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Regular Board Meeting | Tulsa Central Services  
10:00AM, Wednesday, January 17, 2024  
APPROVED MINUTES

1. Call to Order

Chair Claudette Carnett called the meeting to order at 10:13AM.

2. Roll Call

Pamela Ballard, Executive Assistant, called the roll. Present were Claudette Carnett, Chairman; Geoff Hager, Vice-Chair, and Bruce Pollock, Secretary-Treasurer. Holli Wells, member, was absent. A quorum was present.

Osage Casino staff and guests in attendance were Kimberly Pearson, CEO; Brian Parrish, COO, Tim Steinke, CFO; Joe Roybal, CIO; Kyle Revard, CHRO; Ashlee Hartness, Interim Regulatory Compliance Director; Laban Miles, Director of Finance; Breona Sutterfield, Financial Controller; Jake Taylor, Finance; Tonya Caves, Executive Assistant; Kasi Stumpff, Executive Assistant, and Greg Laird and Terry Mason-Moore, Legal Counsel.

Joining via WebEx were members of Congress: Speaker Alice Goodfox, John Maker, Brandy Lemon, Eli Potts, Whitney Red Corn, Jodi Revard, and Paula Stabler. Also attending virtually were Assistant Chief, R. J. Walker, Deputy Chief of Staff, James Aldridge; Benny Polacca, Osage News, Jordan Fraser, Congressional Budget Analyst; and Bryan Gansen, RSM Partner.

Joining in-person later for the US Bank presentation were Stephen Bro, Sr. VP, Karal Presley, VP, Blake Malia, Managing Director, and JP McNicholas, VP.

3. Opening Prayer

Congressman John Maker gave the opening prayer.

4. Approval of minutes

**MOTION** by Geoff Hager for Board to approve the regular meeting minutes held on December 18, 2023. Bruce Pollock seconded the motion, which passed unanimously.

**MOTION PASSED**

5. Board to hear, review, discuss, and consider reports.

Osage Nation Gaming Enterprise Board:

FY23 Audit presented by Bryan Gansen, RSM Partner; overview given by Tim Steinke, CFO.

- a. Introduction of finance team members: Laban Miles, Jake Taylor, and Breona Sutterfield
- b. Reported results of the audit were substantially complete.
- c. Reported an unqualified/unmodified opinion.
- d. 12<sup>th</sup> Consecutive year with RSM

Congresswoman Revard asked about the type and scope of audit performed by RSM, particularly was an audit of the credit cards performed?

It was not within the Gaming Commission's engagement letter with RSM for them to perform a specialty audit. CEO Pearson verbally requested to the ONGC last year that a credit card audit be included for FY23. Osage Casinos did not engage the auditor. Pearson and Chairman Carnett assured attendees that Osage Casinos has submitted

new guidelines for credit card usage, travel, and club memberships to the Commission; however, we have not had a response. In the meantime, Regulatory Compliance is conducting monthly reviews of all credit card expenses and RSM conducted a sampling of credit card expenses within the scope of the audit. No irregularities were found.

CFO Tim Steinke mentioned credit card usage is down 40% from previous levels, with approximately sixty transactions per month.

Speaker Goodfox asked if random sampling of credit card transactions was adequate. Bryan Gansen, RSM, responded that the Gaming Commission did not engage them for a specialty audit.

Board entered Executive Session to discuss confidential and/or proprietary matters.

**MOTION** by Geoff Hager for Board to enter Executive Session at 11:00AM. Bruce Pollock seconded the motion, which passed unanimously.

**MOTION PASSED**

**MOTION** by Geoff Hager for Board to exit Executive Session at 11:01AM. Bruce Pollock seconded the motion, which passed unanimously.

**MOTION PASSED**

**MOTION** by Geoff Hager for Board to go into Executive Session at 11:03AM and allow Jordan Fraser and Jimmy Aldridge to attend. Bruce Pollock seconded the motion, which passed unanimously.

**MOTION PASSED**

**Chair called to recess for lunch at 12:04PM; returned at 12:26PM.**

**Chair called for break at 1:23PM; returned at 1:33PM.**

**MOTION** by Geoff Hager for Board to exit Executive Session at 1:44PM. Bruce Pollock seconded the motion, which passed unanimously.

**MOTION PASSED**

**Osage Casinos Executive and Management Staff:**

Kimberly Pearson, CEO

- a. Coney Island and the new bar are now open at the Tulsa location; both have been very well-received. An official grand opening for these additions is forthcoming.
- b. An architect has been selected for the Sand Springs and Ponca City expansions
- c. Separate RFPs are being issued for Procurement Services and Design
- d. We are conducting an Economic Impact Study for the feasibility of a C-Store in Tulsa.
- e. An RFP has also been issued for the expansion of the pool, spa, cabana, etc. at the Tulsa property.

Brian Parrish, COO

- a. December finished strong.
- b. EMT is helping prioritize and collaborate projects.
- c. Operating Performance Improvement Plan going very well
- d. Conducting chalkboard sessions and training for all General Managers.
- e. Progress with marketing restructuring and dissecting data for additional revenue.
- f. Scorecards developed for all locations, allowing Executive Team to pivot in real time.

Tim Steinke, CFO

- a. Reserved remainder of financial reports for Executive session.

Joe Roybal, CIO

- a. Team is focused on carry-over projects.
- b. New Point-of-Sale systems to be installed in all properties, beginning with Sand Springs and Hominy. Tulsa will begin April 1, 2024.
- c. Testing OMNI system for internal communications: text, email, and phone capabilities
- d. Working with COO on KPIs, establishing expectations and determining information for dashboard.
- e. New security platform to detect phishing has been implemented.

Kyle Revard, CHRO

- a. Goal to fully implement UKG platform this year; perhaps replace onboarding system.
- b. New scheduling system
- c. Very pleased with low turnover rates for new properties: 13.6% Bartlesville; 10% Pawhuska

Ashlee Hartness, Regulatory Compliance Director

- a. Received five management letters from the ONGC, with six findings.
- b. Compliance score of 98.88%
- c. Nine (9) pending SICS with the ONGC; will send three more this week
- d. 0 SICS and 2 Tort claims for Board to Review.
- e. As of January 22, 2024, will no longer process exempt vendors. Internal controls and processes have been established for these vendors
- f. ONGC currently has 110 pending applications.
- g. Continuing to work with all Cage managers and personnel; attempting to streamline processes a priority.

Osage Nation Gaming Commission:

Elizabeth Hembree, ONGC Director, absent.

Osage Nation Principal Chief's Office:

- a. No reports.

Osage Nation Congress:

a. Congresswoman Revard inquired about a request sent to the ONGE regarding the total cost of the credit card investigation and what actions the Board had taken to ensure proper policies are now in place.

CEO Pearson said in February 2023, we completed updating our policies and procedures for credit cards, travel, and club memberships. We submitted them to the ONGC and are still awaiting a response from the Gaming Commission. We have inquired about the status of these new policies numerous times, with no response. All credit card transactions are reviewed monthly by Regulatory Compliance. Additionally, CEO Pearson verbally requested the ONGC include a credit card audit when engaging the auditors for FY23.

- b. Inquired about U.S. Bank presentation; CEO Pearson said it was informational only.
- c. Remarked about food, entertainment, free pop, and marketing at Pawhuska.
- d. Remarked about the placement of Financial Report on our agenda.
- e. Asked about having information about the history and culture of the Osage Nation available at the Pawhuska location. CEO Pearson is already working with marketing on a piece about the artwork and can expand the scope of that project.

Congresswomen Stabler and Lemon both encouraged Board to continue working towards finding common ground with the ONGC.

6.Board to review, consider and take action, if necessary, on any items discussed above.  
None taken.

7.Board to hear, review, consider and take action regarding any New Business.

- a. CEO Pearson asked Board and Legal to consider sending a request to the Attorney General regarding matters of Regulatory Compliance being heard in Executive vs. Open session during the ONGC meetings.
- b. CEO Pearson asked Board to consider having Legal send a request to the ONGC asking for definitions of Audit, Investigation, Review, Special Review, and SIC that applies to RFIs.

8.Board to hear, review, consider and take action regarding any Pending Business.

- a. CEO Pearson mentioned we do not have any information from the ONGC on whether Universal Technical Standards were submitted to the NIGC on Resolutions 23-13 (mobile gaming) and 23-14 (sports gaming). These resolutions were sent to the ONGC in February 2023, and we have made formal requests, per their instructions, for an update. At least two pieces of legislation will go before the Oklahoma legislature this session on these issues; we need to be prepared should legislation be passed.
- b. CEO Pearson noted we have asked the ONGC for updates on various issues with either no response or response denied. Attorney Laird said a written response was received from ONGC, stating they are the regulatory body and not required to provide requested information.

**Chair called for a break at 3:55PM; returned at 4:05PM.**

**MOTION** by Geoff Hager for the Board to approve the wire transfer of the monthly Tribal Distribution for January 2024 for \$6,454,545.45. Bruce Pollock seconded the motion. Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for the Board to approve the distribution of the monthly Narrative and Financials to the Executive and Legislative Branches. Bruce Pollock seconded the motion. Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to approve Check #149544 to Renovation & Construction Services, LLC. Bruce Pollock seconded the motion. Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to approve Checks #149359 and #149440, both to Covalent Technologies; #149429 to Aristocrat Technologies; and #149442 to Crossland Construction Co., Inc. Bruce Pollock seconded the motion. Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to approve Resolution 24-15 Equipment Lease Agreement. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to approve Resolution 24-16 Annual Plan of Operations. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to table the vote on Tort Claims TC 24-02 and TC 24-03 until after Closed Executive Session. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to approve FY2024 1<sup>st</sup> Quarter Employee Incentive Payout. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to approve FY2023 Annual Employee Incentive Payout. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

CEO Pearson asked board to consider action to have an annual independent credit card audit. Board will discuss with legal the best way to proceed to make certain this happens.

**MOTION** by Geoff Hager for Board to approve Legal sending a request to ONGC to provide definitions for, "Audit, Investigation, Review, Special Review and the SIC that applies to any RFI." Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

9.Board to enter Closed Executive Session for personnel and legal discussion.

**MOTION** by Geoff Hager for Board to enter Closed Executive Session at 4:25PM. Bruce Pollock seconded the motion, which passed unanimously.

**MOTION PASSED**

10.Board to exit Closed Executive Session and return to Open Session.

**MOTION** by Geoff Hager for Board to exit Closed Executive Session at 5:44PM. Bruce Pollock seconded the motion, which passed unanimously.

11.Board to take action on items discussed in Closed Executive Session.

**MOTION** by Geoff Hager for Board to vote on the recommendation of Risk & Safety regarding Tort Claim TC-24-02. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

**MOTION** by Geoff Hager for Board to vote on the recommendation of Risk & Safety regarding Tort Claim TC-24-03. Bruce Pollock seconded the motion. The Chair called for the vote:

**MOTION PASSED**

Claudette Carnett	YES
Geoff Hager	YES
Bruce Pollock	YES
Holli Wells	ABSENT

13.Date and time of the next meeting:

The next Regular Board meeting will be held on Wednesday, February 21, 2024, at 10:00AM.

14.Adjournment

Without further discussion the meeting adjourned at 5:46PM.

*Pamela Ballard*

Executive Assistant  
Osage Casinos