

KANSAS RACING AND GAMING COMMISSION

MINUTES – MARCH 14, 2014

CALL TO ORDER:
(A.)

Chairman Timothy Shultz called the March 14, 2014, meeting to order at 9:58 a.m. at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. Commissioners Dennis McKinney, R. Eileen King and David H. Moses were present. Others 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.)

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

MOTION, APPROVE
FEBRUARY 21, 2014,
MEETING MINUTES AS
AMENDED:
(C.)

Motion was made that February 21, 2014 meeting minutes reflect that the year should reflect 2014 and not 2017. Commissioner King (McKinney) moved to approve the minutes of the February 21, 2014 meeting as amended. Motion passed unanimously.

MOTION, APPROVE
CONSENT AGENDA:
(D.)

Commissioner 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:

- For the month of February 2014, Boot Hill Casino and Resort (BHCR) experienced an increase of just over one percent over the prior month and 1.91 percent over February 2013. This was attributed to both an increase in slot and table hold, and ongoing marketing initiatives.
- BHCR has withdrawn from the Dodge City Chamber of Commerce, but continues to meet and discuss opportunities to work together.

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

Daniel Ihm, Assistant General Manager, reported:

- February admissions were down nineteen percent from February 2013.
- Ongoing design work continues for the proposed convention/meeting facility.
- February revenue numbers compared to February 2013:
 - Total gaming revenue down five percent.
 - Slot coin-in (handle) down ten percent.
 - Slot hold slightly higher.

- Table game drop down twelve percent.
- Table game hold down 4.3 percent.
- Poker room revenue down eighteen percent.
- Upcoming events at the Kansas Star Casino Arena are:
 - Circus, March 14th – March 16th
 - Bellator MMA, March 21st
 - Ron White, Comedian, April 4th
 - Asian Show, April 19th

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

Bob Sheldon, General Manager, reported:

- February revenue numbers compared to February 2013:
 - Total gaming revenue was \$10.9 million, up \$485,000, or 4.7 percent.
 - Table games revenue was \$1.5 million, down \$119,000, or 7.3 percent.
 - Slot revenue was \$9.3 million, up \$605,000, or almost 6.9 percent.
- Hollywood Casino's weekly marketing efforts remained consistent in February and also saw the culmination of the Marquee Millionaire promotion on February 14th.
- Weather adversely impacted the month affecting both revenue and patron count.

COMMISSION ITEMS;
(F.1.)

- Patsy Congrove, Director of Charitable Bingo, spoke about the Semi-Annual Activity Report of Inspections and Investigations of Bingo operation.
- Casino Mobile Gaming Test Report and Internal Control Amendment HW51 were discussed during Executive Session.

PUBLIC COMMENTS:
(G.)

There were no public comments at this meeting.

STAFF REPORTS;
(H.1.)

Mr. Petersen-Klein, reported:

- The Voluntary Exclusion Program currently has over 700 enrollees, with the majority of the enrollees from the South Central gaming zone.
- KRGC's financial report compares favorably to prior year and prior months.
- The Commission by statute elects the vice-chair and secretary annually. Chairman Shultz requested a motion to retain Commissioner McKinney as vice-chair and Commissioner King as secretary. Commissioner Moses (King) moved to retain officers in their current positions. Motion passed unanimously.
- Mr. Petersen-Klein announced that the next commission meeting will be held on April 11, 2014.

MOTION, EXECUTIVE
SESSIONS:
(I.)

Chairman Shultz moved that the commission go into executive session for the purpose of (1) attorney/client privilege (2) electronic security and (3) reviewing the list of confidential backgrounds for licensing. Those included in the executive sessions were the commissioners, executive director, general counsel, director of security and director of IT and electronic security. The total time for the executive sessions was anticipated to be one hour and fifteen minutes, from 10:30 a.m. until 11:50 a.m., preceded by a five minute break. 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 10:30 a.m.

RECONVENE:

The commission meeting was back in open session at 11:52 a.m. with all members present.

MOTION TO APPROVE
CASINO MOBILE GAMING
REPORT AND INTERNAL
CONTROL AMENDMENT
HW51

Commissioner King (McKinney) moved to approve Casino Mobile Gaming Report and Internal Control Amendment HW51. Motion passed unanimously.

MOTION TO
CONDITIONALLY
APPROVE, AND TO
APPROVE LICENSE
APPLICATIONS
(J.)

Commissioner King (McKinney) moved to *conditionally approve* one application, and *approve* the remaining 134 license applications from the March 14, 2014 list of background reports referred to the commission for action. Motion passed unanimously.

ADJOURN:
(K.)

Chairman Shultz reminded all that the next commission meeting will be held on April 11, 2014. Commissioner King (McKinney) moved to adjourn the meeting. Motion passed unanimously. The commission meeting adjourned at 11:56 a.m.

SUBMITTED BY:

R. Eileen King
Secretary

APPROVED BY:

Timothy A. Shultz
Chairman