

MINUTES
KANSAS LOTTERY COMMISSION
Wednesday, March 14, 2007
1:30 p.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 Wednesday, March 14, 2007, at approximately 1:38 p.m. by Chairperson Harold Nye. The meeting was conducted with the Commissioners at Lottery headquarters and was open to the public at 128 North Kansas Avenue, Topeka, Kansas. Enterprise Security Director Joe Sellens 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	
	Michael Gayoso, Jr. - Pittsburg
Joni Franklin - Wichita	
Robert Van Cleave - Overland Park	

Staff: Ed Van Petten, Executive Director
Keith Kocher, Assistant Attorney General
Joe Sellens, Enterprise Security Director
Carolyn Brock, Director of Finance
Sally Lunsford, Communications Liaison
Colleen O'Neil, Director of Marketing
Dave Mackey, Director of IT
Gail Kennedy, Director of Human Resources
Steve Crabtree, Information Systems Manager
Jolly Walker, Instant Product Manager
Wayne Tomasewski, Procurement Manager
Mary Metzler, Executive Secretary

Visitors: Algis Valanciunas, GTECH
Bob Heptig, GTECH
Janet Cain, GTECH

Introduction of Attendees

Executive Director Van Petten introduced the three GTECH employees in attendance to the Commission. All other attendees were staff members known to the Commission.

Approval of Minutes

The minutes of the regular meeting conducted on February 14, 2007, were presented to the Commission in the online agenda packets which were emailed to the Commission prior to the meeting. Executive Secretary Mary Metzler informed the Commission that two changes had been made to the minutes subsequent to their review of the online copy. She explained that the changes were incorporated into the final copy presented in the agenda packets at the meeting. There were no additions or corrections to the minutes as presented. **Commissioner Franklin moved to approve the minutes as presented; Commissioner Van Cleave seconded;** motion approved unanimously.

New Business:

(1) DIRECTOR'S REPORT Executive Director Ed Van Petten

- (1) Sales. Mr. Van Petten informed the Commission that Powerball sales were down approximately \$13 million this fiscal year. He said the decrease was largely due to lack of big rollovers compared to three large Powerball jackpots in the previous fiscal year. Mr. Van Petten also said that instants continued to do well this fiscal year.
- (2) Legislature. Executive Director Van Petten reported that three gaming bills had been introduced in the legislature thus far, and that at least one more was expected to be introduced this session. He also said that he and Carolyn Brock, Director of Budget, had recently attended agency budget hearings in the Senate.
- (3) Spring Races. Mr. Van Petten requested that the Commissioners inform Marketing Director Colleen O'Neil if they wish to attend the races at the Kansas Speedway this spring.

- (4) Next Meeting. Mr. Van Petten informed the Commission that he would be attending a meeting out of state on the next Commission meeting date. He said that Mr. Kocher would be available to proceed with the meeting on his behalf as planned.

At this time, Mr. Van Petten dismissed himself from the meeting in order to attend a hearing for the House Federal and State Affairs Committee at the capitol building.

(2) RULES Assistant Attorney General Keith Kocher

Assistant Attorney General Keith Kocher presented a written summary of the rules prior to the meeting, a copy of which is filed with the official minutes. He also presented the rules to the Commission for approval as follows:

New Instant Game Rules

<i>Specific Instant Game Rules</i>	<i>Article 4</i>
K.A.R. 111-4-2553	“Double Doubler” - Game No. 665
K.A.R. 111-4-2554	“Open Season” - Game No. 667
K.A.R. 111-4-2555	“Triple Tripler” - Game No. 668
K.A.R. 111-4-2556	“Bonus Crossword” - Game No. 671
K.A.R. 111-4-2557	“Hot 5's Slingo” - Game No. 701

New Instant Pull Tab Game Rules

<i>Specific Pull Tab Game Rules</i>	<i>Article 9</i>
K.A.R. 111-9-143	“Movie Money” - Game No. 669
K.A.R. 111-9-144	“Captain Cash” - Game No. 670
K.A.R. 111-9-145	“Lucky Bucks” - Game No. 672

Other New Rules

<i>Multi-State Specific Game Rules</i>	<i>Article 5</i>
K.A.R. 111-5-160/164	“Power Play to Kansas Speedway Drawing (2007)”

There was no discussion pertaining to the rules. Chairman Nye called for a motion to approve the rules. **Commissioner McKenna moved to approve the rules as promulgated by Assistant Attorney General Kocher. Commissioner Franklin seconded;** motion carried unanimously.

(3) PRESENTATIONS Colleen O'Neil and Joe Sellens

Colleen O'Neil. Director of Marketing Colleen O'Neil presented a Power Point overview regarding the promotions using “made in Kansas” products. Ms. O'Neil discussed some of the vendors who have partnered with the Kansas Lottery in offering Kansas made products as instant ticket prizes and/or second chance drawing prizes. She described the process from the point contact is initiated with the product manufacturer to conclusion of the ticket printing. She also credited the Lottery's graphic artist Steve Chellberg with designing the instant ticket artwork during the game design process. Ms. O'Neil cited some of these promotions including the Cobalt Boat promotion giving away a boat manufactured in Neodesha, Kansas, as well as

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the Cool Cars promotion which will give players a chance to win a specialty golf cart which is made in Strong City, Kansas.

Joe Sellens. Enterprise Security Director Joe Sellens presented samples of the “push play” game devices to the Commissioners for viewing. Mr. Sellens also illustrated some examples of the game play for the devices via a Power Point presentation. The push play games are being explored for sale at a future date.

Announcements

The next Commission meeting will be conducted on Wednesday, April 18, 2007, at 11:15 a.m. via conference call. The meeting will be open to the public at Lottery headquarters.

Adjournment

Having no further business, **Chairperson Nye called for a motion to adjourn. Commissioner McKenna moved to adjourn the meeting; Commissioner Franklin seconded.** Meeting adjourned at approximately 2:23 p.m.