

MINUTES
KANSAS LOTTERY COMMISSION
Thursday, December 11, 2008
11:00 a.m.
128 North Kansas Avenue
Topeka, Kansas 66603-3638

Call to Order

The regular monthly meeting of the Kansas Lottery Commission was called to order on Thursday, December 11, 2008, at approximately 11:05 a.m. by Chairperson Harold Nye. The meeting was open to the public at Lottery headquarters, 128 North Kansas Avenue, Topeka, Kansas. The Commission participated via conference call. Security Director Gary Herman determined compliance with the *Open Meetings Law*. Minutes were recorded by Executive Secretary Mary Metzler.

Attendance

Commissioners Present	Commissioners Absent
Harold Nye, <i>Chairperson</i> - Hays	
Jeanine McKenna - Reading	
Joni Franklin - Wichita	
Robert Wunsch - Kingman	

Attendees

Participating

Staff: Ed Van Petten, Executive Director
Stephen Durrell, Assistant Attorney General
Gary Herman, Director of Security
Sally Lunsford, Director of Communications
Mary Metzler, Executive Secretary

Visitors: A list of signed-in visitors is attached and incorporated by reference to the official minutes. Some unidentified individuals listened to the meeting via conference call.

Approval of Minutes

Minutes of the regular meeting conducted on November 12, 2008, were submitted to the Commission in their online agenda packets. There were no additions or corrections to the minutes as presented. **Commissioner Franklin moved to approve the minutes as presented; Commissioner McKenna seconded;** motion approved unanimously.

New Business:

(1) RULES Assistant Attorney General Stephen Durrell

Mr. Durrell presented a written summary of the rules prior to the meeting, a copy of which is filed with the official minutes, and he presented the rules to the Commission for approval as follows:

New Instant Game Rules

Specific Instant Game Rules *Article 4*
K.A.R. 111-4-2784 “Double Red Millions” - Game No. 119

Commissioner McKenna moved and Commissioner Franklin seconded to approve the new instant game rule. Motion passed unanimously.

Amended Game Rules

Specific Multi-State Online Game Rules *Article 5*
Powerball:
K.A.R. 111-5-23 “Definitions”
K.A.R. 111-5-24 “Game Description; Retail Sales of Tickets”
K.A.R. 111-5-25 “Prize Pool; Reserve Account”
K.A.R. 111-5-26 “Expected Prize Payout Pari-Mutuel Prizes”
K.A.R. 111-5-27 “Probability of Winning”
K.A.R. 111-5-28 “Prize Payments; Annuitized and Cash Prizes”
K.A.R. 111-5-33 “Multi-Draw”

Hearing no questions or comments, Chairman Nye called for a motion. **Commissioner Franklin moved to approve the amended rules as presented by Mr. Durrell. Commissioner Wunsch seconded; motion approved unanimously.**

(2) EXPANDED GAMING Director of Gaming Facilities Keith Kocher

(a) *Status Report*

Mr. Kocher reported that the applicants in the South Central and Northeast Gaming Zones withdrew before their contracts became binding. He said that the process would begin over again in both zones. Mr. Kocher presented revised application procedures to the Commission covering both zones for their consideration. Mr. Kocher said that the application process had not changed with the exception of a reduction in the number of copies required. He informed the Commission that by voting to re-open the bids, the deadline would be April 1, 2009. He then presented the re-opening of bids in both gaming zones as follows in paragraphs (b) and (c) below:

(b) South Central Gaming Zone

CONSIDERATION of the “Revised Application and Review Procedures for Lottery Gaming Facility Manager Contracts Pursuant to the Kansas Expanded Lottery Act” to allow for re-opening of the bids in the South Central Gaming Zone.

(c) Northeast Gaming Zone

CONSIDERATION of the “Revised Application and Review Procedures for Lottery Gaming Facility Manager Contracts Pursuant to the Kansas Expanded Lottery Act” to allow for re-opening of the bids in the Northeast Gaming Zone.

Commissioner Franklin moved to approve re-opening the bids for casino applicants in the South Central and Northeast Gaming Zones. Commissioner McKenna seconded; motion passed unanimously.

(3) DIRECTOR’S REPORT Executive Director Ed Van Petten

Sales. Mr. Van Petten reported that sales were down -4.72% at this time compared to sales one year ago. He said that instant ticket sales were up but the online games were off, mainly due to lack of large jackpots.

Financial Audit. Carolyn Brock, Director of Finance, took the floor and presented the Commissioners with the latest audit report conducted by the Division of Post Audit. She informed the Commission that the audit is conducted annually and answered questions from the Commission.

Announcements

The next regular Commission meeting is scheduled for Wednesday, January 14, 2009, at 11:15 a.m. via conference call.

Adjournment

Having no further business, **Chairperson Nye called for a motion to adjourn. Commissioner Franklin moved to adjourn the meeting; Commissioner Wwunsch seconded.** Meeting adjourned at approximately 11:27 a.m.