

**ORDER 2006-21
IN RE SETTLEMENT AGREEMENT
BELTERRA CASINO AND RESORT
06-BT-01**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVES
APPROVES OR DISAPPROVES

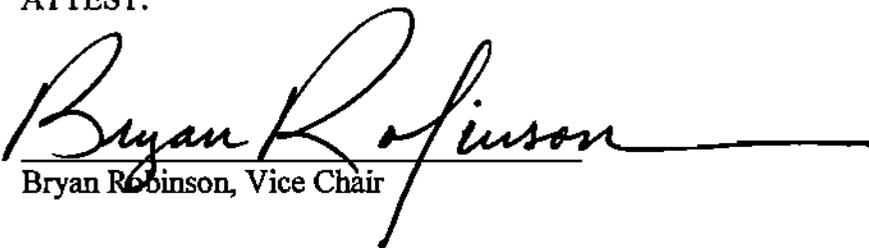
the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 9th DAY OF MARCH, 2006.

THE INDIANA GAMING COMMISSION:


Harold Calloway, Chair

ATTEST:


Bryan Robinson, Vice Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
BELTERRA CASINO AND RESORT) **06-BT-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director, Ernest E. Yelton and Belterra Casino and Resort (“Beltterra”) desire to compromise and settle this matter prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 11-7 requires a riverboat licensee to submit internal control procedures regarding the control of sensitive keys. 68 IAC 11-7-3 requires that a log be completed detailing the signing in and out of sensitive keys.
2. On August 9, 2005, a sensitive key was improperly secured in violation of 68 IAC 11-7 and approved internal control procedures. A cage cashier placed a sensitive key (key to a cage drawer) into an unsecured locker on the boarding ramp.

COUNT II

3. 68 IAC 12-1-5(f)(8) provides that “areas where the following items are stored must be monitored by a dedicated camera that provides continuous taping or motion activation, whichever is appropriate, of the following: . . . (D) Cards.”
4. On September 9, 2005, a deck of teal-colored cards was discovered to have been misplaced. Although Belterra conducted an investigation into the cause of the missing deck, they were unable to locate the deck and were unable to determine what had occurred. Surveillance informed Commission agents that they did not have surveillance coverage of the pit two podium where the cards are stored. Belterra did not have adequate surveillance coverage of the card storage area.

COUNT III

5. Pursuant to IC 4-33-9-12(a), “a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.” Pursuant to

68 IAC 1-11-1(c), “[a] person under twenty-one (21) years of age shall not be present on a riverboat.”

6. On October 20, 2005, an underage patron was discovered on board the Belterra vessel. Surveillance footage indicates that the individual’s identification had been checked by a security officer, who then allowed the minor to board the vessel. The minor was on board the vessel for approximately three hours.

COUNT IV

7. Pursuant to IC 4-33-9-12(a), “a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.” Pursuant to 68 IAC 1-11-1(c), “[a] person under twenty-one (21) years of age shall not be present on a riverboat.”
8. On December 14, 2005, Belterra Security Department personnel issued vendor badges to two underage vendors who were present on property to replace carpet on the vessel.

COUNT V

9. 68 IAC 15-9-4(a) requires that riverboat licensees “establish and submit policies and procedures for the redemption of chips and tokens received by nongaming occupational licensees as tips and gratuities or as payment for food and beverages.” 68 IAC 15-9-4(b) requires that a “nongaming occupational license redemption log will be maintained to document the redemption of all chips and tokens by nongaming employees,” and specifies the information that must be included in such a log.
10. In July of 2005, Commission auditors noted that Belterra was using a non-gaming employee redemption log that had not been approved as part of Belterra’s internal controls. The unapproved log was in use between May 5, 2005 and July 13, 2005. In addition, examination of the unapproved log indicated that when the log was full, the blank reverse side of the log was used. Belterra indicated that it had reinforced the policies and procedures for completing the approved non-gaming redemption log after the first audit. However, Commission auditors discovered during the follow-up audit in September that employees were utilizing a TITO balance sheet instead, which was also used to record unrelated information.

RECOMMENDATION TO THE COMMISSION

The actions of Belterra violated IC 4-33 and Title 68 of the Indiana Administrative Code, as well as Belterra’s approved internal control procedures. Commission staff and Belterra agree that a sanction be imposed. Commission staff recommends, and Belterra will agree to pay a fine in the amount of \$21,500: \$5,000 for Count I; \$2,500 for Count II; \$1,500 for Count III; \$7,500 for Count IV; and \$5,000 for Count V.

The Commission staff and Belterra agree that a sanction be imposed due to the actions stated in the Findings of Fact. The Commission staff recommends and Belterra will agree to pay a fine in the amount of \$21,500.

Upon execution and approval of this Settlement Agreement, Belterra and the Commission staff agree to submit this Settlement Agreement to the Commission for review and final Commission action. Upon approval of the Settlement Agreement by the Commission, Belterra agrees to remit payment in the amount of \$21,500 and waives all rights to judicial review. This Settlement Agreement shall be binding upon the Commission and Belterra.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.


Ernest E. Yelton, Executive Director
Indiana Gaming Commission


Larry Byck, General Manager
Belterra Casino and Resort

March 9, 2006
Date

03-07-06
Date