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CHEROKEE NATION GAMING COMMISSION

MEETING DATE / LOCATION:

7 December 2018

Cherokee Nation Gaming Commission Conf. Room

COMMISSIONERS PRESENT:

John Sparks, Chairman
Steven Barrick, Vice Chairman
Jennifer Goins, Commissioner
Tina Glory-Jordan, Commissioner
Janice Walters-Purcell, Commissioner

COMMISSIONERS ABSENT:

None

COMMISSION STAFF:

Jamie Hummingbird, Director
Tammy Dry, Executive Assistant
Debra Wilson, Administrative Officer
Tracy Christie, Gaming Systems Analyst
Traci Asher, Internal Audit Manager
Kelly Myers, Licensing Manager
Tristan Trumbla, Gaming Systems Analyst

CHEROKEE NATION ENTERTAINMENT: Gary Weddell, Gaming Operations

Bear Christensen, Compliance
Jennifer Province, Marketing
Jennifer Watkins, Compliance
Reba Chambers, Compliance
Dena Geib, Legal
Jennifer Bryant, Human Resources
Angela Jobe, IT
Monica Richards, Finance
Donald Childers, VP Surveillance & Loss Prevention
Kyle Culver, Marketing
Tim Mannon, Gaming
Melody Cable, Audit
Joshua Anderson, Surveillance
John Underwood, Surveillance
Tim Baker, Legal
David Ledford, CNE Technology

VISITORS:

Janees Taylor, Cherokee Nation Tribal Council
Chrissi Nimmo, Office of the Attorney General
Taylor Edwards, Office of the Attorney General

CHEROKEE NATION GAMING COMMISSION MEETING MINUTES

7 December 2018

Cherokee Nation Gaming Commission
Conference Room

CALL TO ORDER:

Chairman Sparks called the meeting to order at approximately 9:12 a.m.

ROLL CALL:

Present: Chairman Sparks
Vice-Chairman Barrick
Commissioner Goins
Commissioner Jordan
Commissioner Purcell

Absent: None

A quorum was established.

APPROVAL OF AGENDA:

Jamie requested to amend the agenda to move the Investigations, License Actions and Hearings (Item M) after the approval of the minutes.

Commissioner Barrick motioned to approve the agenda, seconded by Commissioner Jordan.

Chairman Spark asked if any opposed to the amendment of the agenda. There were none. Motion carried.

APPROVAL OF MINUTES:

Commissioner Barrick motioned to approve the 5 October 2018 meeting minutes. The motion was seconded by Commissioner Goins. Motion carried.

The Investigations, License Actions and Hearings (Item M) was taken up at this time. See respective line item below.

INTRODUCTION OF GUESTS:

Introductions were made by attendees from the Cherokee Nation Gaming Commission (CNGC), Cherokee Nation Entertainment (CNE), Cherokee Nation Businesses (CNB), Cherokee Nation (CN), and guests.

Commissioner Barrick motioned to enter into executive session at 10:22 a.m. for the CNE reports; seconded by Commissioner Goins. Motion carried.

CNE REPORTS:

A. FINANCIAL REPORT

B. FACILITIES REPORT

Commissioner Jordan motioned to exit executive session at 11:23 a.m.; seconded by Commissioner Goins. Motion carried.

No action taken.

Recess at 11:24 a.m.

The meeting reconvened at 12:14 p.m.

OLD BUSINESS:

None

NEW BUSINESS

A. PERMITS & LICENSES – K. MYERS

Kelly presented the following and requested approval.

1. Employees

List for November 2018

- One hundred and fifty-seven (157) individual(s) for temporary permits
- Ninety-four (94) individual(s) for suitability determination
- Sixty-one (61) orders

Commissioner Goins motioned to approve; seconded by Commissioner Jordan. Motion carried.

- Two hundred and five (205) renewals for 7 December 2018

Commissioner Jordan motioned to approve; seconded by Commissioner Purcell. Motion carried. Commissioner Barrick abstained.

List for December 2018

- Twenty-five (25) individual(s) for temporary permits
- Forty-nine (49) individual(s) for suitability determination
- Ninety-eight (98) orders
- One hundred and seventy-eight (178) renewals for 4 January 2019

Commissioner Jordan motioned to approve as submitted; seconded by Commissioner Goins. Motion carried.

2. Vendor & Vendor Representatives

List for November 2018

- One (1) new company orders for 16 November 2018
- Twenty-eight (28) individual orders for 16 November 2018
- Seven (7) company renewals for 7 December 2018
- Forty-eight (48) individual renewals for 7 December 2018

Commissioner Goins motioned to approve as submitted; seconded by Commissioner Barrick. Motion carried.

List for December 2018

- One (1) new company orders for 7 December 2018
- Thirty-seven (37) individual orders for 7 December 2018
- One (1) company renewals for 4 January 2019
- Twenty-three (23) individual renewals for 4 January 2019

Commissioner Barrick motioned to approve as submitted; seconded by Commissioner Jordan. Motion carried.

B. LICENSE CLASSIFICATIONS – K. MYERS

Kelly presented eight (8) new license classifications and requested approval. The original memo stated seven (7) and one (1) was added.

Commissioner Barrick motioned to approve; seconded by Commissioner Jordan. Motion carried.

Tristan presented the following and requested approval.

1. Electronic Game Themes

➤ Everi	30
➤ Bally	12
➤ Aristocrat	6
➤ AGS	2
➤ Interblock	1
➤ Ainsworth	9
➤ Konami	7
➤ IGT	20
➤ Aruze	4

OS/Main Programs

➤ Bally	1
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New Cabinets

➤ Interblock	1
➤ Konami	1

Gaming Components

➤ AGS	1
➤ Ainsworth	2

Director Approved Items

➤ Aristocrat	8
➤ Bally	4
➤ Konami	5
➤ IGT	10
➤ Aruze	4
➤ Ainsworth	1
➤ Interblock	2
➤ VGT	4
➤ Incredible Technologies	2

Commissioner Goins motioned to approve as listed; seconded by Commissioner Purcell. Motion carried.

2. Table & Card Games

None. CNGC is in the process of completing a review and will have one to present in January.

3. Systems

Tristan provided a handout for the Milestone Xprotect 2018 R2 Upgrade. Joshua Anderson reported that this software is used for the surveillance system. This is not the newest version but is the one CNE is comfortable upgrading to. Tristan reported that CNGC has reviewed the system and requested approval.

Commissioner Barrick motioned to approve; seconded by Commissioner Goins. Motion passed. Commissioner Jordan abstained.

D. PROMOTIONS & CALENDAR OF EVENTS – J. BUNCH

Jamie provided an addendum to the report in the packet that was prepared by Jeannie Bunch. He made the presentation and requested approval.

Commissioner Goins motioned to approve; seconded by Commissioner Barrick.

Commissioner Purcell asked a question regarding the memo. Jennifer Province answered by explaining the transition between cruise lines and how they would be disbursed during the transition.

Commissioners Jordan and Purcell asked Jamie to send notification via email on all director approved items. Chairman will get with Jamie on a solution to this request.

Motion carried with Commissioners Jordan and Purcell abstaining.

E. TOURNAMENTS – J. BUNCH

Jamie provided a handout and made the presentation. He reported that all information had been reviewed and recommended approval.

Commissioner Barrick motioned to approve as distributed; seconded by Commissioner Goins. Motion carried.

F. IN-HOUSE PROGRESSIVE TRANSFERS – J. BUNCH

Jamie presented and recommended approval for the transfer of retired in-house progressive (IHP) funds to promotional funds for the direct benefit of e-games patrons.

Commissioner Jordan motioned to approve as submitted; seconded by Commissioner Purcell. Motion carried.

G. CNE MARKETING PROJECT – J. HUMMINGBIRD

As discussed during executive session, Jamie reported that CNE was requesting to go from temporary approval to full approval on this marketing project. The project was given a ninety (90) day trial period in September. Jamie requested full approval for this project.

Commissioner Jordan motioned to approve; seconded by Commissioner Goins. Motion carried.

H. 2019 FACILITY LICENSES – D. WILSON

Jamie shared information on the National Indian Gaming Commission (NIGC) and Tribal regulations for facility licensing.

Debra explained the process for the inspections on determining the facility licensing approval. She reported findings found in safety but stated that all will be addressed and she had no concerns on the part of safety.

She reported outdated information on the facility license documentation. Joshua Anderson stated he will address and get it corrected.

Debra received only three (3) pages of the insurance document and needs the complete document.

She spoke to Jeremy Fisher regarding the outdated emergency preparedness plan. He will get the current plan to her and plans to update it in the future.

The organizational charts are required by statute have not been received and awaiting submission by CNE.

Based on the information received and reviewed, Debra recommended approval for the facility licenses provided the submission of the following:

- An Updated Surveillance Plan
- A Complete Liability Insurance Policy
- A plan of action to provide current organization charts required by the compact

Debra recommended adding this under old business on next month's meeting agenda to check the status of the items needed by CNGC.

Jamie recommended that items 1. A-K on the December 6, 2018 memo be approved for the 2019 calendar year.

Commissioner Goins motioned to approve; seconded by Commissioner Barrick.

The three (3) items needed will be followed-up on next month's meeting agenda under old business.

Motion carried.

I. 2019 COMMISSION MEETING SCHEDULE – J. HUMMINGBIRD

Jamie presented the commission meeting schedule for 2019 and recommended approval.

Commissioner Jordan motioned to approve; seconded by Commissioner Purcell. Motion carried.

J. VENDOR LICENSING REGULATION – J. HUMMINGBIRD

Jamie reported that there were a number issues and items that needed to be addressed under the current vendor licensing regulation. Several discussions have been held with CNE regarding the revisions. Jamie wanted to get this approved to begin the thirty (30) day Administrative Procedures Act (APA) comment period. While under the APA, discussions can continue with CNE and the Office of the Attorney General. This will expedite the final approval of the vendor licensing regulation.

Commissioner Barrick motioned to approve; seconded by Commissioner Goins.

Chrissi explained the current status to the Commissioners and stated that it would be premature for the Office of the Attorney General to address any concerns before the draft regulation is published under the APA.

After a lengthy discussion, Commissioner Purcell motioned to table this item to the January 2019 meeting; seconded by Commissioner Jordan. Motion carried.

Chrissi made it clear that the Office of the Attorney General will not be involved until after the APA posting period.

K. SICS SUBMITTAL REGULATION – J. HUMMINGBIRD

Jamie reported that this has been through the APA and comments were received from CNE. Included in the packet were the recommendations in response to the comments. Jamie requested approval for the proposed amended document based on the comments received.

Commissioner Jordan motioned to approve; seconded by Commissioner Goins. Motion carried.

Commissioner Jordan stated that this will be a lengthy process and she wanted to review the comments individually.

The Director stated that there was no deadline for acting on this item.

Chrissi offered her help since the draft regulation had been through the APA process.

After discussions, Chairman Sparks entertained a motion to table further action to a meeting no earlier than 4 January 2019. The motion was made by Commissioner Goins; seconded by Commissioner Purcell. Motion carried.

L. CNGC 2018 AUDIT CYCLE UPDATE – T. ASHER

Traci provided handouts for the Cage & Casino Instruments final audit report. She requested the release of the Gaming Promotions, Surveillance, and IT audits that have been through the full process and closed out.

The Gaming Promotions and Surveillance final audit reports were included in the Commission packets. The final IT audit report was emailed to the Commission prior to the meeting.

Commissioner Purcell motioned to approve the release of the Gaming Promotions and the Surveillance reports; seconded by Commissioner Goins. Motion carried.

IT Audit

Commissioner Goins motioned to release the IT report that was previously emailed; seconded by Commissioner Barrick.

Commissioner Jordan asked if the audit report had undergone an exit review and Bear confirmed that it had. Traci confirmed that it went through the same process.

Commissioner Jordan asked if the standards used in the audit exceeded those approved by the Tribal Council in 2014. Traci and Jamie stated that it did not and Bear explained further.

After discussion, the motion passed.

Cage and Casino Instruments Audit

Commissioner Goins motioned the release the final Cage and Casino Instruments Audit report; seconded by Commissioner Jordan.

Commissioner Jordan asked if this audit received an exit interview. Traci responded that it did not and provided further explanation.

Further discussion was had between Traci, Commissioner Jordan, Jamie, Bear, and Tim. Commissioner Jordan wanted to keep with procedure and do an exit interview at the request of CNE.

The Chairman suggested email exchanges on December 17th to set a teleconference to release the report following an exit conference.

Jamie was concerned of CNGC being out of compliance with NIGC MICS auditing deadlines.

The original motion was withdrawn by Commissioner Goins. There was no action for lack of a motion.

Traci informed the Commissioners of the Bi-Annual Gaming Funds review performed by CNB Audit Services included in the packet. She offered up CNE attendees for questions. There were no questions.

Since Item M had been taken up, the meeting moved to the Director's report at this time.

M. INVESTIGATIONS, LICENSE ACTIONS & HEARINGS (EXECUTIVE SESSION REQUESTED) – MYERS

Commissioner Goins motioned to enter into executive session at 9:27 a.m. for briefings on the hearings and/or investigations and hear each individual as scheduled; seconded by Commissioner Purcell. Motion carried.

Chairman Goins motioned to exit executive session at 10:17 a.m. The motion was seconded by Commissioner Purcell. Motion carried

Kelly made the following recommendations and requested approval:

Tab 1

Action: License denial

Tab 2

Action: Reschedule to the next meeting

Tab 3

Action: License revocation

Tab 4 - Present

Action: Remove finding of non-suitability and issue a vendor license

Commissioner Jordan motioned to approve as recommended; seconded by Commissioner Purcell. Motion carried.

The meeting moved to the Introduction of Guests at this time. Please see respective line item above.

DIRECTORS REPORT - J. HUMMINGBIRD

Jamie had nothing to add and let the report stand.

OPEN SESSION:

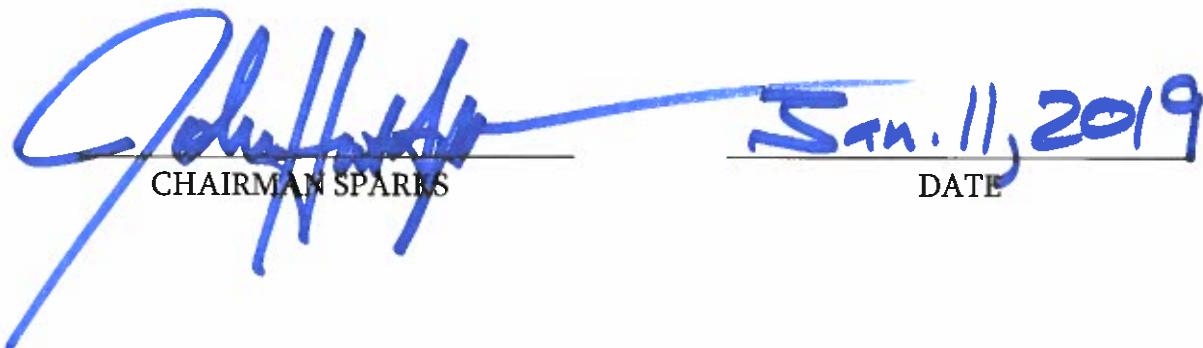
Jamie invited the Commissioners to the CNGC staff meeting scheduled for Wednesday, December 12th.

Jamie also wished Commissioners Goins and Purcell happy birthdays.

ADJOURNMENT:

Commissioner Barrick motioned to adjourn at 2:22 p.m. The motion was seconded by Commissioner Goins. Motion carried.

Approval of Minutes:



John H. H. Spares
CHAIRMAN SPARES

Jan. 11, 2019
DATE