

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – JULY 23, 2015

CALL TO ORDER:  
(A.)

Acting Chairman Dennis McKinney called the July 23, 2015, meeting to order at 8:37 a.m. The meeting was held at the Eisenhower State Office Building at 700 SW Harrison, Auditorium B, in Topeka, Kansas. Commissioners R. Eileen King, David H. Moses and Brandon L. Jones were also present. Others present included Interim Executive Director/Director of Security Don Brownlee, General Counsel Judith Taylor, Director of Administration, Finance and Audit Brandi White, Director of IT and Electronic Security Dennis Bachman, Recording Secretary Chris Vega and other staff.

MOTION, APPROVE  
AGENDA:  
(B.)

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

MOTION, APPROVE  
JUNE 12, 2015 MEETING  
MINUTES:  
(C.)

Commissioner King (Moses) moved to approve the minutes of the June 12, 2015 meeting. Motion carried unanimously.

MOTION, APPROVAL JULY  
2, 2015 MEETING  
MINUTES:  
(C.)

Commissioner Jones (King) moved to approve the minutes of the July 2, 2015 meeting. Motion carried unanimously.

MOTION, APPROVE  
CONSENT AGENDA:  
(D.)

Commissioner King (Moses) 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:

- June 2015 revenue numbers compared to June 2014:
  - Total gaming revenue down 7.99%
  - Total slot revenue down 10.02%
  - Table games revenue up 8.28%
- Upcoming events at the United Wireless Arena and promotions:
  - 2-1 Blackjack card for the month of July
  - \$3 Blackjack 7 days a week
  - Buffalo Packages the month of July

- Begin earning entries for Dodge Ram on June 29, 2015. Drawing to be held on August 2, 2015
- July 2 & 3 – Red, White and Blue Suede Shoes Elvis
- July 24 – August 2 – Dodge City Days
- August 1, 2015 – Cattle Drive with Wild West Heritage Foundation

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

Dan Ihm, General Manager, reported:

- June 2015 admissions were down 4.8% from June 2014.
- June 2015 revenue numbers compared to June 2014:
  - Total gaming revenue down 3%
  - Slot coin-in (handle) down 4.2%
  - Slot hold up .17 points
  - Table game drop down 4.9%
  - Table game hold down .45 points
  - Poker room revenue down 9%
- Past events at the Kansas Star Casino Arena:
  - June 13 – Credence Clearwater Revisited
  - June 20 – Showdown in the Valley Car & Bike Show
  - June 26 – Bellator MMA
- Upcoming events at the Kansas Star Casino Arena:
  - July 31 – August 2 – Rack & Reel Hunting & Fishing Expo
  - August 8 – Deep Purple

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

John Canham, Interim General Manager, reported:

- June 2015 revenue numbers compared to June 2014:
  - Total gaming revenue was \$11.5 million, an increase of \$1.1 million or 10.2%.
  - Table games revenue was \$1.6 million, an increase of \$202,000.00 or 14.5%. Table volume was slightly behind prior year but hold percentage was significantly higher which accounted for most of the year-over-year increase.
  - Slot revenue was \$9.9 million, an increase of \$860,000.00 or 9.5%.
- Hollywood Casino had the normal complement of monthly promotional offers and restaurant specials.
- The month of June featured the culmination of Hollywood’s first “Spring into Summer” drawing with the grand prize

drawing on June 19th.

COMMISSION ITEMS –  
OLD BUSINESS;  
(F.)

There were no old business items.

COMMISSION ITEMS –  
NEW BUSINESS;  
(G.)

- Don Brownlee, Interim Executive Director, reported on staff out-of-state travel, licensing and illegal gambling for the second quarter of 2015.
- Brandi White, Director of Administration, Audit and Finance, discussed regulation 112-108-38(c).
- Patsy Congrove, Director of Charitable Bingo, reported on inspections and investigations of Bingo operations.

MOTION TO RECOMMEND  
THE COMMISSION DENY  
WAIVER OF 112-108-38 (C)

Commissioner Jones (King) moved to recommend that the Commission deny a waiver of 112-108-38(c) that is detrimental to the integrity of gaming. Motion carried unanimously.

PUBLIC COMMENTS;  
(H.)

Jerry Johnson, Kansas Horseman's Association, addressed the commission.

STAFF REPORTS;  
(I.)

Michelle Neis, reported:

- The Voluntary Exclusion Program statistics for the month of June 2015.

Interim Executive Director Brownlee, reported:

- KRGC's financial report compares favorably to prior year and prior months.
- Phil Ruffin has purchased the Woodlands racetrack to have pari-mutuel racing.
- The next few KRGC meetings are scheduled as follows:
  - August 14, 2015 at 10:00 a.m.
  - September 11, 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 (1) attorney/client privilege and (2) reviewing the list of confidential backgrounds for licensing. Those included in the executive sessions were the commissioners, interim executive director/director of security, general counsel and the security manager. 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. 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 9:43 a.m.

RECONVENE

The commission meeting returned to open session at 10:45 a.m. with all members present.

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

Commissioner King (McKinney) moved to *deny* two license applications, *conditionally approve* four license applications, *table* two license applications and *approve* the remaining 201 license applications from the July 23, 2015 list of background reports referred to the commission for action. The motion carried unanimously.

MISCELLANEOUS

Commissioner Jones has been appointed hearing officer for VEP case.

ADJOURN:  
(L.)

Acting Chairman McKinney declared the meeting adjourned at 10:50 a.m.

SUBMITTED BY:

(Signature on file)  
R. Eileen King  
Secretary

APPROVED BY:

(Signature on file)  
Dennis McKinney  
Acting Chairman