

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – FEBRUARY 12, 2015

CALL TO ORDER:  
(A.)

Acting Chairman Dennis McKinney called the February 12, 2015, meeting to order at 10:00 a.m. located the Ramada Hotel and Convention Center at 420 SE Sixth Avenue, Alcoves 5 and 6, in Topeka, Kansas. Commissioners R. Eileen King, David H. Moses and Laura McConwell were also present. Others present included Interim Executive Director/Director of Security Don Brownlee, General Counsel Judith Taylor, 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 correct the date of the January minutes from January 16, 2014 to January 16, 2015 on the agenda. Commissioner King (Moses) moved to approve the agenda. Motion passed unanimously.

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

Commissioner King (McConwell) moved to approve the minutes of the January 16, 2015 meeting. Motion passed unanimously.

MOTION, APPROVE  
CONSENT AGENDA:  
(D.)

Commissioner King (McConwell) 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:

- January 2015 revenue numbers compared to January 2014:
  - Total gaming revenue up 8.78%
  - Total slot revenue up 9.02%
  - Table games revenue up 7.27%
  - Slot revenue was up 6.20% over last month (December 2014) and table games revenue was up 12.22%
- The statistics of BHCR's semi-annual responsible gaming report for the six month period of July 1, 2014 through December 31, 2014.

LOTTERY GAMING  
FACILITY

Dan Ihm, Assistant General Manager, reported:

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

- January 2015 admissions were up 4.7% from January 2014.
- January 2015 revenue numbers compared to January 2014:
  - Total gaming revenue up 5.7%
  - Slot coin-in (handle) up 6.6%
  - Slot hold flat
  - Table game drop up 2.2%
  - Table game hold flat
  - Poker room revenue up 11%
- Upcoming events at the Kansas Star Casino Arena:
  - February 14 – Rodney Carrington
  - February 17<sup>th</sup> – Maize wrestling tournament
  - March 21<sup>st</sup> – Styx concert
  - March 28<sup>th</sup> – Championship Bull Riding
- Upcoming events at the Kansas Star Casino Events Center:
  - February 13<sup>th</sup> – Comedian Tom Arnold
- The statistics of Kansas Star Casino's semi-annual responsible gaming report for the six month period of July 1, 2014 through December 31, 2014.

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

Bob Sheldon, General Manager, reported:

- January 2015 revenue numbers compared to January 2014:
  - Total gaming revenue was \$11.8 million, an increase of \$1.3 million or 12.5%
  - Table games revenue was \$1.8 million, a decrease of \$107,000 or 5.6%. While the volume of drop on table games had an increase over last year, the revenue decrease versus prior year was due to a higher than normal hold percentage in January 2014.
  - Slot revenue was \$10.0 million, an increase of \$1.4 million or 16.5%
- Hollywood Casino had a very good January supported by its consistent promotions both on the casino floor and in the food and beverage outlets. In addition, Hollywood Casino's Pigskin promotion culminated in two drawings in January. The final drawing was held on Friday, January 16<sup>th</sup> for the \$25,000 grand prize.
- January also saw the start of the Marquee Millionaire slot promotion which will conclude on February 20<sup>th</sup>.
- The good weather throughout most of the month of January was also a contributing factor to the growth over prior year in

which the cold temperatures and snow storms impacted performance.

COMMISSION ITEMS –  
OLD BUSINESS;  
(F.)

There were no old business items.

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

- Patsy Congrove, Administrator of Charitable Gaming for the Kansas Department of Revenue, presented the semi-annual activity report of inspections and investigations of bingo operations for the period of January 1, 2014 through June 30, 2014.

PUBLIC COMMENTS;  
(H.)

There were no public comments.

STAFF REPORTS;  
(I.)

Mr. Brownlee, Interim Executive Director, reported:

- Enrollment for the voluntary exclusion program for January 2015 was down from previous years.
- KRGC's financial report compares favorably to prior year and prior months.
- The next commission meeting will be held on March 13, 2015 at 10:00 a.m.

MOTION, EXECUTIVE  
SESSIONS:  
(J.)

Acting Chairman McKinney moved for the commission to go into executive session for the purpose of personnel issues. Those included in the executive sessions were the commissioners and the interim executive director. The total time for the executive sessions was anticipated to be one hour, from 10:20 a.m. until 11:20 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 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 (McConwell) made a motion to adjourn to executive session. The motion passed unanimously and the meeting was adjourned to executive session at 10:15 a.m.

RECONVENE:

The commission meeting returned to open session at 11:23 a.m. with all members present. Acting Chairman McKinney moved for the

commission to extend the executive session for an additional fifteen minutes for the purpose of personnel issues. Acting chairman McKinney (King) made a motion to adjourn to executive session. The motion passed unanimously and the meeting was adjourned to executive session at 11:25 a.m.

RECONVENE

The commission meeting returned to open session at 11:41 a.m. with all members present. Acting chairman McKinney moved for the commission to go back 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 commissions, interim executive director/director of security and general counsel. The total time for the executive sessions was anticipated to be one hour. 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. Chairman McKinney (King) made a motion to adjourn to executive session. The motion passed unanimously and the meeting was adjourned to executive session at 11:42 a.m.

RECONVENE

The commission meeting returned to open session at 12:46 p.m. with all members present.

MOTION TO DENY,  
CONDITIONALLY  
APPROVE FOR SIXTY  
DAYS, CONDITIONALLY  
APPROVE FOR ONE YEAR,  
AND APPROVE LICENSE  
APPLICATIONS  
(K.)

Commissioner King (McConwell) moved to *deny* one license application, *conditionally approve for sixty days* one license application, *conditionally approve for one year* one license application and *approve* the remaining 231 license applications from the February 12, 2015 list of background reports referred to the commission for action. The motion passed unanimously.

ADJOURN:  
(L.)

Acting Chairman McKinney declared the meeting adjourned at 12:47 p.m.

SUBMITTED BY:

*(Signature on file)*

R. Eileen King

Secretary

APPROVED BY:

*(Signature on file)*

Dennis McKinney

Acting Chairman