

KANSAS RACING AND GAMING COMMISSION

MINUTES – OCTOBER 16, 2014

CALL TO ORDER:

(A.)

Chairman Timothy Shultz called the October 16, 2014, meeting to order at 1:00 p.m. at 700 SW Harrison, East Tower Conference Room, Suite 410, Topeka, Kansas. Commissioners Dennis McKinney, R. Eileen King, David H. Moses and Laura McConwell 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
AMENDED AGENDA:

(B.)

There was an amendment to the GLI Approval Letters with additions. Commissioner King (Moses) moved to approve the amended agenda. Motion passed unanimously.

MOTION, APPROVE
SEPTEMBER 12, 2014,
MEETING MINUTES:

(C.)

Commissioner King (McKinney) moved to approve the minutes of the September 12, 2014 meeting. 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 September 2014, Boot Hill Casino and Resort (BHCR) experienced a decrease in total gaming revenue of 3.93% over September 2013. Total slot revenue was down 11.30%, which was due to a decrease in coin in (handle pull) while table games revenue was down due to a decrease in hold percentage over previous year.
- BHCR is giving away two Jeep Cherokees to celebrate their fifth anniversary in December.
- Soap opera star, Eric Martsolf of Days of Our Lives, will be at the United Wireless Arena on October 18, 2014 for an autograph signing.

LOTTERY GAMING
FACILITY

Scott Cooper, General Manager, reported:

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

- September 2014 admissions were up 4% from September 2013. Total admissions for September were 205,881 or 6,863 average admissions per day.
- Construction of the Kansas Star Casino convention/meeting space and adjacent equestrian building continues and is on schedule for fourth quarter 2014 opening.
- The pavilion building shell is 95% complete.
- Construction of the valet bar is ongoing and should be completed around Thanksgiving.
- September 2014 revenue numbers compared to September 2013:
 - Total gaming revenue down 3%
 - Slot coin-in (handle) down 4%
 - Slot hold flat
 - Table game drop up 3.7%
 - Table game hold up 1.1%
 - Poker room revenue up 18%
- Upcoming events at the Kansas Star Casino Arena are:
 - October 16th – Taste of Derby
 - October 24th – Bellator MMA
 - November 7th & 8th – National Finals Steer Roping
 - December 19th – Celtic Woman concert

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

Bob Sheldon, General Manager, reported:

- September 2014 revenue numbers compared to September 2013:
 - Total gaming revenue was \$10.8 million, an increase of \$247,000, or 2.3%
 - Table games revenue was \$1.5 million, relatively flat compared to prior year
 - Slot revenue was \$9.2 million, an increase of \$254,000, or 2.8%
- Hollywood Casino offered the usual complement of marketing and promotional gaming offers and continued their variety of food specials offered in each of the restaurant outlets.
- Slot patrons continued to earn entries throughout September for the truck giveaway scheduled for the first week of October.
- Hollywood Casino held watch parties in the Turn 2 Sports

Bar and Restaurant on two different dates for the Sporting KC soccer road game and the Kansas City Chiefs road game with Denver, which featured prize drawings and visits from the Chiefs Cheerleaders and former players.

COMMISSION ITEMS –
OLD BUSINESS;
(F.)

There were no old business items.

COMMISSION ITEMS –
NEW BUSINESS;
(G.1.)

- Mr. Petersen-Klein announced that Chairman Shultz has decided to leave the commission to devote more time to his practice. Mr. Petersen-Klein thanked Chairman Shultz for his service to the commission and presented him with a plaque.
- Mr. Petersen-Klein presented the quarterly report on staff out-of-state travel, licensing and illegal gambling for third quarter 2014.

PUBLIC COMMENTS;
(H.)

There were no public comments.

STAFF REPORTS;
(I.)

Mr. Petersen-Klein, reported:

- Enrollment in the Voluntary Exclusion Program continues to progress with 25 new enrollees during the month of September, but enrollment was down compared to September 2013.
- KRGC's financial report compares favorably to prior year and prior months.
- The next Commission meeting will be Friday, November 14, 2014 at 10:00 a.m.

MOTION, EXECUTIVE
SESSIONS:
(J.)

Chairman Shultz moved for the commission to go into executive session for the purpose of (1) attorney/client privilege and (2) reviewing the list of confidential backgrounds for licensing. Those included in the executive sessions were the commissioners, executive director, general counsel, and director of security. The total time for the executive sessions was anticipated to be twenty five minutes, from 1:30 p.m. until 1:55 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 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. The motion passed unanimously and the meeting was adjourned to executive session at 1:30 p.m.

RECONVENE:

The commission meeting returned to open session at 1:56 p.m. with all members present as previously noted. Additional time in the amount of ten minutes was needed to review confidential backgrounds for licensing. The commission meeting adjourned by unanimous consent motion to resume executive session at 1:57 p.m.

RECONVENE:

The commission meeting returned to open session at 2:11 p.m. with all members present.

MOTION TO
CONDITIONALLY
APPROVE AND APPROVE
LICENSE APPLICATIONS
(K.)

Commissioner King (McConwell) moved to *conditionally approve* three applications for sixty days and *approve* the remaining 188 license applications from the October 16, 2014 list of background reports referred to the commission for action. Motion passed unanimously.

ADJOURN:
(L.)

Commissioner McKinney (King) moved to adjourn the meeting. Motion passed unanimously. The commission meeting adjourned at 2:13 p.m.

SUBMITTED BY:

R. Eileen King
Secretary

APPROVED BY:

Dennis McKinney
Acting Chairman