Empowering a Thriving Hospitality Industry in Kansas

Connect with us and stay in the know!

@KSRestaurant
@Kansas Restaurant
Kansas Restaurant & Hospitality Association
@KSRestaurant
KRHA Board Leadership

Dale Schmitt
KRHA Chair

Sam Oglesby
KRHASIF & HIS Chair
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Company/Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dale Schmitt</td>
<td>Chair</td>
<td>The Sweet Nook</td>
</tr>
<tr>
<td>Al Hinman</td>
<td>Chair Elect</td>
<td>Le Peep</td>
</tr>
<tr>
<td>Timirie Shibley</td>
<td>Treasurer</td>
<td>Doo-Dah Diner</td>
</tr>
<tr>
<td>Patrick Schreiner</td>
<td>Secretary</td>
<td>Brickyard 20 Ale House/Heartland</td>
</tr>
<tr>
<td>Les Padzensky</td>
<td>Immediate Past Chair’16, ‘17</td>
<td>Warren Theaters</td>
</tr>
<tr>
<td>John Arnold</td>
<td>Past Chair ‘13</td>
<td>Deano’s Grill &amp; Tapworks, Greystone Steak &amp; Seafood, Oak and Pie</td>
</tr>
<tr>
<td>Paul Baumgartner</td>
<td>Allied Director</td>
<td>Retail Data Systems</td>
</tr>
<tr>
<td>Bryan Childs</td>
<td>Allied Director</td>
<td>Dr Pepper Snapple Group</td>
</tr>
<tr>
<td>Holly Croney</td>
<td>Director</td>
<td>Compass Group, USA</td>
</tr>
<tr>
<td>Damian Farris</td>
<td>Director</td>
<td>Jazz, A Louisiana Kitchen</td>
</tr>
<tr>
<td>Andrew Gough</td>
<td>Allied Director</td>
<td>Reverie Roasters, LLC</td>
</tr>
<tr>
<td>Todd Hanna</td>
<td>Allied Director</td>
<td>Sysco Kansas City</td>
</tr>
<tr>
<td>Robert Little</td>
<td>Director</td>
<td>Shindigs Bar &amp; Grill</td>
</tr>
<tr>
<td>Hugh O’Reilly</td>
<td>Past Chair ‘09, ‘14, ‘15</td>
<td>McDonald’s</td>
</tr>
<tr>
<td>Mary Montgomery-Shatz</td>
<td>Director</td>
<td>Longhorn Steakhouse</td>
</tr>
<tr>
<td>Mario Quiroz</td>
<td>Director</td>
<td>Molino’s Mexican Cuisine</td>
</tr>
<tr>
<td>Scott Redler</td>
<td>Past Chair ‘07, ’11, ’12, NRA Director</td>
<td>Freddy’s Frozen Custard &amp; Steakburger</td>
</tr>
<tr>
<td>Gene Suellentrop</td>
<td>Director, Past NRA Director</td>
<td>In The Sauce Brands Inc - Gambino’s</td>
</tr>
<tr>
<td>Kurt Young</td>
<td>Allied Director</td>
<td>Topeka Lodging Association</td>
</tr>
<tr>
<td>Al Ward</td>
<td>Past Chair ‘81 &amp; ’02</td>
<td>Taco Casa</td>
</tr>
</tbody>
</table>
## KRHASIF & HIS Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sam Oglesby</td>
<td>Chair</td>
<td>Café Foods, Inc. - Corner Bakery Café</td>
</tr>
<tr>
<td>Kim Madison</td>
<td>Chair Elect</td>
<td>Best Western Wichita North</td>
</tr>
<tr>
<td>Janez Lomshek</td>
<td>Treasurer</td>
<td>Talk of the Town</td>
</tr>
<tr>
<td>Bob Carmichael</td>
<td>Secretary</td>
<td>Perkins Restaurant &amp; Bakery</td>
</tr>
<tr>
<td>Dave Dooman</td>
<td>Immediate Past Chair</td>
<td>Spangles</td>
</tr>
<tr>
<td>John Devera</td>
<td>Director</td>
<td>McDonald’s</td>
</tr>
<tr>
<td>Daniel Hinman</td>
<td>Director</td>
<td>Hinman Subway, Inc. dba Subway</td>
</tr>
<tr>
<td>Ron Oberg</td>
<td>Immediate Past Chair, Past KRHA</td>
<td>Freddy's Frozen Custard and Steak Burgers</td>
</tr>
<tr>
<td></td>
<td>Chair ‘04, ‘09</td>
<td></td>
</tr>
<tr>
<td>Mike Richey</td>
<td>Director</td>
<td>Five Guys Burgers and Fries</td>
</tr>
<tr>
<td>Brad Streeter</td>
<td>Past Chair ‘90, ‘91</td>
<td>Vista Drive In</td>
</tr>
<tr>
<td>Sandra Ward</td>
<td>Past Chair ‘06, ‘11, ’12</td>
<td>Taco Casa</td>
</tr>
<tr>
<td>Dale Schmitt</td>
<td>KRHA Chair (Ex-Officio)</td>
<td>The Sweet Nook</td>
</tr>
<tr>
<td>Adam Mills</td>
<td>President &amp; CEO (non-voting)</td>
<td>KRHA</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
<td>Organization</td>
</tr>
<tr>
<td>-------------------</td>
<td>-----------------------------------------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>Dale Schmitt</td>
<td>Chair</td>
<td>The Sweet Nook</td>
</tr>
<tr>
<td>Al Hinman</td>
<td>Chair Elect</td>
<td>Le Peep</td>
</tr>
<tr>
<td>Timirie Shibley</td>
<td>Treasurer</td>
<td>Doo-Dah Diner</td>
</tr>
<tr>
<td>Patrick Schreiner</td>
<td>Secretary</td>
<td>Brickyard 20 Ale House/Heartland</td>
</tr>
<tr>
<td>Les Padzensky</td>
<td>Immediate Past Chair’16, ‘17</td>
<td>Warren Theaters</td>
</tr>
<tr>
<td>Hugh O’Reilly</td>
<td>Past Chair ‘09, ‘14, ‘15</td>
<td>McDonald’s</td>
</tr>
<tr>
<td>John Arnold</td>
<td>Past Chair ’13</td>
<td>Deano’s Grill &amp; Tapworks, Greystone Steak &amp; Seafood, Oak and Pie</td>
</tr>
<tr>
<td>Gene Suellentrop</td>
<td>Director, Past NRA Director</td>
<td>In The Sauce Brands Inc - Gambino’s</td>
</tr>
<tr>
<td>Scott Redler</td>
<td>Past Chair ‘07, ’11,’12, NRA Director</td>
<td>Freddy’s Frozen Custard &amp; Steakburger</td>
</tr>
<tr>
<td>Mario Quiroz</td>
<td>Director</td>
<td>Molino’s Mexican Cuisine</td>
</tr>
<tr>
<td>Adam Mills</td>
<td>President &amp; CEO (non-voting)</td>
<td>KRHA</td>
</tr>
</tbody>
</table>
Adam Mills
KRHA President & CEO

Sheila Thomas
Vice President Finance
KRHA Staff

Rich Ewen
Travis Sartain
Scott Stevens

Member Services Representatives, Licensed Insurance Agents
KRHA Staff

Christine Scharnhorst  
HIS Account Manager

Jessica Manny  
HIS Account Manager
KRHA Staff

Vice President Claims
Jeff Siler

Loss Control Manager
Dave Belvin

Administrative Assistant
Cody Crawford
KRHA Staff

Neeley Carlson
Vice President
Education & Training

Lisa Graham
Marketing & Communications Manager
KRHA Staff

Shannon Wilkinson
Accounting Assistant

Karen Schaefer
Accounting Assistant
Scott Schneider J.D.
Contract Lobbyist

Jason Watkins
Contract Lobbyist
KRHA Mission

Empowering a Thriving Hospitality Industry in Kansas!
## Member Benefits

<table>
<thead>
<tr>
<th>Education and Training</th>
<th>Credit Card &amp; Payroll Services</th>
<th>Worker’s Compensation</th>
</tr>
</thead>
</table>
| • ServSafe Food Safety & Alcohol Training  
• ProStart | • Partnered with Heartland Payment Systems | • Competitive rates  
• Full-time insurance agents, claims & loss control specialists on staff |

<table>
<thead>
<tr>
<th>Insurance Services</th>
<th>Marketing</th>
<th>Member Discounts</th>
</tr>
</thead>
</table>
| • Hospitality Insurance Services (HIS)  
• State Auto dividend program & Wally  
• United Healthcare | • Promotion of your business through KRHA’s social media  
• Trusted Table marketing program | • BMI discounts on music licensing  
• Utility sales tax exemptions  
• 360Wichita & 360KC  
• Unemployment Insurance Services (UIS) |
KRHA & KRHASIF Membership

- KRHA Members - 502
- Representing 1021 locations
- KRHASIF Representing 668 locations

* As of 12/31/2017
KRHA Financial Report

Cash Viability by Company
10/31/17
Cash & Investments net of Current Liabilities and Loss Reserves

Total Cash Available $3,842,816

- KRHASIF
- KRHA
- KRHAEF
- HIS

$2,812,469
$421,323
$466,167
$142,857
Total Company Combined Equity

- Equity
- Linear (Equity)

<table>
<thead>
<tr>
<th>Date</th>
<th>Equity</th>
<th>Linear (Equity)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10/31/2017</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- $3,000,000
- $3,500,000
- $4,000,000
- $4,500,000
- $5,000,000
Political Action Committee (PAC) – 2017

- $49,000 PAC Funds raised
- $35,000 Cash on hand

KRHA National Contributions

- $6,000 contributed to NRA PAC
- $9,000 contributed to NRA RAF (Restaurant Advocate Fund)
- Kansas was 1 of 6 states to meet PAC & RAF goals
KRHAEF Report

• Students completing the ServSafe Manager Certification
  – 632 students in 2017
  – 530 students in 2016

• Students completing the ServSafe Food Handler training
  – 275 students in 2017
  – 115 students in 2016

• ProStart students earning ServSafe Manager Certification
  – 139 students took the exam
  – 103 students passed the exam
Serving 1500+ students across Kansas in 31 High Schools

Abilene High School – Abilene
Basehor-Linwood High School - Basehor
Blue Valley Academy – Overland Park
Blue Valley High School – Overland Park
Blue Valley West High School – Overland Park
Broadmoor Technical Center– Overland Park
Campus High School - Wichita
Chapman High School – Chapman
Eisenhower High School - Goddard
Emporia High School – Emporia
Eudora High School – Eudora
Garden City High School – Garden City
Goddard High School – Goddard
Labette County High School – Altamont
Lawrence College & Career Center- Lawrence
Louisburg High School – Louisburg
Maize High School – Maize
Manhattan High School - Manhattan
Olathe North High School – Olathe
Ottawa High School – Ottawa
Stafford High School - Stafford
Wellsville High School - Wellsville
West Franklin High School – Pomona
Wichita East High School – Wichita
Wichita Heights High School – Wichita
Wichita North High School - Wichita
Wichita Northwest High School – Wichita
Wichita South High School – Wichita
Wichita Southeast High School – Wichita
Wichita West High School – Wichita
# 2017 Industry by the Numbers

## Locations

<table>
<thead>
<tr>
<th>National Stats</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant</td>
<td>1 Million+</td>
</tr>
<tr>
<td>Lodging</td>
<td>54,200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Kansas Stats</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant</td>
<td>5,184</td>
</tr>
<tr>
<td>Lodging</td>
<td>620</td>
</tr>
</tbody>
</table>

*Latest statistics/projections from National Restaurant Association & American Hotel & Lodging Association*
# 2017 Industry by the Numbers

## Employment

<table>
<thead>
<tr>
<th></th>
<th>National Stats</th>
<th>Kansas Stats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant</td>
<td>14.7 Million</td>
<td>134,700</td>
</tr>
<tr>
<td>Lodging</td>
<td>4.5 Million</td>
<td>32,267</td>
</tr>
</tbody>
</table>

*Latest statistics/projections from National Restaurant Association & American Hotel & Lodging Association*
# 2017 Industry by the Numbers

## Sales

<table>
<thead>
<tr>
<th></th>
<th>National Stats</th>
<th>Kansas Stats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant</td>
<td>$799 billion</td>
<td>$3.9 billion</td>
</tr>
<tr>
<td>Lodging</td>
<td>$517 billion</td>
<td>$707 million</td>
</tr>
</tbody>
</table>

*Latest statistics/projections from National Restaurant Association & American Hotel & Lodging Association*
2017 Industry by the Numbers

Sales Tax Collection

<table>
<thead>
<tr>
<th>Kansas Stats</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquor Tax</td>
<td>$139,846,302</td>
</tr>
<tr>
<td>Transient Guest Tax</td>
<td>$45,958,205</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>$298,858,762</td>
</tr>
<tr>
<td></td>
<td>$484,663,269</td>
</tr>
</tbody>
</table>

* Based on fiscal year 2017
Restaurant Industry’s Share of the Food Dollar

1955: 25%

Present: 48%
## Industry Impact
- Economic Engine -

### Economic Engine

| • Restaurants contribute 4% of the U.S. GDP |
| • Lodging contributes 3.5 billion to U.S. GDP |

### Jobs & Career Powerhouse

| • Extensive career training for workers, students and military veterans |

### Entrepreneur Builder

| • 80% of owners began in an entry-level position |
| • More minority managers than any other industry |
| • 50% of owners are women |
# Industry Impact

- Food & Healthy Living -

<table>
<thead>
<tr>
<th>Trending Healthy</th>
<th>Healthy Dining Resources</th>
<th>Focus on Kids</th>
</tr>
</thead>
</table>
| • What’s Hot Survey - Trends from recent surveys point to a growing demand for healthy, nutritious foods. | • Kids LiveWell Program  
• Healthy Dining Finder | • The restaurant industry is out in front, encouraging menu options that are nutritious and delicious.  
• 42,000+ participating in Kids LiveWell program |
Conserve: Moving conservation forward

- Conserve helps the industry implement conservation efforts. Conserve is where restaurants turn for practical tips, suggestions and resources that reduce their costs and bolster their bottom line.
Industry Impact
- Giving Back -

<table>
<thead>
<tr>
<th>Contributing to Communities</th>
<th>Fighting Hunger</th>
<th>Annual Giving</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 94% of America’s restaurant operators make charitable donations.</td>
<td>• 73% of restaurant owners make donations for food relief.</td>
<td>• Each year, the industry donates $3 billion in resources to communities despite slim margins and a challenging economy.</td>
</tr>
</tbody>
</table>
Top 10 Food Trends

1. New cuts of meat
2. House-made condiments
3. Street food inspired dishes
4. Ethnic inspired breakfast items
5. Sustainable seafood
6. Healthful kids’ meals
7. Vegetable carb substitutes
8. Uncommon herbs
9. Authentic ethnic cuisine
10. Ethnic spices
Marketing Update

The goal is always to grow membership and add value... Working with RSM we are figuring out how!

- Working with RSM Marketing to develop an integrated marketing and communication plan that will engage more operators, provide relevance, and deliver content that assists our members in running their business.

- Developed the Trusted Table program, which will be launching in 2018.
Trusted Table is a consumer driven marketing program providing public awareness of the industry's ongoing commitment to food safety.

**It’s Easy and Free!**

- Have at least one employee with the ServSafe Manager Certification on site during open hours.
- In compliance with most recent Kansas Department Agriculture inspection.
- Current member of KRHA.

**VALUE TO TRUSTED TABLE MEMBERS**

**Annual In Store Signage**
- Counter sign and window decal

**Web and Social Media**
- KRHA to promotion of trusted table participants on website and social
- Digital assets for operator use on social and website.

**In-Market Outdoor Advertising**
- Digital billboard with logo of participating restaurants to run in Wichita area for 2018

**KWCH 12 – Where’s Shane?**
- Opportunity for Wichita area operators to upgrade and be featured on the KWCH “Where’s Shane? segment during the morning news.
Current Participants

Trusted Table Sponsors

ASHBY ST.
OUTDOOR ADVERTISING

KWCH12 HD

KANSAS RESTAURANT & HOSPITALITY ASSOCIATION
Strategic Partnerships

State Auto dividend program & Wally
- Quality insurance protection with competitive premiums
- Annual dividend potential for eligible members who insure with State Auto. *Generated $35,000 in dividends in year 1!
- Wally – Sensor solution for your operation

Unemployment Insurance Services
- Centralized unemployment claims and tax management
- Utilizing their expertise in UI law to best represent the employer’s interests

360Wichita & 360KC
- Every KRHA member in the Wichita and KC service area will receive a fee Basic Promotional page
- Nearly 100,000 consumers visit the Wichita site each month
Available **exclusively** to NRA and KRHA members with hospitality industry codes (restaurants + hotels) – membership is a regulatory requirement

Focused on small employers, the NRA Association Plan will offer a portfolio of medical and specialty benefits plans to **fully insured** hospitality groups with 2-99 full-time (eligible) employees

The NRA Association Plan will be **insured and serviced by UnitedHealthcare**, the only endorsed health carrier of the NRA

This **health benefits solution** allows small employers to take advantage of product and plan design options and potential cost savings historically reserved for large employers - it will be available nationally and feature over **120 health plan designs**
Cobranded Rx Card

PHARMACY DISCOUNT CARD

AUTHORIZATION NUMBER
GCK123500
BIN 005947
GRP 7297VRH
PCN CLAIMCR

UP TO 75% OFF YOUR PRESCRIPTIONS
Show this card every time you fill a prescription.
This card is not insurance.

UnitedHealthcare®
PAC Update

Growing the PAC and Improving our Image throughout the state

- It is our vision to be recognized as “the” advocate for the restaurant and hospitality industries in Kansas. Having a strong PAC is an important tool to ensure our collective voice is heard throughout the political spectrum, from lawmaker to bureaucrat.

- PAC Club levels to suit any budget. PAC 120, 240, and 360 clubs.

- Long term Fundraising Goal is to get to $100,000 per cycle. KRHA PAC raised $49,000 in 2017.
KRHASIF continues to be a great benefit to both the membership and the Association. In 2018 our pricing will be the lowest in our history for the 5th year in a row. Members continue to participate and value this program.

KRHAEF is educating the workforce and reaching more High Schools. KRHAEF continues to be a positive message for the industry.

Hospitality Insurance Services continues to be a valued source for Property, Casualty, Food Borne Illness, Crisis Prevention Programs, and other hospitality based Specialty Insurance Programs.
Thank you to our Sponsors

Platinum Sponsor

Heartland Payment Systems

Gold Sponsor
Thank you to our Sponsors

Silver Sponsors

Cargill®

COX

Business®

HOSPITALITY
Insurance Services

INTRUST
Bank

KANSAS
RESTAURANT &
HOSPITALITY
ASSOCIATION
Self Insurance Fund

MIZE
RESTAURANT
GROUP

Good things come from
Sysco™

UnitedHealthcare®
Thank you to our Sponsors

Contributing Sponsors

Dr Pepper

Wichita Press, Inc.
P.O. Box 12103 • Wichita, KS 67277
phone 316.945.5651 • fax 316.941.9294

REMOTE VIDEO

Hospitality Management Systems / micros
It is our board, our members, and our sponsors who have made our association what it is today.

Thank you!