



**GAMING CONTROL BOARD  
ANNUAL REPORT**

2016-2017



David M. Barasch

## CHAIRMAN'S MESSAGE

Welcome to the Pennsylvania Gaming Control Board's Fiscal Year 2016-17 Annual Report. This publication, now in its 11th year, provides detail on our agency's regulatory efforts along with important revenue statistics.

Casino gaming in the Commonwealth supports thousands of living wage jobs and generates well over \$1 billion annually in tax revenue. Additionally, Pennsylvania's casinos produce additional significant economic benefits through their annual purchase of hundreds of millions of dollars in goods and services from Pennsylvania businesses.

Since I became Chair in October 2015, normal term limitations have led to a significant changeover of the seven-member Board. But, through the appointments by the Governor and Legislature of well qualified new members to the Board, along with the excellent work of our agency staff, the PGCB's regulatory efforts have not missed a beat.

At the same time, we have also continued to be good stewards of our agency's budget by controlling our employment complement without sacrificing the quality of our work.

It continues to be my honor to serve the citizens of Pennsylvania as Chair of the PGCB. I look forward to working with my Board colleagues to continue our fair regulation of the Commonwealth's successful casino industry, while being prepared to also regulate other forms of gaming that may be legalized in the future.

David M. Barasch  
Chairman



Kevin F. O'Toole

## EXECUTIVE DIRECTOR'S MESSAGE

Thank you for taking the time to review this annual report and find out more about the important work of the Pennsylvania Gaming Control Board ("PGCB").

Established through the passage in 2004 of the Pennsylvania Race Horse Development and Gaming Act, the PGCB has carried out the many and diverse demands of that law to help build and regulate an industry that creates more tax revenue from commercial casinos than any other state.

Technology continues to drive the casino industry that we regulate. Over the past year, the PGCB has seen increasing reliance on technology on the gaming floors including exciting new forms of table games designed to attract more patrons and keep gaming enjoyable.

The discussion of expanding to permit additional forms of legalized gaming continues in Harrisburg. With that in mind, much of our staff has been preparing for any additional regulatory undertaking that may come our way should approvals be made by the Legislature and Governor.

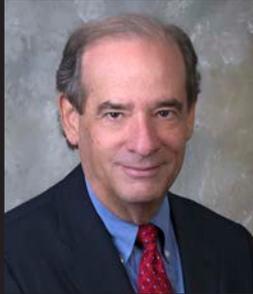
We work for you, the public. If you ever have any comments on the Commonwealth's casino industry, I invite you to contact us via e-mail at [pgcb@pa.gov](mailto:pgcb@pa.gov).

Kevin F. O'Toole  
Executive Director

## BOARD MEMBERS



Kathy M. Manderino  
Board Member  
Designated by the Governor



David M. Barasch  
Chairman  
Designated by the Governor



William H. Ryan, Jr.  
Board Member  
Designated by the Governor



Dante Santoni, Jr.  
Board Member  
Designated by the  
Minority Leader of the  
House of Representatives



Richard G. Jewell  
Board Member  
Designated by the  
Speaker of the  
House of Representatives



Merritt C. Reitzel  
Board Member  
Designated by the  
President Pro Tempore  
of the Senate



Sean Logan  
Board Member  
Designated by the  
Minority Leader  
of the Senate



The Honorable  
C. Daniel Hassell  
Ex-Officio Member  
Secretary of Revenue



The Honorable  
Joe Torsella  
Ex-Officio Member  
State Treasurer



The Honorable  
Russell C. Redding  
Ex-Officio Member  
Secretary of Agriculture

## PUBLIC MEETINGS & EXECUTIVE SESSIONS

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

It is customary for the Board to conduct an executive session the day prior to a public meeting for the purpose of discussing matters confidential under the state's Sunshine Law. An agenda is prepared for these executive sessions and the agenda is posted to the Board's website. Additionally, the Board may consider matters that necessitate a hearing and these matters are conducted immediately prior to a scheduled public meeting.

When the hearing is concluded, the Board's Chairman may call for an executive session to engage in quasi-judicial deliberations regarding the matters which were the subject of the hearing. A log of executive sessions held by the Board during fiscal year 2016/2017, including reference to the agenda posted on the Board's website, is set forth below:

### Pennsylvania Gaming Control Board - Executive Session Log Fiscal Year 2016-2017

#### **7/12/2016**

See Agenda posted on Gaming Control Board Website under "Meetings". Link to [7/13/2016](#).

#### **7/13/2016**

Quasi-judicial deliberation regarding public hearings held on 7/13/2016 - See Agenda posted on Gaming Control Board Website under "Meetings". Link to [7/13/2016](#).

#### **8/9/2016**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [8/10/2016](#).

#### **9/6/2016**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [9/7/2016](#).

#### **10/4/2016**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [10/5/2016](#).

#### **11/15/2016**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [11/16/2016](#).

#### **12/13/2016**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [12/14/2016](#).

#### **1/10/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [1/11/2017](#).

#### **1/31/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [2/1/2017](#).

#### **3/21/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [3/22/2017](#).

#### **3/22/2017**

Quasi-judicial deliberation regarding a public hearing held on 3/22/2017 - See Agenda posted on Gaming Control Board Website under "Meetings". Link to [3/22/2017](#).

#### **4/4/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [4/5/2017](#).

#### **4/25/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [4/26/2017](#).

#### **4/26/2017**

Quasi-judicial deliberation regarding an oral argument and a public hearing held on 4/26/2017 - See Agenda posted on Gaming Control Board Website under "Meetings". Link to [4/26/2017](#).

#### **5/16/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [5/17/2017](#).

#### **6/6/2017**

See Agenda posted on Gaming Control Board Website under "Meetings" Link to [6/7/2017](#).

# PGCB STATEMENT OF REVENUE & EXENDITURES

Fiscal Year 2016-17

Beginning Balance			
Casino Operator Assessments	\$34,414,000		
Restricted Revenue	<u>\$5,755,000</u>		
Available			\$40,169,000
Personnel Expenditures			
Salaries	\$19,398,751		
Overtime	\$301,343		
Benefits	\$13,580,353		
Other Employee Paid Benefits	\$0		
Leave Payouts/Military Stipend	<u>\$79,588</u>		
Total Personnel Expenditures		\$33,360,135	
Operating Expenditures			
Travel	\$222,029		
Training	\$25,167		
Utilities/Comm	\$442,431		
Services	\$1,539,291		
Rentals/Leases	\$1,762,323		
Supplies	\$92,288		
Equipment(NFA)	\$671,090		
Inventory Expenses	\$26,438		
Other Operating Expenses	<u>\$722,525</u>		
Total Operating Expenditures		\$5,503,581	
Fixed Assets			
Hardware Peripherals	\$93,965		
Software Licensing Recurring	<u>\$132,724</u>		
		<u>\$226,689</u>	
Total Expenditures			<u>\$39,090,405</u>
Revenues Over (Under) Expenditures			\$1,078,595

Note: Expenditure figures as of August 7, 2017. Figures include account payables.



Claire Yantis  
Administrative  
Director

## BUREAU OF ADMINISTRATION

This year, the PGCB created the Bureau of Administration to oversee the integration of administrative and management service programs for the PGCB, and to assist the Executive Director in developing management and policy recommendations regarding technology, personnel management, agency operating procedures, and financial management. The Bureau of Administration oversees the operation of the following seven bureaus:

- Compulsive and Problem Gambling
- Gaming Laboratory Operations
- Financial Management
- Human Resources
- Information Technology
- Office Services
- Communications

Separate reports on the Gaming Laboratory and Compulsive and Problem Gambling are contained in other sections of this report. Information on the other bureaus under the Bureau of Administration follow:

### Financial Management

The Office Financial Management (OFM) serves as the focal point for the Gaming Control Board's fiscal matters by providing direction, planning, and oversight for financial policy, procedures, and reporting. OFM is committed to strengthening financial management within the Board through a coordinated program involving the:

- modernization and integration of financial systems;
- improvement of financial reporting and accountability; enhancement of efficient and effective management controls; and,
- preparation of financial statements.

OFM assists the Board in preparing both analysis and recommendations regarding the itemized gaming budgets of the Department of Revenue, Attorney General's Office, and Pennsylvania State Police to the legislative appropriations committees. In addition, the OFM bills, collects, reports and monitors all agency generated revenue and posts on the PGCB Internet website, and a list of all the itemized expenses of employees and members for each month that were reimbursed.

### Human Resources

The Office of Human Resources (OHR)

- establishes, maintains and administers effective and comprehensive classification and compensation programs/policies;
- reviews and maintains the agency's organizational structure to ensure efficient operation and complement control;
- coordinates a highly competitive benefits program; and,
- ensures that all employees work in a safe and fair environment.

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

In Fiscal Year 2016-2017 the OHR assisted the agency by:

- continuing to develop and implement a comprehensive training schedule to ensure all managers and employees are aware of roles and responsibilities regarding critical employment policies and procedures;
- working with Bureaus to review staffing needs and structure resulting in an elimination of three positions; and,
- restructuring the Bureau of Administration to increase efficiency and decrease redundancies between Bureaus.

*Employees By Bureau as of June 30, 2017*

<b>Commissioners</b> <b>7</b>	<b>Executive Offices</b> <b>5</b>
<b>Administration</b> <b>30</b>	<b>Investigations &amp; Enforcement</b> <b>76</b>
<b>Casino Compliance</b> <b>123</b>	<b>Licensing</b> <b>22</b>
<b>Office of Chief Counsel</b> <b>10</b>	<b>Hearings and Appeals</b> <b>4</b>
<b>Office of Gaming Operations</b> <b>13</b>	
<b>Total Number of Employees</b> <b>290</b>	



### Information Technology

The Office of Information Technology (OIT) is responsible for the performance and integrity of the network, and the overall planning, organization and execution of all information technology functions within the Gaming Control Board.

OIT is responsible for the continued support and development of applications to assist PGCB staff in their daily business operations. OIT also provides daily support of all technology for employees, including oversight and maintenance of all computers, servers, networks, software, and telecommunications equipment. OIT will continue to leverage technology solutions to enhance operational efficiencies throughout all areas of the Gaming Control Board.

#### During the fiscal year OIT worked on:

- an infrastructure upgrade project to enhance our effectiveness, network speed and reliability within the main office and three regional offices;
- an upgrade and migration of external facing applications and public web site to a new infrastructure located at the commonwealth enterprise data center;
- implementation of a new self-service help desk system along with a self-service password reset application;
- the completion of approximately fifty-nine (59) internal application enhancements providing new functionality to various bureaus within the organization.

### Office Services

Office Services has the responsibility of ensuring that the administrative activities within PGCB run efficiently by providing structure to the transportation needs, purchasing requirements, building security and the operations of all PGCB offices. Activities can range from being responsible for the management of purchase orders; advising on “Requests for Proposals” and other contracts; managing office leases and researching new lease opportunities to reduce overall costs; continually monitoring building security needs and upgrades; and, the day to day assignment of automobiles for PGCB related duties.

During the fiscal year, the employees of Office Services:

- purchased requested goods and services related to the day to day operation of the Board;

- reviewed all lease arrangements for cost savings including the relocation of the Conshohocken office at a substantial saving to the Board; and,
- maintained fleet services for employees traveling on Board business while reducing overall fleet size.

### Office of Communications

The Office of Communications is responsible for coordinating a comprehensive effort to inform the public of the Board’s goals, plans, and activities through all forms of media outlets. We also oversee, guide, plan, and coordinate the writing, publication, and production of all communication products – printed materials, photos/videos, website, and social media postings generated from Board bureaus and offices.

Over the last fiscal year, the Office of Communications:

- oversaw the Board’s efforts to warn youth and parents about the dangers of attempting to gamble at a PA casino when underage, with the “What’s Really at Stake” media campaign;
- conducted 38 speaking engagements to community organizations throughout Pennsylvania;
- live streamed 13 public board meetings from the board’s public meeting room in Harrisburg and from two office site locations for the license renewal hearing of Mohegan Sun Pocono and Lady Luck Casino Resort; and,
- responded to hundreds of requests for information from both the media and the public.



## OFFICE OF COMPULSIVE & PROBLEM GAMBLING

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

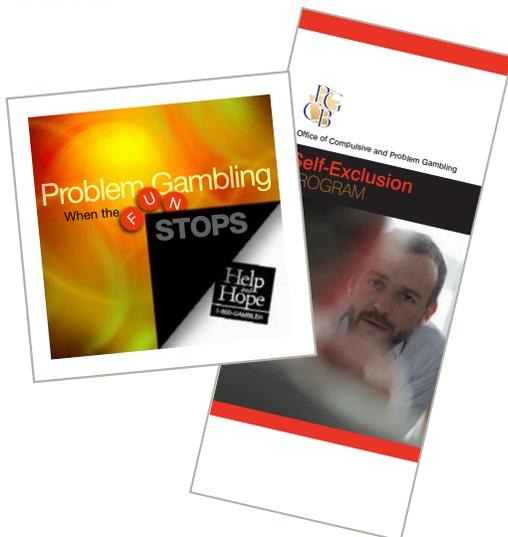
- assisting Pennsylvanians affected by compulsive gambling by ensuring that every casino operator has established, and complies with, an approved compulsive and problem gambling plan;
- directing problem gamblers and their families to compulsive gamblers assistance organizations' toll-free helplines for crisis counseling, referral services and treatment;
- heightening public awareness of the dangers of compulsive, problem, intoxicated and underage gambling;
- developing prevention programs and harm reduction tools for gamblers;
- creating new problem gambling materials and outreach programs;
- establishing education materials for residents of differing demographics/ languages;
- continue to develop college partnerships.

The OCPG searches for ways to expand its outreach to the citizens of this Commonwealth.

During the 2016-2017 Fiscal Year, the OCPG's Director and its Program Analyst attended the following senior fairs across the state:

- 8/10/2016 Senator Corman's senior fair in Lewistown
- 9/8/2016 Senator Yudichak's senior fair in Jim Thorpe
- 9/10/2016 Representative Tobash's senior fair in Pine Grove
- 9/13/2016 Representatives Everett and Yaw's senior fair in Pennsdale
- 9/23/2016 Representative Kauffman's senior fair in Chambersburg
- 10/13/2016 Senators Baker and Yudichak and Representative Kaufer's senior fair in Kingston
- 4/7/2017 Senator Boscola's senior fair in Bethlehem
- 5/19/2017 Representatives Schweyer and Schlossberg's senior fair in Allentown

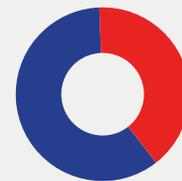
At these events, OCPG staff distributed hundreds of pieces of informational handouts on gambling addiction treatment and the Board's statewide Self-Exclusion Program.



Elizabeth Lanza  
Director  
Office of Compulsive and Problem Gambling

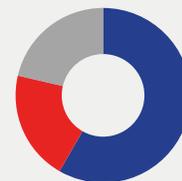
### Pennsylvania Self-Exclusion Program

Data shows that there are a total of 11,567 self-exclusion requests from individuals as of June 30, 2017.



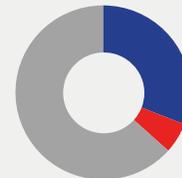
Gender

- 6,997 or 61% are males
- 4,570 or 39% are females



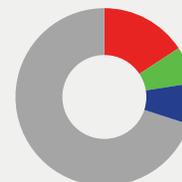
Type of Enrollment- 1, 5 or Lifetime Ban

- 6,747 or 58% - 1 year
- 2,346 or 20% - 5 years
- 2,474 or 22% - lifetime



Current Status

- 3,796 or 31% - Self-Removed
- 697 or 6% re-enrolled after removal
- 7,771 or 63% currently self-excluded



Reported Violations by Enrollment Type

- 1,820 or 16% - 1 year
- 781 or 7% - 5 years
- 858 or 7% - lifetime
- 8,108 or 70% no known violations

Of the violations, 34% were female and 66% were male. 621 individuals had 2 or more violations.



### Self-Exclusion by Race

Caucasian	8,282	72%
African American	1,744	15%
Asian	861	7%
Hispanic	320	3%
Middle Eastern	130	1%
Indian	113	1%
Multi-Racial	41	<1%
Native American	12	<1%
Other	64	<1%
Total	11,567	100%

### Self-Exclusion Intakes by Year

2006	2
2007	182
2008	321
2009	589
2010	903
2011	1,263
2012	1,456
2013	1,583
2014	1,474
2015	1,567
2016	1,510
2017 (6/30/17)	717
Total	11,567

### Self-Exclusion by Age (at Intake)

21-25	883
26-34	2,361
35-44	2,773
45-54	2,890
55-64	1,859
65+	801

A well-recognized function of the OCPG is the administration of the Board's Self-Exclusion Program. During the time an individual enrolls in the Self-Exclusion Program, Board staff collects data that is used to improve the program as well as to better their understanding of gambling addiction within the Commonwealth.

The OCPG supported and participated in National Problem Gambling Awareness Month (NPGAM), a grassroots public awareness and outreach campaign held during the entire month of March. In partnership with the Department of Drug and Alcohol Programs and the Council on Compulsive Gambling of Pennsylvania (CCGP), the OCPG disseminated informational documents during NPGAM in Harrisburg at the Capitol. During NPGAM, OCPG also made public presentations at the CCGP's annual statewide conferences in Philadelphia and Pittsburgh.

The OCPG interacts with national organizations that advocate for the prevention and treatment of gambling addiction as well as the promotion of responsible gambling. For the second year, Director Lanza chaired the Membership Committee for the National Council on Problem Gambling.

As always, the OCPG remains dedicated to enhancing the Self-Exclusion Program, providing treatment options to those who have a gambling disorder, attending conferences, senior fairs and other outreach events to spread knowledge of problem gambling and to encourage responsible gambling among those who utilize Pennsylvania's gambling venues.



*If you or someone you know has a gambling problem, call The Council on Compulsive Gambling at:*

**1-800-848-1880 or  
1-800 GAMBLER**

## BUREAU OF GAMING LABORATORY OPERATIONS



**Heather Worner**  
*Bureau of Gaming  
Laboratory Operations*



payback mandated by law as well as the testing of automated shufflers, progressive systems, electronic table games, and other technology necessary to conduct gaming. Additionally, communication between the thousands of operating slot machines and the Central Control Computer System is confirmed, the communication of each machine is verified with casinos' in-house monitoring systems, and analysis of voucher redemption machines is performed.

### Statistical Analysis:

A team of Statisticians are responsible for evaluating the theoretical return for every slot machine game theme submitted for review, the analysis of progressive reward payouts and random number generators. Table game rules are also verified by the statistical review team for calculation of the house advantage.

GLO can also accept testing and certification documentation from private independent laboratories on the slot machine manufacturer's behalf. This can reduce turnaround time for approval for new slot machine game themes for use on casino floors.

The Bureau of Gaming Laboratory Operations ("GLO") is the focal point for the review and approval of slot machines, table games, associated equipment, and related gaming technology in Pennsylvania casinos.

Pursuant to the Pennsylvania Race Horse Development and Gaming Act, casino licensees may not use slot machines or other gaming technology until first approved by the Board.

The primary function of the gaming laboratory is to evaluate electronic gaming products and associated equipment used in casino gambling for compliance with law, Board Regulations, and technical standards. Staff reviews product specifications, software, and hardware submitted by gaming manufacturers and conducts a variety of tests as deemed necessary. Gaming Laboratory staff also review updates and changes to equipment previously approved for use. GLO assists with conducting investigations of regulatory violations, patron complaints, software and hardware deficiencies, and alleged cheating incidents.

The GLO fulfills this mission by breaking work into two critical areas:

### Engineering Reviews:

A team of Engineers is responsible for evaluating all gaming devices for compliance with the minimum design standards, reviewing modifications to gaming devices and ancillary equipment, and conducting investigations of regulatory violations.

All casino related products are thoroughly tested in its 5,100-square foot lab to certify regulatory compliance with all minimum design standards regarding security and, in the case of slot machines, the 85% minimum

### In FY 2016-2017 GLO:

Received <b>862</b> gaming related submissions	Reviewed <b>8,885</b> paytables
Reviewed <b>1,169</b> associated hardware and software components	Reviewed <b>365</b> slot machine game themes for regulatory compliance.



Mozelle E. Daniels

Director  
Office of Diversity

## OFFICE OF DIVERSITY

Pursuant to §1212 of the Pennsylvania Race Horse Development and Gaming Act (“the Act”), the PGCB is charged with promoting and ensuring diversity in all aspects of legalized gaming. The PGCB developed rules and regulations, 58 Pa. Code §481a, to accomplish its goals. The diversity regulations established the policies and procedures for promoting and ensuring that the regulated entities foster participation and diversity in all aspects of their operations in the Commonwealth.

Notwithstanding constant changes in Pennsylvania’s gaming industry over the last decade, diversity has remained at the forefront of the PGCB’s insistence and mission. Regardless of changes in casino ownership, casino executive management, or within the PGCB itself, diversity and inclusion has been and continues to be an ongoing noteworthy accomplishment of the entire industry.

As of June 30, 2017, the casinos/resorts employed a total of 17,736 individuals. Residents of the Commonwealth comprise 89% of the casinos’ workforce. Approximately 43% of the employees are females while 37% of those employed at the casinos are racial minorities. Executive/Management/Professional staff at the casinos consists of a total of 2,378 individuals. Of this total 63% are male, 37% are female and 23% are racial minorities. The casinos’ training and retention efforts continue to result in internal promotions. Additionally, the casinos continue to work to meet the goals of the legislature in the area of table games employment. Pennsylvania residents currently comprise 81% of table games employees.

The casinos’ supplier diversity programs continue to create opportunities for local business entities. Casinos have worked to create environments where procurement professionals are supported by executive level staff to promote the utilization of diverse vendors that supply goods and services. Through relationships with minorities, women and local businesses, the casinos have been able to combine objective market knowledge and identify areas with competitive purchasing capacity.

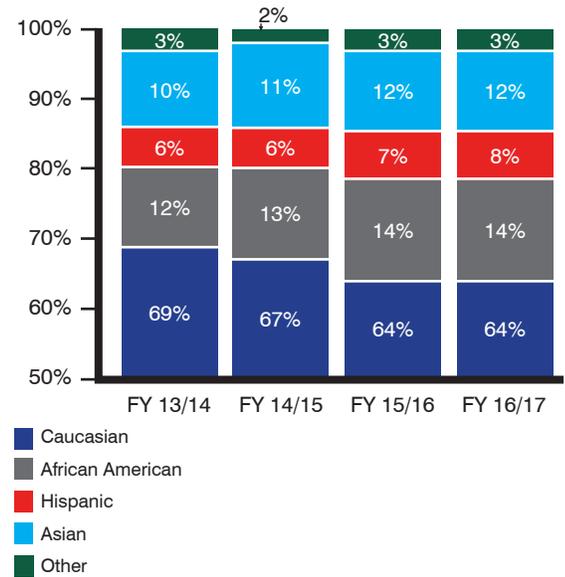
The casinos are committed to increasing opportunities to qualified businesses capable of providing exceptional services at the best value. The casinos continue to support awareness and outreach initiatives among current and potential suppliers. These programs include, but are not limited to: vendor fairs and networking events for diverse groups; visiting vendor sites to determine their capability to meet supplier requirements for the facilities; establishing economical payment plans mutually agreed upon by the vendors and purchasing managers at the casinos; conducting workshops and other activities to increase awareness on the part of diverse groups concerning the types and volumes of goods and services the casinos purchase in the course of business operations; advertising in media to engage diverse groups; entering into strategic partnerships with local chambers of commerce; and mentoring small businesses. Moreover, the casinos support organizations promoting supplier diversity and economic empowerment, such as the Minority Supplier Development Council and the Women’s Business Enterprise Council for Pennsylvania, Delaware and New Jersey. Expenditures for each licensed facility are available in the PGCB’s Gaming Diversity Report.

Community outreach, sponsorships and donations to charitable causes continue to be a priority for the casinos. As in previous years, casino employees routinely volunteer thousands of hours to various organizations, fund raisers, neighborhood revitalization efforts, and educational pursuits throughout the Commonwealth. The casinos have distributed well over \$106 million towards philanthropic activities since 2006.

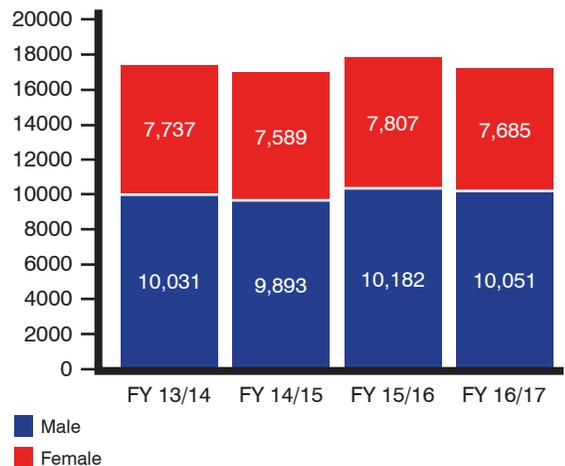
The PGCB remains committed to monitoring the activities of the Commonwealth’s licensed casinos in promoting diversity and ensuring compliance with the Act.

### Statewide

#### Employment by Race



#### Employment by Gender





Susan Hensel  
Director  
Bureau of Licensing

## BUREAU OF LICENSING

During the last fiscal year, the Bureau of Licensing focused on improving efficiencies in the licensing process by deploying new technologies and updating its policies and procedures. With nearly 9,000 applications submitted during the fiscal year, the Bureau continued its efforts to identify means of working smarter while protecting the integrity of gaming through the licensure of the people and entities participating in Pennsylvania's casino industry.

In addition to receiving and processing applications in the last fiscal year, the Bureau oversaw the preparation of licensing suitability reports and approvals of:

- 2 casino license renewals;
- 9 manufacturer renewals;
- 2 initial manufacturer licenses;
- 2 initial manufacturer designee licenses; and,
- 3 gaming junket licenses.

In addition, the Bureau facilitated the certification and registration of almost 200 gaming service providers, which are companies doing non-gaming related business with casinos.

Additional Bureau highlights during the 2016-2017 Fiscal Year included:

- Analyzing agreements, corporate structures and applications associated with changes of control for the Meadows; Isle of Capri, the management company for Lady Luck Casino Nemacolin; and Caesars Entertainment, the parent corporation of Harrah's Philadelphia Casino.
- Referring nearly 80 potential regulatory violations to the PGCB Office of Enforcement Counsel for action.
- Fielding approximately 3,800 calls from gaming and non-gaming applicants, casinos and other individuals with questions about completing applications, application statuses and other information.
- Implementing an enhanced disbursement report system to improve analyst's ability to review more than \$1.5 billion in annual casino spending.
- Utilizing an electronic check imaging process to deposit and track more than 1,600 checks totaling nearly \$4 million annually in application and license fees.
- Producing nearly 10,000 board credentials for employees working in Pennsylvania casinos.
- Working to implement new software to facilitate faster and more efficient scanning of template documents submitted by applicants as well as toward the electronic submission of other documents through the SLOTSlink electronic application system.
- Coordinating with information technology staff to expand SLOTSlink functionality to accept registered gaming service provider applications electronically thus improving the renewal notification process for gaming and non-gaming employees of manufacturers, suppliers and gaming service providers.

Applications Approved by Type:	FY 7/1/16 - 6/30/17
Category 1	0
Category 2	1
Category 3	1
Slot Machine Manufacturer	1
Slot Machine Manufacturer Designee	1
Table Game Manufacturer	10
Table Game Manufacturer Designee	1
Slot Machine Supplier	0
Table Game Supplier	0
Management Company	1
Affiliate	37
Key Employee	95
Principal	177
Principal Entity	23
Junkets	3
Gaming--Level 2	789
Gaming	3,926
Non-Gaming Employee	2,285
Certified/Registered/Notifications Gaming Service Providers, Affiliates, Employees	952
<b>TOTAL</b>	<b>8,303</b>

Number of Applications	FY 7/1/16 - 6/30/17
Received	8,726
Approved	8,303
Denied	73
Surrendered	120
Withdrawn	440
Not Accepted	0
Revoked	44
Suspended	7

## BUREAU OF CASINO COMPLIANCE



Gerald E. Stoll  
*Director  
Bureau of Casino  
Compliance*



The Bureau of Casino Compliance, in furtherance of the Board's mission to secure the integrity of gaming and the safety of patrons, provides round-the-clock representation at each casino. The responsibilities of Casino Compliance Representatives (CCR's) assigned to each casino throughout the Commonwealth include, but are not limited to, the following:

- to assure compliance with Board regulation and standard operating procedures submitted by each casino;
- to receive and process patron complaints;
- to ensure that revisions to the licensee's gaming floor are done in accordance with the Board's approval;
- to issue temporary license badges to employees of the casino;
- to observe the collection and accounting of table game drop boxes in order to determine table game win or revenue; and,
- to generally monitor all gaming activity.

Additionally, the bureau maintains a current inventory of all slot machines whether on the floor, in transit, or in storage in order to make certain that all are configured to return a minimum of 85% as required by statute. Table game equipment such as cards, dice, roulette balls & wheels, gaming chips, and peripheral devices related to casino gaming are also monitored. CCR's also monitor the destruction of cards, dice and perishable gaming equipment to assure that the destruction is completed according to established regulation.

Another critical function of CCR's is to be available to the public to receive any patron complaints. All patron complaints are reviewed and thoroughly investigated, with those involving non-compliance with internal controls or Board regulations then forwarded to the Office of Enforcement Counsel for action. Additionally, CCR's refer information concerning suspected criminal activity to the on-site Pennsylvania State Police personnel for investigation.

CCR's also address the issue of Compulsive and Problem Gambling along with its proper oversight and attention by the casino. CCR's regularly enroll members of the public in the PGCB's voluntary Self-Exclusion Program and while also monitoring any potential violations of this program. The Bureau of Casino Compliance also maintains a voluntary credit exclusion program for patrons of PA casinos which supplements the Compulsive and Problem Gaming initiative that is actively in place.

Of particular importance, the Bureau of Casino Compliance certifies the casino's adherence to minimum Security and Surveillance staffing while also assuring that a formal Standard Operating Procedure policy is in place at each casino. Additionally, surveillance camera coverage and retention reviews are

performed frequently by CCR's to safeguard assets, enhance patron safety, resolve complaints and monitor gaming activity.

Gaming floor changes are significant in number and occur when table games or slot machines are increased in number, relocated, removed, or repositioned. Therefore, the Bureau of Casino Compliance coordinates and documents any authorized changes to the gaming floor, spending considerable time coordinating the PGCB's oversight of gaming floor plan changes.

As the Pennsylvania gaming industry continues to evolve, the Bureau of Casino Compliance will remain prepared for both the expansion of existing casinos and the opening of new facilities. Through this process, we will ensure compliance with gaming regulation.

### Technical Field Operations:

The Bureau of Casino Compliance is responsible for the technical compliance of the slot machine floor, table game floor and the IT room of every casino. Within all casinos, normal maintenance to the gaming floor is necessary. For example, carpet removal and installation is a frequent event, resulting in all slot machines being uninstalled and reinstalled. This is a significant undertaking and very labor intensive taking 16 to 20 weeks on average. The Technical Field Representatives (TFR's) are instrumental and closely involved with both the planning and implementation, and are integral for a smooth install assisting the operator to assure that interruptions are minimal and patron inconvenience is low.

A significant amount of behind-the-scenes activity is conducted by TFR's who are responsible for monitoring the day-to-day operations of a casino's software and systems. TFR's assure that all slot machines maintain connectivity to the Central Control Computer System; conduct random inspection of slot machines for configurable options; inspect table game devices for compliance; and, conduct highly technical investigations. TFR's also work with the PGCB lab staff to assure that manufacturer notifications are reviewed and addressed efficiently.

## BUREAU OF GAMING OPERATIONS

The Bureau of Gaming Operations (BGO) works closely with the gaming industry to ensure the integrity of slot machine and table game operations at the Commonwealth's 12 casinos. Comprised of Compliance and Audit units, BGO reviews internal controls and performs audits to ensure casino games are conducted fairly and in accordance with the law and PGCB regulations.

### Compliance Unit

Compliance Unit staff review internal controls and other required regulatory submissions including table game rules submissions, gaming guides, dealer training programs, tournament rules and schedules, and table game equipment submissions. Examples of equipment submissions include cards, dice, chips, signs and layouts used in table game operations. Patrons who visit a casino and play table games can be assured that all the equipment required for the operation of that game has been carefully reviewed by BGO staff.

As required by the Gaming Act, each casino licensee is responsible for developing a written system of internal controls that describe its operating procedures in key departments such as finance, security, surveillance, table games and slots. Licensees are also required to train employees in the performance of their duties, including compliance with the Board's regulations and the licensee's system of accounting and internal controls.

Examples of internal controls that must be submitted to the BGO for review and approval include procedures for the:

- counting and recording of slot machine and table game revenue;
- safety of patrons including adequate security and surveillance coverage;
- prevention of underage gambling;
- safeguarding of casino assets including controlled access to sensitive keys and restricted areas; and,
- issuance of casino credit.

In fiscal year 2016-2017, Compliance Unit staff reviewed 626 internal control amendments, 450 table game submissions and 48 slot tournament submissions. BGO staff also developed table game rules submission forms for three new table games:

- Cajun Stud
- Four Card Prime
- Four Card Frenzy

Licensees use BGO's rules submission forms to specify the approved rule variations and pay tables they will use when offering a table game for play. This allows PGCB onsite staff and auditors to ensure the games are conducted in accordance with the Board's regulations.

### Audit Unit

The Audit Unit performs compliance audits to ensure casinos and their employees conduct gaming operations with highest level of integrity and that strong accounting controls are followed to ensure the accurate collection of tax revenue owed to the Commonwealth. Audits focus on key areas of casino operations including: cage, drop and count, surveillance, table games, compulsive and problem gambling, restricted area access and sensitive key controls.



**Paul Resch**  
*Director*  
*Bureau of Gaming Operations*

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

During FY 2016-2017, Audit Unit staff performed 15 audits in which 10 were follow-up audits and five were compliance audits focused on key areas of casino operations identified by the Audit Unit through an annual risk assessment.

The Audit Unit also reviews grant contracts under the Local Law Enforcement Grant Program. The PGCB is allotted \$2 million per year to award grants to local law enforcement agencies and the Pennsylvania State Police for the purpose of investigating, enforcing and preventing unlawful gambling. During FY 2016-2017, audit staff reviewed grant contract documents for three local law enforcement agencies that received grants. The review involves an examination to determine if grant funds appear to have been properly allocated and expenditures accounted for in accordance with grant guidelines, the grant agreement and the approved project description and budget.

<i>The Bureau of Gaming Operations accomplished the following in FY 2016-2017:</i>	
Reviewed <b>626</b> internal control amendments	Reviewed <b>450</b> table game submissions
Performed <b>15</b> compliance audits	Reviewed <b>48</b> slot tournament submissions
Reviewed <b>3</b> local law enforcement grants	



Kevin Kile  
Director  
Office of Racetrack Gaming

## OFFICE OF RACETRACK GAMING

The Pennsylvania Race Horse Development and Gaming Act states that the authorization of limited casino gaming is intended to positively assist the Commonwealth's horse racing industry, support programs intended to foster and promote horse breeding, and improve the living and working conditions of personnel who work and reside in and around the stable and backside areas of racetracks. Toward that end, the Office of Racetrack Gaming serves as the Pennsylvania Gaming Control Board's liaison between the gaming and horse racing industries in order to support this legislative intent for legalized casino gaming to assist the racing industry.

The avenue utilized by statute to assist the horse racing industry was the creation of the Pennsylvania Race Horse Development Fund which is funded by a portion of gross revenue generated from slot machine gaming by the casinos. In Fiscal Year 2016-2017, approximately 10% of revenue generated from slot machine gaming was earmarked for the Pennsylvania Race Horse Development Fund resulting in \$240 million of tax revenue. This revenue provides increased purses for horsemen, awards for breeders, and funding for health and pension benefits. In addition to revenue generated by law under the Pennsylvania Race Horse Development Fund, the racetrack casinos have collectively invested more than \$70 million in new and renovated racing facilities. These new facilities, such as barns, paddocks, and dormitories, have significantly improved the living and working conditions for horsemen and their employees who work at the racetracks on a daily basis.

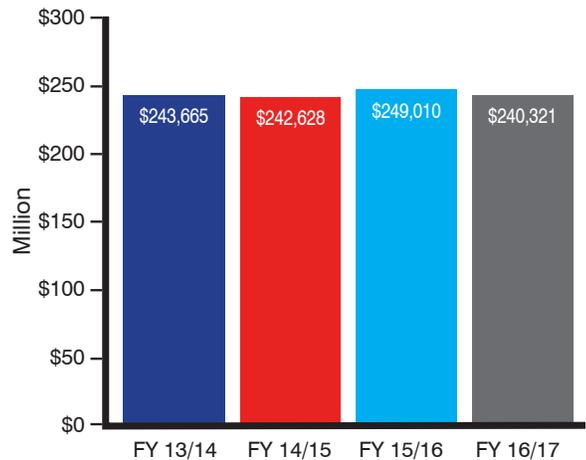
In order to support and monitor the impact casino gaming is having on the horse racing industry, the Office of Racetrack Gaming establishes and maintains effective relationships as a liaison to the Pennsylvania Department of Agriculture, Pennsylvania Horse Racing Commission, casino and racetrack operators,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

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

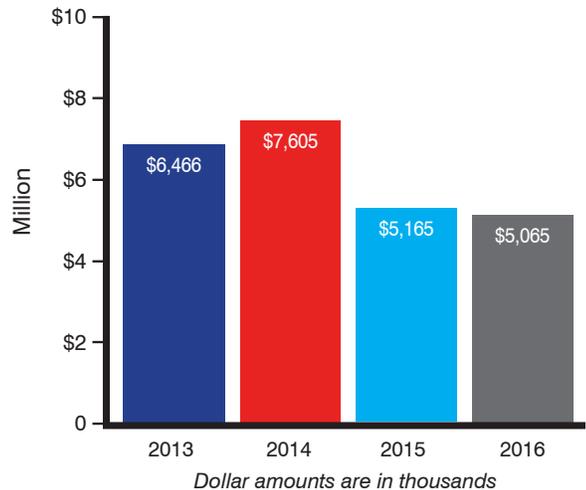
The Office of Racetrack Gaming released its tenth annual Benchmark Report in April 2017 which provides a comprehensive overview of the benefit slot machine gaming revenue provides for the horse racing industry in Pennsylvania. This report also details key indicators within horse racing which outline the health of the industry and can be accessed through the Board's website.

Finally, the Office of Racetrack Gaming regularly assists the Bureau of Gaming Operations in all areas of its responsibility including, but not limited to, the review of internal controls, table game operations, and promotional activities conducted at casinos. The Office of Racetrack Gaming reviewed the rules to approximately 5,400 promotions submitted by the twelve casinos in Fiscal Year 2016-2017 to ensure all marketing activities within the Commonwealth do not adversely impact the public or the integrity of gaming.

### PA Race Horse Development Fund



### Backstretch Improvements





R. Douglas Sherman  
*Chief Counsel*

## OFFICE OF CHIEF COUNSEL

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

### **Licensing:**

The Licensing Section of the OCC advises and assists the Bureau of Licensing in all matters involving the licensing process, including the application process and on any licensing ramifications of actions involving licensees. The Licensing section also works daily with the Bureau of Licensing on issues such as debt refinancing, corporate restructuring, and changes in control and/or ownership of licensed entities and is instrumental in coordinating the compliance of a licensee with its Statement of Conditions. Over the past year, the Licensing Section produced renewal suitability reports for casinos currently operating in Pennsylvania and for numerous slot machine and table game manufacturers, manufacturer designees, suppliers, junkets, gaming service providers and management companies.

### **Regulatory Review:**

The 2016-2017 Fiscal Year continued the crafting of regulations to address new gaming technology in the Commonwealth, expanding the compliment of table game options available for play in all licensed facilities and revising the agency's existing body of regulations and policies. The rulemakings approved by the Board addressed a wide range of topics, including the promulgation of temporary regulations and statements of policy on rules of play for new table games and side wagers and regulations on new hybrid gaming systems which combines live table game play with slot machine style wagering.

### **Litigation:**

The Litigation Section of the OCC provides counsel to the Board on matters coming before it including enforcement actions, petitions for relief, suspensions, revocations, consent agreements, withdrawals of applications, surrenders of licenses, placement of individuals on the Board's exclusion list, licensing and Reports & Recommendations generated by the Board's Office of Hearings and Appeals. In total, during Fiscal Year 2016-2017, the OCC reviewed and provided legal advice to the Board on over 450 such matters.

During the same period of time, the Litigation Section represented the Board before judicial and administrative tribunals in which the Board was named as a party (e.g. employment law, Right-To-Know Law) or in which

Board records or personnel were subpoenaed. The Litigation Section also provided counsel to the PGCB Open Records Officer and Office Services Section involving compliance with the Right-To-Know Law and Procurement Code.

### **Legislation:**

OCC, through the Board's legislative liaisons, addresses questions of the legislature concerning the administration of the Gaming Act as well as relating to possible future legislation amendments and proposals as they relate to gaming. OCC frequently reviews proposed legislative language and provides feedback to promote the prompt, efficient and effective implementation of gaming.

# OFFICE OF HEARINGS & APPEALS



Linda S. Lloyd  
 Director  
 Office of Hearings and Appeals



The Office of Hearings and Appeals (OHA) receives and processes all filings with the Board’s Clerk, as well as conducting hearings, building records and producing Reports and Recommendations for the Board’s consideration.

The year saw two License Renewal public input hearings for the following operators:

- September 2016 – Lady Luck/Nemacolin Woodlands
- March 2017 – Mohegan Sun at Pocono Downs

From July 1, 2016 through June 30, 2017, the Board’s Clerk received 2,565 filings to be processed. The breakdown of the types of filings, as well as other information, is as follows:

TYPES OF FILINGS	FY 7/1/16 - 6/30/17	FY 7/1/15 - 6/30/16
Petitions	178	359
Answers/Motions/Misc.	1178	1,375
Enforcement Actions	244	111
Requests for Oral Hearing	62	79
Reports and Recommendations Issued	62	72
Exceptions	7	17
Disposed Hearing Files	39	44
Board Orders	641	636
OHA Orders	102	108
Total Orders Processed	743	744
Hearings Conducted by OHA	65	85
Records Certified to Courts	0	2
Requests for Documents	48	65

## OFFICE OF ENFORCEMENT COUNSEL



Cyrus Pitre  
Chief Enforcement Counsel

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

Guided by the mandates of the Pennsylvania Race Horse Development and Gaming Act (Act), Board approved regulations, established legal precedence, and Commonwealth statutory law, the OEC has three main functions: background investigations; regulatory enforcement; and petition responses.

During Fiscal Year 2016-2017, these functions resulted in the OEC handling 4,000 legal regulatory matters.

### Background Investigations

The OEC is responsible for reviewing and making recommendations regarding the suitability of initial applicants and renewal applicants for licensure by the Board. In this role, the OEC is tasked with preparing background investigation reports, issuing and prosecuting denial recommendations, answering withdrawal requests, and assisting the Bureau of Investigations and Enforcement (BIE) during the background investigation process.

### Regulatory Enforcement

Through its enforcement duties, the OEC ensures that those licensed by the Board conduct themselves in a manner consistent and in accordance with the Act and Regulations, and that patrons of the Commonwealth's casinos do not harm the character and integrity of the gaming industry.

In this role, the OEC is the hub wherein all potential non-criminal violations of the Act and Regulations come for resolution. The OEC receives potential violation referrals from within the agency through the various Offices and Bureaus and at times, from the Board members. The OEC also receives violation referrals from the public, licensees, the PA General Assembly, state, federal, and foreign government agencies, etc. Once received, those violation referrals that require investigative work are forwarded to the BIE with as-needed guidance from the OEC. Once the BIE completes its investigation, the report is forwarded to the OEC for review and appropriate action. When violation referrals do not necessitate an investigation by BIE, the OEC, through its own initiative, takes the appropriate action.

### Petition Responses

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

*Between July 1, 2016 and June 30, 2017 the following statistics are attributed to OEC's regulatory oversight and prosecutorial work:*

Statistic	FY 16/17
Background Investigation Reports	1,514
Sworn Interviews	11
Application Withdrawals Processed	454
Petitions Answered	105
Administrative Hearings	83
Gaming/Nongaming Legal Reviews	424
Demand Letters Issued	151
Recommendation of Application Denials Issued	81
Warning Letters	809
Compliance Conferences	10
Consent Agreements	36
Enforcement Complaints	88
Exclusion Petitions	234
Regulatory Violation Fines/ Penalties Assessed	\$764,500

## BUREAU OF INVESTIGATIONS AND ENFORCEMENT

Pursuant to the Pennsylvania Race Horse Development and Gaming Act (Act), the Bureau of Investigations and Enforcement (BIE) operates as an independent bureau within the Gaming Control Board. The primary mission of BIE is to ensure the integrity of the Commonwealth's gaming industry through suitability investigations of gaming operators, their key employees and gaming employees to determine their suitability for licensing.

In addition to suitability of casino investigations, BIE also conducts suitability investigations for manufacturers, suppliers, gaming service providers and other businesses interested in conducting business within the Commonwealth's gaming industry.

### Licensing Investigations

All applicants for a license, permit, or registration, whether a casino employee, a manufacturer of gaming equipment, a casino operator, or a gaming service provider to a casino are investigated by the BIE. License renewal investigations are conducted on all entities and individuals every three years and on gaming service providers every four years. These efforts include a comprehensive criminal history record check based upon information received from FBI fingerprint results, as well as other local police department and court checks.

From its investigatory process, the BIE then prepares a comprehensive report detailing the applicant's background and suitability. Elements of a background investigation include but are not limited to:

- business and personal contact,
- regulatory history in other jurisdictions,
- criminal history checks,
- FBI criminal history records,
- tax record examinations, and
- database checks regarding both political contributions and court records for pending and concluded civil litigation.

### Enforcement Investigations

The BIE also investigates all licensees and other persons regulated by the Board for non-criminal violations of the Gaming Act. Examples of these investigations are:

- exclusion request for a patron passing counterfeit money;
- payments to prohibited vendors;
- employee misconduct; and,
- underage gaming.

The BIE's investigatory reports on these various violations or complaints are also forwarded to the OEC for action.

Pursuant to Act 90 of 2013, referred to as the Tavern Gaming Law, the BIE is mandated with the responsibility of conducting background investigations for applicants for a tavern gaming license. As such, the BIE conducts a thorough background investigation to include a federal and state criminal history record search, financial and tax review, and a regulatory history evaluation. The BIE then submits a background investigation report to the Pennsylvania Liquor Control Board, who determines suitability for a tavern gaming license.

### Financial Investigations

The BIE has its own Financial Investigations Unit (FIU) that maintains and reviews all corporate compliance submissions presented to the Board. The FIU monitors financial stability of casinos to assure the public's interest is protected



**Paul Mauro**  
*Director*  
*Bureau of Investigations*  
*and Enforcement*

in accordance with the Act. The FIU facilitates the BIE investigators and analysts with in-depth financial investigations of principals and corporate enterprises. The FIU also reviews changes in debt financing and financial restructuring, as well as evaluating other issues that require financial analysis for the Board's review.

Investigation by Type:	FY 16/17
Category 1	1
Category 2	1
Category 3	0
Slot Machine Manufacturer	8
Slot Machine Manufacturer Designee	2
Table Game Manufacturer	5
Table Game Manufacturer Designee	1
Slot Machine Supplier	1
Table Game Supplier	0
Management Company	0
Affiliate	40
Key Employee	106
Principal	246
Principal Entity	22
Junkets	3
Gaming--Level 2	854
Gaming	4,091
Non-Gaming Employee	2,367
Certified/Registered/Notifications Gaming Service Providers, Affiliates, Employees	978
Tavern Gaming Applicants	4
<b>TOTAL</b>	<b>8,730</b>

Pennsylvania has 12 operating casinos. As of June 30, 2017 PA casinos employed 17,736 individuals of which 5,857 are associated with the play of table games. Total tax revenue from slots machines and table games for FY 16/17 was \$1,425,022,487.



#### Table Game Revenues FY 2016-17

Average Number of Table Games in June 2017	1,239
Gross Revenue	\$866,518,040
Taxes	\$138,529,376
Non-Banking Tables	225
Gross Revenue	\$59,184,493
Banking Tables	951
Gross Revenue	\$786,442,943
Fully Automated Electronic Tables	5
Gross Revenue	\$4,079,530
Hybrid Tables	58
Gross Revenue	\$16,811,075

#### Slot Revenues FY 2016-17

Average Number of Slot Machines in June 2017	25,685
Wagers	\$29,961,927,185
Payouts	\$27,063,371,056
Promotional Plays	\$634,971,410
Adjustments	\$3,000
Gross Terminal Revenue	\$2,336,152,508
* Taxes and Fees	\$1,286,493,111

#### Taxable Slot Wins Per Day

Jul-16	\$258.49
Aug-16	\$234.54
Sep-16	\$240.50
Oct-16	\$232.38
Nov-16	\$226.46
Dec-16	\$229.31
Jan-17	\$221.54
Feb-17	\$261.55
Mar-17	\$258.32
Apr-17	\$262.16
May-17	\$251.28
Jun-17	\$244.55

#### Local Share Distribution FY 2016-17

Statewide	
Slots - \$132,621,082	
Tables - \$17,025,786	

\*There is \$49,822,966 in Local Share Minimum amount included.



Mohegan Sun at Pocono Downs opened on November 14, 2006 in Luzerne County, Plains Township and is a harness racetrack. As of June 30, 2017 the casino employed 1,588 individuals of which 399 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	91
Gross Revenue	\$43,407,091
Taxes	\$6,853,624
Non-Banking Tables	18
Gross Revenue	\$2,731,686
Banking Tables	71
Gross Revenue	\$39,028,391
Fully Automated Electronic Tables	0
Gross Revenue	\$0
Hybrid Tables	2
Gross Revenue	\$1,647,014

**Slot Revenues FY 2016-17**

Average Number of Slot Machines in June 2017	2,332
Wagers	\$2,590,948,546
Payouts	\$2,336,311,460
Promotional Plays	\$46,083,899
Adjustments	\$3,000
Gross Terminal Revenue	\$208,562,173
*Taxes and Fees	\$116,170,756

**Taxable Slot Wins Per Day**

Jul-16	\$268.62
Aug-16	\$247.60
Sep-16	\$255.89
Oct-16	\$235.41
Nov-16	\$242.23
Dec-16	\$224.59
Jan-17	\$223.14
Feb-17	\$259.95
Mar-17	\$248.85
Apr-17	\$259.82
May-17	\$245.88
Jun-17	\$238.88

**Local Share Distribution FY 2016-17**

Luzerne County - CFA	Plains Township
Slots - \$11,067,575	Slots - \$2,116,592
Tables - \$425,406	Tables - \$425,406



Parx Casino opened on December 19, 2006 in Bucks County, Bensalem Township and is a thoroughbred racetrack. As of June 30, 2017 the casino employed 2,059 individuals of which 1,024 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	179
Gross Revenue	\$170,142,543
Taxes	\$26,942,501
Non-Banking Tables	45
Gross Revenue	\$17,292,921
Banking Tables	124
Gross Revenue	\$146,698,922
Fully Automated Electronic Tables	0
Gross Revenue	\$0
Hybrid Tables	10
Gross Revenue	\$6,150,700

**Slot Revenues FY 2016-17**

Average Number of Slot Machines in June 2017	3,412
Wagers	\$5,249,679,715
Payouts	\$4,774,682,525
Promotional Plays	\$88,407,686
Adjustments	\$0
Gross Terminal Revenue	\$386,589,505
*Taxes and Fees	\$207,066,059

**Taxable Slot Wins Per Day**

Jul-16	\$309.91
Aug-16	\$294.49
Sep-16	\$302.63
Oct-16	\$292.82
Nov-16	\$285.13
Dec-16	\$299.12
Jan-17	\$280.83
Feb-17	\$317.28
Mar-17	\$319.75
Apr-17	\$324.00
May-17	\$321.82
Jun-17	\$308.46

**Local Share Distribution FY 2016-17**

Bucks County	Bensalem Township
Slots - \$9,297,520	Slots - \$6,914,494
Tables - \$1,679,232	Tables - \$1,679,232



Harrah's Philadelphia Casino and Racetrack opened on January 23, 2007 in Delaware County in the City of Chester and is a harness racetrack. As of June 30, 2017 the casino employed 1,351 individuals of which 491 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	118
Gross Revenue	\$65,633,790
Taxes	\$10,779,353
Non-Banking Tables	28
Gross Revenue	\$5,315,635
Banking Tables	83
Gross Revenue	\$58,442,280
Fully Automated Electronic Tables	2
Gross Revenue	\$1,172,239
Hybrid Tables	5
Gross Revenue	\$703,636

**Slot Revenues FY 2016-17**

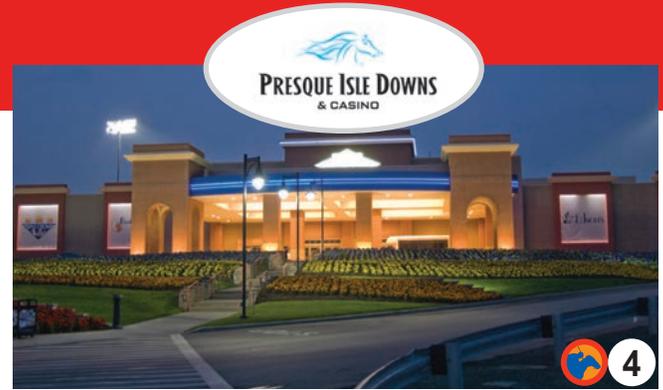
Average Number of Slot Machines in June 2017	2,450
Wagers	\$2,597,922,511
Payouts	\$2,340,004,109
Promotional Plays	\$57,546,393
Adjustments	\$0
Gross Terminal Revenue	\$200,372,009
*Taxes and Fees	\$112,064,523

**Taxable Slot Wins Per Day**

Jul-16	\$208.51
Aug-16	\$187.40
Sep-16	\$203.22
Oct-16	\$199.93
Nov-16	\$193.61
Dec-16	\$208.51
Jan-17	\$201.55
Feb-17	\$238.68
Mar-17	\$242.84
Apr-17	\$247.49
May-17	\$226.28
Jun-17	\$218.59

**Local Share Distribution FY 2016-17**

Delaware County	Chester City
Slots - \$3,526,294	Slots - \$9,493,528
Tables - \$626,809	Tables - \$626,809



Presque Isle Downs & Casino opened on February 28, 2007 in Erie County, Summit Township and is a thoroughbred racetrack. As of June 30, 2017 the casino employed 802 individuals of which 200 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	38
Gross Revenue	\$15,056,674
Taxes	\$2,480,635
Non-Banking Tables	7
Gross Revenue	\$981,057
Banking Tables	31
Gross Revenue	\$13,792,060
Fully Automated Electronic Tables	0
Gross Revenue	\$283,558
Hybrid Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2016-17**

Average Number of Slot Machines in June 2017	1,594
Wagers	\$1,269,225,697
Payouts	\$1,135,171,205
Promotional Plays	\$22,053,089
Adjustments	\$0
Gross Terminal Revenue	\$112,001,403
*Taxes and Fees	\$67,068,964

**Taxable Slot Wins Per Day**

Jul-16	\$234.42
Aug-16	\$207.55
Sep-16	\$207.27
Oct-16	\$191.07
Nov-16	\$184.64
Dec-16	\$152.06
Jan-17	\$154.86
Feb-17	\$201.60
Mar-17	\$192.11
Apr-17	\$199.41
May-17	\$196.27
Jun-17	\$195.81

**Local Share Distribution FY 2016-17**

Erie County	Summit Township
Slots - \$10,617,025	Slots - \$1,039,113
Tables - \$0	Tables - \$0
Erie Co. Redevelopment Auth.	
Slots - \$0	
Tables - \$296,923	



Meadows Racetrack & Casino opened on June 11, 2007 in Washington County, North Strabane Township and is a harness racetrack. As of June 30, 2017 the casino employed 1,348 individuals of which 334 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	82
Gross Revenue	\$32,103,316
Taxes	\$5,381,486
Non-Banking Tables	14
Gross Revenue	\$1,843,856
Banking Tables	67
Gross Revenue	\$29,380,412
Fully Automated Electronic Tables	1
Gross Revenue	\$879,048
Hybrid Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2016-17**

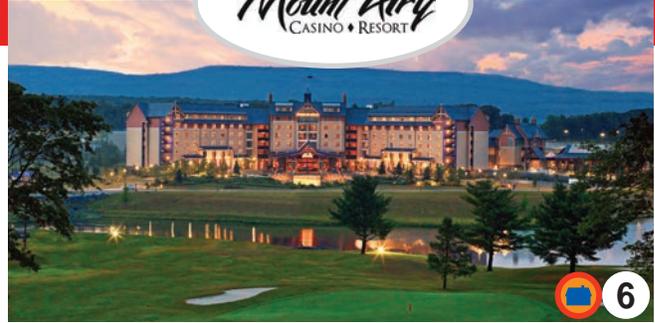
Average Number of Slot Machines in June 2017	2,730
Wagers	\$2,923,054,379
Payouts	\$2,705,144,362
Promotional Plays	\$72,558,777
Adjustments	\$0
Gross Terminal Revenue	\$217,910,016
*Taxes and Fees	\$121,129,531

**Taxable Slot Wins Per Day**

Jul-16	\$208.13
Aug-16	\$186.47
Sep-16	\$189.41
Oct-16	\$183.53
Nov-16	\$178.13
Dec-16	\$191.13
Jan-17	\$170.45
Feb-17	\$203.11
Mar-17	\$199.13
Apr-17	\$207.17
May-17	\$198.35
Jun-17	\$209.05

**Local Share Distribution FY 2016-17**

Washington County - DCED	Washington County - Townships
Slots - \$8,406,495	Slots - \$2,936,974
Tables - \$147,243	Tables - \$164,896
North Strabane Twp.	
Slots - \$1,985,910	
Tables \$312,139	



Mount Airy Casino Resort opened on October 22, 2007 in Monroe County, Paradise Township. As of June 30, 2017 the casino employed 1,112 individuals of which 391 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	81
Gross Revenue	\$46,374,923
Taxes	\$7,412,674
Non-Banking Tables	9
Gross Revenue	\$1,182,250
Banking Tables	70
Gross Revenue	\$44,287,520
Fully Automated Electronic Tables	0
Gross Revenue	\$185,453
Hybrid Tables	2
Gross Revenue	\$719,700

**Slot Revenues FY 2016-17**

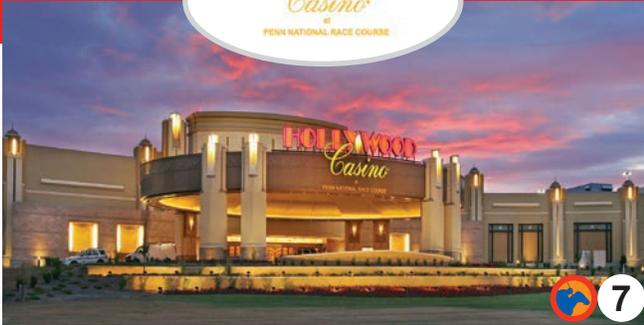
Average Number of Slot Machines in June 2017	1,868
Wagers	\$1,894,693,313
Payouts	\$1,712,144,989
Promotional Plays	\$40,328,271
Adjustments	\$0
Gross Terminal Revenue	\$142,220,078
*Taxes and Fees	\$82,548,569

**Taxable Slot Wins Per Day**

Jul-16	\$240.38
Aug-16	\$213.88
Sep-16	\$215.37
Oct-16	\$201.14
Nov-16	\$187.49
Dec-16	\$170.82
Jan-17	\$183.67
Feb-17	\$214.03
Mar-17	\$209.35
Apr-17	\$226.58
May-17	\$224.13
Jun-17	\$217.22

**Local Share Distribution FY 2016-17**

Monroe County - CFA	Paradise Township
Slots - \$9,316,278	Slots - \$887,466
Tables - \$229,530	Tables - \$459,061
Monroe County	PHEAA
Slots - \$2,092,703	Slots - \$0
Tables - \$0	Tables - \$229,531



Hollywood Casino at Penn National Race Course opened on February 12, 2008 in Dauphin County, East Hanover Township and is a thoroughbred racetrack. As of June 30, 2017 the casino employed 1,001 individuals of which 256 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	74
Gross Revenue	\$36,145,845
Taxes	\$5,920,495
Non-Banking Tables	16
Gross Revenue	\$4,300,960
Banking Tables	55
Gross Revenue	\$30,908,954
Fully Automated Electronic Tables	1
Gross Revenue	\$573,169
Hybrid Tables	2
Gross Revenue	\$362,762

**Slot Revenues FY 2016-17**

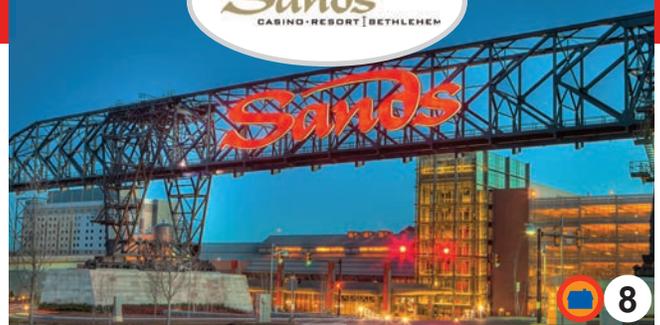
Average Number of Slot Machines in June 2017	2,350
Wagers	\$2,289,947,663
Payouts	\$2,043,031,569
Promotional Plays	\$37,233,508
Adjustments	\$0
Gross Terminal Revenue	\$209,682,586
*Taxes and Fees	\$116,845,322

**Taxable Slot Wins Per Day**

Jul-16	\$258.45
Aug-16	\$229.10
Sep-16	\$233.68
Oct-16	\$227.26
Nov-16	\$222.17
Dec-16	\$226.66
Jan-17	\$215.54
Feb-17	\$257.81
Mar-17	\$271.24
Apr-17	\$268.89
May-17	\$252.24
Jun-17	\$242.85

**Local Share Distribution FY 2016-17**

Dauphin County	East Hanover Twp, Leb. Co
Slots - \$12,134,688	Slots - \$160,000
Tables - \$464,435	Tables - \$128,899
East Hanover Twp, Dauphin Co	
Slots - \$1,062,582	
Tables - \$128,899	



Sands Casino Resort Bethlehem opened on May 22, 2009 in Northampton County in the City of Bethlehem. As of June 30, 2017 the casino employed 2,519 individuals of which 1,153 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	237
Gross Revenue	\$235,146,710
Taxes	\$37,200,495
Non-Banking Tables	30
Gross Revenue	\$11,086,426
Banking Tables	177
Gross Revenue	\$218,584,578
Fully Automated Electronic Tables	0
Gross Revenue	\$0
Hybrid Tables	30
Gross Revenue	\$5,475,706

**Slot Revenues FY 2016-17**

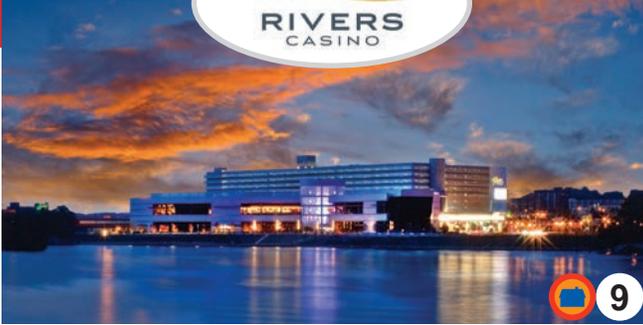
Average Number of Slot Machines in June 2017	3,013
Wagers	\$4,501,123,464
Payouts	\$4,047,700,127
Promotional Plays	\$149,263,053
Adjustments	\$0
Gross Terminal Revenue	\$304,160,285
*Taxes and Fees	\$164,898,150

**Taxable Slot Wins Per Day**

Jul-16	\$296.86
Aug-16	\$265.62
Sep-16	\$273.94
Oct-16	\$268.28
Nov-16	\$264.72
Dec-16	\$266.36
Jan-17	\$255.05
Feb-17	\$300.16
Mar-17	\$289.12
Apr-17	\$291.91
May-17	\$283.79
Jun-17	\$265.26

**Local Share Distribution FY 2016-17**

Allentown City	Easton City	Northampton Co.
Slots - \$3,210,898	Slots - \$0	Slots - \$2,631,134
Tables - \$468,333	Tables - \$1,170,833	Tables - \$1,405,000
Bethlehem City	Lehigh County	
Slots - \$8,239,105	Slots - \$877,045	
Tables - \$1,170,833	Tables - \$468,333	



Rivers Casino opened on August 9, 2009 in Allegheny County in the City of Pittsburgh. As of June 30, 2017 the casino employed 1,763 individuals of which 557 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	122
Gross Revenue	\$65,442,747
Taxes	\$10,361,428
Non-Banking Tables	30
Gross Revenue	\$6,726,743
Banking Tables	92
Gross Revenue	\$58,716,004
Fully Automated Electronic Tables	0
Gross Revenue	\$0
Hybrid Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2016-17**

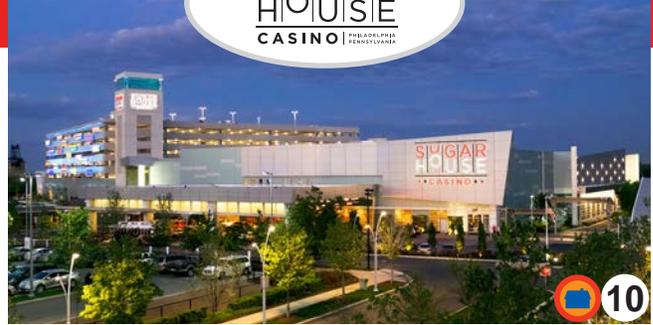
Average Number of Slot Machines in June 2017	2,934
Wagers	\$3,201,879,246
Payouts	\$2,872,632,213
Promotional Plays	\$63,901,639
Adjustments	\$0
Gross Terminal Revenue	\$265,345,394
*Taxes and Fees	\$145,555,600

**Taxable Slot Wins Per Day**

Jul-16	\$268.32
Aug-16	\$241.39
Sep-16	\$234.41
Oct-16	\$235.04
Nov-16	\$222.16
Dec-16	\$236.78
Jan-17	\$233.64
Feb-17	\$277.18
Mar-17	\$265.28
Apr-17	\$261.35
May-17	\$243.41
Jun-17	\$243.66

**Local Share Distribution FY 2016-17**

Allegheny County	Vistors Bureau of Monroeville
Slots - \$4,676,570	Slots - \$0
Tables - \$0	Tables - \$96,785
City of Pittsburgh	Dept. of Education
Slots - \$9,794,474	Slots - \$0
Tables - \$0	Tables - \$1,193,679



SugarHouse Casino opened on September 23, 2010 in the City of Philadelphia. As of June 30, 2017 the casino employed 1,551 individuals of which 676 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	140
Gross Revenue	\$118,692,298
Taxes	\$19,140,505
Non-Banking Tables	28
Gross Revenue	\$7,722,960
Banking Tables	104
Gross Revenue	\$108,231,722
Fully Automated Electronic Tables	1
Gross Revenue	\$986,063
Hybrid Tables	7
Gross Revenue	\$1,751,556

**Slot Revenues FY 2016-17**

Average Number of Slot Machines in June 2017	1,802
Wagers	\$2,046,391,308
Payouts	\$1,835,131,826
Promotional Plays	\$32,349,158
Adjustments	\$0
Gross Terminal Revenue	\$178,910,324
*Taxes and Fees	\$94,721,982

**Taxable Slot Wins Per Day**

Jul-16	\$268.88
Aug-16	\$239.29
Sep-16	\$255.43
Oct-16	\$254.89
Nov-16	\$248.79
Dec-16	\$245.82
Jan-17	\$241.60
Feb-17	\$291.27
Mar-17	\$297.38
Apr-17	\$284.36
May-17	\$275.04
Jun-17	\$259.22

**Local Share Distribution FY 2016-17**

Phila. School District	Philadelphia City
Slots - \$3,522,087	Slots - \$2,823,063
Tables - \$1,194,177	Tables - \$1,123,560



Valley Forge Casino Resort opened on March 31, 2012 in Montgomery County, Upper Merion Township and is a resort facility. As of June 30, 2017 the casino employed 1,081 individuals of which 293 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	50
Gross Revenue	\$34,270,834
Taxes	\$5,407,763
Non-Banking Tables	0
Gross Revenue	\$0
Banking Tables	50
Gross Revenue	\$34,270,834
Fully Automated Electronic Tables	0
Gross Revenue	\$0
Hybrid Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2016-17**

Average Number of Slot Machines in June 2017	600
Wagers	\$1,056,383,106
Payouts	\$957,030,180
Promotional Plays	\$19,124,198
Adjustments	\$0
Gross Terminal Revenue	\$80,228,728
*Taxes and Fees	\$42,465,190

**Taxable Slot Wins Per Day**

Jul-16	\$355.42
Aug-16	\$350.89
Sep-16	\$365.50
Oct-16	\$342.70
Nov-16	\$333.38
Dec-16	\$351.26
Jan-17	\$355.77
Feb-17	\$404.98
Mar-17	\$390.48
Apr-17	\$416.44
May-17	\$383.77
Jun-17	\$355.48

**Local Share Distribution FY 2016-17**

Upper Merion Township	Montgomery Co. - CFA
Slots - \$1,358,290	Slots - \$1,358,290
Tables - \$313,889	Tables - \$313,889



Lady Luck Casino Nemacolin opened on July 1, 2013 in Fayette County, Wharton Township and is a resort facility. As of June 30, 2017 the casino employed 1,561 individuals of which 83 were associated with the play of table games.

**Table Game Revenues FY 2016-17**

Average Number of Table Games in June 2017	27
Gross Revenue	\$4,101,268
Taxes	\$648,415
Non-Banking Tables	0
Gross Revenue	\$0
Banking Tables	27
Gross Revenue	\$4,101,268
Fully Automated Electronic Tables	0
Gross Revenue	\$0
Hybrid Tables	0
Gross Revenue	\$0

**Slot Revenues FY 2016-17**

Average Number of Slot Machines in June 2017	600
Wagers	\$340,678,236
Payouts	\$304,386,489
Promotional Plays	\$6,121,740
Adjustments	\$0
Gross Terminal Revenue	\$30,170,007
*Taxes and Fees	\$15,958,464

**Taxable Slot Wins Per Day**

Jul-16	\$168.21
Aug-16	\$143.89
Sep-16	\$139.65
Oct-16	\$124.40
Nov-16	\$121.77
Dec-16	\$110.54
Jan-17	\$112.02
Feb-17	\$156.24
Mar-17	\$148.05
Apr-17	\$144.92
May-17	\$145.06
Jun-17	\$147.30

**Local Share Distribution FY 2016-17**

Fayette County - DCED	Wharton Township
Slots - \$537,443	Slots - \$537,443
Tables - \$41,013	Tables - \$41,013

## Vision Statement

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

## Mission Statement

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

If you or someone you know has a gambling problem,  
help is available and it works  
Call 1-800-GAMBLER



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