

**AMENDED AGENDA**  
**(Amended Items in Bold)**  
KANSAS RACING AND GAMING COMMISSION  
10:00 am, Friday, September 10, 2010

AUDITORIUM A  
Dwight D. Eisenhower State Office Building  
700 SW Harrison, Suite 450  
Topeka, Kansas

A. CALL TO ORDER

B. APPROVAL OF AGENDA

C. APPROVAL OF MINUTES

1. [Minutes of August 13, 2010](#)

D. CONSENT AGENDA

*Items listed on the consent agenda are routine in nature. If requested by a commissioner, an item may be removed from the Consent Agenda and placed under Commission Items for further discussion and consideration.*

1. Approvals and revocations for certain lottery facility games and related components
  - a. [GLI approvals/revocations](#)
2. Internal control amendment approvals
  - a. [Boot Hill Casino and Resort internal control amendment approvals](#)
3. Disciplinary Review Board Settlements
  - a. [Staff Agenda Memorandum](#)

E. KANSAS LOTTERY COMMISSION REPORT

F. LOTTERY GAMING FACILITY REPORTS/ITEMS

1. Boot Hill Casino and Resort
  - a. [August 2010 gaming revenue report](#)
2. Hollywood Casino at Kansas Speedway

G. COMMISSION ITEMS

1. FY 2011-2012 Budget

*Commission Action*

*Commission review and discussion*

Staff Presentation:

Don Cawby, Associate Director of Administration

Jamie Nickoley, State Gaming Agency

Staff Recommendation:

Approval of the budget subject to technical changes

- a. [Staff Memo](#)

- b. [Budget Tables](#)
- c. [Budget Submission Narrative](#)

H. PUBLIC COMMENTS

I. STAFF REPORTS

- 1. Interim Executive Director
- 2. Director of Communications/Responsible Gambling
- 3. Deputy Director for Administration
  - a. [Commission calendar](#)

J. EXECUTIVE SESSIONS

*The Commission conducts executive sessions in accordance with the Kansas Open Meetings Act and all discussions are limited to the specified purposes listed in K.S.A. 75-4319. The Commission utilizes executive sessions to consult with the Commission's attorney, to discuss personnel matters, to protect the confidentiality of necessarily closed information, and to protect the integrity of gaming and finances.*

- 1. **Attorney-client communications**
- 2. Background reports

K. OTHER BUSINESS/FURTHER COMMISSION ACTION

- 1. Consideration of proposed gaming licenses and certifications
  - a. Turner Construction Company Corporate Due Diligence Investigation
    - i. James Delaney                      Level 3
    - ii. Ronald Mallare                      Level 3
    - iii. Paul Neidlein                      Level 3
    - iv. Bernard Newton                      Level 3
    - v. John Rogoz                      Level 3
    - vi. Jeffrey Werthman                      Level 3
  - b. KRGC Enforcement Agent applicants:
    - i. ~~Allen Clark~~                      ~~Level 1~~
    - ii. Daniel Konrade                      Level 1
    - iii. Anthony Webb                      Level 1
  - c. GTECH/Spielo employees:
    - i. Kevin Carey                      Level 2
    - ii. Robert Maina                      Level 2
    - iii. Shane Miles                      Level 2
    - iv. Daniel Navarro                      Level 2
    - v. Ian Stewart                      Level 2
  - d. Boot Hill Casino and Resort employees:

- |                |                           |                    |
|----------------|---------------------------|--------------------|
| i.             | Abguilar-Batista, Daniel  | Level 2            |
| ii.            | Calderon, Araceli         | Level 2            |
| iii.           | Copeland Jr., Allen       | Level 2            |
| iv.            | Durr, Amy                 | Level 2            |
| v.             | Furr, Joshua              | Level 2            |
| vi.            | Galindo, Belen            | Level 2            |
| vii.           | Garcia, Cesar             | Level 2            |
| viii.          | Glenn, Krystal            | Level 2            |
| ix.            | Hames, Eleanor            | Level 2            |
| x.             | Huff, Lori                | Level 2            |
| xi.            | McPhail, Valerie          | Level 2            |
| xii.           | Tran, Sunny               | Level 2            |
| xiii.          | Collins, Katie            | Level 3            |
| xiv.           | Robles, Manuel            | Level 3            |
| <del>xv.</del> | <del>Stegman, Patsy</del> | <del>Level 3</del> |

L. ADJOURNMENT

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – AUGUST 13, 2010

CALL TO ORDER:  
(A.)

Commissioner Braun called the August 13, 2010, meeting to order at 10:00 am at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. Commissioners Braun, Falstad, and Schwan were present at the meeting. Chair Sader and Commissioner McKechnie participated by phone. Others present included Interim Executive Director Patrick Martin; Deputy Director of Security Don Brownlee; Deputy Director of Audit/Electronic Security Charles LaBoy; Deputy Director of Administration Don Cawby; Recording Secretary Linda Pendarvis and other staff.

MOTION, APPROVE  
AMENDED AGENDA:  
(B.)

Commissioner Schwan (Falstad) moved to approve the amended agenda as submitted. Motion passed unanimously.

MOTION, APPROVE  
JULY 9, 2010, MEETING  
MINUTES:  
(C.)

Commissioner Falstad (McKechnie) moved to approve the minutes of the July 9, 2010, commission meeting as corrected. Motion passed unanimously.

MOTION, APPROVE  
CONSENT AGENDA:  
(D.)

Commissioner Sader (Falstad) moved to approve the consent agenda as submitted. Motion passed unanimously.

KANSAS LOTTERY  
COMMISSION REPORT:  
(E.)

The commission heard Keith Kocher, director of gaming facilities for the Kansas Lottery, report on the current status of casinos.

- July was a record month at the Boot Hill Casino and Resort at \$3.5 million net revenue.
- The South Central zone is the most active at the moment. Three applications have been received – Global Gaming Solutions, Peninsula Gaming, and Harrah's. The Lottery Commission will meet to negotiate contracts with those applicants on August 16 and 17. Mr. Kocher's intent is to have the negotiation process completed by September 2. The Lottery Commission will meet on September 8.

LOTTERY GAMING  
FACILITY REPORTS/ITEMS:  
(F.1.)

Clint Patty, general counsel for Butler National Service Corporation d.b.a. Boot Hill Casino and Resort, gave Boot Hill's report:

- The casino is very pleased with the July numbers.
- Mark Kashuda, the casino's general manager, will attend next month's commission meeting.

LOTTERY GAMING  
FACILITY REPORTS/ITEMS:  
(F.2.)

Jeff Boerger, president of Kansas Speedway Development Corporation, reported on the Hollywood Casino at the Kansas Speedway.

- He distributed the monthly construction report from Turner Construction.
- Construction continues on schedule; they will be moving about a million cubic yards of dirt.

- He introduced Steven Stokley, new owner's representative for Kansas Entertainment, Penn National Gaming, and Kansas Speedway Development Corp.
- NASCAR has awarded Kansas Speedway a second Sprint Cup date for June 5, 2011, which is anticipated to result in approximately \$100 million in tourism.
- Hollywood Casino has the website [www.hollywoodcasinokansas.com](http://www.hollywoodcasinokansas.com) and a Facebook posting.

DISCUSSION, SEMI-ANNUAL REPORT OF BINGO OPERATIONS: (G.1.)

The commission received the semi-annual activity report of inspections and investigations by Charitable Bingo. The commission acknowledged receipt of the report.

DISCUSSION, REVISIONS TO GAMING REGULATIONS: (G.2.)

The commission heard Jay Hall, KRGC counsel, present revisions to the following gaming regulations:

- K.A.R. 112-102-8 – Disqualification criteria
- K.A.R. 112-103-2 – License Levels
- K.A.R. 112-103-4 – Application for a license
- K.A.R. 112-103-5 – Applicant identification
- K.A.R. 112-103-15 – License mobility; limitations
- K.A.R. 112-104-1 – Definitions; internal control system
- K.A.R. 112-104-8 – Retention, storage, and destruction of records
- K.A.R. 112-104-13 – Patron deposits
- K.A.R. 112-104-14 – Cage and main bank
- K.A.R. 112-104-15 – Countroom and main bank requirements
- K.A.R. 112-104-16 – Accounting controls for the cage and main bank
- K.A.R. 112-104-32 – Unclaimed winnings
- K.A.R. 112-105-1 – Security department
- K.A.R. 112-105-2 – Security plan
- K.A.R. 112-105-3 – Emergency operations plan
- K.A.R. 112-106-1 – Surveillance system
- K.A.R. 112-106-2 – Surveillance system plan
- K.A.R. 112-106-5 – Surveillance room
- K.A.R. 112-106-6 – Monitoring
- K.A.R. 112-107-3 – Submission for testing and approval
- K.A.R. 112-107-10 – Master list of approved gaming machines
- K.A.R. 112-107-21 – Progressive LFG's
- K.A.R. 112-107-22 – Wide-area progressive system
- K.A.R. 112-108-18 – Tournament chips and tournaments
- K.A.R. 112-110-3 – Central computer system security
- K.A.R. 112-112-3 – Responsible gambling plan
- K.A.R. 112-112-7 – Confidentiality of the self-exclusion list

Mr. Hall requested approval of the amendments to those existing regulations.

MOTION, REVISIONS TO GAMING REGULATIONS: (G.2.)

Commissioner McKechnie (Falstad) moved to approve the amended regulations as presented. Motion passed unanimously.

PUBLIC COMMENTS:  
(H.)

Commissioner Braun called for public comments. There were none.

STAFF REPORT, MARTIN:  
(I.1.)

The commission heard a staff report from Mr. Martin:

- Mr. Martin introduced Geraldine Sieve, KRGC's new accounting specialist.
- The Lottery has a compressed schedule for facility manager selection in the South Central gaming zone. In keeping with that, KRGC staff will be busy staffing the Kansas Lottery Gaming Facility Review Board over the next several months.
- Pursuant to commission policy, staff will present quarterly reports on out-of-state travel and disciplinary matters.

STAFF REPORT, DEINES:  
(I.2.)

In the absence of Mike Deines, the commission heard Carol Spiker, Responsible Gambling Coordinator, report that:

- There are 11 names on the voluntary exclusion list – nine males and two females ranging in age from 24 to 57. Ms. Spiker provided other demographic data.
- During the month of July, 20 calls were received on the problem gambling helpline. Thirteen percent of the callers were between the ages of 18 and 24.

STAFF REPORT, CAWBY:  
(I.3.)

The commission heard a staff report from Mr. Cawby.

- Concerning the budget, last year's figures from Boot Hill have been very helpful in predicting the current year's results. The agency was 18.2% under budget.
- Budget savings were mainly a result of not filling vacant positions, savings in the Review Board process, and holding off on loan payments because of cash flow.
- Gaming expenses were essentially the same in 2009 compared to the prior year.
- A deposit balance of \$114,000 was refunded to casino applicants.

SADER AND McKECHNIE  
EXIT TELECONFERENCE:

Commissioners Sader and McKechnie exited the teleconference at 10:40 am.

MOTION, EXECUTIVE  
SESSION:  
(J.1.)

Commissioner Falstad (Schwan) moved that the commission adjourn into executive session for a period of 45 minutes from 10:40 am to 11:25 am for the purpose of considering confidential background reports. Those included in the executive session were the commission, Mr. Martin, and security staff. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as a part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. Motion passed unanimously.

RECONVENE: The commission meeting reconvened at 11:30 am with all remaining members present.

MOTION, DENY LICENSES:  
(K.) Commissioner Schwan (Falstad) moved to deny the following:

- g. Boot Hill Casino and Resort employees:
  - i. Weems, Jerold Level 2 license
  - ii. Garcia, Maria Level 3 license
  - iii. Sanchez, Max Level 3 license

Motion passed unanimously.

MOTION, APPROVE LICENSES:  
(K.) Commissioner Schwan (Falstad) moved to approve the following backgrounds, certificates or licenses:

- a. KRGC employee:
  - i. Sieve, Geraldine Level 1 background
- b. Penn Hollywood Kansas employee:
  - i. Naumann, Morton Level 1 license
- c. Spielo Manufacturing employee:
  - i. Tompkins, Douglas Level 2 license
- d. Bally Technologies employee:
  - i. Niemic, Brianne Level 3 license
- e. GTECH Corporation employees:
  - i. Beach, William Level 3 license
  - ii. Frawley, Liam Level 3 license
  - iii. Melillo, Pasquale Level 3 license
  - iv. Mlynek, Alan Level 3 license
  - v. Patchen, Jeffrey Level 3 license
- f. Southwest Distributing employees:
  - i. Allen, Toby Level 3 license
  - ii. Charles, Raymond Level 3 license
  - iii. Dome, Robert Level 3 license
  - iv. Falcon, Patrick Level 3 license
  - v. Hamilton, John Level 3 license
  - vi. McElgunn, Francis Level 3 license
  - vii. Melendez, Juan Level 3 license
- g. Boot Hill Casino and Resort employees:
  - i. Baird, Jessica Level 2 license
  - ii. Bieber, Tanya Level 2 license
  - iii. Blankman, Joan Level 2 license
  - iv. Cervantes, Jaime Level 2 license
  - v. Cole, Benjamin Level 2 license
  - vi. Divert, Myrna Level 2 license

- |                        |                 |
|------------------------|-----------------|
| vii. Esquivel, Paula   | Level 2 license |
| viii. Gleason, Dooly   | Level 2 license |
| ix. Gomez, Elizabeth   | Level 2 license |
| x. Hamilton, Jordan    | Level 2 license |
| xi. Harris, Ryan       | Level 2 license |
| xii. Heller, Sharon    | Level 2 license |
| xiii. Hoang-Lam, Linda | Level 2 license |
| xiv. Lopez, Silvia     | Level 2 license |
| xv. Rojas, Sandra      | Level 2 license |
| xvi. Rueb, Michael     | Level 2 license |
| xvii. Russell, David   | Level 2 license |
| xviii. Sanchez, Carlos | Level 2 license |
| xix. Strader, Dustin   | Level 2 license |
| xx. Stuckey, Shannan   | Level 2 license |
| xxi. Yahom, Prajak     | Level 2 license |
| xxii. Young, Rhiannon  | Level 2 license |
| xxiii. Cole, Lena      | Level 3 license |
| xxiv. Diaz, Manual     | Level 3 license |
| xxv. Diaz-Maurin, Elio | Level 3 license |
| xxvi. Rocha, Pablo     | Level 3 license |
| xxvii. Solis, Eric     | Level 3 license |

Motion passed unanimously.

ADJOURN:

Commissioner Schwan (Falstad) moved to adjourn at 11:31 am. Motion passed unanimously.

SUBMITTED BY:

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William Falstad  
Secretary

APPROVED BY:

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Carol H. Sader  
Chair



**Kansas Racing and Gaming Commission**  
 700 SW Harrison, Suite 500, Topeka, Kansas 66603  
 (785) 296-5800, Fax (785) 296-0900

## Lottery Facility Game Approvals and Revocations

September 10, 2010

Recommended for Approval					
	Manufacturer	File Number	ID Number	Version	Game Name
1	ARISTOCRAT	MO-22-ARI-10-53	PSA-66-ST2RU	GUR001115	N/A
2	BLY	MO-73-BLY-10-05	20620C		Mighty Galleons - The Victory
3	IGT	SY-22-IGT-09-29	CS000257 BOOT 1	SPC Boot 1.03	N/A
4	IGT	SY-22-IGT-09-29	CS000258	SPC 1.03	N/A
5	IGT	SY-22-IGT-09-29	CS000257 BOOT 2	SPC Boot 1.03	N/A
6	IGT	SY-15-IGT-10-01	96499804	N/A	N/A
7	IGT	MO-22-IGT-10-80	BFB00004	AVP	MEGAJACKPOTS WHEEL OF FORTUNE SECRET SPINS MULTIPLAY
8	IGT	MO-22-IGT-10-134	GI014-002DN5-0001	AVP INSTALL	THE JOKER'S WILD VACATIONS MLP
9	IGT	MO-22-IGT-10-134	GAME014-002DN5-001	AVP GAME PKG	THE JOKER'S WILD VACATIONS MLP
10	IGT	MO-22-IGT-10-168	BFDB006E	N/A	N/A
11	IGT	MO-22-IGT-10-168	HARDWARE	N/A	N/A
12	IGT	MO-73-IGT-10-33	M6048F 2.16 198 2.11	2.16/2.11	MEI SC66 BILL VALIDATOR FIRMWARE
13	IGT	MO-22-IGT-10-184	GUN0010025	N/A	Future Logic GEN2 Universal Netplex Printer
14	IGT	MO-22-IGT-10-165	GT014-004-00101-07	AVP INSTALL	N/A
15	KONAMI GAMING INC.	MO-07-KON-10-21	PLAF121G28	Platform Chip	N/A
16	KONAMI GAMING INC.	MO-07-KON-10-21	PLAF121G28	Platform Chip	N/A
17	KONAMI GAMING INC.	MO-07-KON-10-21	PLAF121G28	Platform Chip	N/A
18	KONAMI GAMING INC.	MO-73-KON-10-28	PLAV121G18	PLATFORM CHIP	N/A
19	KONAMI GAMING INC.	MO-73-KON-10-28	PLAV121G18	PLATFORM CHIP	N/A
20	KONAMI GAMING INC.	MO-73-KON-10-28	PLAV121G18	PLATFORM CHIP	N/A
21	PROGRESSIVE GAMES	SY-73-PGI-07-05	HARDWARE	CL00401107	N/A
22	PROGRESSIVE GAMES	SY-73-PGI-08-02	CS000185	v7.05	N/A
23	PROGRESSIVE GAMES	SY-73-PGI-08-02	CS000186	v7.22	N/A
24	PROGRESSIVE GAMES	SY-73-PGI-07-06	CS000187	v7.30	N/A
25	PROGRESSIVE GAMES	SY-56-PGI-07-02	HARDWARE	CL34103326	N/A
26	PROGRESSIVE GAMES	SY-56-PGI-07-02	HARDWARE	CL34103325	N/A
27	WMS	MO-22-WMS-07-83	HARDWARE	P/N KIT-018395-01- **	N/A
28	WMS	MO-22-WMS-07-83	HARDWARE	P/N A-017696-01- **	N/A
29	WMS	MO-22-WMS-09-70	SCLR-MOS-1000	1000/H9.23	RAM CLEAR
30	WMS	MO-22-WMS-09-206	SCLR-CGC-1020	1020/H13.11	RAM CLEAR

	<b>Manufacturer</b>	<b>File Number</b>	<b>ID Number</b>	<b>Version</b>	<b>Game Name</b>
<b>31</b>	WMS	MO-22-WMS-10-87	DD91-000-1010C2	1010/H13.10	SPINNING STREAK - BAMBOOZLED
<b>32</b>	WMS	MO-22-WMS-10-102	DD48-000-1010C0	1010/H13.20	MERMAIDS GOLD PHARAOHS PYRAMID
<b>33</b>	WMS	MO-22-WMS-10-103	DD58-000-1010C0	1010/H13.20	EXTRA EXTRA LUCK DIAMONDS OF DUBLIN
<b>34</b>	WMS	MO-22-WMS-10-106	DD57-000-1010C0	1010/13.20	EXTRA EXTRA LUCK - WILD WILD SAFARI
<b>35</b>	WMS	MO-22-WMS-10-107	DD47-000-1010C0	1010/H13.20	MERMAID'S GOLD - TRIPLE GOLDEN CHERRIES
<b>36</b>	WMS	MO-22-WMS-10-108	DD49-000-1010C0	1010/H13.20	MERMAID'S GOLD - TRIPLE LUXURY
<b>37</b>	WMS	MO-22-WMS-10-111	DD55-000-1010C0	1010/H13.20	EXTRA EXTRA LUCK - TRIPLE LUXURY
<b>38</b>	WMS	MO-22-WMS-10-119	SSSG-000-1670	1670/H13.21	OPERATING SYSTEM SOFTWARE
<b>39</b>	WMS	MO-22-WMS-10-121	DD80-000-1020C0	1020/H13.20	WIN IT AGAIN: I LOVE LUCY
<b>40</b>	WMS	MO-286-WMS-10-01	SJUR-000141-112	1.12	N/A
<b>41</b>	WMS	MO-22-WMS-10-122	SM09-2PC-1010	1010/HP1.09	Big Money Spin WMS M
<b>42</b>	WMS	MO-22-WMS-10-145	SC62-000-1050	1050/H13.20	Monopoly Bigger Even
<b>43</b>	WMS	MO-22-WMS-10-146	SC61-000-1040	1040/H13.20	Monopoly Bigger Even
<b>44</b>	WMS	MO-22-WMS-10-70	SD73-000-1010	1010 H13.20	Big Money Spin
<b>45</b>	WMS	MO-22-WMS-10-120	DD10-000-1020C0	1020/H13.20	Win It Again:All Th
<b>46</b>	WMS	MO-22-WMS-10-110	DD53-000-1010C0	1010/H13.20	Extra Extra Luck-T

### Recommend Revocation

	<b>Manufacturer</b>	<b>File Number</b>	<b>ID Number</b>	<b>Version</b>	<b>Game Name</b>
<b>1</b>	ARI	MO-22-ARI-08-66	66B250032232	V2.50/V2.32	Replace by 31 October 2010
<b>2</b>	ARI	MO-22-ARI-08-69	66B160032232_AXC	V1.60/V2.32	Replace by 31 October 2010
<b>3</b>	BAL	MO-22-BAL-08-12	66B250138200	V2.50/V2.00	Replace by 31 October 2010
<b>4</b>	IGT	MO-22-IGT-08-189	M604F2.130322.32	V2.13/V2.32	Replace by 31 October 2010
<b>5</b>	IGT	MO-22-IGT-09-61	M6028F2.200322.32	2.20/2.32	Replace by 31 October 2010
<b>6</b>	IGT	MO-22-IGT-09-251	M6048F2.151382.02	2.15/2.02	Replace by 31 October 2010
<b>7</b>	IGT	MO-22-IGT-09-273	M6028F2.251382.02	2.25/2.02	Replace by 31 October 2010
<b>8</b>	IGT	MO-22-IGT-10-41	M6048F2.151982.03	2.15/2.03	Replace by 31 October 2010
<b>9</b>	IGT	MO-22-IGT-10-32	M6028F2.251982.03	2.25/2/03	Replace by 31 October 2010
<b>10</b>	KON	MO-22-KON-08-07	66B240032231	V2.40/V2.31	Replace by 31 October 2010
<b>11</b>	WMS	MO-35-WMS-07-01	66BE110032210	1.10/2.10	Replace by 31 October 2010
<b>12</b>	WMS	MO-22-WMS-08-72	66B170032232_WMS	V1.70/V2.32	Replace by 31 October 2010
<b>13</b>	WEM	MO-10-WEM-07-01	66B170032210	V1.70/V2.10	Replace by 31 October 2010
<b>14</b>	WEM	MO-10-WEM-08-01	66B250032232	V2.50/V2.32	Replace by 31 October 2010



**Kansas Racing and Gaming Commission**  
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## **Boot Hill Casino and Resort Internal Control Amendments**

*September 3, 2010*

<u>Item # / (Description)</u>	<u>Regulation/IC Reference</u>	<u>Staff Recommendation</u>
BH86 (Player Card Points)	260.010 & 260.020	Approval
BH109 (Dir. of Marketing)	700.050.09	Approval



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## **STAFF AGENDA MEMORANDUM**

**DATE OF MEETING:** September 10, 2010

**AGENDA ITEM:** **Disciplinary Review Board Settlements in Matter Nos. 2010-002 and 2010-003**

**PRESENTER:** None – Consent Agenda

**ISSUE SUMMARY:** Pursuant to the Commission’s administrative hearing policies in K.A.R. 112-114-1 *et seq.*, the KRGC’s disciplinary review board received notice of and considered potential administrative violations by Commission licensees. Specifically, the alleged violations in matter 2010-002 concerned K.A.R. 112-103-8(b)(1) (disclosures to the commission) and K.A.R. 112-103-8(b)(7) (producing requested documents in a timely manner). The alleged violations in matter 2010-003 concerned K.A.R. 112-106-4 (requiring segregation of duties among specific casino departments).

In each matter, the licensees and review board reached a settlement without making a determination on the merits of the allegations.

**COMMISSION ACTION REQUIRED/REQUESTED:** Ratification of the disciplinary review board’s settlement agreements with the Commission’s licensees.

**STAFF RECOMMENDATIONS:** Staff recommends approval of the settlement agreements.



**Kansas Racing and Gaming Commission**  
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**BOOT HILL CASINO & RESORT**

**Lottery Gaming Facility Revenue\***

August 31, 2010

	August 2010	YTD 2010	Fiscal YTD 2011
Electronic gaming machines	2,653,105.83	21,514,228.80	5,528,089.23
Table games	<u>390,097.50</u>	<u>3,725,719.50</u>	<u>1,037,863.50</u>
Total Lottery Gaming Facility Revenue	<u><u>3,043,203.33</u></u>	<u><u>25,239,948.30</u></u>	<u><u>6,565,952.73</u></u>
State Share 22%	669,504.73	5,552,788.63	1,444,509.60
Local Share 3%	91,296.10	757,198.45	196,978.58
Problem Gambling Share 2%	60,864.07	504,798.97	131,319.05
Casino Share 73%	2,221,538.43	18,425,162.26	4,793,145.49

\*as reported by the Kansas Lottery's central computer system



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## **REVISED STAFF AGENDA MEMORANDUM**

**DATE OF MEETING:** September 10, 2010

**AGENDA ITEM:** **FY 2011-2012 Budget**

**PRESENTER:** Don Cawby, Deputy Director for Administration  
Jamie Nickoley, Director of Enforcement, State Gaming Agency

**ISSUE SUMMARY:** The agency's annual budget must be submitted to the Division of the Budget on or before September 15, 2010. Prior to submittal, the Commission has to approve the Racing and Gaming Commission budget, as well as the State Gaming Agency budget.

### **FY 2011**

The KRGC FY 2011 revised budget is just under \$4.5 million from gaming funds and 49.5 FTE positions. The revised budget is a reduction of approximately \$4.3 million in from the approved FY 2011 budget, reflecting the following changes:

- The delay of the debt service repayment, which moves \$3.0 million in expenditures to FY 2012.
- The addition of another round of the Lottery Gaming Facilities Review Board process, which requires approximately \$515,000 in new expenditures for FY 2011.
- Additional expenditures of \$125,000 in FY 2011 for background investigations of Kansas Entertainment and the selected manager in Sumner County.
- The elimination of \$1.65 million in budgeted testing expenditures which will no longer be passed through the KRGC budget.
- An estimated reduction of \$112,000 in the amount of expenditures spent on background investigations.

There are no expected racing related expenses in FY 2011. However, the revised budget requests transfer of balances from three racing related funds to the State Racing Fund, totaling \$31,246. The move will consolidate operating funds into one account and provide more flexibility in the expenditure of funds should racing resume. The budget does not move the balances in the breeding and promotion development funds. Currently there is \$110,112 available for racing operations and \$168,606 available in the development funds.

**FY 2012**

The FY 2012 budget is a total request for a total of approximately \$11.6 million from all funding sources and 75.5 FTE positions. The budget request is an increase of \$7.1 million over FY 2011. Those increases reflect the following major changes for FY 2012:

- Two enhancement packages totaling just under \$700,000 for the regulation of both the Hollywood Casino in Kansas City and an eventual Sumner County casino. The budget assumes an opening of January 1, 2012 for both casinos.
- ~~An enhancement package of \$57,099 for an additional auditor position to cover the increased workload related to the opening of the two casinos.~~
- The full repayment of the PMIB loan and associated interest in FY 2012. The estimated expenses include \$5.0 million principal and slightly over \$1.2 million in interest based upon a repayment on the due date of June 30, 2012.
- An increase of approximately \$322,000 in Topeka operations based upon filling vacant FTE positions.
- The elimination of \$515,000 to reflect no Lottery Gaming Facilities Review Board process in FY 2012.

The budget also includes a request to create an Illegal Gaming Enforcement Fund to provide the agency with an operational fund should unexpected sources of funding become available to support the program.

Of note is the assumption that the budget includes the assumption that the three facilities (Boot Hill, Hollywood, and a Sumner facility) would split the estimated \$645,231 in unassigned startup costs (July 1, 2007 to Dec 31, 2008). Unlike last year's request, the FY 2012 budget does not include a request for a transfer from other state funds to cover these costs.

Jamie Nickoley from the State Gaming Agency will be available for any questions or analysis of their submitted operating budget.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission discussion, consideration and approval of the revised FY 2011 and FY 2012 budget request for the Racing & Gaming Commission and the State Gaming Agency.

**STAFF RECOMMENDATIONS:** Staff recommends approval of the proposed budget, subject to technical changes to be made upon entering the budget into IBARS, the State Budget System.

**Kansas Racing and Gaming Commission**  
 Expenditures from All Funding Sources  
 FY 2008 - FY 2012

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	Revised FY 2011 Budget	Submitted FY 2012 Budget
<b>Parimutuel Funds</b>						
2296 - Horse Fair Racing Benefit Fund	728,602	554,592	228,345	13,375	-	-
2516 - Kansas Horse Breeding Development Fund	430,219	356,766	151,776	63,510	-	-
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-
2561 - Greyhound Promotion & Development Fund	-	-	-	-	-	-
2570 - Racing Investigative Expense Fund	-	2,723	1,523	-	-	-
2601 - Kansas Greyhound Breeding Development Fund	121,867	228,829	125,280	-	-	-
2616 - Racing Reimbursable Expense Fund Summary	335,635	575,424	184,206	-	-	-
5131 - State Racing Fund	2,378,324	1,410,642	616,053	116,737	-	-
Subtotal	3,994,648	3,128,976	1,307,183	193,622	-	-
<b>Gaming Funds</b>						
2459 - Education and Training Fund	-	-	-	-	-	-
2535 - Expanded Lottery Act Regulation (Gaming) Fund	-	2,716,910	3,379,508	3,429,041	4,153,806	11,196,190
2682 - Gaming Background Investigations Fund	-	-	-	-	336,000	367,190
2998 - Gaming Machine Examination Fund	-	-	-	579,446	-	-
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-
Subtotal	-	2,716,910	3,379,508	4,008,487	4,489,806	11,563,380
<b>Total Expenses</b>	<b>3,994,648</b>	<b>5,845,886</b>	<b>4,686,691</b>	<b>4,202,109</b>	<b>4,489,806</b>	<b>11,563,380</b>

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
 Approved Expenditures from All Funding Sources  
 FY 2010 - FY 2011

	Revised GBR	FY 2010 Legislative Changes	Approved	GBR	FY 2011 Legislative Changes	Approved
<b>Parimutuel Funds</b>						
2296 - Horse Fair Racing Benefit Fund	13,375	-	13,375	-	-	-
2516 - Kansas Horse Breeding Development Fund	96,263	-	96,263	-	-	-
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-
2561 - Greyhound Promotion & Development Fund	39,434	-	39,434	-	-	-
2570 - Racing Investigative Expense Fund	-	-	-	-	-	-
2601 - Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-
2616 - Racing Reimbursable Expense Fund Summary	-	-	-	-	-	-
5131 - State Racing Fund	111,388	-	111,388	-	-	-
Subtotal	260,460	-	260,460	-	-	-
<b>Gaming Funds</b>						
2459 - Education and Training Fund	-	-	-	-	-	-
2535 - Expanded Lottery Act Regulation (Gaming) Fund	4,132,578	(5,990)	4,126,588	6,621,005	23,084	6,644,089
2682 - Gaming Background Investigations Fund	191,104	-	191,104	447,776	-	447,776
2998 - Gaming Machine Examination Fund	500,000	-	500,000	1,650,000	-	1,650,000
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-
Subtotal	4,823,682	(5,990)	4,817,692	8,718,781	23,084	8,741,865
<b>Total Expenses</b>	<b>5,084,142</b>	<b>(5,990)</b>	<b>5,078,152</b>	<b>8,718,781</b>	<b>23,084</b>	<b>8,741,865</b>

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
Expenditures from All Funding Sources  
FY 2010 - FY 2012

	FY 2010 Budget	FY 2010 Actual	Difference	FY 2011 Approved Budget	Suggested Change in FY 2011	Revised FY 2011 Budget	Changes to Base FY 2012	Submitted FY 2012 Budget
<b>Parimutuel Funds</b>								
2296 - Horse Fair Racing Benefit Fund	13,375	13,375	-	-	-	-	-	-
2516 - Kansas Horse Breeding Development Fund	96,263	63,510	(32,753)	-	-	-	-	-
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-	-	-
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-	-	-
2561 - Greyhound Promotion & Development Fund	39,434	-	(39,434)	-	-	-	-	-
2570 - Racing Investigative Expense Fund	-	-	-	-	-	-	-	-
2601 - Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-	-	-
2616 - Racing Reimbursable Expense Fund Summary	-	-	-	-	-	-	-	-
5131 - State Racing Fund	111,388	116,737	5,349	-	-	-	-	-
Subtotal	260,460	193,622	(66,838)	-	-	-	-	-
<b>Gaming Funds</b>								
2459 - Education and Training Fund	-	-	-	-	-	-	-	-
2535 - Expanded Lottery Act Regulation (Gaming) Fund	4,126,588	3,429,041	(697,547)	6,644,089	(2,490,283)	4,153,806	7,042,384	11,196,190
2682 - Gaming Background Investigations Fund	191,104	-	(191,104)	447,776	(111,776)	336,000	31,190	367,190
2998 - Gaming Machine Examination Fund	500,000	579,446	79,446	1,650,000	(1,650,000)	-	-	-
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-	-	-
Subtotal	4,817,692	4,008,487	(809,205)	8,741,865	(4,252,059)	4,489,806	7,073,574	11,563,380
<b>Total Expenses</b>	<b>5,078,152</b>	<b>4,202,109</b>	<b>(876,043)</b>	<b>8,741,865</b>	<b>(4,252,059)</b>	<b>4,489,806</b>	<b>7,073,574</b>	<b>11,563,380</b>

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
Fund Status Summary  
FY 2010 - FY 2012

	FY 2009 Ending Balance	FY 2010 Revenues	FY 2010 Expend	FY 2010 Ending Balance	FY 2011 Revenues	FY 2011 Expend	FY 2011 Ending Balance	FY 2012 Revenues	FY 2012 Expend	FY 2012 Ending Balance
<b>Parimutuel Funds</b>										
2296 - Horse Fair Racing Benefit Fund <sup>1</sup>	13,376	-	(13,375)	1	(1)	-	0	-	-	0
2516 - Kansas Horse Breeding Development Fund	101,919	13,503	(63,510)	51,913	-	-	51,913	-	-	51,913
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-	-	-	-	-
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-	-	-	-	-
2561 - Greyhound Promotion & Development Fund	39,434	247	-	39,681	-	-	39,681	-	-	39,681
2570 - Racing Investigative Expense Fund <sup>1</sup>	19,774	-	-	19,774	(19,774)	-	-	-	-	-
2601 - Kansas Greyhound Breeding Development Fund	86,922	90	-	87,012	-	-	87,012	-	-	87,012
2616 - Racing Reimbursable Expense Fund <sup>1</sup>	11,422	50	-	11,472	(11,472)	-	-	-	-	-
5131 - State Racing Fund	151,510	34,092	(116,737)	68,866	31,246	-	100,112	-	-	100,112
Subtotal	424,357	47,983	(193,622)	278,718	-	-	278,718	-	-	278,718
<b>Gaming Funds</b>										
2459 - Education and Training Fund	-	-	-	-	-	-	-	-	-	-
2535 - Expanded Lottery Act Regulation (Gaming) Fund	1,303,694	4,380,118	(3,429,041)	2,254,771	6,386,521	(4,153,806)	4,487,486	7,461,112	(11,196,190)	752,409
2682 - Gaming Background Investigations Fund	-	288,758	-	288,758	140,000	(336,000)	92,758	350,000	(367,190)	75,568
2998 - Gaming Machine Examination Fund <sup>2</sup>	-	731,311	(579,446)	151,865	(151,865)	-	-	-	-	-
2999 - Illegal Gaming Enforcement Fund <sup>3</sup>	-	-	-	-	-	-	-	-	-	-
Subtotal	1,303,694	5,400,187	(4,008,487)	2,695,394	6,374,656	(4,489,806)	4,580,244	7,811,112	(11,563,380)	827,977
<b>Total Funds</b>	<b>1,728,051</b>	<b>5,448,169</b>	<b>(4,202,109)</b>	<b>2,974,112</b>	<b>6,374,656</b>	<b>(4,489,806)</b>	<b>4,858,962</b>	<b>7,811,112</b>	<b>(11,563,380)</b>	<b>1,106,695</b>

**Notes**

- <sup>1</sup> Idle Fund - Transfer Balance to 5131 (2296, 2570, 2616)
- <sup>2</sup> Operational Change - Fund not needed after FY 10 (2998)
- <sup>3</sup> New Fund Requested

**Kansas Racing and Gaming Commission**

FTE Summary  
FY 2007 - FY 2012

	1-Jul-07 Actual	FY 2008 Approved	FY 2008 Revised	1-Jul-08 Actual	FY 2009 Approved	FY 2009 Revised	1-Jul-09 Actual	FY 2010 Approved	1-Jul-10 Actual	FY 2011 Approved	FY 2011 Rev. Est.	FY 2012 Request
<b>Central Office</b>												
Executive	3.0	5.0	6.8	8.0	7.5	8.0	6.0	6.5	5.0	8.0	8.0	8.0
Administration	7.0	11.0	19.0	10.0	21.0	11.0	8.0	8.0	8.0	11.0	11.0	11.0
Animal Health	1.0	1.0	1.0	1.0	1.0	1.0	-	1.0	-	-	-	-
Audit & Electronic Security	2.0	7.0	11.0	5.0	11.0	5.0	4.0	5.0	4.0	5.0	5.0	6.0
Racing	1.0	1.0	1.0	1.0	1.0	1.0	-	1.0	-	-	-	-
Security & Licensing	5.0	13.0	17.0	17.0	17.0	19.0	9.0	17.0	11.5	14.5	14.5	14.5
<i>Subtotal - Central Office</i>	<i>19.0</i>	<i>38.0</i>	<i>55.8</i>	<i>42.0</i>	<i>58.5</i>	<i>45.0</i>	<i>27.0</i>	<i>38.5</i>	<i>28.5</i>	<i>38.5</i>	<i>38.5</i>	<i>39.5</i>
<b>Facilities</b>												
Wichita Greyhound Park	10.0	15.0	-	-	18.5	-	-	-	-	-	-	-
Woodlands (Kansas City)	10.0	15.0	18.5	10.0	18.5	-	-	-	-	-	-	-
Boot Hill (Dodge City)	-	-	-	-	-	11.0	-	11.0	6.0	11.0	11.0	9.0
Sumner Co. Gaming Facility	-	-	-	-	-	-	-	-	-	-	-	13.5
Hollywood (WY Co.)	-	-	-	-	-	-	-	-	-	-	-	13.5
<i>Subtotal - Facilities</i>	<i>20.0</i>	<i>30.0</i>	<i>18.5</i>	<i>10.0</i>	<i>37.0</i>	<i>11.0</i>	<i>-</i>	<i>11.0</i>	<i>6.0</i>	<i>11.0</i>	<i>11.0</i>	<i>36.0</i>
<b>Total</b>	<b>39.0</b>	<b>68.0</b>	<b>74.3</b>	<b>52.0</b>	<b>95.5</b>	<b>56.0</b>	<b>27.0</b>	<b>49.5</b>	<b>34.5</b>	<b>49.5</b>	<b>49.5</b>	<b>75.5</b>

**Kansas Racing and Gaming Commission**  
 Current Year by Major Object Code  
 FY 2011

	Salaries	Contractual	Commodities	Capital Outlay	Grants	Debt Service	Revised FY 2011 Budget
<b>Parimutuel Funds</b>							
2296 - Horse Fair Racing Benefit Fund	-	-	-	-	-	-	-
2516 - Kansas Horse Breeding Development Fund	-	-	-	-	-	-	-
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-	-
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-	-
2561 - Greyhound Promotion & Development Fund	-	-	-	-	-	-	-
2570 - Racing Investigative Expense Fund	-	-	-	-	-	-	-
2601 - Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-	-
2616 - Racing Reimbursable Expense Fund Summary	-	-	-	-	-	-	-
5131 - State Racing Fund	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
<b>Gaming Funds</b>							
2459 - Education and Training Fund	-	-	-	-	-	-	-
2535 - Expanded Lottery Act Regulation (Gaming) Fund	2,899,176	1,055,830	52,100	146,700	-	-	4,153,806
2682 - Gaming Background Investigations Fund	124,000	212,000	-	-	-	-	336,000
2998 - Gaming Machine Examination Fund	-	-	-	-	-	-	-
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-	-
Subtotal	3,023,176	1,267,830	52,100	146,700	-	-	4,489,806
Total Expenses	3,023,176	1,267,830	52,100	146,700	-	-	4,489,806

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
 Current Year Requested Changes to Approved Budget  
 FY 2011

	FY 2011 Approved Budget	Change						Revised FY 2011 Budget	Percent Change
		Salaries	Contractual	Commodities	Capital Outlay	Grants	Debt Service		
<b>Parimutuel Funds</b>									
2296 - Horse Fair Racing Benefit Fund	-	-	-	-	-	-	-	-	--
2516 - Kansas Horse Breeding Development Fund	-	-	-	-	-	-	-	-	--
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-	-	-	--
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-	-	-	--
2561 - Greyhound Promotion & Development Fund	-	-	-	-	-	-	-	-	--
2570 - Racing Investigative Expense Fund	-	-	-	-	-	-	-	-	--
2601 - Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-	-	-	--
2616 - Racing Reimbursable Expense Fund Summary	-	-	-	-	-	-	-	-	--
5131 - State Racing Fund	-	-	-	-	-	-	-	-	--
<b>Subtotal</b>	-	-	-	-	-	-	-	-	--
<b>Gaming Funds</b>									
2459 - Education and Training Fund	-	-	-	-	-	-	-	-	--
2535 - Expanded Lottery Act Regulation (Gaming) Fund	6,644,089	(35,737)	610,402	(11,500)	(49,300)	-	(3,004,148)	4,153,806	(37.48%)
2682 - Gaming Background Investigations Fund	447,776	124,000	(235,776)	-	-	-	-	336,000	(24.96%)
2998 - Gaming Machine Examination Fund	1,650,000	-	(1,650,000)	-	-	-	-	-	(100.00%)
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-	-	-	--
<b>Subtotal</b>	<b>8,741,865</b>	<b>88,263</b>	<b>(1,275,374)</b>	<b>(11,500)</b>	<b>(49,300)</b>	<b>-</b>	<b>(3,004,148)</b>	<b>4,489,806</b>	<b>(48.64%)</b>
<b>Total Expenses</b>	<b>8,741,865</b>	<b>88,263</b>	<b>(1,275,374)</b>	<b>(11,500)</b>	<b>(49,300)</b>	<b>-</b>	<b>(3,004,148)</b>	<b>4,489,806</b>	<b>(48.64%)</b>

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
 Budget Year by Major Object Code  
 FY 2012

	Salaries	Contractual	Commodities	Capital Outlay	Grants	Debt Service	Submitted FY 2012 Budget
<b>Parimutuel Funds</b>							
2296 - Horse Fair Racing Benefit Fund	-	-	-	-	-	-	-
2516 - Kansas Horse Breeding Development Fund	-	-	-	-	-	-	-
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-	-
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-	-
2561 - Greyhound Promotion & Development Fund	-	-	-	-	-	-	-
2570 - Racing Investigative Expense Fund	-	-	-	-	-	-	-
2601 - Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-	-
2616 - Racing Reimbursable Expense Fund Summary	-	-	-	-	-	-	-
5131 - State Racing Fund	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-
<b>Gaming Funds</b>							
2459 - Education and Training Fund	-	-	-	-	-	-	-
2535 - Expanded Lottery Act Regulation (Gaming) Fund	3,840,414	728,444	90,600	326,600	-	6,210,132	11,196,190
2682 - Gaming Background Investigations Fund	127,190	240,000	-	-	-	-	367,190
2998 - Gaming Machine Examination Fund	-	-	-	-	-	-	-
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>3,967,604</b>	<b>968,444</b>	<b>90,600</b>	<b>326,600</b>	<b>-</b>	<b>6,210,132</b>	<b>11,563,380</b>
<b>Total Expenses</b>	<b>3,967,604</b>	<b>968,444</b>	<b>90,600</b>	<b>326,600</b>	<b>-</b>	<b>6,210,132</b>	<b>11,563,380</b>

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
 Budget Year Changes from Current Year  
 FY 2012

	Revised FY 2011 Budget	Change						Submitted FY 2012 Budget	Percent Change
		Salaries	Contractual	Commodities	Capital Outlay	Grants	Debt Service		
<b>Parimutuel Funds</b>									
2296 - Horse Fair Racing Benefit Fund	-	-	-	-	-	-	-	-	--
2516 - Kansas Horse Breeding Development Fund	-	-	-	-	-	-	-	-	--
2546 - Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-	-	-	--
2557 - Live Greyhound Racing Purse Supplement Fund	-	-	-	-	-	-	-	-	--
2561 - Greyhound Promotion & Development Fund	-	-	-	-	-	-	-	-	--
2570 - Racing Investigative Expense Fund	-	-	-	-	-	-	-	-	--
2601 - Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-	-	-	--
2616 - Racing Reimbursable Expense Fund Summary	-	-	-	-	-	-	-	-	--
5131 - State Racing Fund	-	-	-	-	-	-	-	-	--
<b>Subtotal</b>	-	-	-	-	-	-	-	-	--
<b>Gaming Funds</b>									
2459 - Education and Training Fund	-	-	-	-	-	-	-	-	--
2535 - Expanded Lottery Act Regulation (Gaming) Fund	4,153,806	941,238	(327,387)	38,500	179,900	-	6,210,132	11,196,190	169.54%
2682 - Gaming Background Investigations Fund	336,000	3,190	28,000	-	-	-	-	367,190	9.28%
2998 - Gaming Machine Examination Fund	-	-	-	-	-	-	-	-	--
2999 - Illegal Gaming Enforcement Fund <sup>1</sup>	-	-	-	-	-	-	-	-	--
<b>Subtotal</b>	<b>4,489,806</b>	<b>944,428</b>	<b>(299,387)</b>	<b>38,500</b>	<b>179,900</b>	<b>-</b>	<b>6,210,132</b>	<b>11,563,380</b>	<b>157.55%</b>
<b>Total Expenses</b>	<b>4,489,806</b>	<b>944,428</b>	<b>(299,387)</b>	<b>38,500</b>	<b>179,900</b>	<b>-</b>	<b>6,210,132</b>	<b>11,563,380</b>	<b>157.55%</b>

**Notes**

<sup>1</sup> New Fund Requested

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2296 - Horse Fair Racing Benefit Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Parimutuel tax - live	-	-	-	-	-	-	-	-	-	-
Parimutuel tax - simulcast	-	-	-	-	-	-	-	-	-	-
Admissions tax	-	-	-	-	-	-	-	-	-	-
License fee - individual	-	-	-	-	-	-	-	-	-	-
License fee - business	-	-	-	-	-	-	-	-	-	-
Licenses fee - daily	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
Transfer Balance to SRF(5131)	-	-	-	-	(1)	(1)	1	-	-	-
<b>Total Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>13,375</b>	<b>13,376</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Cash Balance	13,376					1		-		-
<b>Change in Net Assets</b>	<b>(13,375)</b>	<b>(13,376)</b>		<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ending Cash Balance	1					-		-		-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2296 - Horse Fair Racing Benefit Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	-	-	-	-	-	-	-	-	-	-
Contractual Services										
Communication	-	-	-	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-
Repairing & servicing	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	-	-	-	-	-	-	-	-	-	-
Fees-other services	-	-	-	-	-	-	-	-	-	-
Fees-professional services	13,375	13,376	(1)	-	-	-	-	-	-	-
Other contractual services	-	-	-	-	-	-	-	-	-	-
Total contractual services	13,375	13,376	(1)	-	-	-	-	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	-	-
Vehicle parts, supplies	-	-	-	-	-	-	-	-	-	-
Prof. & scientific supplies	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-
Total Expenditures	13,375	13,376	(1)	-	-	-	-	-	-	-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2516 - Kansas Horse Breeding Development Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Breakage	4,549	4,549	-	-	-	-	-	-	-	-
Unclaimed Winning Tickets	8,955	-	8,955	-	-	-	-	-	-	-
Other Misc Revenue	-	-	-	-	-	-	-	-	-	-
State General Fund	-	-	-	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-	-	-	-
Total Receipts	13,503	-	8,955	-	-	-	-	-	-	-
Total Expenses	63,510	96,263	(32,753)	-	-	-	-	-	-	-
Beginning Cash Balance	101,919					51,913		51,913		51,913
Change in Net Assets	(50,007)	(96,263)	46,256	-	-	-	-	-	-	-
Ending Cash Balance	51,913					51,913		51,913		51,913

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2516 - Kansas Horse Breeding Development Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	-	-	-	-	-	-	-	-	-	-
Contractual Services										
Communication	-	-	-	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-
Repairing & servicing	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	-	-	-	-	-	-	-	-	-	-
Fees-other services	-	-	-	-	-	-	-	-	-	-
Fees-professional services	-	-	-	-	-	-	-	-	-	-
Other contractual services	-	-	-	-	-	-	-	-	-	-
Total contractual services	-	-	-	-	-	-	-	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	-	-
Vehicle parts, supplies	-	-	-	-	-	-	-	-	-	-
Prof. & scientific supplies	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	-	-	-	-	-	-	-	-	-	-
Grants	63,510	96,263	(32,753)	-	-	-	-	-	-	-
Total Expenditures	63,510	96,263	(32,753)	-	-	-	-	-	-	-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2535 - Expanded Lottery Act Regulation (Gaming) Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
PMIB Loan Proceeds	-	-	-	-	-	-	-	-	-	-
LGFRB Reimbursements	884,295	1,010,000	(125,705)	-	755,000	755,000	(755,000)	-	-	-
WY Start-up Reimbursement	1,298,058	2,107,052	(808,994)	-	-	-	822,299	822,299	-	822,299
SU Start-up Reimbursement	-	1,808,363	(1,808,363)	-	1,100,534	1,100,534	(399,955)	700,579	-	700,579
BHRC Start-up Reimb.	118,128	1,590,267	(1,472,139)	-	118,128	118,128	147,066	265,194	-	265,194
WY Ops Reimbursment	1,381,201	-	1,381,201	552,965	650,038	1,203,003	408,968	1,611,970	772,615	2,384,586
SU Ops Reimbursment	-	-	-	468,821	1,698,061	2,166,882	(788,297)	1,378,585	772,616	2,151,201
BHRC Ops Reimbursment	796,247	-	796,247	1,177,462	(134,487)	1,042,975	94,278	1,137,253	-	1,137,253
Vendor Background Fees	(89,627)	208,265	(297,892)	173,600	(173,600)	-	-	-	-	-
Miscellaneous Revenue	5,908	-	5,908	-	-	-	-	-	-	-
ELARF Transfer	-	-	-	-	-	-	-	-	-	-
Transfer Out	(14,091)	-	(14,091)	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>4,380,118</b>	<b>6,723,947</b>	<b>(2,343,829)</b>	<b>2,372,848</b>	<b>4,013,673</b>	<b>6,386,521</b>	<b>(470,640)</b>	<b>5,915,881</b>	<b>1,545,231</b>	<b>7,461,112</b>
<b>Total Expenses</b>	<b>3,429,041</b>	<b>4,126,588</b>	<b>(697,547)</b>	<b>6,644,089</b>	<b>(2,490,283)</b>	<b>4,153,806</b>	<b>5,721,673</b>	<b>9,875,479</b>	<b>1,320,710</b>	<b>11,196,190</b>
Beginning Cash Balance	1,303,694					2,254,771		4,487,486		4,487,486
Change in Net Assets	951,077	2,597,359	(1,646,282)	(4,271,241)	6,503,956	2,232,715	(6,192,313)	(3,959,598)	224,521	(3,735,077)
Ending Cash Balance	2,254,771					4,487,486				752,409

**Kansas Racing and Gaming Commission**  
 Expanded Lottery Act Regulation (Gaming) Fund - Summary of Expenditures by Sub-Account  
 FY 2011 & 2012

**2535 - Expanded Lottery Act Regulation (Gaming) Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	Approved FY 2011	Revisions to in FY 2011	Revised FY 2011 Budget	Change from FY 2011 to FY 2012	Base FY 2012	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Topeka	1,860,284	2,502,343	(642,059)	5,945,178	(3,329,955)	2,615,223	6,590,023	9,205,246	-	9,205,246
LGFRB	825,106	977,505	(152,399)	-	755,000	755,000	(755,000)	-	-	-
Wyandotte	26,467	20,320	6,147	-	49,000	49,000	(12,246)	36,754	660,355	697,109
Sumner	-	20,320	(20,320)	-	75,000	75,000	(38,246)	36,754	660,355	697,109
Ford	571,155	606,100	(34,945)	698,911	(39,328)	659,583	(62,857)	596,726	-	596,726
Background Invest.	146,029	-	146,029	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>3,429,041</b>	<b>4,126,588</b>	<b>(697,547)</b>	<b>6,644,089</b>	<b>(2,490,283)</b>	<b>4,153,806</b>	<b>5,721,673</b>	<b>9,875,479</b>	<b>1,320,710</b>	<b>11,196,190</b>

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Expanded Lottery Act Regulation (Gaming) Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	2,272,134	2,525,027	(252,893)	2,934,913	(35,737)	2,899,176	136,171	3,035,347	805,067	3,840,414
Contractual Services										
Communication	58,703	71,600	(12,897)	74,400	(4,900)	69,500	(500)	69,000	5,000	74,000
Freight & express	855	4,050	(3,195)	4,200	1,900	6,100	(2,500)	3,600	900	4,500
Printing & advertising	5,137	900	4,237	900	-	900	-	900	500	1,400
Rents	183,562	227,750	(44,188)	203,100	33,200	236,300	(32,200)	204,100	4,400	208,500
Repairing & servicing	4,184	7,750	(3,566)	7,800	-	7,800	-	7,800	1,100	8,900
Travel & subsistence	130,363	162,026	(31,663)	73,328	53,697	127,025	(51,025)	76,000	119,724	195,724
Fees-other services	110,851	65,200	45,651	42,000	48,500	90,500	(36,500)	54,000	24,000	78,000
Fees-professional services	498,174	714,630	(216,456)	31,300	428,005	459,305	(424,605)	34,700	109,520	144,220
Other contractual services	4,030	47,350	(43,320)	8,400	50,000	58,400	(50,000)	8,400	4,800	13,200
Total contractual services	995,859	1,301,256	(305,397)	445,428	610,402	1,055,830	(597,330)	458,500	269,944	728,444
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	1,668	-	1,668	-	-	-	-	-	-	-
Maintenance materials	757	2,500	(1,743)	3,600	(3,000)	600	-	600	5,000	5,600
Vehicle parts, supplies	6,252	17,900	(11,648)	22,200	(6,300)	15,900	(1,500)	14,400	8,800	23,200
Prof. & scientific supplies	5,776	11,000	(5,224)	12,600	(5,400)	7,200	600	7,800	10,000	17,800
Office supplies	25,679	24,500	1,179	24,600	1,600	26,200	(400)	25,800	17,000	42,800
Other supplies & materials	1,207	6,000	(4,793)	600	1,600	2,200	(1,000)	1,200	-	1,200
Total commodities	41,339	61,900	(20,562)	63,600	(11,500)	52,100	(2,300)	49,800	40,800	90,600
Capital outlay	119,710	121,850	(2,140)	196,000	(49,300)	146,700	(25,000)	121,700	204,900	326,600
Debt Service										
Interest	-	116,555	(116,555)	571,426	(571,426)	-	1,210,132	1,210,132	-	1,210,132
Principal	-	-	-	2,432,722	(2,432,722)	-	5,000,000	5,000,000	-	5,000,000
Total Debt Service	-	116,555	(116,555)	3,004,148	(3,004,148)	-	6,210,132	6,210,132	-	6,210,132
Total Expenditures	3,429,041	4,126,588	(697,547)	6,644,089	(2,490,283)	4,153,806	5,721,673	9,875,479	1,320,710	11,196,190

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Topeka Sub-Account**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	1,426,790	1,857,288	(430,498)	2,349,330	(303,807)	2,045,523	429,391	2,474,914	-	2,474,914
Contractual Services										
Communication	54,398	66,000	(11,602)	66,000	-	66,000	-	66,000	-	66,000
Freight & express	176	2,400	(2,224)	2,400	-	2,400	-	2,400	-	2,400
Printing & advertising	4,848	900	3,948	900	-	900	-	900	-	900
Rents	158,590	192,500	(33,911)	199,500	-	199,500	3,400	202,900	-	202,900
Repairing & servicing	3,482	7,200	(3,718)	7,200	-	7,200	-	7,200	-	7,200
Travel & subsistence	39,151	32,000	7,151	35,000	5,000	40,000	-	40,000	-	40,000
Fees-other services	46,405	30,000	16,405	30,000	-	30,000	-	30,000	-	30,000
Fees-professional services	6,178	56,500	(50,322)	26,500	27,300	53,800	(26,300)	27,500	-	27,500
Other contractual services	3,409	6,000	(2,591)	6,000	-	6,000	-	6,000	-	6,000
Total contractual services	316,637	393,500	(76,863)	373,500	32,300	405,800	(22,900)	382,900	-	382,900
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	296	-	296	-	-	-	-	-	-	-
Maintenance materials	503	-	503	-	-	-	-	-	-	-
Vehicle parts, supplies	4,666	12,000	(7,334)	12,000	-	12,000	-	12,000	-	12,000
Prof. & scientific supplies	3,920	6,000	(2,080)	6,000	-	6,000	-	6,000	-	6,000
Office supplies	11,329	21,600	(10,271)	21,600	-	21,600	-	21,600	-	21,600
Other supplies & materials	1,094	6,000	(4,906)	600	-	600	-	600	-	600
Total commodities	21,809	45,600	(23,791)	40,200	-	40,200	-	40,200	-	40,200
Capital outlay	95,049	89,400	5,649	178,000	(54,300)	123,700	(26,600)	97,100	-	97,100
Debt Service										
Interest	-	116,555	(116,555)	571,426	(571,426)	-	1,210,132	1,210,132	-	1,210,132
Principal	-	-	-	2,432,722	(2,432,722)	-	5,000,000	5,000,000	-	5,000,000
Total Debt Service	-	116,555	(116,555)	3,004,148	(3,004,148)	-	6,210,132	6,210,132	-	6,210,132
Total Expenditures	1,860,284	2,502,343	(642,059)	5,945,178	(3,329,955)	2,615,223	6,590,023	9,205,246	-	9,205,246

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Lottery Gaming Facility Review Board Sub-Account**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	289,098	272,530	16,568	-	241,170	241,170	(241,170)	-	-	-
Contractual Services										
Communication	81	-	81	-	500	500	(500)	-	-	-
Freight & express	454	-	454	-	2,500	2,500	(2,500)	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	23,825	27,550	(3,725)	-	35,600	35,600	(35,600)	-	-	-
Repairing & servicing	16	-	16	-	-	-	-	-	-	-
Travel & subsistence	19,113	14,525	4,588	-	21,025	21,025	(21,025)	-	-	-
Fees-other services	4,231	8,200	(3,969)	-	10,000	10,000	(10,000)	-	-	-
Fees-professional services	486,293	613,650	(127,357)	-	390,705	390,705	(390,705)	-	-	-
Other contractual services	541	39,150	(38,609)	-	50,000	50,000	(50,000)	-	-	-
Total contractual services	534,554	703,075	(168,521)	-	510,330	510,330	(510,330)	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	1,231	-	1,231	-	-	-	-	-	-	-
Maintenance materials	224	-	224	-	-	-	-	-	-	-
Vehicle parts, supplies	-	1,500	(1,500)	-	1,500	1,500	(1,500)	-	-	-
Prof. & scientific supplies	-	-	-	-	-	-	-	-	-	-
Office supplies	-	400	(400)	-	1,000	1,000	(1,000)	-	-	-
Other supplies & materials	-	-	-	-	1,000	1,000	(1,000)	-	-	-
Total commodities	1,455	1,900	(445)	-	3,500	3,500	(3,500)	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt Service										
Interest	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	825,106	977,505	(152,399)	-	755,000	755,000	(755,000)	-	-	-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Wyandotte Casino Sub-Account**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	16,466	-	16,466	-	25,000	25,000	11,754	36,754	402,533	439,287
Contractual Services										
Communication	-	-	-	-	-	-	-	-	2,500	2,500
Freight & express	-	-	-	-	-	-	-	-	450	450
Printing & advertising	-	-	-	-	-	-	-	-	250	250
Rents	-	-	-	-	-	-	-	-	2,200	2,200
Repairing & servicing	-	-	-	-	-	-	-	-	550	550
Travel & subsistence	9,064	12,000	(2,936)	-	10,000	10,000	(10,000)	-	59,862	59,862
Fees-other services	842	8,000	(7,158)	-	9,000	9,000	(9,000)	-	12,000	12,000
Fees-professional services	20	320	(300)	-	5,000	5,000	(5,000)	-	54,760	54,760
Other contractual services	-	-	-	-	-	-	-	-	2,400	2,400
Total contractual services	9,926	20,320	(10,394)	-	24,000	24,000	(24,000)	-	134,972	134,972
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	2,500	2,500
Vehicle parts, supplies	75	-	75	-	-	-	-	-	4,400	4,400
Prof. & scientific supplies	-	-	-	-	-	-	-	-	5,000	5,000
Office supplies	-	-	-	-	-	-	-	-	8,500	8,500
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	75	-	75	-	-	-	-	-	20,400	20,400
Capital outlay	-	-	-	-	-	-	-	-	102,450	102,450
Debt Service										
Interest	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	26,467	20,320	6,147	-	49,000	49,000	(12,246)	36,754	660,355	697,109

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Sumner Casino Sub-Account**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	-	-	-	-	40,000	40,000	(3,246)	36,754	402,533	439,287
Contractual Services										
Communication	-	-	-	-	-	-	-	-	2,500	2,500
Freight & express	-	-	-	-	-	-	-	-	450	450
Printing & advertising	-	-	-	-	-	-	-	-	250	250
Rents	-	-	-	-	-	-	-	-	2,200	2,200
Repairing & servicing	-	-	-	-	-	-	-	-	550	550
Travel & subsistence	-	12,000	(12,000)	-	20,000	20,000	(20,000)	-	59,862	59,862
Fees-other services	-	8,000	(8,000)	-	10,000	10,000	(10,000)	-	12,000	12,000
Fees-professional services	-	320	(320)	-	5,000	5,000	(5,000)	-	54,760	54,760
Other contractual services	-	-	-	-	-	-	-	-	2,400	2,400
Total contractual services	-	20,320	(20,320)	-	35,000	35,000	(35,000)	-	134,972	134,972
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	2,500	2,500
Vehicle parts, supplies	-	-	-	-	-	-	-	-	4,400	4,400
Prof. & scientific supplies	-	-	-	-	-	-	-	-	5,000	5,000
Office supplies	-	-	-	-	-	-	-	-	8,500	8,500
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	-	-	-	-	-	-	-	-	20,400	20,400
Capital outlay	-	-	-	-	-	-	-	-	102,450	102,450
Debt Service										
Interest	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	20,320	(20,320)	-	75,000	75,000	(38,246)	36,754	660,355	697,109

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Ford Casino Sub-Account**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	429,809	395,209	34,600	585,583	(38,100)	547,483	(60,557)	486,926	-	486,926
Contractual Services										
Communication	4,225	5,600	(1,375)	8,400	(5,400)	3,000	-	3,000	-	3,000
Freight & express	226	1,650	(1,424)	1,800	(600)	1,200	-	1,200	-	1,200
Printing & advertising	289	-	289	-	-	-	-	-	-	-
Rents	1,147	7,700	(6,553)	3,600	(2,400)	1,200	-	1,200	-	1,200
Repairing & servicing	686	550	136	600	-	600	-	600	-	600
Travel & subsistence	47,831	91,501	(43,670)	38,328	(2,328)	36,000	-	36,000	-	36,000
Fees-other services	41,255	11,000	30,255	12,000	19,500	31,500	(7,500)	24,000	-	24,000
Fees-professional services	3,820	43,840	(40,020)	4,800	-	4,800	2,400	7,200	-	7,200
Other contractual services	80	2,200	(2,120)	2,400	-	2,400	-	2,400	-	2,400
Total contractual services	99,559	164,041	(64,483)	71,928	8,772	80,700	(5,100)	75,600	-	75,600
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	141	-	141	-	-	-	-	-	-	-
Maintenance materials	30	2,500	(2,470)	3,600	(3,000)	600	-	600	-	600
Vehicle parts, supplies	1,063	4,400	(3,337)	10,200	(7,800)	2,400	-	2,400	-	2,400
Prof. & scientific supplies	1,615	5,000	(3,385)	6,600	(5,400)	1,200	600	1,800	-	1,800
Office supplies	14,166	2,500	11,666	3,000	600	3,600	600	4,200	-	4,200
Other supplies & materials	113	-	113	-	600	600	-	600	-	600
Total commodities	17,127	14,400	2,727	23,400	(15,000)	8,400	1,200	9,600	-	9,600
Capital outlay	24,661	32,450	(7,789)	18,000	5,000	23,000	1,600	24,600	-	24,600
Debt Service										
Interest	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	571,155	606,100	(34,945)	698,911	(39,328)	659,583	(62,857)	596,726	-	596,726

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2535 - Vendor Background Investigations Sub-Account**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	109,971	-	109,971	-	-	-	-	-	-	-
Contractual Services										
Communication	-	-	-	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-
Repairing & servicing	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	15,204	-	15,204	-	-	-	-	-	-	-
Fees-other services	18,119	-	18,119	-	-	-	-	-	-	-
Fees-professional services	1,862	-	1,862	-	-	-	-	-	-	-
Other contractual services	-	-	-	-	-	-	-	-	-	-
Total contractual services	35,184	-	35,184	-	-	-	-	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	-	-
Vehicle parts, supplies	448	-	448	-	-	-	-	-	-	-
Prof. & scientific supplies	241	-	241	-	-	-	-	-	-	-
Office supplies	184	-	184	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	873	-	873	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt Service										
Interest	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	146,029	-	146,029	-	-	-	-	-	-	-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2561 - Greyhound Promotion & Development Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
2% Checkoff Program	-	-	-	-	-	-	-	-	-	-
Greyhound Tourism Transfer	-	-	-	-	-	-	-	-	-	-
State General Fund	-	-	-	-	-	-	-	-	-	-
Transfer In	247	-	247	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>247</b>	<b>-</b>	<b>247</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>-</b>	<b>39,434</b>	<b>(39,434)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Cash Balance	39,434					39,681		39,681		39,681
Change in Net Assets	247	(39,434)	39,681	-	-	-	-	-	-	-
Ending Cash Balance	39,681	39,434				39,681		39,681		39,681

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2561 - Greyhound Promotion & Development Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	-	-	-	-	-	-	-	-	-	-
Contractual Services										
Communication	-	-	-	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-
Repairing & servicing	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	-	-	-	-	-	-	-	-	-	-
Fees-other services	-	-	-	-	-	-	-	-	-	-
Fees-professional services	-	-	-	-	-	-	-	-	-	-
Other contractual services	-	-	-	-	-	-	-	-	-	-
Total contractual services	-	-	-	-	-	-	-	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	-	-
Vehicle parts, supplies	-	-	-	-	-	-	-	-	-	-
Prof. & scientific supplies	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	-	-	-	-	-	-	-	-	-	-
Grants	-	39,434	(39,434)	-	-	-	-	-	-	-
Total Expenditures	-	39,434	(39,434)	-	-	-	-	-	-	-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2570 - Racing Investigative Expense Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
KSIP transfer out	-	-	-	-	-	-	-	-	-	-
State General Fund	-	-	-	-	-	-	-	-	-	-
Balance Transfer to SRF(5131)	-	-	-	-	(19,774)	(19,774)	19,774	-	-	-
<b>Total Receipts</b>	-	-	-	-	(19,774)	(19,774)	19,774	-	-	-
<b>Total Expenses</b>	-	-	-	-	-	-	-	-	-	-
Beginning Cash Balance	19,774					19,774		-		-
Change in Net Assets	-	-	-	-	(19,774)	(19,774)	19,774	-	-	-
Ending Cash Balance	19,774					-		-		-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2601 - Kansas Greyhound Breeding Development Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
Breakage	-	-	-	-	-	-	-	-	-	-
Unclaimed Tickets	337	-	337	-	-	-	-	-	-	-
Tourism Transfer Out	-	-	-	-	-	-	-	-	-	-
Transfer Out - 25% to 2561	(247)	-	(247)	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>90</b>	<b>-</b>	<b>90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Cash Balance	86,922					87,012		87,012		87,012
Change in Net Assets	90	-	90	-	-	-	-	-	-	-
Ending Cash Balance	87,012					87,012		87,012		87,012

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2616 - Revenue - Racing Reimbursable Expense Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Fingerprint Fees	-	-	-	-	-	-	-	-	-	-
Salary Reimbursement	50	50	-	-	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
State General Fund	-	-	-	-	-	-	-	-	-	-
Balance Transfer to SRF(5131)	-	-	-	-	(11,472)	(11,472)	11,472	-	-	-
<b>Total Receipts</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>(11,472)</b>	<b>(11,472)</b>	<b>11,472</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Cash Balance	11,422					11,472		-		-
Change in Net Assets	50	50	-	-	(11,472)	(11,472)	11,472	-	-	-
Ending Cash Balance	11,472					-				-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2682 - Gaming Background Investigations Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Vendor Background Deposits	288,758	191,104	97,654	447,776	(307,776)	140,000	-	350,000	-	350,000
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
State General Fund	-	-	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>288,758</b>	<b>191,104</b>	<b>97,654</b>	<b>447,776</b>	<b>(307,776)</b>	<b>140,000</b>	<b>-</b>	<b>350,000</b>	<b>-</b>	<b>350,000</b>
<b>Total Expenses</b>	<b>-</b>	<b>191,104</b>	<b>(191,104)</b>	<b>447,776</b>	<b>(111,776)</b>	<b>336,000</b>	<b>31,190</b>	<b>367,190</b>	<b>-</b>	<b>367,190</b>
Beginning Cash Balance	-					288,758		92,758		92,758
Change in Net Assets	288,758	-	288,758	-	(196,000)	(196,000)	(31,190)	(17,190)	-	(17,190)
Ending Cash Balance	288,758					92,758		75,568		75,568

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2682 - Gaming Background Investigations Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	-	-	-	-	124,000	124,000	3,190	127,190	-	127,190
Contractual Services										
Communication	-	-	-	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-
Repairing & servicing	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	-	53,800	(53,800)	127,400	(75,400)	52,000	28,000	80,000	-	80,000
Fees-other services	-	126,504	(126,504)	295,176	(145,176)	150,000	-	150,000	-	150,000
Fees-professional services	-	10,800	(10,800)	25,200	(15,200)	10,000	-	10,000	-	10,000
Other contractual services	-	-	-	-	-	-	-	-	-	-
Total contractual services	-	191,104	(191,104)	447,776	(235,776)	212,000	28,000	240,000	-	240,000
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	-	-
Vehicle parts, supplies	-	-	-	-	-	-	-	-	-	-
Prof. & scientific supplies	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	191,104	(191,104)	447,776	(111,776)	336,000	31,190	367,190	-	367,190

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**2998 - Gaming Machine Examination Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
WY Examination Deposits	-	-	-	-	-	-	-	-	-	-
SU Examination Deposits	-	-	-	-	-	-	-	-	-	-
BHCR Examination Deposits	731,311	500,000	231,311	-	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
State General Fund	-	-	-	-	-	-	-	-	-	-
Refunds	-	-	-	-	(151,865)	(151,865)	151,865	-	-	-
<b>Total Receipts</b>	<b>731,311</b>	<b>500,000</b>	<b>231,311</b>	<b>-</b>	<b>(151,865)</b>	<b>(151,865)</b>	<b>151,865</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>579,446</b>	<b>500,000</b>	<b>79,446</b>	<b>1,650,000</b>	<b>(1,650,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Cash Balance	-					151,865		-		-
Change in Net Assets	151,865	-	151,865	(1,650,000)	1,498,135	(151,865)	151,865	-	-	-
Ending Cash Balance	151,865					-		-		-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2998 - Gaming Machine Examination Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	-	-	-	-	-	-	-	-	-	-
Contractual Services										
Communication	-	-	-	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-	-	-	-
Repairing & servicing	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	1,119	-	1,119	-	-	-	-	-	-	-
Fees-other services	341,588	500,000	(158,412)	1,650,000	(1,650,000)	-	-	-	-	-
Fees-professional services	236,717	-	236,717	-	-	-	-	-	-	-
Other contractual services	-	-	-	-	-	-	-	-	-	-
Total contractual services	579,425	500,000	79,425	1,650,000	(1,650,000)	-	-	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-	-	-
Maintenance materials	21	-	21	-	-	-	-	-	-	-
Vehicle parts, supplies	-	-	-	-	-	-	-	-	-	-
Prof. & scientific supplies	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	21	-	21	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	579,446	500,000	79,446	1,650,000	(1,650,000)	-	-	-	-	-

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Receipts  
 FY 2011 & 2012

**5131 - State Racing Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Receipts										
Parimutuel tax - live	9,882	9,882	-	-	-	-	-	-	-	-
Parimutuel tax - simulcast	-	-	-	-	-	-	-	-	-	-
Admissions tax	1,204	3,347	(2,143)	-	-	-	-	-	-	-
License fees	1,517	1,517	-	-	-	-	-	-	-	-
Fines	5,286	2,500	2,786	-	-	-	-	-	-	-
Unclaimed winnings	42	-	42	-	-	-	-	-	-	-
Miscellaneous receipts	16,285	16,250	35	-	-	-	-	-	-	-
Operating Transfer out	(123)	-	(123)	-	-	-	-	-	-	-
Transfer In (Racing Funds)	-	-	-	-	31,246	31,246	(31,246)	-	-	-
<b>Total Receipts</b>	<b>34,092</b>	<b>33,496</b>	<b>597</b>	<b>-</b>	<b>31,246</b>	<b>31,246</b>	<b>(31,246)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>116,737</b>	<b>111,388</b>	<b>5,349</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Cash Balance	151,510					68,866		100,112		100,112
Change in Net Assets	(82,644)	(77,892)	(4,752)	-	31,246	31,246	(31,246)	-	-	-
Ending Cash Balance	68,866					100,112		100,112		100,112

**Kansas Racing and Gaming Commission**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**5131 - State Racing Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Revisions to in FY 2011	Revised FY 2011 Budget	Changes from Submitted FY 2011 to FY 2012	FY 2012 Base Budget	Enhancement FY 2012 Budget	Submitted FY 2012 Budget
Salaries	102,097	94,172	7,925	-	-	-	-	-	-	-
Contractual Services										
Communication	477	468	10	-	-	-	-	-	-	-
Freight & express	-	-	-	-	-	-	-	-	-	-
Printing & advertising	-	-	-	-	-	-	-	-	-	-
Rents	1,040	-	1,040	-	-	-	-	-	-	-
Repairing & servicing	124	-	124	-	-	-	-	-	-	-
Travel & subsistence	4,457	5,121	(664)	-	-	-	-	-	-	-
Fees-other services	7,606	10,603	(2,997)	-	-	-	-	-	-	-
Fees-professional services	348	348	-	-	-	-	-	-	-	-
Other contractual services	(267)	-	(267)	-	-	-	-	-	-	-
Total contractual services	13,785	16,540	(2,755)	-	-	-	-	-	-	-
Commodities										
Clothing	-	-	-	-	-	-	-	-	-	-
Food	719	540	179	-	-	-	-	-	-	-
Maintenance materials	-	-	-	-	-	-	-	-	-	-
Vehicle parts, supplies	-	-	-	-	-	-	-	-	-	-
Prof. & scientific supplies	136	136	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Other supplies & materials	-	-	-	-	-	-	-	-	-	-
Total commodities	855	676	179	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	116,737	111,388	5,349	-	-	-	-	-	-	-

**Kansas State Gaming Agency**  
 Budget Worksheet - Expenditures  
 FY 2011 & 2012

**2320 - Tribal Gaming Fund**

	A	B	C	D	E	F	G	H	I	J
	FY 2010 Actual	FY 2010 Budget	Difference	FY 2011 Approved Budget	Suggested Change in FY 2011	Submitted FY 2011 Budget	Change from FY 2011 to FY 2012	FY 2012 Budget	Enhancement FY 2012	Submitted FY 2012 Budget
Salaries	1,253,271	1,507,538	(254,267)	1,495,230	-	1,495,230	35,545	1,530,775		1,530,775
Contractual Services										
Communication	34,858	35,000	(142)	35,000	10,000	45,000	-	45,000	-	45,000
Freight & express	97	300	(203)	300	-	300	-	300	-	300
Printing & advertising	21	1,200	(1,179)	1,200	-	1,200	-	1,200	-	1,200
Rents	77,800	85,000	(7,200)	85,000	-	85,000	5,000	90,000	-	90,000
Repairing & servicing	5,812	15,000	(9,188)	15,000	-	15,000	-	15,000	-	15,000
Travel & subsistence	18,676	30,000	(11,324)	30,000	-	30,000	-	30,000	-	30,000
Fees - background checks	59,841	90,000	(30,159)	90,000	(10,000)	80,000	-	80,000	-	80,000
Fees-other services	13,840	25,000	(11,160)	25,000	-	25,000	-	25,000	-	25,000
Fees-professional services	2,728	7,000	(4,272)	7,000	-	7,000	-	7,000	-	7,000
Other contractual services	4,175	7,500	(3,325)	7,500	-	7,500	-	7,500	-	7,500
Total contractual services	217,848	296,000	(78,152)	296,000	-	296,000	5,000	301,000	-	301,000
Commodities										
Clothing		-	-	-	-	-	-	-	-	-
Food		-	-	-	-	-	-	-	-	-
Maintenance materials, supplies, parts		200	(200)	200	-	200	-	200	-	200
Motor vehicle parts, supplies	16,694	25,000	(8,306)	25,000	-	25,000	-	25,000	-	25,000
Professional & scientific supplies	1,211	3,200	(1,989)	3,200	-	3,200	-	3,200	-	3,200
Stationery & office supplies	5,967	13,000	(7,033)	13,000	-	13,000	-	13,000	-	13,000
Other supplies, materials, parts	2,363	1,445	918	1,445	-	1,445	-	1,445	-	1,445
Total commodities	26,235	42,845	(16,610)	42,845	-	42,845	-	42,845	-	42,845
Capital outlay	42,725	60,000	(17,275)	20,000	-	20,000	30,000	50,000	-	50,000
Total Expenditures	1,540,079	1,906,383	(366,304)	1,854,075	-	1,854,075	70,545	1,924,620	-	1,924,620

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE		
SUBPROGRAM TITLE AND CODE		

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## NARRATIVE INFORMATION -- DA 400

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
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### Agency Mission

The Kansas Racing and Gaming Commission is dedicated to protecting the integrity of the racing and gaming industries through enforcement of Kansas laws and is committed to preserving and instilling public trust and confidence.

### Agency Philosophy

The commission approaches its duties with a dedicated sense of purpose and responsibility in service to the public in order to maintain the integrity of gaming and wagering systems, to ensure accountability and compliance with gaming regulations, to protect the public from illegal and unregulated gaming operations, to educate operators and the public about responsible gaming practices, and to protect the health, safety and welfare of the racing animals.

### Programs Established to Assist with Agency Mission

- 1 – Racing Program
- 2 – Tribal Gaming Program
- 3 - Expanded Lottery Act Regulation Program

### Statutory History

Article 15 of the Kansas Constitution was amended in 1986 to permit parimutuel wagering on dog and horse races. The Kansas Parimutuel Racing Act is contained in Article 88 of the Kansas Statutes Annotated. The Racing Commission was originally established by KSA 74-8803, and its power and duties are outlined in KSA 74-8804.

Four tribal-state gaming compacts were approved by the Legislature during the 1995 Legislative Sessions. These four compacts were signed by the Governor and later approved by the U.S. Bureau of Indian Affairs. The state gaming agency was created by executive order in August 1995. The Tribal Gaming Oversight Act, enacted during the 1996 Legislative Session, officially created the state gaming agency to fulfill the duties set forth in the compacts to enforce the provisions of the Tribal Gaming Oversight Act. Specific criminal gaming violations were also enacted as part of the Tribal Gaming Oversight Act.

Effective July 1, 1996, the separate agencies of Racing and Gaming were integrated into the Kansas Racing and Gaming Commission by the 1996 Legislature. Prior to this action the State Gaming Agency was attached to the Department of Commerce and Housing.

The Kansas Expanded Lottery Act was passed during the 2007 Legislative Session. Under the new law, the State of Kansas is authorized to own casinos in specified geographical zones and electronic gaming machines at certain pari-mutuel facilities. The law requires the Kansas Racing and Gaming Commission to regulate any state-owned casinos and gaming operations at any pari-mutuel facilities.

# NARRATIVE INFORMATION -- DA 400

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
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**Agency/Budget Overview**

**Background (Non-Tribal)**

The Kansas Racing and Gaming Commission (KRG) has seen numerous changes since the passage of the Kansas Expanded Lottery Act in 2007. Upon the passage of KELA, the Commission began to quickly gear up for the implementation of slots at race tracks and to begin the process of creating regulations for all non-tribal gaming in Kansas. All of the race tracks indicated that they would move quickly to get slot machines approved at the tracks and put in place for gaming.

In August, shortly after the Sedgwick County vote on allowing slots at the track failed, the Wichita Greyhound Park announced it would close in October 2007. At that time both the Woodlands and Camptown Greyhound Park had begun to negotiate with the Kansas Lottery for slot contracts. At this time they both indicated they would open in FY 2008. However, in November and December, both tracks began to delay their construction activities and by spring of 2008, both facilities had stopped any construction at the tracks. Camptown announced in early spring that it would not reopen unless the legislation was passed to make slots more profitable for the racetracks. Woodlands continued to operate and negotiate with the Kansas Lottery until July 2008, when it announced it would close on August 23 and not seek slots until the law was changed.

However, during that time the Kansas Lottery was negotiating contracts with several applicants for the operation of casinos in the four approved zones. Beginning in December 2007, the Kansas Lottery Gaming Facility Review Board, which is staffed by and funded through the Kansas Racing and Gaming Commission began the work of selecting managers for the four gaming zones. Of the four selected managers, only one, Boot Hill Casino & Resort, did not withdraw their application before final approval by the KRG in December 2008.

In December of 2009, the Boot Hill Casino & Resort began operations in Dodge City, Kansas. The facility currently has 580 electronic gaming machines, 14 table games and 2 poker tables. The Dodge City/Ford County Events Center, a 6,000 seat arena and 10,000 sq. ft. convention center funded through local funds, is under construction adjacent to the Boot Hill facility and is anticipated to open in the spring of 2011.

The Lottery readvertised for bids and submitted 4 contracts, two in each zone, to the Lottery Gaming Facility Review Board at the end of August 2009. In the Wyandotte County zone, the two proposals were essentially consolidated under one proposal and that proposal was selected as manager. Kansas Entertainment will construct and operate the Hollywood Casino at Kansas Speedway with a scheduled opening in the spring of 2012. Construction is currently underway. In the Sumner County zone, the two applicants eventually withdrew from the process before selection by the Review Board. Again, in the summer of 2010 the Lottery readvertised for bids and did received 3 separate bids for the Sumner County zone. Contracts are currently being negotiated for those proposals and are expected to be forwarded to the Review Board for consideration in late September 2010.

In December of 2009, the Boot Hill Casino & Resort began operations in Dodge City, Kansas. The facility currently has 580 electronic gaming machines, 14 table games and 2 poker tables. The Dodge City/Ford County Events Center, a 6,000 seat arena and 10,000 sq. ft. convention center funded through local funds, is under construction adjacent to the Boot Hill facility and is anticipated to open in the spring of 2011.

**General Assumptions (Non-Tribal)**

This budget is built on the assumption of continuing operations at Boot Hill Resort & Casino through FY 2012. The budget also assumes the opening of two facilities, one in Sumner County and one in Wyandotte County, beginning January 2012. We anticipate that the Hollywood Casino at Kansas Speedway will not open until the spring of 2012; however, the budget was constructed to allow for an early opening should construction move ahead of schedule. The budget assumes six months of operations for a Sumner County facility, based upon one of the applicants projections of opening withing 14 months of selection. With selection slated for early December 2010, a facility could be operational as early as February 2012.

The FY 2011 revised budget and FY 2012 proposed budget reflects no racing activities in Kansas. However, should county fair meets find both the operational and purse money to conduct meets in the summer of 2011 of 2012, we have requested the maintenance of the current balances in all parimutuel funds. We have requested the transfer of the balances of three racing related funds to the State General Fund to make the expenditure of those funds simpler should racing resume. We would also request the continuing practice of no-limit funds for all funds to allow the flexibility to operate racing and gaming should operational conditions change.

# NARRATIVE INFORMATION -- DA 400

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE		
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**Agency/Budget Overview (continued)**

**Current Year (Non-Tribal)**

The KRGC FY 2011 revised budget is just under \$4.5 million from gaming funds. The revised budget is a reduction of approximately \$4.3 million in from the approved FY 2011 budget, reflecting the following changes:

- The delay of the debt service repayment, which moves \$3.0 million in expenditures to FY 2012.
- The addition of another round of the Lottery Gaming Facilities Review Board process, which requires approximately \$515,000 in new expenditures for FY 2011.
- Additional expenditures of \$125,000 in FY 2011 for background investigations of Kansas Entertainment and the selected manager in Sumner County.
- The elimination of \$1.65 million in budgeted testing expenditures which will no longer be passed through the KRGC budget.
- An estimated reduction of \$112,000 in the amount of expenditures spent on background investigations.

There are no expected racing related expenses in FY 2011. However, the revised budget requests transfer of balances from three racing related funds to the State Racing Fund, totaling \$31,246. The move will consolidate operating funds into one account and provide more flexibility in the expenditure of funds should racing resume. The budget does not move the balances in the breeding and promotion development funds. Currently there is \$110,112 available for racing operations and \$168,606 available in the development funds.

We ask for no revision to our current approved FTE amount of 49.5 FTE positions. This number is adequate to operate one gaming facility and to allow for the preparation for operation of other gaming facilities. The positions will only be filled as needed and we reflect the appropriate cost in the budget.

**Budget Year (Non-Tribal)**

The FY 2012 budget is a total request for a total of approximately \$11.6 million from all funding sources and 75.5 FTE positions. The budget request is an increase of \$7.1 million over FY 2011. Those increases reflect the following major changes for FY 2012:

- Two enhancement packages totaling just under \$700,000 for the regulation of both the Hollywood Casino in Kansas City and an eventual Sumner County casino.
- The full repayment of the \$5.0 million PMIB loan and associated interest of slightly over \$1.2 million based upon a repayment on the due date of June 30, 2012.
- An increase of approximately \$322,000 in Topeka operations based upon filling vacant FTE positions to handle an increased workload.
- The elimination of \$515,000 to reflect no Lottery Gaming Facilities Review Board process in the budget year.

The budget also includes a request to create an Illegal Gaming Enforcement Fund to provide the agency with an operational fund should unexpected sources of funding become available to support the program.

Of note is the assumption that the budget includes the assumption that the three facilities (Boot Hill, Hollywood, and a Sumner facility) would split the estimated \$645,231 in unassigned startup costs (July 1, 2007 to Dec 31, 2008). Unlike last year's request, the FY 2012 budget does not include a request for a transfer from other state funds to cover these costs.

We request 75.5 FTE positions for the budget year, an increase of 26.0 FTE positions over the approved current year limit. The increase in positions is for 26.0 FTE positions at the two new facilities. Although not impacting the overall FTE count, the agency reallocated the two following positions: 1.0 FTE Special Agent position from Boot Hill to the two new facilities and 1.0 FTE Auditor position to the central office.

## NARRATIVE INFORMATION -- DA 400

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE		
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### Agency/Budget Overview (continued)

#### **Revenues (Non-Tribal)**

We are currently receiving payments from the Booth Hill Casino & Resort and the Hollywood Casino at the Kansas Speedway. Once the pending casino manager contract for Sumner County has been approved by the Commission, the KRGC will bill the selected manager for accrued operation costs since July 1, 2007. The KRGC will also begin billing that manager for both direct and indirect operating costs. We also anticipate that 3 facilities will have approved contracts in FY 2011, providing sufficient cash flow for gaming operations. This will also allow the agency to repay the entire \$5.0 million Pooled Money Investment Board (PMIB) loan with interest on or before the due date of June 30, 2012.

The only other revenues currently expected to be received by the agency would be deposits for LGFRB operations in the current year, and deposits for background investigations of vendors and managers in both the current and budget years.

The current year budget requests transfer of balances from three racing related funds to the State Racing Fund, totaling \$31,246. The move will consolidate operating funds into one account and provide more flexibility in the expenditure of funds should racing resume. The budget does not move the balances in the breeding and promotion development funds.

### Review of Prior Year - 2010

#### **Racing Program**

All FY 2010 racing expenses were related to the county fair meets held in the summer of 2009.

#### **Expanded Lottery Act Gaming Program**

Expenses in FY 2010 reflect the opening of the Boot Hill Casino & Resort in December 2009, the operation of the Lottery Gaming Facility Review Board in the fall and winter of 2009, and the on-going operations of the agency over that time period.

At the end of FY 2010, KRGC expenditures were under the total budget by approximately \$925,000 or 18.2 percent. The majority of the agency's budget savings were in the Expanded Lottery Regulation Fund (also referred to as the Gaming Fund) with total expenditures of almost \$750,000 (or 18.1 percent) below the budgeted level. Gaming Fund savings resulted from several actions, including shrinkage (\$253,000), holding down expenditures in the Review Board process (\$152,000), and not making earlier planned interest payments during the year (\$116,000).

Total Gaming Fund expenditures for FY 2010 were \$3,379,075 an almost identical amount to FY 2009 expenditures of \$3,379,508. The agency spent \$65,000 less to support its Topeka operations in FY 2010 than it did in FY 2009, a reduction of 3.4 percent. The agency spent approximately \$45,000 (8.0 percent) less than anticipated for activities associated directly with the regulation of Boot Hill Casino and Resort. The KRGC is refunded a total of \$114,715 of unused funds to Lottery Gaming Review Board applicants for FY 2010.

The actual savings in the Gaming Fund is understated by \$146,000 because of background investigation expenses that occurred in the fund for FY 2010 that were planned to occur in the newly created Gaming Background Investigations Fund. Because of delays in the 2010 Legislative Session, the fund was not created in time to move those expenses to the appropriate fund. For FY 2011, those expenses will occur in the new fund.

# NARRATIVE INFORMATION -- DA 400

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE		
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## Agency Wide Overview of Current Year Estimate and Budget Year Scenarios

### Current Year - 2011

#### **Racing Program**

The budget is built on the assumption that no parimutuel racing will occur in Kansas during FY 2012.

#### **Tribal Gaming Program**

The Tribal Gaming Program requests no additional funding for FY 2011.

#### **Expanded Lottery Act Regulation Program**

The current year budget is built on the assumption of continued operations at the Boot Hill Casino & Resort, the operation of the Lottery Gaming Facility Review Board, and the selection and approval of a casino manager in Sumner County.

### Supplemental Package - FY 2011

#### **Racing Program**

The Racing Program does not request any supplemental funding for the current year.

#### **Tribal Gaming Program**

The Tribal Gaming Program does not request any supplemental funding for the current year.

#### **Expanded Gaming Program**

The Expanded Gaming Program does not request any supplemental funding for the current year, only the creation of the Illegal Gaming Enforcement Fund with a "no-limit" expenditures status. See Enhancement Package 2 for more details.

### Budget Year Information - 2012

#### **Racing Program**

The budget is built on the assumption that no parimutuel racing will occur in Kansas during FY 2012.

#### **Tribal Gaming Program**

The Tribal Gaming Program current service request is current service budget is an increase of \$70,545 from the approved FY 2011 budget, primarily to reflect increases in benefit costs over the current year.

#### **Expanded Lottery Act Regulation Program**

The current year budget is built on the assumption of continued operations at the Boot Hill Casino & Resort, the opening of the Hollywood Casino at the Kansas Speedway on January 1, 2012, and the opening of a facility in Sumner County on January 1, 2012.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE		
SUBPROGRAM TITLE AND CODE		

Agency Wide Overview of Current Year Estimate and Budget Year Scenarios (continued)

**Enhancement Package - FY 2011**

**Racing Program**

The Racing Program does not request any enhancement packages.

**Tribal Gaming Program**

The Tribal Gaming Program does not request any enhancement packages.

**Expanded Lottery Act Regulation Program**

The Expanded Gaming Program requests two enhancement packages for FY 2012:

**Package 1 - New Facilities:** The program requests the funding of FTE positions and expenditures for operation of on-site regulation at the Sumner County and Wyandotte County facilities in FY 2012. The request includes 13.0 FTE positions and \$660,335 of direct expenses (to be reimbursed by the facility) for each facility.

**Package 2 - Illegal Gaming Enforcement:** The KRGC is requesting the establishment of the Illegal Gaming Enforcement Fund in the KRGC. The responsibility for illegal gaming enforcement was given to the agency in the Expanded Lottery Act, but no funds were appropriated for its activities. In our FY 2011 budget submission we requested the creation of this fund along a request for (1) a transfer of \$100,000 from Expanded Lottery Act Revenue Fund (ELARF) and (2) a proviso that would allow KRGC the ability to retain funds seized as part of illegal gaming enforcement operations. For this budget submission we would again **request the creation of the fund, in both FY 2011 and FY 2012, without the transfer**, but with the following provisos and limits:

- (1) A proviso that would allow KRGC the ability to retain funds seized as part of illegal gaming enforcement operations and deposited into the fund to be used for illegal gaming enforcement activities.
- (2) A proviso that would allow the KRGC to receive moneys from state or federal seizures or awards related to illegal gaming enforcement activities of the agency.
- (3) The creation of the fund as a no-limit fund so that monies may be used in a timely manner for enforcement activities.

Currently, the agency is working with the U.S. Attorney's Office to investigate and prosecute illegal internet gaming activity in Kansas. These investigations and prosecutions have generated thousands of dollars in forfeitures and seizures in other jurisdictions. In order to receive these forfeited funds from the federal government, the agency will need a fund that is eligible to receive such forfeited assets.

# EXPLANATION OF RECEIPT ESTIMATES

DA 405

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission      FUNCTION NO. 01  
 AGENCY--SUBAGENCY CODES: 553-00  
 PROGRAM TITLE AND CODE: Racing Program - 70000  
 SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

## RACING PROGRAM

### State Racing Fund - 5131

K.S.A 74-8826 established the State Racing Fund. All taxes on parimutuel wagering, admission tax, application fees and fines must be credited to the fund.

Revenue projections are based on historical data obtained from internal records and tote reports. The tote reports contain data such as the number of performances, race dates, handle, parimutuel tax, take-out, track commission and purse amounts.

The Racing Program is currently on hold as all tracks in the State have ceased operations due to lack of revenue. The Woodlands closed in August of FY 09. Some racing activities occurred at the end of FY 09 and beginning of FY 10 at the fair meets. Revenue in FY 10 was generated at the Anthony fair meet which occurred in July 2009, at the beginning of FY 10.

This budget assumes there will be no racing activity to create revenues or expenditures to this fund in FY 11 or FY 12. The operating transfer in for FY 11, represents the transferring of the outstanding balances in the Horse Fair Racing Benefit Fund, the Racing Investigative Expense Fund, and the Racing Reimbursable Expense Fund to the State Racing Fund at the end of FY 11.

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Parimutuel Tax	572,054	430,030	63,873	9,882	-	-
Parimutuel Tax - Simulcast	1,456,033	1,010,197	132,645	-	-	-
Admissions Tax	1,613	1,270	2,601	1,204	-	-
Charges - Inspect, Examine, Audit	-	-	-	-	-	-
License Fee - Personal Service	52,462	48,742	5,128	1,517	-	-
License Fee - Business	9,890	7,990	160	-	-	-
License Fee - Other	137,900	71,680	5,563	-	-	-
Fines	15,001	12,927	4,425	5,286	-	-
Other Miscellaneous Revenue	2,506	2,117	6,402	16,327	-	-
Operating Transfer In	-	-	989	-	31,246	-
Operating Transfer Out	-	-	(48,836)	(123)	-	-
<b>Total Receipts</b>	<b>2,247,459</b>	<b>1,584,953</b>	<b>172,950</b>	<b>34,092</b>	<b>31,246</b>	<b>-</b>

# EXPLANATION OF RECEIPT ESTIMATES

DA 405

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission FUNCTION NO. 01

AGENCY--SUBAGENCY CODES: 553-00

PROGRAM TITLE AND CODE: Racing Program - 70000

SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

## Horse Fair Racing Benefit Fund - 2296

K.S.A. 74-8838 states that one-third of the simulcast parimutuel tax be credited to the County Fair Horse Racing Benefit Fund. Moneys in the horse fair racing benefit fund shall be expended for the following fair meet associated costs: the commission's regulatory costs, tote boards expenses, background investigations for fair association or associated non-profit organization's members, purse supplements, operating assistance grants, and the employment of key race officials. The only exception is that the statute allows 25% of moneys credited to the fund, on approval by the Commission, to be used for for capital improvements to racetrack facilities.

K.S.A. 74-8747 directs 1% of net electronic gaming machine income from racetrack facilities be deposited in the Horse Fair Horse Racing Benefit Fund.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12.

**Because this fund is now idle and will not be utilized unless racing resumes, the KRGC recommends the balance in this fund at the beginning of FY 2011, which is approximately \$1, be transferred to the State Racing Fund to simplify the accounting of idle funds.**

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Simulcast Parimutuel Tax	728,017	506,182	65,239	-	-	-
Operating Transfer In	100,000	-	-	-	-	-
Balance Transfer Out	(100,000)	47,442	-	-	(1)	-
	<u>728,017</u>	<u>553,624</u>	<u>65,239</u>	<u>-</u>	<u>(1)</u>	<u>-</u>

## Racing Investigative Expense Fund - 2570

K.S.A. 74-8835 established the Racing Investigative Expense Fund and requires that all receipts other than the application fee received for licensure of facility owners or organizational licensees are to deposited to the Racing Investigative Expense Fund. Moneys in the fund are to be used for expenses of investigation of an applicant's qualifications for an organization license, facility owner license or facility manager license.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12.

**Because this fund is now idle and will not be utilized unless racing resumes, the KRGC recommends the balance in this fund at the beginning of FY 2011, which is approximately \$19,774, be transferred to the State Racing Fund to simplify the accounting of idle funds.**

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Reimbursed Backgrounding Fees	5,000	-	-	-	-	-
Balance Transfer Out	-	-	-	-	(19,774)	-
	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,774)</u>	<u>-</u>

# EXPLANATION OF RECEIPT ESTIMATES

DA 405

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission FUNCTION NO. 01  
 AGENCY--SUBAGENCY CODES: 553-00  
 PROGRAM TITLE AND CODE: Racing Program - 70000  
 SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

## Racing Reimbursable Expense Fund - 2616

K.S.A. 74-8827 establishes the Racing Reimbursable Expense Fund and states all fees for processing fingerprints and reimbursements from licensees for the services of assistant animal health officers, stewards and racing judges at racetrack facilities are to be credited to it.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12.

**Because this fund is now idle and will not be utilized unless racing resumes, the KRGC recommends the balance in this fund at the beginning of FY 2011, which is approximately \$11,472, be transferred to the State Racing Fund to simplify the accounting of idle funds.**

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Fingerprint Fees	27,274	27,678	850	50	-	-
Salary Reimbursements	312,091	435,916	169,133	-	-	-
Balance Transfer Out	-	-	-	(11,472)	-	-
	<u>339,365</u>	<u>463,594</u>	<u>169,983</u>	<u>(11,422)</u>	<u>-</u>	<u>-</u>

## Racing Applicant Deposit Fund - 7383

K.S.A. 74-8828 establishes the Racing Applicant Deposit Fund. K.S.A. 74-8815 directs the application deposit fee for a facility owner's license shall be credited to the Racing Applicant Deposit Fund with interest accruing monthly.

There are currently no deposits to this fund and these estimates are based on the assumption there will not be a licensed operational track in FY 11 or FY 12.

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Interest	46	42	15	0	0	0

**EXPLANATION OF RECEIPT ESTIMATES**

**DA 405**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission      FUNCTION NO. 01  
 AGENCY--SUBAGENCY CODES: 553-00  
 PROGRAM TITLE AND CODE: Racing Program - 70000  
 SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

**Horse Breeding Development Fund - 2516**

K.S.A. 74-8829 established the Horse Breeding Development Fund. Moneys credited to the Kansas horse breeding development fund must be proportionally categorized into by various breeds of horses based upon participation in live races. Money from each category must be used to provide purse supplements, stakes and awards for Kansas-bred horses and research grants to Kansas regents insitutions for equine research.

K.S.A. 74-8821 states all horse breakage proceeds be credited to the fund. K.S.A. 74-8767 directs 25% of the net gaming machine income from racetrack facilities deposited to the Live Horse Racing Purse Supplement Fund be transferred to the fund.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12.

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Breakage	180,341	140,738	29,337	4,549	-	-
Unclaimed Winning Tickets	239,598	225,118	112,781	8,955	-	-
Other Misc Revenue	-	69,768	(69,768)	-	-	-
Operating Transfer In	-	-	-	-	-	-
<b>Total</b>	<b>419,939</b>	<b>435,624</b>	<b>72,350</b>	<b>13,503</b>	<b>-</b>	<b>-</b>

**Live Horse Racing Purse Supplement Fund - 2546**

K.S.A. 74-8767 establishes the Live Horse Racing Purse Supplement Fund. The statute requires that 25% of moneys deposited to the fund be transferred to the Horse Breeding Development Fund. The remainder of the funds are be distributed as purse supplements in accordance with rules and regulations adopted by the Kansas racing and gaming commission with recommendations by the official registering agency. K.S.A. 74-8747 directs 7% of the net gaming machine income from racetrack facilities, up to a maximum of \$3,750 per machine, be deposited to the fund.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12. There has been no activity in this fund in previous years.

**Live Greyhound Racing Purse Supplement Fund - 2557**

K.S.A. 74-8767 establishes the Live Greyhound Racing Purse Supplement Fund. The statute requires that 25% of the moneys deposited to the fund be transferred to the Greyhound Breeding Development Fund. The remainder of the funds are be distributed as purse supplements in accordance with rules and regulations adopted by the Kansas racing and gaming commission with recommendations by the official registering agency. K.S.A. 74-8747 directs 7% of the net gaming machine income from racetrack facilities, up to a maximum of \$3,750 per machine, be deposited to the fund.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12. There has been no activity in this fund in previous years.

# EXPLANATION OF RECEIPT ESTIMATES

DA 405

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission FUNCTION NO. 01  
 AGENCY--SUBAGENCY CODES: 553-00  
 PROGRAM TITLE AND CODE: Racing Program - 70000  
 SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

## Greyhound Breeding Development Fund - 2601

K.S.A. 74-8831 established the Greyhound Breeding Development Fund requires that all moneys credited to the fund be used only for the benefit of greyhounds. The statute directs moneys to be used as follows: 15% is credited to the greyhound tourism fund, 35% for research conducted within the state of Kansas relating to the prevention of injury to and disease of greyhounds; 50% for purse supplements, and an amount determined by the commission, but not to exceed \$30,000 is used to pay a portion of the administrative costs of the official registering agency.

K.S.A. 74-8822 states all unclaimed winning tickets for wagers on greyhounds be credited to the fund. K.S.A. 74-8767 directs 25% of the net gaming machine income from racetrack facilities deposited to the Live Greyhound Racing Purse Supplement Fund Fund be transferred to the fund.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12.

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Other	-	3,489	-	-	-	-
Unclaimed Winning Tickets	227,414	183,909	75,493	337	-	-
Operating Transfers Out	-	(28,110)	(11,324)	(247)	-	-
	<u>227,414</u>	<u>159,288</u>	<u>64,169</u>	<u>90</u>	-	-

## Greyhound Promotion and Development Fund - 2561

K.S.A. 74-8842 creates the Greyhound Promotion and Development Fund and is funded through a voluntary greyhound purse checkoff program which provides for the deduction of 2% from all purses paid to kennels and greyhound owners who participate in the program. Greyhound owners and kennel operators are provided the opportunity annually to not participate in the program. Moneys deposited into the fund are distributed to the official greyhound registering agency and are to be used only for the development, promotion and representation of the greyhound industry in Kansas.

Language was included in the appropriations bill for the 2009 and 2010 Legislative Sessions that redirected the 15% transfer from the Greyhound Breeding Development Fund to the Greyhound Tourism Fund (in the Department of Commerce) to this fund.

This budget assumes there will be no revenue or expenditures from this fund in FY 11 or FY 12.

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Estimate FY11	Estimate FY12
Operating Transfer In	-	28,110	11,324	247	-	-
Other Misc Revenue	-	-	-	-	-	-
	<u>-</u>	<u>28,110</u>	<u>11,324</u>	<u>-</u>	-	-

**EXPLANATION OF RECEIPT ESTIMATES**

**DA 405**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission      FUNCTION NO. 01  
 AGENCY--SUBAGENCY CODES: 553-00  
 PROGRAM TITLE AND CODE: Tribal Gaming Program - 10000  
 SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

**TRIBAL GAMING PROGRAM**

**Tribal Gaming Fund - 2320**

Revenues are based on the Legislative approved budgets and are paid by the tribal gaming tribes.

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Other Service Charges	1,655,439	1,905,970	1,906,383	1,854,075	1,924,620
Operating Transfer In	485,120	450,000	450,000	450,000	450,000
Operating Transfer Out	(485,120)	(450,000)	(450,000)	(450,000)	(450,000)



# EXPLANATION OF RECEIPT ESTIMATES

DA 405

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME: Kansas Racing and Gaming Commission      FUNCTION NO. 01  
 AGENCY--SUBAGENCY CODES: 553-00  
 PROGRAM TITLE AND CODE: Tribal Gaming Program - 10000  
 SUBPROGRAM TITLE AND CODE: \_\_\_\_\_

DOB USE ONLY

**Gaming Background Investigations Fund - 2682**

The Gaming Background Investigations Fund is established by appropriations act to be used for deposits by gaming and non-gaming vendors for background investigation costs. Expenses for backgrounds will be charged to the fund and tracked individually by index codes for each vendor, as each vendor is entitled to a refund of unspent deposits.

	Actual FY09	Estimate FY10	Estimate FY11	Estimate FY12	Enhance FY12
Examination Deposits	-	-	140,000	350,000	-
Refunds	-	-	-	-	-
	-	-	140,000	350,000	-

**Education and Training Fund - 2459**

The KRGC Education and Training Fee Fund is established by appropriation and its purpose is to allow the agency to receive and expend funds for training opportunities that could be offered to others outside of the KRGC. This fund is not budgeted and is used only as training opportunities arise. In FY 2011 and FY 2012, we plan to increase training opportunities for in-house staff and to invite employees from other agencies to help offset our training costs.

**Gaming Machine Examination Fund - 2998**

The Gaming Machine Examination Fund was created for the payment of expenses to a third party laboratory (Gaming Laboratories Inc.) to certify all games prior to being authorized by the Kansas Lottery and the KRGC. The fund served as a clearinghouse for certification, as the lab required a deposit be made into the fund by the requesting gaming vendor and then payments are drawn against the deposit with any remainder refunded to the vendor should that be necessary. We have negotiated an agreement with the laboratory and vendors where these payments will be directly billed to vendors. **Therefore, this fund is no longer necessary and may be deleted.**

**Illegal Gaming Enforcement Fund - 2\*\*\* (New Fund)**

The KRGC is requesting the establishment of the Illegal Gaming Enforcement Fund in the KRGC. The responsibility for illegal gaming enforcement was given to the agency in the Expanded Lottery Act, but no funds were appropriated for its activities. In our FY 2011 budget submission we requested the creation of this fund along a request for (1) a transfer of \$100,000 from Expanded Lottery Act Revenue Fund (ELARF) and (2) a proviso that would allow KRGC the ability to retain funds seized as as part of illegal gaming enforcement operations. For this budget submission we would again request the creation of the fund, in both FY 2011 and FY 2012, with the following provisos and limits:

- (1) A proviso that would allow KRGC the ability to retain funds seized as as part of illegal gaming enforcement operations and deposited into the fund to be used for illegal gaming
- (2) A proviso that would allow the KRGC to receive moneys from state or federal seizures or awards related to illegal gaming enforcement activities of the agency.
- (3) The creation of the fund as a no-limit fund so that monies may be used in a timely manner for enforcement activities.

Currently, the agency is working with the U.S. Attorney's Office to investigate and prosecute illegal internet gaming activity in Kansas. These investigations and prosecutions have generated thousands of dollars in forfeitures and seizures in other jurisdictions. In order to receive these forfeited funds from the federal government, the agency will need a fund that is eligible to receive such forfeited assets.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Racing Program - 70000	
SUBPROGRAM TITLE AND CODE		

**RACING PROGRAM**

The commission's primary purpose is to regulate the parimutuel industry through enforcement of the Kansas parimutuel racing act, K.S.A. 74-8801, et seq., and rules and regulations adopted by the commission. The commission also collects parimutuel taxes and promotes the parimutuel industry through Kansas-bred development funds for horses and greyhounds and the horse fair racing benefit fund.

**PROGRAM'S STATUTORY HISTORY:**

**K.S.A. 74-8804 (a)** through (q) require the commission to observe and inspect all racetrack facilities; administer oaths and take depositions; examine any books, paper records or memoranda of any licensee, racetrack or business involved in simulcasting races to racetrack facilities in Kansas; issue subpoenas; allocate race meeting dates, racing days, and hours to all organization licensees; authority to exclude, or cause to be expelled from any race meeting or racetrack facility or to prohibit a licensee from conducting business with any person who has violated the provision of this act or any rule and regulation or order of the commission, been convicted of a violation of the racing or gambling laws or has been adjudicated of committing as a juvenile an act which if committed by an adult, would constitute such a violation, whose person reflects adversely on the honesty and integrity of horse or greyhound racing or interferes with the conduct of a race meeting; review and approve all proposed construction and major renovations to racetrack facilities; review and approve all proposed contracts with racetracks or businesses involved in simulcasting races to racetrack facilities in Kansas; suspend a horse or greyhound from participation in races; impose a civil fine; adopt rules and regulations and require fingerprinting and background information of all persons for employment, license or simulcasting license.

**PROGRAM GOAL**

To maintain the integrity of parimutuel wagering systems and to protect the public and the health, safety and welfare of the racing animal.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME  
AGENCY NUMBER  
PROGRAM TITLE AND CODE  
SUBPROGRAM TITLE AND CODE

Kansas Racing and Gaming Commission  
553 FUNCTION NO. 1  
Racing Program - 70000

**RACING PROGRAM**

**Salaries and Wages**

	<b>FY08 Actual</b>	<b>FY09 Actual</b>	<b>FY10 Actual</b>	<b>FY11 Estimate</b>	<b>FY12 Estimate</b>	<b>FY12 Enhance</b>
State Racing Fund	962,298	421,999	102,097	-	-	-
Horse Fair Racing Benefit Fund	75,252	-	-	-	-	-
Racing Investigative Expense Fund	-	-	-	-	-	-
Racing Reimbursable Expense Fund	548,775	181,060	-	-	-	-
Total	1,586,325	603,059	102,097	-	-	-

**Prior Year**

Expenditures in the prior year were for costs associated with the race meet at Anthony Downs in July of FY 10.

**Current Year**

No funds are budgeted.

**Budget Year**

No funds are budgeted.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Racing Program - 70000	
SUBPROGRAM TITLE AND CODE		

**RACING PROGRAM**

**Contractual Service**

State Racing Fund	FY08	FY09	FY10	FY11	FY12	FY12
	Actual	Actual	Actual	Estimate	Estimate	Enhance
Communication	28,176	9,180	477	-	-	-
Freight & Express	459	61	-	-	-	-
Printing & Advertising	35	-	-	-	-	-
Rents	51,234	20,827	1,040	-	-	-
Repairing & Servicing	5,298	1,540	124	-	-	-
Travel & Subsistence	53,861	8,854	4,457	-	-	-
Fees - Other Services	182,113	33,244	7,606	-	-	-
Fees - Professional Services	38,499	9,424	348	-	-	-
Other Contractual Services	11,258	659	(267)	-	-	-
Total Contractual Services	370,933	83,789	13,785	-	-	-

**Prior Year**

Expenditures in the prior year were for costs associated with the race meet at Anthony Downs in July of FY 10.

**Current Year**

No funds are budgeted.

**Budget Year**

No funds are budgeted.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Racing Program - 70000	
SUBPROGRAM TITLE AND CODE		

**RACING PROGRAM**

**Contractual Services (continued)**

**Other Funds**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Enhance</b>
Horse Fair Racing Benefit Fund	41,536	42,684	13,375	-	-	-
Kansas Horse Breeding Development Fund	-	-	-	-	-	-
Racing Investigative Expense Fund	2,723	129	-	-	-	-
Kansas Greyhound Breeding Development Fund	-	-	-	-	-	-
Racing Reimbursable Expense Fund	29,150	-	-	-	-	-
Total Contractual Services	<u>73,409</u>	<u>42,813</u>	<u>13,375</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Prior Year**

Expenditures in the prior year were for costs associated with the race meet at Anthony Downs in July of FY 10.

**Current Year**

No funds are budgeted.

**Budget Year**

No funds are budgeted.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME  
AGENCY NUMBER  
PROGRAM TITLE AND CODE  
SUBPROGRAM TITLE AND CODE

Kansas Racing and Gaming Commission  
553 FUNCTION NO. 1  
Racing Program - 70000

**RACING PROGRAM**

Commodities

**State Racing Fund**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Enhance</b>
Animal Food	495	585	719	-	-	-
Maintenance Material, Supplies, Parts	-	-	-	-	-	-
Motor Vehicle Parts, Supplies	2,228	756	-	-	-	-
Professional & Scientific Supplies	10,273	2,384	136	-	-	-
Stationary & Office Supplies	7,602	1,431	-	-	-	-
Other Supplies, Materials, Parts	560	260	-	-	-	-
Total Commodities	<u>21,158</u>	<u>5,416</u>	<u>855</u>	<u>-</u>	<u>-</u>	<u>-</u>

Prior Year

Expenditures in the prior year were for costs associated with the race meet at Anthony Downs in July of FY 10.

Current Year

No funds are budgeted.

Budget Year

No funds are budgeted.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Racing Program - 70000	
SUBPROGRAM TITLE AND CODE		

**RACING PROGRAM**

**Capital Outlay**

**State Racing Fund**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Enhance</b>
Equipment, Machinery, Furniture and Fixtures	5,732	-	-	-	-	-
Books and Library Materials	-	224	-	-	-	-
Professional and Scientific Equipment	5,291	-	-	-	-	-
Microcomputer Systems and Support Equipment	18,502	-	-	-	-	-
Information Processing Equipment	1,128	-	-	-	-	-
Computer Systems, Info Processing or Micro Software	9,889	-	-	-	-	-
Other Equip Furniture/Fixtures	3,710	-	-	-	-	-
Passenger cars	10,610	-	-	-	-	-
Total Capital Outlay	54,862	224	-	-	-	-

**Prior Year**

Expenditures in the prior year were for costs associated with the race meet at Anthony Downs in July of FY 10.

**Current Year**

No funds are budgeted.

**Budget Year**

No funds are budgeted.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Racing Program - 70000	
SUBPROGRAM TITLE AND CODE		

**RACING PROGRAM**

**Other Assistance, Grants, Benefits**

<b>Other Funds</b>	<b>FY08 Actual</b>	<b>FY09 Actual</b>	<b>FY10 Actual</b>	<b>FY11 Estimate</b>	<b>FY12 Estimate</b>	<b>FY12 Enhance</b>
Horse Fair Horse Racing Benefit Fund	442,739	131,579	-	-	-	-
Kansas Horse Breeding Development Fund	356,766	151,776	63,510	-	-	-
Kansas Greyhound Breeding Development Fund	228,829	125,280	-	-	-	-
Live Greyhound Purse Supplement Fund	-	-	-	-	-	-
Greyhound Promotion and Development Fund	-	-	-	-	-	-
Live Horse Racing Purse Supplement Fund	-	-	-	-	-	-
Total Other Assistance, Grants, Benefits	54,862	224	63,510	-	-	-

**Prior Year**

Expenditures in the prior year were for purse supplements associated with county fair meets at Eureka Downs and Anthony Downs in the summer of 2009.

**Current Year**

No funds are budgeted.

**Budget Year**

No funds are budgeted.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Tribal Gaming Program - 10000	
SUBPROGRAM TITLE AND CODE		

**TRIBAL GAMING PROGRAM**

The Tribal Gaming Program fulfills the duties and obligations of the state as set forth in the tribal-state gaming compacts and the Tribal Gaming Oversight Act. There are four Native American tribes in Kansas which have approved tribal-state gaming compacts which have been approved by the Kansas legislature, signed by the Governor and approved by the Bureau of Indian Affairs. These four nations are: the Iowa's Tribe of Kansas and Nebraska; the Kickapoo Nation of Kansas; the Prairie Band Potawatomi Nation; and the Sac & Fox Nation of Missouri in Kansas and Nebraska.

**PROGRAM'S STATUTORY HISTORY:**

K.S.A. 74-9801 through 74-9809 (a) mandate the agency shall be responsible for oversight, monitoring and compliance of class III gaming conducted pursuant to tribal-state compacts. It is the responsibility of the agency to monitor compliance with tribal-state gaming compacts and perform the duties of the state gaming agency as provided for in the tribal-state gaming compacts. The agency may examine and inspect all tribal gaming facilities and facilities linked to Kansas tribal gaming facilities for gaming, including but not limited to all machines and equipment used for tribal gaming, books papers, records, electronic records, computer records or surveillance and security tapes and logs of any tribal gaming facility. The executive director may issue subpoenas. The agency can review all licensing and disciplinary actions and reports of noncompliance with the tribal-state compacts. Enforcement agents are vested with the power and authority of law enforcement officers.

**PROGRAM GOAL**

Ensure compliance with the four tribal-state compacts and the Tribal Gaming Oversight Act and that gaming is conducted in accordance with said compacts and applicable state and federal laws; protect the state of Kansas and its citizens from criminal activity in the Indian gaming arena; ensure accurate and complete information is provided to the different tribal gaming commissions for licensing purposes and to review all licensing decisions to ensure compliance; to conduct thorough background investigations on all gaming employees, management contractors, manufacturers and distributors of gaming devices seeking licensure at gaming facilities located in this state; investigate any alleged violations of the tribal-state compacts and the Tribal Gaming Oversight Act.

**OBJECTIVES:**

Prohibit undesirable elements from obtaining licenses and access to casino facilities and activities.

Ensure the provisions of the tribal-state gaming compacts, the Tribal Gaming Oversight Act and the Indian Gaming Regulatory Act are met.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission		
AGENCY NUMBER	553	FUNCTION NO.	1
PROGRAM TITLE AND CODE	Tribal Gaming Program - 10000		
SUBPROGRAM TITLE AND CODE			

**TRIBAL GAMING PROGRAM**

**OUTCOME MEASURES:**

	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current</b>	<b>Enhanced</b>
Average days to complete background investigations	23	24	23	23
Average days to preliminary suitability	8	9	8	8

**STRATEGIES:**

Conduct all category I and category II background investigations with employees of the Tribal Gaming Program.

Conduct investigations and inspections of the gaming operations.

Conduct training of tribal gaming personnel on gaming operations.

**OUTPUT MEASURES:**

	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Enhanced</b>	<b>Enhanced</b>
Number of background investigations.	523	518	600	600
Number of official slot machine inspections	523	653	650	650
Number of tribal personnel trained.	38	10	50	50

**NARRATIVE INFORMATION -- DA 400**

AGENCY NAME Kansas Racing and Gaming Commission  
 AGENCY NUMBER 553 FUNCTION NO. 1  
 PROGRAM TITLE AND CODE Tribal Gaming Program - 10000  
 SUBPROGRAM TITLE AND CODE \_\_\_\_\_

DIVISION OF THE BUDGET  
 STATE OF KANSAS

**TRIBAL GAMING PROGRAM**

Salaries and Wages

Tribal Gaming Fund	FY09	FY10	FY11	FY12
	Actual	Actual	Estimate	Estimate
	1,236,550	1,253,271	1,495,230	1,530,775

The Tribal Gaming Program funding request will be used to finance 24 FTE positions for FY 11 and FY 12.

The Tribal Gaming Program will be performing all the background investigations necessary for category I and category II employees, manufacturers and distributors. These investigations have previously been performed by the Kansas Bureau of Investigation through FY 98.

Current Year

Salaries and wages for the current year are continued at the approved budget.

Budget Year

Salaries and wages for the budget year are to provide for a consistent level of employment.

Enhancement

There are no salary and wage enhancements for the Tribal Gaming Program in the budget year. Increases are due to changes in benefit costs (indec.)

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME Kansas Racing and Gaming Commission  
 AGENCY NUMBER 553 FUNCTION NO. 1  
 PROGRAM TITLE AND CODE Tribal Gaming Program - 10000  
 SUBPROGRAM TITLE AND CODE \_\_\_\_\_

**TRIBAL GAMING PROGRAM**

Contractual Services

<b>Tribal Gaming Fund</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Communication	32,804	34,858	45,000	45,000
Freight & Express	20	97	300	300
Printing & Advertising	173	21	1,200	1,200
Rents	82,240	77,800	85,000	90,000
Repairing & Servicing	4,148	5,812	15,000	15,000
Travel & Subsistence	37,544	18,676	30,000	30,000
Fees - Other Services (Background Checks)	69,091	59,841	80,000	80,000
Fees - Other Services	15,401	13,840	25,000	25,000
Fees - Professional Services	466	2,728	7,000	7,000
Other Contractual Services	3,983	4,175	7,500	7,500
<b>Total Contractual Services</b>	<b>245,870</b>	<b>217,848</b>	<b>296,000</b>	<b>301,000</b>

Prior Year

During FY 10, Contractual Services were 26% below budget. The tribes are given a credit for the amounts below the budget to the current year's assessments.

Current Year

In the current year, the Tribal Gaming Program requests the same contractual services budget.

Budget Year

In the budget year, the contractual services budget increases by \$5,000 for increases in the office space lease.

NOTE: The Tribal Gaming Program requests to continue the Hospitality Fund in the amount of \$1,500 for purpose of hosting meetings.

Enhancement

There are no contractual service enhancements for the Tribal Gaming Program in the budget year.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME Kansas Racing and Gaming Commission  
 AGENCY NUMBER 553 FUNCTION NO. 1  
 PROGRAM TITLE AND CODE Tribal Gaming Program - 10000  
 SUBPROGRAM TITLE AND CODE

**TRIBAL GAMING PROGRAM**

Commodities

Tribal Gaming Fund	FY09	FY10	FY11	FY12
	Actual	Actual	Estimate	Estimate
Clothing	655	-	-	-
Maintenance Materials, Supplies, Parts	-	-	200	200
Motor Vehicle Parts, Supplies	21,095	16,694	25,000	25,000
Professional & Scientific Supplies	697	1,211	3,200	3,200
Stationary & Office Supplies	7,411	5,967	13,000	13,000
Other Supplies, Materials, Parts	1,046	2,363	1,445	1,445
Total Commodities	<u>30,904</u>	<u>26,235</u>	<u>42,845</u>	<u>42,845</u>

Prior Year

In FY 10, Commodities were 38% below budget. The tribes are given a credit for the amounts below the budget to the current years assessments.

Current Year

In the current year, the Tribal Gaming Program requests the same to the commodities budget.

Budget Year

In the budget year, the commodities budget remains consistent with the current year budget. Anticipated expenses were obtained through use of historical data, expected variations and executive direction.

Enhancement

There are no commodities enhancements for the Tribal Gaming Program in the budget year.

**NARRATIVE INFORMATION -- DA 400**

AGENCY NAME Kansas Racing and Gaming Commission  
 AGENCY NUMBER 553 FUNCTION NO. 1  
 PROGRAM TITLE AND CODE Tribal Gaming Program - 10000  
 SUBPROGRAM TITLE AND CODE \_\_\_\_\_

DIVISION OF THE BUDGET  
 STATE OF KANSAS

**TRIBAL GAMING PROGRAM**

Capital Outlay

<b>Tribal Gaming Fund</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Vehicles	32,948	28,748	-	-
Equipment, Machinery, Furniture and Fixtures	4,143	1,501	-	15,000
Professional and Scientific Equipment	-	-	-	-
Books and Library Materials	-	-	-	-
Microcomputer Systems and Support Equipment	30,169	1,467	20,000	20,000
Information Processing Equipment	-	-	-	-
Computer Systems, Info Processing or Micro Software	5,747	11,009	-	15,000
Buildings & Improvements	-	-	-	-
Telecommunications/ Data Facilities	-	-	-	-
	<u>73,007</u>	<u>42,725</u>	<u>20,000</u>	<u>50,000</u>

Prior Year

In the prior year, capital outlay was 28% below the budgeted amount. This was largely due to reduced cost for document imaging system and computer components. In addition, vehicles were purchased at a lower price than projected.

Current Year

The Tribal Gaming Program requests \$40,000 less than in prior year due to no vehicles planned to be replaced.

Budget Year

In the budget year, the Tribal Gaming Program requests \$60,000 to replace computer equipment, imaging hardware/software and other equipment. Anticipated expenses were obtained through use of historical data, expected variations and executive direction.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Gaming Program - 60000	
SUBPROGRAM TITLE AND CODE		

**EXPANDED LOTTERY ACT REGULATION PROGRAM (GAMING)**

The Kansas Racing and Gaming Commission (KRG) provides oversight and regulation of the lottery gaming facility managers and the operations of the lottery gaming facilities in Kansas.

**PROGRAM'S STATUTORY HISTORY:**

Under the Kansas Expanded Lottery Act (K.S.A. 2009 Supp. 74-8733 through 74-8773) the State of Kansas is authorized to own casinos in specified geographic zones and electronic gaming machines at certain pari-mutuel facilities. The law requires the Kansas Racing and Gaming Commission to regulate the state-owned casinos and the electronic gaming machines at the pari-mutuel facilities.

K.S.A. 74-8772 requires the commission to adopt rules and regulations to carry out the duties and functions of the commission under KELA. Those regulations are to include, but are not limited to the following:

- Promoting the integrity of the gaming and finances of gaming, by meeting or exceed industry standards for monitoring and controlling of gaming
- prescribing the on-site security at gaming facilities
- requiring reporting of information about any facility manager, facility employees, vendors and finances, necessary to ensure the security of gaming operations
- requiring reporting and auditing of financial information of facility managers and any other information the KRG requires to determine compliance with KELA and KRG regulations

-- provisions for oversight of all gaming facility operations, including, internal controls; security of facilities; performance of background investigations to determination of qualifications and credentialing of employees, contractors and agents of facility managers and ancillary operations, auditing of gaming facility revenues and income; enforcement of all state laws; and maintenance of the integrity of gaming facility operations.

K.S.A. 74-8750 (d) authorizes the executive director of the Kansas Lottery or the executive director of the KRG to seize or confiscate any gray or illegal gaming machine in Kansas that does not comply with KELA. Under KELA a gray machine is defined as any mechanical, electro-mechanical or electronic device, capable of being used for gambling, that is: (1) not authorized by the Kansas lottery, (2) not linked to a lottery central computer system, (3) available to the public for play or (4) capable of simulating a game played on an electronic gaming machine or any similar gambling game authorized under KELA. Furthermore, the Kansas Attorney General's Office has appointed the KRG as the coordinating agency for all illegal gambling complaints and questions, making the KRG the lead agency on illegal gambling enforcement in Kansas.

K.S.A. 74-8772 authorizes the KRG to issue rules and regulation to provide oversight of all lottery gaming facility operations, including responsible gambling and voluntary exclusion list programs. K.S.A. 74-8710 states that the Lottery Commission must issue regulations to enforce contract provisions, specifically those provisions that to require each manager to provide a program to alleviate problem gambling and a specific requirement that each facility maintain a self-exclusion list by which individuals may exclude themselves from access to electronic gaming machines and other lottery facility games.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission		
AGENCY NUMBER	553	FUNCTION NO.	1
PROGRAM TITLE AND CODE	Gaming Program - 60000		
SUBPROGRAM TITLE AND CODE			

**EXPANDED LOTTERY ACT REGULATION PROGRAM (GAMING)**

**PROGRAM GOALS - INTEGRITY OF GAMING**

Uphold and promote the integrity of gaming at lottery gaming facilities.  
Protect gaming operations from the influence of undesirable individuals or entities seeking to harm the integrity of gaming in Kansas.  
Protect the state of Kansas and its citizens from criminal activity in the gaming arena.

**Objectives**

Conduct timely, but thorough, background investigations on all gaming employees, management contractors, manufacturers and distributors seeking licensure at lottery gaming facilities located in this state.  
Investigate any alleged violations of the Kansas Expanded Lottery Act.  
Ensure accurate and complete information is collected for licensing purposes.  
Prohibit undesirable applicants from obtaining licenses and access to casino facilities and activities.

**OUTCOME MEASURE:**

	Actual FY 2009	Actual FY 2010	Estimate FY 2011	Estimate FY 2012	Enhance FY 2012
Corporate Background Completion %	59%	45%	84%	90%	78%
Individual Background Completion %	88%	38%	73%	73%	49%
% of Employee Applicants Denied Temporary Permits	n/a	18%	10%	10%	10%
% Employee Licenses Denied by Commission	n/a	23%	15%	15%	15%
Licenses revoked because of previously undiscovered information	0%	0%	0%	0%	0%

**OUTPUT MEASURES:**

Corporate Background Investigations:	Completed	10	13	20	7	15
	Pending/In-Process	7	16	5	3	10
	Updates/Renewals	n/a	n/a	6	20	20
Individual Background Investigations:	Completed	208	320	563	300	1,075
	Pending/In-Process	28	513	275	250	1,500
	Updates/Renewals	n/a	50	335	385	385
Vendor Licenses:	Approved	2	9	15	5	11
	Temporary	4	15	5	3	10
	Renewals	n/a	n/a	6	20	20
Casino Employee Licenses:	Gaming Licenses Approved	n/a	119	211	177	609
	Gaming Licenses Denied	n/a	35	36	31	121
	Temporary Work Permits Issues	n/a	290	171	264	1,584
	License Renewals	n/a	n/a	150	150	150
Criminal Case Reports		n/a	42	72	72	250

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission		
AGENCY NUMBER	553	FUNCTION NO.	1
PROGRAM TITLE AND CODE	Gaming Program - 60000		
SUBPROGRAM TITLE AND CODE			

**EXPANDED LOTTERY ACT REGULATION PROGRAM (GAMING)**

**PROGRAM GOALS - ACCOUNTABILITY & COMPLIANCE**

Uphold and promote the integrity of gaming at lottery gaming facilities.  
Ensure the State of Kansas is receiving its fair share of gaming revenue.  
Ensure compliance with the Kansas Expanded Lottery Act and applicable state and federal laws.

**Objectives**

Certify all electronic gaming machines (EGM) and systems that will be used at lottery gaming and racetrack gaming facilities in the State of Kansas  
Audit the collection of net gaming revenue.  
Collect and analyze daily information on bets, wins, tickets, jackpots and drops from slots by denomination and daily table game totals by game.  
Audit net gaming revenue by analyzing daily billings from the Central Computer System and comparing to each Casino's Management System.  
Analyze reports on jackpot tax reporting, comps, e-promo's and customer deposits.  
Audit the internal controls and procedures of each lottery gaming facility to ensure compliance with regulations and standards for operations.  
Investigate any alleged violations of the Kansas Expanded Lottery Act.

	<b>Actual FY 2009</b>	<b>Actual FY 2010</b>	<b>Estimate FY 2011</b>	<b>Estimate FY 2012</b>	<b>Enhance FY 2012</b>
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**OUTCOME MEASURES:**

Improper gaming outcome discovered after complaint	n/a	0	0	0	0
Improper payment to the state discovered after audit	n/a	0	0	0	0
Casino internal audits completed within allotted time	n/a	11%	75%	100%	100%
Customer Complaints Investigated	n/a	100%	100%	100%	100%
KRGC Responses to Customer Complaints	n/a	100%	100%	100%	100%

**OUTPUT MEASURES:**

EGM Disputes Investigated	n/a	3	6	6	45
Reel Inspections	n/a	95	30	30	600
Machine Software Inspections	n/a	120	120	120	700
Initial EGM Inspections/Certifications	n/a	598	100	100	4,000
EGM Hardware/Software Components Tested and Approved	n/a	1,129	240	240	2,000
Table Games Tested and Approved	n/a	7	3	3	20
Internal Control Plans Approved	n/a	1	0	0	2
Internal Control Plan Amendments Reviewed	n/a	93	100	100	500
Internal Control Plan Amendments Approved	n/a	59	50	50	250
Investigations of Material or Major Variances found in Audits	n/a	22	50	50	100
Internal Controls Violations Investigated	n/a	11	25	25	100
Security Plans Approved	n/a	1	0	0	2
Security Plan Amendments Received	n/a	5	5	5	10
Security Plan Amendments Approved	n/a	4	4	4	8
Non-Criminal Incident Reports	n/a	28	48	48	250
Official Customer Complaints Received	n/a	3	3	3	6

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission		
AGENCY NUMBER	553	FUNCTION NO.	1
PROGRAM TITLE AND CODE	Gaming Program - 60000		
SUBPROGRAM TITLE AND CODE			

**EXPANDED LOTTERY ACT REGULATION PROGRAM (GAMING)**

**PROGRAM GOAL - ILLEGAL GAMING ENFORCEMENT**

Reduce and eliminate illegal gaming in Kansas.

**Objectives**

- Respond to inquiries and educate the public about illegal gambling.
- Investigate complaints of illegal gaming activity.
- Remove illegal (gray) machines from public use.
- Seek voluntary compliance from any business or individual in the state against whom there is an illegal gambling complaint.
- Litigate issues that cannot be achieved through voluntary compliance.

	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Enhance</u>
	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2012</u>

**OUTPUT MEASURES:**

Seized and destroyed illegal gaming machines	n/a	24	20	20	30
Investigations of complaints	213	326	210	190	300
Visits to businesses for illegal gaming devices	n/a	23	25	25	40
Agency responses to posting of illegal gaming machines for sale	n/a	112	100	100	100
Ongoing criminal prosecutions with KRGC assistance	n/a	3	3	3	6

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Gaming Program - 60000	
SUBPROGRAM TITLE AND CODE		

**EXPANDED LOTTERY ACT REGULATION PROGRAM (GAMING)**

**PROGRAM GOAL - RESPONSIBLE GAMBLING**

Promote responsible gambling in the state of Kansas.

**Objectives**

Develop and implement a Voluntary Exclusion Program (VEP) for individuals.

Approve and each casino's development and impenetation of a responsible gambling program to identify and assist individuals with gambling addiction.

Educate and develop training/resources for social service providers, local stakeholders, certified gambling counselors, educators, KRGC agents and law enforcement.

Work with the Responsible Gambling Alliance to develop a network of services and resources for individuals with gambling addiction.

	<b>Actual FY 2009</b>	<b>Actual FY 2010</b>	<b>Estimate FY 2011</b>	<b>Estimate FY 2012</b>	<b>Enhance FY 2012</b>
<b><u>OUTCOME MEASURE:</u></b>					
Incidents of non-compliance by casino with RG plan	n/a	n/a	0	0	0
% of successful monthly compliance checks	n/a	n/a	100%	100%	100%
VEP enrollees denied access to a lottery gaming facility	n/a	n/a	1	1	2
VEP enrollees discovered after gaming at a lottery gaming facility	n/a	0	0	0	0
<b><u>OUTPUT MEASURES:</u></b>					
Voluntary Exclusion Program (VEP) enrollments	0	7	14	25	300
Education sessions conducted by KRGC for community providers	n/a	10	5	5	20
Printed educational resources created for distribution	n/a	8	4	4	4

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Gaming Program - 60000	
SUBPROGRAM TITLE AND CODE		

**GAMING PROGRAM**

**Salaries and Wages**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Enhance</b>
Expanded Lottery Act Regulation Fund	1,592,273	2,004,135	2,272,134	2,899,176	3,035,347	805,067
Gaming Background Investigations Fund	-	-	-	124,000	127,190	-
<b>Total Salaries and Wages</b>	<b>1,592,273</b>	<b>2,004,135</b>	<b>2,272,134</b>	<b>3,023,176</b>	<b>3,162,537</b>	<b>805,067</b>

**Prior Year**

Salaries for the prior year were for the employees at the central office in Topeka and at the Boot Hill Casino in Dodge City. The KRGC had an approved FTE limit of 49.5 FTE and as of July 1, 2010 had 34.5 FTE positions on the payroll. The agency has asked for and has received from both the Governor and the Legislature, flexibility in the number of FTE available to the agency. That flexibility allows the agency to keep staffing at a minimum to effectively regulate gaming and still have the ability to increase staffing should problems arise in the level of regulation or should the implementation of a new facility occur faster than the budget cycle can react. This flexibility allows a new facility to make plans to open as soon possible without concerns about KRGC's ability to provide approval or regulation. Ultimately, this approach will allow revenues to flow into the state as quickly as the market will allow.

**Current Year**

The KRGC has an approved FTE limit of 49.5 FTE positions for FY 2011. Salaries and wages for the current year are for the agency's employees that regulate gaming from both the central office in Topeka and at the Boot Hill Casino facility.

K.S.A. 74-8773 authorizes the agency to employ such officers and employees as the commission deems necessary to implement, administer and enforce the provisions of KELA, with the limitation that no more than 25 employees may be in the unclassified service. For the budget year, the agency budgets for 14.5 employees in the unclassified service.

**Budget Year - Base Budget**

The KRGC estimates 49.5 FTE positions, for the base budget in FY 2012, reflecting the relocation of one auditor position to the central office and a special agent at Boot Hill to split time between the two new facilities. Salaries and wages for the current year are for the agency's employees that regulate gaming from both the central office in Topeka and at the Boot Hill Casino facility. For the current year, the agency budgets for 14.5 employees in the unclassified service.

**Budget Year - Enhancement**

The enhancement in the budget year reflect expenditures associated with regulation of the Hollywood Casino in KC and a Sumner County Casino (\$402,533 and 13.0 FTE positions each) which are budgeted to operate for 6 months in the budget year.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME  
AGENCY NUMBER  
PROGRAM TITLE AND CODE  
SUBPROGRAM TITLE AND CODE

Kansas Racing and Gaming Commission  
553 FUNCTION NO. 1  
Gaming Program - 60000

**GAMING PROGRAM**

**Contractual Services**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Enhance</b>
<b>Expanded Lottery Act Reg Fund</b>						
Communication	63,329	63,967	57,546	69,500	69,000	5,000
Freight & Express	5,023	879	855	6,100	3,600	900
Printing & Advertising	1,680	191	5,137	900	900	500
Rents	142,855	225,299	183,562	236,300	204,100	4,400
Repairing & Servicing	8,850	4,115	3,524	7,800	7,800	1,100
Travel & Subsistence	104,090	116,678	128,871	127,025	76,000	119,724
Fees - Other Services	9,066	72,390	108,337	90,500	54,000	24,000
Fees - Professional Services	1,779	861,504	498,174	459,305	34,700	109,520
Other Contractual Services	739,652	6,839	4,030	58,400	8,400	4,800
Subtotal - Cont. Services - Gaming Fund	1,076,324	1,351,862	990,035	1,055,830	458,500	269,944
<b>Gaming Background Investigations Fund</b>						
Travel & subsistence	-	-	-	52,000	80,000	-
Fees-other services	-	-	-	150,000	150,000	-
Fees-professional services	-	-	-	10,000	10,000	-
Subtotal - Cont. Services - Background Fund	-	-	-	212,000	240,000	-
Total - Contractual Services	1,076,324	1,351,862	990,035	1,267,830	698,500	269,944

**Prior Year**

Contractual services includes \$534,554 in expenses related to the support of the Lottery Gaming Facility Review board. Contractual expenditures associated with the start-up and regulation of Booth Hill Casino were \$97,025 in the current year, the majority of which is for travel and subsistence and background approvals. Expenses for central administration were \$313,347, over half of which is for rent associated with the agency's Topeka office space.

**Current Year**

Current year contractual services include \$510,330 in expenses for the Lottery Gaming Facility Review Board, and for ongoing operations for the central office and Boot Hill Casino.

**Budget Year - Base Budget**

The budget year reflects on going expanded gaming regulation costs for the central office and Boot Hill Casino.

**Enhancement**

The enhancement in the budget year reflect expenditures associated with regulation of the Hollywood Casino in KC and a Sumner County Casino (\$134,972 each) which are budgeted to operate for 6 months in the budget year.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Gaming Program - 60000	
SUBPROGRAM TITLE AND CODE		

**GAMING PROGRAM**

**Commodities**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Enhance</b>
<b>Expanded Lottery Act Reg Fund</b>						
Food	103	2,605	1,668	-	-	-
Maintenance Materials, Supplies, Parts	-	-	757	600	600	5,000
Motor Vehicle Parts, Supplies	6,564	5,087	5,891	15,900	14,400	8,800
Professional & Scientific Supplies	8,251	1,661	5,776	7,200	7,800	10,000
Stationary & Office Supplies	20,606	9,163	25,656	26,200	25,800	17,000
Other Supplies, Materials, Parts	1,545	927	1,207	2,200	1,200	-
Total Commodities	<u>37,069</u>	<u>19,443</u>	<u>40,955</u>	<u>52,100</u>	<u>49,800</u>	<u>40,800</u>

**Prior Year**

Prior year activity reflects costs associated with the regulation of expanded gaming for the Topeka office (\$21,425) and start-up at the Boot Hill Casino (\$17,127).

**Current Year**

The current year reflects costs associated with the regulation of expanded gaming for the Topeka office and the Boot Hill Casino.

**Budget Year - Base Budget**

The budget year reflects continued costs associated with the regulation of expanded gaming for the Topeka office and the Boot Hill Casino.

**Enhancement**

The enhancement in the budget year reflect expenditures associated with regulation of the Hollywood Casino in KC and a Sumner County Casino (\$20,400 each) which are budgeted to operate for 6 months in the budget year.

**NARRATIVE INFORMATION -- DA 400**

DIVISION OF THE BUDGET  
STATE OF KANSAS

AGENCY NAME	Kansas Racing and Gaming Commission	
AGENCY NUMBER	553	FUNCTION NO. 1
PROGRAM TITLE AND CODE	Gaming Program - 60000	
SUBPROGRAM TITLE AND CODE		

**GAMING PROGRAM**

**Capital Outlay**

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY12</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Enhance</u>
<b>Expanded Lottery Act Reg Fund</b>						
Vehicles	13,394	-	-	-	-	30,400
Equipment, Machinery, Furniture and Fixtures	72,968	-	-	80,450	49,126	17,300
Professional and Scientific Equipment	15,872	-	9,169	25,000	36,400	21,600
Books and Library Materials	-	-	557	-	-	-
Microcomputer Systems and Support Equipment	64,940	4,069	746	21,700	26,250	108,600
Information Processing Equipment	32,552	-	-	-	-	-
Computer Systems, Info Processing or Micro Software	-	-	64,610	18,300	8,674	19,000
Buildings & Improvements	-	-	-	-	-	-
Telecommunications/ Data Facilities	-	-	920	1,250	1,250	8,000
Total Capital Outlay	-	4,069	76,002	146,700	121,700	204,900

**Prior Year**

The majority of the capital outlay expenses in FY 2010 were for purchase of the electronic finger printing equipment, licensing program software (ID Point), servers and software to enable server access from the Boot Hill Casino and for delayed upgrades and maintenance to the agency's servers.

**Current Year**

The current year reflects costs associated with the regulation of expanded gaming for the Topeka office and Boot Hill Casino. Extraordinary expenses include, purchase of the IRIS EGM tracking system for Boot Hill (\$5,000) plus maintenance costs, computer workstation replacements, delayed furniture replacement and minor office renovations and Herman Miller changes to maximize staff and space in the central office.

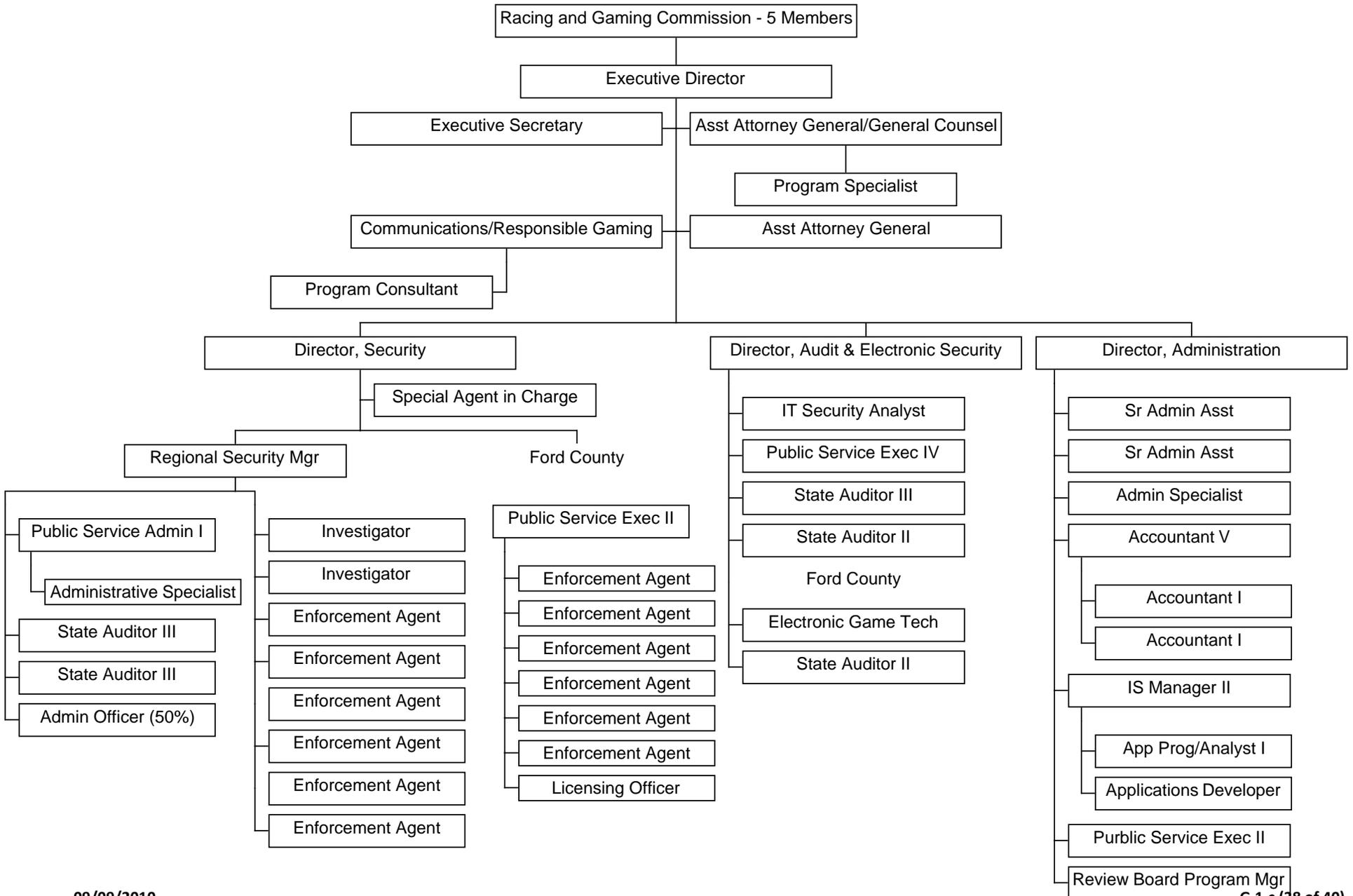
**Budget Year - Base Budget**

The budget year reflects continued costs associated with the continued regulation of gaming for the Topeka office and Boot Hill Casino. Expenses included normal replacement of computers and equipment.

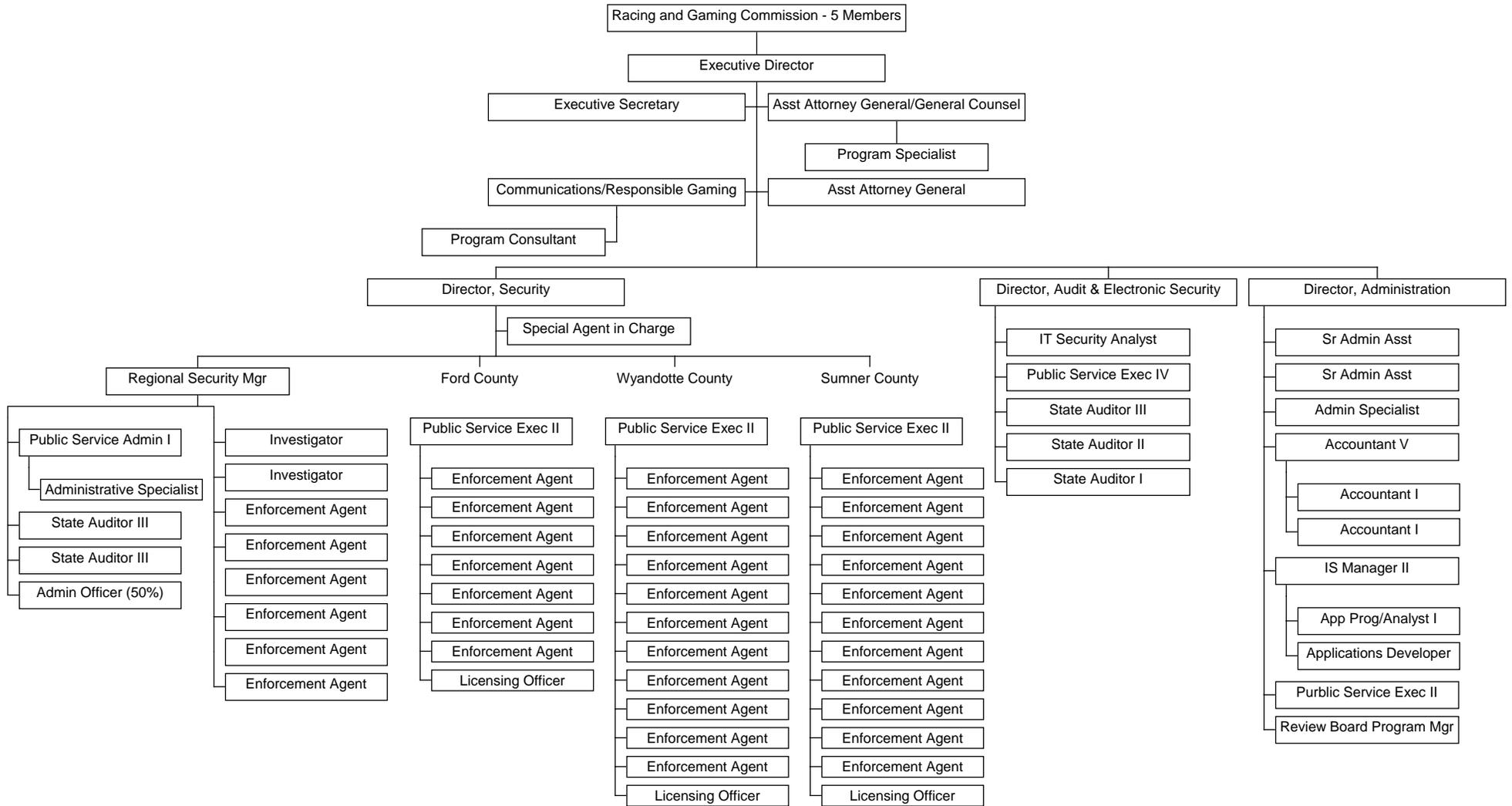
**Enhancement**

The enhancement in the budget year reflect expenditures associated with regulation of the Hollywood Casino in KC and a Sumner County Casino (\$102,450 each) which are budgeted to operate for 6 months in the budget year.

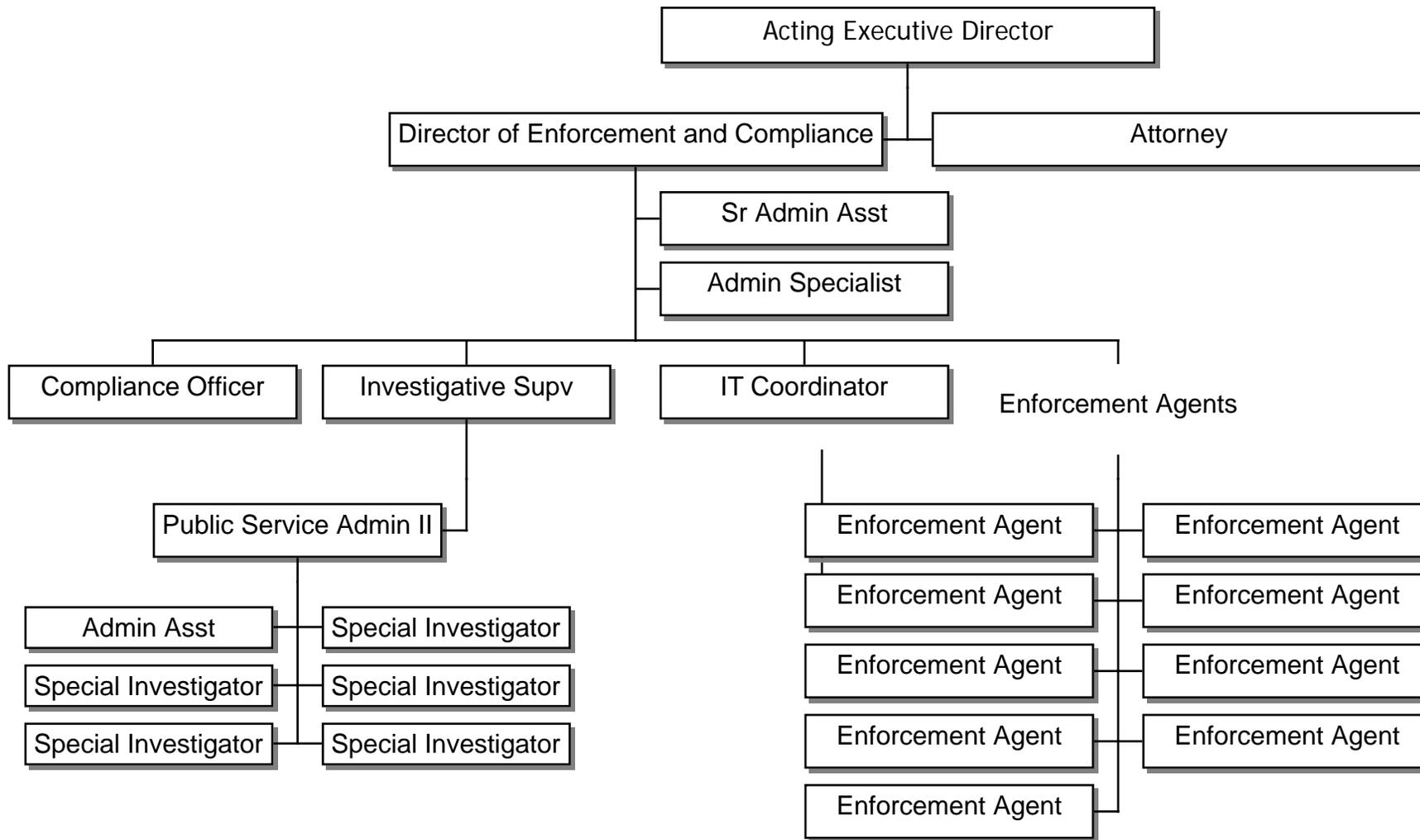
# Kansas Racing & Gaming Commission FY 2011



# Kansas Racing & Gaming Commission FY 2012



# State Gaming Agency



9/1/10

# September 2010 - August 2011

## Kansas Racing and Gaming Commission Planner

Sep 2010						
S	M	T	W	T	F	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
26	27	28	29	30		

### SEPTEMBER

10 Commission Meeting (rescheduled from September 17)

### OCTOBER

13 Commission Meeting (rescheduled from October 15)

### NOVEMBER

12 Commission Meeting

### DECEMBER

17 Commission Meeting

### JANUARY

14 Commission Meeting (tentative)

### FEBRUARY

11 Commission Meeting (tentative)

### MARCH

11 Commission Meeting (tentative)

### APRIL

15 Commission Meeting (tentative)

### MAY

13 Commission Meeting (tentative)

### JUNE

17 Commission Meeting (tentative)

### JULY

15 Commission Meeting (tentative)

Mar 2011						
S	M	T	W	T	F	S
		1	2	3	4	5
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20	21	22	23	24	25	26
27	28	29	30	31		

Oct 2010						
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24	25	26	27	28	29	30
31						

Apr 2011						
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24	25	26	27	28	29	30

Nov 2010						
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28	29	30				

May 2011						
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29	30	31				

Dec 2010						
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		1	2	3	4	
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19	20	21	22	23	24	25
26	27	28	29	30	31	

Jun 2011						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
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Jan 2011						
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						1
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23	24	25	26	27	28	29
30	31					

Jul 2011						
S	M	T	W	T	F	S
					1	2
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24	25	26	27	28	29	30
31						

Feb 2011						
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20	21	22	23	24	25	26
27	28					

Aug 2011						
S	M	T	W	T	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			