



# Kansas Racing and Gaming Commissioners



Gene M. Olander  
Chair  
Topeka, Kansas

Leroy Hayden  
Commissioner  
Satanta, Kansas

Keith Palmer, DVM  
Commissioner  
Bucyrus, Kansas

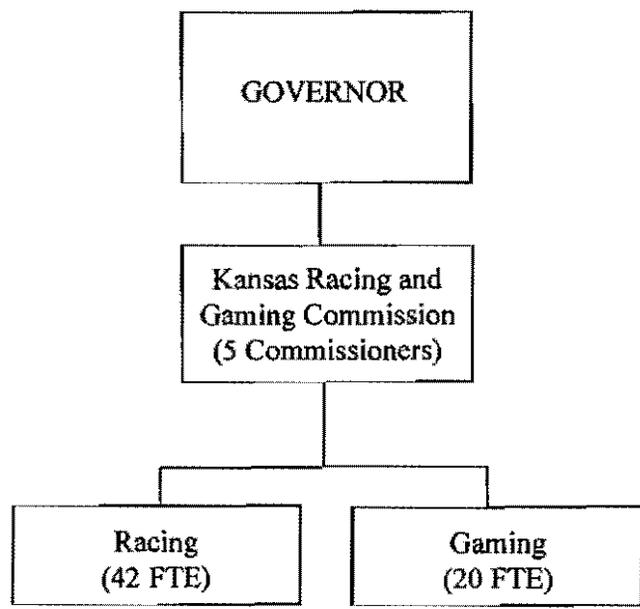
Bob Miller  
Commissioner  
Wellington, Kansas

Ed Nazar  
Commissioner  
Wichita, Kansas

*Commissioners List*

*01/12/2014*

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**Racing and Gaming Commission Fund Activity**  
Fiscal Years 1998 and 1999



	<i>State Racing Fund</i>	<i>General Fund</i>	<i>Horse Fair Racing Benefit Fund</i>	<i>Horse Breeding Development Fund</i>	<i>Racing Investigative Expense Fund</i>	<i>Greyhound Breeding Development Fund</i>	<i>Racing Reimbursable Expense Fund</i>	<i>Racing Applicant Deposit Fund</i>	<i>Tribal Gaming Fund</i>	<i>Totals</i>
<b>FY 1998</b>										
Beginning balance (7-1-97)	\$ 427,586	\$ -	\$ 265,827	\$ 133,581	\$ 4,892	\$ 260,270	\$ 103,843	\$ 635	\$ 995,825	\$ 2,192,441
Prior period adjustments	(15,116)		7,525						25,461	17,868
<b>Receipts</b>										
Revenue	3,503,813		726,515	406,514	36,232	358,681	113,184	36	1,337,713	6,482,888
General Fund transfer		630,597							434,676	1,065,273
<b>Disbursements</b>										
Operating expenditures	(2,048,919)	(630,597)	(710,765)	(449,187)	(21,232)	(256,077)	(38,159)		(1,423,982)	(5,576,898)
State Gaming Revenue Fund transfer	(1,598,007)									(1,598,007)
General Fund transfer									(217,338)	(217,338)
<b>Ending balance (6-30-98)</b>	<b>\$ 269,357</b>	<b>\$ -</b>	<b>\$ 289,102</b>	<b>\$ 90,888</b>	<b>\$ 19,892</b>	<b>\$ 362,874</b>	<b>\$ 180,868</b>	<b>\$ 671</b>	<b>\$ 1,152,375</b>	<b>\$ 2,366,027</b>
<b>FY 1999</b>										
Beginning balance (7-1-98)	\$ 269,357	\$ -	\$ 289,102	\$ 90,888	\$ 19,892	\$ 362,874	\$ 180,868	\$ 671	\$ 1,152,375	\$ 2,366,027
Prior period adjustments	30,787		500	0			1,200		45,099	77,586
<b>Receipts</b>										
Revenue	3,531,208		805,406	449,548	18,850	392,549	34,153	38	861,539	6,093,287
Operating transfer	60,557									60,557
General Fund transfer		-							450,000	450,000
<b>Disbursements</b>										
Operating expenditures	(2,792,912)	-	(663,991)	(438,580)	(18,850)	(353,102)	(36,134)		(1,052,140)	(5,355,689)
State Gaming Revenue Fund transfer	(846,697)									(646,697)
Operating transfer			(60,557)							(60,557)
Greyhound Tourism Fund transfer						(112,684)				(112,684)
General Fund transfer							(150,000)		(675,564)	(625,564)
<b>Ending balance (6-30-99)</b>	<b>\$ 452,298</b>	<b>\$ -</b>	<b>\$ 370,460</b>	<b>\$ 101,876</b>	<b>\$ 19,892</b>	<b>\$ 289,837</b>	<b>\$ 30,087</b>	<b>\$ 707</b>	<b>\$ 781,309</b>	<b>\$ 2,046,266</b>

# **Racing Program**



## Racing Program Offices



### Topeka Office

Kansas Racing and Gaming Commission  
3400 S.W. Van Buren Street  
Topeka, Kansas 66611-2228  
Phone: (785) 296-5800  
Fax: (785) 296-0900  
Homepage: [www.ink.org/public/krc](http://www.ink.org/public/krc)  
E-mail: [kracing@cjnetworks.com](mailto:kracing@cjnetworks.com)

### Field Offices

Kansas Racing and Gaming Commission  
c/o The Woodlands  
P.O. 12694  
Kansas City, Kansas 66112  
Phone: (913) 788-3621  
Fax: (913) 788-3881  
E-mail: [kracing@kcinter.net](mailto:kracing@kcinter.net)

Kansas Racing and Gaming Commission  
c/o Wichita Greyhound Park  
P.O. Box 277  
1500 East 77th Street North  
Valley Center, Kansas 67147-0277  
Phone: (316) 755-2736  
Fax: (316) 755-3294  
E-mail: [racing@feist.net](mailto:racing@feist.net)



## Racing Program Executive Staff



Myron E. Scafe  
Executive Director

Frances K. Snell  
Director of Racing

David E. Johnson  
Director of Security

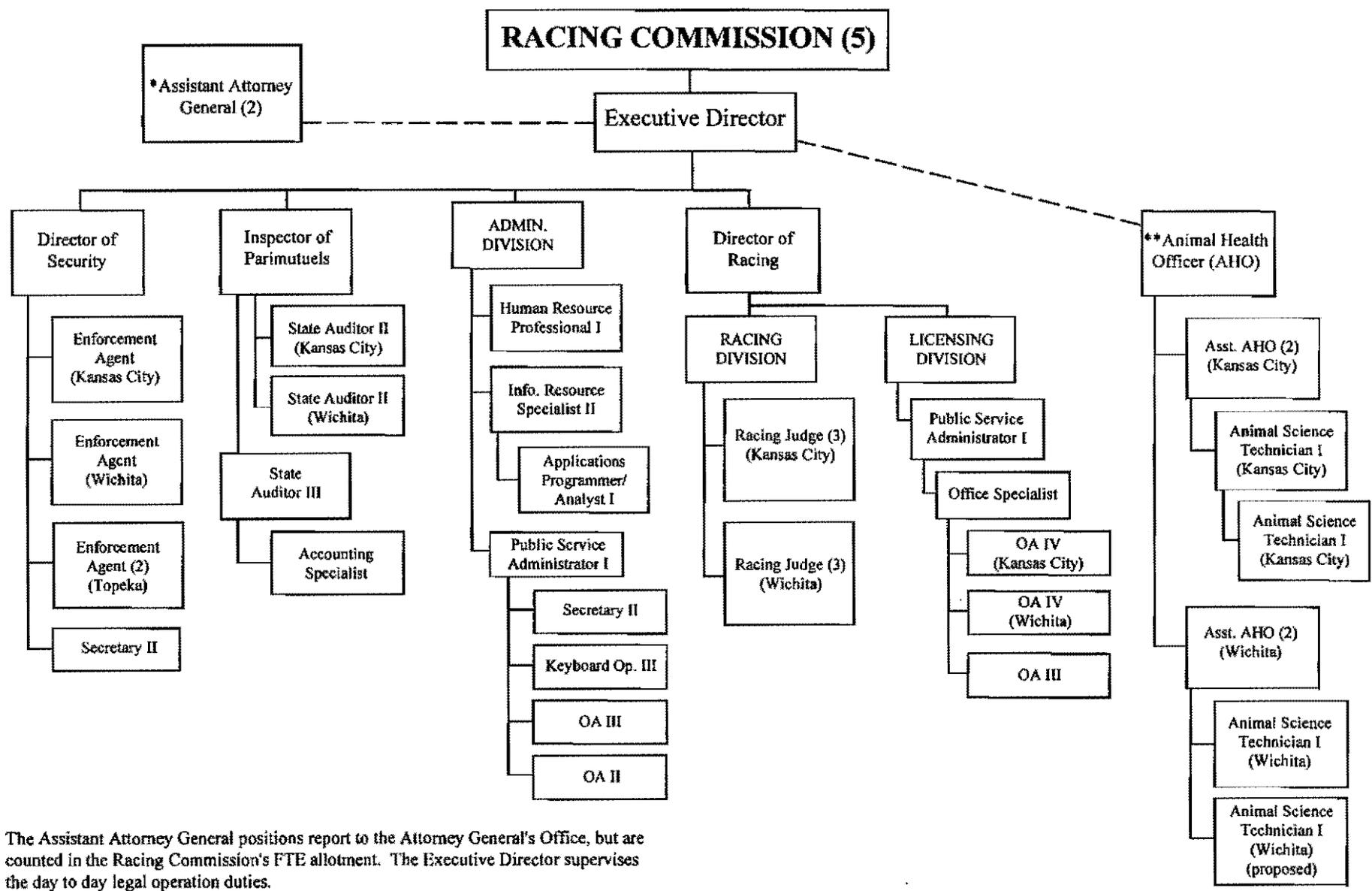
D. Bryce Peckham, DVM  
Animal Health Officer

Shirley K. Bowen  
Inspector of Parimutuels

Kit A. Bostrom  
Director of Licensing

Jerry B. Hathaway  
Assistant Attorney General

Debra L. Billingsley  
Assistant Attorney General



\* The Assistant Attorney General positions report to the Attorney General's Office, but are counted in the Racing Commission's FTE allotment. The Executive Director supervises the day to day legal operation duties.

\*\* The Animal Health Officers are under the direction of the Racing Commission and supervised by the Executive Director.

STATE OF KANSAS



3400 SW Van Buren St.  
Topeka, Kansas 66611-2228  
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E-mail Address: [kracing@cjnetworks.com](mailto:kracing@cjnetworks.com)

**KANSAS RACING AND GAMING COMMISSION**

April 11, 2000

The Honorable Bill Graves  
Governor  
State of Kansas  
State Capitol - Second Floor  
Topeka, KS 66612-1590

Dear Governor Graves:

The year of 1999 saw the ownerships at both the Woodlands and Wichita Greyhound Park settle in after changes through bankruptcy or purchase in 1998 and 1997, respectfully. The owners and operators at each facility have experienced the parimutuel business for at least one full year, so understand the racing industry and regulatory aspects have improved.

**THE WOODLANDS**

In 1998, Kansas Racing, LLC purchased the Woodlands facility, endeavoring to make it a viable horse and greyhound racing facility. The Woodlands is the only dual racetrack in the country, with separate facilities for each racing breed. Kansas Racing, LLC is owned by Mid Continent III and Empress Racing, LLC. Mid Continent III is owned by Mr. Bill Grace and his family of St. Joseph, Missouri, and Empress Racing, LLC is owned by several business people and residents of the Joliet, Illinois, area. Each firm owns 50 percent of Kansas Racing, LLC.

The new ownership brought in new management, improving communications not only between the owners and the Commission, but between the owners, management, employees, and patrons. New marketing methods improved and expanded advertising, improved food service, and better customer relations have led to an increase in the handle. Unfortunately, the new general manager recently moved to a new company, so the owners are again faced with locating new management.

**WOODLANDS HANDLE**

Live greyhound handle:	Up slightly from \$18,071,004 to \$18,137,794
Greyhound simulcast handle:	Down a percentage from \$15,174,342 to \$14,077,012
Live horse handle:	Down from \$1,461,998 to \$1,301,648
Horse simulcast handle:	Up from \$29,896,129 to \$31,932,319
Overall handle:	Up to \$65,448,773 from \$64,603,473

The Honorable Bill Graves

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April 11, 2000

### WICHITA GREYHOUND PARK (WGP)

This track operated for a second full year under the sole ownership of Mr. Phil Ruffin of Wichita, Kansas. In 1998, Mr. Ruffin made significant changes to the operation, resulting in significant increases in attendance and handle which, in 1999, has fallen off noticeably. Marketing and advertising efforts by the ownership are underway to improve this situation.

Additionally, during the past year, Mr. Ruffin and staff have established the potential of simulcasting WGP races into the casinos in the State of Nevada. If the reception by the patrons of the Nevada casinos is favorable, this would boost revenues to the owners and kennel operators. At this time, however, the kennels will not receive any additional funding as they have signed an agreement not to until such time as this program is deemed successful. The Commission has been working with Nevada's gaming board and WGP to enable this to occur.

In addition, Mr. Ruffin has applied to the Government of the Bahamas, where he owns the Crystal Palace (hotel and casino), to simulcast WGP races to that location. The Bahamian government has yet to approve his request and the Commission hasn't received an actual application for this proposal.

In late 1999, Mr. Ruffin purchased the Camptown greyhound track in Frontenac, Kansas, to resume racing. The Camptown facility has been closed since late 1995 after filing for bankruptcy. The anticipation is that this facility can reopen during the summer of 2000 after meeting all requirements.

### WGP HANDLE

Live greyhound handle:	Down to \$23,815,171 from \$29,508,617
Greyhound simulcast handle:	Up to \$13,337,888 from \$9,533,738
Horse simulcast handle:	Constant at \$12,535,609 in 1999 compared to \$12,113,531 in 1998
Overall handle:	Down at \$49,688,668 compared to \$51,155,886 the previous year

### EUREKA DOWNS

Eureka Downs is operated jointly by the Greenwood County Fair Association and the Kansas Quarter Horse Racing Association. In 1999, attendance was down to 7,739 from 8,086 the prior year, but live handle increased to \$347,034 in 1999 from \$319,214 in 1998. Simulcast handle was \$229,307. The 1998 meet was 21 days in length, running weekends only from May 1 through and including July 4.

Major funding for the meet is derived from a one-third share of the parimutuel tax on dog and horse simulcast races that provided \$500,000 in grant monies from the Commission. Of this amount, \$185,000 was designated for purses and the remaining funds were used for operating costs.

The Honorable Bill Graves  
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**ANTHONY DOWNS**

The Anthony Fair Association conducts an annual race meet of both greyhounds and horses in conjunction with their county fair. The meet operates for six days, running two consecutive weekends (Friday through Sunday). A grant from the Commission of \$150,000 was awarded to the fair association in 1999, with \$50,000 designated for purses. The handle dropped to \$141,974 in 1999 from \$161,060 in 1998. However, attendance was up slightly to 4,172 in 1999 from 4,134 in 1998.

**ADDITIONAL GAMING**

During the 1999 legislative session, both tracks in a concentrated effort tried to persuade the legislature to allow additional gaming by allowing slots through the Kansas Lottery. However, none of the breed associations were supportive, so the efforts failed. New efforts are anticipated during the 2000 legislative session.

Respectfully,

  
Gene M. Olander, Chair  
Kansas Racing and Gaming Commission

  
Myron E. Scafe, Executive Director  
Kansas Racing and Gaming Commission

GMO:MES:mrd



**Racing Program Fund Activity**  
Fiscal Years 1998 and 1999



	State Racing Fund	General Fund	Horse Fair Racing Benefit Fund	Horse Breeding Development Fund	Racing Investigative Expense Fund	Greyhound Breeding Development Fund	Racing Reimbursable Expense Fund	Racing Applicant Deposit Fund	Totals
<b>FY 1998</b>									
Beginning balance (7-1-97)	\$ 427,588	\$ -	\$ 265,827	\$ 133,561	\$ 4,892	\$ 260,270	\$ 103,843	\$ 635	\$ 1,196,618
Prior period adjustments	(15,118)		7,525						(7,593)
<b>Receipts</b>									
Revenue	3,503,813		728,515	406,514	38,232	358,681	113,184	36	5,144,975
General Fund transfer		630,597							630,597
<b>Disbursements</b>									
Operating expenditures	(2,048,919)	(830,597)	(710,765)	(440,187)	(21,232)	(256,077)	(38,159)		(4,152,936)
State Gaming Revenue Fund transfer	(1,598,007)								(1,598,007)
Ending balance (6-30-98)	<u>\$ 269,357</u>	<u>\$ -</u>	<u>\$ 289,102</u>	<u>\$ 90,888</u>	<u>\$ 19,892</u>	<u>\$ 362,874</u>	<u>\$ 180,868</u>	<u>\$ 671</u>	<u>\$ 1,213,652</u>
<b>FY 1999</b>									
Beginning balance (7-1-98)	\$ 269,357	\$ -	\$ 289,102	\$ 90,888	\$ 19,892	\$ 362,874	\$ 180,866	\$ 671	\$ 1,213,652
Prior period adjustments	30,787		500	0			1,200		32,467
<b>Receipts</b>									
Revenue	3,531,206		605,406	449,548	18,850	392,549	34,153	36	5,231,748
Operating transfer	60,557								60,557
<b>Disbursements</b>									
Operating expenditures	(2,792,912)	-	(663,991)	(438,560)	(18,850)	(353,102)	(36,134)		(4,303,549)
State Gaming Revenue Fund transfer	(648,897)								(648,897)
Operating transfer			(60,557)						(60,557)
Greyhound Tourism Fund transfer						(112,684)			(112,684)
General Fund transfer							(150,000)		(150,000)
Ending balance (6-30-99)	<u>\$ 452,298</u>	<u>\$ -</u>	<u>\$ 370,460</u>	<u>\$ 101,876</u>	<u>\$ 19,892</u>	<u>\$ 289,637</u>	<u>\$ 30,087</u>	<u>\$ 707</u>	<u>\$ 1,264,957</u>



**State Racing Fund  
Fiscal Years 99 and 98**



<b>Receipts:</b>	<b>FY 99</b>	<b>FY 98</b>	<b>% Increase/ (Decrease)</b>
Parimutuel tax	\$ 1,654,646	\$ 1,787,712	(7.4)%
Simulcast tax	1,610,811	1,453,030	10.9%
Admissions tax	44,595	62,068	(28.2)%
License fees	50,285	55,759	(9.8)%
Fines	15,870	20,332	(21.9)%
Daily license fees	126,600	124,800	1.4%
Miscellaneous revenue	28,399	112	25256.3%
<b>Total receipts</b>	<b>\$ 3,531,206</b>	<b>\$ 3,503,813</b>	<b>0.8%</b>
<b>Disbursements:</b>			
Salaries and wages	\$ (1,933,172) <sup>1</sup>	\$ (1,175,399)	64.5%
Contractual services	(694,720) <sup>2</sup>	(784,921)	(11.5)%
Commodities	(48,523)	(38,662)	25.5%
Capital outlay	(84,327)	(46,716)	80.5%
Miscellaneous	(32,170)	(3,221)	899%
<b>Total disbursements</b>	<b>\$ (2,792,912)</b>	<b>\$ (2,048,919)</b>	<b>36.3%</b>
<b>Transfers:</b>			
State Gaming Revenue Fund Transfer	\$ (646,697)	\$ (1,598,007)	(59.5)%
Horse Fair Racing Benefit Fund Transfer	60,557	-	100.0%
<b>Total transfers</b>	<b>\$ (586,140)</b>	<b>\$ (1,598,007)</b>	<b>(63.3)%</b>
<b>FTE</b>	<b>42.0</b>	<b>26.0</b>	<b>61.5%</b>

**State Racing Fund - K.S.A. 74-8826**

All taxes on live parimutuel wagering, admissions tax, application fees, license fees, and fines that were collected by the Commission were credited to the State Racing Fund. Two-thirds of the parimutuel taxes on simulcast performances were credited to the State Racing Fund. All operating expenses of the Commission were paid from the State Racing Fund. In FY 1999, any balance in the State Racing Fund in excess of \$250,000 was transferred on a monthly basis to the State Gaming Revenue Fund.

1. In FY 1998, the salaries for assistant animal health officers, stewards, and racing judges at the Wichita and Kansas City racetrack facilities were paid out of the State General Fund. In FY 99, these salaries were funded out of the State Racing Fund and no State General Fund money was used.

2. This amount included \$65,421 in contingent encumbrances that were canceled in July, 1999.



## State General Fund Fiscal Years 99 and 98



Receipts:	FY 99	FY 98	% Increase (Decrease)
General Fund appropriation	<u>\$ -</u>	<u>\$ 630,597</u>	<u>(100.0)%</u>
<b>Disbursements:</b>			
Salaries & wages	<u>\$ -</u>	<u>\$ (630,597)</u>	<u>(100.0)%</u>
FTE	<u>-</u>	<u>13.0</u>	<u>(100.0)%</u>

### State General Fund

As of December 1997, reimbursements for the services of assistant animal health officers, stewards, and racing judges at the Wichita and Kansas City racetrack facilities were no longer collected. In FY 1998, these salaries were paid out of the State General Fund and were not reimbursed by the licensee. Additional funds collected from the State Racing Fund were used to reimburse the State General Fund for payment of these salaries. In FY 99, these salaries were funded out of the State Racing Fund and no State General Fund money was used.



## Horse Fair Racing Benefit Fund Fiscal Years 99 and 98



<b>Receipts:</b>	<b>FY 99</b>	<b>FY 98</b>	<b>% Increase/ (Decrease)</b>
One-third of simulcast tax	<u>\$ 805,406</u>	<u>\$ 726,515</u>	<u>10.9%</u>
<b>Disbursements:</b>			
Anthony Fair Association grant	\$ (138,480)	\$ (160,000)	(13.5)%
Eureka Downs grant	(500,000)	(461,600)	8.3%
Administrative costs	(86,068)	(89,165)	(3.5)%
Total disbursements	<u>\$ (724,548)</u>	<u>\$ (710,765)</u>	<u>1.9%</u>

### Horse Fair Racing Benefit Fund - K.S.A. 74-8838

This fund's revenue is derived from one-third of the parimutuel taxes from simulcast races. The Commission distributes monies from the fund for expenses related to the conduct of a race meet conducted by a fair association or horsemen's nonprofit organization. Included in the administrative costs are the wages for stewards, racing judges, and assistant animal health officers performing services at such race meetings.

1. These grants represent payments during the KRGC fiscal year and may not match grant awards for the corresponding calendar year.



## Horse Breeding Development Fund Fiscal Years 99 and 98



<b>Receipts:</b>	<b>FY 99</b>	<b>FY 98</b>	<b>% Increase/ (Decrease)</b>
Breakage-live	\$ 15,070	\$ 12,391	21.6%
Breakage-simulcast	216,129	202,902	6.5%
<b>Total breakage</b>	<u>231,199</u>	<u>215,293</u>	<u>7.4%</u>
Outs-live	20,355	19,221	5.9%
Outs-simulcast	197,994	172,000	15.1%
<b>Total outs</b>	<u>218,349</u>	<u>191,221</u>	<u>14.2%</u>
<b>Total receipts</b>	<u>\$ 449,548</u>	<u>\$ 406,514</u>	<u>10.6%</u>
<b>Disbursements:</b>			
Purse supplements and breed awards	\$ (408,560)	\$ (450,364)	(9.3)%
Research grants	(30,000)	1,177	2648.9%
<b>Total disbursements</b>	<u>\$(438,560)</u>	<u>\$(449,187)</u>	<u>(2.4)%</u>

### Horse Breeding Development Fund - K.S.A. 74-8829

This fund's revenue is derived from breakage and unclaimed winning tickets from live and simulcast horse performances. The funds are distributed by the Commission for purse supplements, stakes races, and breed awards to animals registered in the Kansas Bred program. There are also equine research grants awarded by the Commission.



## Racing Investigative Expense Fund Fiscal Years 99 and 98



Receipts:	FY 99	FY 98	% Increase/ (Decrease)
Investigative fees	<u>\$ 18,850</u>	<u>\$ 36,232</u>	<u>(48.0)%</u>
<b>Disbursements:</b>			
Investigative costs	<u>\$ (18,850)</u>	<u>\$ (21,232)</u>	<u>(11.2)%</u>

### Racing Investigative Expense Fund - K.S.A. 74-8835

All expenses of investigation of an applicant's qualifications for licensure are paid from this fund. Whenever another state agency assists the Commission in investigations and incurs costs in addition to those attributed to operations of the agency, those costs are paid from this fund. The applicant reimburses the Commission for all costs related to their investigation.



**Greyhound Breeding Development Fund  
Fiscal Years 99 and 98**



<b>Receipts:</b>	<b>FY 99</b>	<b>FY 98</b>	<b>% Increase/ (Decrease)</b>
Outs-live	\$ 300,312	\$ 282,287	6.4%
Outs-simulcast	92,237	76,394	20.7%
<b>Total receipts</b>	<b>\$ 392,549</b>	<b>\$ 358,681</b>	<b>9.4%</b>
<b>Disbursements:</b>			
Breed stakes race awards	\$ (185,551)	\$ (97,560)	90.2%
Research grants	(167,551)	(18,517)	804.8%
K-State capital improvement	-	(140,000)	(100.0)%
<b>Total disbursements</b>	<b>\$ (353,102)</b>	<b>\$ (256,077)</b>	<b>37.9%</b>
<b>Transfers:</b>			
Kansas Greyhound Tourism Fund	\$ (112,684)	\$ -	100.0%

**Greyhound Breeding Development Fund - K.S.A. 74-8831**

This fund's revenue is derived from unclaimed winning tickets from greyhound races. Funds are distributed by the Commission as follows:

15% of the receipts are transferred to the Greyhound Tourism Fund. The transfer for FY 98 for \$53,802.13 was made in July 1998.

35% of the receipts are used to fund research conducted within the State of Kansas relating to the prevention of injury and disease of greyhounds.

50% of the receipts are returned to the track where they were used to supplement stake races for Kansas-whelped greyhounds.



**Racing Reimbursable Expense Fund  
Fiscal Years 99 and 98**



<b>Receipts:</b>	<b>FY 99</b>	<b>FY 98</b>	<b>% Increase (Decrease)</b>
<b>Reimbursed salaries:</b>			
Kansas City	\$ -	\$ 33,140	(100.0)%
Wichita	-	43,124	(100.0)%
Frontenac	-	-	(100.0)%
County Fairs	-	-	(100.0)%
Total salaries reimbursed	<u>-</u>	<u>76,264</u>	<u>(100.0)%</u>
Fingerprint fees	34,153	36,920	(7.5)%
Total receipts	<u>\$ 34,153</u>	<u>\$ 113,184</u>	<u>(69.8)%</u>
<b>Disbursements:</b>			
Salaries	\$ -	\$ -	0.0%
KBI -fingerprint charges	(36,134)	(36,159)	(0.1)%
Total disbursements	<u>\$ (36,134)</u>	<u>\$ (36,159)</u>	<u>(0.1)%</u>
<b>Transfers:</b>			
Transfer to State General Fund	<u>\$ 150,000</u>	<u>\$ -</u>	<u>100.0%</u>
FTE	<u>-</u>	<u>13.0</u>	<u>(100.0)%</u>

**Racing Reimbursable Expense Fund - K.S.A 74-8827**

As of December 1997, reimbursements for the services of assistant animal health officers, stewards, and racing judges at the Wichita and Kansas City racetrack facilities were no longer collected. These salaries were paid out of the State General Fund and were not reimbursed by the licensee. In FY 99, these salaries are funded out of the State Racing Fund and no State General Fund money is used. The transfer to the State General Fund is for reimbursement of salaries paid in FY 98.



## Racing Applicant Deposit Fund Fiscal Years 99 and 98



Receipts:	FY 99	FY 98	% Increase (Decrease)
Interest on deposit	\$ 35	\$ 36	(2.8)%

### Racing Applicant Deposit Fund - K.S.A. 74-8828

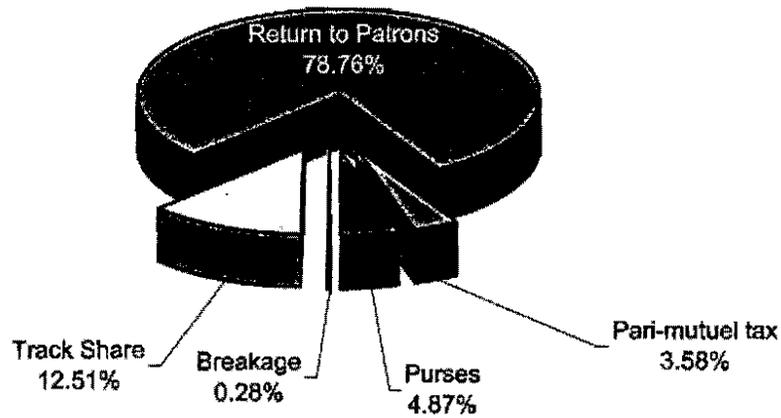
An applicant proposing to construct a racetrack facility is required at the time of making application to make a deposit. If the racetrack is constructed in accordance with the terms of the application, the deposit and interest are refunded. If the applicant fails to complete the racetrack facility in accordance with terms, the deposit and interest are forfeited by the applicant.



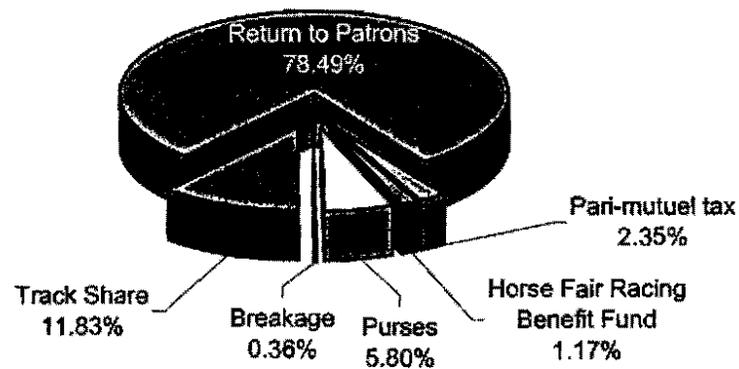
# The Wagering Dollar



## Live Racing - 1999



## Simulcast Racing - 1999

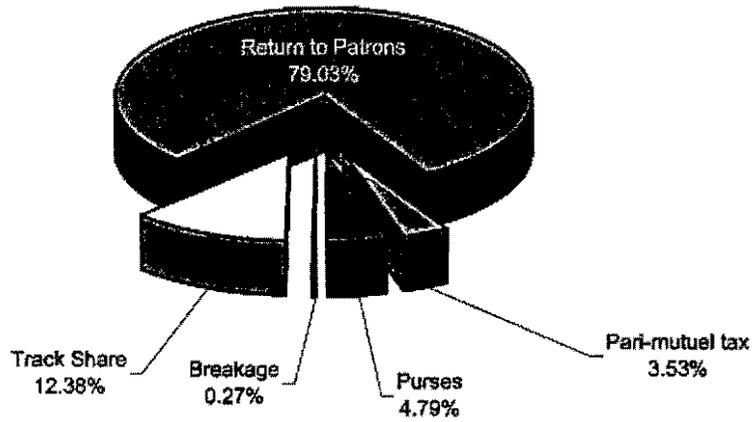




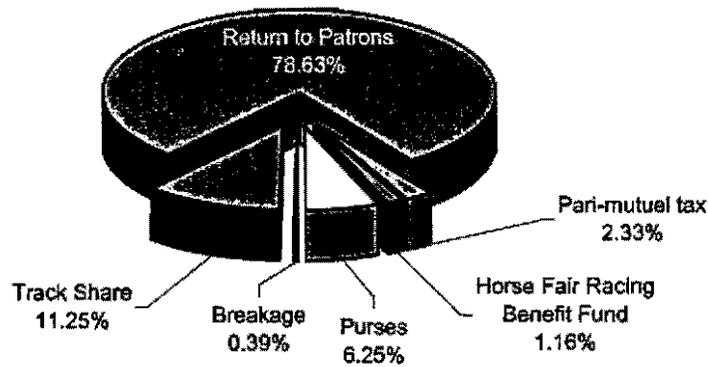
# The Wagering Dollar



## Live Racing - 1998



## Simulcast Racing - 1998





**Track Statistics**  
For Calendar Years 1999 and 1998



Handle	Woodlands		Wichita Greyhound Park	
	Kansas City, Kansas		Valley Center, Kansas	
	1999	1998	1999	1998
<b>Live</b>				
Horse	\$ 1,301,648	\$ 1,461,998	\$ -	\$ -
Greyhound	18,137,794	18,071,004	23,815,171	29,508,617
<b>Total live handle</b>	<u>19,439,442</u>	<u>19,533,002</u>	<u>23,815,171</u>	<u>29,508,617</u>
<b>Simulcast</b>				
Horse	31,932,319	29,896,129	12,535,609	12,113,531
Greyhound	14,077,012	15,174,342	13,337,888	9,533,738
<b>Total simulcast handle</b>	<u>46,009,331</u>	<u>45,070,471</u>	<u>25,873,497</u>	<u>21,647,269</u>
<b>Total handle</b>	<u>\$ 65,448,773</u>	<u>\$ 64,603,473</u>	<u>\$ 49,688,668</u>	<u>\$ 51,155,886</u>
<b>Purses</b>				
<b>Live</b>				
Horse	\$ 88,814	\$ 99,641	\$ -	\$ -
Greyhound	864,192	860,441	1,145,382	1,381,780
<b>Total live purses</b>	<u>953,006</u>	<u>960,082</u>	<u>1,145,382</u>	<u>1,381,780</u>
<b>Simulcast</b>				
Horse	1,341,485	1,243,103	181,932	173,675
Greyhound	1,328,503	1,591,363	1,320,399	1,161,822
<b>Total simulcast purses</b>	<u>2,669,988</u>	<u>2,834,466</u>	<u>1,502,331</u>	<u>1,335,497</u>
<b>Total purses</b>	<u>\$ 3,622,994</u>	<u>\$ 3,794,548</u>	<u>\$ 2,647,713</u>	<u>\$ 2,717,277</u>
<b>Race days</b>				
<b>Live</b>				
Horse	21	21	-	-
Greyhound	306	289	284	320
<b>Total race days</b>	<u>327</u>	<u>310</u>	<u>284</u>	<u>320</u>
<b>Performances</b>				
<b>Live</b>				
Horse	21	21	-	-
Greyhound	350	342	312	319
<b>Total live performances</b>	<u>371</u>	<u>363</u>	<u>312</u>	<u>319</u>
<b>Simulcast</b>				
Horse	1,866	1,579	1,618	1,580
Greyhound	1,778	1,458	2,562	1,364
<b>Total simulcast performances</b>	<u>3,644</u>	<u>3,037</u>	<u>4,180</u>	<u>2,944</u>
<b>Total performances</b>	<u>4,015</u>	<u>3,400</u>	<u>4,492</u>	<u>3,263</u>
<b>Attendance</b>				
<b>Live/simulcast</b>				
Horse	20,251	20,025	N/A	N/A
Greyhound	278,178	279,994	-	-
<b>Total attendance</b>	<u>298,429</u>	<u>300,019</u>	<u>-</u>	<u>-</u>



## Track Statistics For Calendar Years 1999 and 1998



	Woodlands		Wichita Greyhound Park	
	Kansas City Kansas		Valley Center, Kansas	
	1999	1998	1999	1998
<b>Pari-mutuel tax</b>				
Live				
Horse	\$ 44,406	\$ 49,820	\$ -	\$ -
Greyhound	648,033	645,236	858,938	1,036,309
Total live pari-mutuel tax	<u>692,439</u>	<u>695,056</u>	<u>858,938</u>	<u>1,036,309</u>
Simulcast				
Horse	1,058,807	989,431	431,003	N/A
Greyhound	532,432	564,485	512,435	N/A
Total simulcast pari-mutuel tax	<u>1,591,239</u>	<u>1,553,916</u>	<u>943,438</u>	<u>774,196</u>
<b>Total pari-mutuel tax</b>	<u>\$ 2,283,678</u>	<u>\$ 2,248,972</u>	<u>\$ 1,802,376</u>	<u>\$ 1,810,506</u>
<b>Outs</b>				
Live				
Horse	\$ 11,375	\$ 14,528	\$ -	\$ -
Greyhound	142,513	133,562	133,533	163,761
Total live outs	<u>153,888</u>	<u>148,090</u>	<u>133,533</u>	<u>163,761</u>
Simulcast				
Horse	128,071	129,976	66,194	65,942
Greyhound	52,706	59,078	64,287	33,159
Total simulcast outs	<u>180,777</u>	<u>189,054</u>	<u>130,482</u>	<u>99,101</u>
<b>Total outs</b>	<u>\$ 334,665</u>	<u>\$ 337,144</u>	<u>\$ 264,015</u>	<u>\$ 262,862</u>
<b>Breakage</b>				
Live				
Horse	\$ 9,786	\$ 9,867	\$ -	\$ -
Greyhound	54,607	56,187	53,747	60,610
Total live breakage	<u>64,393</u>	<u>66,054</u>	<u>53,747</u>	<u>60,610</u>
Simulcast				
Horse	153,706	145,657	55,864	68,973
Greyhound	27,144	30,436	19,057	13,174
Total simulcast breakage	<u>180,850</u>	<u>176,093</u>	<u>74,941</u>	<u>82,147</u>
<b>Total breakage</b>	<u>\$ 245,243</u>	<u>\$ 242,147</u>	<u>\$ 128,688</u>	<u>\$ 142,757</u>
<b>Admission tax</b>				
Live/Simulcast				
Horse	\$ 2,911	\$ 2,885	N/A	N/A
Greyhound	40,196	40,401	-	-
Total admission tax	<u>\$ 43,107</u>	<u>\$ 43,286</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Other taxes &amp; fees</b>				
Daily license fees	\$ 61,200	\$ 62,000	\$ 56,800	\$ 64,000
Licensing	28,073	28,953	11,880	15,577
Fines	7,220	8,058	5,747	4,896
Local ad valorem tax	-	-	-	-
<b>Total other taxes &amp; fees</b>	<u>\$ 96,493</u>	<u>\$ 99,011</u>	<u>\$ 74,427</u>	<u>\$ 84,473</u>



## Track Statistics

For Calendar Years 1999 and 1998



Handle	Eureka Downs Eureka, Kansas		Anthony Downs Anthony, Kansas	
	1999	1998	1999	1998
<b>Live</b>				
Horse	\$ 347,034	\$ 319,214	\$ 100,079	\$ 99,426
Greyhound	-	-	41,895	61,634
<b>Total live handle</b>	<b>347,034</b>	<b>319,214</b>	<b>141,974</b>	<b>161,060</b>
<b>Simulcast</b>				
Horse	229,307	201,093	-	-
Greyhound	-	-	-	-
<b>Total simulcast handle</b>	<b>229,307</b>	<b>201,093</b>	<b>-</b>	<b>-</b>
<b>Total handle</b>	<b>\$ 576,341</b>	<b>\$ 520,307</b>	<b>\$ 141,974</b>	<b>\$ 161,060</b>
<b>Purses</b>				
<b>Live</b>				
Horse	\$ 23,191	\$ 21,332	\$ 6,922	\$ 6,552
Greyhound	-	-	2,229	2,805
<b>Total live purses</b>	<b>23,191</b>	<b>21,332</b>	<b>9,151</b>	<b>9,357</b>
<b>Simulcast</b>				
Horse	13,380	9,412	-	-
Greyhound	-	-	-	-
<b>Total simulcast purses</b>	<b>13,380</b>	<b>9,412</b>	<b>-</b>	<b>-</b>
<b>Total purses</b>	<b>\$ 36,571</b>	<b>\$ 30,744</b>	<b>\$ 9,151</b>	<b>\$ 9,357</b>
<b>Race days</b>				
<b>Live</b>				
Horse	21	20	6	6
Greyhound	-	-	6	6
<b>Total race days</b>	<b>21</b>	<b>20</b>	<b>12</b>	<b>12</b>
<b>Performances</b>				
<b>Live</b>				
Horse	21	20	6	6
Greyhound	-	-	6	6
<b>Total live performances</b>	<b>21</b>	<b>20</b>	<b>12</b>	<b>12</b>
<b>Simulcast</b>				
Horse	56	36	-	-
Greyhound	-	-	-	-
<b>Total simulcast performances</b>	<b>56</b>	<b>36</b>	<b>-</b>	<b>-</b>
<b>Total performances</b>	<b>77</b>	<b>56</b>	<b>12</b>	<b>12</b>
<b>Attendance</b>				
<b>Live/simulcast</b>				
Horse	7,739	8,086	2,086	2,067
Greyhound	-	-	2,086	2,067
<b>Total attendance</b>	<b>7,739</b>	<b>8,086</b>	<b>4,172</b>	<b>4,134</b>



**Track Statistics**  
For Calendar Years 1999 and 1998



	Eureka Downs		Anthony Downs	
	Eureka, Kansas		Anthony, Kansas	
	1999	1998	1999	1998
<b>Pari-mutuel tax</b>				
Live				
Horse	\$ 11,592	\$ 10,679	\$ 3,462	\$ 3,277
Greyhound	-	-	1,672	2,104
Total live pari-mutuel tax	<u>11,592</u>	<u>10,679</u>	<u>5,134</u>	<u>5,381</u>
Simulcast				
Horse	7,038	6,175	-	-
Greyhound	-	-	-	-
Total simulcast pari-mutuel tax	<u>7,038</u>	<u>6,175</u>	<u>0</u>	<u>0</u>
<b>Total pari-mutuel tax</b>	<u>\$ 18,630</u>	<u>\$ 16,854</u>	<u>\$ 5,134</u>	<u>\$ 5,381</u>
<b>Outs</b>				
Live				
Horse	\$ 4,273	\$ 3,990	\$ 822	\$ 1,838
Greyhound	-	-	-	2,989
Total live outs	<u>4,273</u>	<u>3,990</u>	<u>822</u>	<u>4,827</u>
Simulcast				
Horse	2,853	2,077	-	-
Greyhound	-	-	-	-
Total simulcast outs	<u>2,853</u>	<u>2,077</u>	<u>-</u>	<u>-</u>
<b>Total outs</b>	<u>\$ 7,126</u>	<u>\$ 6,067</u>	<u>\$ 822</u>	<u>\$ 4,827</u>
<b>Breakage</b>				
Live				
Horse	\$ 4,038	\$ 3,663	\$ 1,233	\$ 1,309
Greyhound	-	-	563	525
Total live breakage	<u>4,038</u>	<u>3,663</u>	<u>1,796</u>	<u>1,834</u>
Simulcast				
Horse	1,502	1,436	-	-
Greyhound	-	-	-	-
Total simulcast breakage	<u>1,502</u>	<u>1,436</u>	<u>-</u>	<u>-</u>
<b>Total breakage</b>	<u>\$ 5,540</u>	<u>\$ 5,099</u>	<u>\$ 1,796</u>	<u>\$ 1,834</u>
<b>Admission tax</b>				
Live/Simulcast				
Horse	\$ 1,340	\$ 1,252	\$ 516	\$ 516
Greyhound	-	-	516	516
Total admission tax	<u>\$ 1,340</u>	<u>\$ 1,252</u>	<u>\$ 1,032</u>	<u>\$ 1,032</u>
<b>Other taxes &amp; fees</b>				
Daily license fees	\$ 2,100	\$ 2,000	\$ 600	\$ 600
Licensing	3,372	5,776	598	988
Fines	2,650	2,045	200	225
Local ad valorem tax	1,548	1,617	834	827
<b>Total other taxes &amp; fees</b>	<u>\$ 9,670</u>	<u>\$ 11,438</u>	<u>\$ 2,232</u>	<u>\$ 2,640</u>



## Track Statistics For Calendar Years 1999 and 1998



Handle	Overall Totals	
	1999	1998
Live		
Horse	\$ 1,748,761	\$ 1,880,638
Greyhound	41,994,860	47,641,255
Total live handle	<u>43,743,621</u>	<u>49,521,893</u>
Simulcast		
Horse	44,697,235	42,210,753
Greyhound	27,414,900	24,708,080
Total simulcast handle	<u>72,112,135</u>	<u>66,918,833</u>
Total handle	<u>\$ 115,855,756</u>	<u>\$ 116,440,726</u>
Purses		
Live		
Horse	\$ 118,927	\$ 127,525
Greyhound	2,011,803	2,245,026
Total live purses	<u>2,130,730</u>	<u>2,372,551</u>
Simulcast		
Horse	1,536,797	1,426,190
Greyhound	2,648,902	2,753,185
Total simulcast purses	<u>4,185,699</u>	<u>4,179,375</u>
Total purses	<u>\$ 6,316,429</u>	<u>\$ 6,551,926</u>
Race days		
Live		
Horse	48	47
Greyhound	596	615
Total race days	<u>644</u>	<u>662</u>
Performances		
Live		
Horse	48	47
Greyhound	668	667
Total live performances	<u>716</u>	<u>714</u>
Simulcast		
Horse	3,540	3,195
Greyhound	4,340	2,822
Total simulcast performances	<u>7,880</u>	<u>6,017</u>
Total performances	<u>8,596</u>	<u>6,731</u>
Attendance		
Live/simulcast		
Horse	30,076	30,178
Greyhound	280,264	282,061
Total attendance	<u>310,340</u>	<u>312,239</u>



**Track Statistics**  
For Calendar Years 1999 and 1998



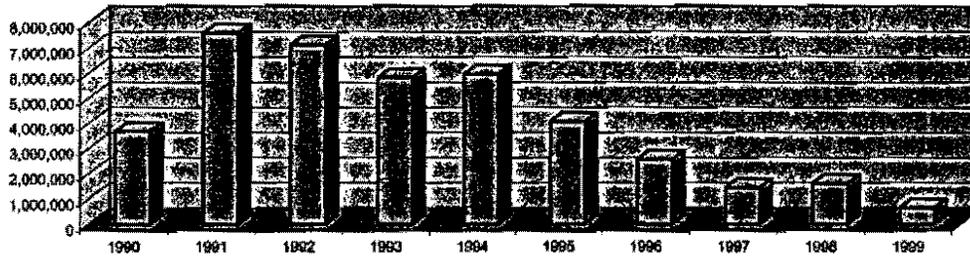
	Overall Totals	
	1999	1998
<b>Pari-mutuel tax</b>		
Live		
Horse	\$ 59,460	\$ 63,776
Greyhound	1,508,643	1,683,649
Total live pari-mutuel tax	<u>1,568,103</u>	<u>1,747,425</u>
Simulcast		
Horse	1,496,848	995,606
Greyhound	1,044,867	564,485
Total simulcast pari-mutuel tax	<u>2,541,715</u>	<u>2,334,267</u>
<b>Total pari-mutuel tax</b>	<u>\$ 4,109,818</u>	<u>\$ 4,061,712</u>
<b>Outs</b>		
Live		
Horse	\$ 16,470	\$ 20,356
Greyhound	276,046	300,312
Total live outs	<u>292,516</u>	<u>320,668</u>
Simulcast		
Horse	197,118	197,995
Greyhound	116,994	92,237
Total simulcast outs	<u>314,111</u>	<u>290,232</u>
<b>Total outs</b>	<u>\$ 606,628</u>	<u>\$ 610,900</u>
<b>Breakage</b>		
Live		
Horse	\$ 15,057	\$ 14,839
Greyhound	108,917	117,322
Total live breakage	<u>123,974</u>	<u>132,161</u>
Simulcast		
Horse	211,092	216,066
Greyhound	46,201	43,610
Total simulcast breakage	<u>257,293</u>	<u>259,676</u>
<b>Total breakage</b>	<u>\$ 381,267</u>	<u>\$ 391,837</u>
<b>Admission tax</b>		
Live/Simulcast		
Horse	\$ 4,767	\$ 4,653
Greyhound	40,712	40,917
Total admission tax	<u>\$ 45,479</u>	<u>\$ 45,570</u>
<b>Other taxes &amp; fees</b>		
Daily license fees	\$ 120,700	\$ 128,600
Licensing	43,923	51,294
Fines	15,817	15,224
Local ad valorem tax	2,382	2,444
<b>Total other taxes &amp; fees</b>	<u>\$ 182,822</u>	<u>\$ 197,562</u>



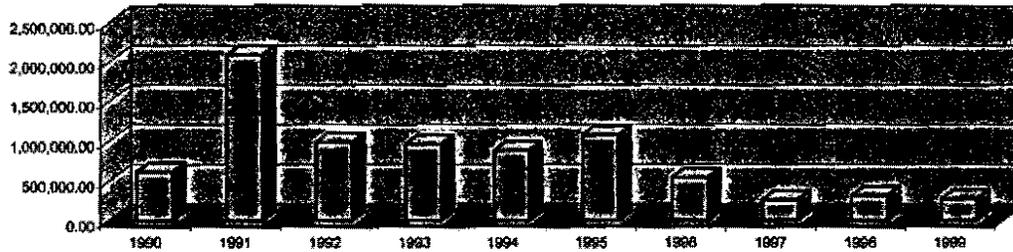
# Benefits of Parimutuel Racing



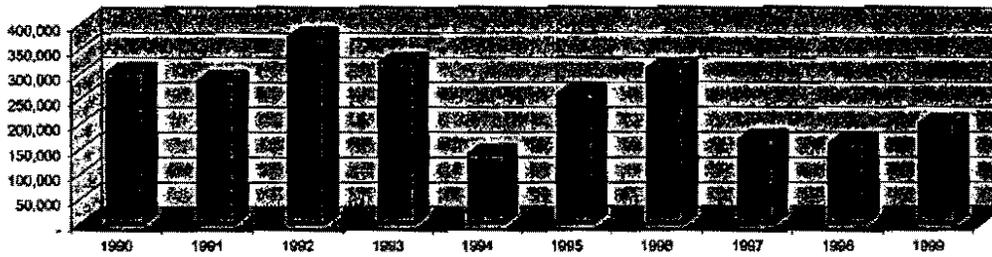
### Transfers to State Gaming Revenue Fund



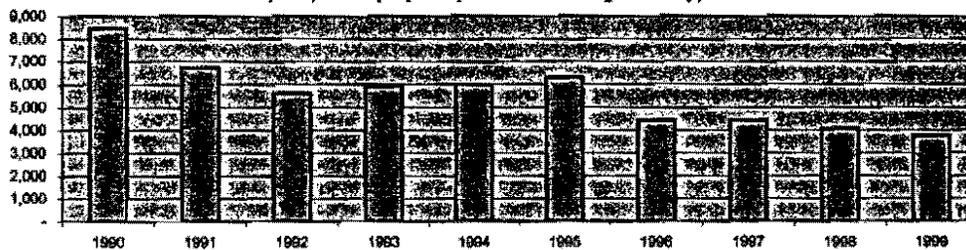
### Charitable Contributions



### Research Grants Funded



### Occupational Licenses Issued (People Employed by Kansas Racing Industry)





# Charitable Contributions



The Kansas parimutuel racing act directs that each organization licensee must distribute net earnings to 501(c)(3) nonprofits who are domiciled in and who will expend the monies in Kansas. The following schedule indicates the amount of charitable contributions by each organization licensee:

	Calendar Year	
	1999	1998
TRAK East	\$ 51,211	\$ 36,988
Wichita Greyhound Charities, Inc.	\$219,480	\$275,000

TRAK East is associated with the Woodlands Race Course and Woodlands Kennel Club. Wichita Greyhound Charities, Inc. is associated with Wichita Greyhound Park. The following reflects how these charitable distributions improve the quality of life for Kansans:

**TRAK EAST, INC. - 1999**

**(8 CONTRIBUTIONS)**

Temporary Lodging for Children	\$12,230
Family Service & Guidance Center of Topeka	\$8,039
Big Brothers/Big Sisters of Manhattan	\$8,000
Health Care Access	\$6,000
Court Appointed Special Advocate of the High Plains	\$5,000
Leavenworth Road Association	\$5,000
Wichita Audubon Society	\$4,000
Kansas Center for Canine Assistance	\$2,942

**WICHITA GREYHOUND CHARITIES, INC. - 1999**

**(55 CONTRIBUTIONS)**

Assistance League of Wichita	\$3,000
Barton County Historical Society	\$2,000
Big Brothers/Big Sisters of Sedgwick County	\$5,000
Boy Scouts of America Ozark Trails Council	\$1,000
Butler County Historical Society	\$1,500
Center of Hope	\$2,500
Cerebral Palsy Research Foundation of Kansas	\$5,000
Cimarron Valley Golf Association	\$5,000



## Charitable Contributions



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Crisis Center of Dodge City	\$600
Deaf and Hard of Hearing Services, Inc.	\$2,000
Disability Supports of the Great Plains, Inc.	\$2,000
Dyck Arboretum of the Plains/Hesston College	\$4,000
Envision	\$4,300
Exploration Place	\$10,000
Family Service and Guidance Center, Inc.	\$10,900
Heartspring	\$2,000
Junior Achievement of Wichita, Inc.	\$2,000
Kansas Foodbank Warehouse	\$5,000
Kansas Korean War Memorial Association	\$5,000
Kansas Special Olympics	\$1,680
Kansas Specialty Dog Service	\$5,000
Kansas Starbase	\$5,000
Leukemia Society of America - Kansas Chapter	\$2,500
Lindsborg Arts Council	\$1,500
Make-A-Wish Foundation of Kansas, Inc.	\$4,000
March of Dimes Ks./Western Mo. Chapter	\$10,000
Medical Service Bureau, Inc.	\$2,500
Metropolitan Ballet of Topeka	\$5,000
Metropolitan Ballet of Wichita	\$3,000
Mothers Day Out	\$5,000
Muscular Dystrophy Association	\$2,500
Music Theatre for Young People	\$2,000
Newman University	\$2,500
Newton Meals on Wheels, Inc.	\$2,000
Radio Kansas	\$2,000
Rainbows United, Inc.	\$5,000
Salina Art Center, Inc.	\$3,850
Salina Emergency Aid/Food Bank, Inc.	\$2,250
SANCHO	\$5,000
Sedgwick County Soldiers & Sailors Civil Memorial	\$5,000
Sedgwick County Zoo	\$12,500
Senior Services, Inc.	\$1,000
South Central Kansas Education Service Center	\$5,000
Sunflower Community Action	\$3,000
The Kansas CASA Association	\$1,000
TLC Greyhound Adoption	\$1,500
Wellington Academy, Inc.	\$5,400
Wichita Area Girl Scouts	\$2,000
Wichita Chamber Chorale, Inc.	\$5,250
Wichita Community Foundation	\$18,000
Wichita Jazz Festival, Inc.	\$3,500



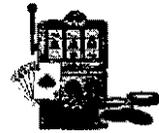
## Charitable Contributions



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Wichita Lifeline, Inc.	\$3,000
Wichita State University Endowment Association	\$5,000
Wichita Tigers Youth Football Association	\$1,000
Wichita/Sedgwick County Historical Museum	\$2,250

# Gaming Program



## Gaming Program Offices

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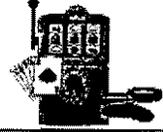
### Topeka Office

State Gaming Agency  
701 S.W. Jackson Street  
Suite 200  
Topeka, Kansas 66603-3729  
Phone: (785) 368-6202  
Fax: (785) 291-3798  
Homepage: [www.ink.org/public/ksga](http://www.ink.org/public/ksga)  
E-mail: [ksga@cjnetworks.com](mailto:ksga@cjnetworks.com)

*GPO/ndw*



## Gaming Program Executive Staff

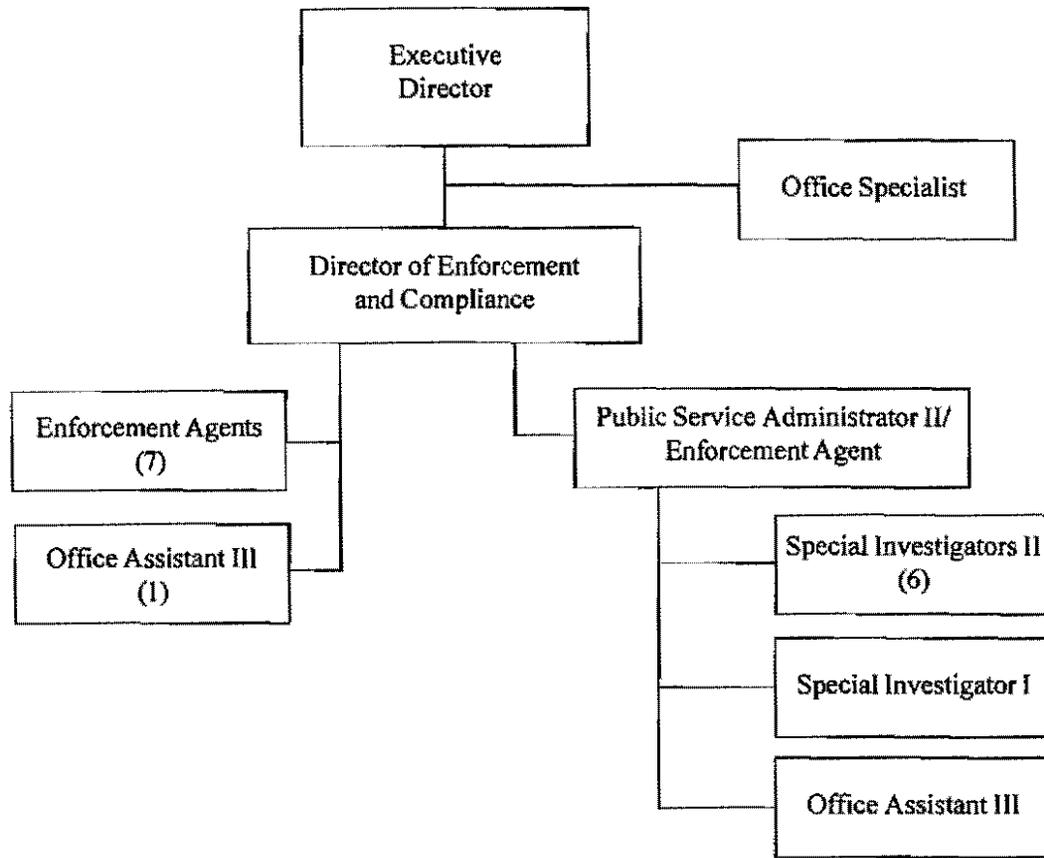


Tracy Diel  
Executive Director

Allen Jones  
Director of Enforcement and Compliance

*GP Executive Staff*

STATE GAMING AGENCY



35

*Need new for  
LW's*

**KANSAS**  
STATE GAMING AGENCY

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May 2, 2000



Honorable Bill Graves  
Governor, State of Kansas  
Statehouse, Room 212S  
Topeka, Kansas 66612-1590

Racing & Gaming Commission

Dear Governor Graves:

During Fiscal Year 1999, the State Gaming Agency has continued to mature as a state agency. This time has seen the productivity and efficiency of the agency increase. The agency has steadily improved on its efforts to enforce the Tribal-State Compacts, while at the same time fulfilling the State's responsibilities for monitoring and oversight at the tribal casinos.

Since the implementation of the Tribal Gaming Oversight Act and the transfer of the State Gaming Agency from Commerce and Housing to the Kansas Racing and Gaming Commission in July, 1996, the agency's responsibilities have steadily increased. At that time, there was only one Native American Indian casino in operation. This was the Golden Eagle Casino, which is owned and operated by the Kickapoo Tribe. It opened for business in May, 1996. Since that time, there have been three (3) other Native American Indian casinos which have opened in the State of Kansas. They are Harrah's Prairie Band Casino (temporary facility opened in October, 1996; permanent facility opened January, 1998), the Sac and Fox Casino (opened February, 1997) and Casino White Cloud (temporary facility opened May, 1998; permanent facility opened December, 1998), which is owned by the Iowa Tribe. Three of the four gaming facilities are open 24 hours a day, seven days a week, while Casino White Cloud operates on a more limited basis. At the present time, these four gaming facilities represent the four Tribal-State Compacts which have been entered into by the State of Kansas.

During Fiscal Year 1999 the four gaming facilities combined offered approximately 2100 electronic gaming devices (slot machines) and 76 table games (blackjack, craps, roulette). The four facilities when fully staffed employ approximately 2150 employees. These positions are divided into three gaming license categories. Category I employees, which include management, key gaming employees and gaming manufacturers and distributors. Category II employees, which include, but are not limited to security department personnel, dealers, slot technicians, croupiers, cashiers and vault personnel. Category III employees, which include maintenance workers, secretaries, waitresses and kitchen staff who work within the gaming facility.

In Fiscal Year 1997, the agency was allocated five (5) full-time positions. All gaming background investigations at that time were conducted by the Kansas Bureau of Investigation.

Beginning in Fiscal Year 1998, the agency took over the task of performing all category II gaming employee background investigations. All category I background investigations and gaming manufacturers and distributors remained with the KBI. As part of the plan to undertake this new set of responsibilities, the agency added six special investigators, one enforcement agent and one office support staff. Due to delays in hiring staff, the effective date of the transfer of the responsibility for category II background investigations from the KBI to this agency was September 1, 1997. Subsequently, in Fiscal Year 1999, all category I background investigation responsibilities were shifted from the KBI to the State Gaming Agency. This has meant the KBI is no longer involved in performing background investigations for employees at the four tribal gaming facilities located in the State of Kansas.

As part of the transfer of responsibilities from the KBI, the State Gaming Agency reviewed the background investigation process. This has led to a more streamlined background investigation process and a more effective way of managing the flow of background investigation information and has allowed the agency to provide information to the respective tribal gaming commissions in a more timely fashion. As of June 30, 1999, an initial background report is provided to a tribal gaming commission in an average of 52 days. This average time is 13 days faster than for the fiscal year ending June 30, 1998. This report contains a court check in the jurisdictions disclosed by the applicant, a check for outstanding warrants, motor vehicle record check, credit history check and a check of other gaming regulatory agencies. A final background report is then forwarded to the tribal gaming commissions when it is completed.

During the first fiscal year the State Gaming Agency (September, 1997 through June, 1998) handled category II background investigations, the agency received 1105 requests to perform background investigations. Compare this amount to the 938 requests received by the KBI for the period of December, 1995 to September, 1997. The State Gaming Agency completed 775 initial background investigation reports to the different tribal gaming commissions during Fiscal Year 1998. A total of 270 final background investigations were completed and provided to the tribal gaming commissions during this same time period. During Fiscal Year 1998 the tribal gaming commissions discontinued 354 of the requested background investigations prior to the report being completed. The number of discontinued background investigations is significant, because every background investigation request that is received by the Agency is worked. In many instances, background investigations which have been discontinued have had a substantial amount of resources expended on them before the State is notified the report is no longer needed.

During Fiscal Year 1999, the agency received 745 new requests for category II background investigations. The agency completed 619 initial background investigation reports during this fiscal year. A total of 555 completed background investigations were forwarded to the different tribal gaming commissions. During this fiscal year the tribal gaming commissions have discontinued 377 background investigations. These numbers reflect Fiscal Year 1999 background investigations and are in addition to the numbers previously referenced for Fiscal Year 1998.

In total since September 1, 1997 through June 30, 1999 the agency has received 1850

requests for category II background investigations. An initial background investigation report has been completed on 1394 individuals. A final completed background investigation report has been provided on 725 individuals. The tribal gaming commissions have discontinued 731 requests for background investigations. By comparison, during the time period the KBI handled category II background investigations, the numbers show 938 background investigation requests were received, 616 background investigation reports were completed and 322 requests for background investigations were discontinued.

As indicated previously, in Fiscal Year 1999, the agency has taken over category I background investigations. This eliminated the need for the KBI to perform gaming license background investigations. The State Gaming Agency was allocated an additional five enforcement agents, one special investigator and one office support staff in Fiscal Year 1999 to undertake this added responsibility. The KBI continued to work towards completing the background investigations which had been submitted to them prior to the change. No new category I background investigations were submitted to the KBI after June 12, 1998. The KBI was officially removed from the entire background investigation process in December, 1998.

During Fiscal Year 1999, the agency received 125 requests for category I background investigations. As of June 30, 1999, 99 background investigations were completed and 16 were discontinued by the tribal gaming commissions. This left 10 background investigations pending at the close of the fiscal year. A final category I background investigation report was completed in an average of 40 days. For Fiscal Year 1999, the agency received a combined 870 new category I and II background investigation requests. A total of 654 background investigations were completed and forwarded to the tribal gaming commissions.

As the responsibilities for providing background investigations has increased, the State Gaming Agency has continued to have enforcement agents closely monitor gaming at the four tribal casinos. Their purpose is to look for criminal violations of the Tribal Gaming Oversight Act, violations of the gaming facility internal controls and the Tribal-State Compacts. During Fiscal Year 1999 not all of the eight (8) enforcement agents positions assigned to the agency were filled. This was due to the hiring process. The agents working during Fiscal Year 1999 were involved 169 inspections and 63 investigations. Several of the investigations have resulted in criminal prosecutions in Brown and Jackson Counties.

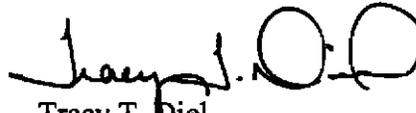
There are now twenty (20) full-time positions allocated to the State Gaming Agency. With the increase in personnel and the assumption of the background investigations from the KBI, the budget of the State Gaming Agency has increased. In Fiscal Year 1997, the agency's approved operating budget was \$366,000. In Fiscal Year 1998 agency operating budget increased to \$870,000 with the addition of personnel to handle category II background investigations. The Fiscal Year 1999 agency operating budget was approximately \$1,366,000. Pursuant to the Section 25 of the Tribal-State Compact, the costs of the State Gaming Agency are assessed to the four tribes who have entered into gaming compacts with the State of Kansas. This assessment is divided equally among the four tribes. Any funds not expended by the agency are credited to future assessments made by the Tribe's in accordance with the Tribal-State Compacts.

The State Gaming Agency will not be seeking any personnel expansion during the 2000 Legislative session, nor will there be a rise in the agency's operating budget for Fiscal Years 2000 and 2001. However, it is clear from the past history that the employee turnover rate is greater than the national average. Further, the increase in the level of visitors to the different casinos has brought with it a need for a greater presence in the gaming facilities. These issues will continue to strain the resources of the agency and will require an evaluation of the need to expand the level of personnel in the agency for the coming years.

Sincerely,



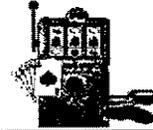
Gene M. Olander  
Chair  
Kansas Racing and Gaming Commission



Tracy T. Diel  
Executive Director  
State Gaming Agency



**Gaming Program Fund Activity  
Fiscal Years 1998 and 1999**



	<b>Tribal Gaming Fund</b>
<b>FY 1998</b>	
Beginning balance (7-1-97)	\$ 995,825
Prior period adjustments	25,461
<b>Receipts</b>	
Revenue	1,337,713
Operating Transfer	434,676
<b>Disbursements</b>	
Operating expenditures	(1,423,962)
Operating Transfer	(217,338)
Ending balance (6-30-98)	<u>\$ 1,152,375</u>
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<b>FY 1999</b>	
Beginning balance (7-1-98)	\$ 1,152,375
Prior period adjustments	45,099
<b>Receipts</b>	
Revenue	861,539
Operating Transfer	450,000
<b>Disbursements</b>	
Operating expenditures	(1,052,140)
Operating Transfer	(675,564)
Ending balance (6-30-99)	<u>\$ 781,309</u>



## Tribal Gaming Fund Fiscal Years 99 and 98



<b>Receipts:</b>	<b>FY 99</b>	<b>FY 98</b>	<b>% Increase/ (Decrease)</b>
Revenue	\$ 861,539	\$ 1,337,537	(35.6)%
Recovery of expenditures	-	176	(100.0)%
<b>Total receipts</b>	<b>\$ 861,539</b>	<b>\$ 1,337,713</b>	<b>(35.6)%</b>
<b>Disbursements:</b>			
Salaries and wages	\$ (607,741)	\$ (414,875)	46.5%
Contractual services - Operations	(416,841)	(952,313)	(56.2)%
Commodities	(6,776)	(9,651)	(29.8)%
Capital outlay	(20,782)	(47,123)	(55.9)%
<b>Total disbursements</b>	<b>\$ (1,052,140)</b>	<b>\$ (1,423,962)</b>	<b>(26.1)%</b>
<b>Transfers:</b>			
Operating transfer in	\$ 450,000	\$ 434,676	3.5%
Operating transfer out	(675,564)	(217,338)	210.8%
<b>Net transfers</b>	<b>\$ (225,564)</b>	<b>\$ 217,338</b>	<b>(203.8)%</b>