

INDIANA GAMING COMMISSION  
BUSINESS MEETING  
SEPTEMBER 18, 2014

The Indiana Gaming Commission Business Meeting was stenographically taken down by me, Dianne Lockhart, CRR, RMR, a Notary Public in and for the County of Marion, State of Indiana, held at the Indiana State Library, History Reference Room, 315 West Ohio Street, Indianapolis, Indiana, commencing at the hour of 2:09 p.m., September 18, 2014. The following transcript is a true and accurate transcript of the proceedings held.

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A P P E A R A N C E S

ON BEHALF OF THE GAMING COMMISSION:

- Matt Bell, Chairman
- Marc Fine, Commissioner
- Cris Johnston, Commissioner
- Robert Morgan, Commissioner
- Susan Williams, Commissioner
- Joseph Svetanoff, Commissioner
- Anita Sherman, Commissioner
- Ernest Yelton, Executive Director
- Sara Gonso Tait, General Counsel
- Michelle Baldwin, Deputy General Counsel

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1 CHAIRMAN BELL: Well, good afternoon. I  
2 apologize for our tardiness. We got caught by  
3 the time change.

4 (Laughter.)

5 My name is Matt Bell, and I serve as the  
6 Chair of the Indiana Gaming Commission. And I  
7 will go ahead and call the Indiana Gaming  
8 Commission's business meeting of September 18,  
9 2014, to order.

10 We'll begin with the roll call of directors.

11 Director Fine.

12 COMMISSIONER FINE: Present.

13 CHAIRMAN BELL: I'm sorry, Commissioner  
14 Fine.

15 COMMISSIONER FINE: Still present.

16 CHAIRMAN BELL: It's a good thing.

17 Commissioner Morgan.

18 COMMISSIONER MORGAN: Present.

19 CHAIRMAN BELL: Commissioner Johnston.

20 COMMISSIONER JOHNSTON: Here.

21 CHAIRMAN BELL: Commissioner Williams.

22 COMMISSIONER WILLIAMS: Here.

23 CHAIRMAN BELL: Commissioner Sherman.

24 COMMISSIONER SHERMAN: Here.

25 CHAIRMAN BELL: Commissioner Svetanoff.

1 COMMISSIONER SVETANOFF: Here.

2 CHAIRMAN BELL: And the Chair is present,  
3 Commissioners are present, and the meeting has  
4 been called to order.

5 We'll now call for approval of the minutes  
6 from our June 26, 2014, meeting.

7 Members of the Commission, you have been  
8 provided with a copy of the minutes. You've had  
9 a chance to review them.

10 Are there any additions, corrections or  
11 deletions to the minutes?

12 Hearing none, I would entertain a motion in  
13 regard to the disposition of the minutes from the  
14 June 26, 2014, meeting of the Indiana Gaming  
15 Commission.

16 COMMISSIONER FINE: Move for approval.

17 COMMISSIONER WILLIAMS: Second.

18 CHAIRMAN BELL: The minutes have been moved  
19 for approval and seconded.

20 All those in favor of the approval of the  
21 minutes, please signify by saying aye.

22 (Chorus of ayes.)

23 All opposed, same sign.

24 Thank you. The minutes stand approved.

25 The Chair would now recognize Executive

1 Director Ernie Yelton for his report.

2 Director Yelton.

3 EXECUTIVE DIRECTOR YELTON: Thank you,  
4 Mr. Chair, ladies and gentlemen of the  
5 Commission.

6 I'll begin with our staffing report, and it  
7 would probably be wise for you to disregard your  
8 playbooks for the Gaming Commission because we  
9 have a brand-new one here today.

10 As I indicated at our last meeting, Sara  
11 Gonso Tait has been promoted as our General  
12 Counsel, and we welcome her.

13 (Applause.)

14 She reluctantly entrusted her newborn twins  
15 Madeline and Elliot to her nanny so she could  
16 join us here today.

17 In her stead, Derek Young -- Derek, stand,  
18 please -- has replaced her as our License Control  
19 Counselor. Derek will be responsible for the  
20 legal efforts of Charity Gaming and Gaming  
21 Control and still maintain some of his  
22 responsibilities as General Counsel for us too.  
23 Thank you, Derek.

24 We welcomed our new Deputy Counsel, Michelle  
25 Baldwin, to our legal staff on August the 4th.

1 Michelle comes to us with 14 years of legal  
2 experience, which includes serving as managing  
3 partner for the firm of Lewis and Wilkins and  
4 establishing her own firm, Baldwin Legal  
5 Services, LLC.

6 Ed Harcourt, Ed, has become our first legal  
7 analyst. Ed hails from Rushville and is a  
8 graduate of the McKinney School of Law in  
9 Indianapolis.

10 Our latest Occupational Licensee Coordinator  
11 is Angela Bottom. Angela. Angela was last with  
12 the Indiana Department of Environmental  
13 Management and worked for IDEM since May of 2014  
14 until she joined our office.

15 Carolyn Fabrie, there you are, back there.  
16 Carolyn assumed the responsibilities of Gaming  
17 Enforcement Secretary. She comes to us from the  
18 Indiana Department of Revenue, where she served  
19 as a tax analyst since 2010.

20 Charity Gaming welcomes Heidi Justice as its  
21 newest program coordinator. Heidi worked for the  
22 Indiana Department of Revenue for over 20 years.

23 Finally, our cutest addition to the Gaming  
24 Commission is Miss Raquel Selene Reske. She  
25 joined us and the world, for that matter, on

1 August 27th. She tipped, and I use that word  
2 loosely, the scales at 8 pounds 13 ounces and  
3 already has sufficient hair to qualify for Locks  
4 of Love.

5 Her mother is scheduled to rejoin us in  
6 early November and has promised to bring several  
7 pictures here at our fourth quarterly business  
8 meeting.

9 Our background and financial investigators  
10 have completed their investigation of Penn  
11 National, the owner of Hollywood Casino, and its  
12 report was submitted to you members of the  
13 Commission in your materials.

14 If you have any questions, Directors Leek  
15 and Brown are here to answer them I think. Yeah,  
16 they're standing up.

17 Are there any questions?

18 CHAIRMAN BELL: Questions? No, sir.

19 EXECUTIVE DIRECTOR YELTON: The Commission  
20 has been quite active and trying to be generous  
21 in granting waivers to our licensees this last  
22 quarter.

23 The Casino Association was granted a  
24 six-month trial from the requirement of the soft  
25 count room to notify surveillance prior to the

1 initiation of the soft count. Security will  
2 provide notification to surveillance when the  
3 soft count room is entered for the soft count  
4 itself, then the team.

5 Belterra and Ameristar were granted a waiver  
6 from maintaining a history of credit issuances  
7 and payments received in the physical patron  
8 file. Both casinos will use an electronic credit  
9 and collection file.

10 Belterra was allowed to remove surveillance  
11 equipment from the IGC office on the vessel given  
12 that the gaming agents are able to perform all  
13 those job functions at the IGC office which is  
14 located in the pavilion.

15 It was also granted relief from the  
16 established aggregate check threshold of \$10,000  
17 for a one-week period only. Belterra transferred  
18 from one guarantee service provider to another,  
19 and since both companies are not privy to the  
20 history of the checks cashed by the other  
21 company, it's quite possible that the threshold  
22 between the two providers may have exceeded the  
23 \$10,000 limit for that period of time.

24 Blue Chip was allowed to order obsolete  
25 software for four electronic gaming devices due

1 to compatibility issues with the current approved  
2 version.

3 It was further granted relief from the  
4 internal audit quarterly report submissions,  
5 observations, testing and examination of  
6 documents and instead will conduct a semiannual  
7 internal audit. Blue Chip will submit its  
8 reports to the Commission Audit Director 30 days  
9 after the close of the second quarter and 30 days  
10 after the close of the fourth quarter.

11 French Lick was granted relief from the  
12 requirement that the casino name be imprinted on  
13 its current roulette wheel, but for none others.

14 Horseshoe Hammond and Southern Indiana were  
15 granted relief from the requirement of placing  
16 the manual date and time stamp on checks cashed  
17 through the Caesar Entertainment CMS system.  
18 Negotiable items processed by the cage staff will  
19 electronically be stamped in the system and tied  
20 to the individual processing and approving of the  
21 transaction.

22 They were also allowed to have tip boxes  
23 dropped a minimum of three times per week.

24 Horseshoe Hammond was granted a waiver of  
25 the size requirement on the Sic Bo dice from .750

1 to .775 inch to .625 inch on each side and the  
2 requirement from square edges to ball corner  
3 edges.

4 It also received a waiver to coin test  
5 50 percent of the EGDs once they are placed back  
6 on the floor following their removal for a carpet  
7 replacement. This waiver is for one time only  
8 and is granted for this project only as well.

9 Horseshoe Southern Indiana was granted  
10 relief for non-gaming employees working in other  
11 areas other than the gaming vessel to wear only  
12 their company issued name tag for identification  
13 purposes and to carry their gaming badge with  
14 them should they need to present it or produce it  
15 to someone who so requests.

16 Majestic Star and Tropicana were granted  
17 waivers for the use of the RFID table and cards  
18 for the final table at the Mid States Poker  
19 Tournament.

20 Finally, Tropicana was granted relief from  
21 the requirement for card inspections for  
22 preshuffled cards used in blackjack non-handheld  
23 games. The casino will continue to verify  
24 quantity, suit and inspect the back of the cards  
25 for one out of every ten preshuffled decks or

1 shoes in the future.

2 And that, ladies and gentlemen of the  
3 Commission, will conclude our Executive's report  
4 for this meeting.

5 If there are any questions, I'd be more than  
6 happy to answer them.

7 CHAIRMAN BELL: Thank you, Director Yelton.

8 Questions from the Commission regarding the  
9 Executive Director's report?

10 Hearing no questions, we will then move on  
11 to old business.

12 The Chair sees no old business on the  
13 agenda, which brings us to the topic of new  
14 business.

15 The Chair will begin the orders of new  
16 business by recognizing Tami Timberman-Wright to  
17 present Orders 2014-131 through 2014-149.

18 Ms. Timberman-Wright.

19 MS. TIMBERMAN-WRIGHT: Good afternoon,  
20 Commissioners and Executive Staff.

21 You have before you 19 orders regarding the  
22 Voluntary Exclusion Program. Pursuant to the  
23 rules of the program, the identities of the  
24 Voluntary Exclusion Program participants must  
25 remain confidential. Pursuant to

1 68 IAC 6-3-2(g), a participant in the program  
2 agrees that if he or she violates the terms of  
3 the program and enters the gaming area of a  
4 facility under the jurisdiction of the  
5 Commission, they will forfeit any jackpot or  
6 thing of value won as a result of a wager.

7 Under Orders 2014-131 through 2014-149, a  
8 total sum of \$44,777.01 was forfeited by John  
9 Does 60 through 78. These winnings were  
10 collected at Ameristar, Belterra, Blue Chip,  
11 French Lick, Hollywood, Hoosier Park, Horseshoe  
12 Southern Indiana, Indiana Grand, Majestic Star  
13 and Tropicana Evansville. These winnings were  
14 withheld as required by Commission regulations.

15 Commission staff recommends that you approve  
16 these orders.

17 CHAIRMAN BELL: Thank you,  
18 Ms. Timberman-Wright.

19 Questions from the Commission?

20 Hearing none, the Chair would entertain a  
21 motion in regard to the disposition of  
22 Orders 2014-131 through 2014-149.

23 COMMISSIONER MORGAN: Motion to approve.

24 COMMISSIONER SVETANOFF: Second.

25 CHAIRMAN BELL: There's been a motion to

1 approve the orders. The motion has been  
2 seconded.

3 All those in favor of approving  
4 Orders 2014-131 through 2014-149, please signify  
5 by saying aye.

6 (Chorus of ayes.)

7 All opposed, same sign.

8 Thank you. The motions are approved.

9 Thank you, Ms. Timberman-Wright.

10 The Chair would welcome Ed Harcourt to  
11 present Order 2014-150.

12 Welcome, Mr. Harcourt.

13 MR. HARCOURT: Thank you, Mr. Chair.

14 Members of the Commission, you have before  
15 you Order No. 2014-150 concerning the renewal of  
16 supplier licenses.

17 Pursuant to 4-33-7-8 and 68 IAC 2-2-8, a  
18 supplier's license must be renewed annually with  
19 a \$7,500 renewal fee.

20 Each of the following licensees has  
21 requested renewal of its license and has paid the  
22 appropriate renewal fee. The order before you  
23 would approve the renewal of the following  
24 supplier licenses: Gaming Partners International  
25 USA, Inc.; GLP Capital, LP; Multimedia Games,

1 Inc., and PokerTek, Inc.

2 Commission staff recommends that you approve  
3 the renewal of the supplier licenses for these  
4 suppliers.

5 CHAIRMAN BELL: Thank you, Mr. Harcourt.

6 Questions from the Commission for  
7 Mr. Harcourt?

8 Hearing none, the Chair would entertain a  
9 motion in regard to Order 2014-150.

10 COMMISSIONER JOHNSTON: Move its approval.

11 COMMISSIONER MORGAN: Second.

12 CHAIRMAN BELL: The order has been moved for  
13 approval and seconded.

14 All those in favor of the approval of  
15 Order 2014-150, please signify by saying aye.

16 (Chorus of ayes.)

17 All opposed, same sign.

18 The order stands approved.

19 Thank you, Mr. Harcourt.

20 The Chair recognizes Garth Brown to present  
21 Order 2014-151.

22 Welcome, Mr. Brown.

23 MR. BROWN: Thank you. Good afternoon,  
24 Commissioners and Executive Staff.

25 You have before you an order waiving the

1 application of 68 IAC 5-1 to a transfer of  
2 ownership in Bally Technologies, Incorporated, to  
3 Scientific Games Corporation.

4 Under 68 IAC 5-1, supplier licensees that  
5 are publicly traded companies must comply with  
6 certain requirements before transferring an  
7 ownership interest, including a suitability  
8 investigation, in order to protect the  
9 Commission's interest in the suitability of its  
10 licensees.

11 Under 68 IAC 5-1-8, the Commission may waive  
12 a requirement or procedure set forth in 68 IAC 5  
13 if the Commission determines that it is  
14 impractical or burdensome and the waiver is in  
15 the best interests of the public and the gaming  
16 industry and is not outside the technical  
17 requirements necessary to serve the purpose of  
18 the requirement or procedure.

19 Bally Technologies, Incorporated, is an  
20 Indiana licensee. Pursuant to an Agreement and  
21 Plan of Merger dated August 1, 2014, between  
22 Scientific Games Corporation and Bally,  
23 Scientific Games plans to acquire ownership of  
24 Bally. Through the transactions, Bally will  
25 survive as a wholly-owned subsidiary of

1 Scientific Games.

2 Compliance with the requirements of  
3 68 IAC 5-1 is time-consuming and costly for both  
4 the applicant and the Commission. The policy  
5 goal of 68 IAC 5-1 is to ensure that a party  
6 seeking an ownership interest is suitable under  
7 the Commission's licensing standards.

8 The Commission previously investigated  
9 Scientific Games and its key persons. As a  
10 substantial owner of another Indiana licensee,  
11 Scientific Games has been, and continues to be,  
12 subject to the jurisdiction of the Commission.

13 For this reason, the Commission has  
14 determined that there is little to gain from  
15 applying the requirements of 68 IAC 5-1 to the  
16 present transaction. The requirements of  
17 68 IAC 5-1 are impractical and burdensome to this  
18 transfer, and a waiver is in the best interests  
19 of the public and the gaming industry and is not  
20 outside the technical requirements necessary to  
21 serve the purpose of the transfer regulations.

22 Commission staff recommend that you approve  
23 the waiver of the requirements in 68 IAC 5-1 as  
24 necessary to allow the proposed transfer of  
25 ownership in Bally to Scientific Games.

1 Are there any questions?

2 CHAIRMAN BELL: Thank you, Mr. Brown.

3 Questions from the Commissioners for

4 Mr. Brown?

5 Hearing none, the Chair would entertain a

6 motion in regard to the disposition of

7 Order 2014-151.

8 COMMISSIONER MORGAN: Motion to approve.

9 COMMISSIONER WILLIAMS: Second.

10 CHAIRMAN BELL: The order has been moved and

11 seconded.

12 All those in favor of the approval of

13 Order 2014-151, please signify by saying aye.

14 (Chorus of ayes.)

15 All opposed, same sign.

16 Thank you. The motion is approved.

17 Thank you, Mr. Brown.

18 The Chair recognizes Chris Gray to present

19 Orders 2014-152 through Order 2014-155.

20 Welcome, Ms. Gray.

21 MS. GRAY: Good afternoon, Commissioners and

22 Executive Staff.

23 Order 2014-152 is a settlement agreement

24 with Aristocrat wherein the supplier did not

25 follow the shipment rules.

1           Aristocrat has agreed to a monetary  
2 settlement of \$1,500 in lieu of disciplinary  
3 action.

4           The Commission staff recommends that you  
5 approve Order 2014-152.

6           CHAIRMAN BELL: Questions for Ms. Gray?

7           Please continue, ma'am.

8           MS. GRAY: Order 2014-153 is a settlement  
9 agreement with Bally wherein the supplier failed  
10 to follow the rules regarding the shipment of  
11 regulated items.

12           Bally has agreed to a monetary settlement of  
13 \$2,000 in lieu of disciplinary action.

14           CHAIRMAN BELL: Any questions for Ms. Gray?

15           Thank you, ma'am. Please continue.

16           MS. GRAY: Order 2014-154 is a settlement  
17 agreement with IGT wherein IGT failed to follow  
18 the shipment rules.

19           IGT has agreed to a monetary settlement of  
20 \$2,500 in lieu of disciplinary action.

21           CHAIRMAN BELL: Questions?

22           Thank you, ma'am. Continue.

23           MS. GRAY: The Commission staff recommends  
24 that you approve Orders 2014-152 through  
25 2014-154.

1 CHAIRMAN BELL: Thank you, Ms. Gray.

2 Hearing no questions from the Commission,  
3 the Chair would entertain a motion in regard to  
4 the disposition of Orders 2014-152 through  
5 2014-154.

6 COMMISSIONER SVETANOFF: Motion to approve.

7 COMMISSIONER SHERMAN: Second.

8 COMMISSIONER MORGAN: Second.

9 CHAIRMAN BELL: The orders have been moved  
10 for approval and seconded.

11 All those in favor of the approval of  
12 Order 2014-152, Order 2014-153 and  
13 Order 2014-154, please signify by saying aye.

14 (Chorus of ayes.)

15 All opposed, same sign.

16 Thank you. The orders stand approved.

17 MS. GRAY: Thank you.

18 CHAIRMAN BELL: Thank you, Ms. Gray.

19 The Chair recognizes Erica Sullivan to  
20 present Orders 2014-156 through 2014-159.

21 Welcome, Ms. Sullivan.

22 MS. SULLIVAN: Thank you, Mr. Chair.

23 Before you are Orders 2014-156 through  
24 2014-159. Each of these orders ratifies a  
25 settlement agreement entered into between a Level

1 2 or 3 licensee and the Commission.

2 These applicants failed to respond to  
3 requests for information from Commission  
4 investigators during the initial background  
5 investigation. While each applicant did  
6 ultimately provide sufficient information, the  
7 individuals did not provide the information  
8 requested by the Commission during the initial  
9 investigation, resulting in additional requests  
10 from legal staff.

11 Pursuant to 68 IAC 2-3-5(b)(9), an applicant  
12 for an occupational license must comply with all  
13 requests for information, documents or other  
14 materials relating to the applicant on -- in his  
15 application during the investigation.

16 In lieu of an administrative proceeding  
17 regarding these applicants' licenses due to their  
18 failure to comply with the Commission's request  
19 for information, Commission staff offered to  
20 settle the matter if each individual licensee  
21 agreed to an unpaid voluntary relinquishment of  
22 his or her temporary license and temporary  
23 identification badge for a period of three  
24 regularly scheduled working days, without using  
25 any vacation or other paid leave time.

1 All licensees agreed to the settlement terms  
2 offered by Commission staff.

3 And staff respectfully recommends that you  
4 approve the terms of the settlement agreements as  
5 described in Orders 2014-156 through 2014-159.

6 CHAIRMAN BELL: Thank you, Ms. Sullivan.

7 Questions from the Commissioners?

8 Hearing none, the Chair would entertain a  
9 motion in regard to the dispositions of  
10 Order 2014-156 through Order 2014-159.

11 COMMISSIONER MORGAN: Motion to approve.

12 COMMISSIONER JOHNSTON: Second.

13 COMMISSIONER SVETANOFF: Second.

14 CHAIRMAN BELL: The orders have been moved  
15 for approval and seconded.

16 All those in favor of approving  
17 Order 2014-156, 2014-157, 2014-158 and 2014-159,  
18 please signify by saying aye.

19 (Chorus of ayes.)

20 All opposed, same sign.

21 Thank you. The orders are approved.

22 Ms. Sullivan, while you're here, if we could  
23 ask you to present also Orders 2014-160 through  
24 2014-170.

25 MS. SULLIVAN: Let me just grab my notes.

1 CHAIRMAN BELL: Yes, ma'am.

2 Ernie, would you like to sing in the  
3 intermission?

4 EXECUTIVE DIRECTOR YELTON: Sure. Any  
5 requests?

6 CHAIRMAN BELL: Thank you, ma'am. Please  
7 continue.

8 MS. SULLIVAN: Before you are  
9 Orders 2014-160 through 2014-171. These orders  
10 all deny individuals' applications for permanent  
11 occupational licenses to work at casinos  
12 throughout the state.

13 Pursuant to Indiana Code 4-33-8-3(4), the  
14 Commission may not issue an occupational license  
15 to an individual unless the individual has met  
16 standards adopted by the Commission for the  
17 holding of an occupational license. An applicant  
18 for a Level 2 or 3 occupational license shall  
19 include the applicant's criminal history in his  
20 or her application pursuant to  
21 68 IAC 2-34-4(e)(14) and 68 IAC 2-3-4(f)(10).  
22 Any misrepresentation or omission may be -- made  
23 with respect to an application may be grounds for  
24 denial.

25 Additionally, an applicant must comply with

1 all requests for information, documents or other  
2 materials during the investigation.

3 As part of the routine background  
4 investigation into each applicant, Commission  
5 investigators and staff discovered that the  
6 applicants represented in Orders 2014-160 through  
7 2014-170 failed to provide complete or accurate  
8 criminal histories. Several of the applicants  
9 also failed to respond to Commission requests for  
10 information.

11 The Executive Director revoked the  
12 applicants' temporary licenses upon completion of  
13 each investigation. All individuals were given  
14 an opportunity to withdraw their applications  
15 from consideration for permanent licensure at  
16 that time. Detailed information regarding the  
17 investigation into the individuals in each  
18 specific order are contained in the confidential  
19 materials provided to the Commission members.

20 Because all applicants failed to provide  
21 their criminal histories in their applications or  
22 failed to respond to Commission requests for  
23 information, staff recommends that the  
24 applications for permanent licensure be denied in  
25 Orders 2014-160 through 2014-170.

1           Additionally, Commission staff requests that  
2           the Commission approve Order 2014-171, an order  
3           rescinding Order 2014-116. Order 2014-116 denied  
4           an applicant's application for permanent  
5           licensure. However, it was later discovered that  
6           this applicant had withdrawn his application for  
7           permanent licensure prior to the Commission  
8           decision.

9           CHAIRMAN BELL: Thank you, Ms. Sullivan.

10           The Chair would note to the Commission and  
11           to those gathered with us today that  
12           Order 2014-164 has been withdrawn.

13           MS. SULLIVAN: Yes, it has. That  
14           application was withdrawn just this past week, so  
15           we removed it from the materials.

16           CHAIRMAN BELL: Very good. Thank you,  
17           ma'am.

18           Additional questions from the Commissioners?

19           Hearing none, the Chair would entertain a  
20           motion to -- in regard to the disposition of  
21           Orders 2014-160 through 2014-163 and  
22           Orders 2014-165 through 2014-170.

23           We will separately consider a motion in  
24           regard to Order 2014-171.

25           COMMISSIONER SVETANOFF: Motion to approve.

1 COMMISSIONER MORGAN: Second the motion.

2 CHAIRMAN BELL: The orders have been moved  
3 for approval and seconded.

4 All those in favor, please signify by saying  
5 aye.

6 (Chorus of ayes.)

7 All opposed, same sign.

8 Thank you. The orders stand approved.

9 The Chair would now entertain a motion in  
10 regard to the disposition of Order 2014-171 which  
11 Ms. Sullivan described for us.

12 COMMISSIONER JOHNSTON: Move its approval.

13 COMMISSIONER FINE: Second.

14 COMMISSIONER MORGAN: Second the motion.

15 CHAIRMAN BELL: The order has been moved for  
16 approval and seconded.

17 All those in favor of approving  
18 Order 2014-171, please signify by saying aye.

19 (Chorus of ayes.)

20 All opposed, same sign.

21 Thank you. The order stands approved.

22 Ms. Sullivan, thank you so much.

23 MS. SULLIVAN: Thank you.

24 CHAIRMAN BELL: The Chair recognizes  
25 Michelle Baldwin to present Order 2014-172.

1 Welcome, ma'am.

2 MS. BALDWIN: Thank you.

3 Order 2014-172 concerns a request for  
4 approval of a debt transaction by Full House.

5 On July 11, 2014, Full House requested  
6 permission to act on a proposed financing issue.  
7 The details of that request are contained in your  
8 confidential documents.

9 In accordance with Resolution 2014-56, the  
10 Executive Director is authorized to waive any of  
11 the debt transaction requirements and provide  
12 interim approval.

13 As required by the resolution, Chairman  
14 Bell, Commissioner Sherman as the CPA and  
15 Executive Director Yelton reviewed and analyzed  
16 the proposed transaction. After consultation  
17 with the Commission financial analyst, Chairman  
18 Bell, Commissioner Sherman and Executive Director  
19 Yelton agreed to provide interim approval for the  
20 transaction, and Executive Director Yelton issued  
21 the interim approval letter on July 18, 2014.

22 Resolution 2014-56 now requires that the  
23 interim decision be presented at this meeting for  
24 consideration and final ratification from the  
25 full Commission.

1           Commission staff recommends that you ratify  
2 Executive Director Yelton's interim approval  
3 letter.

4           CHAIRMAN BELL: Thank you, Ms. Baldwin.

5           Questions from the Commissioners?

6           Hearing none, the Chair would entertain a  
7 motion in regard to the disposition of  
8 Order 2014-172.

9           COMMISSIONER SHERMAN: Motion to approve.

10          COMMISSIONER JOHNSTON: Second.

11          CHAIRMAN BELL: The order's been moved for  
12 approval and seconded.

13          All those in favor of approving  
14 Order 2014-172, please signify by saying aye.

15          (Chorus of ayes.)

16          All opposed, same sign.

17          Thank you. The order is approved.

18          Thank you, Ms. Baldwin.

19          The Chair would welcome Chris Gray to  
20 present Order 2014-173 through Order 2014-182.

21          Welcome back, Ms. Gray.

22          MS. GRAY: Thank you. Good afternoon again.

23          You have before you ten settlement  
24 agreements concerning disciplinary actions.

25          The first settlement is with Ameristar,

1 Order 2014-173, wherein the casino violated the  
2 VEP rule.

3 Ameristar has agreed to a monetary  
4 settlement of \$3,000 in lieu of a disciplinary  
5 action.

6 CHAIRMAN BELL: Any questions from the  
7 Commission?

8 Please continue, Ms. Gray.

9 MS. GRAY: Order 2014-174 is a settlement  
10 agreement with Belterra wherein the casino  
11 allowed an underage person to enter the casino.

12 Belterra has agreed to a monetary settlement  
13 of \$1,500 in lieu of disciplinary action.

14 CHAIRMAN BELL: Questions from the  
15 Commission?

16 Thank you, ma'am.

17 MS. GRAY: The third order, Order 2014-175,  
18 is a settlement agreement with French Lick and  
19 includes six counts.

20 In the first count, the casino failed to  
21 identify the correct winner of a jackpot, paid  
22 the incorrect person, later identified the  
23 correct person and found the correct winner owed  
24 child support.

25 In the second count, the casino failed to

1 follow proper procedures and paid a patron money  
2 that did not belong to her.

3 The third count violated the rules and  
4 internal controls for inventorying chips at  
5 closed table games.

6 The fourth count violated the rule requiring  
7 dealers to have a certain number of training  
8 hours prior to dealing a game.

9 In the fifth count, the casino failed to  
10 timely notify gaming agents of an alleged theft.

11 In the sixth count, an underage person was  
12 allowed on the casino floor.

13 French Lick has agreed to a total monetary  
14 settlement of \$23,000 in lieu of disciplinary  
15 action.

16 CHAIRMAN BELL: Thank you.

17 Questions from the Commission?

18 Please continue, ma'am.

19 MS. GRAY: Order 2014-176 is a settlement  
20 agreement with Hollywood and contains two counts.

21 In the first count, two slot machines were  
22 placed into service after failing the coin test.

23 And in the second count, the casino failed  
24 to timely notify the Commission of a terminated  
25 employee.

1 Hollywood has agreed to a total monetary  
2 settlement of \$7,500 in lieu of disciplinary  
3 action.

4 CHAIRMAN BELL: Questions?

5 Please continue, ma'am.

6 MS. GRAY: Order 2014-177 is a settlement  
7 agreement with Hoosier Park wherein the casino  
8 violated the VEP rules on two separate occasions.

9 Hoosier Park has agreed to a monetary  
10 settlement of \$11,520 in lieu of a disciplinary  
11 action.

12 CHAIRMAN BELL: Questions?

13 Thank you, ma'am. Continue.

14 MS. GRAY: The sixth order, Order 2014-178,  
15 is a settlement agreement with Horseshoe Southern  
16 Indiana wherein the casino failed to timely  
17 notify the Commission of a possible theft.

18 Horseshoe Southern Indiana has agreed to a  
19 monetary settlement of \$1,000.

20 CHAIRMAN BELL: Questions?

21 Thank you, ma'am. Continue.

22 MS. GRAY: Order 2014-179 is a settlement  
23 agreement with Indiana Grand wherein the casino  
24 lost surveillance coverage for approximately four  
25 minutes and approximately 40 minutes passed

1 before all cameras were functioning properly.

2 Indiana Grand has agreed to a monetary  
3 settlement of \$10,000 in lieu of disciplinary  
4 action.

5 CHAIRMAN BELL: Questions from the  
6 Commission?

7 Thank you, ma'am. Continue.

8 MS. GRAY: Order 2014-180 is a settlement  
9 agreement with Majestic Star and includes three  
10 counts.

11 In the first count, the casino allowed an  
12 underage person to enter the casino.

13 The second count violated the rules  
14 regarding surveillance coverage of a room where  
15 currency is stored. This occurred on two  
16 separate occasions.

17 In the third count, the casino failed to  
18 timely notify the Commission of a terminated  
19 employee.

20 Majestic Star has agreed to a total monetary  
21 settlement of \$10,000 in lieu of disciplinary  
22 action.

23 CHAIRMAN BELL: Questions from the  
24 Commission?

25 Thank you, Ms. Gray. Continue.

1 MS. GRAY: Order 2014-181 is a settlement  
2 agreement with Rising Star wherein the casino  
3 failed to follow the procedures for coverage of a  
4 progressive jackpot.

5 Rising Star has agreed to a monetary  
6 settlement of \$1,500 in lieu of disciplinary  
7 action.

8 CHAIRMAN BELL: Questions?

9 Thank you, ma'am. Continue.

10 MS. GRAY: The final order, Order 2014-182,  
11 is a settlement agreement with Tropicana wherein  
12 the casino allowed an underage person onto the  
13 casino floor.

14 Tropicana has agreed to a monetary  
15 settlement of \$4,500 in lieu of disciplinary  
16 action.

17 CHAIRMAN BELL: Questions from the  
18 Commission?

19 Thank you, Ms. Gray. By my count you've hit  
20 them all, have you not?

21 MS. GRAY: I think so.

22 The Commission staff recommends that you  
23 approve Orders 2014-173 through 2014-182, each  
24 which approves one of the settlement agreements  
25 that we have just discussed.

1 CHAIRMAN BELL: Thank you so much, ma'am.

2 Questions from the Commission on any of the  
3 preceding orders?

4 Hearing none, the Chair would entertain a  
5 motion in regard to the disposition of  
6 Order 2014-173 through Order 2014-182.

7 COMMISSIONER MORGAN: Motion to approve.

8 COMMISSIONER SVETANOFF: Second.

9 CHAIRMAN BELL: The orders have been moved  
10 for approval and seconded.

11 All those in favor of approving  
12 Order 2014-173 through Order 2014-182, please  
13 signify by saying aye.

14 (Chorus of ayes.)

15 All opposed, the same sign.

16 Thank you. The orders stand approved.

17 Thank you so much, Ms. Gray.

18 MS. GRAY: Thank you.

19 EXECUTIVE DIRECTOR YELTON: And I do want to  
20 correct you. I don't think Ms. Gray did hit  
21 either Horseshoe Hammond or Blue Chip.

22 CHAIRMAN BELL: I sit corrected.

23 EXECUTIVE DIRECTOR YELTON: I hope she will  
24 take care of that at the next meeting, though.

25 CHAIRMAN BELL: We'll just look a little bit

1 harder.

2 (Laughter.)

3 The Chair would now re-welcome Ed Harcourt  
4 to present Order 2014-183 and Order 2014-184.

5 Mr. Harcourt.

6 MR. HARCOURT: Thank you, Mr. Chair.

7 Members of the Commission, you have before  
8 you Orders 2014-183 and 2014-184 regarding the  
9 annual casino license renewals for Rising Star  
10 and Blue Chip casinos. Both casinos have filed  
11 the required paperwork and fees necessary for  
12 renewal.

13 Rising Star's renewal date was September 15,  
14 2014. Under Resolution 2003-13, the Executive  
15 Director has issued an interim renewal of Rising  
16 Star's license to bridge the time between its  
17 renewal date and this Commission meeting.

18 Blue Chip's renewal date was August 17,  
19 2014. Similarly, under Resolution 2003-13, the  
20 Executive Director has issued an interim renewal  
21 of Blue Chip's license to bridge the time between  
22 its renewal date and this Commission meeting.

23 At the September 2013 business meeting, by  
24 Orders 2013-169 and 2013-170, the Commission  
25 approved the Power of Attorney for each Blue Chip

1 and Rising Star respectively. Those approvals  
2 expire upon the renewal of each casino's license.  
3 For that reason, all casinos must either request  
4 renewal of the Commission's approval of the Power  
5 of Attorney concurrently with the request for  
6 renewal or present the Commission with a new  
7 Power of Attorney naming a new  
8 trustee-in-waiting.

9 Rising Star has requested renewal of Mr. Ron  
10 Gifford and Blue Chip has requested renewal of  
11 Mr. Maunty Collins as their respective Power of  
12 Attorneys.

13 Staff recommends that you approve  
14 Orders 2014-183 and 2014-184 renewing Rising Star  
15 and Blue Chip's casino licenses.

16 CHAIRMAN BELL: Thank you, Mr. Harcourt.

17 Questions from the Commission?

18 Hearing none, the Chair would entertain a  
19 motion in regard to the disposition of  
20 Order 2014-183 and Order 2014-184.

21 COMMISSIONER MORGAN: Motion to approve.

22 COMMISSIONER SVETANOFF: Second.

23 CHAIRMAN BELL: The orders have been moved  
24 for approval and seconded.

25 All those in favor of approving

1 Order 2014-183 and Order 2014-184, please signify  
2 by saying aye.

3 (Chorus of ayes.)

4 All opposed, same sign.

5 Thank you. The orders stand approved.

6 Thank you, Mr. Harcourt.

7 It is now the Chair's honor and pleasure to  
8 welcome a presentation from one of our great  
9 operators in the state. Hoosier Park and Indiana  
10 Grand are here to share some of their success  
11 with us today, a bit of their story from their  
12 properties.

13 And it is my pleasure to introduce and  
14 welcome the chairman and CEO of Centaur Gaming,  
15 Rod Ratcliff, to be with us today. Thank you for  
16 being here, sir.

17 MR. RATCLIFF: Thanks, Mr. Chairman. Thank  
18 you Chairman, Commissioners, Executive Director  
19 Yelton and staff.

20 On behalf of Centaur Gaming and our more  
21 than 2,000 team members throughout Indiana, we  
22 thank you for the time today to share the many  
23 great things that Centaur Gaming has accomplished  
24 since 1993 and the future initiatives that will  
25 move our company forward.

1           In the last three years, Centaur Gaming has  
2 grown, in large part due to our continuing work  
3 with the Indiana Gaming Commission, the Indiana  
4 Horse Racing Commission, the Indiana legislature  
5 and our many partners in our host communities and  
6 the Indiana horse racing industry. It is the  
7 continuation of these important partnerships that  
8 will determine Centaur Gaming's future in the  
9 next 20 years.

10           Although today's presentation can't begin to  
11 share Centaur's complete story, it will provide  
12 an insight into where we have come as an Indiana  
13 company and operated and the direction we are  
14 headed.

15           With this, I would like to introduce Jim  
16 Brown to complete it. Thank you.

17           CHAIRMAN BELL: Thank you, sir.

18           Questions from the Commission for  
19 Mr. Ratcliff before he leaves the podium?

20           (Laughter.)

21           MR. RATCLIFF: I thought I had it easy. He  
22 told me all I had to do is read this thing.

23           (Laughter.)

24           COMMISSIONER MORGAN: I have a question.  
25 How do you view the state of horse racing right

1           now in the state and where it's going? You know,  
2           it's been a rough journey.

3           MR. RATCLIFF: It has. It is a -- but let's  
4           look at our peers everywhere else. And from a  
5           peer standpoint from the other states, and I'm  
6           saying there's 35 states in the pari-mutuel  
7           business, what's happened here in Indiana in the  
8           last two years is remarkable. I mean it's just  
9           not happened anywhere else in the United States.

10           From the standpoint of putting these two  
11           tracks together, it's caused so many good  
12           synergies.

13           And in most states racing and gaming and  
14           the -- the politics of it all don't work.  
15           They're in constant fights. There's like five  
16           tracks in most states, three tracks in some, and  
17           they're all owned by different groups, and  
18           there's one huge squabble all the time because  
19           what's good for one is not good for another.

20           But since we own them both and since that's  
21           happened, we're kind of -- we're all partners. I  
22           don't think in the last two years we've had one  
23           disagreement with the horsemen, and that's helped  
24           us considerably to move this forward and, I mean,  
25           it's unheard of.

1           And we're getting looked at from especially  
2 people in Michigan, Illinois, and somewhat  
3 Kentucky and to a large extent Louisiana, too, of  
4 horse farms moving here to the state and bringing  
5 their horses.

6           I mean, so when people -- when you turn on  
7 simulcast, if you happen to anybody do that,  
8 you'll see short fields in a lot of states. Not  
9 here. We're seeing full fields. A lot of that's  
10 due to what I just said. And also the Indiana  
11 sire bred programs for thoroughbreds have really  
12 come on in the last two years.

13           And when the two-year-olds kick in in July  
14 when racing starts to get a little thin across  
15 the region, it's able to fill the rest of the  
16 races.

17           So we kind of -- when you look at our cards,  
18 they're very much different than in Illinois or,  
19 say, out east, and those -- in their, you know,  
20 slots that they're in.

21           But it's -- I mean, I think if you talk to  
22 any horseman, in the last two years they've seen  
23 a huge turnaround.

24           COMMISSIONER MORGAN: Thank you. I  
25 appreciate that.

1 MR. RATCLIFF: Thank you. Any other  
2 questions?

3 CHAIRMAN BELL: All right. We'll let you  
4 get off now I guess.

5 The Chair would then welcome president and  
6 chief operating officer of Centaur Gaming, Jim  
7 Brown, to the podium.

8 Thanks for being with us today, Mr. Brown.

9 MR. BROWN: Good afternoon. Thank you,  
10 Chairman Bell, Commissioners, Executive Director  
11 Yelton and Indiana Gaming Commission staff.

12 And it really is a pleasure to be here  
13 today. I joined Rod and Centaur in 2007 to open  
14 Hoosier Park Racing & Casino, and have been  
15 involved in Indiana gaming since February of  
16 1995.

17 I also serve as the chairman of the Casino  
18 Association of Indiana.

19 And I'd like to take you through our  
20 properties and some of our responsibilities and  
21 some of our accomplishments as a company since  
22 that time.

23 And we are an Indiana owned and operated  
24 company. We're headquartered in Indianapolis.  
25 We were founded in 1993. And we are committed to

1 bringing entertainment, gaming, racing and  
2 economic benefits of our facilities to our host  
3 counties, our host towns and the state of  
4 Indiana.

5 All of our properties are located within the  
6 state of Indiana, and they include Hoosier Park  
7 Racing & Casino in Anderson, Indiana Grand  
8 Racing & Casino in Shelbyville, and we currently  
9 operate five off-track betting facilities  
10 throughout the state, and I'll talk a little bit  
11 about them as we go forward.

12 And you can see a map of where we operate in  
13 the state of Indiana from Merrillville to  
14 Fort Wayne to Anderson, Shelbyville, Indianapolis  
15 and Clarksville.

16 We had a big change in our company on  
17 February 20th of 2013 when we acquired Indiana  
18 Grand Racing & Casino. And last year was a year  
19 filled with a lot of work in integrating both  
20 facilities into one company.

21 And Hoosier Park had always been operated as  
22 an integrated facility with one marketing  
23 department, finance, security, food and beverage  
24 and all departments operating under one umbrella.  
25 Indiana Grand had been operated as two separate

1 facilities. And a lot of work got done last year  
2 in bringing all of those departments and the  
3 company together, and I think we've -- we met  
4 with a lot of success and goodwill in our  
5 communities, and especially with the new facility  
6 in Shelbyville, from our efforts and our outreach  
7 within the community.

8 In looking at Hoosier Park, we're in  
9 Anderson. Our core market runs from the north  
10 side of Indianapolis up through Fort Wayne. We  
11 currently have 2,000 gaming positions. By IGC  
12 standards, we have 1,925 units. We have a  
13 variety of restaurants throughout the facility, a  
14 1,200 seat showroom and an outdoor concert  
15 facility that this year featured the Doobie  
16 Brothers, Earth Wind & Fire, Heart and Little Big  
17 Town. We have a 7/8 of a mile oval track. Well,  
18 I hope it's oval, but. That's been on there for  
19 years. We have a 7/8 of a mile track at Hoosier  
20 Park.

21 And this is important from the racing  
22 standpoint. Up until we acquired Indiana Grand,  
23 the meets got split and harness racing was half  
24 the meet at Hoosier Park and then thoroughbred  
25 and quarter horse was the other half, and

1 vice versa at Indiana Grand.

2 Hoosier Park was built for harness racing,  
3 7/8 of a mile track, no turf course.

4 Indiana Grand was built for thoroughbred and  
5 quarter horse racing, a mile track, 7/8 of a mile  
6 turf course and closer to Kentucky. We have more  
7 standardbred horse farms in Indiana.

8 By virtue of changing to one breed per  
9 track, and we operate 160 racing days for harness  
10 racing in Anderson and 120 days of thoroughbred  
11 and quarter horse racing in Shelbyville, along  
12 with the many changes we've made, both tracks got  
13 completely renovated this year. At Indiana Grand  
14 it was a million dollar project, that we brought  
15 the 15 inches of dirt and other materials that  
16 comprise the thoroughbred track course out and  
17 started all over again. We did about the same  
18 thing at Hoosier Park, but that's a little  
19 tighter because it's harness racing.

20 We've built barns at Indiana Grand, because  
21 the two-year-olds hit the track in the second  
22 half of the year, and they had been in Anderson,  
23 the thoroughbreds, and there were more stalls in  
24 Anderson than there were in Shelbyville.

25 And I'm going to talk more about what we've

1 done on the racing side in a little bit, but the  
2 important point is this has allowed us under one  
3 ownership, under excellent relationships with our  
4 horsemen partners and the one breed per track to  
5 move both tracks up.

6 And I would consider Indiana Grand an  
7 emerging track. Hoosier Park's emerged. We're  
8 one of the -- you don't make money in horse  
9 racing as an operator.

10 And Hoosier Park is one of the top six  
11 handling standardbred tracks in the country.  
12 95 percent of our handle on live race days comes  
13 from our export signal from 500 facilities around  
14 the world, so there's not a huge live audience,  
15 but there's a lot of interest in Hoosier Park  
16 from around the U.S. and the world.

17 And actually this Saturday night,  
18 Sebastian K, who is recognized as the best  
19 trotter in the world, he's an import from Sweden,  
20 he's raced nine times in the U.S., won eight out  
21 of nine races, he'll be racing at Hoosier Park.  
22 And that's the type of race horse, owner and  
23 drivers that we're getting at Hoosier Park now,  
24 and it really -- it's exciting to see and be a  
25 part of. We've gone through the Hoosier Park

1 facility.

2 Indiana Grand is an absolutely beautiful  
3 facility 25 miles southeast of Indianapolis. It  
4 is a fully integrated facility now. We have a  
5 wonderful buffet, a world-class steak house,  
6 gracious and spacious casino floor.

7 Our new addition has been the Winner's  
8 Circle Brewpub & Off-Track Betting facility just  
9 off the casino floor. We added 300 parking  
10 spaces last year, and we're in the process of  
11 adding 300 more parking spaces that'll be open by  
12 the end of September -- by the end of October.

13 As I said, from a racing -- we have 2,200  
14 gaming positions, 1,996 units by IGC count, and  
15 our thoroughbred racecourse received a new tote  
16 board, a new Jumbotron, new food and beverage  
17 products this year that our casino customers  
18 enjoy and the new facility within the casino  
19 floor.

20 Off-track betting facilities around the  
21 country are, like a lot of horse racing  
22 facilities, a dying breed, and you see OTBs  
23 closing up around the country. I think Kentucky  
24 closed their off-track betting facilities, or  
25 most of them, New York did the same thing.

1           And we said if we're going to continue to  
2 operate these facilities, we need a new business  
3 model. And the old business model was the stuff  
4 you saw in movies where there's a bar in the  
5 window and there's black-and-white tile on the  
6 floor and you go up to a cage and make your bet  
7 and get a hamburger. And we couldn't be a  
8 gambling joint with hamburgers. We needed to be  
9 something different.

10           And we concentrated on making food and  
11 beverage and entertainment as much of the  
12 portfolio as the off-track betting experience.

13           And the first one was in downtown  
14 Indianapolis, and that was the Pub, Grille & OTB,  
15 and if you haven't had a chance to see it, it's a  
16 beautiful facility. It's as much food and  
17 beverage driven as it is wagering driven, but it  
18 accommodates both audiences complementary to one  
19 another.

20           And we moved that model to Brewpub & OTB and  
21 opened at Indiana Grand in -- last month.

22           And in Fort Wayne we're building a new  
23 Winner's Circle in New Haven.

24           And our hope is to take our Clarksville  
25 facility and transform that into a Winner's

1 Circle Brewpub & OTB next year.

2 Our commitment to horse racing, we've  
3 discussed part of this, but it is a true  
4 commitment, it is a passion.

5 And aside from being a sport and a  
6 gaming-type form of entertainment, it's also an  
7 agribusiness. And the agribusiness of horse  
8 racing touches 92 counties within the state of  
9 Indiana. If you measure direct and indirect  
10 impacts, it's over -- it's over -- I'll go back  
11 to that one -- it's over a billion dollar  
12 business in Indiana annually.

13 Why don't you move forward. Okay.

14 And the agribusiness of horse racing employs  
15 over 10,000 people and does touch on all 92  
16 counties in Indiana. We pay 12 percent of our  
17 AGR to the racing industry. We don't participate  
18 in that. That goes directly to purses for the  
19 horsemen and breed development within the state.

20 And an important breakthrough, in addition  
21 to the one breed per track last year, was moving  
22 the moneys that go to horse racing off the state  
23 budget, because every year there was the threat  
24 that that money would disappear, which caused  
25 people not to want to invest in horse farms, real

1 estate in Indiana involved with the racing  
2 industry, broodmares, sires, everything to do  
3 with growing the agribusiness of horse racing  
4 within the state.

5 Now that it's an owner, operator, horseman  
6 direct relationship with a seven-year agreement  
7 to it, paying them 12 percent of AGR, now people  
8 can safely make an investment in Indiana. And we  
9 think that's a real important aspect of this that  
10 sometimes doesn't get noticed because we're more  
11 focused on the racing element in horse racing.

12 Now, going back, we do operate within a  
13 unique regulatory framework which Rod has pointed  
14 out, and we have relationships with the Indiana  
15 Horse Racing Commission and the Indiana Gaming  
16 Commission, and both provide us the privilege to  
17 operate our facilities within the state of  
18 Indiana.

19 We're interested in making sure that our  
20 racing product is as good as it gets in the  
21 country. And if you look at our Hoosier Park  
22 export signal, and it's -- true story, we have a  
23 T-shirt toss every night, and we have a lot of  
24 Mennonites that visit our facility because they  
25 raise trotters, and usually it's a bunch of

1        locals and Mennonites chasing each other for  
2        T-shirts.

3                But if I'm out in New York City -- and  
4        that's perfect, that's great for us, but if I'm  
5        in New York state or California, I want those  
6        customers to feel like they're watching the  
7        Madison Square Garden of horse racing, and we  
8        make sure that every product or part of the  
9        product that we provide to our customers feels  
10       like you're at the top of the game within  
11       whatever product it happens to be, whether it be  
12       gaming or racing, and that includes technology.

13                Trakus is a technology that -- if you've  
14        watched horse races, it's hard to tell what  
15        number they are, especially when they're coming  
16        down the stretch and you've got money bet on  
17        them. Well, this is a GPS system that's in each  
18        saddlecloth that has chicklets that you can see  
19        on the bottom, and that tracks each horse as it  
20        goes around the track. Some of the bigger  
21        thoroughbred tracks have Trakus, but we're the  
22        only harness track in North America that features  
23        Trakus. And my wife even stays for a few races  
24        before she gets bored and says I'm going to the  
25        casino now that we have Trakus.

1           We also have FastBet Mobile. And FastBet  
2 Mobile is an on-site, use your iPhone or tablet  
3 and bet on racing. And this is a convenience for  
4 our customers. They can sit around a table and  
5 socialize and make their bets rather than having  
6 to get up, go to a teller, interrupt conversation  
7 or whatever they're doing. And FastBet Mobile is  
8 at Indiana Grand, at Hoosier Park and at our  
9 downtown Winner's Circle.

10           And we remain interested from a gaming and  
11 racing standpoint in whatever technology advances  
12 are available to us.

13           And I don't want to take too long with the  
14 presentation, but this is possibly the most  
15 important aspect of what we do and our heart and  
16 soul, and that's our team and our community  
17 relationships.

18           And we have over 2,000 team members within  
19 Centaur now. 97 percent are Indiana residents.  
20 We operate a couple facilities close to the  
21 border and we have a few seasonal racing team  
22 members that have residences in other states.  
23 50 percent of our team members are women.  
24 17 percent of our team members are minorities.  
25 And through -- through the casino opening,

1 they've earned more than \$316 million.

2 And out of these team members, I made a  
3 couple notes that I -- at our Hoosier Park  
4 facility, 57 percent of our team members live in  
5 Anderson and 68 percent reside in Madison County.

6 At Indiana Grand, 40 percent reside in  
7 Shelbyville and 50 percent reside in Shelby  
8 County.

9 And that's important, because by having the  
10 privilege from our host community and the state  
11 of Indiana to operate our facilities, it's  
12 important that we provide economic benefit,  
13 community support and anything else that we can  
14 do to make this a win for the community. If it's  
15 not a win for them, it can't possibly be a win  
16 for us.

17 And we're proud of our record with our team  
18 members, our employment and our community  
19 involvement, and the majority of our team members  
20 live in our host communities.

21 From an economic and community impact  
22 standpoint, you've seen this, these are mandatory  
23 payments, but they do -- they do equal at this  
24 point since our facilities opened \$1.7 billion in  
25 payments to the State of Indiana, to our host

1 communities and to the cities and counties, and  
2 \$500,000,000 of that was for property tax relief  
3 and our license fees when we first opened, but  
4 this is something that, although it is mandatory,  
5 it's an important part of what we do.

6 Going back to our team members, I can't tell  
7 you how many success stories we have with people  
8 that we know, work with and have relationships  
9 with and have grown to love over the years.

10 Anderson used to be the second biggest GM  
11 town in the country, and GM pulled out. And  
12 Colin, one of the best guys you'll ever meet, is  
13 a former GM employee and he lost his job when GM  
14 left Anderson. And we brought Colin in when we  
15 opened, he received training and education in  
16 electronic games, and now he's probably our  
17 strongest electronic games supervisor.

18 And I could recite a hundred more Colin  
19 stories for everybody here, but that's one of our  
20 purposes in what we do.

21 And the many businesses that we operate with  
22 locally, and Lisa at Raindrops and Roses is just  
23 one example of the over 700 local and regional  
24 businesses that Hoosier Park and Indiana Grand  
25 work with, and we have put an emphasis on local,

1 regional and MBE purchasing. And to date between  
2 the two facilities since our casinos have opened,  
3 we've purchased over \$300 million in goods and  
4 services from local and regional businesses  
5 through hundreds and hundreds of vendors, and  
6 we've now reached over 50 million in  
7 minority-owned business purchases and over  
8 50 million in women-owned business purchases.

9 We're also a proactive corporate citizen.  
10 We take this seriously. We recently pledged a  
11 \$2.7 million gift toward the Purdue University  
12 soon-to-be Centaur Regional Equine Diagnostic and  
13 Surgical Center, which is really an equine  
14 hospital that's going to be built soon in  
15 Shelbyville.

16 And we also in -- as we started to bloom our  
17 relationship with Shelbyville, we made a  
18 commitment as their -- their grandstands for the  
19 county fair had been burned down by arson, we  
20 pledged \$500,000 to them to rebuild the  
21 fairgrounds grandstands, and there's a beautiful  
22 new grandstand in -- at the Shelby County  
23 Fairgrounds now that's already built, up and  
24 running.

25 Our United Way campaigns and United Fund

1 campaigns are the one time a year that we ask our  
2 team members to give, and we do payroll  
3 deductions for them, and we've had successful  
4 campaigns at all our facilities.

5 Our team members and management serve on  
6 over 40 local nonprofit and community  
7 organizations, along with volunteer work, charity  
8 holiday slot tournaments that moneys go and gifts  
9 go to the Salvation Army and other worthy  
10 participants.

11 And it's just -- it's a responsibility that  
12 we have that we take seriously all the way  
13 through from our team members to our giving of  
14 time, resources and energy and ensuring that we  
15 can help improve the quality of life in the host  
16 communities in which we operate.

17 These are -- this is more a list, you have  
18 the books and you can read them at your leisure,  
19 of projects that we undertook in 2014 primarily  
20 related to racing and, you know, from new tote  
21 boards and Jumbotrons to new landscaping, a new  
22 starting gate.

23 A great achievement at Indiana Grand was the  
24 National Thoroughbred Racing Association  
25 accreditation, whose application was 175 pages

1 long, but places us, and we're looked at, Indiana  
2 is looked at as one of the safest and highest  
3 level of integrity racing states in the country,  
4 and the NTRA accreditation for Indiana Grand,  
5 which is only available to thoroughbred tracks,  
6 was a testament to the job that we're doing  
7 there. And we're also building a new barn for  
8 quarter horses.

9 At Hoosier Park we built a new drivers'  
10 lounge, and our drivers enjoy a decent place to  
11 be between races, because they were using the old  
12 jockeys' paddock which is at the other end of the  
13 track. And we've done some more work at both  
14 facilities, including more dorms at Indiana Grand  
15 since we have a staff there that's there almost  
16 year around that doesn't have the horse farms to  
17 go to.

18 But we're proud of what we've done in  
19 gaming. We're proud of what we've done in  
20 racing.

21 And that's a list of some of our financial  
22 and other commitments and accomplishments this  
23 year.

24 This is a quick view of the new Hoosier Park  
25 showroom and clubhouse. For five years we did

1 shows in our steak house which also served as the  
2 clubhouse for racing and turned it into an old  
3 Las Vegas showroom once a month, had everybody  
4 from Joan Jett to the Oak Ridge Boys. And you  
5 should see the staff rip out an entire 300 seat  
6 dining facility, put in 750 seats and host an old  
7 Las Vegas showroom type show every month.

8 Well, we finally took the steak house area,  
9 kept it that way but upgraded it and took the  
10 grandstands and rebuilt it. And other than the  
11 Meadowlands, this is the finest clubhouse and  
12 grandstands for harness racing in the country.  
13 And I think that's arguable, but I think you  
14 would hit a consensus that it is. And it also  
15 serves as a 1,200 seat showroom with a permanent  
16 stage. And in November we'll be hosting Boz  
17 Scaggs, and we've had everybody from Bret  
18 Michaels to Kansas to I think over a hundred acts  
19 between the old Las Vegas room and this room, but  
20 it's a beautiful facility with 15 mini suites for  
21 racing or horse shows.

22 At Indiana Grand, as I mentioned, the  
23 opening of our new Winner's Circle Brewpub & OTB.  
24 And this was a unique project because aside from  
25 being a brewpub, it feels like a race book in

1 Las Vegas on a casino floor, and that hasn't been  
2 done in Indiana yet and our customers love it.  
3 We still need some business during the week, but  
4 on weekends it's hard to find a seat.

5 And as we talked about staying ahead in  
6 technology, we continue to try to introduce new  
7 technology. And we had worked on a project over  
8 the last couple years and it was to introduce  
9 limited mobile gaming within our facilities and  
10 this is tablet-based gaming on an iPad device and  
11 it's the same game you would find in a big  
12 cabinet, but it's on an iPad and it's mobile to  
13 where -- meaning you can walk around with it in a  
14 living room environment and play the game.

15 And we've aligned with Bally on this  
16 project. And we have the ability to get any  
17 operator's slot machines, video poker, whatever  
18 you can find on one of our casino floors. And we  
19 undertook this trying to move ahead with  
20 technology, trying to get ahold of a younger  
21 demographic as our core audience ages, and we're  
22 at the point that our Indiana General Assembly  
23 did approve limited mobile gaming in 2013. We've  
24 already designed and designated an area, and it  
25 is the Winner's Circle Brewpub & OTB that's right

1 on the casino floor for this type of technology  
2 and product.

3 We also have the authority from the Indiana  
4 Gaming Commission to go to 2,200 units, and we're  
5 at 1,996, so that is in place, the ability to  
6 have additional units.

7 And between the Winner's Circle and what we  
8 would do here, we would be spending a total of  
9 \$1.8 million and we'd be adding \$300,000 of  
10 payroll a year with the hope that in a saturated,  
11 highly competitive, sluggish market, that we can  
12 find a niche and help grow our revenue and turn  
13 on a younger, a 25- to 39-year-old gamer for a  
14 new, unique product that's already in other  
15 states around the country.

16 So with that, although this was a  
17 presentation on our company and our facilities,  
18 this is a request from the mobile gaming  
19 standpoint to respectfully request that the  
20 Indiana Gaming Commission authorize the Executive  
21 Director and his staff to consider our proposal  
22 for a mobile gaming pilot project at Indiana  
23 Grand and develop appropriate rules, policies and  
24 procedures for its governance.

25 CHAIRMAN BELL: Thank you, Mr. Brown.

1           Before we comment on the presentation, might  
2 we focus on the issue of limited mobile gaming.

3           Sara Gonso Tait, our General Counsel, if you  
4 could step for us and -- or step from the table,  
5 I guess, to present Order 2014-185 for  
6 consideration by the Commission, we'll then have  
7 time for questions and comments for Mr. Brown and  
8 Mr. Ratcliff.

9           MS. GONSO TAIT: Thank you, Mr. Chair.

10          The final order before you all today would  
11 then be Order 2014-185 concerning Centaur  
12 Gaming's -- Centaur Acquisition's limited mobile  
13 gaming concept approval.

14          Commission staff would recommend that you  
15 approve of this order, which would just allow the  
16 concept to move forward while reserving the right  
17 for all other approvals for substantial phases  
18 prior to implementation be reserved to the  
19 Commission.

20          CHAIRMAN BELL: Thank you, Ms. Gonso Tait.

21          Are there questions from the Commission for  
22 Ms. Gonso Tait in regard to Order 2014-185?

23          I imagine those questions could also be  
24 directed to our guests from Centaur Gaming as  
25 well, if that's more appropriate.

1           COMMISSIONER MORGAN: No, we've read the  
2 order, I have no questions.

3           CHAIRMAN BELL: Hearing no questions, the  
4 Chair would entertain a motion in regard to the  
5 disposition of Order 2014-185.

6           COMMISSIONER MORGAN: Motion to approve.

7           COMMISSIONER SVETANOFF: Second.

8           CHAIRMAN BELL: The order has been moved for  
9 approval and seconded.

10           All those in favor of the approval of  
11 Order 2014-185, please signify by saying aye.

12           (Chorus of ayes.)

13           All opposed, same sign.

14           Thank you. The order stands approved.

15           MR. BROWN: Thank you.

16           CHAIRMAN BELL: Mr. Ratcliff and Mr. Brown,  
17 if I could just, in response to your  
18 presentation, I'd like to thank you for your  
19 commitment to the state of Indiana, your clear  
20 commitment to the Hoosier worker and employing  
21 those workers from the community that serve as  
22 your hosts. The way that you've embraced local  
23 suppliers, particularly minority and women owned  
24 businesses in Indiana, is a credit to you. I'd  
25 like to congratulate you on your commitment to

1 finding local sources for food and for beer and  
2 the new concepts at your OTBs.

3 And finally would like to congratulate you,  
4 because from your presentation it would certainly  
5 appear to me that the whole that has been created  
6 between Indiana Grand Casino and Hoosier Park is  
7 even greater than the sum of its parts.  
8 Congratulations.

9 Comments or questions from the other  
10 Commissioners?

11 COMMISSIONER MORGAN: I just have one  
12 comment for you, sir. That was a great  
13 presentation. I -- I really like your forward  
14 thinking and coming up with new, innovative ways  
15 of putting them in there and backing it up.

16 MR. BROWN: Thank you very much.

17 MR. RATCLIFF: Thank you.

18 CHAIRMAN BELL: Thank you, Mr. Brown. Thank  
19 you, Mr. Ratcliff.

20 Seeing no other business before the  
21 Commission, the Chair will return the floor to  
22 Executive Director Yelton.

23 EXECUTIVE DIRECTOR YELTON: Thank you. It's  
24 with a heavy heart that I announce that this will  
25 be the last meeting for our Chair, Matt Bell,

1 with the Gaming Commission. For our November  
2 meeting, he will have retired and be with us no  
3 more, at least in person, always in spirit.

4 I've been fortunate to have ten executive  
5 directors during my tenure and they've all been  
6 wonderful, but I think you would all agree that  
7 no one has chaired a meeting more respectfully,  
8 politely, efficiently and professionally than  
9 Matt has done, so I know Governor Pence thanks  
10 him, I know the Commissioners thank him, I know  
11 the staff thanks him, I know the industry thanks  
12 him, and I know the State of Indiana thanks him  
13 for his unparalleled leadership and qualities he  
14 has shown us.

15 And as a small token -- if you will stand,  
16 please -- Governor Pence has asked me in his  
17 stead to bestow upon you the order of Sagamore of  
18 the Wabash.

19 (Applause.)

20 For those who do not know, this is the  
21 highest award a governor can bestow upon any  
22 citizen in his state.

23 And it reads, it's kind of awkward, so I'll  
24 try not to butcher it.

25 Know All Men by These Presents:

1           WHEREAS, the Greatness of the Sons of  
2           Indiana derives, in part, from qualities  
3           possessed by the noble Chieftains of the Indiana  
4           Tribes which once roamed its domain; and

5           WHEREAS, it has been the immemorial custom  
6           of the State of Indiana to attract to its support  
7           those who have exhibited such qualities; and

8           WHEREAS, there has endeared himself to the  
9           Citizens of Indiana one Matt Bell, distinguished  
10          by his Humanity in Living, his Loyalty in  
11          Friendship, his Wisdom in Council, and his  
12          Inspiration in Leadership;

13          NOW, THEREFORE, recognizing his greatness  
14          and desiring to avail myself of his counsel, I do  
15          hereby appoint him a Chieftain upon my Staff with  
16          the rank and title of:

17                 SAGAMORE of the WABASH.

18                 (Applause.)

19          CHAIRMAN BELL:   Wow.   That was certainly  
20          unexpected, and I would thank -- please extend my  
21          thanks to the governor, and I will as well, for  
22          this wonderful honor.

23                 I make no secret of the fact that I have  
24          never met a man in State government with greater  
25          integrity than Ernie Yelton.   The leadership that

1 he has brought to this Commission is  
2 unparalleled, and if you have the opportunity, as  
3 many of you do, to travel from state to state,  
4 you understand very quickly the high regard in  
5 which the Indiana Gaming Commission is held, and  
6 I think Director Yelton's integrity is a key part  
7 of that. He's been surrounded by wonderful folks  
8 on his staff, certainly at the senior level in  
9 Jenny, but really throughout the ranks from folks  
10 working diligently each month to ensure  
11 compliance, to prepare excellent materials for  
12 Commission, to make sure that the industry has  
13 the opportunity to fulfill its mission of  
14 providing jobs and economic development  
15 opportunities across this state, as a whole they  
16 are phenomenal and a great example of what State  
17 government does at its very best, so I thank each  
18 and every one of you for your work.

19 To the Commissioners who have been so  
20 patient in working with me, I thank you for your  
21 time, for your commitment to this Commission, to  
22 this industry and the state of Indiana.

23 And to the operators, to those of you who  
24 invest in our communities, who employ Hoosiers,  
25 who make value for people throughout each corner

1 of the state, I thank you for your commitment to  
2 making Indiana's properties among the very finest  
3 in the nation. I challenge you to continue to do  
4 so in the years and decades to come so that your  
5 industry will continue to be a part of our great  
6 Hoosier economy.

7 Thank you for the opportunity to serve as  
8 Chair. Director Yelton, thank you for your  
9 friendship, your kindness and your willingness to  
10 teach. And I wish all of you the very, very best  
11 of luck as you move forward. Thank you.

12 (Standing ovation.)

13 EXECUTIVE DIRECTOR YELTON: For those of you  
14 who are interested, Chairman Bell's remarks to  
15 the surprise award are in print and they're at  
16 the back of the room when you leave.

17 (Laughter.)

18 Tentatively, I underline tentatively, we are  
19 looking towards our next meeting on November 20,  
20 tentatively at Lawrenceburg at 10 a.m. All is  
21 subject to change, but I wanted to give you  
22 advance notice that is our intent and our  
23 direction.

24 COMMISSIONER MORGAN: The date on that?

25 EXECUTIVE DIRECTOR YELTON: November 20th,

1 10 a.m. All of this is subject to change, but  
2 that's our direction at this time and I wanted to  
3 alert you in advance.

4 So with that, I return the mike back to our  
5 Chair.

6 CHAIRMAN BELL: Any further business to come  
7 before the Commission?

8 Seeing none, the Chair would entertain a  
9 motion for adjournment.

10 COMMISSIONER JOHNSTON: So moved.

11 CHAIRMAN BELL: Adjournment has been moved  
12 and will be declared. The September 18th  
13 business meeting of the Indiana Gaming Commission  
14 stands adjourned.

15 Thank you all for being here.

16 (At 3:18 p.m., September 18, 2014, this  
17 meeting of the Indiana Gaming Commission was  
18 adjourned.)  
19  
20  
21  
22  
23  
24  
25

1 STATE OF INDIANA )  
 ) SS:  
 2 COUNTY OF MARION )

3  
 4 I, Dianne D. Lockhart, a Notary Public and  
 5 Stenographic Reporter within and for the County of  
 6 Marion, State of Indiana at large, do hereby certify  
 7 that the Indiana Gaming Commission Business Meeting  
 8 held on September 18, 2014, commencing at 2:09 p.m.  
 9 at the Indiana State Library, History Reference  
 10 Room, 315 West Ohio Street, Indianapolis, Indiana,  
 11 was taken down in stenograph notes and afterwards  
 12 reduced to typewriting under my direction, and that  
 13 the typewritten transcript is a true record of the  
 14 proceedings had.

15 IN WITNESS WHEREOF, I have hereunto set my hand  
 16 and affixed my notarial seal this 1st day of  
 17 October, 2014.

18  
 19 \_\_\_\_\_  
 20 N O T A R Y P U B L I C  
 21  
 22

23 My Commission Expires:  
 24 July 22, 2015

25 County of Residence:  
 Marion County

**In The Matter Of:**

*INDIANA GAMING COMMISSION  
BUSINESS MEETING*

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*September 18, 2014*

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