

Colorado Limited Gaming Control Commission

Minutes of Public Session
January 19, 2012

Public Session

I. Call to Order

The January 19, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:32 a.m. at the Division of Gaming office, 17301 West Colfax Ave, Suite #135, Golden, Colorado. Commissioners Roger Hutson, Douglas Darr, Jannine Mohr and Chuck Murphy were present, and a quorum existed.

Officials & Administrators in Attendance

Robert Webb, Chairman
Roger Hutson, Vice-Chairman
Douglas Darr, Commissioner
Jannine Mohr, Commissioner
Chuck Murphy, Commissioner
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Cameron Lewis, Public Information Officer
Flavio Quintana, Agent in Charge, Golden
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Chris Moore, Supervisory Investigator
Wendy Spaulding, Secretary to the Commission

Public Session

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Mr. Dick Page, a citizen of Broomfield, Colorado, came forward to discuss rules of craps, launched a complaint regarding a casino and requested information on how to resolve a dispute. Mr. Page was invited to present testimony at the upcoming rulemaking hearing and was also provided with information regarding patron dispute procedures.

Michael Smith, President of the Colorado Gaming Association (CGA) and CEO for Colorado Casino Resorts, Inc., updated the Commission on current issues and statistics in the gaming towns and possible new legislation regarding Video Lottery Machines which could impact the gaming industry in Colorado. He also stated that this will be his last meeting as the President of CGA as a new President will be elected at its annual meeting.

Chairman Webb brought forth an item not on the agenda and invited a brief discussion among the Commissioners regarding the rulemaking sessions that were held in October and November regarding Rule 14 and the question whether contiguous casinos have an unfair tax advantage when operating under multiple licenses. He stated that the Commission intends to take formal action on this matter at its Commission meeting next month. Each Commissioner gave a statement as to their thoughts and stated they appreciated the testimony and information they received during the hearings. Chairman Webb asked each Commissioner to be prepared to take formal action next month on the rule.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Stipulation and Agreements in Case No. SA 11-05, In the Matter of Bally Gaming, Inc., Manufacturer/Distributor License No. 15-05799-0001 and Case No. SC 11-16, In the Matter of Terry A. Houk, Key License No. 04278; the Orders of Summary Suspension in Case No. OSS 11-13, In the Matter of Travis Arnold Thompson, Support License No. 39979, Case No. OSS 11-14, In the Matter of Julie Rae Valdez, Support License No. 40063, Case No. OSS 11-15, In the Matter of Margaret Lerma, Support License No. 37771 and Case No. OSS 11-16, In the matter of Samantha Russell, Support License No. 38569; and the Findings, Conclusions and Order in Case No. SC 11-30, In the Matter of Darrell Kenneth Traver, Support License No. 35685.

The Commission voted unanimously to approve and authorize the Chair to sign the disciplinary actions.

IV. Consideration of Amendments to Colorado Gaming Regulations

The Commission voted unanimously to open the hearings on proposed amendments to Colorado Limited Gaming Rules 1, 3, 8, 10, 22 and 23. Chris Moore, Supervisory Investigator, Division of Gaming, presented proposed changes to the following regulations:

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|---------------|--|--|
| <u>Rule 1</u> | 47.106 | Definitions |
| <u>Rule 3</u> | 47.1-305.5 47.1-325 | Table Game Review Fees Approval and field trial of variation games of poker, blackjack, craps, roulette, blackjack-poker combination games and table games with electronic betting terminals. |
| <u>Rule 8</u> | 47.1-803 47.1-804 47.1-809 47.1-810 | Blackjack table – physical characteristics Posting and furnishing of rules Wagering rules Payment of wagers |

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|----------------|--------------|---|
| | 47.1-812 | Insurance wagers |
| | 47.1-825 | Point counts |
| | 47.1-828 | Irregularities |
| | 47.1-831 | Procedure for accepting cash at blackjack table |
| | 47.1-841 | Entry Fee and Player Buy-In |
| | 47.1-842 | Rules of Play |
| <u>Rule 10</u> | 47.1-1002 | Definitions |
| | 47.1-1003 | Types of poker authorized |
| | 47.1-1010 | Ante |
| | 47.1-1017.14 | The Play – Let it Ride and Let it Ride Bonus with the option of 3 Bonus and Progressive Bet |
| | 47.1-1017.24 | The Play – Three Card Poker |
| | 47.1-1017.34 | The Play – Boston 5 or Boston 7 Stud Poker |
| | 47.1-1017.39 | Texas Hold’Em Bonus Poker |
| | 47.1-1017.44 | The Play – Crazy 4 Poker |
| | 47.1-1017.46 | The Play – Mississippi Stud |
| | 47.1-1017.47 | The Play – Ultimate Texas Hold ‘Em |
| | 47.1-1017.49 | The Play – Emperor’s Challenge |
| | 47.1-1017.50 | The Play – Fortune Pai Gow Poker |
| | 47.1-1056 | Entry Fee and Player Buy-In |
| <u>Rule 22</u> | 47.1-2201 | Definitions of words used in roulette |
| | 47.1-2203 | Placement of wagers; permissible and optional wagers |
| | 47.1-2213 | Roulette tournaments |
| | 47.1-2214 | Tournament chips required |
| | 47.1-2215 | Proposals for variations |
| <u>Rule 23</u> | 47.1-2314 | Posting of rules |
| | 47.1-2315 | Craps tournaments |
| | 47.1-2316 | Craps chips required |
| | 47.1-2317 | Proposals for variations |

The public was given an opportunity to address the Commission on the proposed amendments; Mr. Dick Page, citizen of Broomfield, came forward regarding Rule 23, with recommended changes to how patrons tip dealers in the game of craps.

The Commission voted unanimously to close the rulemaking hearing and to amend Colorado Limited Gaming Regulations, Rules 1, 3, 8, 10, 22 and 23 as presented.

V. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the five (5) months ending November 30, 2011.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VI. Consideration of Organizational Matters

Approval of Minutes – Minutes of the December 15, 2011 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Ron Kammerzell, Director, Division of Gaming, explained that Senior Director Thomson is not present at the Commission meeting as he is sitting in a Strategic Planning Hearing in front of the House Finance Committee for the Department of Revenue (DOR). Both Senior Director Thomson and Director Kammerzell attended a hearing yesterday in front of the Joint Budget Committee for DOR.

Last month Director Kammerzell reported that the Division had 14 vacant positions. Since that time, tremendous progress has been made in filling the positions and 8 of the 14 are in some stage of the hiring process.

The Division is currently monitoring legislation. At this time, there is not anything specific to Gaming, however, if anything of interest comes forward, the Division will brief the Commission on those items.

Approval of Property Ownership:

The Commission voted unanimously to approve the ownership of Division of Gaming employees who own private property in Gilpin or Teller counties for residential purposes pursuant to C.R.S. §12-47.1-401(1)(b).

Executive Session

Review of confidential reports from the Division of Gaming and the Colorado Bureau of Investigation.

Public Session (Reconvened)

VII. Approval of Licensing Actions

The Commission voted unanimously to issue the renewal of the Retail License for Minter Holdings, LLC d/b/a Johnny Nolon's Casino.

The license shall expire two years from the date of its current expiration.

Adjournment – The meeting was adjourned at approximately 11:11 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
February 16, 2012

Public Session

I. Call to Order

The February 16, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:34 a.m. at the Division of Gaming office, 17301 West Colfax Ave, Suite #135, Golden, Colorado. Commissioners Roger Hutson, Douglas Darr, Jannine Mohr and Chuck Murphy were present, and a quorum existed.

Officials & Administrators in Attendance

Robert Webb, Chairman
Roger Hutson, Vice-Chairman
Douglas Darr, Commissioner
Jannine Mohr, Commissioner
Chuck Murphy, Commissioner
Barbara Brohl, Executive Director, Department of Revenue
George Thomson, Senior Director, Enforcement Line of Business
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Cameron Lewis, Public Information Officer
Flavio Quintana, Agent in Charge, Golden
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Chris Moore, Supervisory Investigator
Wendy Spaulding, Secretary to the Commission

Public Session

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Andy Hamblen, the new President of the Colorado Gaming Association (CGA) and Senior Vice President and General Manager of the Ameristar Casino in Black Hawk, introduced himself to the Commission. He discussed two bills currently in the legislature which could impact the Colorado gaming communities. House Bill 1280 is of concern to the CGA as it seeks to authorize Video Lottery Terminals at race tracks. The second bill, SB 115, encourages tax recipients of gaming

funds to have their voice heard when the tax discussions are held. The CGA does not oppose the bill and encourages this dialogue. Mr. Hamblen also presented Ms. Amber Bunch, Executive Director, Problem Coalition of Colorado, with a check in the amount of \$10,000 on behalf of the CGA. Ms. Bunch thanked the CGA and apprised the Commission that the first and second place winners of the Scholarship Program will be announced in March.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Stipulation and Agreement in Case No. OSS 11-13, In the Matter of Travis Arnold Thompson, Support License No. 39979; the Orders to Show Cause in Case No. SC 11-36, In the Matter of Christina Hilt, Support License No. 34696, Case No. SC 12-01, In the Matter of Monica Paradise, Support License No. 39957 and Case No. SC 12-02, In the Matter of Kelley Barrs, Support License No. 35711. Ms. Williams also presented the Orders of Summary Suspension in Case No. OSS 12-03, In the Matter of Robert John Velasquez, Support License No. 38576, Case No. OSS 12-04, In the Matter of Patrick Crabtree, Support License No. 39947 and Case No. OSS 12-06, In the Matter of Kevin John Thurston, Support License No. 04670.

The Commission voted unanimously to approve and authorize the Chair to sign the disciplinary actions.

IV. Consideration of Rule 14, Regulation 47.1-1401 (4) (State Device Fee) and (5) (Application of Gaming Tax to Commonly Owned and Contiguous Retail Licenses)

The Commission publicly deliberated with each Commissioner giving a statement as to his or her thoughts on the rule change. The Commissioners stated that they did not believe there was an unfair tax advantage to Commonly Owned and Contiguous Retail Licenses. They also indicated they received testimony from the industry that this is a fair and legal business practice and that changing the rules would cause serious economic hardship to the affected casinos. The Commissioners also stated their appreciation for the testimony that was given and the dialogue that was had with the public and industry throughout the rule making process.

The Commission voted unanimously to make no amendments to Regulation 47.1-1401 (4) and (5).

V. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the six (6) months ending December 31, 2011.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

Ms. Floyd also introduced Mr. George Job, the new accountant for the Division.

VI. Consideration of Organizational Matters

Approval of Minutes – Minutes of the January 19, 2012, Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Ron Kammerzell, Director, stated that the Division continues to monitor legislation and thanked Mr. Hamlin for being so thorough in his account of the bills currently in the legislature that impacts the gaming industry in Colorado. Senate Bill 115 would establish additional criteria for informing fund recipients that may be impacted by tax rules being considered by the Commission.

The Division continues to fill its vacant positions and a new employee orientation will be held this afternoon for 10 new staff members.

Mr. Kammerzell asked the Commission to consider making time in their calendars after the March meeting to attend a tour of the GLI laboratory located in Golden.

Lastly, he explained that as a new Commissioner, each will be confirmed by the Senate during the legislative session. This has not been assigned to a committee yet, but should be scheduled in the near future.

Approval of Property Ownership:

The Commission voted unanimously to approve the ownership of Division of Gaming employees who own private property in Gilpin or Teller counties for residential purposes pursuant to C.R.S. §12-47.1-401(1)(b).

Executive Session

Review of confidential reports from the Division of Gaming.

Public Session (Reconvened)

VII. Approval of Licensing Actions

The Commission voted unanimously to issue the renewal of the Manufacturer/Distributor and Operator Licenses for WMS Gaming, Inc. The licenses shall expire two years from the date of their current expirations.

The Commission voted unanimously to approve the change of ownership for Atlantic Coin and Slot Service Company, Inc. d/b/a ACS.

Adjournment – The meeting was adjourned at approximately 10:36 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
March 15, 2012

Public Session

I. Call to Order

The March 15, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:32 a.m. at the Division of Gaming office, 17301 West Colfax Ave, Suite #135, Golden, Colorado. Commissioners Roger Hutson, Douglas Darr, Jannine Mohr and Chuck Murphy were present, and a quorum existed.

Officials & Administrators in Attendance

Robert Webb, Chairman
Roger Hutson, Vice-Chairman
Douglas Darr, Commissioner
Jannine Mohr, Commissioner
Chuck Murphy, Commissioner
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Cameron Lewis, Public Information Officer
Flavio Quintana, Agent in Charge, Golden
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Wendy Spaulding, Secretary to the Commission

Public Session

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Andy Hamblen, President, Colorado Gaming Association (CGA) and Senior Vice President and General Manager, Ameristar Casino in Black Hawk, apprised the Commission that the VLT bill discussed at the last meeting is sitting in the Agriculture Committee and it appears that there is no interest from the legislature to move it forward at this time. He then discussed the road construction that the Colorado Department of Transportation will begin on April 30, 2012 on Highway 119. The project is slated to take approximately 6 weeks and the road to Central City/Black Hawk will be closed for that time frame, with another 4 weeks of possible road delays after that. This closure is due to the installation of Fiber Optic technology throughout the canyon

and is expected to have a large negative impact on the AGP of the casino operators in Central City/Black Hawk. In closing, he explained that the Gaming industry in Deadwood, South Dakota raised the bet limit to \$1,000, leaving Colorado with the lowest bet limit in the country.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Order to Show Cause in Case No. SC 12-05, In the Matter of Ashley E. Dean, Support License No. 39978 and the Findings, Conclusions and Order in Case No. SC 11-31, In the Matter of Marci Lantz, Support License No. 35187.

The Commission voted unanimously to approve and authorize the Chair to sign the disciplinary actions.

IV. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the seven (7) months ending January 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

V. Consideration of Organizational Matters

Approval of Minutes – Minutes of the February 16, 2012, Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Ron Kammerzell, *Director*, stated that the Division continues to monitor legislation and will update the Commission on matters concerning the Gaming industry.

The Division continues to fill its vacant positions and two investigative positions are currently in the background process.

Mr. Kammerzell apprised the Commission that the annual tax setting hearings begin in April followed by additional tax testimony in May. He asked the Commissioners to expect full day meetings and adjust their schedules accordingly. A discussion was had concerning moving the date of the May Commission meeting due to scheduling conflicts.

Commission confirmations will be held in the Senate Finance Committee on March 27, at 1:30pm.

Lastly, he extended an invitation to the Commission made by History Colorado to tour its new building downtown.

Executive Session

Review of confidential reports from the Division of Gaming.

Public Session (Reconvened)

VI. Approval of Licensing Actions

The Commission voted unanimously to issue the renewal of the Retail License of CC Gaming, LLC d/b/a Johnny Z's Casino; the Manufacturer/Distributor License of Paltronics, Inc. and the Operator License of Merit Cripple Creek, LLC. The licenses shall expire two years from the date of their current expirations.

Adjournment – The meeting was adjourned at approximately 10:05 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
April 19, 2012

Public Session

I. Call to Order

The April 19, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:30 a.m. at the Division of Gaming office, 17301 West Colfax Avenue, Suite #135, Golden, Colorado. Commissioners Roger Hutson, Douglas Darr, Jannine Mohr and Chuck Murphy were present, and a quorum existed.

Officials & Administrators in Attendance

Robert Webb, Chairman
Roger Hutson, Vice-Chairman
Jannine Mohr, Commissioner
Chuck Murphy, Commissioner
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Cameron Lewis, Public Information Officer
Flavio Quintana, Agent in Charge, Golden
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Wendy Spaulding, Secretary to the Commission

Chairman Webb stated that Commissioner Darr, Sheriff of Adams County, was not sitting with the other Commissioners as he was resigning his Commission seat due to the redistricting that recently took place that put him in the same Congressional District as another Commissioner. The Chair thanked Mr. Darr for his service to the Division of Gaming and the State of Colorado.

Public Session

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Mr. Darr, Sheriff of Adams County, came forward to express his gratitude for being part of the Commission, which, in his opinion is one of the best boards on which he has served. Mr. Darr stated he felt he learned a great deal in a short period of time and will miss being on the Gaming Commission.

Andy Hamblen, President, Colorado Gaming Association (CGA) and Senior Vice President and General Manager, Ameristar Casino in Black Hawk, gave an update on the March gaming statistics for the industry and apprised the Commission that the VLT bill discussed at the last meeting is still active and is currently in the Finance Committee.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Order to Show Cause in Case No. SC 12-06, In the Matter of Jonathan D. Tibbs, Support License No. 40390 and the Findings, Conclusions and Orders in Case No. SC 11-36, In the Matter of Christina Marie Hilt, Support License No. 34696, Case No. SC 12-01, In the Matter of Monica Paradise, Support License #39957 and Case No. SC 12-02, In the Matter of Kelley Barrs, Support License #35711.

The Commission voted unanimously to approve and authorize the Chair to sign the disciplinary actions.

IV. Fiscal Year 2013 Budget Requests

Presentation by the Colorado Department of Local Affairs – Clay Brown, Regional Manager and Bret Hillberry, Program Administrator, presented the FY2013 budget request in the amount of \$153,939 for the *Local Government Limited Gaming Impact Fund*, which is within the Colorado Department of Local Affairs. The Commission voted unanimously to approve the request as presented.

Presentation by the Colorado Department of Public Safety – Jim Davis, Executive Director and Terri Anderle, Budget Director, presented an overview of the budget requests for the three CDPS divisions that receive gaming funds.

- *Colorado State Patrol* – Colonel James Wolfenbarger, Chief, presented the FY2013 budget request of \$2,627,941 and also provided detailed statistics and handouts concerning CSP activities in the gaming areas. The Commission voted unanimously to approve the request as presented.
- *Colorado Bureau of Investigation* – Ron Sloan, Director and Steve Johnson, Director, Gaming Unit, presented the FY2013 budget request in the amount of \$877,917. The Commission voted unanimously to approve the request as presented.
- *Division of Fire Safety* – Theresa Staples, Acting Director, presented the FY2013 budget request in the amount of \$179,060. The Commission voted unanimously to approve the request as presented.

Presentation by the Division of Gaming – Jill Vaughan, Budget Director, Enforcement Business Group, presented the FY2013 budget in the amount of \$10,353,618. The Commission voted unanimously to approve the request as presented.

V. Rulemaking Hearing on Colorado Gaming Regulation 47.1-1401, Gaming Tax

The Commission voted unanimously to open the hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming Tax. Brenda Davis, Director of Administration, presented an overview of the methodology used in the process of setting tax rates for each fiscal year. In April, tax hearings are held to receive projections of the costs related to gaming from the State Judicial Department, the Department of Public Health and Environment, and the State Historical Society. The entities scheduled to provide testimony in May include the Cities of Black Hawk, Central and Cripple Creek, Gilpin and Teller Counties, the Colorado Gaming Association, Anton Collins Mitchell (contract CPA firm) and the Division of Gaming. Public comment is received following the scheduled testimony at each meeting.

The following presentations were then made:

- *Colorado State Judicial Branch* – Brenda Davis provided the Commission with a letter from the Office of the State Court Administrator, which contained projections for FY 2013 costs related to the impacts of legalized gaming. The impacts involve the workload of court clerks and county court judgeships in Gilpin and Teller Counties.
- *History Colorado* - Ed Nichols, President, History Colorado and Steve Turner, Director, State Historical Funds, presented an overview of projects that are funded by gaming revenue.
- *Public Testimony* – The public was given an opportunity to address the Commission on Regulation 47.1-1401. Nancy McCallin, President, Colorado Community College System, came forward to apprise the Commission that legislation passed requiring the Commission to take Amendment 50 recipients into account when setting the annual gaming tax rate. She respectfully requested that the Commission restore the tax rates to the levels that were in effect for the 2010/2011 tax year.

The Commission voted unanimously to close and continue the hearings on May 24, 2012, stating that the meeting will be a week later than originally scheduled due to scheduling conflicts.

VI. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the eight (8) months ending February 29, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VII. Consideration of Organizational Matters

Approval of Minutes – Minutes of the March 15, 2012, Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Barb Brohl, Executive Director, was in attendance and had no comment.

George Thomson, Director, Enforcement Business Group, thanked Sheriff Darr for his service as a Commissioner.

Ron Kammerzell, Director, thanked the Commission for the support and approval of the Division's budget request. He also thanked Sheriff Darr for serving on the Gaming Commission and for his service to the State of Colorado.

Executive Session

Review of confidential reports from the Division of Gaming.

Public Session (Reconvened)

VIII. Approval of Licensing Actions

The Commission voted unanimously to approve the Change in Ownership of the Retail licenses for the Riviera Black Hawk, Inc. d/b/a Riviera Black Hawk Casino and the Horseshoe Casino, LLC d/b/a Canyon Casino and d/b/a Grand Plateau Casino, and to approve the Change in Ownership and renewal of the Manufacturer/Distributor and Operator licenses for Atlantic City Coin & Slot Service Company, Inc. d/b/a ACS, which shall expire two years from the date of their current expirations. The Commission also voted unanimously to issue the First Manufacturer/Distributor license for Monarch Growth, Inc. which shall expire two years from the date of its issuance.

Representatives from Monarch Growth, Inc. came forward to thank the Commission for the approval of their license and to thank the Division for their professional and supportive demeanor and hard work throughout the investigation. John Farahi, CEO, stated it was a pleasure to work with the team at the Division of Gaming.

Adjournment – The meeting was adjourned at approximately 12:25 p.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
May 24, 2012

Public Session

I. Call to Order

The May 24, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:32 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, #135, Golden Colorado. Commissioners Roger Hutson and Chuck Murphy were present, and a quorum existed. Commissioner Jannine Mohr was in transit when the meeting commenced and arrived at approximately 9:40 am.

Officials & Administrators in Attendance

Robert Webb, Commission Chair
Roger Hutson, Vice-Chair
Jannine Mohr, Commissioner
Chuck Murphy, Commissioner
Barbara Brohl, Executive Director
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Jill Vaughan, Budget Director
Cindy Raiolo, Budget Analyst
Cameron Lewis, Public Information Officer
Flavio Quintana, Agent in Charge, Lakewood
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Wendy Spaulding, Secretary to the Commission

II. Opportunity for the Public to Address the Commission

The Chair extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda. No one came forward.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General presented the Orders to Show Cause in Case No. SC 12-07, In the Matter of Norma Jean Cartin, Support License #25202, Case No. SC 12-08, In the Matter of Douglas Michael Daugherty, Support License No. 39578 and Key License No. 40460, and Case No. SC 12-09, In the Matter of Jason Scott McCleary, Support License No. 22427; and the Order of Summary Suspension in Case No. OSS 12-09, In the Matter of Peter Jenkins, Support License #40666.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

IV. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the nine (9) months ending March 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

V. Continuation of Hearings for Proposed Amendments to Colorado Gaming Regulation 47.1-1401, Gaming Tax

The Commission voted unanimously to re-open the hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming Tax. Representatives of the cities and counties impacted by gaming provided the following information which was admitted into the rulemaking record:

Central City – Brenda Davis, Director of Administration for the Division of Gaming, submitted the annual report provided by the City of Central into the record as a representative from the city was not in attendance to present the information. In its report, the city requested the tax rates to remain unchanged for FY2013.

Black Hawk – Brenda Davis, Director of Administration, submitted the report provided by the City of Black Hawk into the record as a representative from the city was not in attendance to present the information. In its report, the city requested the tax rates to remain unchanged for FY2013.

Cripple Creek – Brenda Davis, Director of Administration, submitted the report provided by the City of Cripple Creek into the record as a representative from the city was not in attendance to present the information. In its report, the city requested the tax rates to remain unchanged for FY2013.

Gilpin County – County Commissioner Buddy Schmalz presented Gilpin County's annual report and stated that Gilpin County supports maintaining the current tax structure to help keep stability within the industry and the county.

Teller County – County Commissioner Jim Ignatius presented Teller County's annual report and discussed the two different revenue streams from Gaming; the direct distribution and the competitive grant funds through the Limited Gaming Impact program. The Commissioner stated that Teller County respectfully requests the tax rates remain the same for one more year to allow the industry to gain some footing and stabilize the employment rate.

Additional presentations were made by the following:

Anton Collins Mitchell LLP – Stacey Hekkert, Audit Partner, and Kristen Holthus, CPA, presented an overview of the Colorado gaming industry performance, gaming industry trends and compared the net revenues of the six tax tiers. Information was also provided regarding other components by tax tier including, AGP by device, average EBITDA, operating, payroll and marketing expenses and device fees.

Department of Revenue – Jill Vaughan, Budget Director and Cindy Raiolo, Budget Analyst, presented the Division of Gaming's FY 2012 revenue projections. The estimated FY 2012 revenue projections are based on 10 months of actual data and 2 months of projected data for the balance of the year. Total

AGP is estimated to be just over \$761 million, with estimated total tax revenue of \$102 million. The FY 2013 revenues are projected to be the same as FY 2012.

Colorado Gaming Association (CGA) – Mark Grueskin, Legal Counsel and Andy Hamblen, President of the Colorado Gaming Association, each presented a portion of the association’s position on the tax rate. Mr. Grueskin presented the CGA’s request to retain the current tax rate structure for Fiscal Year 2013.

Public Testimony

Members of the public were given the opportunity to testify regarding gaming taxes. No one came forward.

Certifications

The Commission certified that the following continuation budget requests for Fiscal Year 2013 were being considered by the Commission in setting the gaming tax rate beginning July 1, 2012: Department of Local Affairs, Colorado Bureau of Investigation, Colorado State Patrol, Colorado Division of Fire and Safety and the Colorado Division of Gaming. The Commission certified that the state agency program impacts were being considered by the Commission in setting the gaming tax rate starting July 1, 2012, and were deemed to be gaming-related.

Executive Session

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3) (a)(II) and (III) and 12-47.1-527(1)(a) of the Colorado Revised Statutes to review confidential information related to gaming taxes of individual casinos, including reports from Anton Collins Mitchell LLP, the Division of Gaming and casino licensees with proprietary information specific to their operations, and to receive legal advice, if necessary.

Public Session (reconvened)

The Public Session reconvened at approximately 12:40 p.m.

The Commission voted unanimously to close the hearings on proposed amendments to Colorado Gaming Regulation 47.1-1401, Gaming Tax. The Commission publicly deliberated on the information and testimony it had received in April and May from the various state and local agencies, the testimony presented by the Colorado Gaming Association, and information received from Anton Collins Mitchell LLC regarding the current state of affairs in the Colorado gaming industry. Each Commissioner expressed his/her thoughts and considerations of the issue.

The Commission voted unanimously to reinstate the gaming tax rates that were in effect in FY2011, an increase of 5% in each of the six tiers.

VI. Consideration of Organizational Matters

Approval of Minutes – Minutes of the April 19, 2012, Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Barbara Brohl – Executive Director Brohl thanked the Commission on behalf of the Department of Revenue for its work and diligence in connection with the gaming tax hearings.

Ron Kammerzell – Director Kammerzell advised that diligent efforts were being made to find a replacement for the Law Enforcement member of the Commission that was previously held by Mr. Darr.

Executive Session

The Commission voted unanimously to go into executive session pursuant to sections 12-47.1-522(1)(a), 24-6-402(3)(a)(III), and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming.

Public Session (Reconvened)

VII. Consideration of Licensing Actions

The Commission voted unanimously to approve the renewal of the Retail License of American Gaming Group, LLC d/b/a Wildwood Casino at Cripple Creek with the following condition: Melissa Levinson cannot vote any of the Marshall Unit shares. The licensee, its owners and all associated businesses shall not enter into any future business relationships with Paul Marshall, the Marshall Family Trust, or any of its trustees; and to issue the renewal of the Manufacturer/Distributor license of Shuffle Master, Inc. The licenses shall expire two years from the date of their current expiration.

The Commission voted unanimously to issue the First Retail License for G Investments, LLC d/b/a Colorado Grande Hotel and Casino and Partners CC, LLC d/b/a Gold Rush Hotel and Casino. The licenses shall expire two years from the date of their issuance and are subject to the Standard Conditions for a Retail license.

David Minter thanked the Commission and Division for the approval of the First Licensing for G Investments, LLC d/b/a Colorado Grande Hotel and Casino. He then introduced his wife Arlene Minter who also has ownership in the property.

Joanna Walters, Managing Member, Gold Rush Casino, came forward to thank the Commission for the approval of the First Licensing of Partners CC, LLC and expressed her excitement in reopening the Gold Rush Hotel and Casino.

Adjournment – The meeting was adjourned at approximately 1:25 p.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
June 21, 2012

Public Session

I. Call to Order

The June 21, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Vice-Chairman Roger Hutson at approximately 9:30 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, #135, Golden Colorado. Commissioners Jannine Mohr and Chuck Murphy were present, and a quorum existed. Chairman Robert Webb was excused for good cause.

Officials & Administrators in Attendance

Roger Hutson, Vice-Chair
Jannine Mohr, Commissioner
Chuck Murphy, Commissioner
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
John Lizza, First Assistant Attorney General
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Georgia McBride, Technical Systems Manager
John Modek, System Specialist
Vickie Floyd, Controller
Jill Vaughan, Budget Director
Cindy Raiolo, Budget Analyst
Cameron Lewis, Public Information Officer
Flavio Quintana, Agent in Charge, Lakewood
Lad Sullivan, Agent in Charge, Central City
Wendy Spaulding, Secretary to the Commission

II. Opportunity for the Public to Address the Commission

The Chair extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda. No one came forward.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Stipulation and Agreement in Case No. SC 11-08, In the Matter of Alan S. Goldberg, Support License No. 14827, the Order to Show Cause in Case #SC 12-10, In the Matter of Jason Alan Moskoe, Support License No. 40043, the Orders of Summary Suspension in Case No. OSS 12-11, In the Matter of Christopher Douglas Stottlemeyer, Support License No. 40863 and Case No. OSS 12-12, In the Matter of Kam Lo, Support License No. 30881, and the Findings, Conclusions and Order in Case No. SC 12-06, In the Matter of Jonathan D. Tibbs, Support License No. 40390.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

IV. Sunset Review Update – Department of Regulatory Agencies

Brian Tobias, Senior Policy Analyst, Office of Policy, Research & Regulatory Reform, came forward to give a brief update of the progress of the Sunset Review being conducted on the Division of Gaming. He apprised the Commission this is the last meeting he will attend as his field work is complete. Additional information will be requested and gathered and a report issued in mid-October. He thanked the Commission and Division for their support and assistance.

V. Consideration of Aristocrat Technologies, Inc. Tarzan, Multi-Site Progressive System

Georgia McBride, Technical Systems Manger, made a presentation on the proposed Tarzan, Multi-Site Progressive System.

The Commission voted unanimously to approve the new system as presented.

VI. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the Ten (10) months ending April 30, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VII. Consideration of Supplemental Budget Request FY11

Cindy Raiolo, Budget Analyst, presented the supplemental budget request which would decrease the Division's overall budget by \$87,339 for Fiscal Year 2012.

The Commission voted unanimously to approve the supplemental budget request.

VIII. Consideration of Colorado Gaming Rule 3 – Applications, Investigations and Licensure

Jill Vaughan, Budget Director and Cindy Raiolo, Budget Analyst, presented information regarding Colorado Limited Gaming Regulations 47.1-303 and 305, and did not propose any amendments.

The Commission voted unanimously to close the hearing on Gaming Rule 3 and make no changes.

IX. Consideration of Charles Barry Patron Complaint

John Lizza, First Assistant Attorney General, discussed the options of the Commission regarding the patron dispute brought forth by Charles Barry. The Commission made a motion to direct Mr. Lizza to a draft an order upholding the Division's previous determination on the matter.

X. Consideration of Organizational Matters

Approval of Minutes – Minutes of the May 24, 2012, Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Ron Kammerzell – Director Kammerzell explained that the Division has been implementing the audit recommendations made through the performance audit. A meeting with the Legislative Audit Committee will take place August 27 or 28, 2012. Efforts are being taken to find a replacement for the

Law Enforcement member of the Commission that was previously held by Sheriff Doug Darr. In addition, Mr. Kammerzell introduced Robert Vallani, a new auditor in the Cripple Creek office.

Executive Session

The Commission voted unanimously to go into executive session pursuant to sections 12-47.1-522(1)(a), 24-6-402(3)(a)(III), and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming.

Public Session (Reconvened)

XI. Consideration of Licensing Actions

The Commission voted unanimously to approve the Change in Ownership for Pioneer Group, Inc. d/b/a Bronco Billy's Sports Bar & Casino, d/b/a Buffalo Billy's Casino and d/b/a Billy's Casino.

Adjournment – The meeting was adjourned at approximately 10:20 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
July 19, 2012

Public Session

I. Call to Order

The July 19, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Robert Webb at approximately 9:32 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, #135, Golden, Colorado. Commissioners Roger Hutson, Jannine Mohr and Chuck Murphy were present, and a quorum existed.

Officials & Administrators in Attendance

Robert Webb, Chairman
Roger Hutson, Vice-Chairman
Jannine Mohr, Commissioner
Charles Murphy, Commissioner
Barbara Brohl, Executive Director, Department of Revenue
George Thomson, Senior Director, Enforcement
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Cindy Raiolo, Budget Analyst
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Chris Moore, Supervisory Investigator, Cripple Creek
Cameron Lewis, Public Information Officer
Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Webb announced his resignation from the Commission effective at the end of July. He extended his thanks to Director Kammerzell and Division staff for their support and professionalism throughout this past year and said he was also pleased to have worked with the industry and gaming communities. Vice-Chairman Hutson and Commissioners Mohr and Murphy each extended their thanks to Chairman Webb for his service and leadership.

II. Election of Commission Officers FY 2013

Ceri Williams, Senior Assistant Attorney General, conducted the election for Chair of the Colorado Limited Gaming Control Commission to serve through Fiscal Year 2013. Nominations for Chair were opened and Commissioner Chuck Murphy nominated Vice-Chairman Roger Hutson for the

position. There were no further nominations, and the nominations were closed. The Commissioners voted unanimously in favor of Vice-Chairman Hutson to serve as the Commission Chairman for Fiscal Year 2013.

Nominations for Vice-Chair were then opened and Chairman Roger Hutson nominated Commissioner Jannine Mohr for the position. There were no further nominations, and the nominations were closed. The Commissioners voted unanimously in favor of Commissioner Mohr to serve as the Commission Vice-Chair for Fiscal Year 2013.

III. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Lois Rice, Executive Director, Colorado Gaming Association (CGA), distributed a copy of the State of the State publication that gives a snapshot of the gaming industry across the United States. She also apprised the Commission of the resignation of Andy Hamblin as President of the CGA stating that Mr. Hamblin accepted a position with an Ameristar property in Nevada. David Mintor, General Manager, Colorado Grande and Johnny Nolon's Casino, has been elected as the new President of the CGA.

Ms. Rice then stated that the Waldo Canyon fire had a large negative impact in the Cripple Creek gaming community with an estimated loss of \$1.8 million in gross revenue. However, the Cripple Creek Casinos still donated over \$25,000 cash and in kind contributions for fire relief efforts. The casino owners also opened their parking lots for RV's and campers to those who were displaced from their homes. Ms. Rice then presented a \$10,000 check to Cindy Payne, President of the Problem Gambling Coalition, as a second installment donation from the CGA.

John Schaffer, representing an entity that owns a percentage of the Wildwood Casino in Cripple Creek, came forward to present information to the Commission regarding a pending change in ownership for the Wildwood Casino. He requested that the Commission not approve the change of ownership when it comes forth.

IV. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Order to Show Cause in Case No. SC 12-15, In the Matter of Joseph Dimes, Support License #40297 and the Findings, Conclusions and Orders in Case No. SC 12-05, In the Matter of Ashley E. Dean, Support License #39978, and Case No. SC 12-07, In the Matter of Norma Jean Cartin, Support License #25202.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

V. Consideration of Amendments to Colorado Gaming Regulations

The Commission voted unanimously to open the hearings on proposed amendments to Colorado Limited Gaming Rules 1, 8, 10, 12, 16, 21, 22 and 23. Chris Moore, Supervisory Investigator,

Division of Gaming, provided sworn testimony regarding the proposed changes to the following regulations:

| | | |
|----------------|--------------|--|
| <u>Rule 1</u> | 47.1-106 | Definitions |
| <u>Rule 8</u> | 47.1-834.9 | The Play – Buffalo Blackjack Bonus |
| | 47.1-834.10 | The Play – Double Up Blackjack |
| | 47.1-843 | Conduct of Tournament |
| <u>Rule 10</u> | 47.1-1003 | Types of poker authorized |
| | 47.1-1017.24 | The Play – Three Card Poker |
| | 47.1-1017.34 | The Play – Boston 5 or Boston 7 Stud Poker |
| | 47.1-1017.44 | The Play – Crazy 4 Poker |
| | 47.1-1017.46 | The Play – Mississippi Stud |
| | 47.1-1017.47 | The Play – Ultimate Texas Hold ‘Em |
| | 47.1-1017.51 | The Play – Texas Shootout |
| <u>Rule 12</u> | 47.1-1213 | Specifications for chips and tokens |
| | 47.1-1214 | Specifications for the shape and size of chips |
| | 47.1-1254 | Progressive table games defined |
| <u>Rule 16</u> | 47.1-1615 | Match play coupons |
| <u>Rule 21</u> | 47.1-2107 | The Play – 21+3 |
| <u>Rule 22</u> | 47.1-2203 | Placement of wagers; permissible and optional wagers |
| <u>Rule 23</u> | 47.1-2305 | Making and Removing Wagers |
| | 47.1-2318 | Tips in Craps |

The public was given an opportunity to address the Commission on the proposed amendments; no one came forward.

The Commission voted unanimously to close the rulemaking hearing and to amend Colorado Limited Gaming Regulations, Rules 1, 8 10, 12, 16, 21, 22 and 23 as presented.

VI. Consideration of Supplemental Budget Request for FY13

Cindy Raiolo, Budget Analyst, presented a supplemental budget request to increase the Division’s overall budget by \$90,459 for Fiscal Year 2013.

The Commission voted unanimously to approve the supplemental budget request.

VII. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the eleven (11) months ending May 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VIII. Consideration of Organizational Matters

Approval of Minutes – Minutes of the June 21, 2011 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Barbara Brohl, Executive Director, Department of Revenue, thanked Chairman Webb for his leadership and service on the Gaming Commission. She also extended her appreciation to the Division's staff that assisted local law enforcement and fire officials with the Waldo Canyon fire.

George Thomson, Senior Director, Enforcement Business Group, thanked Chairman Webb for his service this past year. He also wanted to specifically thank Gary Watada who coordinated Department of Revenue Enforcement personnel in assisting with the fires and for Mr. Watada's efforts in the field. Mr. Thomson also thanked the numerous Investigators in Gaming and throughout the Department who dedicated their time and efforts in assisting in the Waldo Canyon fire.

Ron Kammerzell, Director, Division of Gaming, introduced and welcomed Trinda Quint, a new Division employee in the Licensing Section. He then apprised the Commission that for fiscal year 2012, AGP was .73% higher than last year and gaming taxes totaled \$102.1 million which is a 2.6% decrease from Fiscal Year 2011. Director Kammerzell also stated that the Division is actively working with the Office of Human Resources to fill its 10 vacant positions. Lastly, the Director thanked Chairman Webb for his service this past year to the Division, the Gaming Industry and to the State of Colorado.

Executive Session

The Commission voted unanimously to go into executive session pursuant to sections 24-6-402(3)(a)(III), 12-47.1-522(1)(a) and (b) and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming and the Colorado Bureau of Investigation.

Public Session (Reconvened)

IX. Approval of Licensing Actions

The Commission voted to renew the Retail Licenses of Gold Creek Ventures, LLC d/b/a Gold Creek Casino, Double Eagle Resorts, Inc. d/b/a Double Eagle Hotel and Casino, Casinos U.S.A, Inc. d/b/a Bull Durham Saloon & Casino and Doc Holliday Casino II, LLC d/b/a Doc Holliday's and to renew the Operator License of Colorado Casino Resorts, Inc. and the Manufacturer/Distributor and Operator license of Bally Gaming, Inc. d/b/a Bally Technologies.

The licenses shall expire two years from the date of their current expirations.

The Commission voted unanimously to issue the first Manufacturer/Distributor license for Merit Cripple Creek, LLC.

The license shall expire two years from the date of its issuance.

The Chairman extended an opportunity for the public in attendance to further address the Commission; no one came forward.

Adjournment – The meeting was adjourned at approximately 11:02 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
August 23, 2012

Public Session

I. Call to Order

The August 23, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Roger Hutson at approximately 10:00 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, #135, Golden, Colorado. Commissioners Doug Darr and Jannine Mohr were present and a quorum existed. Commissioner Murphy was excused for good cause.

Officials & Administrators in Attendance

Roger Hutson, Chairman
Jannine Mohr, Vice-Chair
Doug Darr, Commissioner
George Thomson, Senior Director, Enforcement
Ron Kammerzell, Director
Brenda Davis, Director of Administration
Laura Manning, Chief of Investigations
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
George Job, Accountant
Cindy Raiolo, Budget Analyst
Kirsten Gregg, Supervisory Investigator
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Cameron Lewis, Public Information Officer
Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Hutson welcomed back Commissioner Darr who was recently reappointed to the Limited Gaming Commission.

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Mr. Dick Paige came forward to discuss changes he would like to see made to certain rules for the game of Craps. Chairman Hutson along with Director Kammerzell explained the proper channels in which to propose amendments to existing rules.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Order to Show Cause in Case No. SC 12-14, In the Matter of Bradley Moss, Support License #36070.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary action.

IV. Consideration of Supplemental Budget Request for FY13

Cindy Raiolo, Budget Analyst, presented a supplemental budget request to increase the Division's overall budget by \$86,267 for Fiscal Year 2013.

The Commission voted unanimously to approve the supplemental budget request.

V. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the twelve (12) months ending June 30, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VI. Certification of Fiscal Year 2012 Distribution

George Job, Accountant, Division of Gaming provided a Power Point presentation of the Fiscal Year 2012 Limited Gaming Fund and the Extended Gaming Fund Distributions.

The Commission voted unanimously to certify the Fiscal Year 2012 distribution of the Limited Gaming Fund and the Extended Gaming Fund as presented by the Division. The following representatives were present to accept the distribution check: Shannon Flowers for City of Central, Roger Baker for Gilpin County and Paul Harris for the City of Cripple Creek.

VII. Consideration of Organizational Matters

Approval of Minutes – Minutes of the July 19, 2011 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

George Thomson, Senior Director, Enforcement Business Group, informed the Commission that the Division and Department will meet with the Legislative Audit Committee on August 28, 2012 regarding the implementation of the audit recommendations made through the performance audit.

Ron Kammerzell, Director, Division of Gaming, updated the Commission on the status of vacant positions within the Division stating many position should be filled within the next month. He also reminded the Commission that the meeting on September 20th will be held in Cripple Creek and in

Central City on October 19th. Lastly, the Director welcomed Commissioner Darr back to the Commission and thanked him for his continued service.

Executive Session

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(II) and (III), 12-47.1-522(1)(a) and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming and to discuss a confidential legal matter.

Public Session (Reconvened)

VIII. Approval of Licensing Actions

The Commission voted unanimously to approve the first issuance of the retail license for The Lucid Group, LLC d/b/a The Rush Poker Room. Such license shall expire 2 years from the date of issuance and shall be subject to the Standard Conditions for a retail license.

The Chairman extended an opportunity for the public in attendance to further address the Commission. Joanna Walters, Managing Member of The Lucid Group, came forward to thank the Commission for issuing the retail license for The Rush Poker Room.

Adjournment – The meeting was adjourned at approximately 10:55 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
September 20, 2012

Public Session

I. Call to Order

The September 20, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Roger Hutson at approximately 10:00 a.m. at the Division of Gaming office, 350 W. Carr Avenue, Cripple Creek, Colorado. Commissioners Doug Darr, Jannine Mohr and Chuck Murphy were present and a quorum existed.

Officials & Administrators in Attendance

Roger Hutson, Chairman
Jannine Mohr, Vice-Chair
Doug Darr, Commissioner
Chuck Murphy, Commissioner
Barb Brohl, Executive Director, Department of Revenue
Ron Kammerzell, Acting Senior Director, Enforcement Group
Laura Manning, Acting Director
Brenda Davis, Director of Administration
Ceri Williams, Senior Assistant Attorney General
Vickie Floyd, Controller
Gary Watada, Agent in Charge, Cripple Creek
Flavio Quintana, Agent in Charge, Background Unit
Cameron Lewis, Public Information Officer
Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Hutson expressed the Commission's gratitude for the hospitality extended by the town of Cripple Creek and the Gaming Industry and stated the Commission enjoys being able to visit the Cripple Creek community.

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Cindy Payne, ICO, Isle Casino and the Board President, Problem Gambling Coalition of Colorado (PGCC), gave an update on the PGCC and the Self Exclusion Program. The PGCC is also hosting its 2nd Annual Wine Tasting and Silent Auction that will be held at the Isle Casino on October 26, 2012. Ms. Payne also advised that the 2013 scholarship program will kick off in the near future.

Lois Rice, Executive Director, Colorado Gaming Association (CGA), gave an update on upcoming events in October. On October 26, the regular quarterly membership meeting will be held and will also begin CGA's learning series which includes educational programs for the industry in all gaming towns. Also, on that date, the 1st Annual Inaugural Global Gaming Women's Breakfast will be held. Ms. Rice also recognized many distinguished awards that have been presented to the Gaming community. The City of Central received the 2012 Governor's Award for Excellence for its 2011 City Streetscape, the Isle of Capri received the Jefferson County Food Safety Award for the Calypso Café, and the Century Casino received the Channel 7 People's Choice Award for best casino in Central City.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Orders of Summary Suspension in Case No. OSS 12-13, In the Matter of Thi Tong Vang, Support License #31717, Case No. OSS 12-15, In the Matter of Lyle David Jackson, Support License #36155 and the Findings, Conclusions and Order in Case No. SC 12-15, In the Matter of Joseph Dimes, Support License #40297.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

IV. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the one (1) month ending July 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

V. Consideration of Organizational Matters

Approval of Minutes – Minutes of the August 23, 2012 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Barb Brohl, Executive Director, Department of Revenue, complimented Cripple Creek on its successful historic preservation throughout the town. She then announced that George Thomson, Senior Enforcement Director, resigned from the Department of Revenue to return to private practice with Century Link. She thanked him for the wonderful service he provided this past year. Director Brohl then announced that Director Ron Kammerzell has been appointed as the Acting Senior Director for the Enforcement Group, and Laura Manning is the appointed Acting Director for the Division of Gaming. Director Brohl congratulated them both for their warranted appointments.

Ron Kammerzell, Acting Senior Director, Enforcement Group, thanked Director Brohl for the opportunity to step into the role of Senior Director. He recognized Laura Manning as Acting Director and Brenda Davis as Director of Administration and thanked them for their support and service to the Division of Gaming. He also apprised the Commission that he and Chairman Hutson

went before the Legislative Audit Committee to present a progress update on the audit recommendations. The Division has implemented all but 2 of the 15 audit recommendations.

Laura Manning, Acting Director, Division of Gaming, expressed her thanks to Ron Kammerzell for his confidence in her and stated she looks forward to serving as Acting Director for the interim. Acting Director Manning also gave a brief synopsis of her background with the Division.

Executive Session

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(III), 12-47.1-522(1)(a) and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming.

Public Session (Reconvened)

Director Kammerzell introduced Mr. Noel Peterson, a new Investigator in the Cripple Creek Gaming office and welcomed him to the team.

VI. Approval of Licensing Actions

The Commission voted unanimously to approve the renewals of the Retail licenses for Dostal Alley, Inc. d/b/a Dostal Alley, CCSC/Blackhawk, Inc. d/b/a Lady Luck Casino Black Hawk and the Isle of Capri Black Hawk, LLC d/b/a Isle Casino Hotel Black Hawk; the Manufacturer/Distributor licenses for IOC – Black Hawk Distribution Company, LLC and the Operator license for CCSC/Blackhawk, Inc. d/b/a Lady Luck Casino Black Hawk. The license renewals shall expire two years from the date of their current expirations.

The Commission voted unanimously to approve the first issuance of the Manufacturer/ Distributor license for Dynasty Games. Such license shall expire 2 years from the date of issuance.

The Commission voted unanimously to approve the Changes in Ownership for the Retail licenses of Dostal Alley, Inc. d/b/a Dostal Alley, CCSC/Blackhawk, Inc. d/b/a Lady Luck Casino Black Hawk, Isle of Capri Black Hawk, LLC d/b/a Isle Casino Hotel Black Hawk and American Gaming Group, LLC d/b/a Wildwood Casino at Cripple Creek (the voting restriction on the Marshall unit shares was removed). The Commission also voted unanimously to approve the Changes in Ownership for the Manufacturer/ Distributor license for IOC – Black Hawk Distribution Company, LLC, and the Operator license for CCSC/Blackhawk, Inc. d/b/a Lady Luck Casino Black Hawk.

The Chairman extended an opportunity for the public in attendance to further address the Commission. Colleen Webb, ICO, Lady Luck Casino, came forward to thank the Commission for the renewal of the licenses of the Lady Luck Casino and the Isle of Capri Casino.

Adjournment – The meeting was adjourned at approximately 11:00 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
October 18, 2012

Public Session

I. Call to Order

The October 18, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Roger Hutson at approximately 10:00 a.m. at the Division of Gaming office, 142 Lawrence Street, Central City, Colorado. Commissioners Doug Darr, Jannine Mohr and Chuck Murphy were present and a quorum existed.

Officials & Administrators in Attendance

Roger Hutson, Chairman
Jannine Mohr, Vice-Chair
Doug Darr, Commissioner
Chuck Murphy, Commissioner
Ron Kammerzell, Acting Senior Director, Enforcement Group
Brenda Davis, Director of Administration
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Chris Moore, Supervisory Investigator
Vickie Floyd, Controller
Flavio Quintana, Agent in Charge, Background Unit
Lad Sullivan, Agent in Charge, Central City
Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Hutson expressed the Commission's gratitude for the hospitality extended by the towns of Black Hawk and Central City and the Gaming Industry and stated the Commission enjoys being able to visit the community.

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Buddy Schmaltz, Mayor, Central City came forward to welcome the Commission to Central City and thank them for continuing to have an annual meeting in the city.

Cindy Payne, ICO, Isle Casino Black Hawk and the Board President, Problem Gambling Coalition of Colorado (PGCC), gave an update on the PGCC and the Self Exclusion Program. The PGCC is hosting its 2nd Annual Wine Tasting and Silent Auction that will be held at the Isle Casino Black

Hawk on October 26, 2012. Ms. Payne also updated the Commission on the 2013 scholarship program which will kick off in the near future.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Orders to Show Cause in Case No. SC 12-17, In the Matter of Vanessa Ortega Uballe, Support License #33501, Case No. SC 12-18, In the Matter of Consuelo Lozoya, Support License #37308, and the Findings, Conclusions and Order in Case No. SC 12-14, In the Matter of Bradley Moss, Support License #36070.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

IV. Consideration of Amendments to Colorado Gaming Regulations

The Commission voted unanimously to open the hearings on proposed amendments to Colorado Limited Gaming Rules 1, 2, 3, 4, 4.5, 10 and 23. Chris Moore, Supervisory Investigator, Division of Gaming, provided sworn testimony regarding the proposed changes to the following regulations listed below. Investigator Moore also introduced Sean Ballain who will take over as the Table Games Chairman and will present proposed changes to table games rules in the future.

| | | |
|-----------------|--|--|
| <u>Rule 1</u> | 47.1-106 | Definitions |
| <u>Rule 2</u> | 47.1-207 47.1-211 47.1-214 | Authority of Director Filing or Notice Death of a gaming patron |
| <u>Rule 3</u> | 47.1-302 47.1-303 47.1-305 47.1-305.5 47.1-313 47.1-318 47.1-319 47.1-325 | Applications License Fees Investigation Fees Table Game Review Fees Licensed Premises – Location Licensed Premises – Modification Temporary license Approval of field trial of variation games of poker, blackjack, craps, roulette, blackjack-poker combination games and table games with electronic betting terminals. |
| <u>Rule 4</u> | 47.1-404 47.1-405 47.1-412 47.1-418 47.1-419 47.1-426 | List of personnel Information to be furnished by licensee Payment of Winners – Reserves Special rules of conduct Procedure upon dissolution Foreign gaming |
| <u>Rule 4.5</u> | 47.1-4.500 | Incorporation by reference |

| | | |
|----------------|--------------|--|
| <u>Rule 10</u> | 47.1-1017.14 | The play – Let it Ride and Let it Ride Bonus with the option of a 3 Card Bonus and Progressive Bet |
| | 47.1-1017.44 | The play – Crazy 4 Poker |
| | 47.1-1017.46 | The play – Mississippi Stud |
| | 47.1-1017.47 | The play – Ultimate Texas Hold ‘Em |
| <u>Rule 23</u> | 47.1-2317.01 | The Play – Craps with Fire Bet |
| | 47.1-2317.02 | The Play – Craps with Sharp Shooter |

The public was given an opportunity to address the Commission on the proposed amendments; no one came forward.

The Commission voted unanimously to close the rulemaking hearing and to amend Colorado Limited Gaming Regulations, Rules 1, 2, 3, 4, 4.5, 10 and 23 as presented.

V. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the two (2) months ending August 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VI. Consideration of Organizational Matters

Approval of Minutes – Minutes of the September 20, 2012 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors’ Update:

Ron Kammerzell, Acting Senior Director, Enforcement Group, announced that the Governor appointed Mr. Bill Hughes as the new CPA member to the Gaming Commission. Mr. Hughes will attend the next meeting being held on November 15, 2012. He also congratulated Commissioner Murphy on his reappointment to the Commission for his second term.

Director Kammerzell also apprised the Commission that DORA finalized the Division’s Sunset Review. A copy will be provided to the Commission and can also be found on DORA’s website. The review will be presented to the General Assembly in January recommending the Division continue to operate for another ten years.

Executive Session

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(III), 12-47.1-522(1)(a) and (b), and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming and the Colorado Bureau of Investigation.

Public Session (Reconvened)

VII. Approval of Licensing Actions

The Commission voted unanimously to approve the renewal of the Retail license for Majestic Colorado Gaming, LLC d/b/a Fitzgeralds Casino. The license renewal shall expire two years from the date of its current expiration.

The Commission voted unanimously to approve the first issuance of the Retail Licenses for Affinity Gaming Black Hawk, LLC d/b/a Golden Gulch, Affinity Gaming Black Hawk, LLC d/b/a Golden Gates and Affinity Gaming Black Hawk, LLC d/b/a Golden Mardi Gras. The licenses will expire two years from the date of their issuance and shall be subject to the Standard Conditions for a Retail License.

The Commission also voted unanimously to approve the first issuance of the Manufacturer/Distributor license for Affinity Gaming Black Hawk, LLC d/b/a Golden Mardi Gras. The license shall expire 2 years from the date of issuance.

The Chairman extended an opportunity for the public to address the Commission. David Ross, CEO, Affinity Gaming, came forward to thank the Commission for the approval of the licenses and to thank the investigative team from the Division of Gaming for their hard work and professionalism throughout the background investigation and licensing process.

Adjournment – The meeting was adjourned at approximately 10:59 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session

November 15, 2012

Public Session

I. Call to Order

The November 15, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Roger Hutson at approximately 9:40 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, Suite 135, Golden, Colorado. Commissioners Bill Hughes and Chuck Murphy were present and a quorum existed. Commissioner Mohr arrived at approximately 10:00 am, and Commissioner Darr was excused for good cause.

Officials & Administrators in Attendance

Roger Hutson, Chairman

Jannine Mohr, Vice-Chair

Bill Hughes, Commissioner

Chuck Murphy, Commissioner

Ron Kammerzell, Acting Senior Director, Enforcement Group

Laura Manning, Acting Director

Brenda Davis, Director of Administration

Ceri Williams, Senior Assistant Attorney General

Geri Clerkin, Chief Auditor

Vickie Floyd, Controller

Flavio Quintana, Agent in Charge, Background Unit

Lad Sullivan, Agent in Charge, Central City

Gary Watada, Agent in Charge, Cripple Creek

Cameron Lewis, Public Information Officer

Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Hutson introduced and welcomed the new CPA member of the Commission, Mr. Bill Hughes.

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Lois Rice, Executive Director, Colorado Gaming Association (CGA), apprised the Commission that the American Gaming Association issued a press release and information on its website about the commercial casino industry's commitment to environmental sustainability and what measures are being taken across the country. The CGA hosted its first Global Gaming Women's Event on October 26; it was very successful with over 40 women in attendance. Additionally, next year

marks the 20 year anniversary of the Colorado Historical Fund. CGA will work in conjunction with History Colorado to showcase the historic preservation and what the gaming industry has contributed to those efforts over the past 20 years.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Orders to Show Cause in Case No. SC 12-19, In the Matter of Leonard Montoya, Support License #41106 and Case No. SC 12-21, In the Matter of Kyle Yanushka, Support License #38166.

The Commission voted unanimously to approve and authorize the Chairman to sign the disciplinary actions.

IV. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the three (3) months ending September 30, 2012. She then reported that once again the Division received a clean financial audit with no audit comments.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

V. Consideration of Organizational Matters

Approval of Minutes – Minutes of the October 18, 2012 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Ron Kammerzell, Acting Senior Director, Enforcement Group, explained that the Department is preparing for the legislative session with many initiatives coming forth, one being the enactment of Amendment 64 – Marijuana, which was recently passed by the voters in the general election.

Laura Manning, Acting Director, welcomed Commissioner Hughes and introduced Paul Hogan, a new employee in the Technical Systems Group of the Division. Paul comes to the Division with technical experience working with GLI, IGT, and prior experience with the Division of Gaming. Director Manning also commended Vickie Floyd and the accounting staff for the clean financial audit the Division received. She also expressed condolences for Lakewood Police Officer James Davies, who was recently killed in the line of duty.

Executive Session

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(III), 12-47.1-522(1)(a), and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming.

Public Session (Reconvened)

VI. Approval of Licensing Actions

The Commission voted unanimously to approve the Renewal and Change of Ownership for the Retail licenses of the Horseshoe Casino, LLC d/b/a Canyon Casino and d/b/a Grand Plateau Casino and the Renewal of the Manufacturer/Distributor Licenses for American Gaming & Electronics, Inc. and Vista Gaming Corporation. The license renewals shall expire two years from the date of their current expirations.

The Chairman extended an additional opportunity for the public to address the Commission; no one came forward.

Adjournment – The meeting was adjourned at approximately 10:20 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission

Colorado Limited Gaming Control Commission

Minutes of Public Session
December 20, 2012

Public Session

I. Call to Order

The December 20, 2012 meeting of the Colorado Limited Gaming Control Commission was called to order by Chairman Roger Hutson at approximately 9:37 a.m. at the Division of Gaming office, 17301 W. Colfax Ave, Suite 135, Golden, Colorado. Commissioners Jannine Mohr, Doug Darr and Bill Hughes were present and a quorum existed. Commissioner Murphy was excused for good cause.

Officials & Administrators in Attendance

Roger Hutson, Chairman
Jannine Mohr, Vice-Chair
Doug Darr, Commissioner
Bill Hughes, Commissioner
Ron Kammerzell, Acting Senior Director, Enforcement Group
Laura Manning, Acting Director
Brenda Davis, Director of Administration
Ceri Williams, Senior Assistant Attorney General
Geri Clerkin, Chief Auditor
Vickie Floyd, Controller
Cindy Raiolo, Budget Analyst
Flavio Quintana, Acting Chief of Investigations
Lad Sullivan, Agent in Charge, Central City
Gary Watada, Agent in Charge, Cripple Creek
Cameron Lewis, Public Information Officer
Wendy Spaulding, Secretary to the Commission

Public Session

Chairman Hutson began the meeting by wishing everybody a happy holiday season.

II. Opportunity for the Public to Address the Commission

The Chairman extended an opportunity for the public in attendance to address the Commission on any topic not on the agenda.

Cindy Payne, ICO, Isle Casino Black Hawk and the Board President, Problem Gambling Coalition of Colorado (PGCC), gave an update on the PGCC, the Self Exclusion Program and the kick off of the 2013 scholarship essay and poster contest.

Kirk Parker began to address the Commission on a later agenda item and was advised of the available due process regarding that matter.

III. Consideration of Disciplinary Actions

Ceri Williams, Senior Assistant Attorney General, presented the Order to Show Cause in Case No. SC 12-23, In the Matter of Stephen L. Glakeler, Support License No. 41488, the Stipulation and Agreement in Case No. SA 12-01, In the Matter of Lady Luck Casino, Retail License No.14-45827-0001, and the Orders of Summary Suspension in Case No. OSS 12-14, In the Matter of Amanda Vang, Support License No. 20871, Case No. OSS 12-17, In the Matter of Lisa M. Johnson, Support License No. 23810, Case No. OSS 12-18, In the Matter of Gregory Laughnan, Support License No. 41604, Case No. OSS 12-19, In the Matter of Kirk Kent Parker, Support License No. 18329, Case No. 12-20, In the Matter of Mark Wesley Goldsworthy, Support License No. 41111 and Case No. OSS 12-21, in the Matter of Timothy Jay Huffman II, Support License No. 34883. Ms. Williams also presented the Findings, Conclusions and Orders in Case No. SC 12-17, In the Matter of Vanessa Ortega Uballe, Support License No. 33501 and Case No. SC 12-18, In the Matter of Consuelo Lozoya, Support License No. 37308.

The Commission voted to approve and authorize the Chairman to sign the Stipulation and Agreement in Case No. SA 12-01, in the Matter of Lady Luck Casino. Commissioner Hughes voted against the motion.

The Commission voted unanimously to approve and authorize the Chairman to sign the remaining disciplinary actions.

IV. Consideration of Amendments to Colorado Gaming Regulations

The Commission voted unanimously to open the hearings on proposed amendments to Colorado Limited Gaming Rules 8, 10, 21 and 23. Sean Ballain, Investigator and Table Games Chairman, provided testimony regarding the proposed changes to the following regulations listed below:

| | | |
|----------------|--------------|---------------------------|
| <u>Rule 8</u> | 47.1-834.11 | Royal Match 21 |
| | 47.1-834.12 | Lucky Ladies |
| <u>Rule 10</u> | 47.1-1017.46 | Mississippi Stud |
| <u>Rule 21</u> | 47.1.2108 | Royal 21 Poker |
| | 47.1-2109 | Straight Jack |
| | 47.1-2110 | Straight Jack Progressive |
| <u>Rule 23</u> | 47.1-2317.03 | Craps Free Craps |

The public was given an opportunity to address the Commission on the proposed amendments; no one came forward.

The Commission voted unanimously to close the rulemaking hearing and to amend Colorado Limited Gaming Regulations, Rules 8, 10, 21 and 23 as presented.

V. Rule Making Process

Brenda Davis, Director of Administration, presented the Department of Revenue's new rule making process which applies to all Divisions within the Department. This new process was occasioned by the passage of HB12-1008 and Executive Order 2012-002. The changes include the requirement for each Division to establish a regulatory agenda by November 1, of each year listing known rule changes, and requires the submission of a regulatory report by November 1, that lists all rules adopted. Also required is the identification of all potential stakeholders so that workshops may be scheduled for rule proposals being considered. If a rule results in a fee or fine, members of the General Assembly must be notified. Executive Order 2012-002 also requires a periodic review of all rules.

VI. Consideration of Supplemental Budget Request for Fiscal Year 2013

Cindy Raiolo, Budget Analyst, presented a supplemental budget request to increase the Division's overall budget by \$1,444 for Fiscal Year 2013.

The Commission voted unanimously to approve the supplemental budget request.

VII. Division Financial Statement

Vickie Floyd, Controller, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the four (4) months ending October 31, 2012.

The Commission voted unanimously to approve the financial statement and authorize its distribution.

VIII. Consideration of Organizational Matters

Approval of Minutes – Minutes of the November 15, 2012 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Directors' Update:

Ron Kammerzell, Acting Senior Director, Enforcement Group, explained that the Department is working diligently preparing for the legislative session including the enactment of legislation regarding Amendment 64 – Marijuana. The Division is working with DORA through the Sunset Review process to draft the bill to address recommended changes to the Gaming Act.

Laura Manning, Acting Director, updated the Commission of the outcome of the lawsuit filed by Gilpin County. She advised that the Court of Appeals affirmed the District Court's Order dismissing the case and that a Mandate was issued concluding the matter. She then introduced a new auditor for the Division, Matthew Newell, who comes to the Division with 12 years of accounting and auditing experience including work in Las Vegas Casinos and the Department of Defense. Ms. Manning also recognized Brenda Davis, Director of Administration, for her outstanding work with the Problem Gambling Coalition of Colorado where she served on the board for over 7 years. The post has been turned over to Cameron Lewis, Public Information Officer, Division of Gaming.

Executive Session

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(III), 12-47.1-522(1)(a), and 12-47.1-527(1) of the Colorado Revised Statutes to review confidential reports from the Division of Gaming.

Public Session (Reconvened)

IX. Approval of Licensing Actions

The Commission voted unanimously to approve the Change of Ownership for the Retail licenses of Affinity Gaming Black Hawk, LLC d/b/a Golden Gulch, d/b/a Golden Gates and d/b/a Golden Mardi Gras; and the Change of Ownership for the Manufacturing/Distributor license of Affinity Gaming Black Hawk, LLC d/b/a Golden Mardi Gras.

The Chairman extended an additional opportunity for the public to address the Commission; no one came forward.

Adjournment – The meeting was adjourned at approximately 10:40 a.m.

Wendy Spaulding, Secretary to the Colorado Limited Gaming Control Commission