

PENNSYLVANIA

GAMING CONTROL BOARD

\* \* \* \* \*

BUREAU OF INVESTIGATIONS \*  
AND ENFORCEMENT, \*  
Complainant \*  
v. \*  
VALLEY FORGE RESORT CASINO,\*  
Respondent \*

\* \* \* \* \*

HEARING

\* \* \* \* \*

BEFORE: Linda Lloyd, Presiding Officer

HEARING: Wednesday, April 27, 2022  
10:34 a.m.

LOCATION: Upper Merion Township Building  
175 West Valley Forge Road  
King of Prussia, PA 19406

WITNESSES: Tim Briggs, Greg Waks, Ronald Bailey,  
Donna Hogan

Reporter: Jennifer Corb

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

A P P E A R A N C E S

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

ELIZABETH BOEHM, ESQUIRE

KELCI SCIRROTTO, ESQUIRE

Pennsylvania Gaming Control Board

303 Walnut Street

Suite 5

Harrisburg, PA 17101

Counsel for Pennsylvania Gaming Control Board

ADRIAN R. KING, JR., ESQUIRE

Ballard Spahr, LLP

1735 Market Street

51st Floor

Philadelphia, PA 19103

Counsel for Valley Forge Resort Casino

## I N D E X

1		
2		
3	DISCUSSION AMONG PARTIES	6 - 8
4	TESTIMONY	
5	By Tim Briggs	8 - 12
6	TESTIMONY	
7	By Greg Waks	12 - 17
8	PRESENTATION	
9	By Attorney King	17 - 19
10	<u>WITNESS</u> : Ronald Bailey	
11	TESTIMONY	
12	By Ronald Bailey	19 - 27
13	CROSS EXAMINATION	
14	By Attorney Boehm	28 - 31
15	QUESTIONING BY BOARD	32 - 33
16	DISCUSSION AMONG PARTIES	34 - 36
17	PRESENTATION	
18	By Attorney Boehm	36 - 41
19	<u>WITNESS</u> : Mark Kunes	
20	DIRECT EXAMINATION	
21	By Attorney Scirrotto	42 - 54
22	<u>WITNESS</u> : Christopher Costigan	
23	DIRECT EXAMINATION	
24	By Attorney Scirrotto	54 - 58
25	QUESTIONING BY BOARD	59

I N D E X (Cont.)

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

WITNESS: Desire Brown

DIRECT EXAMINATION

By Attorney Scirrotto 60 - 64

CLOSING STATEMENT

By Attorney King 64 - 65

DISCUSSION AMONG PARTIES 65

## E X H I B I T S

		Page	Page
<u>Number</u>	<u>Description</u>	<u>Offered</u>	<u>Admitted</u>
<u>VALLEY FORGE CASINO RESORT'S EXHIBITS:</u>			
1	Presentation	34	36
2	4/21 Board of Supervisors		
	Letter	34	36
3	Alzheimer's Association		
	Letter	35	36
4	Habitat for Humanity Letter	35	36
5	4/13 Board of Community		
	Assistance Letter	35	36
<u>OEC'S EXHIBITS:</u>			
1	Summary Reports	37	41
2	Bureau of Liquor Control		
	Enforcement Letter	37	41
3	Memorandum	38	41
4	Department of Revenue Letter	38	41
5	Consent Agreements	39	41
6	Compliance Conference		
	Memorandum*	39	41
7	Warning Letters*	40	42
8	Stipulation Agreement	40	42
* Confidential			

## P R O C E E D I N G S

-----  
PRESIDING OFFICER: Okay. Good

morning everyone. My name is Linda Lloyd and I'm the presiding officer assigned by the Board to conduct this portion of the category three license renewal hearing for Valley Forge Convention Center Partners doing business as Valley Forge Casino Resort.

Before we begin, let's all turn off our cellphones or to vibrate so we don't hear those during the hearing. We are recording and livestreaming the hearing. The livestream or the site and the video, audio-video will be posted to our website for everyone's pleasure, viewing pleasure at any time after the hearing.

I call this hearing to order. The date is Wednesday, April 27th, 2022 and the time is 10:35 and the location is the Upper Merion Township Building Freedom Hall Room at 175 West Valley Forge Road, King of Prussia. The Pennsylvania Development - Racecourse Development and Gaming Act requires in section 1326 that an operator's license shall be subject to renewal by the Board every five years. This license renewal hearing is convened by the

1 Board pursuant to the mandate found in section 1205B  
2 of the Gaming Act, which requires the Board to  
3 conduct a public input hearing for any license  
4 renewal applications. This public input hearing was  
5 advertised on the Board's website, announced by the  
6 Board at board meetings, and advertised in local  
7 newspapers.

8 Today we're going to begin with  
9 remarks from Legislator Tim Briggs and Supervisor  
10 Greg Waks, and then we'll move on to the  
11 presentation of Valley Forge with cross-examination  
12 of witnesses by the Office, Board's Office of  
13 Enforcement Counsel and any questions from board  
14 members. After that, the Office of Enforcement  
15 Counsel will have a short presentation, again, with  
16 the opportunity for Counsel for Valley Forge to  
17 cross-examine witnesses and questions from the  
18 Board.

19 So we will start with all of the OEC  
20 witnesses, Valley Forge witnesses, and Legislator  
21 Briggs, and Supervisor Waks, if you would all stand,  
22 raise your right hand to be sworn.

23 ---

24 (WITNESSES SWORN EN MASSE)

25 ---

1                   COURT REPORTER: Thank you.

2                   PRESIDING OFFICER: So first, we will  
3 hear from Legislator Tim Briggs. If you would like,  
4 at the podium. I hear you practiced at this podium.

5                   MR. BRIGGS: Usually the people there  
6 told me not to speak.

7                   MR. WAKS: Tim never spoke too much.

8                   MR. BRIGGS: Thank you for  
9 accommodating my schedule, for allowing me to speak  
10 first. We were in a session, but this was an  
11 important day for me to be here. I want to thank  
12 the chair and commissioners and everybody in the  
13 meeting for - for visiting our community and talking  
14 about a great asset we have.

15                   Valley Forge has been a great partner  
16 to our entire community. But like many hospitality  
17 and entertainment industries across the country, the  
18 casino industry was hit particularly hard during the  
19 COVID-19 pandemic. Valley Forge became the first  
20 casino to close its doors in Pennsylvania on March  
21 13th, 2020 when Montgomery County, and specifically  
22 Upper Merion, emerged as the state's initial hot  
23 spot in what ultimately turned into the global  
24 pandemic.

25                   Despite this fact, Valley Forge worked

1 as a faithful community partner throughout this  
2 economic uncertainty providing employees and the  
3 community with several good faith measures. In  
4 attempting to take care of - take care of its  
5 workers, including those on the frontlines, it  
6 promoted and hosted vaccination clinics. When it  
7 reopened, it followed safety guidelines that helped  
8 valuable non-profits that provided assistance to  
9 residents during time of financial uncertainty. Let  
10 me just highlight a handful of these actions. For  
11 about a month from March to April 10th, Valley Forge  
12 paid team members after it closed its doors. It  
13 continued to provide benefits for workers through  
14 its reopening until June 2020. During the shutdown,  
15 it donated surplus food to local food banks, a  
16 resource in heightened need after workers and  
17 families struggled to adapt to life during the  
18 pandemic. Even after reopening in June of 2020,  
19 Valley Forge worked to navigate the surge in COVID  
20 cases in a manner safe to the public.

21                   During the second closure following a  
22 surge in cases near the holidays, it once again paid  
23 their team members and provided full benefits from  
24 December 12th through January 4th, 2021. Upon  
25 reopening, it instituted and operated under health

1 and safety protocols in observance of local, state,  
2 federal and the resort's own strict requirements and  
3 guidelines. It hosted three vaccination clinics.  
4 It paid frontline workers appreciation and retention  
5 bonuses for their extraordinary service and efforts,  
6 and they continue to offer team member opportunities  
7 like scholarships, tuition reimbursement, and  
8 student loan repayment assistance. Throughout the  
9 pandemic, it has continued to engage in their local  
10 community and civic endeavors, including Habitat for  
11 Humanity, and I know Supervisor Waks will talk about  
12 the partnership with the Township through the Board  
13 of Community Assistance. A very unique - and I've  
14 talked - I've spoken to many other legislators about  
15 this arrangement, the community benefitted between  
16 the casino and township. It provided over hundreds  
17 of thousands of dollars of grants to local non-  
18 profits and scholarships that I know Supervisor Waks  
19 will talk about to high school seniors.

20                   On the business side, Valley Forge  
21 opened in 1973 and it's continued to expand its  
22 operation in gaming opportunities as allowed by  
23 state law. It operated under the class three  
24 license since 2012. It has evolved and increased  
25 its business through the opportunities created under

1 the 2017 Expansion Act, which also included  
2 eliminating the harmful excess fee that was  
3 required. Some of these opportunities included  
4 paying a \$10,000,000 fee for an interactive gaming  
5 license, paying another \$10,000,000 fee for sports  
6 wagering license, and paying a \$2.5 million fee to  
7 increase the number of slots - slots under its class  
8 three license. At the previous renewal license,  
9 that was something that I think we all learned a lot  
10 about. You couldn't get to a machine on a Thursday,  
11 Friday, or Saturday night. It was two or three  
12 people deep. So that expansion really was - was  
13 needed. It has also made a substantial commitment  
14 to iGaming, launching two online casinos that have  
15 produced \$125,000,000 in tax revenue, the creation  
16 of a sports book that opened up a property in March  
17 of '19 having produced another \$101,000,000 in tax  
18 revenue for the Commonwealth.

19 In addition to being a legislator, I  
20 also serve as the vice-chairman of the Valley Forge  
21 Visitors and Tourism Commission. It's Montgomery  
22 County's destination marketing organization. And  
23 through the years, I've worked with four different  
24 board members who had ties as employees of the  
25 casino, and their involvement and commitment to the

1 entire county's hospitality industry and the whole  
2 sector really was something that was admirable.  
3 Their insight that they brought to help the whole  
4 industry grow in Montgomery County wasn't just their  
5 commitment to their property, but - but really was  
6 something that was - was a valued service.

7 I'd also like to ask the Committee to  
8 please support Valley Forge Casino Resort, which has  
9 been a valuable community partner, as well as a  
10 valuable business for the people of Montgomery  
11 County and the Commonwealth. Thank you.

12 PRESIDING OFFICER: Thank you.

13 And now we'll hear from Greg Waks.

14 And I did forget to ask you all, the  
15 first time you speak if you could state and spell  
16 your name for the Court Reporter, we'd appreciate  
17 that. Thank you.

18 MR. WAKS: Thank you.

19 My name is Greg Waks. Last name is  
20 spelled W-A-K-S. Good morning. Welcome to Upper  
21 Merion Township. I - pardon the fact that I'm not  
22 wearing a jacket and tie. I was in Hershey,  
23 Pennsylvania earlier - earlier this morning at a  
24 conference known as the Pennsylvania State  
25 Association Township Supervisors, PSATS. For those

1 of you who live in second class townships, this -  
2 there's a good chance that your supervisors were  
3 there also. But I rushed back this morning because  
4 this hearing was important for me to speak out and  
5 to offer my testimony.

6 I'm not really going to talk that much  
7 about the millions of dollars that the casino  
8 provides to the Township and the School District per  
9 year in revenue and I'm not really going to talk  
10 much about the jobs that are generated in our  
11 community, both directly and indirectly by Valley  
12 Forge Casino Resort. I want to focus, as State  
13 Representative Tim Briggs said, on the unique  
14 partnership between Upper Merion Township and Valley  
15 Forge Casino Resort called the BCA, Board of  
16 Community Assistance. The partnership that we have  
17 from everything I've heard is like nothing that  
18 exists anywhere else in Pennsylvania and has  
19 actually resulted in the nine years of the history  
20 of the BCA of more than \$1,000,000 in grants for  
21 local organizations that provide services to Upper  
22 Merion residents and scholarships to graduating high  
23 school seniors from Upper Merion Township who are  
24 going on to complete their education afterwards, be  
25 it college, or community college, or trade school,

1 university, what have you.

2                   To be able to have these programs in  
3 our community has been enormously helpful.  
4 Organizations which have been funded by the Board of  
5 Community Assistance includes neighborhood Meals on  
6 Wheels, Laurel House here in Montgomery County, the  
7 Upper Merion Area Community Cupboard. In fact, as  
8 you may have heard last year, a neighboring  
9 community in Upper Merion Township, Bridgeport,  
10 Bridgeport Borough suffered devastating floods as a  
11 result of the - of the storm that came through. And  
12 the Board of Community Assistance donated, I think  
13 it was \$18,000 of funds directly to help the Upper  
14 Merion community recover. I mention this because  
15 Upper Merion was not affected nearly as much by the  
16 storm that came through as Bridgeport, but still it  
17 was a way of helping out people who are involved in  
18 the broader community because Bridgeport, while  
19 being a separate municipality, is also part of the  
20 school district. And there are kids who go to  
21 school in Bridgeport - who are from Bridgeport who  
22 have daily interactions with people who live in  
23 Upper Merion Township.

24                   Also helped other organizations called  
25 the Literary Society of Norristown, which provides

1 reading comprehension classes and courses for people  
2 who are learning English as a second language and  
3 may not be fully literate. That helps people who  
4 live in Upper Merion, live in Norristown, and  
5 anywhere else because the program is also offered  
6 through our library, and anybody who lives in  
7 Montgomery County is eligible to participate in that  
8 program.

9           The scholarships that have gone to  
10 graduating high school seniors in Upper Merion  
11 Township, who are from Upper Merion Township also  
12 help the community in another way, because as part  
13 of the scholarship program, they are required to do  
14 a volunteer project proposal. Some of these  
15 volunteer projects are volunteering at the, you  
16 know, aforementioned Community Cupboard. Some of  
17 them have been volunteering in sports, helping  
18 underprivileged kids in the broader community, and  
19 some of them have been phenomenal projects and  
20 proposals to deal with situations that are occurring  
21 in the present day.

22           For example, we're about to review the  
23 BCA scholarship applications for - for this year.  
24 In fact, that meeting is going to occur next week.  
25 And one of the proposals is by two kids whose

1 families are originally from Ukraine who want to be  
2 able to organize some relief efforts here in the  
3 community to be able to ship those relief efforts,  
4 be it clothes or blankets, so on and so forth, back  
5 to Ukraine just to be able to help, and to be able  
6 to give people who are stressed out by the war who  
7 are Ukrainian descent. People they can talk to and  
8 places in the community they can go if they need to  
9 go someplace.

10 As we all know, Valley Forge Casino  
11 Resort was hurt substantially by - by the pandemic  
12 that occurred last year, as was Upper Merion  
13 Township. The way the BCA funds are calculated is  
14 it's actually a mathematical formula based on the  
15 number of slot machines and the number of table  
16 games. Despite the fact that Valley Forge Casino  
17 Resort was hurt last year and despite the fact that  
18 Upper Merion Township was going to receive  
19 significantly less funding than Valley Forge Casino  
20 Resort was going to provide, should have provided  
21 based on previous years, Valley Forge Casino Resort  
22 stepped up to the table and advanced Upper Merion  
23 Township future funds so people who would be  
24 applying for funds last year, because they were  
25 eligible for college scholarships or because they

1 were involved in organizations that provide services  
2 to Upper Merion residents were able to apply, so  
3 that we had the money to be able to disburse that  
4 into the community.

5           Also, I just want to mention that this  
6 past Thursday at the Board of Supervisors meeting,  
7 the Board of Supervisors unanimously approved a  
8 letter which I'm sure has been submitted to this  
9 Board to show that the entire Board of Supervisors  
10 is in support of renewable license. Thank you so  
11 much for your time and I hope you will decide to  
12 approve the renewal license. Thanks.

13           PRESIDING OFFICER: Thank you.

14           And with that, we will turn - will  
15 turn to Adrian King and Valley Forge's presentation.

16           ATTORNEY KING: Good morning, Director  
17 Lloyd, Chairman Smyler, and members of the Board.  
18 Pleased to be here. I am Adrian, A-D-R-I-A-N, King,  
19 K-I-N-G, from Ballard Spahr firm here on behalf of  
20 Valley Forge Convention Center Partners doing  
21 business as Valley Forge Casino Resort. And also  
22 with us here today are representatives of the parent  
23 corporation, Boyd Gaming Corporation based in Las  
24 Vegas.

25           I'm just going to make a couple of

1 quick points. Before I do, I'm going to let Ron  
2 Bailey who's sitting with me at the counsel table,  
3 he's the vice-president and general manager of the  
4 facility, introduce his team. And I assure you, the  
5 team is here to help answer questions, but we do not  
6 intend to present eight or nine who are here as  
7 witnesses. And also at the counsel table is Cassie  
8 Stratford, who's the senior vice-president for legal  
9 operations and compliance of Boyd Gaming  
10 Corporation. And I also just want to acknowledge  
11 another person who came in from Boyd Gaming  
12 Corporation, which is Keith Henson, who is the  
13 senior vice-president of operations for the company.  
14 One of the properties that he oversees is Valley  
15 Forge.

16 I thought it would just be helpful  
17 before I turn things over to Ron, just because a lot  
18 of you are not so new, but relatively new, just to  
19 give you a little bit of quick history. You heard  
20 that Valley Forge Convention Center, which those of  
21 you who are from the southeast are familiar with.  
22 It's been around for a long time. It was first  
23 developed in the early '70s, opened in 1973. But  
24 with the prior ownership group of this property,  
25 they had the idea of introducing casino amenity.

1 And we went through that actually back in, I guess,  
2 '07, '08. There was litigation over it.  
3 Ultimately, the initial license was issued in  
4 November of 2011. Operations began in March of  
5 2012. At that point, the law provided for  
6 relicensing every three years and there was a  
7 licensing hearing and a renewal issued in September  
8 of 2015.

9                   And I mention all this because this is  
10 again an instance because of just circumstances and  
11 COVID where Boyd Gaming Corporation, the new owner  
12 of this property, has not appeared in front of you  
13 until now. And they're very pleased to do so. And  
14 Boyd purchased the property in September of 2018, so  
15 just a year or so before we had the challenges of  
16 COVID. So with that, I'm going to turn this over to  
17 Ron and we will move into the presentation.

18                   ---

19                   RONALD BAILEY,  
20 CALLED AS A WITNESS IN THE PROCEEDING, AND HAVING  
21 BEEN PREVIOUSLY SWORN, TESTIFIED AND SAID AS  
22 FOLLOWS:

23                   ---

24                   MR. BAILEY: Good morning, Madam  
25 Chair, Commissioners. I would like to start off by

1 saying the first two speakers stole a lot of my fire  
2 here, so bear with me here as we go along. Before  
3 we get started, I'd like to go ahead and introduce  
4 the leadership team that is here at the property,  
5 from the property. I'm going to start off with  
6 Donna Hogan, our vice-president of human resources;  
7 Dedian Bailey, our vice-president of marketing;  
8 Joyce Serrian, our vice-president of casino  
9 operations; Jeff George, our director of food and  
10 beverage; Janet Maugans, our compliance manager; Tom  
11 Schopf, our director of IT operations; Sybil Davis,  
12 our director of sales and catering; Willie Dartez,  
13 our director of security; and Remi Oduyebo, our  
14 director of hotel operations. I'm also attached  
15 here, and I've been here at the property. We've  
16 been really - putting a really good team together,  
17 some of existing staff and some promotions from  
18 within the property, and some folks that we've also  
19 brought into the property. Not pictured here as  
20 well is Yanina de Vargas. She is our new vice-  
21 president of finance. And that's pending regulatory  
22 approval. We're hopeful that she'll start in mid-  
23 May.

24 Briefly do the numbers of the  
25 property. It's a 36,000 square foot casino. As

1 mentioned previously, we've gone up to 850 table  
2 games, or excuse me, 850 slots and 50 table games.  
3 There's 445 hotel rooms that's in two towers, the  
4 start-up tower and the casino tower. And 100,000 -  
5 over 100,000 square feet of meeting space with six  
6 restaurants and five night life venues. Valley  
7 Forge has been open - opened in 1973. Gaming was  
8 introduced in 2012 and acquired by Boyd Gaming in  
9 2018. The acquisition of the property was \$280  
10 million. As previously communicated, their one-time  
11 licensing fees totaling \$23.8 million.

12                   Just a quick highlight of the  
13 benefitting of the Commonwealth and the partnership  
14 that we have. \$125,000,000 in wage and benefits.  
15 \$420,000,000 in adjusted gaming revenue. Over  
16 \$150,000,000 in tax payments and \$64,000,000 spent  
17 on Pennsylvania businesses. Capital is a big part  
18 of our strategy here in reinvestment - reinvesting  
19 into the property. This is just a quick highlight  
20 of that reinvestment since Boyd acquired the  
21 property totaling \$22.6 million. For this year,  
22 2022, we're investing 2.7 million dollars into the  
23 property. A couple highlights, the hotel elevator  
24 cameras, slot capital, and microphone systems, and  
25 our commitment to unattended children and overall

1 safety for the property.

2                   One thing we're truly proud of as well  
3 is our partnership with FanDuel, which has allowed  
4 FanDuel to come into the Commonwealth through our  
5 license. That partnership has provided to be very  
6 successful. FanDuel is the market leader in the  
7 Commonwealth. We have at our property an 1,800-  
8 square-foot retail sports book with 7 betting  
9 windows and 16 betting kiosks. We also offer online  
10 - or FanDuel offers online sports betting through  
11 the FanDuel mobile app. And over \$400,000,000 in  
12 sports gaming revenue to date. \$101,000,000 tax  
13 revenue's been generated as well. Again through  
14 that partnership, we had launched FanDuel brand  
15 online casinos in collaboration with our casino and  
16 also a Stardust brand online casino. That's  
17 \$347,000,000 in online casino revenue to date and  
18 \$122,000,000 in tax revenue generated.

19                   You know, we were not immune obviously  
20 as the rest of the Commonwealth to the pandemic.  
21 Valley Forge closed in March - of mid-March of 2020.

22                   However, we continued to pay full benefits through  
23 April 10th and we continued to --- pay our team  
24 members through April 10th, excuse me, and benefits  
25 continued through the reopening June 2020. We also

1 donated \$35,000 to the local food bank in March and  
2 December of 2020. And when Valley Forge closed  
3 again in mid-December from January 4th of 2021, we  
4 continued to pay our team members full pay and  
5 benefits.

6 We are still continuing to focus on  
7 health and safety for our property. We implemented  
8 a Boyd Cleans, which is set of a comprehensive  
9 health and safety - safety protocols. Even though  
10 that, you know, we've relaxed some of the mask  
11 mandates and things of that nature, we continue  
12 those clean protocols to this day. We also hosted  
13 three on-site vaccinations - vaccination clinics and  
14 the mask, excuse me, the mandatory mask policy  
15 enforced through March of this year.

16 Community is a big part of who we are  
17 and how we live through all of our team members and  
18 we try to be an important part of that. Our mission  
19 statement is not new. It's been in the company for  
20 over 30 years. I won't read the whole thing, but  
21 the key pieces for me are we operate with only the  
22 highest degree of integrity. We provide  
23 opportunities for all while we support and enhance  
24 our communities. We also have a unique workplace  
25 culture. As communicated, over the past year, we've

1 provided \$831,000 in bonus payments to frontline  
2 teams members in the last year just to say thank you  
3 for all of the hard work and dedication that they've  
4 had towards Valley Forge through all of the  
5 challenges that we've had to deal with. We have an  
6 open door policy. We have a senior leadership  
7 that's engaged with all of my senior leaders here  
8 today. My boss from Boyd Gaming, as well as senior  
9 operations from Boyd Legal are here as well. We do  
10 team member of the year recognitions. We have  
11 competitive pay and benefits programs, scholarships,  
12 tuition reimbursement, student loan repayments.

13                   Diversity is also a critical piece of  
14 who we are at Boyd Gaming. As we are at Valley  
15 Forge, I wanted to show you some demographics.  
16 Montgomery County, this is, you can see on the left  
17 is the demographics versus Valley Forge. The two  
18 pieces that I want to get your eyes on are 41  
19 percent of our team members are women and 88 percent  
20 are Pennsylvania residents. You can't talk about  
21 diversity unless you're talking about leadership as  
22 well. If we have a diverse team member base, we  
23 need to have a diverse leadership base. When the  
24 last licensing went through in 2015, 13 percent of  
25 the directors or above positions were minorities.

1 Today, we're at 50 percent. Twenty-Two (22) percent  
2 in 2015 were women directors and above. Today,  
3 we're at 42 percent. It's one of the most diverse  
4 leadership teams in the gaming industry and we're  
5 going to continue to drive that message. Can't talk  
6 about diversity unless you're talking about  
7 procurement and how we're involved in the community.

8 \$10.25 million spent in the state. 304  
9 Pennsylvania-based vendors utilized. 1.1 million in  
10 MBE and WBE, and that's about 10.8 percent of the  
11 biddable total, which is slightly up from 2019. We  
12 didn't include 2020 due to the pandemic.

13 Getting back an important part of who  
14 we are as well, \$127,000 donated to non-profits in  
15 2020, including a \$50,000 pandemic relief campaign  
16 in June of 2021. \$283,000 donated since 2018.  
17 These are just some of the companies, 501C's that  
18 we've worked with. And to echo was Supervisor Greg  
19 Waks said, \$1.1 million donated with the BCA since  
20 2015. And that's touched 225 organizations and 155  
21 scholarships awarded. Donna Hogan and myself  
22 actually sit on that board and we're looking forward  
23 to getting out or supporting other scholarships as  
24 we look through those applications next week. It's  
25 a big part of our property. It's a big part of the

1 community and we're proud to play a small role in  
2 that.

3                   Focus and intensity, that's a word  
4 that I use probably every day of the week with my  
5 team and that is how we look at protecting our  
6 children in the community. Valley Forge has  
7 committed \$775,000 to implement our industry leading  
8 program to mitigate unattended children in our  
9 property. I had the opportunity to speak with you  
10 all several months ago and talk about that program.

11 I just wanted to share that all of the items on  
12 there have been completed except the last one, which  
13 is extending our surveillance camera coverage of the  
14 casino towers, which are our two hotel towers. That  
15 project will be done in the late third quarter,  
16 early fourth quarter of this year. So as we commit  
17 to finishing that project by the end of 2022, we  
18 will complete that project.

19                   Just a quick highlight on some of that  
20 technology. One of the things that we were able to  
21 implement are 4K infrared cameras. And those are  
22 two separate things. A 4K is a very high quality  
23 camera. And on top of that, you have an infrared  
24 camera. So if you see the picture on the right,  
25 that's with - that's with the illumination off in -

1 at night and the one on the left is when that IR  
2 camera is activated. So we've been able to see a  
3 lot of things and prevent things and not just  
4 unattended children, but nefarious acts that could  
5 be occurring as well.

6 We enhanced our signage program as  
7 well. Those are just some of the examples of that.

8 We've also partnered with the Upper Merion Police  
9 Department, who's been a great partner in  
10 surveilling our parking lot areas during high peak  
11 times, i.e. March Madness, the Super Bowl, playoffs,  
12 and things of that nature, to ensure we have better  
13 coverage based on the data of where unattended  
14 children are coming from. We've also hired an  
15 outside security company that works throughout every  
16 day to ensure that we have better coverage of our  
17 parking lot as well.

18 So in closing, we enjoy being a  
19 partner with the community, with the Commonwealth.  
20 We're committed to being an employer of choice. We  
21 do have a proven track record of diversity. We  
22 support local businesses. We're an active supporter  
23 of non-profits. We're going to continue investments  
24 into our property and into the community. And  
25 unattended children program demonstrates our

1 commitment to industry leadership. I'm going to  
2 thank you again, Madam Chair, and thank you for this  
3 opportunity to present to you today. Thank you,  
4 Commissioners.

5 PRESIDING OFFICER: Thank you. I will  
6 turn to our Office of Enforcement Counsel for any  
7 cross-examination or questions from Staff.

8 ATTORNEY BOEHM: Thank you. Elizabeth  
9 Boehm - thank you. Elizabeth Boehm, B-O-E-H-M,  
10 Assistant Enforcement Counsel with the Office of  
11 Enforcement Counsel.

12 ---

13 CROSS EXAMINATION

14 ---

15 BY ATTORNEY BOEHM:

16 Q. What percentage of your employees are  
17 RAMP certified?

18 A. So 100 percent of our team members that  
19 are required to be RAMP are certified. That's  
20 roughly 65 percent of my team member base. So  
21 that's table games, slots, security, food and  
22 beverage, sports books, surveillance.

23 Q. I'm going to draw your attention to slide  
24 11 of the presentation. So are all of your  
25 amenities now open and providing these services to

1 all of its patrons?

2 A. Yes. All of - all of our amenities are  
3 reopened except for valet parking. We're - we're  
4 looking at evaluating that now as far as reopening  
5 valet. Primarily the reason is for safety of our  
6 team members. We are evaluating that now as things  
7 are looking back up.

8 Q. Let me draw your attention to slides 15  
9 and 16 of the presentation. Is Montgomery County  
10 your primary applicant pool?

11 A. I would say --- I wouldn't say that  
12 Montgomery County is our primary. I think the  
13 surrounding area, including Philadelphia as well.  
14 One of the things that I should have mentioned is  
15 that we also provide free bus through SEPTA for all  
16 team members that either are coming out of the  
17 Philadelphia area or anyone who takes public  
18 transportation. So that's a monthly pass that's  
19 roughly about \$94 per - \$94 per team member. So we  
20 have over 40 team members that are - that are  
21 utilizing that today.

22 Q. And regarding your Valley Forge team  
23 members, what percentage are full-time workers  
24 versus part-time workers?

25 A. That's a great question. Eighty-One (81)

1 percent of our team members are full time. Nineteen  
2 (19) percent part-time.

3 Q. There's a claim that 88 percent of your  
4 team members are Pennsylvania residents. Does  
5 Valley Forge recruiting standards or policies for  
6 recruiting Pennsylvania residents?

7 A. Yeah. Our overall recruiting strategy is  
8 in Pennsylvania. So from a target standpoint,  
9 whether we're utilizing social media or online job  
10 boards and things of that nature, it's through  
11 Pennsylvania. So, you know, when we have other  
12 positions that we're - that recruit for, i.e. the  
13 director of hotel, things of that nature, we spread  
14 that a little bit broader than that. But generally  
15 speaking, our overwhelming majority of our  
16 recruitment efforts are in the Commonwealth.

17 Q. And there's a claim - there's a claim  
18 that 50 percent of your directors and above are  
19 minorities and 42 percent are women. Can you tell  
20 us how many of these individuals double-count?

21 A. Yes, I can. There are two right here,  
22 Sybil Davis, our director of sales, and Joyce  
23 Serrian, our vice-president of casino operations.

24 Q. Regarding your executive diversity  
25 statistics now compared to 2015, as represented on

1 slide 16, what does Valley Forge attribute to its  
2 increase, for example successful Valley Forge  
3 recruiting practices?

4 A. Be intentional. You know, as you are  
5 going through your recruitment process, be inclusive  
6 in that process and be intentional until it becomes  
7 organic. My boss, Keith Henson, challenges the  
8 property all the time when we're going through  
9 leadership positions, when we're hiring key  
10 positions at the property and asks those questions;  
11 why isn't a woman applying for the job? Are you not  
12 - what are you not doing to ensure that happens?  
13 Why hasn't a minority applied for those positions?  
14 And so, you have to be intentional in that and that  
15 has to be a part of who you are and who the property  
16 is and - and we've been challenged with that, we're  
17 committed to that and we're very proud of what we've  
18 been doing.

19 Q. Thank you. Is Valley Forge Casino Resort  
20 facing any current staffing, hiring, or retention  
21 challenges?

22 A. I'm going to bring Donna Hogan, vice-  
23 president of human resources. I think she probably  
24 has some better stats for that.

25 Donna?

1                   MS. HOGAN: Good morning. Donna  
2 Hogan, H-O-G-A-N. And yes, like every other  
3 property around and every other business in the  
4 Commonwealth, we do have some hiring staff  
5 challenges. We have approximately 75 open positions  
6 today that we're looking to fill. Our biggest  
7 challenge is with the supervisory level. And  
8 retaining. So our 90-day turnover is higher than it  
9 was pre-COVID, just like every other peer I talk to  
10 across the country. And we are doing what we can to  
11 help engage and really help train up and coach  
12 people in and make it a better place.

13                   ATTORNEY BOEHM: Thank you. Nothing  
14 further from OEC.

15                   PRESIDING OFFICER: Mr. King, do you  
16 have any follow-up?

17                   ATTORNEY KING: No follow-up.

18                   PRESIDING OFFICER: Okay.

19                   Then I will turn to our Commissioners  
20 for any questions. I'll start on my left with  
21 Commissioner Manzano-Diaz.

22                   MS. MANZANO-DIAZ: No questions.

23                   PRESIDING OFFICER: No questions?  
24 Commissioner Regan?

25                   MS. REGAN: No questions.

1                   PRESIDING OFFICER: Is there a  
2 Commissioner - I don't - no, no questions?

3                   MS. SMYLER: I have a couple  
4 questions.

5                   PRESIDING OFFICER: Ms. Smyler?

6                   MS. SMYLER: With regard to Boyd  
7 Cleans, could you just expand on what exactly that  
8 encompasses?

9                   MR. BAILEY: Sure. So we have staff  
10 that's specifically trained. Once COVID, you know,  
11 became part of our lives for a period of time, we  
12 had to change how we operated. That's from the  
13 training for the staff, the chemicals that we use  
14 that actually kills COVID, you know, for - I'll give  
15 you an example. So in - for hotel rooms, after  
16 every checkout, when the guests exit the rooms.  
17 Before the GRE goes in there, we actually fog the  
18 room with a chemical that - that kills COVID and  
19 other things. They stay out of the room for  
20 basically three minutes as it does its thing, then  
21 we go and clean the room. It's part of keeping team  
22 members safe, part of keeping our customers safe.

23                   MS. SMYLER: And on the scholarships,  
24 are they only for eligible Upper Merion students or  
25 is it ---?

1                   MR. BAILEY: Yes, ma'am.

2                   MS. SMYLER: --- only ---?

3                   And as far as retention, what do you  
4 attribute the problem with retaining people for more  
5 than 90 days? What do you think that's a result of?

6                   MS. HOGAN: I'm not saying that we're  
7 not doing a fair job with it. It's just higher than  
8 we would like. I think that there's just a lot of  
9 opportunity out there. And so if somebody is  
10 offered a job that's paying just a little bit more  
11 or is closer to home. One of our challenges is  
12 remote. A lot of people are able to work remotely  
13 in other industries. Our industry is very limited  
14 with that.

15                   MS. SMYLER: Thank you. And I just  
16 want to applaud you for your diversity, especially  
17 on the management side. That's very, very  
18 impressive.

19                   MS. HOGAN: Thank you.

20                   MS. SMYLER: So keep up the good work.

21                   MR. BAILEY: Appreciate it.

22                   PRESIDING OFFICER: I think that is  
23 all. Technology changes with every meeting space  
24 that we are in. So with that, I'm going to look  
25 down - do you need a break, or are you good?



1                    ATTORNEY KING: Exhibit 3 is a letter  
2 of support from the Alzheimer's Association.

3                    ---

4                    (Whereupon, VFCR's Exhibit 3, Alzheimer's  
5 Association Letter, was marked for  
6 identification.)

7                    ---

8                    ATTORNEY KING: Exhibit 4 is a letter  
9 of support from Habitat for Humanity.

10                   ---

11                   (Whereupon, VFCR's Exhibit 4, Habitat for  
12 Humanity Letter, was marked for identification.)

13                   ---

14                   ATTORNEY KING: And Exhibit 5 is a  
15 letter of support from the Board of Community  
16 Assistance.

17                   ---

18                   (Whereupon, VFCR's Exhibit 5, 4/13 Board of  
19 Community Assistance Letter, was marked for  
20 identification.)

21                   ---

22                   ATTORNEY KING: And if the OEC does  
23 not object, I'd like to move those into the record.

24                   ATTORNEY BOEHM: No objection.

25                   PRESIDING OFFICER: So moved.

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

---

(Whereupon, VFCR's Exhibit 1, Presentation, was admitted.)

(Whereupon, VFCR's Exhibit 2, 4/21 Board of Supervisors Letter, was admitted.)

(Whereupon, VFCR's Exhibit 3, Alzheimer's Association Letter, was admitted.)

(Whereupon, VFCR's Exhibit 4, Habitat for Humanity Letter, was admitted.)

(Whereupon, VFCR's Exhibit 5, 4/13 Board of Community Assistance Letter, was admitted.)

---

ATTORNEY KING: All right.

With your permission, I will approach the Court Reporter to give her these.

PRESIDING OFFICER: Yes.

ATTORNEY KING: And with that, I will close at least our presentation and naturally ask for your approval of our new license.

PRESIDING OFFICER: Then we will turn to our Office of Enforcement Counsel for their presentation.

ATTORNEY BOEHM: Thank you. Director Lloyd, Chair, Commissioners, the Office of Enforcement Counsel and Valley Forge Casino Resort

1 have entered into the following stipulations  
2 concerning Valley Forge Casino Resort's application  
3 for renewal of its license, which have been provided  
4 to you in Exhibits 1 through 7. The Pennsylvania  
5 State Police have provided OEC with uniformed crime  
6 reporting system reports for a period of September  
7 '15 through April of 2022 addressing incidents at  
8 Valley Forge category 3 slot machine license  
9 request. The summary reports are available as OEC  
10 Exhibit 1.

11

---

12 (Whereupon, OEC's Exhibit 1, Summary Reports, was  
13 marked for identification.)

14

---

15 ATTORNEY BOEHM: On March 28, 2022,  
16 the Bureau of Liquor Control Enforcement issued a  
17 letter to OEC stating that there are at least three  
18 citations and adjudications against Valley Forge  
19 category three slot machine license for the past  
20 three years. The Bureau of Liquor Control  
21 Enforcement letter is available as OEC Exhibit 2.

22

---

23 (Whereupon, OEC's Exhibit 2, Bureau of Liquor  
24 Control Enforcement Letter, was marked for  
25 identification.)

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

---

ATTORNEY BOEHM: On April 1st, 2022, the Board's Office of Compulsive and Problem Gambling issued a memorandum to OEC attesting that Valley Forge has been compliant with its compulsive and problem gambling plan and is meeting the requirements under the Gaming Act and Board's regulations as they pertain to its plan. This memorandum is available as OEC Exhibit 3.

---

(Whereupon, OEC's Exhibit 3, Memorandum, was marked for identification.)

---

ATTORNEY BOEHM: On March 29th, 2022, Pennsylvania Department of Revenue issued a letter to OEC attesting that Valley Forge is in compliance and in good standing with the Pennsylvania Department of Revenue. The Pennsylvania Department of Revenue letter is available as OEC Exhibit 4.

---

(Whereupon, OEC's Exhibit 4, Department of Revenue Letter, was marked for identification.)

---

ATTORNEY BOEHM: OEC Exhibits 5, 6, and 7 are consent agreements, compliance conference

1 memorandums, and warning letters respectively, which  
2 are not before you today, but are accessible through  
3 an access link provided to the parties and board  
4 members. OEC and Valley Forge have entered into  
5 nine board approved consent agreements since the  
6 time that Valley Forge's last renewal. Copies of  
7 the board approved consent agreements are included  
8 in OEC - as OEC Exhibit 5 and are accessible through  
9 an access link.

10 ---

11 (Whereupon, OEC's Exhibit 5, Consent Agreements,  
12 was marked for identification.)

13 ---

14 ATTORNEY BOEHM: OEC conducted ten  
15 compliance conferences with Valley Forge since the  
16 time of Valley Forge's last renewal. The compliance  
17 conference memorandums are OEC Exhibit 6 and  
18 accessible through an access link. OEC would ask  
19 that OEC Exhibit 6 be kept confidential.

20 ---

21 (Whereupon, OEC's Confidential Exhibit 6,  
22 Compliance Conference Memorandums, was marked for  
23 identification.)

24 ---

25 ATTORNEY BOEHM: OEC has issued Valley

1 Forge 31 warning letters since the time of its last  
2 renewal for various violations of the Act and the  
3 regulations promulgated thereunder. Valley Forge  
4 has appropriately responded to each warning letter  
5 issued by OEC as required. Copies of the warning  
6 letters and Valley Forge Casino Resort's responses  
7 are OEC Exhibit 7 and accessible through an access  
8 link. OEC would ask that OEC Exhibit 7 be kept  
9 confidential.

10 ---

11 (Whereupon, OEC's Exhibit 7, Warning Letters, was  
12 marked for identification.)

13 ---

14 ATTORNEY BOEHM: Finally, OEC Exhibit  
15 8, the stipulation agreement executed by the parties  
16 on April 22nd - or 21st, 2020.

17 ---

18 (Whereupon, OEC's Exhibit 8, Stipulation  
19 Agreement, was marked for identification.)

20 ---

21 ATTORNEY BOEHM: OEC requests that OEC  
22 Exhibits 1 through 8 be admitted into the record  
23 with the additional request that OEC Exhibits 6 and  
24 7 be kept confidential. Director Lloyd, Chair,  
25 Commissioners, OEC also intends to offer the

1 testimony of three witnesses who are with the  
2 Pennsylvania State Police, the Board's Bureau of  
3 Casino - Casino Compliance, and the Board's Bureau  
4 of Investigation and Enforcement. With your  
5 permission, Director Lloyd, I'll call OEC's witness  
6 and turn it over to my co-counsel for questioning.

7 PRESIDING OFFICER: Okay.

8 First off, Mr. King, do you have any  
9 objection to Exhibits 1 through 8, keeping Number 7  
10 and - 6 and 7 confidential?

11 ATTORNEY KING: No objection.

12 PRESIDING OFFICER: Okay. So exhibits  
13 are so moved.

14 ---

15 (Whereupon, OEC's Exhibit 1, Summary Reports, was  
16 admitted.)

17 (Whereupon, OEC's Exhibit 2, Bureau of Liquor  
18 Control Enforcement Letter, was admitted.)

19 (Whereupon, OEC's Exhibit 3, Memorandums, was  
20 admitted.)

21 (Whereupon, OEC's Exhibit 4, Department of  
22 Revenue Letter, was admitted.)

23 (Whereupon, OEC's Exhibit 5, Consent Agreements,  
24 was admitted.)

25 (Whereupon, OEC's Confidential Exhibit 6,

1 Compliance Conference Memorandums, was admitted.)  
2 (Whereupon, OEC's Exhibit 7, Warning Letters, was  
3 admitted.)

4 (Whereupon, OEC's Exhibit 8, Stipulation  
5 Agreement, was admitted.)

6 ---

7 PRESIDING OFFICER: And you can call  
8 your first witness.

9 ATTORNEY SCIRROTTO: Thank you. Kelci  
10 - Thank you. Kelci Scirrotto, S-C-I-R-R-O-T-T-O,  
11 assistant enforcement counsel with the Office of  
12 Enforcement Counsel. The Office of Enforcement  
13 Counsel calls Sergeant Kunes.

14 ---

15 MARC KUNES,  
16 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND  
17 HAVING BEEN PREVIOUSLY SWORN, TESTIFIED AND SAID AS  
18 FOLLOWS:

19 ---

20 DIRECT EXAMINATION

21 ---

22 BY ATTORNEY SCIRROTTO:

23 Q. Good morning, Sergeant.

24 A. Good morning.

25 Q. Can you please state your name and spell

1 it?

2 A. Sergeant Marc Kunes, M-A-R-C, K-U-N-E-S.

3 Q. How are you currently employed?

4 A. Currently employed by the Pennsylvania  
5 State Police Bureau of Gaming Enforcement. I'm  
6 currently assigned as the office commander at Valley  
7 Forge Casino.

8 Q. Can you please describe your career with  
9 the Pennsylvania State Police?

10 A. I've been employed by the Pennsylvania  
11 State Police for approximately 16 years. I served  
12 approximately seven of those years in patrol and  
13 nine of those years in the Bureau of Gaming  
14 Enforcement.

15 Q. Can you please describe your duties in  
16 your current position?

17 A. Yes. I'm responsible for the operation  
18 and supervision of the Valley Forge gaming office.  
19 I'm also responsible for several administrative  
20 duties, as well as helping sustain relationships  
21 between casino employees and our local police  
22 department.

23 Q. What is the role of the Pennsylvania  
24 State Police Bureau of Gaming Enforcement at Valley  
25 Forge Casino?

1           A.       Our role is to provide police services to  
2 the Valley Forge Casino. This includes any criminal  
3 activity or suspected criminal activity that occurs  
4 on the gaming floor and in related areas, casino  
5 administrative offices, and also the employee areas.

6           Q.       Now, regarding police jurisdiction at  
7 Valley Forge Casino, you testified that the  
8 Pennsylvania State Police are primarily responsible  
9 for the gaming floor and gaming related areas. Is  
10 there a memorandum of understanding in place between  
11 the Pennsylvania State Police and the Upper Merion  
12 Township Police Department?

13          A.       Yes, there is.

14          Q.       And according to this memorandum of  
15 understanding, what law enforcement agency has  
16 primary police jurisdiction over Valley Forge Casino  
17 parking lot?

18          A.       Upper Merion has primary jurisdiction  
19 over the parking lots.

20          Q.       And what about the hotel?

21          A.       Upper Merion Police Department would have  
22 jurisdiction over the hotel, including the Stardust  
23 Hotel and the casino tower, which is just the newer  
24 part of the hotel and closer to the casino floor.

25          Q.       Okay.

1                   And what other areas of Valley Forge  
2 Casino?

3           A.       Other areas Upper Merion Police  
4 Department has jurisdiction would be all hotel and  
5 hotel areas, which we just talked about, all banquet  
6 and meeting areas, all parking lots and exterior  
7 buildings and grounds, event centers, the Valley  
8 Forge beach pool area and the bus offloading area.

9           Q.       And can you please describe the working  
10 relationship that the Pennsylvania State Police  
11 personnel have with Upper Merion Township Police  
12 Department personnel?

13          A.       We maintain a very positive working  
14 relationship with Upper Merion Police Department.  
15 It consists of cooperation, information sharing, and  
16 assisting each other if necessary.

17          Q.       Can you please describe the working  
18 relationship between the Pennsylvania State Police  
19 and Valley Forge Casino personnel?

20          A.       Yes. We work very well with the Valley  
21 Forge employees. Most of the employees are  
22 accustomed to seeing us patrolling the areas of the  
23 casino and the troopers most often interact with the  
24 casino surveillance and security departments.

25          Q.       Are the Pennsylvania State Police

1 satisfied with the level of cooperation between the  
2 personnel of Valley Forge Casino and the  
3 Pennsylvania State Police?

4 A. Yes. We maintain a professional and  
5 cooperative working relationship with all the staff.

6 Q. Can you please describe the working  
7 relationship that the Pennsylvania State Police has  
8 with personnel from the Board's Bureau of Casino  
9 Compliance assigned to Valley Forge?

10 A. It's also a very excellent relationship.  
11 The troopers often interact with them while  
12 conducting their investigations. Their office is  
13 located close to our office so it's easy for the  
14 troopers to communicate and cooperate with whatever  
15 needed.

16 Q. Are you familiar with how arrest  
17 statistics are tracked by the Pennsylvania State  
18 Police?

19 A. Yes.

20 Q. From what years are you able to provide  
21 accurate arrest data?

22 A. January 1st, 2015 through April 19th,  
23 2022.

24 Q. Can you describe how the arrest  
25 statistics are reported?

1           A.       Yes.  As of January 1st, 2021, the PSP  
2 transitioned from summary uniform crime reporting,  
3 which is known as UCR, to the national incident  
4 based reporting system, otherwise known as NIBRS.  
5 NIBRS was designed to provide a more comprehensive  
6 reporting system concerning the occurrence of crime  
7 when compared to the old UCR summary reporting  
8 system.  Prior to January 1st, 2021, the UCR report  
9 - reporting system was utilized.  This worked by -  
10 when there was a criminal offense reported, a  
11 criminal report would be completed and the  
12 supervisor who was doing the report would then  
13 classify each criminal incident according to the UCR  
14 protocol.

15           Q.       To your knowledge, how do the UCR and  
16 NIBRS differ in regards to how they program such  
17 information?

18           A.       Originally, the FBI crime reporting  
19 program was designed as a summary UCR system to  
20 collect only the most serious offenses within an  
21 incident.  Rather than manually submitting UCR  
22 information via a direct entry into the PA CRS  
23 system, with NIBRS now the information is  
24 automatically uploaded to our record management  
25 system.  The FBI's transition to NIBRS allows for a

1 more detailed collection data and greater  
2 specificity of these offenses.

3 Q. How frequently is the information  
4 contained in the UCR and NIBRS updated?

5 A. Prior to this transition, UCR's were  
6 updated monthly, but NIBRS data is automatically  
7 uploaded.

8 Q. Is the information contained in the  
9 report for UCR and NIBRS subject to editing and  
10 revision?

11 A. Yes. Any - the information may be edited  
12 at any time.

13 Q. Under what circumstances can it be edited  
14 or revised?

15 A. If the case data changes or any other  
16 updates needed.

17 Q. And who makes those edits?

18 A. Typically the supervisor responsible for  
19 making the data entry would do the edits.

20 Q. And can they ever update a case if the  
21 case is later determined to be unfounded?

22 A. Yes, it can.

23 Q. I'm going to direct you to what has been  
24 provided as OEC Exhibit Number 1. Can you identify  
25 this document?

1 A. Yes.

2 Q. What is this?

3 A. This is crime data compiled from UCR data  
4 from January 1st, 2015 through December 31st, 2020  
5 and NIBRS data from January 1st, 2021 through April  
6 19th, 2022.

7 Q. And for the years 2015 through 2020, the  
8 SRS report at the top, is that report generated from  
9 UCR?

10 A. Yes, it is.

11 Q. And does OEC Exhibit 1 also include a  
12 list of offenses and counts for each specific  
13 offense handled by the Pennsylvania State Police, as  
14 well as the adjudication?

15 A. Yes.

16 Q. And can one individual be arrested for  
17 more than one count?

18 A. Yes, they can be. A person could be  
19 charged with several counts for the same offense.

20 Q. Does OEC Exhibit 1 include the number of  
21 actual counts which are prosecuted?

22 A. Yes, it does. That would be listed under  
23 the total offenses cleared category for years 2015  
24 through 2020 and the case status or disposition  
25 outcome for years 2021 and 2022. An offense would

1 be cleared by an arrest if at least one person is  
2 charged.

3 Q. Have you reviewed the statistics for  
4 Valley Forge for the time period recommended here?

5 A. Yes, I have.

6 Q. And what criminal offenses has the  
7 greatest number of counts reported based on the  
8 information provided in OEC Exhibit 1?

9 A. This would be forgery and counterfeiting.

10 Q. Can you give an example of the type of  
11 conduct that results in a person being charged with  
12 forgery and counterfeiting?

13 A. Yes. One example would be a casino  
14 patron attempts to pass a bill later determined to  
15 be counterfeit and they are subsequently found to  
16 have several more bills on their person containing  
17 the same serial number. This would be an example.

18 Q. Do the Pennsylvania State Police have any  
19 theories or any explanation as to why Valley Forge  
20 has experienced more counts overall for forgery and  
21 counterfeiting?

22 A. No specific theory. However, we do have  
23 some arrests in which a patron could be found to be  
24 in the possession of several counterfeit bills which  
25 would result in several counts being charged and

1 reported. Also, we've through periods with repeat  
2 offenders involving counterfeit rings. Additionally  
3 due to the fact the casino deals with large amounts  
4 of currency, this makes it a prime target for this  
5 type of crime.

6 Q. I see in the exhibit that 2017 had the  
7 highest number of forgery and counterfeiting counts  
8 at 69. Since 2017, has there been a decrease in  
9 forgery and counterfeiting at Valley Forge Casino?

10 A. Yes, there has been a decrease. For  
11 example, there were two counts in 2021 and there  
12 hasn't been any in 2022.

13 Q. Does the Pennsylvania State Police have  
14 any theories regarding why there has been a decrease  
15 since 2017?

16 A. This is a working theory, however a  
17 decrease would be caused by disruption of any  
18 counterfeit rings that may be present by law  
19 enforcement.

20 Q. Now, excluding forgery and  
21 counterfeiting, what criminal offenses increased in  
22 counts reported based on your experience working  
23 with the Pennsylvania State Police, Bureau of Gaming  
24 Enforcement, and based upon OEC Exhibit 1?

25 A. This would be criminal trespassing.

1 Q. Can you give an example of the type of  
2 conduct that results being charged with criminal  
3 trespass?

4 A. A common example of this would be a  
5 person that is found on the property after having  
6 been formerly evicted from the property.

7 Q. Do the Pennsylvania State Police have any  
8 theories or explanation as to why Valley Forge  
9 experiences more incidents of trespassing than other  
10 offenses?

11 A. Sure. This could be expected due to the  
12 vast amount of people that have been formerly  
13 evicted from the casino property and as well as  
14 people that are on the self-exclusion and the state  
15 exclusion lists.

16 Q. Now, when an individual is charged with  
17 trespassing at Valley Forge, is that usually graded  
18 as a summary offense?

19 A. The initial offense would be a summary.  
20 If the offender individual reoffends, it may rise to  
21 a misdemeanor. This would be at the discretion of  
22 the investigating trooper.

23 Q. Would the summary citations for trespass  
24 have been recorded by the UCR in 2015 through 2020?

25 A. Yes. They would be captured under all

1 other offenses.

2 Q. Would summary citations have been  
3 reported by NIBRS for years 2021 and 2022?

4 A. Yes.

5 Q. And how many trespassing counts were  
6 charged in 2021?

7 A. Thirty-Six (36).

8 Q. And 2022 so far?

9 A. Thirteen (13).

10 Q. Now, looking at that, can you say  
11 approximately how many counts of theft are reported  
12 in an average month?

13 A. Approximately two per month.

14 Q. Are there a significant number of other  
15 crimes at Valley Forge?

16 A. No, there's not.

17 Q. Are there any significant other crimes  
18 regarding individuals under the age of 21?

19 A. No, however they do occur. However,  
20 they're not - there's not a significant amount of  
21 them.

22 Q. After reviewing this data, do you see a  
23 pattern in any type of actual offenses that have  
24 occurred at Valley Forge Casino?

25 A. I do not see a pattern.

1 Q. In your opinion, are there any issues or  
2 concerns which would negatively impact Valley  
3 Forge's suitability for continued licensure?

4 A. No.

5 ATTORNEY SCIRROTTO: Thank you. I  
6 have no further questions.

7 PRESIDING OFFICER: Attorney King, any  
8 questions for the witness?

9 ATTORNEY KING: No questions.

10 PRESIDING OFFICER: Any questions from  
11 Commissioners?

12 MR SMYLER: I don't have any.

13 PRESIDING OFFICER: Okay. Thank you.

14 THE WITNESS: Thank you.

15 ATTORNEY SCIRROTTO: Our next witness  
16 is Christopher Costigan from the Bureau of Casino -  
17 Casino Compliance.

18 ---

19 CHRISTOHPER COSTIGAN,  
20 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND  
21 HAVING BEEN PREVIOUSLY SWORN, TESTIFIED AND SAID AS  
22 FOLLOWS:

23 ---

24 DIRECT EXAMINATION

25 ---

1 BY ATTORNEY SCIRROTTO:

2 Q. Please state and spell your name.

3 A. Christopher Costigan,  
4 C-H-R-I-S-T-O-P-H-E-R, C-O-S-T-I-G-A-N.

5 Q. Are you employed by the Pennsylvania  
6 Gaming Control Board?

7 A. Yes, I am.

8 Q. And what is your job title?

9 A. Casino compliance supervisor.

10 Q. How long have you held this position?

11 A. Almost 15 years.

12 COURT REPORTER: Can you speak up,  
13 please?

14 THE WITNESS: Yes, I'm sorry. Almost  
15 15 years.

16 BY ATTORNEY SCIRROTTO:

17 Q. Have you previously held any other  
18 positions with the Pennsylvania Gaming Control  
19 Board?

20 A. Yes. I was an Investigative for Board's  
21 Bureau of Investigations and Enforcement for one  
22 year back in 2016.

23 Q. What are your responsibilities as Bureau  
24 of Casino Compliance supervisor for Valley Forge?

25 A. I supervise the staff or six casino

1 compliance representatives to ensure compliance with  
2 the Board's regulations, the Gaming Act, and  
3 internal controls in the casinos.

4 Q. Does this include interactions with the  
5 Department of Revenue in regards to Valley Forge?

6 A. Yes, it does.

7 Q. Can you describe this interaction?

8 A. We interact with them when they conduct  
9 audits or on-site casino inspections. And if they  
10 request for assistance from us we comply.

11 COURT REPORTER: I'm sorry. You're  
12 trailing off again. Can you speak into the  
13 microphone?

14 THE WITNESS: Oh, I'm sorry. We  
15 interact with them and provide assistance during  
16 inspections or audits and any request for assistance  
17 from us and they use our office and we assist in any  
18 way we can.

19 BY ATTORNEY SCIRROTTO:

20 Q. Can you describe your role at the Bureau  
21 of Casino Compliance at a licensed Pennsylvania  
22 casino?

23 A. To ensure that a casino is following the  
24 Board's regulations, their own internal controls,  
25 and the Gaming Act. We also respond to patron

1 complaints and answer any questions involving the  
2 self-exclusion process.

3 Q. Can you describe the type of access the  
4 Bureau of Casino Compliance has within Valley Forge  
5 in the following departments, the surveillance room?

6 A. We have direct access and we have access  
7 through our surveillance system in the Board's  
8 office.

9 Q. The account room?

10 A. We have remote access to the Board's  
11 account system in the Board's office.

12 Q. Central control computer room?

13 A. We have surveillance access in the  
14 Board's office.

15 Q. Are or were there any issues with  
16 connectivity regarding a central control computer at  
17 Valley Forge during the renewal period?

18 A. No, there were not.

19 Q. Any other?

20 A. We monitor table gaming, slot operations,  
21 security personnel, surveillance personnel, player  
22 services, sports betting.

23 Q. Does the Bureau of Casino Compliance  
24 interact with Valley Forge patrons?

25 A. Yes, we do.

1 Q. Does the Bureau of Casino Compliance  
2 respond to patron complaints?

3 A. Yes, we do.

4 Q. How so?

5 A. In-person, via email, via phone depending  
6 on how they come in.

7 Q. Does the Bureau of Casino Compliance have  
8 a self-exclusion intakes?

9 A. The intakes are conducted online at this  
10 point. If a patron did not have access to a  
11 computer at home or elsewhere, they can use our  
12 office to access the system and we would obviously  
13 provide any information that the program has  
14 requested.

15 Q. Can you describe the relationship between  
16 the Bureau of Casino Compliance and members of the  
17 Pennsylvania State Police that are on-site at Valley  
18 Forge?

19 A. We have a very good working relationship  
20 with the State Police.

21 Q. Can you describe your relationship  
22 between the Bureau of Casino Compliance and Valley  
23 Forge staff?

24 A. We have a very good working relationship,  
25 professional, and very cooperative.

1 Q. Has Valley Forge's staff been cooperative  
2 with compliance reviews conducted by the Bureau of  
3 Casino Compliance?

4 A. Yes, they have.

5 Q. Are you familiar with the typical  
6 regulatory issues found at Pennsylvania casinos in  
7 general?

8 A. Yes, I am.

9 Q. Are those regulatory issues that occur at  
10 Valley Forge comparable to regulatory issues found  
11 at other Pennsylvania casinos?

12 A. Yes, they are.

13 ATTORNEY SCIRROTTO: Nothing further  
14 for this witness.

15 PRESIDING OFFICER: Attorney King, any  
16 questions?

17 ATTORNEY KING: No questions. Thank  
18 you.

19 PRESIDING OFFICER: Any questions from  
20 our board members?

21 MS. SMYLER: I just have one question  
22 as far as clarification, and I can't remember  
23 whether it was the count room and the central  
24 computer room you said you had surveillance access.  
25 Would you have direct access if you needed it?



1 last name.

2 A. It's Desire Brown, D-E-S-I-R-E. Last  
3 name Brown, B-R-O-W-N.

4 Q. Are you employed with the Pennsylvania  
5 Gaming Control Board?

6 A. Yes.

7 Q. What is your current job title?

8 A. I am the case agent assigned to Valley  
9 Forge Casino.

10 Q. How long have you held this position?

11 A. I have been a case agent assigned to  
12 Valley Forge since November of 2021.

13 Q. Have you previously held any other  
14 positions with the Pennsylvania Gaming Control  
15 Board?

16 A. I was an investigator with Gaming Control  
17 Board from July 2021 up until November of 2021.

18 Q. Can you please explain the differences  
19 between an investigator and a case agent?

20 A. They are similar positions. As a case  
21 agent, however, I focus solely on Valley Forge  
22 Casino. I serve as a liaison between BIE and Valley  
23 Forge Casino personnel and other PGBC bureaus  
24 regarding investigative issues occurring at the  
25 property.

1 Q. Did you conduct the investigation of  
2 Valley Forge Casino Resort for its slot machine  
3 license renewal application?

4 A. Yes.

5 Q. Did the Bureau of Investigation and  
6 Enforcement or BIE begin its renewal investigation  
7 at Valley Forge Casino?

8 A. The renewal application was assigned to  
9 me on January 4th, 2022 and the renewal  
10 investigation began on February 24th, 2022.

11 Q. Can you describe the scope of your  
12 investigation?

13 A. Per BIE policy for renewal applicants, I  
14 reviewed the application and sent correspondence to  
15 the applicants or the applicant's designee  
16 requesting supporting documents pertaining to the  
17 investigation. This includes extensive financial  
18 documentation, military history, family history,  
19 travel history, criminal and civil litigation, and  
20 any bankruptcy or lien information. I also conduct  
21 various data researches to verify the applicant's  
22 credit history, criminal history, education,  
23 residence history, key PGBC enforcement actions  
24 and/or special conditions, gaming licenses held in  
25 outside jurisdiction, and federal and state tax

1 compliance. After all the information has been  
2 reviewed, I request a meeting and interview the  
3 applicant to review the application and all  
4 requested documents to ensure all information is  
5 accurate and correct. Once the investigation is  
6 complete, I prepare - I prepare a report of  
7 investigation.

8 Q. When was Valley Forge Casino's slot  
9 machine application last renewed by the Board?

10 A. The category three slot machine license  
11 was renewed on September 23rd, 2015.

12 Q. Does this investigation include the  
13 review of Valley Forge Casino Resort from the date  
14 of the last slot machine license renewal to present?

15 A. Yes. This renewal investigation covers  
16 the time period from the date of the last renewal,  
17 September 23rd, 2015, to present when my  
18 investigation was complete.

19 Q. Did the Bureau of Enforcement and  
20 Investigation review the renewal application filed  
21 by Valley Forge Casino Resort principle and it's  
22 entity, Boyd Gaming?

23 A. Yes. I reviewed the renewal application  
24 filed by Valley Forge Casino. All reports were  
25 reviewed by the deputy director before being

1 approved by the BIE director and then being assigned  
2 to OEC.

3 Q. Did the investigation include a review of  
4 the following, criminal history checks?

5 A. Yes.

6 Q. Civil litigation history checks?

7 A. Yes.

8 Q. Tax clearances?

9 A. Yes.

10 Q. A review of the PGCB regulatory history?

11 A. Yes.

12 Q. A review of any enforcement actions taken  
13 against Valley Forge Casino Resort by OEC?

14 A. Yes.

15 Q. Has Valley Forge Casino Resort personnel  
16 been cooperative during the investigation?

17 A. Yes, they have.

18 Q. Is the investigation complete?

19 A. Yes. The investigation is complete as of  
20 April 26th, 2022.

21 Q. Are there any current issues that would  
22 negatively impact Valley Forge's license renewal?

23 A. No.

24 ATTORNEY BOEHM: Thank you and nothing  
25 further from OEC.

1                   PRESIDING OFFICER: Mr. King?

2                   ATTORNEY KING: No questions. Thank  
3 you.

4                   PRESIDING OFFICER: Any questions from  
5 the board members? Hearing none, thank you.

6                   Anything else from Office of  
7 Enforcement Counsel today?

8                   ATTORNEY BOEHM: No, Director.

9                   PRESIDING OFFICER: Okay.  
10 Mr. King, do you have any closing  
11 remarks?

12                   ATTORNEY KING: Just to reiterate that  
13 we appreciate the opportunity to appear in front of  
14 the Board. We look forward to hosting if you may  
15 want to tour the facility to see - have a better  
16 understanding of it. We thank the staff of OEC,  
17 BIE, Casino Compliance, State Police, all of the  
18 employees that we work with on a daily basis. I  
19 think I speak for Ron when I say we have a great  
20 relationship with them. We look forward to  
21 continuing that. It's very professional. And  
22 again, we're reiterate our request that our license  
23 be renewed. Thank you.

24                   PRESIDING OFFICER: And Office of  
25 Enforcement Counsel, any closing remarks?

1                    ATTORNEY BOEHM:    Just thank you for  
2 your time and nothing further from OEC.

3                    PRESIDING OFFICER:    Thank you.    Okay.

4                    Well, the record will remain open  
5 until the Board hears the matter at a later public  
6 board meeting.    A summary report of today's events  
7 will be prepared.    And that report, along with the  
8 transcript and all the exhibits, as well as all  
9 other relevant documents will be provided to all  
10 board members before that board meeting.    And the  
11 board will, at its convenience, schedule that  
12 meeting to be held in Harrisburg.

13                    I would like to thank Upper Merion  
14 Township, Kathy Dolan, my contact, and the IT staff  
15 here for allowing us to use their facility and for  
16 their help with our IT needs in the room and hosting  
17 us.    I want to thank you all for coming today and  
18 for your cooperation and the hearing is now  
19 concluded and adjourned.    Thank you.

20                    \* \* \* \* \*

21                    HEARING CONCLUDED AT 11:40 A.M.

22                    \* \* \* \* \*

23

24

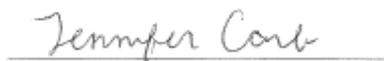
25

## CERTIFICATE

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

I hereby certify that the foregoing proceedings, hearing was held before Presiding Officer Lloyd, was reported by me on April 27, 2022 and that I, Jennifer Corb, read this transcript, and that I attest that this transcript is a true and accurate record of the proceeding.

Dated the 13 day of June, 2022



Jennifer Corb,  
Court Reporter