

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-25-047
Ameristar Casino Kansas City, LLC)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission acting in its official capacity pursuant to 11 CSR 45-13.050, and states as follows:

1. The Missouri Gaming Commission (the "Commission" or "MGC") is a State commission created under Chapter 313, RSMo, with jurisdiction over gaming activities, including riverboat gambling activities, in the state of Missouri.
2. The Commission issued a Class A gaming license to Boyd Gaming Corporation to develop and operate Class B gaming licensees in the State of Missouri.
3. Boyd Gaming Corporation is the parent organization or controlling entity of Ameristar Casino Kansas City, LLC.
4. The Commission issued a Class B gaming license to Ameristar Casino Kansas City, LLC to conduct games on and operate the excursion gambling boat known as Ameristar Casino Kansas City (the "Casino").
5. As the holder of a Class B license, Ameristar Casino Kansas City, LLC is subject to the provisions of Sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

6. Commission auditors completed a compliance audit at the Casino for the period of November 1, 2020, through March 31, 2023, and issued MGC Audit Reports to the Casino on June 26, 2023.
7. MGC Auditors conducted a follow-up in July 2024, and they found that three (3) significant findings had not been implemented.
8. The repeat findings involved numerous different violations. The details of these findings, as set forth in Audit Report No. 23-10, and their subsequent violations are as follows:

¹ GR 20240911001

- a. MGC Audit Report No. 23-10, Finding B-2 found that a review of twenty-five (25) override jackpot tickets revealed three (3) were not signed by the patron in violation of the Commission's Minimum Internal Control Standards ("MICS"), Chapter E § 2.16.
 - i) The management response for Finding B-2 stated that slot management would add signature requirements of override jackpots to their weekly pre-shift meeting on May 29, 2023. Regulatory Compliance would follow up on that item by June 30, 2023.
 - ii) During procedures to follow up on Finding B-2, MGC auditors performed a review of twenty-four (24) override jackpot slips from May and June 2024. It was noted that three (3) of the twenty-four (24) jackpot slips had not been signed by the patron.
 - iii) This finding was also cited in the previous two (2) compliance audits (#20-19 and #18-25).
- b. MGC Audit Report No. 23-10, Finding B-3 found that a review of the Surveillance Override Jackpot Log revealed five (5) of eight (8) override jackpots of one hundred dollars (\$100.00) or more were not recorded on the Surveillance Override Jackpot Log in violation of the Commission's MICS, Chapter E § 2.16.
 - i) The management response for Finding B-3 stated, on May 11, 2023, the Surveillance Manager communicated to the Surveillance department the expectation of logging jackpot overrides of one hundred dollars (\$100.00) or more in our surveillance override log and also reminded them what information was required to be in the log. This was communicated via Teams and Outlook. They also received the dates in question of when these were not logged so they could appropriately coach the team members who were responsible. Regulatory Compliance would follow up on these items before June 30, 2023.
 - ii) During procedures to follow up on Finding B-3, MGC auditors reviewed the Surveillance Override Jackpot Log and noted three (3) out of twelve (12) override jackpots were not recorded on the Surveillance Override Jackpot Log.
 - iii) This finding was also cited in the previous compliance audit (20-19).
- c. MGC Audit Report No. 23-10, Finding C-2 found that that a review of surveillance footage of the table games counts from March 6, 8, and 10, 2023, revealed count team members failed to clear their hands in seventy-nine (79) of two hundred forty-five (245) instances when moving to or from count room tables while currency was on the table in violation of the Commission's MICS, Chapter G § 7.10 (error rate 32.2%).

- i) The management response for Finding C-2 stated before May 30, 2023, the Count Room Manager would review the ICS with all Count Team Members. Count Team Members would also sign off on the ICS to ensure they understood the expectations. Regulatory Compliance would follow up on this item by June 30, 2023.
- ii) During procedures to follow up on Finding C-2, MGC auditors reviewed surveillance footage of the table games counts from June 28, 29, and 30, 2024 and found that count team members failed to clear their hands in one hundred thirty-six (136) of two hundred fifty-nine (259) instances when moving to or from count room tables while currency was on the table (error rate 52.5%).
- iii) This finding was also cited in the previous two (2) compliance audits (#20-19 and #18-25).

LAW

9. Section 313.805, RSMo, states, in pertinent part, as follows:

The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

* * *

(5) To investigate alleged violations of sections 313.800 to 313.850 or the commission rules, orders, or final decisions;

(6) To assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount as determined by the commission up to three times the highest daily amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced as provided in sections 513.600 to 513.645;

* * *

(19) To take any other action as may be reasonable or appropriate to enforce sections 313.800 to 313.850 and the commission rules.

10. Section 313.812, RSMo, states, in pertinent part, as follows:

14. A holder of any license shall be subject to imposition of penalties, suspension or revocation of such license, or if the person is an applicant for licensure, the denial of the application, for any act or failure to act by such person or such person's agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of this subsection, the following acts or omissions may be grounds for such discipline:

* * *

(2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

11. Title 11 CSR 45-9.060 states, in pertinent part, as follows:

(2) Failure to comply with the provisions of this chapter is an unsuitable method of operation.

(3) Violations of the minimum internal control standards [("MICS")] by a Class A or Class B licensee or an agent or employee of a Class A or Class B licensee are deemed to be unsuitable conduct for which the Class A or Class B licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time-to-time. Any agent or employee of a Class A or Class B licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline, or license revocation.

12. The Commission's MICS, Chapter E, states, in pertinent part, as follows:

2.16 Override jackpots shall be paid by a slot supervisor and witnessed according to the Jackpot Chart. The jackpot slip shall be signed by the supervisor processing the jackpot, the required witness, and the winning patron. Override jackpots of \$100 or more shall require Surveillance notification. Surveillance shall visually verify the jackpot and shall document the jackpot amount, the EGD number and the time on a jackpot override log. The log shall be submitted to Accounting each day. Accounting shall compare the jackpot override log entries to the manual jackpots processed for the day to ensure the overrides were witnessed by Surveillance.

13. The Commission's MICS, Chapter G, states, in pertinent part, as follows:

7.10 All contents removed from each drop device shall remain on or above the count table or other work surface in plain view of surveillance until transferred to transport carts. If contents are accidentally dropped on the floor, a count team member shall clear his/her hands before picking up the contents and after returning the contents to the table. Count team members may not remove their hands from or return them to a

position on or above the count table or other work surface, where funds are exposed, unless the backs and palms of their hands are first held out and exposed to other members of the count team and the surveillance cameras.

VIOLATIONS

14. The acts or omissions of employees or agents of the Casino, as described above, involve three (3) significant audit findings in which the Casino repeatedly failed to follow proper procedures. The audit findings were significant because they involved the count and repeat findings. These failures are injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri and discredits the Missouri gaming industry and the State of Missouri in that the Casino's actions violate the Commission's MICS, Chapter E, Section 2.16 and Chapter G, Section 7.10.
15. Ameristar Casino Kansas City, LLC is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(2), RSMo, and 11 CSR 45-9.060(2) and (3).

PENALTY PROPOSED

16. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against Ameristar Casino Kansas City, LLC as the holder of a Class B license.
17. THEREFORE, it is proposed that the Commission fine Ameristar Casino Kansas City, LLC the amount of fifteen thousand dollars (\$15,000.00) for the violations set forth herein.



David W. Hane
Vice Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that she caused a true and correct copy of the foregoing to be mailed, postage prepaid, this 29th day of May, 2025, to:

Mr. Keith Henson
General Manager
Ameristar Casino Kansas City
3200 North Ameristar Drive
Kansas City, MO 64161



David W. Hane
Vice Chairman
Missouri Gaming Commission