

KANSAS RACING AND GAMING COMMISSION

MINUTES – NOVEMBER 13, 2015

CALL TO ORDER:
(A.)

Acting Chairman Dennis McKinney called the November 13, 2015, meeting to order at 10:00 a.m. The meeting was held at the Eisenhower State Office Building located at 700 SW Harrison, East Tower Conference Room, in Topeka, Kansas. Commissioners R. Eileen King, Brandon L. Jones, and Jan Kessinger were also present. Commissioner David Moses was absent. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Finance, and Audit Brandi White, Director of IT and Electronic Security Dennis Bachman, Director of Security Larry Moreland, Recording Secretary Chris Vega and other staff.

MOTION, APPROVE
AMENDED AGENDA:
(B.)

There was one amendment to the agenda pertaining to Executive Sessions (item J. on the agenda), adding a personnel issue. Commissioner King (Kessinger) moved to approve the amended agenda. Motion carried unanimously.

MOTION, APPROVE
OCTOBER 16, 2015
MEETING MINUTES:
(C.)

Commissioner King (Kessinger) moved to approve the minutes of the October 16, 2015 meeting. Motion carried unanimously.

MOTION, APPROVE
CONSENT AGENDA:
(D.)

Commissioner Jones (Kessinger) moved to approve the consent agenda. Motion carried unanimously.

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

Sharon Stroburg, General Manager, reported:

- October 2015 revenue numbers compared to October 2014:
 - Total gaming revenue up 6.26%
 - Total slot revenue up 3.39%
 - Table games revenue up 33.71%
- Past casino promotions and events at the United Wireless Arena:
 - 2-1 Blackjack card for the month of October
 - Buffalo Packages the month of October
 - October 3 – Kansas
 - November 12 – Brett Eldredge & Thomas Rhett

- Upcoming casino promotions and events at the United Wireless Arena:
 - November 26 - Thanksgiving buffet
 - November 27 – December 20 – Food & Toy Drive

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

Dan Ihm, General Manager, reported:

- October 2015 admissions were up 4.9% from October 2014.
- October 2015 revenue numbers compared to October 2014:
 - Total gaming revenue up 7.1%
 - Slot coin-in (handle) up 3.4%
 - Slot hold up .43 points
 - Table game drop up 6.6%
 - Table game hold down .9 points
 - Poker room revenue down 16.3%
- Past events at the Kansas Star Casino Arena:
 - October 30 – November 1 – KHJA Horse Show
 - November 6 – 7 – National Finals Steer Roping
- Upcoming events at the Kansas Star Casino Arena:
 - November 21 – LeAnn Rimes
 - December 12 – Wynonna Judd
 - December 19 – Asian Variety Show

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

Rick Skinner, General Manager, reported:

- October 2015 revenue numbers compared to October 2014:
 - Total gaming revenue was \$11.7 million, an increase of \$329,000.00 or 2.9%.
 - Table games revenue was \$1.6 million, an increase of \$156,000.00 or 10.9%.
 - Slot revenue was \$10.1 million, an increase of \$173,000.00 or 1.7%.
- NASCAR race weekend was a success. On Friday night of race weekend, Hollywood gave away a 2015 Toyota Tundra to one lucky patron. On Sunday night after the race, a patron hit the Progressive Pai Gow jackpot for \$136,000.00.
- Upcoming events:
 - November 15 – KC Chiefs watch party
 - November 22 – KC Chiefs watch party sponsored by the Kansas Lottery. Guests can purchase \$3.00 or more of Powerball tickets with PowerPlay for a chance to win access to a KC Chiefs suite at a future

home game.

COMMISSION ITEMS –
OLD BUSINESS;
(F.)

Executive Director Brownlee presented and discussed the slot machine payout policy.

MOTION:

Commissioner Kessinger (King) moved to approve the slot machine payout policy as presented by Executive Director Brownlee. Motion carried unanimously.

COMMISSION ITEMS –
NEW BUSINESS;
(G.1. & G.2.)

- Executive Director Brownlee presented and discussed the adoption of technical standards.
- Executive Director Brownlee presented licensing regulation changes and Director of Security Moreland provided information regarding regulation changes for non-gaming suppliers and the renewal period. Mr. Moreland also provided a brief overview of how these two regulatory issues are handled in other jurisdictions. (Mr. Moreland's report is attached and made a part of the record.)

MOTION TO APPROVE
AND PROCEED WITH
PROCESS OF LICENSING
REGULATION CHANGES

Commissioner King (Kessinger) moved to approve and proceed with the process of licensing regulation changes. Motion carried unanimously.

PUBLIC COMMENTS;
(H.)

There were no public comments.

STAFF REPORTS;
(I.)

Michelle Neis, Enforcement Attorney, reported on the Voluntary Exclusion Program statistics for the month of October 2015.

Executive Director Brownlee, reported:

- Larry Moreland is now the Director of Security.
- The November 2016 commission meeting falls on Veteran's Day. Meeting moved from November 11, 2016 to November 18, 2016 at 10:00 a.m.
- The next KRGC meeting will be December 11, 2015 at 10:00 a.m.
- The February 12, 2016 KRGC meeting will be held in Kansas City, KS (location yet to be determined) so that the new commissioners can tour the Hollywood Casino.

MOTION, EXECUTIVE
SESSIONS:
(J.)

Acting Chairman McKinney moved for the commission to go into executive session for the purpose of (1) attorney/client privilege (2) personnel and (3) 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 forty-five minutes, preceded by a ten 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 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. Acting Chairman McKinney (King) made a motion to adjourn to executive session. The motion carried unanimously and the meeting was adjourned to executive session at 10:50 a.m.

RECONVENE

The commission meeting returned to open session at 11:46 a.m. with all members present.

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

Commissioner King (Kessinger) moved to *deny* two license applications, *conditionally approve for ninety days* one license application, and *approve* the remaining 163 license applications from the November 13, 2015 list of background reports referred to the commission for action. The motion carried unanimously.

ADJOURN:
(L.)

Acting Chairman McKinney declared the meeting adjourned at 11:47 a.m.

SUBMITTED BY:

R. Eileen King
Secretary

APPROVED BY:

Dennis McKinney
Acting Chairman

