

**AGENDA**  
**COLORADO LIMITED GAMING CONTROL COMMISSION**

Meeting of June 17, 2021  
Beginning at 10:00 a.m.  
Via Cisco Webex

History Colorado Center  
1200 Broadway  
Denver, CO 80203

\*\*This meeting will be held in person at the History Colorado Center at 1200 Broadway, Denver, CO 80203 at 10:00 a.m. instead of our usual 9:15 a.m. start time. In addition to the in-person meeting, we will offer an interactive online streaming option. The link to the video meeting can be found on our webpage: <https://sbg.colorado.gov/limited-gaming-control-commission>.\*\*

In addition to other matters that may properly be considered by the Colorado Limited Gaming Control Commission, the following items are scheduled for consideration and adoption on June 17, 2021. Times contained in the agenda are approximate.

**PUBLIC SESSION**

I. Call to Order

**EXECUTIVE SESSION**

Review of confidential background licensing reports scheduled for consideration during the public session.

**PUBLIC SESSION** (reconvened)

II. Consideration of Licensing Actions  
**Limited Gaming Licenses**

*Renewal of the Retail and Master Licenses for*  
Casino Holdings, Inc. d/b/a Brass Ass Casino  
Holland Ventures, Inc. d/b/a J.P. McGill's Hotel & Casino  
Midnight Rose Hotel & Casino, Inc. d/b/a Midnight Rose Hotel & Casino

*Renewal of the Manufacturer/Distributor License for*  
Midnight Rose Hotel & Casino, Inc. d/b/a Midnight Rose Hotel & Casino

**Sports Betting Licenses**

*First Internet Sports Betting Operator License for*  
Circa Sports Colorado LLC d/b/a Circa Sports Colorado

*First Vendor Minor License for*  
Stram Entertainment Limited  
TotalReach, LLC  
Cardinal Marketing LLC  
StreamLayer Inc.

Limitlex Inc. d/b/a ForumPay  
Z2A Saturn Global LTD  
All Time Sports, LLC  
FANTASY SPORTS COMPANY  
Triller Fight Club LLC  
Leadstar Media AB  
Bleacher Report, Inc  
Kenny Smith LLC

- III. Opportunity for Public to Address the Commission
- IV. Acknowledgements for Departing Commission Members
- V. Consideration of Division Limited Gaming Financial Statements for April 2021
- VI. Consideration of Division Sports Betting Financial Statements for April 2021
- VII. Consideration of Limited Gaming Rules 2, 4.5, 22 & 25
- VIII. Consideration of Organizational Matters
- IX. Adjournment

At the discretion of the Commission, any or all of the above matters may be continued for consideration or adoption at a different time, may be considered out of order, or may be considered at the next meeting of the Commission.

# Public Session I



**STATEMENT OF GAMING REVENUES,  
GAMING TAXES, AND EXPENDITURES**

**(UNAUDITED)**

**FOR THE TEN (10) MONTHS ENDED**

**APRIL 30, 2021**



**COLORADO**

**Department of Revenue**

Specialized Business Group—Gaming

1707 Cole Blvd., Suite 300  
Lakewood, CO 80401

June 17, 2021

State Treasurer and Members of the Colorado Limited Gaming Control Commission:

Pursuant to Section 44-30-203 (i), C.R.S., the Colorado Division of Gaming is required to furnish monthly a, "report which contains a full and complete statement of the division's revenues and expenses."

The attached combined financial statements for April 30, 2021 have not been audited. They contain the most current data available. This information has been collected and recorded in accordance with generally accepted accounting principles.

Respectfully submitted,

Vickie Floyd  
Division Controller

**COLORADO DIVISION OF GAMING  
FINANCIAL STATEMENTS  
(UNAUDITED)**

**DISTRIBUTION**

Honorable Jared Polis	Governor
Representative Alec Garnett	Speaker of the House of Representatives
Senator Leroy Garcia	President of the Senate
Senator Chris Holbert	Senate Minority Leader
Representative Hugh McKean	House Minority Leader
Senator Dominick Moreno	Chair, Joint Budget Committee
Ms. Kristen Blessman	Chair, Limited Gaming Control Commission
Mr. Richard Nathan	Vice Chair, Limited Gaming Control Commission
Mr. Timothy Carlson	Limited Gaming Control Commission
Mr. Shawn Coleman	Limited Gaming Control Commission
Mr. Justin Davis	Limited Gaming Control Commission
Mr. Mark Ferrandino	Executive Director, Department of Revenue
Mr. Cory Amend	Senior Director of Enforcement, Department of Revenue
Mr. Daniel Hartman	Director, Division of Gaming
Ms. Kimberly Corell	Accounting Director, Department of Revenue
Mr. Ramon Alvarado	Deputy Budget Director, Department of Revenue
Mr. Bob Jaros	State Controller
Mr. Charles Scheibe	Chief Financial Officer, Department of the Treasury
Mr. George Orłowski	State Archivist
Ms. Kerri Hunter	State Auditor
Ms. Elizabeth Burger	Joint Legislative Library
Mr. Ben Henderson	Deputy Director for Budget, Governor's Office
Colorado State Publications Depository and Distribution Center	State of Colorado Library

**DIVISION OF GAMING  
STATEMENT OF REVENUES  
GAMING TAXES, AND EXPENDITURES  
(UNAUDITED)**

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**COLORADO DIVISION OF GAMING  
TAX REVENUES COMPARISON  
APRIL 30, 2021 AND 2020**

The Colorado Limited Gaming Control Commission assesses taxes based on adjusted gross proceeds (AGP).

**The tax rates for period ending June 30, 2021 are:**

- 3% on AGP from charitable gaming
- .25% on amounts up to \$2 million
- 2% on amounts over \$2 million and up to \$5 million
- 9% on amounts over \$5 million and up to \$8 million
- 11% on amounts over \$8 million and up to \$10 million
- 16% on amounts over \$10 million and up to \$13 million
- 20% on amounts over \$13 million

The tax rates for year ending June 30, 2021 are the same as they were for year ending June 30, 2020.

**For Periods Beginning July 1, 2019 and 2020 through April 30, 2020 and 2021**

<b>AGP Comparison</b>				
Range	Prior Year AGP	Current Year AGP	Difference	Percent Change
\$0 - \$2 Million	\$ 2,489,307	\$ 1,499,860	\$ (989,447)	(39.75)%
\$2 - \$5 Million	\$ 44,659,322	\$ 25,639,028	\$ (19,020,294)	(42.59)%
\$5 - \$10 Million	\$ 71,788,225	\$ 55,305,428	\$ (16,482,797)	(22.96)%
\$10 - \$13 Million	\$ 48,339,112	\$ 44,118,183	\$ (4,220,929)	(8.73)%
\$13+ Million	\$ 418,693,903	\$ 517,829,255	\$ 99,135,352	23.68%
<b>Total</b>	<b>\$ 585,969,869</b>	<b>\$ 644,391,754</b>	<b>\$ 58,421,885</b>	<b>9.97%</b>

<b>Tax Comparison</b>				
Range	Prior Year Tax	Current Year Tax	Difference	Percent Change
\$0 - \$2 Million	\$ 186,223	\$ 158,750	\$ (27,473)	(14.75)%
\$2 - \$5 Million	\$ 1,753,186	\$ 1,772,781	\$ 19,595	1.12%
\$5 - \$10 Million	\$ 9,371,770	\$ 9,746,785	\$ 375,015	4.00%
\$10 - \$13 Million	\$ 6,134,258	\$ 6,898,909	\$ 764,651	12.47%
\$13+ Million	\$ 57,738,781	\$ 69,765,851	\$ 12,027,070	20.83%
<b>Total</b>	<b>\$ 75,184,218</b>	<b>\$ 88,343,076</b>	<b>\$ 13,158,858</b>	<b>17.50%</b>

<b>Open Casinos Comparison</b>			
Range	Prior Year No. of Tax Returns Filed by Casinos	This Year No. of Tax Returns Filed by Casinos	Difference
\$0 - \$2 Million	2	2	0
\$2 - \$5 Million	13	6	(7)
\$5 - \$10 Million	6	8	2
\$10 - \$13 Million	3	4	1
\$13+ Million	9	13	4
<b>Total</b>	<b>33</b>	<b>33</b>	<b>0</b>



**COLORADO DIVISION OF GAMING  
COMBINED BALANCE SHEETS  
APRIL 30, 2021 AND 2020  
(UNAUDITED)**

	FY 2021			FY 2020		
	EXTENDED GAMING FUND	LIMITED GAMING FUND	TOTAL GAMING FUNDS	EXTENDED GAMING FUND	LIMITED GAMING FUND	TOTAL GAMING FUNDS
<b>ASSETS:</b>						
Cash	\$ 21,206	\$ 65,593,371	\$ 65,614,577	\$ 37,858	\$ 67,121,601	\$ 67,159,459
Accounts Receivable						
Gaming Taxes	0	14,498,471	14,498,471	0	10,334	10,334
Accounts Receivable Other Agencies	0	6,431	6,431	0	50	50
Fines Receivable	0	672	672	0	685	685
Miscellaneous	0	1,830	1,830	0	3,203	3,203
Net Accounts Receivable	0	14,507,404	14,507,404	0	14,272	14,272
Prepaid Expenses	0	46,428	46,428	0	44,472	44,472
Total Current Assets	21,206	80,147,203	80,168,409	37,858	67,180,345	67,218,203
<b>TOTAL ASSETS</b>	<b>\$ 21,206</b>	<b>\$ 80,147,203</b>	<b>\$ 80,168,409</b>	<b>\$ 37,858</b>	<b>\$ 67,180,345</b>	<b>\$ 67,218,203</b>
<b>LIABILITIES AND FUND BALANCE:</b>						
Accounts Payable	\$ 0	\$ 45,913	\$ 45,913	\$ 0	\$ 30,088	\$ 30,088
Wages & Salaries Payable	0	10,806	10,806	0	256	256
Due to Other State Agencies	0	795,843	795,843	0	721,131	721,131
Background and Other Deposits	0	101,141	101,141	0	155,403	155,403
Unearned Revenue	0	246,185	246,185	0	269,733	269,733
Total Liabilities	0	1,199,888	1,199,888	0	1,176,611	1,176,611
<b>FUND BALANCE:</b>						
<b>Restricted</b>	0	38,067,630	38,067,630	0	31,665,063	31,665,063
<b>Committed</b>	0	38,067,630	38,067,630	0	31,665,063	31,665,063
<b>Restricted for:</b>						
Required Reserve	0	2,765,627	2,765,627	0	2,629,136	2,629,136
Extended Gaming Recipients	21,206	0	21,206	37,858	0	37,858
<b>Nonspendable:</b>						
Prepays	0	46,428	46,428	0	44,472	44,472
Total Fund Balance	21,206	78,947,315	78,968,521	37,858	66,003,734	66,041,592
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 21,206</b>	<b>\$ 80,147,203</b>	<b>\$ 80,168,409</b>	<b>\$ 37,858</b>	<b>\$ 67,180,345</b>	<b>\$ 67,218,203</b>

**COLORADO DIVISION OF GAMING  
COMBINED STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
TEN MONTHS ENDED APRIL 30, 2021 AND 2020  
(UNAUDITED)**

	FY 2021			FY 2020		
	EXTENDED GAMING FUND	LIMITED GAMING FUND	TOTAL GAMING FUNDS	EXTENDED GAMING FUND	LIMITED GAMING FUND	TOTAL GAMING FUNDS
<b>REVENUES:</b>						
Gaming Taxes	\$ 0	\$ 88,343,395	\$ 88,343,395	\$ 0	\$ 75,185,575	\$ 75,185,575
License and Application Fees	0	496,365	496,365	0	477,503	477,503
Background Investigations	0	97,007	97,007	0	206,441	206,441
Fines	0	1,344	1,344	0	14,136	14,136
Interest Income	21,206	384,625	405,831	37,858	869,010	906,868
Other Revenue	0	73	73	0	1,039	1,039
<b>TOTAL REVENUES</b>	<b>21,206</b>	<b>89,322,809</b>	<b>89,344,015</b>	<b>37,858</b>	<b>76,753,704</b>	<b>76,791,562</b>
<b>OTHER FINANCING SOURCES / USES:</b>						
Insurance Recoveries	0	5,000	5,000	0	0	0
<b>TOTAL REVENUES &amp; OTHER FIN. SOURCES</b>	<b>21,206</b>	<b>89,327,809</b>	<b>89,349,015</b>	<b>37,858</b>	<b>76,753,704</b>	<b>76,791,562</b>
<b>EXPENDITURES:</b>						
Salaries and Benefits	0	6,579,572	6,579,572	0	6,974,889	6,974,889
Annual and Sick Leave Payouts	0	14,288	14,288	0	18,768	18,768
Professional Services	0	129,313	129,313	0	153,723	153,723
Travel	0	3,320	3,320	0	38,276	38,276
Automobiles	0	116,457	116,457	0	114,269	114,269
Printing	0	4,019	4,019	0	17,280	17,280
Police Supplies	0	12,525	12,525	0	17,852	17,852
Computer Services & Name Searches	0	57,543	57,543	0	56,048	56,048
Materials, Supplies, and Services	0	293,414	293,414	0	228,653	228,653
Postage	0	2,449	2,449	0	4,438	4,438
Telephone	0	69,929	69,929	0	76,858	76,858
Utilities	0	20,686	20,686	0	21,391	21,391
Other Operating Expenditures	0	84,548	84,548	0	64,328	64,328
Leased Space	0	67,140	67,140	0	273,846	273,846
<b>EXPENDITURES - SUBTOTAL</b>	<b>0</b>	<b>7,455,203</b>	<b>7,455,203</b>	<b>0</b>	<b>8,060,619</b>	<b>8,060,619</b>
<b>STATE AGENCY SERVICES</b>						
Colorado Bureau of Investigation	0	885,365	885,365	0	900,094	900,094
Division of Fire Prevention and Control	0	191,635	191,635	0	179,017	179,017
Colorado State Patrol	0	2,841,640	2,841,640	0	2,859,068	2,859,068
State Auditors	0	5,703	5,703	0	17,188	17,188
Indirect Costs - Department of Revenue	0	923,125	923,125	0	816,391	816,391
Colorado Department of Law	0	205,367	205,367	0	193,118	193,118
OIT Purchased Services	0	635,912	635,912	0	323,338	323,338
<b>TOTAL STATE AGENCY SERVICES</b>	<b>0</b>	<b>5,688,747</b>	<b>5,688,747</b>	<b>0</b>	<b>5,288,214</b>	<b>5,288,214</b>
Non Personal Services Background Exp.	0	2,171	2,171	0	30,273	30,273
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>13,146,121</b>	<b>13,146,121</b>	<b>0</b>	<b>13,379,106</b>	<b>13,379,106</b>
<b>Excess of Revenues Over Expenditures</b>	<b>21,206</b>	<b>76,181,688</b>	<b>76,202,894</b>	<b>37,858</b>	<b>63,374,598</b>	<b>63,412,456</b>
FY20 & FY19 Extended Gaming Distr.	(15,310,639)	0	(15,310,639)	(17,931,787)	0	(17,931,787)
<b>FUND BALANCE AT JULY 1, 2020 &amp; 2019</b>	<b>15,310,639</b>	<b>2,765,627</b>	<b>18,076,266</b>	<b>17,931,787</b>	<b>2,629,136</b>	<b>20,560,923</b>
<b>TOTAL FUND BAL. APRIL 30, 2021 &amp; 2020</b>	<b>\$ 21,206</b>	<b>\$ 78,947,315</b>	<b>\$ 78,968,521</b>	<b>\$ 37,858</b>	<b>\$ 66,003,734</b>	<b>\$ 66,041,592</b>

**COLORADO DIVISION OF GAMING  
STATEMENT OF BUDGET TO ACTUAL  
TEN MONTHS ENDED APRIL 30, 2021  
(UNAUDITED)**

	BEGINNING BUDGET *	SUPPLE- MENTAL CHANGES / ROLLFORWARDS	ANNUAL REVISED ESTIMATED BUDGET **	83.3% OF BUDGETED AMOUNT EXCEPT FOR TAXES ***	YEAR-TO-DATE ACTUAL	OVER / (UNDER) ANNUAL BUDGET	% EARNED % EXPENDED OF ANNUAL BUDGET
<b>REVENUES:</b>							
Gaming Taxes	\$ 96,280,198	\$ 0	\$ 96,280,198	\$ 75,375,575	\$ 88,343,395	\$ (7,936,803)	91.76%
License and Application Fees	672,515	0	672,515	560,429	496,365	(176,150)	73.81%
Background Investigations	238,140	0	238,140	198,450	97,007	(141,133)	40.74%
Fines and Fees	0	0	0	0	1,344	1,344	100.00%
Interest Revenue	678,833	0	678,833	565,694	384,625	(294,208)	56.66%
Other Revenue	0	0	0	0	73	73	100.00%
<b>TOTAL REVENUES</b>	<b>97,869,686</b>	<b>0</b>	<b>97,869,686</b>	<b>81,558,072</b> ^^	<b>89,322,809</b>	<b>(8,546,877)</b>	<b>91.27%</b>
<b>OTHER FINANCING SOURCES / USES:</b>							
Insurance Recoveries	0	0	0	0	5,000	5,000	100.00%
<b>TOTAL REVENUES &amp; OTHER FIN. SOURCES</b>	<b>97,869,686</b>	<b>0</b>	<b>97,869,686</b>	<b>81,558,072</b>	<b>89,327,809</b>	<b>(8,541,877)</b>	<b>91.27%</b>
<b>EXPENDITURES:</b>							
Personal Services	8,896,360	0	8,896,360	7,413,632	6,693,565	(2,202,795)	75.24%
Operating Expenditures	557,523	0	557,523	464,602	335,785	(221,738)	60.23%
Workers Compensation	42,373	0	42,373	35,311	35,311	(7,062)	83.33%
Risk Management	14,839	0	14,839	12,366	12,366	(2,473)	83.33%
Licensure Activities	166,279	0	166,279	138,566	67,661	(98,618)	40.69%
Leased Space	408,347	(74,847)	333,500	277,917	67,140	(266,360)	20.13%
Vehicle Lease Payments - Fixed	72,642	7,000	79,642	66,368	65,767	(13,875)	82.58%
Vehicle Lease Payments - Variable	96,639	0	96,639	80,533	50,690	(45,949)	52.45%
Utilities	23,425	4,000	27,425	22,854	20,686	(6,739)	75.43%
Legal Services	246,440	0	246,440	205,367	205,367	(41,073)	83.33%
CORE Operations	86,618	0	86,618	72,182	72,182	(14,436)	83.33%
Payments to Office of Information Technology	763,094	0	763,094	635,912	635,912	(127,182)	83.33%
IT Division - MIPC Phones	93,823	(17,548)	76,275	63,563	39,753	(36,522)	52.12%
Indirect Costs - Department of Revenue	899,596	208,154	1,107,750	923,125	923,125	(184,625)	83.33%
State Agency Services	4,958,340	0	4,958,340	4,131,950	3,918,640	(1,039,700)	79.03%
<b>Division Expenditures</b>	<b>17,326,338</b>	<b>126,759</b>	<b>17,453,097</b>	<b>14,544,248</b>	<b>13,143,950</b>	<b>(4,309,147)</b>	<b>75.31%</b>
<b>Non Personal Services Background Expenditures</b>	<b>254,308</b>	<b>0</b>	<b>254,308</b>	<b>211,923</b>	<b>2,171</b>	<b>(252,137)</b>	<b>0.85%</b>
<b>TOTAL EXPENDITURES</b>	<b>17,580,646</b>	<b>126,759</b>	<b>17,707,405</b>	<b>14,756,171</b>	<b>13,146,121</b>	<b>(4,561,284)</b>	<b>74.24%</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 80,289,040</b>	<b>N/A</b>	<b>\$ 80,162,281</b>	<b>\$ 66,801,901</b>	<b>\$ 76,181,688</b>	<b>\$ (3,980,593)</b>	<b>95.03%</b>

\* Represents original information given to the Commission in April and June of 2020.

The percent of the fiscal year elapsed through April 30, 2021 is 83.3%.

\*\* Amount includes Long Bill items and Supplemental Appropriations.

\*\*\* The original tax projection assumed an AGP increase of 11.4%, which was then applied to the existing casinos' graduated tax tiers. The \$75,375,575 is this tax projection through April, which is \$12,967,820 less than the actual taxes collected for the same period.

^^ Calculated number is not a sum, rather elapsed percentage of Annual Revised Estimated Budget.



**COLORADO**  
Department of Revenue

Specialized Business Group—Gaming

1707 Cole Blvd., Suite 300  
Lakewood, CO 80401

# Memo

To: Colorado Limited Gaming Control Commission  
From: Vickie Floyd, Gaming Controller  
Cc: Dan Hartman  
Date: June 17, 2021  
Re: April 2021 Gaming Fund Financial Statement Presentation

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Following are highlights from the Gaming Fund financial statements ending April 30, 2021.

## *Statement of Revenues, Expenditures, and Changes in Fund Balance*

Gaming tax revenues have increased by \$13,157,820 or 17.5% over last year. Last month, this was a 2% decrease. Please recall, casinos were closed from March 17 through June 15, 2020 due to the pandemic. Total Revenues and Other Financing Sources for the Limited Gaming Fund as of April 30 were \$89,327,809, a 16% increase compared to April 2020.

Total expenditures for the period ending April 2021 were approximately \$13 million. This represents a 2% decrease over last year. The main reasons for the decrease are in the Salaries and Benefits line, which is down \$395,317 or 6% over last year. We will not pay the large payment to PERA this fiscal year, which was \$136,000 in FY20. (Senate Bill 200 required a payment of \$136,000 be made to PERA last fiscal year. These payments were going to be required until the unfunded actuarial accrued liabilities of all divisions of PERA were 100% funded; however, House Bill 20-1379 suspended the payment for FY21.) In addition, there were 8.5 less full-time Gaming employees in April of this year compared to April of last year and furlough days were implemented. The next largest decrease in expenditures is in the Leased Space line. This expenditure is down \$206,706 or 75% over last year. This is because the Department of Revenue cancelled the Gaming Golden office lease on August 31, 2020.

The excess of total revenues over expenditures was \$76,181,688. This is a 20% increase over last year and represents the amount we could distribute as of April 30.

## *Statement of Budget to Actual*

Total revenues collected through April 2021 were 91% of budgeted. Total expenditures were 74% of budgeted, which is below the 83% of the fiscal year that has elapsed. In addition, the excess of revenues over expenditures was 95% of budgeted.

Please feel free to contact me if you have any questions on the Gaming Fund financial statements.



**STATEMENT OF SPORTS BETTING REVENUES,  
SPORTS BETTING TAXES, AND EXPENDITURES**

**(UNAUDITED)**

**FOR THE TEN (10) MONTHS ENDED**

**APRIL 30, 2021**

**DIVISION OF GAMING  
STATEMENT OF REVENUES  
SPORTS BETTING TAXES, AND  
EXPENDITURES  
(UNAUDITED)**

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**COLORADO DIVISION OF GAMING**  
**SPORTS BETTING COMBINED BALANCE SHEETS**  
**APRIL 30, 2021 AND 2020**  
**(UNAUDITED)**

	FY 2021			FY 2020		
	HOLD-HARMLESS FUND	SPORTS BETTING FUND	TOTAL SPORTS BETTING FUNDS	HOLD-HARMLESS FUND	SPORTS BETTING FUND	TOTAL SPORTS BETTING FUNDS
<b>ASSETS:</b>						
Cash	\$ 0	\$ 6,484,025	\$ 6,484,025	\$ 0	\$ 1,813,966	\$ 1,813,966
Accounts Receivable						
Sports Betting Taxes	0	1,083,795	1,083,795	0	0	0
Fines Receivable	0	84	84	0	0	0
Miscellaneous	0	690	690	0	3,808	3,808
Net Accounts Receivable	0	1,084,569	1,084,569	0	3,808	3,808
Prepaid Expenses	0	8,464	8,464	0	0	0
Total Current Assets	0	7,577,058	7,577,058	0	1,817,774	1,817,774
<b>TOTAL ASSETS</b>	<b>\$ 0</b>	<b>\$ 7,577,058</b>	<b>\$ 7,577,058</b>	<b>\$ 0</b>	<b>\$ 1,817,774</b>	<b>\$ 1,817,774</b>
<b>LIABILITIES AND FUND BALANCE:</b>						
Accounts Payable	\$ 0	\$ 7,919	\$ 7,919	\$ 0	\$ 1,869	\$ 1,869
Wages & Salaries Payable	0	374	374	0	0	0
Due to Other State Agencies	0	9,110	9,110	0	216	216
Background and Other Deposits	0	540,734	540,734	0	374,085	374,085
Unearned Revenue	0	51,022	51,022	0	76,812	76,812
Total Liabilities	0	609,159	609,159	0	452,982	452,982
<b>FUND BALANCE:</b>						
<b>Restricted</b>	0	5,544,935	5,544,935	0	1,364,792	1,364,792
<b>Restricted for:</b>						
Reserve	0	1,414,500	1,414,500	0	0	0
<b>Nonspendable:</b>						
Prepays	0	8,464	8,464	0	0	0
Total Fund Balance	0	6,967,899	6,967,899	0	1,364,792	1,364,792
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 0</b>	<b>\$ 7,577,058</b>	<b>\$ 7,577,058</b>	<b>\$ 0</b>	<b>\$ 1,817,774</b>	<b>\$ 1,817,774</b>

**COLORADO DIVISION OF GAMING  
SPORTS BETTING COMBINED STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
TEN MONTHS ENDED APRIL 30, 2021 AND 2020  
(UNAUDITED)**

	FY 2021			FY 2020		
	HOLD-HARMLESS FUND	SPORTS BETTING FUND	TOTAL SPORTS BETTING FUNDS	HOLD-HARMLESS FUND	SPORTS BETTING FUND	TOTAL SPORTS BETTING FUNDS
<b>REVENUES:</b>						
Sports Betting Taxes	\$ 0	\$ 6,324,357	\$ 6,324,357	\$ 0	\$ 0	\$ 0
License and Application Fees	0	180,304	180,304	0	94,387	94,387
Sports Betting Operations Fees	0	1,980,400	1,980,400	0	216,000	216,000
Background Investigations	0	104,805	104,805	0	104,265	104,265
Fines	0	336	336	0	0	0
Interest Income	0	48,147	48,147	0	9,708	9,708
<b>TOTAL REVENUES</b>	<b>0</b>	<b>8,638,349</b>	<b>8,638,349</b>	<b>0</b>	<b>424,360</b>	<b>424,360</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfer from General Fund	0	0	0	0	1,739,015	1,739,015
Transfer to General Fund	0	(1,552,397)	(1,552,397)	0	0	0
<b>TOTAL REVENUES &amp; OTHER FIN. SOURCES (USES)</b>	<b>0</b>	<b>7,085,952</b>	<b>7,085,952</b>	<b>0</b>	<b>2,163,375</b>	<b>2,163,375</b>
<b>EXPENDITURES:</b>						
Salaries and Benefits	0	1,098,748	1,098,748	0	570,350	570,350
Professional Services	0	9,361	9,361	0	57,303	57,303
Travel	0	0	0	0	11,366	11,366
Automobiles	0	1,207	1,207	0	0	0
Printing	0	1,341	1,341	0	1,815	1,815
Computer Services & Name Searches	0	17,258	17,258	0	4,004	4,004
Materials, Supplies, and Services	0	19,331	19,331	0	26,358	26,358
Postage	0	480	480	0	516	516
Telephone	0	2,822	2,822	0	632	632
Other Operating Expenditures	0	16,707	16,707	0	0	0
<b>EXPENDITURES - SUBTOTAL</b>	<b>0</b>	<b>1,167,255</b>	<b>1,167,255</b>	<b>0</b>	<b>672,344</b>	<b>672,344</b>
<b>STATE AGENCY SERVICES</b>						
State Auditors	0	11,484	11,484	0	0	0
Indirect Costs - Department of Revenue	0	106,073	106,073	0	0	0
Colorado Department of Law	0	118,657	118,657	0	118,657	118,657
OIT Purchased Services	0	123,393	123,393	0	0	0
<b>TOTAL STATE AGENCY SERVICES</b>	<b>0</b>	<b>359,607</b>	<b>359,607</b>	<b>0</b>	<b>118,657</b>	<b>118,657</b>
Non Personal Services Background Exp.	0	5,691	5,691	0	7,582	7,582
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>1,532,553</b>	<b>1,532,553</b>	<b>0</b>	<b>798,583</b>	<b>798,583</b>
<b>Excess of Revenues Over Expenditures</b>	<b>0</b>	<b>5,553,399</b>	<b>5,553,399</b>	<b>0</b>	<b>1,364,792</b>	<b>1,364,792</b>
<b>FUND BALANCE AT JULY 1, 2020 &amp; 2019</b>	<b>0</b>	<b>1,414,500</b>	<b>1,414,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FUND BAL. APRIL 30, 2021 &amp; 2020</b>	<b>\$ 0</b>	<b>\$ 6,967,899</b>	<b>\$ 6,967,899</b>	<b>\$ 0</b>	<b>\$ 1,364,792</b>	<b>\$ 1,364,792</b>



**COLORADO DIVISION OF GAMING**  
**SPORTS BETTING STATEMENT OF BUDGET TO ACTUAL**  
**TEN MONTHS ENDED APRIL 30, 2021**  
**(UNAUDITED)**

	BEGINNING BUDGET *	SUPPLE- MENTAL CHANGES / ROLLFORWARDS	ANNUAL REVISED ESTIMATED BUDGET **	83.3% OF BUDGETED AMOUNT	YEAR-TO-DATE ACTUAL	OVER / (UNDER) ANNUAL BUDGET	% EARNED % EXPENDED OF ANNUAL BUDGET
<b>REVENUES:</b>							
Sports Betting Taxes	\$ 1,700,000	\$ 0	\$ 1,700,000	\$ 1,416,667	\$ 6,324,357	\$ 4,624,357	372.02%
License and Application Fees	18,750	0	18,750	15,625	180,304	161,554	961.62%
Sports Betting Operations Fees	2,261,577	0	2,261,577	1,884,648	1,980,400	(281,177)	87.57%
Background Investigations	589,468	0	589,468	491,223	104,805	(484,663)	17.78%
Fines and Fees	0	0	0	0	336	336	100.00%
Interest Revenue	0	0	0	0	48,147	48,147	100.00%
<b>TOTAL REVENUES</b>	<b>4,569,795</b>	<b>0</b>	<b>4,569,795</b>	<b>3,808,163</b>	<b>8,638,349</b>	<b>4,068,554</b>	<b>189.03%</b>
<b>OTHER FINANCING USES:</b>							
Transfer to General Fund	0	0	0	0	(1,552,397)	N/A	N/A
<b>TOTAL REVENUES &amp; OTHER FINANCING USES</b>	<b>4,569,795</b>	<b>0</b>	<b>4,569,795</b>	<b>3,808,163</b>	<b>7,085,952</b>	<b>2,516,157</b>	<b>155.06%</b>
<b>EXPENDITURES:</b>							
Personal Services	2,219,640	0	2,219,640	1,849,700	1,112,741	(1,106,899)	50.13%
Operating Expenditures	110,197	0	110,197	91,831	26,846	(83,351)	24.36%
Workers Compensation	8,222	0	8,222	6,852	6,852	(1,370)	83.34%
Risk Management	3,241	0	3,241	2,701	2,701	(540)	83.34%
Licensure Activities	23,735	0	23,735	19,779	14,462	(9,273)	60.93%
Leased Space	102,087	0	102,087	85,073	0	(102,087)	0.00%
Vehicle Lease Payments - Fixed	34,650	0	34,650	28,875	1,131	(33,519)	3.26%
Legal Services	142,388	0	142,388	118,657	118,657	(23,731)	83.33%
CORE Operations	16,807	0	16,807	14,006	14,006	(2,801)	83.33%
Payments to Office of Information Technology	148,072	0	148,072	123,393	123,393	(24,679)	83.33%
Indirect Costs - Department of Revenue	127,287	0	127,287	106,073	106,073	(21,214)	83.33%
<b>Division Expenditures</b>	<b>2,936,326</b>	<b>0</b>	<b>2,936,326</b>	<b>2,446,940</b>	<b>1,526,862</b>	<b>(1,409,464)</b>	<b>52.00%</b>
<b>Non Personal Services Background Expenditures</b>	<b>35,602</b>	<b>0</b>	<b>35,602</b>	<b>29,668</b>	<b>5,691</b>	<b>(29,911)</b>	<b>15.99%</b>
<b>TOTAL EXPENDITURES</b>	<b>2,971,928</b>	<b>0</b>	<b>2,971,928</b>	<b>2,476,608</b>	<b>1,532,553</b>	<b>(1,439,375)</b>	<b>51.57%</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 1,597,867</b>	<b>N/A</b>	<b>\$ 1,597,867</b>	<b>\$ 1,331,555</b>	<b>\$ 5,553,399</b>	<b>\$ 3,955,532</b>	<b>347.55%</b>

\* Represents original information given to the Commission in April and June of 2020.

The percent of the fiscal year elapsed through April 30, 2021 is 83.3%.

\*\* Amount includes Long Bill items and Supplemental Appropriations.



**COLORADO**  
**Department of Revenue**

Specialized Business Group—Gaming  
1707 Cole Blvd., Suite 300  
Lakewood, CO 80401

# Memo

To: Colorado Limited Gaming Control Commission  
From: Eric Shannon, Deputy Gaming Controller  
Cc: Dan Hartman  
Date: June 17, 2021  
Re: April 2021 Sports Betting Fund Financial Statements

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Following are highlights from the Sports Betting Fund financial statements ending April 30, 2021.

## *Statement of Revenues, Expenditures, and Changes in Fund Balance*

Current fiscal year Sports Betting Tax revenue was \$6,324,357 which is about 372% of budgeted. Prior year Sports Betting Tax revenue will begin to be reported in the May 2021 financial statements.

Current fiscal year Sports Betting Operations Fees revenue was \$1,980,400, which is an increase of \$1,764,400 over the prior fiscal year. Through April of the current fiscal year 38 total operations fees were collected, 22 for internet operations and 16 for on-site operations. Through April of the prior fiscal year 4 total operations fees were collected, all of which were for internet operations. Both internet and on-site operations fees increased in amount for fiscal year 2021 as compared to fiscal year 2020.

Total Sports Betting Fund revenues and other financing uses through April 2021 increased by \$4,922,577 or 228% over April 2020. Total prior year revenues and other financing sources through April 2020 consisted primarily of the transfer from the General Fund for startup and initial operating costs as outlined in House Bill 19-1327. The transfers from and to the General Fund will match in amount on the May 2021 financial statements. HB 20-1257 required transferring \$186,618 back to the General Fund during May of fiscal year 2020.

Total Sports Betting Fund expenditures through April 2021 were \$1,532,553. This is an increase of about 92% over April 2020. The increase is due primarily to the increase in salaries and benefits, indirect costs, and OIT purchased services.

## *Statement of Budget to Actual*

Total revenues collected through April 2021 were about 189% of budgeted. Total expenditures were about 52% of budgeted, which is below the 83% of the fiscal year that has elapsed. Excess of revenues over expenditures was 348% of budgeted.

Please feel free to contact me if you have any questions on the Sports Betting Fund financial statements.

## **BASIS AND PURPOSE FOR RULE 2**

The purpose of Rule 2 is to delegate certain authority to the Director or other Division agent; provide for the review of any action taken pursuant to such authority; provide for the reference by the Director of matters delegated to the Director back to the Commission; and to establish procedures for Commission actions and hearings. Rule 2 also empowers the Commission to contract for legal counsel, and directs the Licensee to obtain moneys owed to a deceased patron and properly distribute such moneys. The statutory basis for Rule 2 is found in sections 44-30-201, C.R.S., 44-30-203, C.R.S., 44-30-301, C.R.S., 44-30-302, C.R.S., 44-30-501, C.R.S., 44-30-502, C.R.S., 44-30-507, C.R.S., 44-30-1103, C.R.S., and 24-4-105, C.R.S. *Amended 1/14/15*

## **RULE 2        POWERS AND DUTIES OF COMMISSION AND DIRECTOR**

### **30-211        Filing or notice.**

If a filing or notice to the Commission or Director is permitted or required by these rules, the filing or notice may be delivered in person or mailed to the Division at ~~17301 West Colfax Ave., Suite 135, Golden~~ **1707 COLE BLVD., SUITE 300, LAKEWOOD**, Colorado 80401. A filing or notice is complete on the date it is received by the Division. Notification to the Division shall be deemed notification to the Commission for purposes of these rules.

## **BASIS AND PURPOSE FOR RULE 4.5**

The purpose of Rule 4.5 is to establish specific reporting procedures and approval requirements for transfers of interests and other involvement with publicly traded corporations directly or indirectly involved in gaming in Colorado. The statutory basis for Rule 4.5 is found in sections 44-30-201, C.R.S., 44-30-203, C.R.S., 44-30-302, C.R.S., 44-30-503, C.R.S., 44-30-510, C.R.S., and 44-30-801, C.R.S.

## **RULE 4.5        PUBLICLY TRADED CORPORATIONS AND PUBLIC OFFERINGS OF SECURITIES**

### **30-4.500        Incorporation by reference.**

- (2) Certified copies of the complete text of the material incorporated are maintained at the Colorado Division of Gaming, ~~17301 West Colfax Ave., Suite 135, Golden~~ **1707 COLE BLVD., SUITE 300, LAKEWOOD**, Colorado 80401, and may be inspected by contacting the Records Custodian at that address during normal business hours. The incorporated material may also be examined at any state publications depository library. Certified copies shall be provided at cost upon request.

## **BASIS AND PURPOSE FOR RULE 22**

The purpose of Rule 22 is to establish playing rules for authorized types of roulette and management procedures for conducting roulette games in compliance with section 44-30-302 (2), C.R.S. The statutory basis for Rule 22 is found in sections 44-30-201, C.R.S., 44-30-203, C.R.S., 44-30-302, C.R.S., and 44-30-818, C.R.S.

## **RULE 22        RULES FOR ROULETTE**

### **30-2201        Definitions of words used in roulette.**

- (1) American Wheel: Thirty-eight ~~OR THIRTY-NINE~~ (38 ~~OR 39~~) compartments containing the numbers one through thirty-six (1-36), ~~and~~ a zero (0), ~~and~~ double zero (00) ~~AND/OR TRIPLE ZERO (000)~~.

- (2) Compartment or slots on the roulette wheel: Where the roulette ball will land to decide the outcome of the bet. The numbers of the roulette wheel are numbered from 1 to 36, alternating between red and black. Zero, and double zero AND TRIPLE ZERO are green.

**30-2202 Roulette game drop box procedures.**

Each roulette table shall have a drop box attached to the table. The drop box shall be used for the deposit of money, tickets, purchase tickets, table games VALID coupons or Mobile ATM receipts received in conjunction with the sale of chips. The roulette game drop box shall be a locked container marked with a permanent number corresponding to a permanent number on the game table and permanently marked to indicate the game and table number. All markings shall be clearly visible. The locked container shall be locked to the gaming table and shall be separately keyed from the container itself. *Amended 7/1/13; Amended 10/15/20*

**30-2203 Placement of wagers; permissible and optional wagers.**

- (1) All wagers at roulette shall be made by placing accepted gaming chips, issued by the dealer, on the appropriate areas of the roulette layout. Alternatively, chips issued by the licensee used on other table games within the same licensed premise may be accepted at any time for all bets during play. Valid match-play coupons may be accepted any time during play on the even money and 2 to 1 wagers only. No verbal wagers or cash may be accepted by the dealer to wager on the table. When a player is at a table with EBTs, all wagers must be made by placing electronic chips on the appropriate areas of the EBT. *Amended 03/01/2012, Amended 09/14/2012, Amended 7/1/13*
- (6) The permissible wagers in the game of roulette shall be:
- (c) “Street Bet (three numbers)” is a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of three numbers in a single row on the roulette layout or EBT selected by the player. The player shall select a row of numbers by placing a wager on the outside line of the box on the roulette layout or EBT that contains the first number in the selected row. *Amended 03/01/2012*
- (i) “Three Numbers” shall also include a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any one of the three numbers contained in one of the following groups of numbers: (0,1,2), (0,2,00), or (00,2,3), OR (0, 00, 000).

**30-2209 Type of roulette wheel.**

- (3) THE LICENSEE MAY, IN ITS DISCRETION, OFFER TO THE PLAYERS A TRIPLE ZERO ROULETTE WHEEL. THAT IS A ROULETTE WHEEL WITH 36 NUMBERS PLUS THREE ZEROS, (0), (00) AND (000).

**30-2210 Roulette table.**

- (2) Each roulette wheel shall be of a single zero variety, or double zero OR TRIPLE ZERO variety as described below.
- (C) EACH TRIPLE ZERO ROULETTE WHEEL SHALL HAVE 39 EQUALLY SPACED COMPARTMENTS AROUND THE WHEEL WHERE THE ROULETTE BALL SHALL COME TO REST. THE ROULETTE WHEEL SHALL ALSO HAVE A RING OF 39 EQUALLY SPACED AREAS TO CORRESPOND TO THE POSITION OF THE COMPARTMENTS WITH ONE MARKED ZERO (0) AND COLORED GREEN, ONE MARKED DOUBLE-ZERO (00) AND COLORED GREEN, ONE MARKED TRIPLE ZERO (000) AND COLORED GREEN, AND THE OTHERS MARKED 1 TO 36 AND COLORED ALTERNATELY RED AND BLACK, WHICH NUMBERS SHALL BE ARRANGED AROUND THE WHEEL UNLESS OTHERWISE APPROVED BY THE DIRECTOR OR DESIGNEE. THE COLOR OF EACH COMPARTMENT SHALL EITHER BE A CORRESPONDING COLOR TO THOSE DEPICTED ON THE RING OR A NEUTRAL COLOR AS APPROVED BY THE DIRECTOR OR DESIGNEE.

- (eD) A double zero **AND TRIPLE ZERO** roulette wheel<sup>s</sup> may be used as a single zero roulette wheel, provided that:
- (i) If a double zero **OR TRIPLE ZERO** table layout is used, the “00” **AND “000”** wager area on the layout is obscured with a cover or other approved device which clearly indicates that such a wager is not available; and
  - (ii) Appropriate signage is posted at the roulette table to notify players that:
    - (A) A double zero **OR A TRIPLE ZERO** roulette wheel is being used as a single zero roulette wheel, and that double zero (00) **AND TRIPLE ZERO (000)** **is ARE not an** available wagers;
    - (B) If the roulette ball comes to rest in a compartment marked double zero (00) **OR TRIPLE ZERO (000)**, the spin will be declared void and the wheel will be re-spun; and
    - (C) Wagers on red, black, odd, even, “1 to 18” and “19 to 36” shall be lost if the roulette ball comes to rest in a compartment marked zero (0).
- (eE) The layout for a roulette table shall be approved by the Director or designee and shall contain, at a minimum:
- (eF) Notwithstanding (d) above, if a licensee offers an optional wager authorized by 30-2203(6) and/or 30-2204(2), the layout for that roulette table shall also include, in a manner approved by the Director or designee, designated areas for the placement of such wagers.
- (eG) Each roulette table shall have a drop box and tip box attached to it.

### **30-2212 Inspection and security procedures.**

- (1) Prior to opening a roulette table for gaming activity, or at least once a gaming day for an open table, a key manager, licensed member of the casino security department, or pit supervisor shall:
 

*Amended 12/15/17*

  - (e) Confirm that the layout and signage comply with 30-2210, if a double zero **OR TRIPLE ZERO** roulette wheel is being used as a single zero roulette wheel.

### **BASIS AND PURPOSE FOR RULE 25**

The purpose of Rule 25 is to establish playing rules for keno and procedures for conducting keno games in compliance with section 44-30-302 (2), C.R.S. The statutory basis for Rule 25 is found in sections 44-30-201, C.R.S., 44-30-203, C.R.S., 44-30-302, C.R.S., and 44-30-818, C.R.S.

### **RULE 25 RULES FOR KENO**

#### **30-2502 Definitions for keno.**

- ~~(10)~~ **"Keno writer request" means a one-part form used by a patron to select the desired number or numbers (spots) for one or more keno games by giving the form directly to a keno writer or keno runner.**
- (1+0) “Paper based keno game” means those games using paper forms for keno requests, keno writer requests and keno ticket receipts.

- (121) "Quick-pick" means a straight or basic keno ticket in which the computer system randomly selects the marked number or numbers (spots) for the patron.
- (132) "Rate card" means the document issued by a casino licensee listing the available types of wagers, payoff rates, wagering format and such other information as required by this Regulation.
- (143) "Random number generator or RNG" means a software based algorithm for randomly determining winning outcomes of any electronic keno game.
- (154) "Side game" means an additional keno or other casino style game approved by the Division that a player may wager within the keno system. The side game may be either independent or dependent of a certain outcome contained within any active keno game.
- (165) "Spots" means the number or numbers selected by a player for a keno game. For example, a keno ticket based on a keno request on which a player selected three numbers is referred to as a "three-spot" keno ticket.
- (176) "Ticket-in ticket-out or tito" means a keno system validated and generated ticket that may be used as a cash equivalent within the casino at any cage, keno kiosk or gaming device to add or remove credits.
- (187) Keno wins are payable after all games wagered have completed or unless a multi-race ticket in progress is quit (canceled). "Winning keno ticket report" means a report utilized by a keno runner who carries tickets for redemption and/or play to a keno workstation, or which may be used to verify and directly redeem winning keno tickets, and/or to calculate the amount due for the next game's replay. The report may be generated by a keno employee or print automatically after each keno game, and shall list all winning keno tickets for that game, and shall contain, at a minimum:
- (a) The serial number of each winning ticket;
  - (b) The number of the keno game; and
  - (c) As to each winning keno ticket:
    - (i) The total ticket pay out for finished tickets.
- (198) "Written" means a completed keno transaction in which a bet has been placed and recorded.