

**MINUTES**  
**KANSAS LOTTERY COMMISSION**  
**Wednesday, September 9, 2009**  
**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, September 9, 2009, at approximately 1:45 p.m. by Acting Chair Jeanine McKenna. The meeting was open to the public at Lottery headquarters, 128 North Kansas Avenue, Topeka, Kansas. The meeting was held with the commissioners attending in person. Security Director Gary Herman determined compliance with the *Open Meetings Law*. Minutes were recorded by Executive Secretary Mary Metzler.

**Attendance**

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

**Attendees**

**Participating**

**Staff:** Ed Van Petten, Executive Director  
Keith Kocher, Director of Gaming Facilities  
Stephen Durrell, Assistant Attorney General  
Gary Herman, Director of Security  
Sally Lunsford, Director of Communications  
Carolyn Brock, Director of Finance  
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 August 19, 2009, as well as the minutes of a special meeting conducted on August 25, 2009, 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 Wunsch 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. 111-4-2879	.....	“Betty Boop” - Game No. 223
K.A.R. 111-4-2880	.....	“Rollin’ In Dough” - Game No. 225
K.A.R. 111-4-2881	.....	“Triple Tripler” - Game No. 226
K.A.R. 111-4-2882	.....	“Blackjack” - Game No. 227
K.A.R. 111-4-2889	.....	“Money Garden” - Game No. 228
K.A.R. 111-4-2890	.....	“Lucky 7’s” - Game No. 251
K.A.R. 111-4-2891	.....	“Buckaroo Bucks” - Game No. 252
K.A.R. 111-4-2892	.....	“Cash Celebration” - Game No. 253
K.A.R. 111-4-2893	.....	“Beginner’s Luck” - Game No. 254

#### **New Pull-Tab Game Rules**

***Specific Pull Tab Game Rules* ..... *Article 9***

K.A.R. 111-9-161	.....	“Icy Cash” - Game No. 240
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#### *Motion*

**Hearing no questions regarding the new instant game and pull tab rules, Acting Chair McKenna called for a motion to approve. Commissioner Wunsch so moved; Commissioner Franklin seconded; motion approved unanimously.**

**New Drawing Rules**

***Specific Instant Game Rules*** ..... ***Article 4***  
K.A.R. 111-4-2883-2888 ..... “Bon Voyage Second Chance Drawing”

**Other New Rules**

***Lottery Retailers*** ..... ***Article 2***  
K.A.R. 111-2-225 . . . Love’s Country Stores #1067 Retailer Raffle Ticket Incentive  
K.A.R. 111-2-226 . . . . . Ball’s Food Stores #1055 Retailer Raffle Ticket Incentive  
K.A.R. 111-2-227 . . . . . Leiszler Oil Stores #1011 Retailer Raffle Ticket Incentive  
K.A.R. 111-2-228 . Johnson’s General Stores #1177 Retailer Raffle Ticket Incentive  
K.A.R. 111-2-229 Pete’s Corporation Stores #1033 Retailer Raffle Ticket Incentive  
K.A.R. 111-2-230 . . . . . Cosentino’s Price Chopper Hot Lotto Grocery Give-A-Way

***Raffle Game*** ..... ***Article 15***

Holiday Millionaire Raffle:

K.A.R. 111-15-1 ..... Name of the Game; Rules and Regulations  
K.A.R. 111-15-2 ..... Definitions  
K.A.R. 111-15-3 ..... Game Description; Retail Sale of Tickets  
K.A.R. 111-15-4 ..... Prize Pool  
K.A.R. 111-15-5 ..... Expected Prize Payout  
K.A.R. 111-15-6 ..... Probability of Winning  
K.A.R. 111-15-7 ..... Prize Payments  
K.A.R. 111-15-8 ..... Claiming Prizes; Procedure and Time Period  
K.A.R. 111-15-9 ..... Ticket Validation Requirements  
K.A.R. 111-15-10 ..... Ticket Responsibility

Mr. Durrell continued with a presentation of the “New Drawing Rules” and “Other New Rules.” The “Other New Rules” included the “Holiday Millionaire Raffle” rules. Mr. Van Petten informed the Commission that the raffle game was a new game and had been approved by Governor Parkinson as required by statute. Mr. Durrell provided a brief synopsis of how the new raffle game is played.

Commissioner Franklin noted that there was a typographical error in the “Rules Summary” document which described the play action for the Bon Voyage game.

*Motion*

**Pending correction of the typographical error, Commissioner Franklin moved, and Commissioner Wunsch seconded, to approve the “New Drawing Rules” and “Other New Rules.” Commission approved unanimously.**

**(2) EXPANDED GAMING ..... Keith Kocher**

Status Report

Southwest Gaming Zone. Mr. Kocher reported that construction of the Boot Hill casino in Dodge City was progressing. He said that the building looked good. He said a formal plan for the gaming machines was approved. He added that the central system, which was being monitored by the Lottery's Security Enterprise Director Joe Sellens, was going well.

South Central and Northeast Zones. Mr. Kocher said that the Review Board meetings in both gaming zones will be held on September 15 and 16, 2009. Each applicant will make a formal presentation at those meetings.

**EXECUTIVE SESSION**

**At 1:57 p.m., Commissioner Franklin moved that in order to protect attorney client privilege, the Commission recess into executive session and reconvene the open meeting at 2:10 p.m. The parties to be included in the executive session are the commissioners, their attorney, the executive director of the lottery, the director of gaming facilities, and the director of enterprise security. Commissioner Wunsch seconded; motion approved unanimously.**

*The Commission reconvened at 2:10 p.m.*

**(3) BUDGET ..... Finance Director Carolyn Brock**

Ms. Brock presented a full budget document as well as a summary of the proposed budget for fiscal year 2011 to the Commission. She informed the commission that sales had decreased in FY 2009 by 2.7% from the prior year. Contributions from the Lottery to the State Gaming Revenue Fund (SGRF) in FY 2009 were \$68,187,611. She said that revised sales goals for FY 2010 and FY 2011 were \$237 million and \$239 million, respectively. She also reported that the Lottery has transferred \$1.12 billion since the Lottery was established in 1987 through the end of FY 2009. Players have won \$1.93 billion in prizes and retailers have earned \$207.7 million in commissions during that time period. She reviewed the budgeted expenditures for FY 2011.

*Motion*

**Commissioner Franklin moved, and Commissioner Wunsch seconded, to approve the budget for Fiscal Year 2011 as presented by Ms. Brock. There was no discussion. The Commission approved the motion unanimously.**

**(4) DIRECTOR'S REPORT ..... Executive Director Ed Van Petten**

Sales. Mr. Van Petten reported that fiscal year 2010 sales were ahead of last year by 8.83% as of September 5, 2009.

Events. Mr. Van Petten informed the Commission that the races at the Kansas Speedway would be held October 3 and 4.

### **Announcements**

The next regular Commission meeting will be held on Wednesday, October 14, 2009, at 11:15 a.m. via phone conference with the Commission.

The Commission discussed possibly moving the November meeting date to November 19, 2009. The Executive Secretary will communicate a meeting change with the Commission at a later time.

### **Adjournment**

**Commissioner Franklin moved to adjourn the meeting. Commissioner Wunsch seconded; meeting adjourned at approximately 2:44 p.m.**