

KANSAS RACING AND GAMING COMMISSION

MINUTES – DECEMBER 13, 2013

CALL TO ORDER:
(A.)

Chairman Timothy Shultz called the December 13, 2013, meeting to order at 10:00 a.m. at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. In addition to Chairman Shultz, Commissioners Dennis McKinney, R. Eileen King and David H. Moses were present. Others present included Executive Director Richard Petersen-Klein, Director of Security Don Brownlee, Director of Administration and Finance Brandi White, General Counsel Judith Taylor, Director of IT and Electronic Security Dennis Bachman, recording secretary Chris Vega and other staff.

MOTION, APPROVE
AGENDA:
(B.)

Commissioner Moses (King) moved to approve the agenda. Motion passed unanimously.

MOTION, APPROVE
NOVEMBER 15, 2013,
MEETING MINUTES:
(C.)

Commissioner King (McKinney) moved to approve the minutes of the November 15, 2013 meeting. Motion passed unanimously.

MOTION, APPROVE
CONSENT AGENDA:
(D.)

Commissioner King (McKinney) 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:

- For the month of October 2013, Boot Hill Casino and Resort (BHCR) experienced an increase of four percent over prior month. This was prompted by an increase in table hold percentage and total table revenue.
- Weather has hurt business in the past week, but the beef promotions of one pound prime rib for \$9.99, a rib eye steak for \$12.99 and a filet mignon at \$14.99 have been positive. These promotions have been better at driving traffic through the doors than the giveaway promotions that BHCR has done in the past.
- The United Wireless Arena will host:
 - Its final concert of 2013 on December 19th.
 - Home games for an Arena Football League.
 - Alan Jackson, country singer, will perform on February 27, 2014.
- Commissioner McKinney asked Ms. Stroburg how communication and cooperation between BCHR and the United Wireless Arena has been going with Ms. Stroburg stating that everything is going great.

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

Scott Cooper, General Manager, reported:

- November admissions were up one percent from October 2013.
- November revenue numbers compared to October 2013:
 - Total gaming revenue up two percent.
 - Slot coin-in (handle) flat.
 - Slot win was up 3.8 percent. Hold up slightly.
 - Table game drop flat.
 - Table game win down six percent. Hold down 1.5 percent.
 - Poker room revenue up 3.6 percent.
- Panini Joe's (deli), originally opened with access to the hotel only, is now open with direct access from the casino.
- A proposal has been approved to modify the original space of the equestrian facility. Instead of the original 624 stalls that were approved, there will be around 200 or less permanent stalls but leaving availability to increase to 500, 600 or 800 stalls if needed. The equestrian facility was originally positioned in the south parking lot (old entry into the arena casino), eliminating 800 parking spaces. Under the new proposal, Kansas Star will move the permanent almost 200 stall facility west, using twenty to twenty-five percent of that parking space. Kansas Star Casino will build a 10,000 square foot structure for meeting/convention space, which will be built on the east side of the arena and attached to the casino and arena. This project is expected to be completed by January 2015. There are about ten equestrian events planned for 2014 and there will be plenty of parking to accommodate horse trailers.
- Upcoming Kansas Star Arena events are:
 - Celtic Woman concert on December 13, 2013.

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

Bob Sheldon, General Manager, reported:

- Visitation increased over November of last year and again contributed to increased gaming revenues year over year for the month.
- November revenue numbers compared to November 2012:
 - Total gaming revenue was \$10.9 million, up \$1.1 million, or eleven percent.
 - Table games revenue was \$1.6 million, down \$60,000, or four percent.
 - Slot revenue was \$9.3 million, up \$1.1 million, or fourteen percent.
- The normal compliment of weekly gaming promotions occurred throughout the month of November. In addition to

Hollywood Casino's Pigskin Playoff promotion, throughout November, slot patrons earned entries into the \$30,000 Cornucopia Giveaway. The prize drawing was held on November 29th, where the winners were awarded prizes ranging from \$500 up to \$15,000.

- The Thanksgiving holiday proved beneficial with business particularly strong on Black Friday following the Thanksgiving holiday.

PUBLIC COMMENTS;
(F.)

There were no public comments at this month's meeting.

STAFF REPORTS;
(G.1.)

Mr. Petersen-Klein, reported that:

- Voluntary Exclusion Program (VEP) has over 600 enrolled as of the end of November with 29 new applicants for the month of October 2013.
- KRGC is still working with the KDADS, Kansas Lottery, casino general managers and casino marketing officers to enhance problem gambling advertising. KDADS is rolling out a new awareness program.
- The next KRGC Commission meeting will be held on January 17, 2014.

MOTION, EXECUTIVE
SESSIONS:
(H.1.-2.)

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, director of security and security staff. The total combined time for the executive sessions was anticipated to be 25 minutes, preceded by a short break, from 10:25 a.m. until 11:00 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 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 McKinney (King) made a motion to adjourn to executive session. Motion passed unanimously. Adjourned to executive session at 10:27 a.m.

RECONVENE:

The commission meeting reconvened again at 11:06 a.m. with all members present as previously noted.

MOTION TO DENY,
CONDITIONALLY
APPROVE, APPROVE
REQUESTS FOR
RECONSIDERATION AND
TO APPROVE LICENSE

Commissioner King (McKinney) moved to *deny* four applications, *conditionally approve* two applications, *approve* one request for reconsideration and *approve* the remaining 112 license applications from the December 13, 2013 list of background reports referred to the commission for action. Motion passed unanimously.

APPLICATIONS
(I.1.)

ADJOURN:
(J.)

Chairman Shultz reminded all that the next commission meeting will be held on Friday, January 17, 2014 at 10:00 a.m. Commissioner Moses advised that he is scheduled to be in Jury Trial that week so he may or may not be in attendance. Commissioner King (McKinney) moved to adjourn the meeting. Motion passed unanimously. The commission meeting adjourned at 11:08 a.m.

SUBMITTED BY:

(Signature on File)
R. Eileen King
Secretary

APPROVED BY:

(Signature on File)
Timothy A. Shultz
Chair