

AMENDED AGENDA  
KANSAS RACING AND GAMING COMMISSION  
10:00 a.m., Friday, October 18, 2013  
**(Amended items in BOLD)**

AUDITORIUM B  
Dwight D. Eisenhower State Office Building  
700 SW Harrison, Suite 460  
Topeka, KS 66603

A. CALL TO ORDER

B. APPROVAL OF AGENDA

C. APPROVAL OF MINUTES

1. [Minutes of September 13, 2013](#)

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 Approval Letters October 2013](#)
2. Internal control amendment approvals
  - a. [Boot Hill Casino & Resort internal control amendment approvals](#)
  - b. [Kansas Star Casino internal control amendment approvals](#)

E. LOTTERY GAMING FACILITY REPORTS/ITEMS

1. Boot Hill Casino and Resort
  - a. [Monthly Report](#)
  - b. [September 2013 Gaming Revenue Report](#)
2. Kansas Star Casino
  - a. [Monthly Report](#)
  - b. [September 2013 Gaming Revenue Report](#)
3. Hollywood Casino at Kansas Speedway
  - a. [Monthly Report](#)
  - b. [September 2013 Gaming Revenue Report](#)

F. COMMISSION ITEMS

1. Quarterly reports on staff out-of-state travel, licensing, and illegal gambling.

*Commission Action:*        *Commission review and discussion*

Staff Presentation:        Rick Petersen-Klein, Executive Director

Staff Recommendation:    No action required

- a. [Staff Memo](#)

G. PUBLIC COMMENTS

H. STAFF REPORTS

1. Executive Director

- a. [Voluntary Exclusion Report](#)

I. 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 Privilege
2. Background reports

J. OTHER BUSINESS/FURTHER COMMISSION ACTION

1. Consideration of proposed gaming licenses and renewals

K. ADJOURNMENT

**KANSAS RACING AND GAMING COMMISSION**

**MINUTES – SEPTEMBER 13, 2013**

CALL TO ORDER:  
(A.)

Chairman Timothy Shultz called the September 13, 2013, meeting to order at 10:06 a.m. at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. Vice-Chairman Dennis McKinney, Secretary Eileen King and Commissioner David H. Moses were also present. Staff members present included Executive Director Richard Petersen-Klein, General Counsel Judith Taylor, Director of Security Don Brownlee, Director of Administration and Finance Brandi White, Director of IT and Electronic Security Dennis Bachman, recording secretary Chris Vega and other staff.

MOTION, APPROVE  
AGENDA:  
(B.)

Vice-Chairman McKinney (King) moved to approve the agenda. Motion passed unanimously.

MOTION, APPROVE  
AUGUST 16, 2013,  
MEETING MINUTES:  
(C.)

Commissioner King (Moses) moved to approve the August 16, 2013 meeting minutes. Motion passed unanimously.

MOTION, APPROVE  
CONSENT AGENDA:  
(D.)

Vice-Chairman McKinney (King) moved to approve the consent agenda. Motion passed unanimously.

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; BOOT  
HILL CASINO AND  
RESORT:  
(E.1.)

Sharon Stroburg, General Manager, reported:

- August 2013 revenue saw a slight decrease from July of .04%.
- Promotional activity at the beginning of the month (truck giveaway) made for a strong month early on, but with back to school, the second half of the month was lighter than anticipated.
- There will be another promotional activity (4-wheeler giveaway) every week for the next few weeks.
- Buses will be traveling to Boot Hill Casino and Resort within the next few months.
- Boot Hill Casino and Resort has entered into a partnership with the convention center on the south side of town.

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS;  
KANSAS STAR:  
(E.2.)

Scott Cooper, General Manager, reported:

- August admissions per day were down two percent from July 2013.
- In August the Kansas Star Casino checked 29,281 ID's (12.5 percent of customers entering the casino) with 155 denied entry due to being under the age of 21.

- August revenue numbers compared to July 2013:
  - Total gaming revenue flat.
  - Slot coin-in (handle) down three percent.
  - Slot win up two percent. August hold up.
  - Table game drop flat.
  - Table game win up seventeen percent. Hold 21.5 percent vs. 18.4 percent.
  - Poker room revenue up three percent.
- The Journey concert held at the Kansas Star Arena on August 24<sup>th</sup> played to a sold out house.
- Upcoming Kansas Star Arena events are:
  - Don Gay Bull Riding: September 26<sup>th</sup> – 28<sup>th</sup>.
  - Wrestling: October 4<sup>th</sup>
  - Bellator MMA (Televised): October 11<sup>th</sup>
  - Tim McGraw: October 12<sup>th</sup>

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS;  
HOLLYWOOD CASINO AT  
KANSAS SPEEDWAY:  
(E.3.)

Bob Sheldon, General Manager, reported:

- Visitation in August 2013 showed a strong increase over August 2012, resulting in a corresponding increase in Gaming Revenue.
- August revenue numbers compared to August 2012:
  - Total gaming revenue was \$11.4 million in August, an increase of \$1.8 million, or eighteen percent.
  - Table games revenue was \$1.7 million, or a seven percent increase.
  - Slot revenue was \$9.7 million, an increase of \$1.7 million, or twenty percent.
- August weekly gaming promotions were complimented by the addition of the Grand Am Race, which was held over the weekend of August 16<sup>th</sup> and 17<sup>th</sup>. On August 23<sup>rd</sup>, Hollywood Casino held a Hot August Nights sweepstakes drawing where over \$15,000 in cash and free play was won. One winner walked away with \$10,000 in cash.
- In Food and Beverage, Hollywood Casino continued to see a strong response to their “Hit the Strip” special at the Final Cut steakhouse.

COMMISSION ITEMS;  
FY 2014-2015 BUDGET:  
(F.1.)

Mr. Petersen-Klein reported on the Fiscal Year 2014-2015 budget, which is a combined budget of the Kansas Racing and Gaming Commission and Kansas State Gaming. Mr. Petersen-Klein reported that gross salaries and wages have been reduced in the amount of \$300,000, including the elimination of commissioner salaries through the Appropriations Bill last year. Commissioner Moses inquired if there are any other officials appointed to commissions and boards that have the restrictions/prohibitions like those imposed on this commission as to what type of work the commissioners do, what kind

of clients they have and so forth and have the restrictions been in place since day one of KRGC having a commission. Mr. Petersen-Klein does not believe that other boards or commissions have the same type of restrictions and that the restrictions to KELA have been in place since KELA was established. Commissioner Moses asked that by taking these funds away, the legislation has increased the revenue of the casino operators, which is correct. Commissioner Moses inquired about what would be the best way to ask the legislators to put the commissioner salaries back in the budget. Mr. Petersen-Klein stated that aside from a motion, the other way would be to lobby the legislature. Mr. Jamie Nickoley, Director of Enforcement with the Kansas State Gaming agency, reported on his agency's budget and advised there were no changes from the previous budget.

MOTION, EXECUTIVE SESSION:

Commissioner Moses (King) moved to go into executive session for the purpose of discussing legal issues regarding the budget. Those included in the executive session were the commissioners, executive director and general counsel. The total time for the executive session was anticipated to be five minutes, from 10:45 a.m. to 10:50 a.m. 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 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 10:53 a.m. with all members present as previously noted.

Vice-Chairman McKinney and Commissioner Moses asked Mr. Petersen-Klein whether it was correct that, if a request is made for an increase in commissioner pay, State tax dollars would not be involved. Mr. Petersen-Klein said that would be correct because the entire budget comes from the casinos and vendors and not from the State General Fund. Issues related to commissioner pay were discussed. Questions clarified included: the commission has to pass a motion to direct the executive director to put commissioners' salaries back in the budget; there are no tax dollars involved; and two of three casinos are headquartered out of state.

MOTION, TO INCLUDE COMMISSIONER SALARIES IN THE BUDGET

Vice-Chairman McKinney (Moses) moved to direct the executive director to include the commissioners' salaries in the budget. Motion passed on a three-to-one vote.

MOTION, TO APPROVE

Commissioner King (Moses) moved to approve the FY 2014-2015

BUDGET AS AMENDED:

budget as amended. Motion passed unanimously.

COMMISSION ITEMS;  
CONSIDERATION OF A  
REVISED FINAL DRAFT  
OF PROPOSED  
REGULATIONS RELATED  
TO THE LICENSING OF  
JUNKET SERVICE  
PROVIDERS:  
(F.2.)

Following comments from facility managers, commissioners discussed changes to the junket regulation.

MOTION, KRGC STAFF  
REGULATION AS  
REVISED BE PASSED ON  
TO STATE FOR  
APPROVAL

Chairman Shultz (McKinney) moved to approve the KRGC staff proposed junket regulation, with revisions, and forward for formal review under the Kansas rules and regulations filing act. Motion passed unanimously.

COMMISSION ITEMS;  
PUBLIC COMMENTS ON  
PROPOSED  
AMENDMENTS TO K.A.R.  
112, ARTICLE 104  
ACCOUNTING AND  
INTERNAL CONTROLS,  
AND ARTICLE 108, TABLE  
GAMES:  
(F.3.)

Chairman Shultz suggested that discussion on proposed amendments to KRGC regulations be tabled for a month and asked that KRGC staff coordinate with compliance officers of the three casinos and other interested parties regarding the revisions to these regulations. KRGC staff can advise the operators of the reason for the changes and the impact the changes would have on the operations of the casinos, and allow the casino operators input into the amendments before scheduling the topic for public comment and action by the commission.

MOTION, TABLE PUBLIC  
COMMENTS ON  
PROPOSED  
AMENDMENTS TO K.A.R.  
112, ARTICLE 104 AND  
ARTICLE 108 FOR ONE  
MONTH

Commissioner Moses (McKinney) moved to table public comment on proposed amendments to K.A.R. 112, Article 104, Accounting and Internal Controls, and Article 108, Table Games, to give time for KRGC staff to meet with compliance officers. Motion passed unanimously.

PUBLIC COMMENTS;  
(G.)

There were no public comments.

STAFF REPORTS;  
(H.1)

Mr. Petersen-Klein, reported that:

- Voluntary Exclusion Program (VEP) remains consistent.
- He is meeting monthly with KDADS representatives regarding the problem gambling fund. Currently KDADS is in the process of determining how they want to spend the monies that were approved through the budget process with the additional \$450,000 to be used for awareness programs. In addition, KDADS is going to use some of the funds to

upgrade and coordinate the collection and analysis of data. Additional monies will be applied towards treatment. Chairman Shultz told Mr. Petersen-Klein that he appreciated him meeting with KDADS regularly and making certain that the problem gambling issue remains in their minds because it is really important to him personally.

- The contract between the Kansas Greyhound Association (KGA) and the Kansas Racing and Gaming Commission expired on December 31, 2007, and the last communication between KRGC and KGA was in 2010. However, KRGC recently learned that KGA continued to register greyhounds. Mr. Petersen-Klein suggested the commission hold hearings on the need to continue greyhound registration. Chairman Shultz recommended giving the KGA the same opportunity to comment publicly on the matter that the Kansas Horsemen's Association was given regarding registration of racehorses.

MOTION, EXECUTIVE  
SESSIONS:  
(I.1.-3.)

Chairman Shultz moved that the commission go into consecutive executive sessions for the purpose of (1) attorney-client communication, and (2) reviewing the list of confidential backgrounds for licensing. Those included in the executive sessions were the commissioners, executive director, legal counsel, and director of security. The total combined time for the executive sessions was anticipated to be 60 minutes, from 12:05 p.m. until 1:05 p.m. 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. Commissioner King (McKinney) made a motion to adjourn to executive session. Motion passed unanimously.

RECONVENE:

The commission meeting reconvened at 1:08 p.m. with all members present as previously noted.

MOTION TO DENY  
LICENSE APPLICATIONS,  
CONDITIONALLY  
APPROVE LICENSE  
APPLICATIONS, TO  
APPROVE A REQUEST  
FOR RECONSIDERATION,  
TO APPROVE LICENSE  
APPLICATIONS:

Commissioner King (Moses) moved to *deny* six license applications, *conditionally approve* five license applications with extension of temporary work permits, *approve* one request for reconsideration and *approve* the remaining two hundred license applications from the September 13, 2013, list of background reports referred to the commission for action. Motion passed unanimously.

(J.1.)

ADJOURN:  
(K.)

Commissioner King (Shultz) moved to adjourn the meeting. Motion passed unanimously. The commission meeting adjourned at 1:11 p.m.

SUBMITTED BY:

*(Signature on File)*

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R. Eileen King  
Secretary

APPROVED BY:

*(Signature on File)*

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Timothy A. Shultz  
Chair

Recommended for Approval					
	Manufacturer	File Number	ID Number	Version	Game Name
1	ARISTOCRAT	SY-22-ARI-12-01	Gateway.exe	11.9.4.10	N/A
2	BALLY	MO-73-BAL-12-163	HARDWARE	226458-2000	N/A
3	BALLY	MO-73-BAL-12-163	HARDWARE	PCA212268-3-0 REV A	N/A
4	BALLY	MO-73-BAL-12-163	227207A	A	INSTALLER
5	BALLY	MO-73-BAL-12-163	230311A	A	RAM CLEAR
6	BALLY	MO-73-BAL-13-55	HARDWARE	226458-600	N/A
7	BALLY	MO-73-BAL-13-12	301069B	B	POWER STRIKE DRAGON WONDER
8	BALLY	MO-73-BAL-13-12	301069B	link_301069B	POWER STRIKE DRAGON WONDER
9	BALLY	MO-73-BAL-13-12	301069B	301069B	POWER STRIKE DRAGON WONDER
10	BALLY	MO-73-BAL-13-121	300440C	C	EXPEDITION RICHES OF THE KINGS
11	BALLY	MO-73-BAL-13-121	300440C	RichesOfKings_300440C	EXPEDITION RICHES OF THE KINGS
12	BALLY	MO-73-BAL-13-121	300440C	links_RichesOfKings_300440C	EXPEDITION RICHES OF THE KINGS
13	BALLY	MO-73-BAL-13-122	300441C	C	EXPEDITION TOP OF THE WORLD
14	BALLY	MO-73-BAL-13-122	300441C	TopOfWorld_300441C	EXPEDITION TOP OF THE WORLD
15	BALLY	MO-73-BAL-13-122	300441C	links_TopOfWorld_300441C	EXPEDITION TOP OF THE WORLD
16	BALLY NORTH	SY-73-BLY-13-01	235741	13	COOL SIGN CASINO EQUIPMENT INTERFACE (CEI)
17	IGT	MO-22-IGT-13-124	M6028F 2.37 198 2.22	2.37/2.22	MEI SC66 CASHFLOW USB BILL VALIDATOR FIRMWARE
18	IGT	MO-22-IGT-13-47	GI014-001IR1-D005	AVP INSTALL	AVP Poker 1.1
19	IGT	MO-22-IGT-13-47	GAME014-001IR1-D05	AVP GAME PACKAGE	AVP Poker 1.1
20	IGT	MO-22-IGT-13-47	GI014-001IR1-D005.V02	AVP INSTALL	AVP Poker 1.1
21	IGT	MO-286-IGT-13-22	GI014-002LR4-E003	AVP INSTALL	Diamond Fantasy
22	IGT	MO-286-IGT-13-22	GAME014-002LR4-E03	AVP GAME PACKAGE	Diamond Fantasy
23	IGT	MO-286-IGT-13-22	GI014-002LR4-E003.V02	AVP INSTALL	Diamond Fantasy
24	IGT	MO-286-IGT-13-23	GI014-004PJ5-B006	AVP INSTALL	Triple Red Hot 7s Free Games
25	IGT	MO-286-IGT-13-23	GAME014-004PJ5-B06	AVP GAME PACKAGE	Triple Red Hot 7s Free Games
26	IGT	MO-286-IGT-13-23	GI014-004PJ5-B006.V02	AVP INSTALL	Triple Red Hot 7s Free Games
27	IGT	MO-286-IGT-13-25	GI014-005Q11-B003	AVP INSTALL	El Gran Festival
28	IGT	MO-286-IGT-13-25	GAME014-005Q11-B03	AVP GAME PACKAGE	El Gran Festival
29	IGT	MO-286-IGT-13-25	GI014-005Q11-B003.V02	AVP INSTALL	El Gran Festival
30	IGT	MO-286-IGT-13-28	GI014-005HK7-B007	AVP INSTALL	Splitting Hares
31	IGT	MO-286-IGT-13-28	GAME014-005HK7-B07	AVP GAME PACKAGE	Splitting Hares
32	IGT	MO-286-IGT-13-28	GI014-005HK7-B007.V02	AVP INSTALL	Splitting Hares
33	IGT	MO-286-IGT-13-43	GI014-002LG3-B006	AVP INSTALL	Lil Lady 2 Wild Wedding
34	IGT	MO-286-IGT-13-43	GAME014-002LG3-B06	AVP GAME PACKAGE	Lil Lady 2 Wild Wedding
35	IGT	MO-286-IGT-13-43	GI014-002LG3-B006.V02	AVP INSTALL	Lil Lady 2 Wild Wedding
36	IGT	MO-286-IGT-13-51	GI014-001Q68-B016	AVP INSTALL	Three Kings
37	IGT	MO-286-IGT-13-51	GAME014-001Q68-B16	AVP GAME PACKAGE	Three Kings
38	IGT	MO-286-IGT-13-51	GI014-001Q68-B016.V02	AVP INSTALL	Three Kings
39	IGT	MO-286-IGT-13-62	GI014-005PD4-M005	AVP INSTALL	Red Cliffs
40	IGT	MO-286-IGT-13-62	GAME014-005PD4-M05	AVP GAME PACKAGE	Red Cliffs
41	IGT	MO-286-IGT-13-62	GI014-005PD4-M005.V02	AVP INSTALL	Red Cliffs
42	IGT	MO-286-IGT-13-68	GI014-004PD2-F003	AVP INSTALL	Wild Cherry
43	IGT	MO-286-IGT-13-68	GAME014-004PD2-F03	AVP GAEM PACKAGE	Wild Cherry
44	IGT	MO-286-IGT-13-68	GI014-004PD2-F003.V02	AVP INSTALL	Wild Cherry
45	IGT	MO-77-IGT-13-03	BFRD0029	N/A	AVP Stepper Reel Drive with Stop Command Support
46	IGT	MO-286-IGT-13-50	GI014-004NH4-F003	AVP INSTALL	27 Ways to Win Dazzling Dollars
47	IGT	MO-286-IGT-13-50	GAME014-004NH4-F03	AVP GAME PACKAGE	27 Ways to Win Dazzling Dollars
48	IGT	MO-286-IGT-13-50	GI014-004NH4-F003.V02	AVP INSTALL	27 Ways to Win Dazzling Dollars
49	IGT	MO-22-IGT-13-163	GI014-005KE6-M003	AVP INSTALL	Majestic Beauty
50	IGT	MO-22-IGT-13-163	GAME014-005KE6-M03	AVP GAME PACKAGE	Majestic Beauty
51	IGT	MO-22-IGT-13-163	GI014-005KE6-M003.V02	AVP INSTALL	Majestic Beauty
52	IGT	MO-22-IGT-13-156	GI014-005PD7-M003	AVP INSTALL	Dogs
53	IGT	MO-22-IGT-13-156	GAME014-005PD7-M03	AVP GAME PACKAGE	Dogs
54	IGT	MO-22-IGT-13-156	GI014-005PD7-M003.V02	AVP INSTALL	Dogs
55	KONAMI GAMING INC.	MO-73-KON-13-82	FRDF109G23	GAME PROGRAM	Flaming Red Diamonds
56	KONAMI GAMING INC.	MO-73-KON-13-82	FRDF109G23	GAME PROGRAM	Flaming Red Diamonds
57	KONAMI GAMING INC.	MO-73-KON-13-82	FRDF109G23-CF	SOUND/GRAPHICS	Flaming Red Diamonds
58	MULTIMEDIA GAMES	MO-171-MMG-13-60	HARDWARE	SCNM66	MEI SC ADVANCE BILL VALIDATOR HARDWARE
59	NRT TECHNOLOGY CORP.	SY-22-NTC-13-02	CHS_Monitor.exe	1.3.0.0	N/A
60	NRT TECHNOLOGY CORP.	SY-22-NTC-13-02	bevsrv.dll	1.3.0.0	N/A
61	NRT TECHNOLOGY CORP.	SY-22-NTC-13-02	Notifications.exe	1.3.0.0	N/A
62	NRT TECHNOLOGY CORP.	SY-22-NTC-13-02	CHS_Administrator.exe	1.3.0.0	N/A
63	NRT TECHNOLOGY CORP.	SY-22-NTC-13-02	ATMMon.dll	1.3.0.0	N/A
64	SHFL Entertainment, Inc.	SY-73-SHU-12-01*	HARDWARE	N/A	N/A

65	SHFL Entertainment, Inc.	SY-73-SHU-12-01*	Communication.DT.Library.dll	1.1.1.0	N/A
66	SHFL Entertainment, Inc.	SY-73-SHU-12-01*	Communication.Library.dll	1.1.0.0	N/A
67	SHFL Entertainment, Inc.	SY-73-SHU-12-01*	Nexus Command Table Controller	1.0.2	N/A
68	SPIELO	MO-329-SPE-13-06	HARDWARE	LCD22H0409	N/A
69	WMS	MO-22-WMS-13-55	D9C1-000-1000	1000 H18.02	SPEED SPINS - TREASURE FAIRIES
70	WMS	MO-22-WMS-13-59	S89D-000-1000	1000 H18.02	YAHTZEE SHAKE IT
71	WMS	MO-22-WMS-13-60	HARDWARE	75271	YAHTZEE SHAKE IT
72	WMS	MO-22-WMS-13-65	S8F0-000-1010	1010 H18.02	LORD OF THE RINGS - RETURN OF THE KING

SY-73-SHU-12-01\* - The Nexus Command Game Manager TCP and the Nexus Command Table Controller is only certified for use in a wired environment.

Recommend for Revocation							
	<u>Manufacturer</u>	<u>File Number</u>	<u>ID Number</u>	<u>Version</u>	<u>Game Name</u>	<u>Replace With</u>	<u>Remove/ Replace by:</u>
1	IGT	MO-22-IGT-11-239	GI014-002LG3-B001	AVP INSTALL	Lil' Lady 2 Wild Wedding	GI014-002LG3-B006	12/17/2013
2	IGT	MO-22-IGT-11-239	GI014-002LG3-B001.V02	AVP INSTALL	Lil' Lady 2 Wild Wedding	GI014-002LG3-B006.V02	12/17/2013
3	IGT	MO-22-IGT-11-239	GAME014-002LG3-B01	AVP GAME PACKAGE	Lil' Lady 2 Wild Wedding	GAME014-002LG3-B06	12/17/2013
4	IGT	MO-132-IGT-12-03	GI014-001Q68-B013	AVP INSTALL	Three Kings	GI014-001Q68-B016	12/17/2013
5	IGT	MO-132-IGT-12-03	GI014-001Q68-B013.V02	AVP INSTALL	Three Kings	GI014-001Q68-B016.V02	12/17/2013
6	IGT	MO-132-IGT-12-03	GAME014-001Q68-B13	AVP GAME PACKAGE	Three Kings	GAME014-001Q68-B16	12/17/2013
7	IGT	MO-22-IGT-12-215	GI014-005PD4-E001	AVP INSTALL	Red Cliffs	GI014-005PD4-M005	12/17/2013
8	IGT	MO-22-IGT-12-215	GI014-005PD4-E001.V02	AVP INSTALL	Red Cliffs	GI014-005PD4-M005.V02	12/17/2013
9	IGT	MO-22-IGT-12-215	GAME014-005PD4-E01	AVP GAME PACKAGE	Red Cliffs	GAME014-005PD4-M05	12/17/2013
10	KONAMI GAMING INC.	MO-73-KON-11-40	FRDF104G23	GAME PROGRAM	Flaming Red Diamonds	FRDF109G23	12/17/2013
11	KONAMI GAMING INC.	MO-73-KON-11-40	FRDF104G23	GAME PROGRAM	Flaming Red Diamonds	FRDF109G23	12/17/2013
12	KONAMI GAMING INC.	MO-73-KON-11-40	FRDF104G23-CF	SOUND/GRAPHICS	Flaming Red Diamonds	FRDF109G23-CF	12/17/2013
13	NRT TECHNOLOGY CORP.	SY-22-NTC-11-01	Notifications.exe	1.1.8.0	N/A	Notifications.exe V1.3.0.0	12/17/2013
14	NRT TECHNOLOGY CORP.	SY-22-NTC-11-07	Notifications.exe	1.2.0.0	N/A	Notifications.exe V1.3.0.0	12/17/2013

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Richard Petersen-Klein, Executive Director

Sam Brownback, Governor

**Boot Hill Casino Internal Control Amendments**

October 18, 2013

<b><u>Item #/ (Description)</u></b>	<b><u>Regulation Waiver?</u></b>	<b><u>Regulation/IC Reference</u></b>	<b><u>Staff Recommendation</u></b>
BH319-Jackpot Forms	No	KAR 112-104-14, KAR 112-104-16, KAR 112-104-21, KAR 112-104-23, KAR 112-104-32/IC 170.020, IC 170.090, IC 170.160	Approval

**Kansas Star Casino Internal Control Amendments**

October 18, 2013

<b><u>Item #/ (Description)</u></b>	<b><u>Regulation Waiver?</u></b>	<b><u>Regulation/IC Reference</u></b>	<b><u>Staff Recommendation</u></b>
KS132 – Complimentaries	No	KAR 112-104-9, 112-107-27, Admin – 11, Slots – 11	Approval
KS139 – Arena Complimentaries	No	KAR 112-104-9, Admin – 11	Approval
KS140 – Table Games Drop Procedure	No	KAR 112-108-48, Table Games	Approval
KS141 – Cage Signees for Emergency Drops	No	KAR 112-104-41, Cage – 3	Approval
KS143 – Mississippi Stud Poker Bonus Wager	No	KAR 112-108-6, 112-108-20(a) and (c), Table Games Rules of the Game – 12	Approval
KS145 – Purchasing	No	KAR 112-104-42, Admin – 7	Approval
KS146 – Bad Beat Form Revisions	No	KAR 112-108-45, Forms	Approval

BOOTHILL CASINO & RESORT  
REPORT PRESENTED TO  
THE KANSAS RACING AND GAMING COMMISSION  
OCTOBER 18, 2013

BY: SHARON STROBURG

- 1) For the month of September 2013, we experienced a decrease from September 2012 of just over 8%. This is primarily attributed to a decrease in slot hold percentage. If slot hold had been closer to budgeted or previous month, budgeted revenue could have been achieved.

## BOOT HILL CASINO & RESORT

### Lottery Gaming Facility Revenue-Unaudited\*

	September 2013	September 2012	Fiscal YTD 2014	Fiscal YTD 2013
Electronic gaming machines	2,791,416.07	3,004,816.03	9,044,347.96	9,445,082.36
Table games	379,027.50	460,474.00	1,270,893.50	1,843,996.50
Other #	<u>7,878.30</u>	<u>-</u>	<u>7,878.30</u>	<u>3,087.44</u>
Total Lottery Gaming Facility Revenue	<u><u>3,178,321.87</u></u>	<u><u>3,465,290.03</u></u>	<u><u>10,323,119.76</u></u>	<u><u>11,292,166.30</u></u>
State Share 22%	699,230.81	762,363.81	2,271,086.35	2,484,276.59
Local Share 3%	95,349.66	103,958.70	309,693.59	338,764.99
Problem Gambling Share 2%	63,566.44	69,305.80	206,462.40	225,843.33
Casino Share 73%	2,320,174.97	2,529,661.72	7,535,877.42	8,243,281.40

***\*Unaudited-as reported by the Kansas Lottery Central Computer system.***

***#Other sweeps, principally lost and found funds.***

KANSAS STAR CASINO  
REPORT PRESENTED TO  
THE KANSAS RACING AND GAMING COMMISSION  
October 18, 2013

BY: SCOTT COOPER – GERNERAL MANAGER

Operational Notes

- September admissions down 18% from August 2013.

September Revenue #'s

- Total Gaming Revenue down 13% from August 2013.
- Slot Coin-In (Handle) down 10% from August 2013.
- Slot Win down 10% from August 2013. September hold up slightly from August 2013.
- Table Game drop down 16% from August 2013.
- Table Game Win down 26% from August. Hold down almost 3% from August
- Poker Room revenue down 21% from August 2013.

Upcoming Arena Events are as follows:

- Asian Concert October 27<sup>th</sup>
- Rodney Carrington November 8<sup>th</sup>
- Celtic Woman December 13<sup>th</sup>

## KANSAS STAR CASINO & RESORT

### Lottery Gaming Facility Revenue-Unaudited\*

	September 2013	September 2012	Fiscal YTD 2014	Fiscal YTD 2013
Electronic gaming machines	12,475,592.71	12,412,466.36	40,304,342.55	39,131,885.58
Table games	1,952,772.16	2,121,379.61	6,857,335.64	6,091,635.22
Other #	<u>7,152.64</u>	<u>-</u>	<u>7,152.64</u>	<u>-</u>
Total Lottery Gaming Facility Revenue	<u>14,435,517.51</u>	<u>14,533,845.97</u>	<u>47,168,830.83</u>	<u>45,223,520.80</u>
State Share 22% (Tier 1)	3,175,813.85	3,197,446.11	10,377,142.78	9,949,174.58
State Share 2% marginal (Tier 2)	-	-	-	-
Local Share 3%	433,065.53	436,015.38	1,415,064.92	1,356,705.62
Problem Gambling Share 2%	288,710.35	290,676.92	943,376.62	904,470.42
Casino Share	10,537,927.78	10,609,707.56	34,433,246.51	33,013,170.18

***\*Unaudited-as reported by the Kansas Lottery Central Computer system.***

***#Other sweeps, principally lost and found funds.***

HOLLYWOOD CASINO AT KANSAS SPEEDWAY  
REPORT PRESENTED TO  
THE KANSAS RACING AND GAMING COMMISSION  
OCTOBER 18, 2013

BY: BOB SHELDON – VICE PRESIDENT & GENERAL MANAGER

Although we had one less Saturday this September, visitation increased over September of last year and again contributed to increased Gaming Revenues year over year for the month.

Total Gaming Revenue was \$10.5 MM in September 2013 which was \$1.0 MM, or 11%, greater than September 2012.

Slot Revenue was \$9.0 MM which was an increase of \$1.2 MM, or 11 %, over the prior year.

Table Games Revenue was \$1.5 MM, which was down \$114 K or 7% from prior year. The decrease was due to last year's higher than normal hold percentage.

We continued our normal compliment of weekly gaming promotions throughout the month. Our Pigskin Payoff football season promotion kicked off where patrons have the chance to win weekly prizes totaling \$140,000 during the season. We held a watch party in the Turn 2 Sports Bar and Restaurant for The Kansas City Chiefs Thursday night away game, which featured appearances by the Chiefs cheerleaders and prize giveaways. There was an all weekend "Flatlands Country" concert festival at nearby Sporting Park with headliners Toby Keith and Miranda Lambert. We were able to provide access to our VIP customers, and this also provided a boost to visitation in the area.

**HOLLYWOOD CASINO & RESORT**

**Lottery Gaming Facility Revenue-Unaudited\***

	September 2013	September 2012	Fiscal YTD 2014	Fiscal YTD 2013
Electronic gaming machines	8,965,380.74	7,807,710.47	28,037,999.91	24,062,960.20
Table games	1,543,050.40	1,657,125.87	4,823,335.42	4,931,834.04
Other #	<u>2,342.39</u>	<u>-</u>	<u>2,342.39</u>	<u>-</u>
Total Lottery Gaming Facility Revenue	<u>10,510,773.53</u>	<u>9,464,836.34</u>	<u>32,863,677.72</u>	<u>28,994,794.24</u>
State Share 22%	2,312,370.18	2,082,263.99	7,230,009.10	6,378,854.73
Local Share 3%	315,323.21	283,945.09	985,910.33	869,843.83
Problem Gambling Share 2%	210,215.47	189,296.73	657,273.55	579,895.88
Casino Share 73%	7,672,864.68	6,909,330.53	23,990,484.74	21,166,199.80

***\*Unaudited-as reported by the Kansas Lottery Central Computer system.***

***#Other sweeps, principally lost and found funds.***



**STAFF AGENDA MEMORANDUM**

**MEETING DATE:** October 18, 2013

**AGENDA ITEM:** Quarterly Reports on (1) staff out-of-state travel, (2) licensing and (3) illegal gambling

**PRESENTER:** Richard Petersen-Klein

To ensure that it is being consistent and efficient, the commission has requested quarterly updates on out-of-state travel, licensing matters, and illegal gambling efforts.

**I. OUT-OF-STATE TRAVEL**

The quarterly out-of-state travel report includes the employees who traveled and the purpose of the trip and the total expenses incurred for the trip. Because the Commission maintains its background investigation details as highly confidential, the quarterly travel report does not include out-of-state trips for investigative or targeted purposes.

For the first quarter (July through September) of the State’s FY 2014, commission staff out-of-state travel includes:

<b>Purpose of Trip</b>	<b>Traveler</b>	<b>Dates</b>	<b>Destination</b>	<b>Registration</b>	<b>Total</b>
Gaming Laboratories International & Lab Tour	Jeffrey Igercic	07/08/13 – 07/12/13	Las Vegas, NV		\$930.88
Gaming Laboratories International & Lab Tour	Larry Moreland	07/08/13 – 07/12/13	Las Vegas, NV		\$930.88
Gaming Laboratories International & Lab Tour	John Connett	07/08/13 – 07/12/13	Las Vegas, NV		\$944.88
Gaming Laboratories International & Lab Tour	Tyler Lewellen	07/08/13 – 07/12/13	Las Vegas, NV		\$933.28
Gaming Laboratories International & Lab Tour	David Schultz	07/08/13 – 07/12/13	Las Vegas, NV		\$970.88
Gaming Laboratories International & Lab Tour	Michael Murski	07/08/13 – 07/12/13	Las Vegas, NV		\$1,128.15

<b>Purpose of Trip</b>	<b>Traveler</b>	<b>Dates</b>	<b>Destination</b>	<b>Registration</b>	<b>Total</b>
Gaming Laboratories International & Lab Tour	Casey Geist	07/08/13 – 07/12/13	Las Vegas, NV		\$922.63
Gaming Laboratories International & Lab Tour	Dennis Bachman	07/08/13 – 07/13/13	Las Vegas, NV		\$1,195.50
Gaming Laboratories International, Lab Tour & Procurement Meeting	Richard Petersen-Klein	07/08/13 – 07/13/13	Las Vegas, NV		\$1,195.50
Gaming Laboratories International, Lab Tour & Procurement Meeting	Judy Taylor	07/08/13 – 07/13/13	Las Vegas, NV		\$1,223.20
Gaming Laboratories International, Lab Tour & Procurement Meeting	Brandi White	07/08/13 – 07/13/13	Las Vegas, NV		\$1,235.34
UNLV Law Enforcement & Criminal Activity	Anthony Webb	09/17/13 – 09/20/13	Las Vegas, NV	\$725	\$1,349.61

**II. LICENSING**

Objectives of the commission include conducting timely, but thorough, background investigations on all gaming employees, management contractors, manufacturers and distributors seeking licensure at lottery gaming facilities located in this state. Background investigations are conducted to protect the public interest by maintaining a legitimate and viable gaming industry assuring honesty, good character and integrity of racing and gaming facility operators, employees, and vendors. Following is the licensing report for the July through September FY 2014 quarter. The three previous quarters are included for comparison purposes.

	Jul-Sep 2013	Apr-Jun 2013	Jan- Mar 2013	Oct -Dec 2012
<b>VENDORS, SUPPLIERS, MANAGERS:</b>				
Corporate permanent licenses approved	5	5	2	5
Corporate temporary licenses approved*	7	5	4	7
Corporate employee licenses approved	92	63	51	73
Corporate renewal licenses approved	0	1	1	0
Corporate employee licenses renewed	73	40	31	16
Corporate employee licenses denied	2	1	4	2
<b>BOOT HILL CASINO EMPLOYEE LICENSES</b>				
Permanent license approvals	23	26	28	35
Temporary license approvals*	10	18	21	31
Renewal license approvals	35	28	12	15
Licenses denied	4	2	0	2
<b>HOLLYWOOD CASINO EMPLOYEE LICENSES</b>				
Permanent license approvals	104	96	126	160
Temporary license approvals*	73	96	60	59
Renewal license approvals	174	117	118	17
Licenses denied	9	4	2	2
<b>KANSAS STAR CASINO EMPLOYEE LICENSES</b>				
Permanent license approvals	148	93	149	246
Temporary license approvals*	75	123	98	351
Renewal license approvals	80	105	39	4
Licenses denied	2	2	8	12

\*Temporary licenses approved will still need to be permanently approved in future quarter(s) once all backgrounding activities are completed.

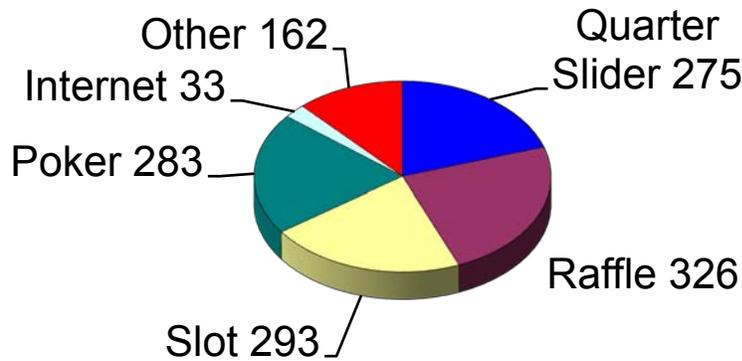
**III. ILLEGAL GAMBLING**

The Commission acts as the state's coordinating agency for most illegal gambling questions and complaints. That role requires the KRGC to employ educational, administrative and law enforcement methods to maintain the integrity of gaming in Kansas and to help curtail illegal gambling.

Since 2008, the Commission has received 1,372 total illegal gambling-related questions or complaints from the general public. During the third quarter of 2013, the Commission received 49 calls and emails from the general public, up 13 from the previous quarter and down seventy-eight (78) from the third quarter of 2012. Of the 49 calls and emails received in Q-3, twenty-six (26) involved inquiries and complaints involving raffles; five (5) involved poker runs, poker games and poker tournaments; ten (10) pertained to reports of various illegal gambling devices found in bars, restaurants and convenience stores; and eight (8) calls involved inquiries regarding the legality of horse races, casino nights and other planned entertainment events.

The following chart represents calls from the general public:

**Breakdown of illegal gambling inquiries and complaints to-date:**



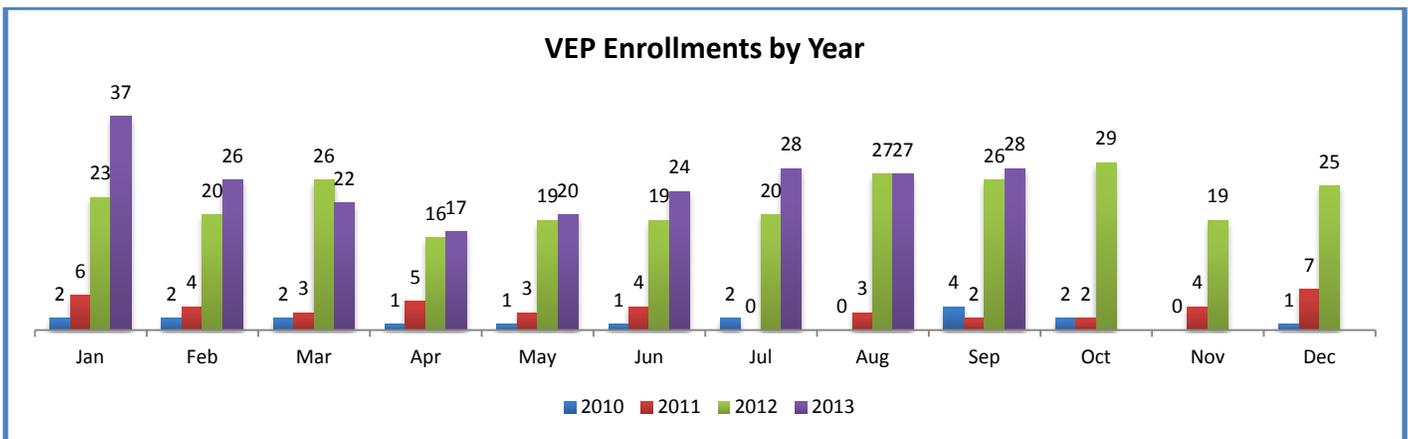
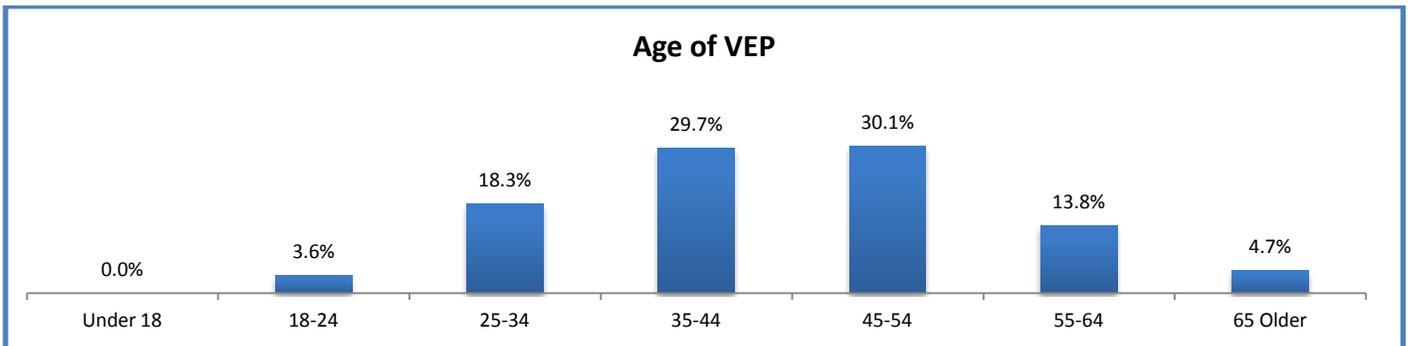
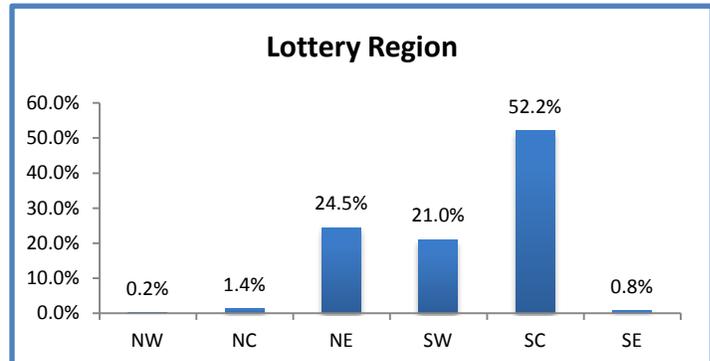
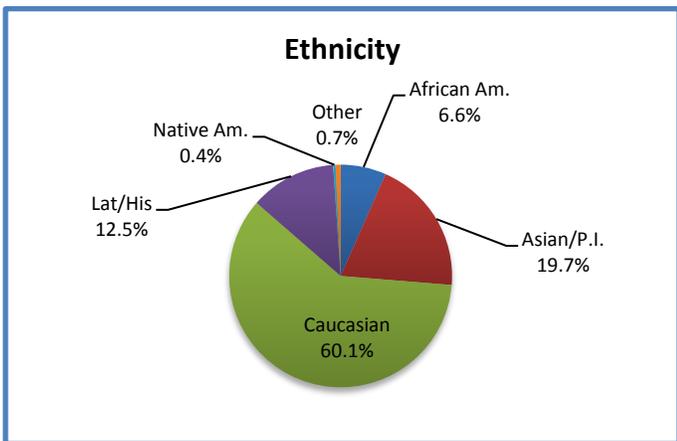
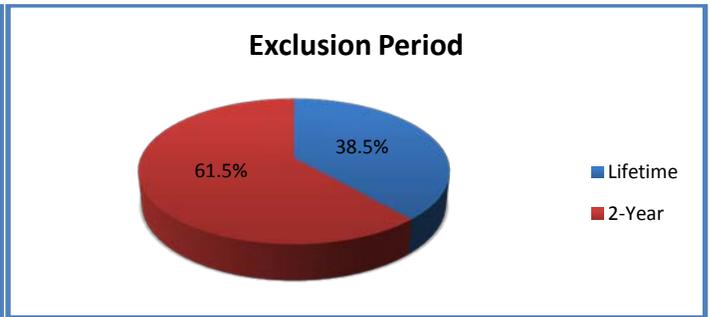
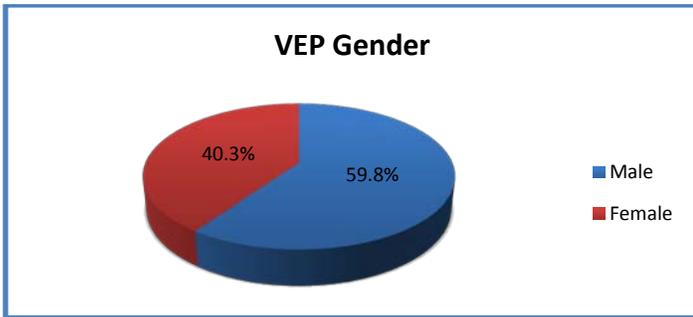
The above chart does not reflect calls and activity related to the following:

- Constituents who receive answers from our Illegal Gambling Frequently Asked Questions web page, located here: [www.krgc.ks.gov/illegalfaq](http://www.krgc.ks.gov/illegalfaq).
- Calls made directly to KRGC agents by other law enforcement officers around the state.
- Time Spent by agents and legal counsel to assist in active local investigations and prosecutions.
- Educational meeting between legal counsel and county and district attorneys to discuss legal aspects of illegal gambling and the services that KRGC can provide.
- Time spent pursuing seizures and forfeitures of illegal gambling devices.

There were 23 seizures of illegal machines during Q-3 of 2013. KRGC seized six illegal gambling devices in Wilson County at two locations. Two KRGC agents assisted local law enforcement with the seizure of thirteen devices in Montgomery County at seven locations, and KRGC participated in a Kansas Department of Revenue seizure of four devices in Sedgwick County.

## Voluntary Exclusion Program January 2010 – September 2013

Voluntary Exclusions = 559  
Violation Incidents = 34 (25 individuals)



# October 2013 - September 2014

## Kansas Racing and Gaming Commission Planner

Oct 2013						
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	31		

### OCTOBER

*18 Commission Meeting*

### NOVEMBER

*15 Commission Meeting*

### DECEMBER

*13 Commission Meeting*

### JANUARY

*17 Commission Meeting*

### FEBRUARY

*14 Commission Meeting*

### MARCH

*14 Commission Meeting*

### APRIL

*11 Commission Meeting*

### MAY

*16 Commission Meeting*

### JUNE

*13 Commission Meeting*

### JULY

*11 Commission Meeting*

### AUGUST

*15 Commission Meeting*

### SEPTEMBER

*12 Commission Meeting*

Apr 2014						
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			

May 2014						
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	31

Nov 2013						
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

Jun 2014						
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					

Dec 2013						
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	31				

Jul 2014						
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	31		

Jan 2014						
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	31	

Aug 2014						
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
31						

Feb 2014						
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	

Sep 2014						
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	

Mar 2014						
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	31					