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BEFORE THE MISSOURI GAMING COMMISSION

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5

Meeting

6

June 30, 2021

9:30 a.m.

7

3417 Knipp Drive

Jefferson City, Missouri

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9

10 BEFORE: Mike Leara, Chairman

Brandon Boulware, Commissioner

11 (Via telephonically)

Pat Conway, Commissioner

12 David W. Hane, Commissioner

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22 Reported by:

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1 (Start time: 9:30 a.m.)

2 P R O C E E D I N G S

3 CHAIRMAN LEARA: I call the regular meeting
4 of the Missouri Gaming Commission to order.

5 Angie, please call the roll.

6 MS. FRANKS: Commissioner Hane.

7 COMMISSIONER HANE: Present.

8 MS. FRANKS: Commissioner Conway.

9 COMMISSIONER CONWAY: Present.

10 MS. FRANKS: Commissioner Boulware.

11 COMMISSIONER BOULWARE: Present.

12 MS. FRANKS: Chairman Leara.

13 CHAIRMAN LEARA: Present.

14 All right. We have a quorum.

15 The next item is the adoption of the agenda
16 as printed.

17 I move for the adoption. Is there a second?

18 COMMISSIONER HANE: Second.

19 CHAIRMAN LEARA: We have a second.

20 Discussion?

21 Seeing none, Angie, call the roll.

22 MS. FRANKS: Commissioner Hane.

23 COMMISSIONER HANE: Approved.

24 MS. FRANKS: Commissioner Conway.

25 COMMISSIONER CONWAY: Approved.

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1 MS. FRANKS: Commissioner Boulware.

2 COMMISSIONER BOULWARE: Approved.

3 MS. FRANKS: Chairman Leara.

4 CHAIRMAN LEARA: Approved.

5 MS. FRANKS: By your vote you've adopted the
6 agenda.

7 CHAIRMAN LEARA: The next item is team
8 member recognition.

9 Tim, you have the floor.

10 DEPUTY DIRECTOR MCGRAIL: Mr. Chairman,
11 Commissioners, we're recognizing three of our team
12 members today that have had milestone years. June is
13 the State Employee Recognition, and so it fits having
14 recognizing the three people that have significant
15 milestones. They've been here for a good number of
16 years.

17 So could I have Cheryl Bonner, Jennifer
18 Hemmel and Cynthia Fleener come forward, please.

19 So part of our core values is as far as
20 integrity, professionalism, service, and these three
21 employees definitely distinguish as far as themselves
22 following that. They're hard workers. You see them
23 probably a lot more than we do because they're way out
24 in the field, a couple of them are.

25 But Cheryl is our MBE/WBE manager. She goes

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1 out and checks as far as compliance as far with either
2 the minority or the women's business services that you
3 all contract with, and she has ten years of service
4 with MGC.

5 Next is Cynthia Fleener. Cynthia has
6 15 years with us. She's a tax auditor. She's been
7 with us again for a good number of years, and so we're
8 recognizing her for her years of service as well.

9 And last is Jennifer Hemmel, and Jennifer
10 has 15 years with us now. She's had different job
11 duties throughout the years, but currently she is with
12 the Compliance Audit.

13 So we recognize all three of them for their
14 years of service.

15 (Applause.)

16 DEPUTY DIRECTOR MCGRAIL: Thank you.

17 CHAIRMAN LEARA: Congratulations.

18 Thank you.

19 The next item on the agenda is consideration
20 of minutes from May 25th, 2021 -- Angie, are we doing
21 these together?

22 MS. FRANKS: You can do them together.

23 CHAIRMAN LEARA: -- and for May 26th, 2021.

24 I move for the approval. Do we have a
25 second?

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1 COMMISSIONER CONWAY: Second.

2 CHAIRMAN LEARA: Second, Mr. Conway.

3 Any discussion on the minutes?

4 Seeing none, Angie, please call the roll.

5 MS. FRANKS: Commissioner Hane.

6 COMMISSIONER HANE: Approved.

7 MS. FRANKS: Commissioner Conway.

8 COMMISSIONER CONWAY: Approved.

9 MS. FRANKS: Commissioner Boulware.

10 COMMISSIONER BOULWARE: Approved.

11 MS. FRANKS: Chairman Leara.

12 CHAIRMAN LEARA: Approved.

13 MS. FRANKS: By your vote you've adopted the
14 minutes of the May 25th and May 26th, 2021 meeting.

15 CHAIRMAN LEARA: The next item on the
16 agenda is consideration of relicensure of certain
17 Class A and B licensees.

18 Bally's is up first.

19 Mr. Grewach, are you going to speak in
20 advance of that?

21 MR. GREWACH: No. I turn that over to
22 Mr. Cantwell.

23 CHAIRMAN LEARA: Mr. Cantwell, you have the
24 floor.

25 MR. CANTWELL: Sure. I'm just going to

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1 introduce a couple folks.

2 We have with us today for the Bally's
3 Class A renewal and the IOC-Kansas City, Inc. doing
4 business as Casino KC Class B renewal Elizabeth Suever
5 from corporate offices of Bally's Corporation, and
6 General Manager and Vice President of IOC Kansas City,
7 Inc., Michael Donovan.

8 And Elizabeth will start the presentation.

9 Thank you.

10 MS. SUEVER: Chairman Leara, Commissioners
11 Boulware, Conway and Hane, Executive Director
12 Richardson and staff, good morning and thank you for
13 giving me the opportunity to speak before you today on
14 behalf of Bally's Corporation.

15 My name is Elizabeth Suever and I am the
16 Vice President of Government Relations for Bally's
17 Corporation.

18 It was just over one year ago that you and
19 your excellent staff welcomed us as a Missouri Class A
20 licensee, and we remain thankful for the opportunity to
21 operate in your great state.

22 In that year, notwithstanding the
23 challenging business environment, our company has grown
24 substantially, and we used the time created by
25 suspended operations to position the company for the

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1 future.

2 We acquired the Bally's brand and changed
3 our name from Twin River Worldwide Holdings, which was
4 never really worldwide, to Bally's Corporation, which,
5 interestingly, through all of our recent acquisitions
6 is on the path to becoming worldwide, fulfilling the
7 idea of the last name.

8 Bally's Corporation has deep roots in
9 land-based regional casinos demonstrated by our
10 national, multi-property portfolio that currently
11 includes 16 casinos across eleven states, a horse
12 racetrack and 13 authorized off-track betting sites in
13 Colorado, and following the completion of pending
14 acquisitions, including Montbleu Resort Casino and Spa
15 in Lake Tahoe, Nevada and the Tropicana in Las Vegas,
16 as well as the construction of a land-based casino near
17 Nittany Mall in State College, Pennsylvania, Bally's
18 will own and manage 16 casinos across eleven states.

19 With our current footprint we have the third
20 largest casino footprint in the company, and Bally's is
21 the only U.S. casino company that owns racetracks,
22 OTBs, proprietary sports betting and iGaming
23 technology, a daily fantasy sports platform named
24 Monkey Knife, and a free to play platform.

25 From a corporate standpoint things get

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1 really interesting when you consider what this creates
2 for us.

3 We're now intending to call our company
4 Omnichannel, which really means that we have turned
5 ourselves into a premiere one-stop shop for different
6 gaming options, with the ability to scale into future
7 technologies.

8 So Bally's recently acquired Bet.Works,
9 which is a sports betting platform, and we have entered
10 into a partnership with Sinclair Broadcast Group. So
11 we renamed 21 Fox Sports regional sports networks into
12 Bally Sports. Bally's partnership with Sinclair
13 provides Bally's access to regional sport networks,
14 broadcast TV stations, the tennis channel, Stadium and
15 STIRR. This access gives us reach into approximately
16 70 percent of U.S. households.

17 We have watched closely as the Missouri
18 General Assembly has considered expanding sports
19 betting and other types of mobile gaming that have been
20 adopted by other states.

21 So what I think the key takeaways from this
22 slide are for all of you, would be, one, that Bally's
23 has developed into a top tier brand with refined
24 industry knowledge; and, two, that Bally's is ready to
25 help Casino KC hit the ground running and provide

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1 Missouri patrons with a top tier betting experience
2 should the Missouri General Assembly choose to allow an
3 expansion into the future.

4 Moving on to the next slide.

5 I know that we really want to focus today on
6 Missouri, so I'm going to go through this really
7 briefly.

8 But with all of the recent acquisition
9 activity I wanted to be sure to reflect for you that
10 Bally's financial position remains exceptionally
11 strong.

12 Our cash on hand, in particular our
13 borrowing availability under our current credit
14 facility, reflect that we remain nimble and able to
15 execute on opportunities, and we're also able to fully
16 support our properties such as Casino KC, and Mike will
17 soon highlight that for you. Our debt maturities are
18 distant as well.

19 So again I want to thank you for the
20 opportunity to speak before you, and we wanted to thank
21 you for allowing us to continue to operate in Missouri
22 should you choose to decide to do that.

23 On behalf of Bally's Corporation, I
24 respectfully request the renewal of a Class A license
25 for Bally's Corporation.

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1 tell. It began with our purchase of the property last
2 year for \$180 million. It has continued with our
3 investment in new casino product, new systems,
4 increasing our marketing spend and adding over 100 new
5 jobs since our reopening.

6 It will culminate with a \$40 million
7 renovation of the property that you can see here in
8 this photo, which will transform a 25-year-old
9 riverboat into a new modern facility, and it will lay
10 the groundwork for us for the next 25 years as a
11 vibrant part of the Downtown Kansas City riverfront.

12 Hopefully some of these images make it clear
13 that it's not just a refresh of the facility, that it's
14 a complete transformation.

15 We are currently in the final phase of our
16 master planning process, approval process, with the
17 City of Kansas City. We plan on breaking ground this
18 summer, in which we will completely transform the
19 27-acre site that is the casino property today.

20 These photos show our current site layout on
21 the left and our future site layout on the right. We
22 plan on adding a new main entrance for our guests, more
23 surface parking and a new 40,000-square-foot commercial
24 center that you saw on the slide before.

25 When we are finished, we will have

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1 completely transformed an old riverboat into a new
2 modern facility.

3 As you approach the property at night, the
4 ambience of the exterior sails will greet customers as
5 you enter the facility through our new Bally entrance.
6 Our commercial center will house new restaurants,
7 additional retail spaces, and the new exterior of the
8 boat will create a better sense of arrival for our
9 guests.

10 Also we look to broaden our appeal by adding
11 more amenities that speak to a wide range of guests.
12 In total we plan on adding four new restaurants, a new
13 VIP lounge, as well as new gaming experiences.

14 Our Baccarat Lounge and Celebrity Casino
15 Lounge, which you can see in the photos, are currently
16 under construction. We expect to finish both of those
17 projects prior to the end of the year.

18 We have developed a very active team member
19 charitable organization called Casino KC Cares. Today
20 we are involved in over 20 local organizations, and
21 since 2017 we've contributed over \$100,000 to local
22 charities.

23 We've recently worked with some terrific
24 local organizations, including Veterans Community
25 Project, Urban Ranger and Independence Animal Shelter.

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1 We continue to work with local chambers,
2 specifically those that have an emphasis on diversity
3 and inclusion. We have been an active part in the
4 Kansas City Chamber, the Heartland Black Chamber of
5 Commerce, and in 2019 we were awarded business of the
6 year for involvement with the Hispanic Chamber.

7 We continue to focus on inclusion
8 initiatives. Our minority and women-owned business
9 spend has stayed around 35 percent for the last three
10 years.

11 We are a member of the Mountain Plains
12 Minority Supplier Development Council. And while we're
13 proud of our accomplishments we know our work is not
14 done yet. We are constantly looking to improve this
15 number, and we will in years to come.

16 We've recently added new minority and
17 women-owned vendors for 2021. Our current MBE and WBE
18 vendor pool is over 70 vendors, and our minority and
19 workforce employment numbers are at nearly 50 percent
20 of our workforce.

21 Also our guest safety and preventing
22 underage gaming are our two biggest priorities. We
23 have spent time and money to reinforce those values.
24 We have a strict ID policy. We use Veridocs to
25 validate every ID, and we've partnered with our local

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1 Missouri Highway Patrol officers to do additional ID
2 training classes.

3 We also have a bounty program where we pay
4 for the protection of false IDs. Since 2017 we've paid
5 out over \$36,000 to team members for catching false
6 IDs.

7 We've also invested in better surveillance
8 technology to try and prevent issues before they may
9 arise on the property. We've added all new cameras to
10 our garage, our garage elevators, new license plate
11 readers and five new private view monitors that show
12 customers as they come to the property. We know that
13 this not only deters criminals but it will allow us to
14 be more proactive with our community safety around the
15 property.

16 Since 2017 we've seen over \$119 million in
17 total economic impact after a slight drop last year
18 with the COVID-19 pandemic. Our 2021 gaming levels
19 have rebounded, and we are proud to report that they
20 are on track to be the highest in the property's nearly
21 25-year history.

22 Also our team member headcount has
23 recovered. We are at the highest levels we've been
24 since 2017. Again, we've had many team members that
25 have stuck with us through the difficult times in the

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1 last year, so these numbers are personally very
2 important to me.

3 Back on the riverfront businesses are
4 thriving and so is Downtown Kansas City. We are proud
5 to be a part of a vibrant neighborhood that includes
6 City Market and Berkley Park. Since 2018 we've
7 contributed over \$36 million to the local community,
8 and with our redevelopment in the future we look to be
9 an even bigger part of this moving forward.

10 We've been partners with the City of
11 Kansas City and PortKC since the property's opening in
12 1996. We've worked with the Port to develop our
13 \$40 million capital project. We've recently received
14 endorsements from other community groups, such as the
15 Downtown Council, and we're excited to be a future of
16 the Downtown Kansas City riverfront.

17 We're joined today by General Counsel from
18 PortKC Mark Coulter. He will be talking momentarily
19 about our strong relationships with the Port in just a
20 minute.

21 Most of all we're going to continue to be
22 good partners not only for the region but for the state
23 of Missouri. We're going to continue to bring jobs,
24 reinvest in our physical plant and drive gaming
25 revenues that ultimately benefit State and local

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1 governments.

2 Coming out of the pandemic every business
3 has seen its struggles. Twelve months after reopening
4 our doors the state of Missouri is doing better and so
5 is Casino KC. Year to date we've seen nearly a
6 50 percent increase in our gaming revenues. We look
7 forward to our bright future, and we thank you for your
8 consideration of our licensure.

9 On behalf of the entire Casino KC team I
10 respectfully request renewal of our Class B license.
11 This concludes our presentation, and we're happy to
12 answer any questions that you may have.

13 Thank you.

14 CHAIRMAN LEARA: Any questions for
15 Mr. Donovan?

16 Mr. Conway.

17 COMMISSIONER CONWAY: Well, I guess we can
18 go now. Maybe this will be anticipated with a future
19 person who comments.

20 Since you're the first one for relicensure
21 after session closed and you're doing all of these
22 remodeling and improvements, what effect does Senate
23 Bill 26 have to your operation?

24 MR. DONOVAN: We're aware of Senate Bill 26.
25 We were in support of, you know, going to the

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1 redefinition of a floating facility and to a somewhat
2 land-based facility.

3 In Phase II we have plans to build a hotel
4 facility. That might change those plans where, you
5 know, we put gaming maybe on the first floor of that
6 hotel boat and then build the hotel on top of that. We
7 have a 26-year-old riverboat. We have a moat that is
8 26 years old as well. So between civil engineering
9 fees to get that up to date, I think probably the cost
10 of building a new land-based facility would be vastly
11 beneficial for our property and the rest of the state.

12 COMMISSIONER CONWAY: So overall your
13 position is you were supportive of the Legislature?

14 MR. DONOVAN: Yes. Yes.

15 COMMISSIONER CONWAY: You know, I think
16 we're looking at some changes down the road and that
17 would benefit us understanding not only the directors
18 and staff what their opinions of the legislation might
19 be but I think we also need to hear from the corporate
20 side and see what the advantages or disadvantages that
21 might be with the outcome of the legalities of SB 26.

22 So thank you for your response.

23 MR. DONOVAN: And just to add to that, we
24 recently acquired Tropicana Evansville, Indiana, and
25 five years ago they went from a floating facility on

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1 the river to a land-based facility, and that was a
2 great development project not only for the City of
3 Evansville, Indiana but for the state of Indiana as
4 well.

5 COMMISSIONER CONWAY: So since you brought
6 that up, since your proposed development, which I think
7 is a big positive for the KC metro, do you see any
8 changes that you anticipate making because of the
9 legislation other than the improvements that you're
10 also foreseeing in the next year?

11 MR. DONOVAN: We haven't got to those
12 Phase II plans 100 percent yet, but, you know, we're
13 working on that. I definitely think that it changes
14 the calculation for us as business operators, just the
15 cost benefit ratio. We'll have to do that after we get
16 done with our Phase I project, but we have the ability
17 to do that in Phase II, yes.

18 COMMISSIONER CONWAY: All right. Thank you
19 very much.

20 CHAIRMAN LEARA: Further questions?
21 Seeing none, Mr. Donovan, thank you.

22 MR. DONOVAN: Thank you.

23 CHAIRMAN LEARA: Is Mr. Coulter coming up?

24 MR. CANTWELL: He's right here.

25 CHAIRMAN LEARA: Mr. Coulter, you have the

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1 floor.

2 MR. COULTER: Thank you, Mr. Chairman,
3 members of the Commission.

4 My name is Mark Coulter. I am Vice
5 President/General Counsel for KC. I will keep my
6 comments brief. I am here to express our support that
7 was delineated in our President's letter that I believe
8 is in your packet.

9 During my tenure at PortKC I've worked with
10 a number of ownership groups of Isle of Capri,
11 Casino KC, and we are very excited about this latest
12 group. They have been really pouring themselves into
13 the community. We're very excited.

14 We are the master developers for the Berkley
15 Riverfront which was shown in these slides, and the
16 funding and partnership with Casino KC has been one of
17 the longest and most mutually beneficial arrangements
18 that I'm familiar with in Kansas City.

19 So, like I said, I'm here to keep my
20 comments short. I'm happy to answer any questions or
21 take notes for any questions that I might not be able
22 to answer. But otherwise thank you again and again,
23 PortKC is very much in support of their relicensure.

24 CHAIRMAN LEARA: Any questions for
25 Mr. Coulter?

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1 Seeing none, thank you.

2 Rob, do you want to finish up?

3 MR. CANTWELL: Chairman, Commissioners, we
4 appreciate your consideration of this matter, happy to
5 work with your staff on this one that you mentioned
6 again that we talked about as a group was just -- it
7 was briefly mentioned in Michael Donovan's comments.

8 But during the difficulties of COVID your
9 staff has just been on top of all of the challenges at
10 every facility base, including, in particular,
11 Casino KC, and it's very much appreciated.

12 So once again, congratulations to your
13 excellent staff in helping everyone get through this
14 process. And obviously from some of the slides you can
15 see there's quite a bit of light at the end of the
16 tunnel for our facilities here in Missouri.

17 We appreciate your consideration of both
18 relicensure of Bally's Corporation as a Class A
19 licensee and IOC-Kansas City, Inc. d/b/a Casino KC as a
20 Class B licensee in Missouri.

21 Thank you.

22 CHAIRMAN LEARA: Thank you.

23 Any questions for Mr. Cantwell?

24 No.

25 Thank you.

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1 MR. CANTWELL: Thank you.

2 CHAIRMAN LEARA: There is room for public
3 comment. I don't know if there is anyone here from
4 Kansas City or anyone who wishes to speak on behalf or
5 in opposition.

6 I see none.

7 Sergeant Holcomb, it's your turn.

8 SERGEANT HOLCOMB: Good morning,
9 Mr. Chairman, Commissioners.

10 Bally's Corporation submitted an application
11 to the Missouri Gaming Commission on April 19, 2021 for
12 renewal of the company's Class A riverboat gaming
13 license. The license is scheduled to expire today on
14 June 30th, 2021.

15 This renewal is the first of two relicensing
16 periods following the initial license approval in June
17 2020 as required by 11 CSR 45-4.190, which states an
18 applicant for a Class A renewal is due at least 90 days
19 before the first and second anniversary of its license
20 and 180 days before the anniversary date for each
21 subsequent four years thereafter.

22 There will be one more relicensing of
23 Bally's Corporation in June 2022 prior to the company
24 falling into a four-year renewal rotation.

25 Casino KC submitted an application to the

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1 Missouri Gaming Commission on December 20, 2020 for
2 renewal of the company's Class B riverboat gaming
3 license. This license is also scheduled to expire on
4 June 30, 2021.

5 Casino KC remained on a four-year renewal
6 rotation despite the casino's acquisition by Bally's
7 Corporation last year.

8 Missouri State Highway Patrol officers and
9 Missouri Gaming Commission financial investigators
10 conducted the relicensing investigation that consisted
11 of a financial analysis, a review of disciplinary
12 actions, litigation and business credit profiles and a
13 review of key persons associated with each company.

14 Investigative findings were provided to the
15 Missouri Gaming Commission staff for their review, and
16 we'll be glad to answer any questions you might have.

17 CHAIRMAN LEARA: Any questions for
18 Sergeant Holcomb?

19 I have one.

20 There are no pending issues or anything like
21 that that you still are reviewing? Your investigation
22 is complete?

23 SERGEANT HOLCOMB: That's correct.

24 CHAIRMAN LEARA: Okay. Further questions?

25 Seeing none, Sergeant, thank you.

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1 The next item, Cheryl Bonner.

2 Did you wish to present? You have the floor
3 when you're ready.

4 MS. BONNER: Good morning, Mr. Chairman and
5 Commissioners.

6 In March 2021 the Missouri Gaming Commission
7 staff conducted a 100 percent audit of the MBE/WBE
8 records for the Class B licensee, Isle of Capri-
9 Kansas City, Inc. The results of our audit and
10 specific details related to those findings are included
11 in the summary report in your possession, and I will be
12 happy to answer any questions related to them.

13 CHAIRMAN LEARA: Any questions for Cheryl?
14 Seeing none, thank you.

15 MS. BONNER: Thank you.

16 CHAIRMAN LEARA: Staff recommendation.

17 MR. GREWACH: Staff recommends approval of
18 both the A and B renewals.

19 CHAIRMAN LEARA: Thank you, Mr. Grewach.

20 We now have Resolution No. 21-026 in front
21 of us, and I will move for the approval of that.

22 Real quick, is that for the corporate level
23 license?

24 MR. GREWACH: Yes. That's for the Class A
25 licensee.

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1 CHAIRMAN LEARA: I move for approval.

2 Is there a second?

3 COMMISSIONER HANE: Second.

4 CHAIRMAN LEARA: We have a second.

5 Any discussion?

6 Seeing none, Angie, please call the roll.

7 MS. FRANKS: Commissioner Hane.

8 COMMISSIONER HANE: Approved.

9 MS. FRANKS: Commissioner Conway.

10 COMMISSIONER CONWAY: Approved.

11 MS. FRANKS: Commissioner Boulware.

12 COMMISSIONER BOULWARE: Approved.

13 MS. FRANKS: Chairman Leara.

14 CHAIRMAN LEARA: Approved.

15 MS. FRANKS: By your vote you've adopted

16 Resolution No. 21-026.

17 CHAIRMAN LEARA: The next item is Resolution

18 No. 21-027.

19 I move for the approval. Is there a second?

20 COMMISSIONER CONWAY: Second.

21 CHAIRMAN LEARA: We have a second,

22 Mr. Conway.

23 Any discussion?

24 Seeing none, Angie, please call the roll.

25 MS. FRANKS: Commissioner Hane.

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1 COMMISSIONER HANE: Approved.

2 MS. FRANKS: Commissioner Conway.

3 COMMISSIONER CONWAY: Approved.

4 MS. FRANKS: Commissioner Boulware.

5 COMMISSIONER BOULWARE: Approved.

6 MS. FRANKS: Chairman Leara.

7 CHAIRMAN LEARA: Approved.

8 MS. FRANKS: By your vote you have adopted

9 Resolution No. 21-027.

10 CHAIRMAN LEARA: Congratulations.

11 The next item on the agenda is consideration

12 of licensure of Class B Isle of Capri-Caruthersville.

13 Presentation, Lyle Randolph. You have the

14 floor.

15 MR. RANDOLPH: I'll turn it over to Denny

16 Callen first.

17 MR. CALLEN: Good morning, Mr. Chairman,

18 Commissioners, Executive Director and staff.

19 My name is Denny Callen. I'm the General

20 Manager for Century Casino Caruthersville, and I am

21 appreciative and thankful to be here this morning to

22 talk about our casino in Caruthersville.

23 With me today I do have Andreas Terler, who

24 is our Senior Vice President of Operations. I'm sorry.

25 He's from -- he's traveled quite a ways.

1 I've got Lisa McMahan, our Director of
2 Marketing in both our Cape Girardeau and Caruthersville
3 properties; Roger Eledge, who is Director of Operations
4 for both Caruthersville and Cape Girardeau; David Lynn,
5 our Director of Finance; Kathy Teachout, our Director
6 of Human Resources; and our wonderful mayor of
7 Caruthersville, Sue Grantham, who made the trip with us
8 as well for this relicensing.

9 So the past four years have been both
10 exciting and challenging for the property. The license
11 period began in 2017 with Eldorado Resorts' ownership,
12 and in December of 2019 Century Casino purchased the
13 property, and then COVID hit, and that impacted
14 everyone's lives, including the casino operations.

15 Our total capital investment into this
16 property during the licensure period was approximately
17 \$5.6 million, with Century Casino investing about
18 \$2.9 million of that amount.

19 An investment by Century Casino, once they
20 purchased that property, included upgrading our player
21 tracking system, our slot management systems. We've
22 launched a Century Casino app, quite a few new slot
23 product, rebranding the property, and we've recently
24 gone into a surveillance upgrade of the surveillance
25 system at the property.

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1 For the Caruthersville Chief of Police, Tony
2 Jones, commented when we asked about our crime activity
3 in town, he was pleased to report that there is no
4 significant criminal activity in the City of
5 Caruthersville.

6 You know, as far as our underage, we have a
7 strict identification policy that requires anyone
8 appearing to be under the age of 35 to present an ID to
9 gain access to our casino floor.

10 You can see there our turnstile area. We
11 are unique that we are still a first-generation
12 riverboat dock on the Mississippi River.

13 So we have during this period upgraded our
14 ID verification system to the automated Veridocs, which
15 is an excellent tool for our security staff to be able
16 to verify IDs and catch any fraudulent IDs.

17 Our newly hired team members, everyone,
18 receives underage training during orientation, and then
19 again during our annual responsible gaming education
20 week all of our employees go back through underage
21 identification training.

22 Our security manager conducts annual
23 fraudulent identification training, and we make that
24 mandatory for our security staff, but we open it up to
25 all of our employees who want to attend that training.

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1 And we coordinate that training with our local gaming
2 agents, which we're very appreciative of their
3 assistance with that.

4 And then we also stress to our employees,
5 it's everyone's responsibility to make sure that our
6 patrons are of age on the casino floor and not to
7 assume it's someone else's responsibility.

8 So on the next slide are -- we understand
9 the importance of being a good corporate citizen in our
10 community. Our community arm of our property is
11 Century Cares, which is a brand that was implemented at
12 the property, and we do support many activities in our
13 community through cash donations, in-kind donations and
14 to volunteer hours by our team members.

15 And just a couple of the organizations that
16 we have supported during this licensure period is the
17 Caruthersville Humane Society, the Delta Children's
18 Home in Kennett, the Kenny Rogers Children Center in
19 Sikeston, the United Way and MoDOT by adopting a
20 section of highway cleanup as you enter into
21 Caruthersville.

22 We also coordinated with our local Pemiscot
23 County Health Department back in February to host a
24 COVID vaccination drive-through on our parking lot,
25 where approximately 2,000 people were able to receive a

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1 COVID vaccine.

2 The casino also supports several area
3 Chambers of Commerce, and we have management team
4 members who are either members of local civic
5 organizations or we serve on boards and clubs donating
6 our skills to provide benefit to the organizations.

7 So some of the boards that we serve on in
8 addition to our regular jobs, we serve on the
9 Caruthersville Art Council Board, the Pemiscot County
10 Port Authority, the Caruthersville Economic
11 Development, DAEOC, which is a Delta Area Economic
12 Opportunity Corporation there in the bootheel that
13 provides assistance to low income, and then the Three
14 Rivers College Endowment Trust. Those are boards we
15 actually serve on on a regular basis.

16 And although the terms of our previous
17 Development Agreement with the City of Caruthersville
18 has expired and we currently do not have a development
19 agreement, we still continue to provide ongoing support
20 through monetary contributions and volunteer
21 opportunities for projects that the City of
22 Caruthersville has.

23 The economic impact that the casino has
24 provided Caruthersville during this period includes
25 \$7.2 million in gaming and admission fees, sales tax and

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1 property taxes, \$18.8 million in salaries and wages that
2 have been paid, and another \$7.7 million in benefits.

3 And several of the City improvements that
4 the City was able to accomplish during this licensure
5 period, they were able to spend about \$600,000 for
6 street improvements throughout the City of
7 Caruthersville, \$363,000 for a vacuum truck that was
8 much needed, \$321,000 for drainage projects and another
9 \$200,000 for new police radios.

10 And since the re-opening in June of last
11 year coming out of COVID, Century Casino Caruthersville
12 has produced strong revenue increases year over year.

13 This slide here, I just wanted to point out
14 that we adjoin right there in Caruthersville with
15 Tennessee and Arkansas, and the majority of our
16 business coming into Missouri, 56 percent is coming out
17 of West Tennessee.

18 You know, we're fortunate right there in
19 Caruthersville to have a bridge crossing the
20 Mississippi connecting us with Tennessee, and we've
21 benefited from that bridge before and able to grow that
22 market in West Tennessee. Over the years our marketing
23 team has worked hard to develop that market.

24 Operating in a rural part of the state it's
25 always created a challenge with our spend in minority

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1 and women-owned business, and we do work to identify
2 minority and women-owned businesses and to establish
3 them as vendors so that we can purchase their goods and
4 services, and this is accomplished by attending vending
5 fairs in the state and sharing that information of
6 vendors with our sister property in Cape Girardeau.

7 Our purchasing supervisor, she works hard to
8 identify minority and women-owned businesses locally in
9 our community that can provide services for the
10 property.

11 And I would point out the asterisk in 2019
12 on our women-owned business was due to a woman-owned
13 business, that we can no longer meet their minimum
14 order requirements and had to quit using them, but we
15 were able to rebound in 2020 to replace that spend with
16 other spend and get our women-minority number back up.

17 We continue to work on that. We understand
18 that there is still work to be done, and we do work to
19 increase that minority and women-owned business spend.

20 The employee diversity at the property
21 includes 31.5 percent minority employment and about
22 53.1 percent female employment. And we currently
23 employ 162 employees, with about 30 openings at the
24 moment. And as you can see, these numbers, when you
25 compare them to our Pemiscot County numbers, are pretty

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1 much in line.

2 Our management team at the property consists
3 of 50 percent female and 11 percent minority, and
4 that's another number that we continue to work on with
5 our upward mobility training programs that will get
6 started back up this fall.

7 And that's a program where we invited our
8 frontline and supervisors to attend for leadership
9 training to get them prepared for promotion up with the
10 company.

11 And then on our team members, understanding
12 that where our team members reside is also important
13 for us, 80 percent of our team members reside in the
14 state of Missouri.

15 And just like other companies searching for
16 team members we're no exception. Like I mentioned
17 earlier, we're down about 30 positions right now.

18 And it's noteworthy to mention, though, when
19 you look at the years of services, once we get people
20 past that one-year term, they tend to stay with us.

21 And I'd also like to mention there, if you
22 look at the number of our team members with 20 plus
23 years of service, nine of those were there when that
24 property opened in 1995.

25 So the casino in Caruthersville over the

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1 last 26 years has provided good jobs for the community
2 and careers for our team members, and we will continue
3 to do that as we move forward.

4 I now want to turn this presentation over to
5 Lyle Randolph who is excited to talk about what is next
6 for Caruthersville.

7 Lyle.

8 MR. RANDOLPH: Thank you, Denny.

9 I'm Lyle Randolph, the Managing Director of
10 Century Casino both in Cape and Caruthersville.

11 I want to say, first of all, Denny and the
12 team really exemplify leadership in a property like
13 Caruthersville. Not only does Denny serve as General
14 Manager, he's also a lay pastor at his local church.
15 His wife owns a small business -- a successful small
16 business there in town. He's a former police officer
17 and U.S. Air Force veteran and brings those leadership
18 skills to the property. I'm proud to work -- have
19 worked beside Denny and rest of the team for over
20 25 years.

21 As we look at what's next for
22 Caruthersville, it gets really exciting. I think what
23 we saw from the folks with Bally and Casino KC, some
24 exciting things happening in the state, and we note
25 such down in Caruthersville.

1 What we have really begins with House
2 Bill -- what originally was House Bill 507 that ended
3 up turning into Senate Bill 26, as we look at
4 redevelopment of that property in Caruthersville. On
5 that first-generation riverboat, we looked for an
6 opportunity to make an economic decision and the best
7 decision operationally, and we worked with local
8 Legislators to get this bill introduced to modify the
9 definition of a non-floating facility.

10 The bill currently is awaiting the
11 Governor's signature. We're hopeful that that will
12 take place. We'd love to have that signed down in
13 Caruthersville, if the Governor would so oblige us.

14 But then what does that mean with that
15 signature? That means we would work with the
16 Commission and staff to determine what that new rule
17 means from a regulatory standpoint and then we'll
18 continue for that development.

19 We want to talk a little bit about what the
20 next -- those challenges are. This is what we deal
21 with currently.

22 These are two years, 2011, 2012. In 2011
23 you can see the river is at 48 feet, the highest that
24 it had been since it was recorded. A year later it had
25 dropped to negative two feet, a 50-foot difference in

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1 the elevation of that river, and the challenges that
2 that creates are substantial.

3 The next slide shows a little scarier
4 situation. It's kind of hard to see what's happened
5 here. But once you get south of Cairo, Illinois where
6 the Ohio comes into the Mississippi, it's not a
7 recreational river at all. It's all business, lots of
8 barge traffic, tow traffic.

9 This is a barge that got away and struck our
10 patron ramp back in February of 2020. So luckily no
11 injuries and no damage -- significant damage. It did
12 some cosmetic damage. But those are the kind of risks
13 we face out on that river.

14 What we would like to do, we would like to
15 move this facility land-based. You can see the
16 walkways to the far left are where you would walk out
17 onto the riverboat. The lower building is the
18 pavilion, the existing pavilion, and we would like to
19 create a casino -- a land-based casino there in what is
20 currently the parking lot.

21 It's really time for Caruthersville to take
22 this next step, and we look to really move forward with
23 this development if we can get this done.

24 Here is a rendering of what that would look
25 like. The success of the property honestly since the

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1 reopening has allowed us to even expand our original
2 plan. Originally we were just thinking about just the
3 casino itself, but here you can see that the addition
4 of a potential hotel that connects the existing
5 pavilion to that land-based.

6 And so when this project as we originally
7 talked, a \$20 to \$25 million project, could get even
8 larger from that standpoint.

9 And so we're very excited to continue to
10 work kind of through that development and to see where
11 this goes.

12 In addition to this, we're also working in
13 the surrounding area. We've acquired -- are working to
14 acquire some additional property and do some
15 development.

16 There is an old, existing hotel that we are
17 looking at and working with as well that could
18 potentially be renovated and really create a fantastic
19 space in that part of Caruthersville in partnership
20 with the City and some other private developers are
21 doing there. And I know the mayor will probably talk a
22 little about some of those things. So really exciting
23 times coming in Caruthersville.

24 As was previously mentioned, we want to
25 thank the Commissioners and staff for everything they

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1 did during the pandemic, really difficult, challenging
2 times, and through effective and thoughtful decision
3 making we've been able to successfully maneuver through
4 that and really come out stronger and really have the
5 opportunity to talk about these changes that are again
6 probably -- I've been coming to meetings for 25 years.
7 The development piece and some of the exciting things
8 that are happening here have not been seen in a long
9 time, so we're excited to be a part of that.

10 Denny or myself or Andreas Terler, we'd be
11 happy to answer any questions that you might have.

12 CHAIRMAN LEARA: Any questions for
13 Mr. Randolph?

14 Seeing none, Lyle, thank you.

15 MR. RANDOLPH: Thank you.

16 CHAIRMAN LEARA: I think Mayor Grantham.
17 Mayor Grantham, you have the floor.

18 MAYOR GRANTHAM: Well, I wrote a book but
19 I'm not going to read it to you today.

20 CHAIRMAN LEARA: I appreciate that.

21 MAYOR GRANTHAM: I know you do.

22 We are great partners with the casino. We
23 have been since the very beginning in 1925 -- 1995. I
24 was on the Council then, and we were excited to get
25 Aztar then. They were very good -- very good partners

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1 of ours.

2 We have grown through the years, and all of
3 the casinos have been there for us. We've gone through
4 thick and thin with them. We've had tornados. We've
5 had floods. Just like any small -- any small town
6 does, we have ups and downs, but because of the casino
7 we've always remained on top and we appreciate that.

8 Denny and his crew, anything we need,
9 they're there to help us. We have started to build our
10 own local prosperity, which is a group of citizens that
11 come and we meet on different things. There are four
12 committees. Denny makes sure that we have someone from
13 his group come at every meeting. They're there.
14 They're there to support the City and we certainly
15 appreciate that.

16 We are planning a lot for the City to reach
17 down to the casino, which we've never done before. We
18 want to reach out, bring people into our city, as well
19 as having them go to the casino.

20 Cedric the Entertainer has bought property
21 near the casino and is planning to build out there to
22 invite people to our city, provide them with places to
23 stay. And with this new enterprise, with Century,
24 providing places to stay is something we need in our
25 city. We don't really have that now. So we're all

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1 working together.

2 We have changed what we call our branding,
3 and we are calling our branding now The Best of Small
4 Town Living. Century Casino exudes the best of small
5 town living. They have a group that calls themselves
6 Century Cares, and they do care. They do care about
7 Caruthersville. And we would appreciate your letting
8 them stay with us forever.

9 CHAIRMAN LEARA: Any questions --

10 MAYOR GRANTHAM: Thank you so much.

11 CHAIRMAN LEARA: Any questions for the
12 Mayor?

13 Madam, thank you.

14 MAYOR GRANTHAM: Thank you. I appreciate
15 it.

16 Ed, I'm going to defer to you.

17 Do we now want to hear the comments from
18 Boonville or --

19 MR. GREWACH: I would suggest we now have
20 the presentation by IOC-Boonville, Incorporated and
21 then the presentation by the Mayor of Boonville and
22 then proceed down the agenda, the public comment and
23 investigative summary, because those will be combined
24 by Sergeant Seaton and Ms. Bonner.

25 CHAIRMAN LEARA: Thank you.

1 So now we will entertain Isle of
2 Capri-Boonville. So we're going to have -- Heather
3 Rapp, you have the floor.

4 MS. RAPP: Good morning, Chairman,
5 Commissioners and staff. We name is Heather Rapp. I'm
6 the Senior Vice President and General Manager at the
7 Isle of Capri Casino Hotel Boonville.

8 Before I get started I'd like to make a few
9 introductions of the team that is joining me here
10 today, starting with our Regional President for the
11 Midwest of Caesars Entertainment, Todd Connelly. We
12 also have the Boonville executive team. Andrea Boggs
13 is our Director of Finance. Kathryn Shuster is our
14 Director of Casino Operations. Jamie Ellingboe is our
15 Director of Hospitality. Stephanie Chandler is our
16 Director of Marketing. Garrett Richards is our Director
17 of Human Resources. Finally last, but certainly not
18 least, our Revenue Audit Compliance Manager, Ms. Emily
19 Smith.

20 I am truly honored to present our summary
21 package for consideration of relicensing.

22 I'm happy to report that the Isle of Capri
23 Boonville has fully complied with the Development
24 Agreement with the City of Boonville, and we have an
25 excellent partnership with then. Later you will hear

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1 from the City of Boonville staff.

2 In December of 2001 we opened our doors with
3 a \$69 million investment. Our hotel and event center
4 opened in 2006 with a \$17.5 million investment.

5 Making sure our property stays in good shape
6 and is attractive to our guests, we are constantly
7 reinvesting capital into the property, a total of over
8 \$48 million in maintenance capital since opening.

9 I'd like to share with you some photos of
10 our major capital investment, our new restaurant, the
11 Brew Brothers. This new concept was built in the space
12 that previously housed our Farmer's Pick Buffet, and
13 this renovation was a \$2.7 million investment.

14 You can see here in the top, left corner,
15 this restaurant is located right at the main casino
16 entrance. This is what greets guests as they enter the
17 casino, as well as the restaurant.

18 A rendering of the Missouri River and all of
19 the highlights along the river is shown on the wall
20 there at the hostess stand. We also have, as we move
21 down to the bottom left, some seating areas, a picture
22 of our executive chef with his burger, the James, some
23 additional seating areas in the middle. And on the top
24 right we have a bar area, a large bar area, private
25 dining room and patio space as well. It's been a

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1 fantastic addition to our property.

2 We opened July 31st of last year. So we
3 opened June 1st after COVID and then opened the
4 restaurant July 31st.

5 Other recent capital projects include slot
6 capital purchases, updated property landscaping,
7 exterior lighting updates and many other miscellaneous
8 projects.

9 I am happy to report there has been no
10 significant crime at the Isle of Capri Boonville, and
11 the Boonville Chief of Police is here and can attest to
12 that later if you'd like. We continue to nurture a
13 relationship, not just with local law enforcement but
14 with the state as well, to ensure that we provide a
15 safe environment for our guests and team members.

16 Underage gaming is something we take very
17 seriously at the property. We ensure that anyone that
18 appears to be under the age of 35 is properly ID'd. As
19 you can see by the image on the screen, we have two
20 security podiums at our entrance, that both include
21 electronic ID checkers, or the Veridocs system.

22 If someone has a fraudulent ID or passport,
23 it will be identified not only through our officers
24 being trained but through that system as well.

25 All of our team members receive underage

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1 gaming training, and in addition we work with local
2 Missouri Gaming Commission officers to ensure all of
3 the security team members and customer-facing team
4 members receive fraudulent ID training.

5 We have a Bounty Hunter program in place
6 which allows us to reward those team members who
7 identify an underage patron or a person presenting a
8 fraudulent ID with a \$100 bonus.

9 Moving on to problem gaming. We are an
10 active member of the Missouri Alliance to Curb Problem
11 Gaming. We conduct compulsive gaming training on an
12 annual basis for all team members. We participate in
13 Responsible Gaming Week, which is more than just
14 putting out posters. We engage our team members to
15 participate in games and activities to ensure that they
16 understand the importance of the initiative.

17 Similar to underage gaming we have the
18 Bounty Hunter program that allows us to reward team
19 members who identify a disassociated patron, or DAP,
20 customer on the floor with the \$100 bonus. And finally
21 we include the 1-888-BETS-OFF number on all of our
22 materials and promote the State DAP program.

23 I am proud to say that the Isle of Capri
24 Boonville is very active in charitable giving. Over
25 the last licensure period we've donated close to

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1 \$200,000 to various organizations throughout the state,
2 a few of which are listed below and a few that I'd like
3 to call out: Special Olympics Missouri, Central
4 Missouri Community Action and Save the Katy Bridge
5 Coalition.

6 In addition to financial support, we are
7 very proud of our team members for the time spent
8 volunteering in our community. Here we have some
9 photos of both financial donations and volunteer
10 events.

11 The four photos on the left side you see
12 shows some of the work we did in the community during
13 COVID and upon shutdown. Upon property closure we
14 quickly assembled to work with Neighbors Helping
15 Neighbors Food Pantry in Boonville to make sure that
16 food we had within the facility did not go to waste in
17 any way and could be utilized for people that frequent
18 the food pantry.

19 On the right side, the four photos on the
20 right side, the top, left corner is our donation to
21 Special Olympics Missouri for one of our favorite
22 events, the Polar Plunge. Our team is very involved
23 with that event and really enjoys it each year. The
24 top right is our donation to Central Missouri Community
25 Action for a care basket event they host each year.

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1 The bottom left is a group of volunteers at Neighbors
2 Helping Neighbors, and the bottom right is a donation
3 to Boonville Rotary Club, of which I'm an active member
4 and club secretary.

5 A new initiative during the relicensing
6 period was the implementation of our donation boxes
7 located on the casino floor. These boxes are available
8 for guests to donate unwanted slot tickets, chips
9 and/or cash. The funds are then collected and paid out
10 to a local charitable organization.

11 Typically we select a different organization
12 each month based on suggestions from our team members.
13 However, sometimes based on the size of the initiative,
14 a specific organization may span two months. Since
15 inception we've paid out over \$16,000 from this
16 initiative.

17 Moving on to economic impact. We have
18 gaming, sales and property taxes that we've contributed
19 in excess of \$77 million over the last four years,
20 approximately \$8.3 million going to the local home dock.
21 Our team members, approximately 330 of them, have
22 earned salaries and wages in excess of \$30 million, and
23 we have paid team member benefits in excess of
24 \$10 million.

25 I would like to take a moment to call out

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1 during COVID closure we paid team members for the first
2 month of closure, and additionally paid 100 percent of
3 medical benefits for team members on furlough through
4 August of 2020.

5 As we look at employment demographics, I am
6 proud to say that our minority and female employment
7 percentages far exceed the local county standards as
8 reported by the U.S. Census Bureau.

9 As a female General Manager for Caesars
10 Entertainment, I'm equally as proud to work with an
11 executive team that is 83 percent female and to work
12 for a company that has committed to 50 percent female
13 leadership by the year 2025.

14 Moving on to vendor diversity.

15 During the licensure period we had an
16 87 percent increase in our minority purchasing, while
17 we did have a 23 percent decline in women-owned. The
18 decline in women-owned business over a prior
19 relicensing was due to infrastructure purchases that we
20 made related to some power outages that we had in 2013.
21 Additionally, the decline from 2018 to 2019 was due to
22 capital purchases in 2018. The spike in minority spend
23 from '19 to '20 is due to capital investment for a
24 company we use within the restaurant, TSI Global, as
25 well as purchasing all of our PPE during COVID from an

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1 established vendor.

2 Vendor Diversity in procurement is also
3 deeply rooted in our culture. We have a continued
4 focus on diversity, including attending vendor fairs,
5 sharing diversity vendor opportunities across our
6 enterprise and working very closely with our regional
7 procurement team to identify additional opportunities.

8 Before I ask for questions from anyone, I
9 would like to take a moment to introduce members of the
10 community from the City of Boonville, if they will
11 stand for a moment. Boonville Mayor Ned Beach, City
12 Administrator Kate Fjell and Chief of Police Bob
13 Welliver.

14 I believe Kate would like to share a few
15 thoughts with you regarding our property.

16 MS. FJELL: Good morning. I just want to
17 reiterate basically everything that Heather has said in
18 support of their relicensing. We have an excellent
19 relationship with the Isle. They've always been very
20 forthcoming whenever there's a change in ownership or a
21 group or management. They always are sure to bring it
22 down, so we always appreciate that.

23 The City continues to use the gaming
24 revenues primarily for capital purchases and
25 development. Some of the things that we have done that

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1 we're very proud of is we've completed a seven-field
2 soccer complex, which is a part of our economic
3 development and sports tourism efforts, and then we
4 also purchased a 101-foot ladder truck, which was a
5 great addition to the City's fire fleet.

6 Previously we did not have anything. We
7 were dependent on the City of Columbia to come for
8 large structure fires. Since we have purchased that
9 we've had three large structure fires that we feel
10 would have had a much greater impact because of that
11 delay in bringing Columbia. So we've seen those
12 benefits.

13 We continue to share our gaming revenues
14 with surrounding jurisdictions, which includes the
15 Cooper County Sheriff's Department and Prosecuting
16 Attorney, Howard County Sheriff's Department and
17 Prosecuting Attorney, New Franklin Police Department,
18 MUSTANG Drug Task Force, the Cities of Blackwater,
19 Bunceton, Otterville, Pilot Grove and Prairie Home, and
20 we were able to continue to share those revenues albeit
21 at a reduced rate in 2020 due to COVID and impacts of
22 the gaming funds.

23 So they are a great corporate citizen. We
24 are pleased to have them in our town and we look
25 forward to a continued good relationship.

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1 If you have any questions, I'm happy to
2 answer any.

3 CHAIRMAN LEARA: Any questions?

4 Thank you.

5 Heather.

6 MS. RAPP: Thank you, Kate.

7 We are very lucky to be a partner with the
8 City of Boonville. We do have a great relationship
9 with them and they're a great partner as well.

10 At this point I'd be happy to entertain any
11 further questions you may have.

12 CHAIRMAN LEARA: Any questions?

13 Seeing none, Ms. Rapp, thank you.

14 MS. RAPP: Thank you.

15 CHAIRMAN LEARA: Any public comment?

16 Seeing none, Sergeant Seaton, you have the
17 floor.

18 SERGEANT SEATON: Mr. Chairman,
19 Commissioners, good morning.

20 Missouri State Highway Patrol investigators
21 and Missouri Gaming Commission financial investigators
22 conducted two separate Class B riverboat gaming renewal
23 investigations. These investigations were conducted
24 for the purpose of providing the Commission with the
25 information necessary to determine the continued

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1 suitability of the applicants, IOC-Caruthersville, LLC
2 d/b/a -- or doing business as Century Casino
3 Caruthersville, and IOC-Boonville, Incorporated doing
4 business as Isle of Capri Casino Boonville.

5 Each of these investigations consisted of,
6 but were not limited to, inquiries with relevant city,
7 county, State and Federal officials, financial reviews,
8 a review of disciplinary records and actions, current
9 litigation, business credit profiles and a review of
10 the key persons associated with the companies.

11 The results of these investigations were
12 provided to the MGC staff for their review, and I would
13 be happy to answer any questions you might have.

14 CHAIRMAN LEARA: Any questions for
15 Sergeant Seaton?

16 I'll ask you the same as I asked before.

17 Is the investigation complete?

18 SERGEANT SEATON: Yes, sir.

19 CHAIRMAN LEARA: Sergeant Seaton, thank you.
20 Cheryl Bonner.

21 MS. BONNER: Mr. Chairman and Commissioners,
22 the Missouri Gaming Commission staff conducted a
23 100 percent audit of the MBE/WBE records for the
24 Class B licensees Isle of Capri-Caruthersville, LLC in
25 March of 2021 and Isle of Capri-Boonville, Inc. in

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1 December of 2020.

2 The results of the audit and specific
3 details related to those findings are included in the
4 summary report in your possession, and I will be happy
5 to answer any questions related.

6 CHAIRMAN LEARA: Any questions for Cheryl?

7 Seeing none, thank you.

8 Staff recommendation.

9 MR. GREWACH: Staff recommends approval of the
10 renewal of both Class B licensees.

11 CHAIRMAN LEARA: And I assume Resolution
12 No. 28 would be first for Caruthersville. Is that
13 correct?

14 MS. FRANKS: Yes.

15 CHAIRMAN LEARA: Okay. Thank you, Ed.

16 So at this time I will move for the approval
17 of Resolution No. 21-028, Class B license of IOC-
18 Caruthersville and ask for a second.

19 COMMISSIONER CONWAY: Second.

20 CHAIRMAN LEARA: Second, Mr. Conway.

21 Any discussion?

22 Seeing none, Angie.

23 MS. FRANKS: Commissioner Hane.

24 COMMISSIONER HANE: Approved.

25 MS. FRANKS: Commissioner Conway.

0054

1 COMMISSIONER CONWAY: Approved.

2 MS. FRANKS: Commissioner Boulware.

3 COMMISSIONER BOULWARE: Approved.

4 MS. FRANKS: Chairman Leara.

5 CHAIRMAN LEARA: Approved.

6 MS. FRANKS: By your vote you've adopted

7 Resolution No. 21-028.

8 CHAIRMAN LEARA: The next item is

9 Resolution 21-029, the licensure of IOC-Boonville.

10 I move for the approval. Is there a second?

11 COMMISSIONER HANE: Second.

12 CHAIRMAN LEARA: Mr. Hane, second.

13 Any discussion?

14 Seeing none, Angie, please call the roll.

15 MS. FRANKS: Commissioner Hane.

16 COMMISSIONER HANE: Approved.

17 MS. FRANKS: Commissioner Conway.

18 COMMISSIONER CONWAY: Approved.

19 MS. FRANKS: Commissioner Boulware.

20 COMMISSIONER BOULWARE: Approved.

21 MS. FRANKS: Chairman Leara.

22 CHAIRMAN LEARA: Approved.

23 MS. FRANKS: By your vote you've adopted

24 Resolution No. 21-029.

25 CHAIRMAN LEARA: The next item on the agenda

0055

1 is consideration of licensure of certain Level I and
2 keys.

3 Sergeant McTheeney, you have the floor.

4 Before you do, congratulations to Isle of
5 Capri.

6 SERGEANT MCTHEENEY: Mr. Chairman and
7 Commissioners, Missouri State Highway Patrol
8 investigators and Missouri Gaming Commission financial
9 investigators conducted comprehensive background
10 investigations on key person applicants.

11 The investigations included, but were not
12 limited to, civil, criminal, financial and general
13 character inquiries that were made in the jurisdictions
14 where the applicants have lived, worked and frequented.

15 The following key person applicants are
16 being presented for your consideration: Lance Matthew
17 George, Vice President and General Manager of Argosy
18 Riverside Casino, and Adam Terry Jerusalem, Chief
19 Financial Officer, NRT Technology Corp.

20 Investigative findings were provided to the
21 Missouri Gaming Commission staff for their review and
22 investigators are available to answer any questions
23 that you might have.

24 Thank you.

25 CHAIRMAN LEARA: Any questions for

0056

1 Sergeant McTheeney?

2 The investigation is complete, no open
3 issues?

4 SERGEANT MCTHEENEY: That is correct.

5 CHAIRMAN LEARA: No questions.

6 Sergeant, thank you.

7 At this time I will move for the approval of
8 Resolution No. 21-031. Is there a second?

9 COMMISSIONER CONWAY: Second.

10 CHAIRMAN LEARA: Second, Mr. Conway.

11 Any discussion?

12 Seeing none, Angie, please call the roll.

13 MS. FRANKS: Commissioner Hane.

14 COMMISSIONER HANE: Approved.

15 MS. FRANKS: Commissioner Conway.

16 COMMISSIONER CONWAY: Approved.

17 MS. FRANKS: Commissioner Boulware.

18 COMMISSIONER BOULWARE: Approved.

19 MS. FRANKS: Chairman Leara.

20 CHAIRMAN LEARA: Approved.

21 MS. FRANKS: By your vote you've adopted
22 Resolution No. 21-031.

23 CHAIRMAN LEARA: The next item, waiver of
24 institutional investors.

25 Mr. Grewach, you have the floor.

0057

1 MR. GREWACH: Thank you, Mr. Chairman,
2 Commissioners.

3 Under Tabs G, H and I we have three
4 resolutions granting a request for waiver of license
5 for institutional investors.

6 Under Tab G is the request of Fine Capital
7 Partners, LP to acquire up to 20 percent of Scientific
8 Games Corporation, a Missouri licensed supplier.

9 Under Tab H we have a request by Invesco,
10 Limited to acquire up to 20 percent of Penn National
11 Gaming, a Missouri Class A licensee.

12 And under Tab I we have the request of
13 PAR Capital Management, Incorporated to acquire
14 20 percent of Bally's Corporation, a Missouri Class A
15 licensee.

16 CHAIRMAN LEARA: I'll start off with a
17 question.

18 None of these have any intention or ability
19 to acquire board seats or anything like that?

20 MR. GREWACH: That is correct.

21 CHAIRMAN LEARA: And they're passive
22 investing, all of them?

23 MR. GREWACH: Correct, all three.

24 CHAIRMAN LEARA: And I ask that because I
25 was unfamiliar with one of the limited partnerships.

0058

1 Any questions for Mr. Grewach?

2 Seeing none, thank you, Ed.

3 At this time I will move for the approval of
4 Resolution 21-032 relating to Fine Capital Partners,
5 institutional investor. Is there a second?

6 COMMISSIONER BOULWARE: Second.

7 CHAIRMAN LEARA: We're going to go with
8 Mr. Boulware on the second.

9 Any discussion?

10 Seeing none, Angie, please call the roll.

11 MS. FRANKS: Commissioner Hane.

12 COMMISSIONER HANE: Approved.

13 MS. FRANKS: Commissioner Conway.

14 COMMISSIONER CONWAY: Approved.

15 MS. FRANKS: Commissioner Boulware.

16 COMMISSIONER BOULWARE: Approved.

17 MS. FRANKS: Chairman Leara.

18 CHAIRMAN LEARA: Approved.

19 MS. FRANKS: By your vote you've adopted
20 Resolution No. 21-032.

21 CHAIRMAN LEARA: The next item, I move for
22 approval of Resolution No. 21-033, Invesco Limited,
23 institutional investor. Is there a second?

24 COMMISSIONER CONWAY: I'll second.

25 CHAIRMAN LEARA: Mr. Conway, second.

0059

1 Any discussion?

2 Seeing none, Angie, please call the roll.

3 MS. FRANKS: Commissioner Hane.

4 COMMISSIONER HANE: Approved.

5 MS. FRANKS: Commissioner Conway.

6 COMMISSIONER CONWAY: Approved.

7 MS. FRANKS: Commissioner Boulware.

8 COMMISSIONER BOULWARE: Approved.

9 MS. FRANKS: Chairman Leara.

10 CHAIRMAN LEARA: Approved.

11 MS. FRANKS: By your vote you've adopted

12 Resolution No. 21-033.

13 CHAIRMAN LEARA: The next item is Resolution

14 No. 21-034, PAR Capital Management, institutional

15 investor.

16 I move for the approval. Is there a second?

17 COMMISSIONER HANE: Second.

18 CHAIRMAN LEARA: Second, Mr. Hane.

19 Any discussion?

20 Seeing none, Angie.

21 MS. FRANKS: Commissioner Hane.

22 COMMISSIONER HANE: Approved.

23 MS. FRANKS: Commissioner Conway.

24 COMMISSIONER CONWAY: Approved.

25 MS. FRANKS: Commissioner Boulware.

0060

1 COMMISSIONER BOULWARE: Approved.

2 MS. FRANKS: Chairman Leara.

3 CHAIRMAN LEARA: Approved.

4 MS. FRANKS: By your vote you've adopted
5 Resolution No. 21-034.

6 CHAIRMAN LEARA: The next item is
7 consideration of ratification of extension.

8 Mr. Grewach.

9 MR. GREWACH: Thank you, Mr. Chairman.

10 Under Tab J we have a resolution of
11 ratification of extension of license.

12 On June 16, 2021 the Chairman, pursuant to
13 his authority under Rule 1.020, Subsection 4, extended
14 the license for the key persons listed in the exhibit
15 to the resolution. That same rule requires the
16 Chairman's action to be ratified by the full Commission
17 at its next regular meeting, and we're presenting this
18 resolution to you for that purpose.

19 CHAIRMAN LEARA: Any questions for
20 Mr. Grewach?

21 Seeing none, thank you.

22 I will move for the approval of Resolution
23 No. 21-035, ratification of extension.

24 Any discussion?

25 First of all, is there a second?

0061

1 COMMISSIONER HANE: Second.

2 CHAIRMAN LEARA: We have a second, Mr. Hane.

3 Any discussion?

4 Seeing none, Angie, please call the roll.

5 MS. FRANKS: Commissioner Hane.

6 COMMISSIONER HANE: Approved.

7 MS. FRANKS: Commissioner Conway.

8 COMMISSIONER CONWAY: Approved.

9 MS. FRANKS: Commissioner Boulware.

10 COMMISSIONER BOULWARE: Approved.

11 MS. FRANKS: Chairman Leara.

12 CHAIRMAN LEARA: Approved.

13 MS. FRANKS: By your vote you've adopted

14 Resolution No. 21-035.

15 CHAIRMAN LEARA: All right. I saw Ed run

16 off.

17 MS. FRANKS: He's coming right back.

18 CHAIRMAN LEARA: The next item, I think

19 we're going to go into a really quick closed session,

20 and I anticipate it to be quick, and then we'll come

21 right back out here I believe for the open and the last

22 item on the agenda for open session.

23 Okay. So I will read the motion for closed

24 as it is written in the agenda.

25 So at this time I make a motion for closed

0062

1 meeting under Sections 313.847 of the Revised Statutes
2 of Missouri, investigatory, proprietary and application
3 records and Section 610.021, Subsection 1, Revised
4 Statutes of Missouri, legal actions and matters subject
5 to attorney-client privilege and legal work product,
6 Sections 3 and 13 personnel, Section 12 contracts, and
7 Section 14 records protected from disclosure by law and
8 ask for a second.

9 COMMISSIONER CONWAY: I'll second.

10 CHAIRMAN LEARA: Second, Mr. Conway.

11 Any discussion on the motion?

12 Seeing none, Angie, please call the roll.

13 MS. FRANKS: Commissioner Hane.

14 COMMISSIONER HANE: Approved.

15 MS. FRANKS: Commissioner Conway.

16 COMMISSIONER CONWAY: Approved.

17 MS. FRANKS: Commissioner Boulware.

18 COMMISSIONER BOULWARE: Approved.

19 MS. FRANKS: Chairman Leara.

20 CHAIRMAN LEARA: Approved.

21 We will now go to a closed session.

22 (CLOSED SESSION)

23 CHAIRMAN LEARA: Okay. Everyone, we're back
24 in open session.

25 We're going to call the roll and make sure

0063

1 we have a quorum.

2 Angie, please.

3 MS. FRANKS: Commissioner Hane.

4 COMMISSIONER HANE: Present.

5 MS. FRANKS: Commissioner Conway.

6 COMMISSIONER CONWAY: Present.

7 MS. FRANKS: Commissioner Boulware.

8 COMMISSIONER BOULWARE: Present.

9 MS. FRANKS: Chairman Leara.

10 CHAIRMAN LEARA: Present.

11 We have a quorum.

12 The next item on the agenda is consideration
13 of licensure of certain supplier and key persons,
14 Galaxy Gaming.

15 Sergeant Holcomb, you have the floor.

16 SERGEANT HOLCOMB: Thank you, Mr. Chairman,
17 Commissioners.

18 Missouri State Highway Patrol officers and
19 Missouri Gaming Commission financial investigators
20 conducted comprehensive background investigations on
21 Galaxy Gaming, Incorporated and the company's key
22 person applicants for the purpose of assisting the
23 Commission in determining suitability for licensure.

24 Galaxy Gaming engages in the business of
25 designing, developing, manufacturing and acquiring

0064

1 proprietary casino table games and associated
2 technology platforms and systems for the global gaming
3 industry. The company has over 6,000 games located in
4 over 600 casinos in North America, the Caribbean, the
5 British Isles, Europe, Africa, cruise ships and
6 internet gaming sites worldwide.

7 The company investigation consisted of, but
8 was not limited to, a financial analysis, feedback from
9 Missouri gaming facility operators, jurisdictional
10 inquiries, a review of disciplinary actions, litigation
11 and business credit profiles.

12 The individual background investigations
13 included, were not limited to, civil, criminal
14 financial and general character inquiries that were
15 made in the jurisdictions where the applicants lived,
16 worked and frequented.

17 The following key person applicants for
18 Galaxy Gaming are being presented for your
19 consideration: Todd Paulden Cravens, President and
20 Chief Executive Officer; Harry Coleman Hagerty, III,
21 Chief Financial Officer, Secretary and Treasurer;
22 Michael Gavin Isaacs, Director; Mark Allan Lipparelli,
23 Director and Chairman; Bryan Walter Waters, Director;
24 William Allen Zender, Director.

25 Investigative findings were provided to the

0065

1 Missouri Gaming Commission staff for their review and
2 investigators are available to answer any questions you
3 might have.

4 CHAIRMAN LEARA: Any questions for
5 Sergeant Holcomb?

6 Just the one I asked earlier. No open
7 issues, no pending, no temporary licenses; this is
8 good?

9 SERGEANT HOLCOMB: That is correct, sir.

10 CHAIRMAN LEARA: Thank you, Sergeant
11 Holcomb.

12 At this time I would move for the approval
13 of Resolution No. 21-030, the supplier license. Do we
14 have a second?

15 COMMISSIONER HANE: Second.

16 CHAIRMAN LEARA: Second, Mr. Hane.

17 Any discussion?

18 Seeing none, Angie, please call the roll.

19 MS. FRANKS: Commissioner Hane.

20 COMMISSIONER HANE: Approved.

21 MS. FRANKS: Commissioner Conway.

22 COMMISSIONER CONWAY: Approved.

23 MS. FRANKS: Commissioner Boulware.

24 COMMISSIONER BOULWARE: Approved.

25 MS. FRANKS: Chairman Leara.

0066

1 CHAIRMAN LEARA: Approved.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 21-030.

4 CHAIRMAN LEARA: The next item, I move for
5 the approval of Resolution No. 21-036, the key persons
6 stated by Sergeant Holcomb. Is there a second?

7 COMMISSIONER CONWAY: Second.

8 CHAIRMAN LEARA: Second, Mr. Conway.
9 Any discussion?

10 Seeing none, Angie, please call the roll.

11 MS. FRANKS: Commissioner Hane.

12 COMMISSIONER HANE: Approved.

13 MS. FRANKS: Commissioner Conway.

14 COMMISSIONER CONWAY: Approved.

15 MS. FRANKS: Commissioner Boulware.

16 COMMISSIONER BOULWARE: Approved.

17 MS. FRANKS: Chairman Leara.

18 CHAIRMAN LEARA: Approved.

19 MS. FRANKS: By your vote you've adopted
20 Resolution No. 21-036.

21 CHAIRMAN LEARA: Now to go back into closed,
22 do we make the motion again?

23 MS. FRANKS: Yes.

24 CHAIRMAN LEARA: So the next item is I
25 move -- or I make a motion to go to closed meeting

0067

1 under Sections 313.847 of the Revised Statutes of
2 Missouri, investigatory, proprietary and application
3 records and Section 610.021, Subsection 1 of the
4 Revised Statutes of Missouri, legal actions and matters
5 subject to attorney-client privilege and legal work
6 product, Sections 3 and 13 personnel, Section 12
7 contracts, and Section 14 records protected from
8 disclosure by law and ask for a second.

9 COMMISSIONER BOULWARE: Second.

10 CHAIRMAN LEARA: Second, Mr. Boulware.

11 Any discussion?

12 Seeing none, Angie, please call the roll.

13 MS. FRANKS: Commissioner Hane.

14 COMMISSIONER HANE: Approved.

15 MS. FRANKS: Commissioner Conway.

16 COMMISSIONER CONWAY: Approved.

17 MS. FRANKS: Commissioner Boulware.

18 COMMISSIONER BOULWARE: Approved.

19 MS. FRANKS: Chairman Leara.

20 CHAIRMAN LEARA: Approved.

21 We will now go into closed. Thank you all.

22 WHEREIN, the meeting concluded at 11:00 a.m.

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0068

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CERTIFICATE OF REPORTER

4

5

I, Patricia A. Stewart, CCR, a Certified

6

Court Reporter in the State of Missouri, do hereby

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certify that the testimony taken in the foregoing

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which this transcript was taken, and further that I am

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otherwise interested in the outcome of the action.

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Patricia A. Stewart

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CCR 401

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MISSOURI GAMING COMMISSION
Third Open Session Minutes
June 30, 2021

The Missouri Gaming Commission (the “Commission”) went into the third open session at approximately 12:23 p.m. on June 30, 2021, at the Missouri Gaming Commission, 3417 Knipp Drive, Jefferson City, Missouri.

Chairman Leara moved to adjourn the open session meeting. Commissioner Conway seconded the motion, and after a roll call vote was taken, Hane – yes, Conway – yes, and Leara – yes, the motion passed unanimously.

The third open session meeting ended at 12:25 p.m.