the Office of Enforcement Counsel (OEC). And I guess, Greenwood, you can begin.

ATTORNEY STEWART:

Thank you. Good morning. May it please the Board, Mr. Chairman and Commissioners, my name is Mark Stewart, that's S-T-E-W-A-R-T. I'm with the law firm of Eckert Seamans, and I'm pleased to appear today before the Board on behalf of Greenwood Gaming and Entertainment on its second renewal of a Category 1 Slot Machine License. One housekeeping matter, we did advise Chief Counsel's Office, as well as the OEC, that Mr. Green is with us this morning and I intend to introduce him in a moment. He has commitments that

1 require him to return to Philadelphia, so with the  
2 Board's permission, he'll excuse himself after his  
3 introductory comments. And with that, Greenwood  
4 Gaming & Entertainment's chairman, Bob Green.

5 MR. GREENWOOD:

6 Thank you. Mr. Chairman, members of the  
7 Board, Board Staff, we're here to present our  
8 application for the renewal of the license to Parx. I  
9 will leave that task in the capable hands of Mr. Tony  
10 Ricci, our CEO, Mr. Sam Bona (phonetic), our chief  
11 counsel and Mr. Ron Davis, our Director for Diversity.  
12 Before I hand over to them, I would just like to  
13 mention two matters, one in sadness and the other in  
14 hope and optimism.

15 First, as you know since the inception  
16 of the Act we have been represented by the law firm of  
17 Eckert Seamans here in Harrisburg who have dealt with  
18 all statutory and regulatory matters on behalf of the  
19 company. And they have been responsible for all of  
20 the necessary filings, communication and responses to  
21 the Board and their Staff. That task was assumed  
22 principally by one gentleman who appeared before you  
23 on many occasions, and as recently as this July when  
24 he represented us at the public input hearing, which  
25 was related to this renewal. That gentleman, Mr. Alan

1 Kholer, sadly and tragically died one month later in  
2 August of this year. Many of you here today were at  
3 the memorial gathering for Al, and I would just like  
4 to recognize at this meeting our appreciation of the  
5 tremendous contribution that he made to the ongoing  
6 success of gaming in Pennsylvania.

7           Turning now to a more optimistic and  
8 brighter matter, I would simply like to thank the  
9 Board and the Board Staff for the painstaking and  
10 enormous hard work, and for us who know that process  
11 know it really is a great deal of hard work that went  
12 into the consideration and award of the second  
13 Philadelphia license yesterday. As part of the  
14 Stadium, LLC team, we were both honored and humbled by  
15 this award. We fully recognize the obligations and  
16 responsibilities associated with this license, and  
17 understand fully our commitment not only, of course,  
18 to our customers but also to the City of Philadelphia  
19 and to the Commonwealth. Thank you.

20           CHAIR:

21           Thank you, Mr. Green. Does he have to  
22 leave now?

23           ATTORNEY STEWART:

24           With your permission.

25           CHAIR:



1                   Certainly. And thank you very much.

2                   MR. GREEN:

3                   Thank you.

4                   ATTORNEY STEWART:

5                   Thank you very much. Returning to the  
6 matter of the pending renewal, as Director Lloyd's  
7 report to the Board documents as well as the record in  
8 this matter, Greenwood Gaming and Entertainment has  
9 satisfied all of the statutory and regulatory  
10 requirements for renewal. This is its second renewal.  
11 But much more than doing the bare minimum, whether  
12 it's on financial performance, the quality of the  
13 facility, the quality of customer service, outreach  
14 and diversity and involvement in the community,  
15 Greenwood has done far more than the minimum. It is a  
16 leader and a fantastic example of the success of  
17 Pennsylvania Gaming. And to speak more on that, I  
18 would like to turn the presentation over to its Chief  
19 Executive Officer, Tony Ricci.

20                   CHAIR:

21                   Mr. Stewart, perhaps before we get into  
22 to this, why don't we have everybody who is going to  
23 testify be sworn so we can get that out ---

24                   ATTORNEY STEWART:

25                   Thank you, Mr. Chairman.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHAIR:

--- of the way at the beginning. Just raise your hands, gentlemen.

-----  
WITNESSES SWORN EN MASSE  
-----

CHAIR:

Okay. You can both sit down. Thank you.

-----  
TONY RICCI, HAVING BEEN PREVIOUSLY SWORN, TESTIFIED AS FOLLOWS:  
-----

CHAIR:

And the first gentleman, if you will, just state your name, your position and spell your last name.

MR. RICCI:

Good morning, Mr. Chairman, fellow Commissioners. My name is Tony Ricci, R-I-C-C-I. I am the Chief Executive Officer of Greenwood Gaming & Entertainment. I've had the privilege to be associated with this tremendous organization for 21 years now. As Mark mentioned, we are very, very proud of our record of success and achievement. We feel

1 that we not only, as Mark said, achieved but actually  
2 exceeded what the goals and objectives of the enabling  
3 legislature were for the State of Pennsylvania.

4           Since we've opened, we generated the  
5 most revenue and therefore the most gaming taxes for  
6 the Commonwealth from December 2006 through the end of  
7 October 2014. We've paid gaming taxes of a little  
8 more than \$1.6 billion. That consists of \$1.5 billion  
9 from slots and \$76 million from table games revenues,  
10 which opened in July of 2010.

11           In addition, we've not only met but  
12 exceeded our commitment to the racing operation.  
13 Since we opened our permanent casino in 2009, we've  
14 expended \$30 million in investments to the racetrack  
15 and to the backstretch areas. We've renovated 28 of  
16 our 36 barns and refurbished 12 of our dormitories.  
17 The eight remaining barns will be completed by May  
18 15th, 2016. We've also built a manure storage  
19 facility that promotes the best management practices  
20 and environmental compliance. We've made many  
21 improvements to the backstretch area with respect to  
22 paving, roof repairs, et cetera. And we're at a stage  
23 now where our backstretch is second to none in the  
24 racing industry. And we're very proud of that fact.

25           In addition, our paid purses in 2013

1 were almost \$59 million, and the average per day was  
2 \$302,000 per day. Significantly above the levels we  
3 operated at back in 2004. Now although we're very  
4 proud of our success, we're certainly not complacent.  
5 We understand that there's competition, technological  
6 advances and we want to be at the forefront of that to  
7 help lead the industry further. Our management team  
8 works every day. We're developing plan to ensure that  
9 our business advances and also the tax and revenue  
10 streams to the Commonwealth also increase.

11 Our focus on technology will allow us to  
12 lead and innovate and drive this industry forward into  
13 the future in areas like mobile gaming, social media  
14 and, if the event occurs with legislation, internet  
15 gaming. From a competitive perspective, we continue  
16 to concentrate on the need for premium customer  
17 service and effective marketing tools at the very top  
18 of our industry standards. We understand that from a  
19 long-term business perspective we need to offer  
20 customers a reason to continue to come again, again  
21 and again. And we give them a great first-class  
22 experience.

23 And as long as our casinos are permitted  
24 to operate on the level playing field we have today,  
25 we have the highest confidence that this success story

1 will continue. With our recent applications in  
2 Massachusetts and Maryland, and our recent success in  
3 Philadelphia, we've demonstrated our willingness to  
4 pursue additional opportunities and grow the industry  
5 here in Pennsylvania.

6 We're very proud of our financial  
7 strength. As I said earlier, we've been the top  
8 grossing casino in Pennsylvania for the last seven  
9 years. We're also the top racetrack operator in the  
10 state, and we operate more than 200 live races a year.  
11 We're well capitalized with one of the lowest leverage  
12 ratios in the casino industry, and this gives us an  
13 ability to fund both expansions to our physical  
14 property, but grow and diversify our portfolio. We're  
15 well respected in the capital markets as a result of  
16 this in our operating performance.

17 One of the goals of the enabling  
18 legislation for casinos in the state was to generate  
19 significant employment, particularly local employment.  
20 And again, in that area we not only achieved but  
21 exceeded the goals. We have 1,857 employees in the  
22 gaming operation, 532 employees in the racing  
23 operation, of which approximately 81 percent are  
24 Pennsylvania residents. Thirty-seven (37) percent of  
25 our employees are representatives of various

1 historically underrepresented groups and 39 percent of  
2 our employees are women. Our casinos created 125  
3 full-time permanent, executive, managerial and  
4 professional positions. And 78 percent of all of our  
5 advancement opportunities are fulfilled internally.  
6 We're very proud of that.

7           Our business has created new casino  
8 professions, including some of the traditional ones  
9 like finance, information technology, warehousing.  
10 But also we have slot operations, player services,  
11 marketing and security and surveillance, among others.

12           We're also very proud of our success in  
13 diversity, compliance and community development. And  
14 the fellow who leads that effort for us is Mr. Ron  
15 Davis. I'd like to introduce him now. Thank you.

16           MR. DAVIS:

17           Thank you, Mr. Ricci. And thank you,  
18 Board and Chairman for the opportunity to come before  
19 you. Before I go to my remarks, let me say how  
20 humbled I am for this opportunity to talk about Parx  
21 and the things that we've done, and to thank the Staff  
22 for their interaction and very positive reaction. And  
23 I'll talk about that in a second. Our philosophy at  
24 Parx has been and continues to be sharing our success  
25 with our community. And to share our success, there's

1 a lot of outreach that we've done and a lot of  
2 interaction and engagement we've done. The report  
3 that I have will kind of go over that for you. But  
4 beyond that, we are a company that listens, learns and  
5 leads.

6           By those principles along with not only  
7 good faith practices but best faith practices, that's  
8 what drives us every day. As I go over my  
9 presentation, in diversity, 37 percent of our total  
10 employee workforce is derived from historically  
11 unrepresented groups. Our MSA in Bucks County is 10  
12 percent, so you can see we're over-represented.  
13 Female 39 percent, which we're very proud of.

14           Diversity in construction/vendor  
15 purchasing, 26 percent of total expenditures for our  
16 new casino were allocated MBE and WBEs. Local  
17 business enterprise, and state expenditures for 2006  
18 and 2014 were \$694 million out of \$1.3 billion. So  
19 that shows the impact. And actually, your staff  
20 member, Mozelle Daniels, and I had this discussion at  
21 the last presentation, was key in really bringing that  
22 out, not only for our casino but for the state and for  
23 the Control Board.

24           LBE is so important that it drives  
25 everything that casinos should be about, local

1 business generated from our expenditures. And we're  
2 very proud of that. And you can see that in our  
3 reports, not only diversity reports but all the other  
4 reports that we have, how local business is driven.  
5 Total MBE/WBE expenses --- or excuse me, revenue,  
6 excuse me, was \$45 million for a period of 2009-2014.  
7 We've conducted ten how to do business sessions at  
8 Parx with MBE, WBE and LBE suppliers, vendors and  
9 buyers.

10                   Again outreach, over 600 meetings with  
11 MBE, WBE and LBE individuals and suppliers. We  
12 maintain an active membership with Eastern Minority  
13 Supplier Development Council, maintain an active  
14 membership with the Women's Business Enterprise  
15 Council. We're also an active member in all the  
16 listed chambers, Hispanic Chamber, African-American  
17 Chamber, Asian-American Chamber, Lower Bucks, Upper  
18 Bucks and Central Bucks Chambers as well as the  
19 Philadelphia Chamber. The Visit Bucks Convention and  
20 Visitors Bureau is also --- we're also a member.

21                   Over the last eight years we have  
22 contributed more than \$1.6 million Pennsylvania's  
23 Educational Improvement Tax Credit, EITC, an  
24 Opportunity Scholarship Tax Credit, OSTC, programs  
25 with annual contributions of \$315,000 benefiting nine



1 different grade schools and high schools in our area.

2                   Diversity in our community. Since 2006  
3 we have given \$50,000 in scholarships that were  
4 awarded to 80 college-bound students of Bucks county  
5 Technical High School, Bensalem High School,  
6 Conwell-Egan and Arch Bishop Wood Catholic High  
7 Schools. We meet regularly, and this is a strength  
8 force, with our local Gaming Advisory Board to listen  
9 to them and they --- we give them information on what  
10 we're doing, keep them abreast of what we're doing.  
11 We're very proud of that and our association with  
12 them.

13                   We serve on area boards. In fact, the  
14 last number that I have is about 16 area boards that  
15 we serve on including American Red Cross, Network of  
16 Victim Assistance, Citizens Crime Commission of the  
17 Delaware Valley, United Way of Bucks County, Laurel  
18 Bucks Chamber and Livengrin, which is an alcohol and  
19 drug treatment facility, soon to be a gambling  
20 treatment facility also.

21                   Compulsive and problem gambling  
22 highlights. With representatives of the Council ---  
23 we work with representatives o f the Council on  
24 Compulsive Gambling of Pennsylvania to establish  
25 comprehensive compulsive and problem gambling

1 training. We've incorporated compulsive gambling  
2 training to new employee orientation to ensure all  
3 team members are trained and aware. Yearly  
4 expenditures in that category are \$25,000. We  
5 annually sponsor their education and training  
6 opportunities in Eastern Pennsylvania.

7           Commitment to Involvement, and again I'm  
8 so proud of this, that we span a number of  
9 organizations and we are committed to contributing not  
10 only money but our employees work with a lot of these  
11 organizations. And I'll point that out in a second.  
12 But everything from the YWCA, you can read the list,  
13 Special Olympics, NACP (sic) of Bucks County. In  
14 fact, they have their dinner annually at our Parx  
15 East. Livengrin Ride for Recovery, again our  
16 scholarship program, Network of Victim Assistance,  
17 Child Advocacy Center, and a Bensalem Hero --- Police  
18 Ride for Heros. We're very proud of our involvement.

19           And because of that, we've gotten a  
20 number of awards. We were recognized by the U.S.  
21 Department of State for diversity and inclusion in the  
22 top 100 business in the U.S. And we're recognized by  
23 the Women's Business Enterprise Council for an award  
24 of excellence. Buck's County NACP award for community  
25 service, tourism impact award from Visit Bucks County,

1 and Bensalem Jewish Outreach Center for the community  
2 service.

3 We recently, and will receive it on  
4 Friday, an award from Habitat for Humanity because of  
5 our employees' involvement in building homes. We have  
6 about three that we built --- helped build in Bucks  
7 County. We are partners of the year for Bucks County  
8 Habitat, and we're very proud of that. I'll turn it  
9 back over to Mr. Ricci.

10 MR. RICCI:

11 Thanks, Ron. Our outstanding reputation  
12 in the community is directly related to the work ---  
13 the hard work Ron does in the community, and we're  
14 very appreciative of his efforts. I'd like to echo  
15 Bob Green's sentiments that we understand that this  
16 license is a privilege and carries with it  
17 responsibilities and obligations, and we've committed  
18 to the Board in the past that we would live up to  
19 those obligations. And that not only applies to this  
20 license, but the license that we received yesterday in  
21 Philadelphia. And we committed to you that we would  
22 do many things, and I'm very pleased to say that we've  
23 delivered on those promises, starting with the job  
24 creation I referred to earlier.

25 We generated new business for our

1 suppliers and vendors. We made tremendous efforts  
2 with Ron's help to make sure that the local vendors  
3 and suppliers did participate in this new business  
4 opportunity. We recaptured dollars that were leaving  
5 our state, going to Atlantic City. We certainly did  
6 that. And we were a catalyst for future investment in  
7 Pennsylvania. Clearly, there was a knock-on effect  
8 from the creation of this industry. We provided  
9 significant tax benefits to the state, \$1.6 billion as  
10 I mentioned earlier.

11           We tremendously improved the track  
12 amenities in the backstretch for the horsemen, the  
13 racing operation. I hope you had an opportunity to  
14 see the Pennsylvania Derby this year. It was the best  
15 ever. We're very proud of the fact that we had two  
16 winners that day go on and win on the Breeders Cup.  
17 So we had the best filly and the best male, that  
18 three-year-old male, that year. We've come a long way  
19 in racing in Pennsylvania.

20           Ron's hard work in diversity and  
21 inclusion, community involvement and charitable giving  
22 have been outstanding. And as I said earlier, we hire  
23 locally and we utilize local business services. We've  
24 partnered with educational institutions and committed  
25 to participate in efforts to grow the area. And as

1 you heard in our public hearing in July, the fruits of  
2 our labor are well appreciated by the community  
3 members.

4 We've established an open communication  
5 dialogue with local authorities, businesses, residents  
6 in the area. We have a council that meets every month  
7 that deals with any issues that may arise. And we  
8 have an outstanding record in compulsive gaming. We  
9 work very hard. Responsible gaming we know is an  
10 important aspect of our business and we want to make  
11 sure that we keep this image and perception of our  
12 industry pristine. So in closing, I'd like to thank  
13 you for this time and recognize that we understand  
14 that this is a privilege and responsibility that's  
15 bestowed upon us. Thank you.

16 CHAIR:

17 Anything else, Mr. Stewart?

18 ATTORNEY STEWART:

19 Mr. Chairman, that's our presentation.  
20 At the appropriate time, we'd ask that it be entered  
21 into the record and we stand for questions from the  
22 Board or from Enforcement Counsel.

23 CHAIR:

24 Anything from OEC?

25 ATTORNEY MILLER:

1                   Just a few questions. Good morning.  
2   Dustin Miller, Assistant Enforcement Counsel on behalf  
3   of the OEC. If you could please take a look at slide  
4   seven of the presentation, if you could? And that has  
5   that workforce summary on there. I believe at the ---  
6   I asked you at the July 17 hearing regarding the  
7   breakdown of full-time employees versus part-time  
8   employees. And I believe you said 65 percent.

9                   MR. RICCI:

10                   Approximately 65 percent.

11                   ATTORNEY MILLER:

12                   Is that still correct today?

13                   MR. RICCI:

14                   Yes, it is. Yeah.

15                   ATTORNEY MILLER:

16                   Okay. And then I'd like you to look at  
17   slide ten, if we could. This is regarding the  
18   diversity issue. Do you have any numbers regarding  
19   women or minorities in management positions, what the  
20   percentage is, maybe, or the raw number?

21                   MR. RICCI:

22                   Not off the top of my head. Do you have  
23   them, Ron?

24                   MR. DAVIS:

25                   No, I don't have them, but I can

1 certainly ---.

2 MR. RICCI:

3 Yeah. We can provide them.

4 ATTORNEY MILLER:

5 I think we would like that. Next, you  
6 talked a little bit about staying ahead of the curve.  
7 Do you have any plans at this time for any expansion  
8 or any addition of amenities?

9 MR. RICCI:

10 Yes, yes we do. We recently expanded  
11 the footprint of our facility with approximately  
12 85,000 square foot expansion for public space. We're  
13 contemplating putting in an entertainment showroom,  
14 which we'll have entertainment of the level of  
15 Atlantic City and that Sands has in Bethlehem. We'll  
16 also add restaurant, bars, and we're looking to add  
17 about 400 slot machines and about 10 to 20 tables. We  
18 have not yet come to the Board for approval on that  
19 yet, we're still formulating those final plans. But  
20 they are very close to completion.

21 ATTORNEY MILLER:

22 And I know you guys earlier in the year  
23 gave a presentation about mobile gaming, which you  
24 mentioned in this presentation. And I believe at the  
25 time the plan was to get that approved in Nevada. Do

1 you have any update on that?

2 MR. RICCI:

3 No, we don't.

4 ATTORNEY MILLER:

5 Okay.

6 MR. RICCI:

7 We don't.

8 ATTORNEY MILLER:

9 And at the end of your presentation you  
10 talked about the Pennsylvania Derby ---

11 MR. RICCI:

12 Yes.

13 ATTORNEY MILLER:

14 --- out at Parx Racing. That was on  
15 September 20th?

16 MR. RICCI:

17 Correct.

18 ATTORNEY MILLER:

19 Was that a very successful event?

20 MR. RICCI:

21 Very successful day. It was actually a  
22 beautiful day in all respects, it was beautiful  
23 weather. We had great attendance. And as I said, we  
24 had the top male three-year-old and the top filly in  
25 the country racing that day.



1                   ATTORNEY MILLER:

2                   You brought in California Chrome, the  
3 Kentucky Derby ---

4                   MR. RICCI:

5                   Correct.

6                   ATTORNEY MILLER:

7                   --- winner, for that?

8                   MR. RICCI:

9                   Correct.

10                  ATTORNEY MILLER:

11                  Okay.

12                  MR. RICCI:

13                  Did not win --- did participate.

14                  ATTORNEY MILLER:

15                  When you have a big racing event like  
16 that, is there any effect on your gaming revenue?

17                  MR. RICCI:

18                  Unfortunately there's not that much  
19 crossover. We spent quite a bit of time trying to  
20 take advantage of all the attendance we had on those  
21 big racing days. But we struggled with having those  
22 customers cross over to the gaming side. So what we  
23 actually did this year was we utilized the racing  
24 event to draw gaming customers onto our property and  
25 it was very successful. I think the fact that

1 California Chrome was here had something to do with  
2 that. But it was actually a great day on the gaming  
3 floor because of that. But there isn't much  
4 crossover, unfortunately.

5 ATTORNEY MILLER:

6 Okay. So it doesn't work the other way  
7 either, like if you have a big promotion at Parx and  
8 it's a racing day, you don't notice any attendance  
9 bump on the racing side?

10 MR. RICCI:

11 No, they pretty much come for their own  
12 personal entertainment, and it's specific to either  
13 gaming or racing. Unless it's an event like the  
14 Kentucky Derby or the Pennsylvania Derby.

15 ATTORNEY MILLER:

16 Sure. We don't have any further  
17 questions. Thank you.

18 MR. DAVIS:

19 I do a follow-up on one of your  
20 questions on management staff. If you look in the  
21 diversity report, that is outlined in their report so  
22 that should answer your question.

23 ATTORNEY MILLER:

24 Okay.

25 CHAIR:

1                   Okay. Any questions from the Board,  
2 Ex-Officio members? Is there anything that OEC has to  
3 present?

4                   ATTORNEY MILLER:

5                   We don't have any witnesses today, we  
6 don't have a presentation. However, representatives  
7 from BIE, FIU, and the Bureau of Casino Compliance are  
8 here today, if you have any questions for us.  
9 Greenwood Gaming and Entertainment, Inc., its  
10 affiliates and principles timely filed renewal  
11 applications and the Board's Bureau of Investigation  
12 and Enforcement (BIE) has completed the background  
13 investigation. Greenwood fully cooperated with BIE  
14 during the license renewal investigation, and BIE has  
15 not identified any information that would preclude a  
16 finding of suitability for Greenwood Gaming and  
17 Entertainment, Inc., its affiliates or principles. As  
18 a result, the OEC recommends that Greenwood Gaming and  
19 Entertainment, Inc. be found suitable for renewal of  
20 its Category 1 Slot Machine License.

21                   CHAIR:

22                   Okay.

23                   ATTORNEY MILLER:

24                   I do have one other additional matter,  
25 too. Since the public hearing on, I believe it was

1 July 17th, there are two additional documents I'd like  
2 to supplement into the record. I'd like to mark them  
3 as Exhibit 5A and Exhibit 7.

4 (OEC Exhibits 5A and 7 marked for  
5 identification.)

6 ATTORNEY MILLER:

7 They are compliance conference  
8 memorandum. We held a compliance conference on  
9 September 4th, 2014, and that's the memorandum from  
10 that regarding underage gaming. And also, we have  
11 received a letter from the Pennsylvania Department of  
12 Revenue stating that Parx is compliant with the  
13 Department of Revenue. So we'd like to supplement  
14 those documents into the record, as well.

15 CHAIR:

16 Objection?

17 ATTORNEY STEWART:

18 No objection.

19 CHAIR:

20 Okay. They will be admitted.

21 ATTORNEY MILLER:

22 Thank you.

23 CHAIR:

24 Greg?

25 MR. FAJT:

1                   Thank you, Mr. Chairman. Sorry for the  
2 late question. Dustin, you had asked the questions I  
3 had about mobile gaming and the minority and women in  
4 management. I think you said, Mr. Davis, that that is  
5 in the diversity report. Could you just put those  
6 numbers on the record, and specifically the number of  
7 minorities in your management organization, and then  
8 also the number of women in your management  
9 organization?

10                   MR. DAVIS:

11                   Specifically stated in the diversity  
12 report, executive management and professional staff  
13 consists of 285 individuals, male 66 percent, female  
14 34 percent and minorities 28 percent.

15                   MR. FAJT:

16                   Thank you.

17                   CHAIR:

18                   Okay?

19                   MR. FAJT:

20                   Yeah.

21                   CHAIR:

22                   Any other exhibits to be moved for  
23 admission?

24                   ATTORNEY STEWART:

25                   No, Mr. Chairman.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

ATTORNEY MILLER:

We don't object to his presentation coming in.

CHAIR:

All right. The presentation will be admitted. Thank you all very much. This concludes our public hearing portion of this. This item will be addressed under the Bureau of Licensing's portion of the agenda. Thank you all.

\* \* \* \* \*

HEARING CONCLUDED

\* \* \* \* \*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Chairman Ryan, Jr. was reported by me on 11/19/2014 and that I Bernadette M. Black read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.

*Bernadette M. Black*

Bernadette M. Black,  
Court Reporter