

KANSAS RACING AND GAMING COMMISSION

MINUTES – JANUARY 17, 2025

CALL TO ORDER (A.)

Chairman David Moses called the January 17, 2025, meeting to order at 10:00 a.m. The meeting was held at the Eisenhower State Office Building in Topeka, Kansas. Notice of this meeting was given to the public via the KRGC and Public Square websites and the agency's social media pages. Commissioners Brandon Jones, Larry Turnquist, and Mike Fleming were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of IT&C-s Dennis Bachman, Director of Security, Licensing, and Backgrounds Roger Bailey, Director of Gambling DJ Lopez, Director of Casino Operations Rick Wilson, Government Relations Manager Randy Evans, and other staff.

MOTION, APPROVE AGENDA (B.)

Executive Director Brownlee explained that staff did have an amendment to the agenda, the removal of an item from the Other Business section.

Commissioner Jones (Fleming) moved to approve the agenda as amended. Motion carried 4-0.

MOTION, APPROVE DECEMBER 13, 2024 MEETING MINUTES (C.)

Commissioner Fleming (Jones) moved to approve the minutes of the December 13, 2024 meeting. Motion carried 3-0.

Commissioner Turnquist abstained from voting as he was not present at the December 2024 meeting.

MOTION, APPROVE CONSENT AGENDA (D.)

Commissioner Turnquist (Jones) moved to approve the consent agenda (six items). Motion carried 4-0.

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

Ryan Deutsch, General Manager, reported:

- December 2024 revenue numbers compared to December 2023:
 - Total gaming revenue decreased 5.87%
 - Total slot revenue was down 7.85%
 - Table games revenue was up 10.62%
- December 2024 Sports Wagering revenue numbers
 - Retail Sportsbook Revenue \$19,699.00
 - Down 68.10% from December 2023.
 - Handle was up 11%
 - Hold was down 71%
 - Digital Sportsbook Revenue: \$4,128,568.00
 - Down 51.71% from December 2023
 - Handle was up 8%
 - Hold was down 46%
 - December Top Events
 - Bears vs Vikings
 - Texas vs Georgia
 - December Top Sports

- Winter Sit and Go Slot Tournaments | Thursdays in January | 5pm - 8:00pm
- 50th Anniversary Kiosk Game | Saturdays in January | 10am – 10pm
- Godinger Silverware Gift Giveaway | Friday, January 4 | 4pm-9pm
- Cutting Board/Scale Gift Giveaway | Friday, January 11 | 4pm-9pm
- Stone Bath Mat Gift Giveaway | Friday, January 18 | 4pm-9pm
- Electric Toothbrush Gift Giveaway | Friday, January 24 | 4pm – 9pm
- Amy Miller Bath Set | Friday, January 31 | 4pm-9pm
- Newly Hosted Event | Thursday, January 23 | Woodfire Grille | 7pm-8:30pm
- December Upcoming Entertainment & Events:
 - Cars for Charities | Century II Expo Hall | January 18-19
 - Asian Variety Show | Arena | Saturday, January 25 | 8pm
- Semi-Annual Responsible Gambling Report
 - During the second half of 2024, Kansas Star Casino processed 143 new team members through new hire orientation, Responsible Gaming, and Alcohol Awareness trainings.
 - All Front of House Food and Beverage managers and team members that participate in the serving of alcoholic beverages, all Security Staff, all Valet Staff, Slot Floor persons and above, Table Games Dealers and above, Surveillance Staff, and all Directors are subject to a more intensive alcohol awareness training program called, ServSafe.
 - In the second half of 2024, 135 team members took the ServSafe training, and 0 team members failed.
 - The Kansas Star Casino has 3 Responsible Gaming Trainers on property.
 - As of December 31, 2024, Kansas Star Casino had 620 active team members.
 - Underage individuals denied gaming floor access: 184
 - People denied access for not having ID: 489
 - People denied for invalid ID: 330
 - Intoxicated individuals denied gaming floor access: 127
 - VEPs denied access to the gaming floor: 10
 - There were 260 intoxicated individuals ejected from the casino.
 - 11 VEPs were removed and turned over to the KRGC and the Mulvane Police Department.
 - 1 underage person was caught and ejected from the casino
 - 135 persons were removed and 23 excluded from the casino for a variety of other reasons.
 - During the second half of 2024, there were 609,391 guests who entered the casino floor. Security team members checked 91,492 IDs. In addition, 106 ID checks took place on the gaming floor in situations involving suspected minors.
 - Several other ongoing efforts are noteworthy as the Kansas Star Casino is an active member and participant in the Kansas Coalition

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

on Problem Gambling, Problem Gambling Program Committee, and the South-Central Task Force on Problem Gambling.

- General Manager Kuplen announced that Kansas Star has a new Assistant General Manager Paul Stegner.

Lydia Garvey, General Manager, reported:

- December 2024 admissions were down 3.3% compared to December 2023
- December 2024 revenue numbers compared to December 2023:
 - Total gross gaming revenue increased 1.2%
 - Slot revenue increased 2.6%
 - Table games revenue decreased 8.9%
- December 2024 Sports Wagering revenue numbers
 - Retail Sportsbook Taxable Revenue: -\$252,382.00
 - Hold was -4%. This was driven by the NFL which had a hold of -11.28% and College Football which had a hold of 1.5%.
 - Retail Sportsbook: Top Sports
 - NFL was 46% of handle
 - College Football was 18% of handle
 - NBA was 15% of handle
 - College Basketball was 12% of handle
 - Digital Sportsbook Taxable Revenue: -\$184,656.00
 - Hold was negative. NFL had -6.6% and very low hold on College Football.
 - Digital Sportsbook: Top Sports
 - NFL was 41% of handle
 - College Football was 19% of handle
 - NBA was 14% of handle
- December Recent/Upcoming Events and Promotions:
 - December 28 - \$30K Winners Party
 - Highest Coin-In day in the history of the property, with the exception of opening day.
 - December 28 – Pick, Pull & Win
 - December 31 - \$25,000 for 2025
 - January 1 – New Year’s Pay Day
 - January 7 – Blizzard of Bonuses
 - Thursdays - January 9, 16, 23, and 30 – All Day Thursday Slot Tournaments
 - January 10 – Die of a Kind
 - Saturdays - January 11, 18, and 25 - \$100,000 Big Draw
 - January 24 – Hollywood Slot Point Race
 - February 1 – PENN Millionaire
- General Manager Garvey announced that an agreement had been reached with the Unified Government for an amendment to the development agreement and the facility is in the very early stages of pursuing the construction of a hotel adjacent to the casino. Chairman Moses congratulated General Manager Garvey and commented that he presumed there was not a target date for opening. General Manager Garvey confirmed that there was not a target opening date at this time,

but that she expects things will really firm up in the next 90-days and she will have more information.

- Commissioner Fleming asked if there was any expectation for the number of beds. General Manager Garvey responded that it was too early to tell.
- Commissioner Fleming asked if General Manager Garvey has heard any rumors about the Chiefs relocation. General Manager Garvey stated that the rumor she heard was that the Hunts would prefer to stay in Missouri and renovate the area and stadium.
- Semi-Annual Responsible Gambling Report
 - At the end of the reporting period, Hollywood Casino has a total of 472 employees. During the reporting period, 151 employees were hired.
 - All employees hired during the reporting period received initial training on responsible gaming during property orientation.
 - Of those new hires, 39 were hired into positions which require additional training to understand the proper procedures for responsible alcohol service. All of those employees successfully completed the TiPS training. In addition, there were 13 existing employees who successfully completed refresher TiPS training and 7 employees that transferred into new positions that required them to be TiPS certified.
 - 72 minors were refused entry to the casino
 - 3 minor gained access to the casino
 - 170 individuals were refused entry because of appearing intoxicated
 - 13 VEPs gained access to the casino
 - PENN Entertainment and Hollywood Casino participated in Responsible Gaming Education Month in September.
 - PENN Entertainment developed a promotion for the general public where they had the opportunity to review some responsible gaming content, take a brief quiz on that content, and be entered into a drawing for a chance to win a cruise for two on Norwegian Cruise Lines.
 - Hollywood Casino posted responsible gaming related signage throughout the casino and back of house areas. In addition, we held drawings and awarded prizes to our team members who completed responsible gaming related quizzes and word searches throughout the month.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
KANSAS CROSSING
CASINO
(E.4.a.)

Jeff McKain, General Manager, reported:

- December 2024 admissions down 1.6% compared to December 2023
- December 2024 revenue numbers compared to December 2023:
 - Coin in was down 1.8%
 - Table games was down 10.2%
 - Net gaming revenue was up 5.7%
- December 2024 Sports Wagering revenue numbers
 - Retail Sportsbook Taxable Revenue: -\$12,658.00
 - Down compared to December 2023's revenue of \$27,755

- Retail wagers were \$864,982 vs \$772,710 in 2023, an increase of 12%.
- Digital Sportsbook Taxable Revenue: \$474,458.00.
 - Down compared to December 2023's revenue of \$3,669,226.00
 - Digital wagers were up 32% coming in at \$49,565,269.00
 - Chairman Moses asked if the reported figures were correct in that there was a \$3.2 million drop in revenue from year-to-year. General Manager McKain confirmed the figures were correct and noted that the total amount wagered year-to-year was up. Chairman Moses asked if there was an explanation for the drop in revenue. General Manager McKain responded that the patrons had placed very good bets. Chairman Moses asked which sportsbooks the facility is partnered with. General Manager McKain stated BetFanatics, BetMGM, and Caesars. Chairman Moses asked if all three sportsbooks experienced a severe drop. General Manager McKain explained that one sportsbook was significantly worse than the other two. Chairman Moses asked if this is a one-off or if this could be routine. General Manager McKain responded that this was pretty significant and that he believes it will not occur frequently.
- Top Sports
 - NFL was 52% of handle
 - College Football was 25% of handle
 - College Basketball was 12% of handle.
- Largest winning wager \$17,000 on Bengals vs. Cowboys.
- Largest losing wager was a \$20,000 money line wager, on the Pittsburgh Steelers.
- Events and Promotions:
 - December
 - Casino Hot Seats every Monday.
 - Kiosk games on Tuesdays.
 - *Camp 49* promotions every Wednesday.
 - *Christmas Cash Climb* promotion every Friday.
 - Casino gifts on Sunday.
 - Corall events include *That Arena Rock Show* on the 14th, *Mixtapes* on the 28th and *The Breakfast Club* on the 31st.
 - January
 - Kiosk games on Mondays and Tuesdays.
 - *Camp 49* promotions every Wednesday.
 - *Pigskin Prizes* promotion every Friday.
 - Casino gifts on Sundays.
- Semi-Annual Responsible Gambling Report
 - 194 active team members as of January 01, 2025

- 51 team members hired since July 1, 2024 (32 remain employed)
- 1 inactive team member (on leave)
- Out of 124 team members requiring TIPS training:
 - 19 new hires have required certification (hired since 7/1/2024)
 - 32 are pending recertification
 - 3 need Alcohol Awareness
 - 3 team members are certified trainers
- All team members received Responsible Gambling training in 2024
- Kansas Crossing participated in Responsible Gambling Education Month in September 2024. KCC had activities to improve team member knowledge and stress the importance of Responsible Gambling for the casino and the community.
- 163 Minors were refused entry attempting to enter the casino floor
 - 1 Minor was ejected from the casino floor
- 61 Patrons seemingly impaired were refused entry to the casino floor
- 38 Patrons seemingly impaired were ejected from the casino floor
- 2 VEPs were removed or excluded from the casino floor
- 82 InvAllid IDs were refused entry to the casino floor
- 332 No IDs were refused entry to the casino floor

HISTORICAL HORSE
RACING FACILITY
LICENSEE
REPORTS/ITEMS;
GOLDEN CIRCLE
(E.5.a.)

Scott Beeler, Golden Circle Representative, reported:

- Seamus Wamsley, associate of Jason Watkins, accompanied Mr. Beeler to the commission meeting.
- Construction continues, the weather has not impeded the work and the project remains on track for a late 2025 opening.
- That there was an article in the Wichita Business Journal regarding some of the amenities that have been added to the project. It also refers a seven to one favorable vote for industrial revenue bond.

COMMISSION ITEMS –
OLD BUSINESS (F.)

There was no old business.

COMMISSION ITEMS –
NEW BUSINESS;
ELECTION OF VICE
CHAIR AND
SECRETARY
(G.)

The Kansas Racing and Gaming Commission is required by state statute K.S.A. 74-8803(i) to annually elect a vice chair and secretary. Commissioner Jones is the current vice chair. Commissioner Turnquist is the current secretary.

Commissioner Fleming (Jones) nominated Commissioner Turnquist as Secretary. The nomination carried by acclamation. Commissioner Turnquist (Fleming) nominated Commissioner Jones as Vice Chair. The nomination carried by acclamation.

PUBLIC COMMENTS
(H.)

There were no public comments.

STAFF REPORTS
(I.1. and I.2.)

Garrett Rogers, Paralegal, reported on both the Voluntary Exclusion Program and Sports Wagering Exclusion Program statistics for the months of December 2024 and the 2024 fourth-quarter illegal gambling report.

Government Relations Manager Randy Evans reported:

- The Legislature opened session on Monday of this week.
- Very few bills have been introduced and no bills have been introduced that will be concern for KRGC.
- On Wednesday of next week there is a budget hearing that Director of Administration, Audit, and Finance Brandi White will be attending.
- Chairman Moses recalled that there was a pre-filed or carried over bill regarding smokeless casinos. Mr. Evans responded that the bill had not yet received a hearing or been worked. Chairman Moses noted that Mr. Evans likely then has not been able to review it to see if it is different than the previous legislation. Mr. Evans confirmed that was accurate.

Executive Director Brownlee reported:

- KRGC staff congratulate Ryan Deutsch in his selection as General Manager and welcome Paul Stegner back to Kansas.
- KRGC has hired a new IT support employee, Triston Burr.
- KRGC is in the process of updating IT equipment in field offices this year.
- The legislature has altered their methods of budget review, the legislators are receiving budgets prior to session, and meet with agency staff prior to session, all to get a jump start on approving budgets once the session has begun. There are still a lot of unknowns of how that process will interact with the Governor's budget recommendations.
- Additionally, KRGC received notice that the Chairman of the House Appropriations Committee has requested agencies provide a proposal that would reduce each agencies State General Fund budget request by 7.5%. KRGC does not use any general fund monies, so one would think that this would not involve this agency. However, frequently in the past KRGC has been held to same budget standards even though the agency does not use general fund money.
- Governor Kelly is recommending a 2.5% pay raise for state government employees.
- Missouri passed legislation recently to offer sports wagering. Their legislation required that they have it operating by December 1st, 2025. The Missouri Gaming Commission has reported that they intend to have sports wagering operating this summer.
- The next commission meeting is scheduled for February 14, 2025 in Topeka at 10:00am.

- Chairman Moses noted that one of the commissioners has a conflict for the March 14th meeting date. Chairman Moses suggested that since there will still be a quorum with a commissioner missing, that the meeting remain as scheduled. Chairman Moses asked if the Executive Director had any thoughts on this. Executive Director Brownlee noted that it easier for staff for the meeting to remain as scheduled, but if a change is requested staff can accommodate. The commissioners agreed to leave the meeting as scheduled.

MOTION, EXECUTIVE SESSION;
CONFIDENTIAL BACKGROUND REPORTS
(J.1.)

Commissioner Jones (Fleming) moved that the Commission go into executive session for the purpose of reviewing confidential background reports presented today by the commission's security division. In addition to the commissioners, the confidential background reports portion included the executive director, general counsel, and director of security, licensing, and backgrounds. The total time for the executive session was anticipated to be seven (7) minutes until 10:55 a.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. The motion carried 4-0, and the meeting was adjourned to executive session at 10:48 a.m.

RECONVENE
(J.2.)

The commission meeting returned to open session at 10:55 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, and Commissioner Fleming present.

MOTION, EXECUTIVE SESSION; ATTORNEY-CLIENT PRIVILEGE
(K.1)

Commissioner Fleming (Turnquist) moved that the Commission go into executive session for the purpose of consulting with the agency's attorney on attorney-client privileged communications. In addition to the commissioners, the attorney-client privileged communications will include the executive director, general counsel, and staff attorney James Bain as needed. After discussion, the total time for the executive session was anticipated to be sixty (60) minutes until 11:57 a.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. The motion carried 4-0, and the meeting was adjourned to executive session at 11:57 a.m.

RECONVENE
(K.2.)

The commission meeting returned to open session at 11:57 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, and Commissioner Fleming present.

Chairman Moses noted for the record that substantive discussion was ended at 12:25 p.m.

MOTIONS ON LICENSE
APPLICATIONS
(L.)

Commissioner Turnquist (Jones) moved to *conditionally approve one* license application and *approve the remaining 184* license applications from the January 17, 2025, list of background reports referred to the commission for action. The motion carried 4-0.

OTHER BUSINESS
(M.)

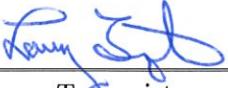
There were no other items for discussion or motion.

ADJOURNMENT
(N.)

Chairman Moses stated that the February 14, 2025, commission meeting will begin at 10:00 a.m. for an in-person meeting at the Eisenhower State Office Building in Topeka, Kansas.

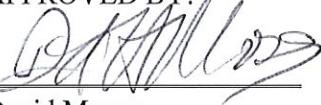
Commissioner Jones (Fleming) moved to adjourn the meeting. Motion passed 4-0. The meeting was adjourned at 12:00 p.m.

SUBMITTED BY:



Larry Turnquist
Secretary

APPROVED BY:



David Moses
Chairman