



February 17, 2023  
COMMISSION  
REPORT

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## **NOTICE OF PUBLIC MEETING AND EXECUTIVE SESSION OF THE ARIZONA STATE LOTTERY COMMISSION**

Pursuant to Arizona Revised Statute (A.R.S.) § 38-431.02, notice is hereby given to the members of the Arizona State Lottery Commission and to the general public that the Arizona State Lottery Commission will hold a meeting open to the public on **February 17, 2023, at 10:00 a.m.**, in the **Arizona Lottery Board Room, located at 4740 East University Drive, Phoenix, Arizona.** The public is welcomed to join the meeting in person, via telephone, or internet through **Google Hangouts Meet**. The following are instructions on joining the meeting via the Google Hangouts Meet:

Join the meeting online by entering the following link into your URL

[meet.google.com/guc-uece-uyy](https://meet.google.com/guc-uece-uyy)

OR

**Join the meeting US Toll Free by phone at 406-686-2820** when prompted enter Access Code **846 044 593 followed by the pound key (#)**

If you are having problems with connecting, please contact 480-921-4493.

Pursuant to A.R.S. § 38-431.02(B), further notice is hereby given to the Arizona State Lottery Commission and members of the public that the Arizona State Lottery Commission may vote to go into Executive Session, which will not be open to the public, for the purpose of obtaining legal advice pursuant to A.R.S. § 38-431.03(A)(3) regarding any of the agenda items. The Commission may also vote on any item listed on the agenda. All members of the Commission will be participating by means of telephonic communication.

### **Call to Order**

1. Call for Quorum
2. Call for Notice
3. Approval of Minutes for January 20, 2023, Public Meeting

### **Agency Reports**

1. Director's Presentation
2. Financial Report – Presentation
3. Products & Marketing Update – Presentation
4. Sales Update - Presentation
5. New Games Introduction – No Presentation

### **New Business**

1. Discussion and possible action on new instant scratch game profiles: *Joker's Wild* #1413, *Win \$100,000* #1414, *Money Madness* #1415, and *Triple Red 7's* #1416.
2. Discussion and possible action on new Fast Play™ game profile: *Sevens* #153.
3. Discussion and possible action on new promotion profile: *Hawaii Dream Getaway* #126.

## **Call to the Public**

Consideration and discussion of comments from the public. Those members of the public wishing to address the Commission need not request permission in advance and will be given approximately five minutes for their comments and requests. Action taken as a result of public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration at a later date to comply with A.R.S. § 38-431.02.

## **Announcements**

1. The next Commission meeting will be held March 17, 2023, at 10:00 a.m.

## **Adjournment**

## **Materials**

A copy of the agenda and background material provided to Commission members, which is not exempt by law from public inspection, is available for public inspection at least 24 hours advance of the meeting at the Lottery Office located at 4740 East University Drive, Phoenix, Arizona.

## **Notice**

Any amendments or additions to the agenda will be made available at least 24 hours prior to the meeting.

Dated this 9th day of February, 2023

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Gregory R. Edgar  
Executive Director

Persons with a disability may request a reasonable accommodation by calling (480) 921-4486. Requests should be made as early as possible to allow time to arrange the accommodation. *The Commission reserves the right to change the order of items on the agenda.*

## PUBLIC MEETING OF THE ARIZONA LOTTERY

Commission Minutes of January 20, 2023, Meeting

**PRESIDING** Chair Jeff Weintraub (In-Person)

**COMMISSIONERS** Vice Chair Todd Newman, and Tim Baumgarten (In-Person)

**LOTTERY** Executive Director; Gregory Edgar, Todd Terrell; Deputy Director of Security and Investigations, Russ Harben; Deputy Director of Operations, Sherri Zendri Deputy Director of Legal Services (In-Person), Christopher Rogers; Deputy Director of Products & Marketing, Raynie Hosto; Deputy Director of Customer Service & Sales, and Greg Chmielewski Deputy Director of Strategic Planning & Initiatives. (Teleconference)

Luanne Mansanares, Jacob Rusywick, John Gilliland (In Person) Alexandra Adukeh, Shelby Alessi, Debra Andregio, Mary Cimaglio, Anjali Dang, Pamela Dinunzio, Michael Dooley, Julie Figueroa, Shelby Figueroa, Lupe Gonzalez, Susan Kalember, Mia Lemke, Jenny Lewis, Victor Mendoza, Robin Peters, Allyson Saltford, Lynda Sellers, Adam Tollefson, Art Uthaisri, Jennifer Wenger, and Steven Wood. (Teleconference)

**GUESTS** Attorney General Representative: Pam Peiser (Teleconference)

Scientific Games Representatives: Topper Wilson (Teleconference)

Pollard Banknote Limited Representatives: John Papile, and Travis Priest (Teleconference)

Owens Harkey Representatives: Cydeni Cartter (In Person) Anna Garza, Jessica Guffy, Noel Hobaica and Ariana Moreno (Teleconference)

**PUBLIC** None

### **Call to Order**

1. **Call for Quorum:** Pursuant to the Public Notice dated January 12, 2023, the Public Meeting of the Arizona State Lottery Commission was called to order at 10:00 a.m. by Chair Jeff Weintraub.

A quorum was present, with Chair Weintraub, Vice Chair Newman, and Commissioner Baumgarten. (Appearing in-person)

2. **Notice:** Notice was posted by Luanne Mansanares on January 12, 2023, at 2:00 p.m., at the Arizona State Lottery, located at 4740 E. University Dr., Phoenix, Arizona.
3. **Approval of Minutes:** Chair Weintraub entertained a motion to approve the minutes of the December 16, 2022, Public Meeting. Vice Chair Newman moved; Chair Weintraub seconded. The vote was unanimous with Chair Weintraub voting aye, Vice Chair Newman voting aye and Commissioner Baumgarten abstaining. The motion carried.

## Agency Reports

1. **Director's Presentation:** Director Edgar, and Russ Harben informed the Commission of the Arizona Lottery's statewide system outage that had occurred at 10:00am January 19, 2023.

Chair Weintraub inquired if the Arizona Lottery has received any feedback from the public.

Director Edgar informed the Commission that public feedback was received by phone, and through social media. The lottery has provided information to the public via social media, and news media with a press release. In addition the lottery has had several interviews with different news channels. The media has been supportive due to the lottery's transparency.

Chair Weintraub inquired about liquidated damages in regards to the system outage. Director Edgar informed the Commission that yes within the contract, there's a specific clause that handles system outages and liquidated damages. The presentation is attached for the official minutes.

Luanne Mansanares asked if any members of the public would like to address the Commission or the Arizona Lottery regarding the system outage. There was no response from the public.

2. **Financial Report Presentation:** Russ Harben presented the financial information with overall sales, new projections, and financial status with a comparison of last year's sales. The presentation is attached for the official minutes.
3. **Products & Marketing Update:** Chris Rogers gave a brief products and marketing update. The presentation is attached for the official minutes.
4. **New Games Introduction – No Presentation**

## New Business

1. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new Fast Play™ game profile: *Monsoon Money* #152. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the order and authorize the Director to issue the order regarding Fast Play™ game profile: #152. Vice Chair Newman moved; Commissioner Baumgarten seconded. The vote was unanimous with Chair Weintraub voting aye, Vice Chair Newman voting aye, and Commissioner Baumgarten voting aye. The motion carried.

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new promotion profile: *Statehood Giveaway* #125. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the order and authorize the Director to issue the order regarding new promotion profile: #125, Vice Chair Newman moved; Commissioner Baumgarten seconded. The vote was unanimous with Chair Weintraub voting aye, Vice Chair Newman voting aye, and Commission Baumgarten voting aye. The motion carried.

### **Call to the Public**

Chair Weintraub invited members of the public to speak before the Commission. There was no response from the public.

### **Announcements**

The next Commission meeting will be held in person on February 17, 2023, at 10:00 a.m.

Chair Weintraub asked if there any other announcements. There were no responses.

### **Adjournment**

Chair Weintraub stated with nothing remaining on the agenda, we are adjourned. The meeting adjourned at 10:51 am.

### **Materials**

A copy of the agenda and background material provided to Commission members, which is not exempt by law from public inspection, is available for public inspection at least 24 hours in advance of the meeting at the Lottery Office located at 4740 East University Drive, Phoenix, Arizona.

### **Notice**

Persons with a disability may request a reasonable accommodation by calling (480) 921-4486. Requests should be made as early as possible to allow time to arrange the accommodation.

*The Commission reserves the right to change the order of items on the agenda.*

**Agency Reports**  
Report to Arizona Lottery Commission  
February 17, 2023

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**Director's Presentation**

**Financial Report – Presentation**

**Marketing & Products Update – Presentation**

**Sales Update – Presentation**

**New Game Introductions – No Presentation**

New Game Introductions. The following games were introduced since the last commission meeting: *Crossword* #1370, *Bonus Money* #1393, *Money Ball Bingo* #1394, *Winning Streak* #1398, and *Set for Life* #1401.

More information on these games are available by visiting the Scratchers section at [ArizonaLottery.com](http://ArizonaLottery.com)

No games have ended since the last commission meeting.



# **ATTACHMENT A**

# Dashboard Report February 2023

SERVING ARIZONA FOR 41 YEARS



18.75%

vs. Proj (FYTD)

Total Sales (FYTD)  
**\$934,580,641**

17.84%

vs. PYTD

88.11%  
vs. Proj (FYTD)

**Draw Sales**  
 \$309,812,899<sup>33.1%</sup>  
%Total Sales

54.72%  
vs. PYTD

Draw Sales : From  
 7/1/2017 - To  
 2/5/2023  
 Fast Play Sales :  
 From  
 2/11/2018 - To  
 2/5/2023

0.39%  
vs. Proj (FYTD)

**Instant Sales**  
 \$624,767,742<sup>66.9%</sup>  
%Total Sales

5.39%  
vs. PYTD

161.69%  
vs. Proj (FYTD)

**Multi-State**  
 \$231,740,176<sup>24.8%</sup>  
%Draw Sales

99.73%  
vs. PYTD

0.27%  
vs. Proj (FYTD)

**Scratchers Sales**  
 \$615,787,362<sup>66.0%</sup>  
%Instant Sales

5.29%  
vs. PYTD

4.50%  
vs. Proj (FYTD)

**In-State**  
 \$50,145,664<sup>16.2%</sup>  
%Draw Sales

-7.78%  
vs. PYTD

Pulltab Sales : From  
 7/2/2017 - To  
 2/3/2023  
 Scratchers Sales : From 7/1/2017  
 - To 2/5/2023

4.51%  
vs. Proj (FYTD)

**Charitable Pulltab Sales**  
 \$5,342,400<sup>0.9%</sup>  
%Instant Sales

7.71%  
vs. PYTD

-38.39%  
vs. Proj (FYTD)

**Quick Draw**  
 \$1,339,397<sup>0.4%</sup>  
%Draw Sales

81.24%  
vs. PYTD

10.03%  
vs. Proj (FYTD)

**Age Rest. Pulltab Sales**  
 \$2,674,080<sup>0.4%</sup>  
%Instant Sales

13.64%  
vs. PYTD

2.33%  
vs. Proj (FYTD)

**Fast Play**  
 \$26,587,662<sup>8.6%</sup>  
%Draw Sales

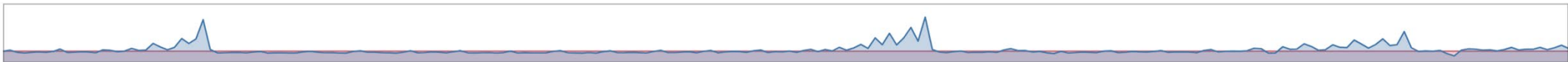
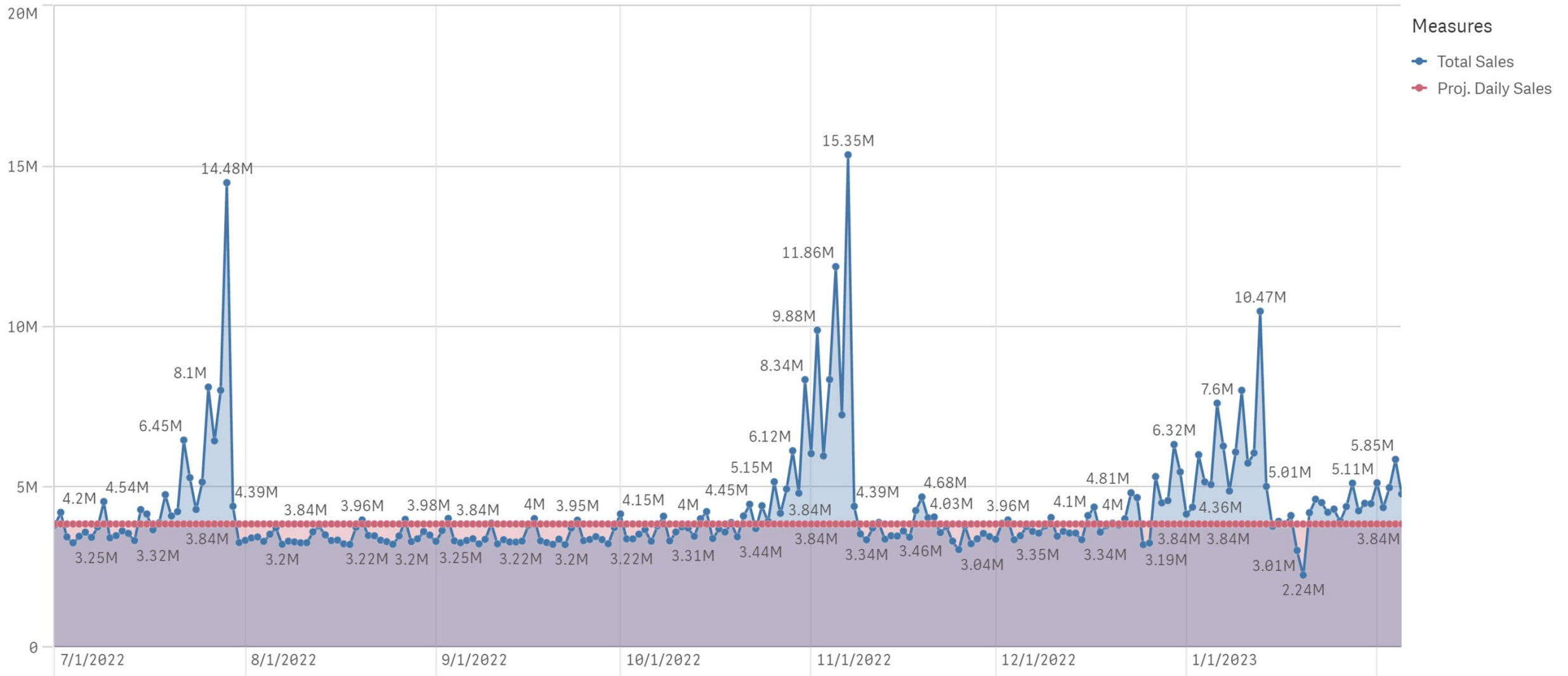
-8.62%  
vs. PYTD

38.35%  
vs. Proj (FYTD)

**Other Pulltab Sales**  
 \$960,120<sup>0.2%</sup>  
%Instant Sales

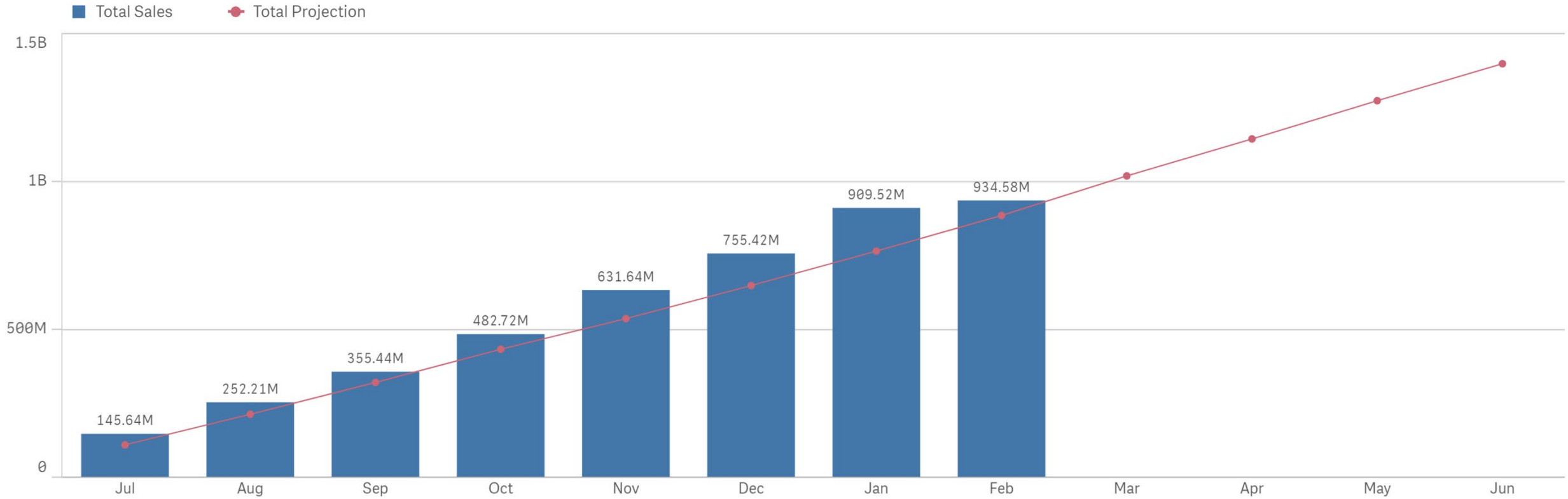
39.34%  
vs. PYTD

# Daily Sales vs Goal



# YTD Sales vs. Projection

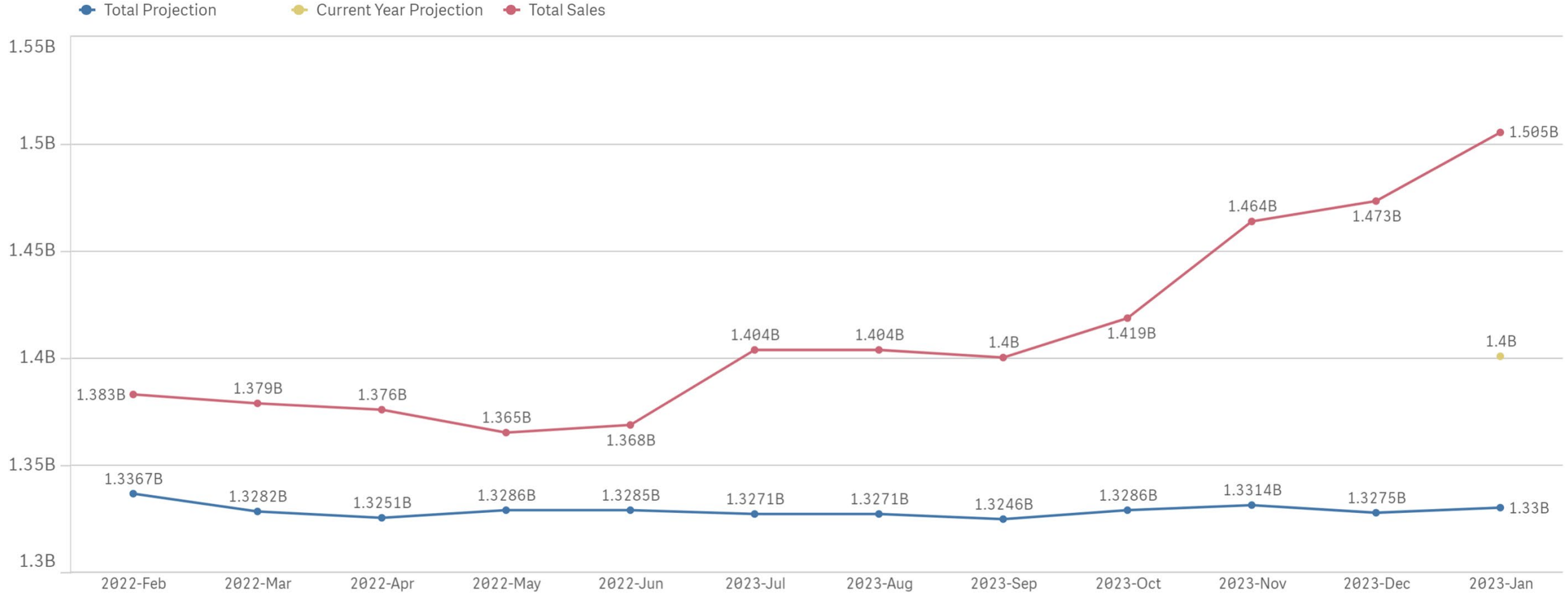
FY 2023 Total Sales vs. Projection



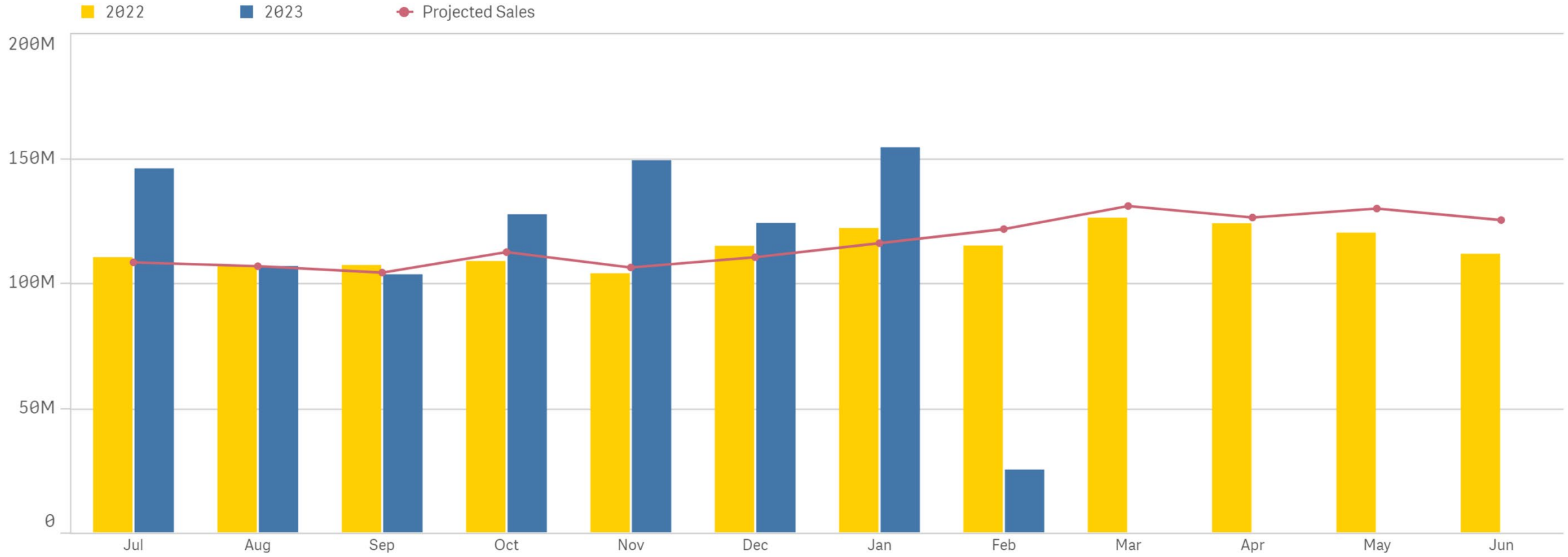


# Rolling 12 Month Total Sales

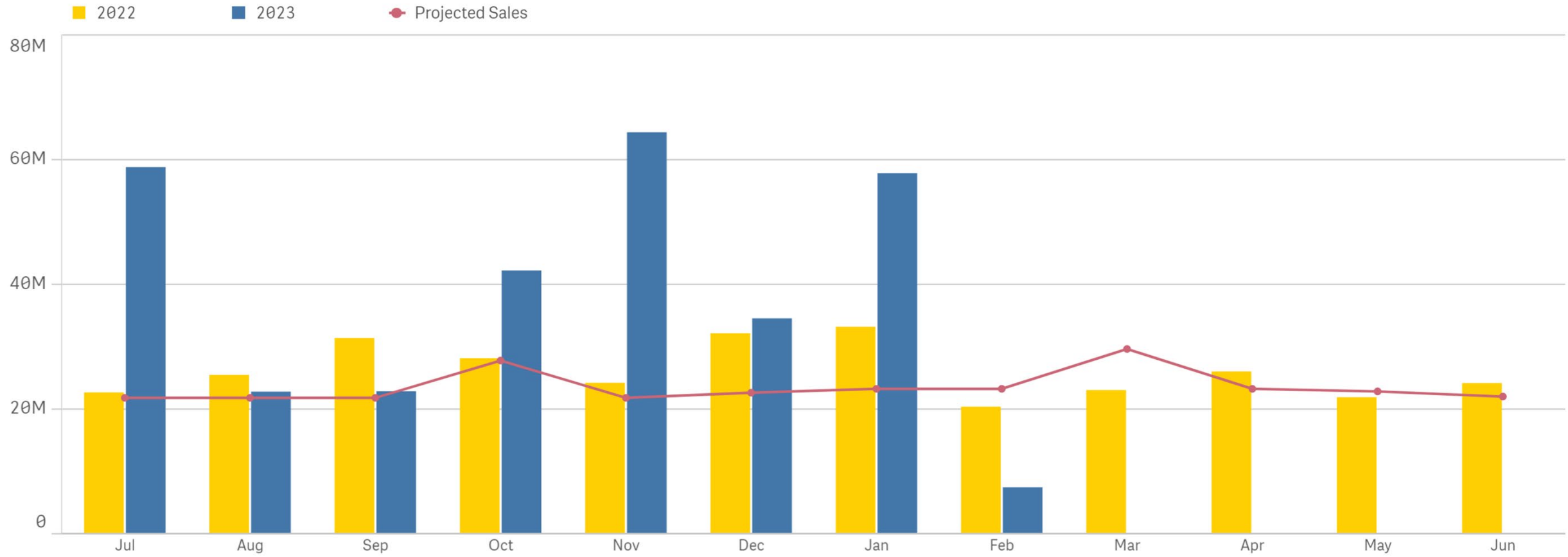
Rolling 12 Month Sales



Total Sales FY 2022 vs. 2023 vs. Projection

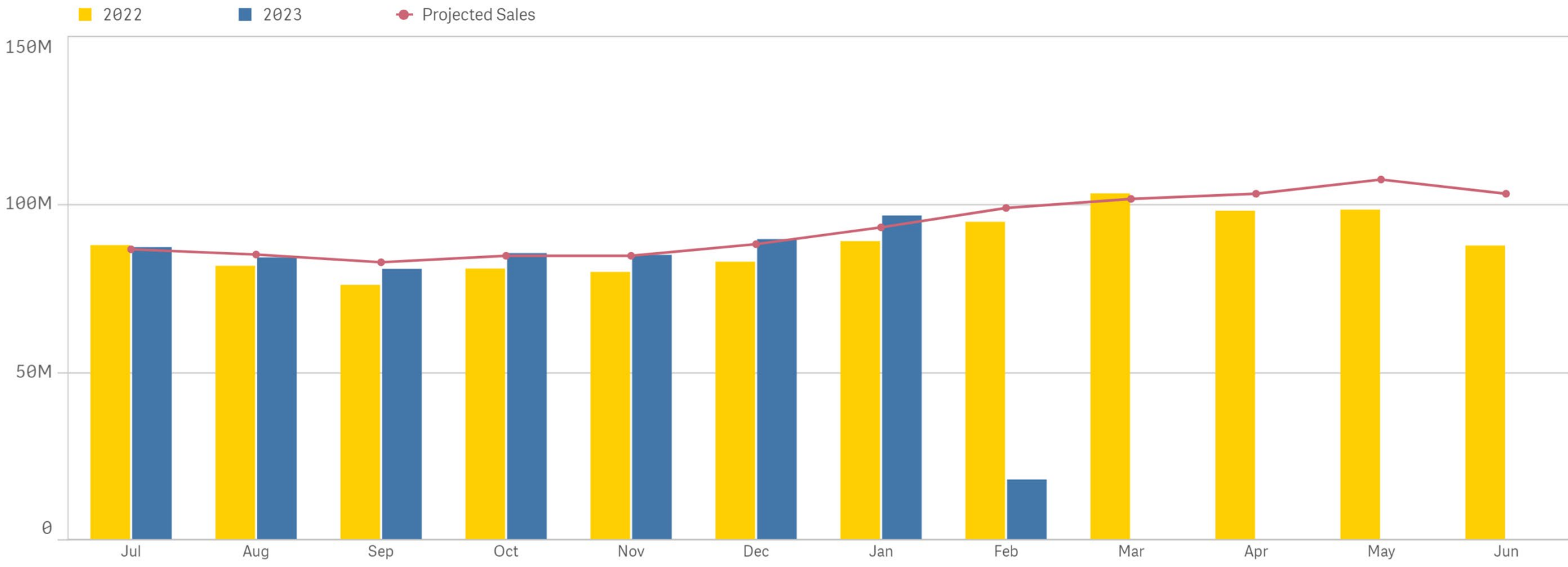


Draw Sales FY 2022 vs. 2023 vs. Projection

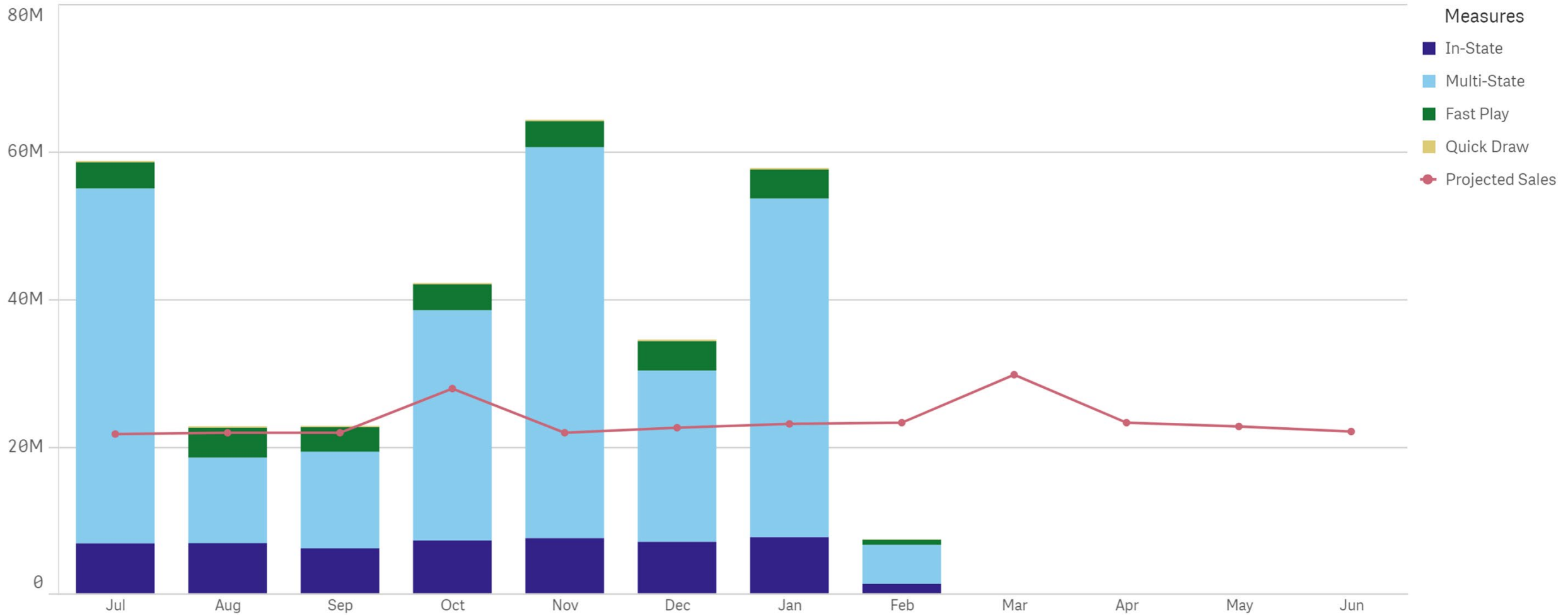




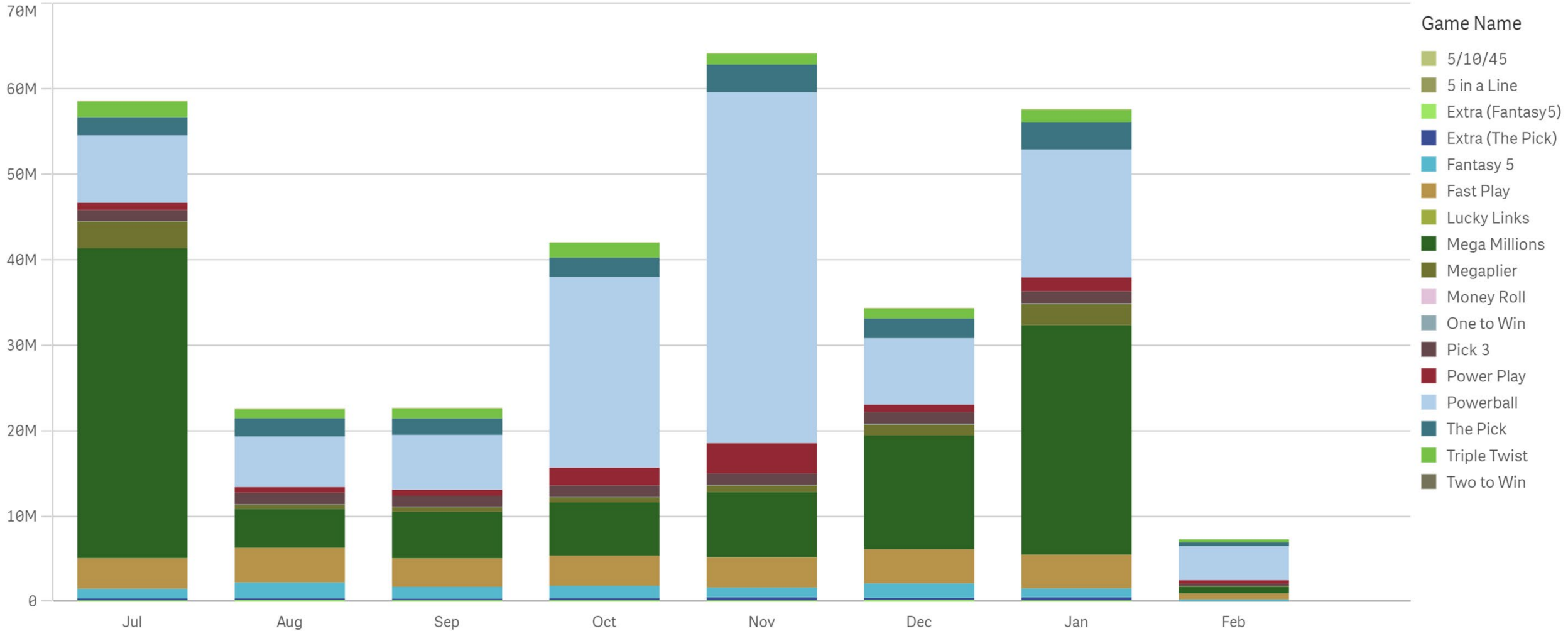
Instant Sales FY 2022 vs. 2023 vs. Projection



FY 2023 Draw Sales by month



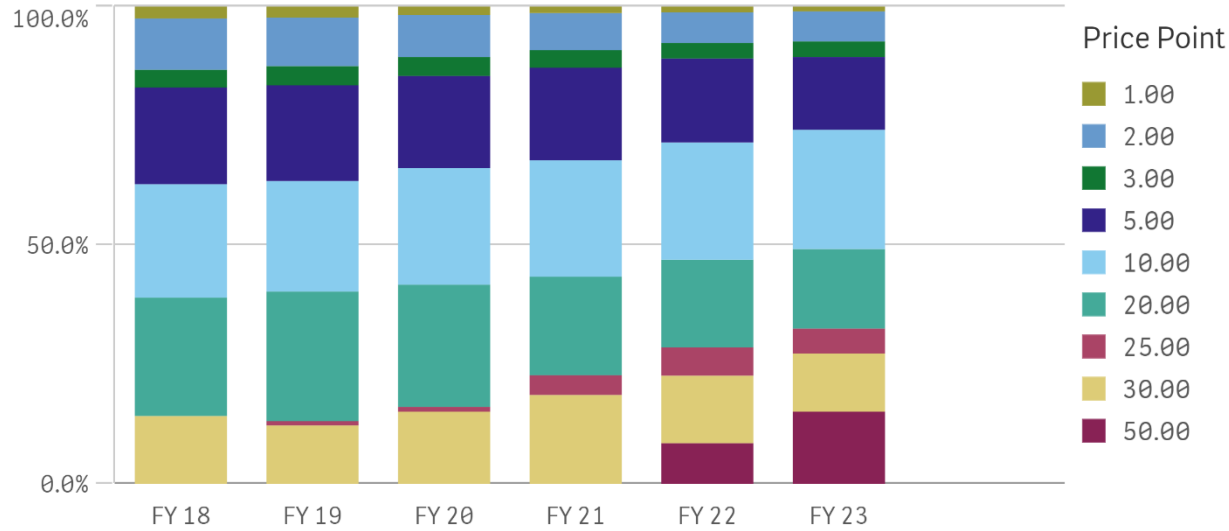
FY 2023 Draw Sales by Game



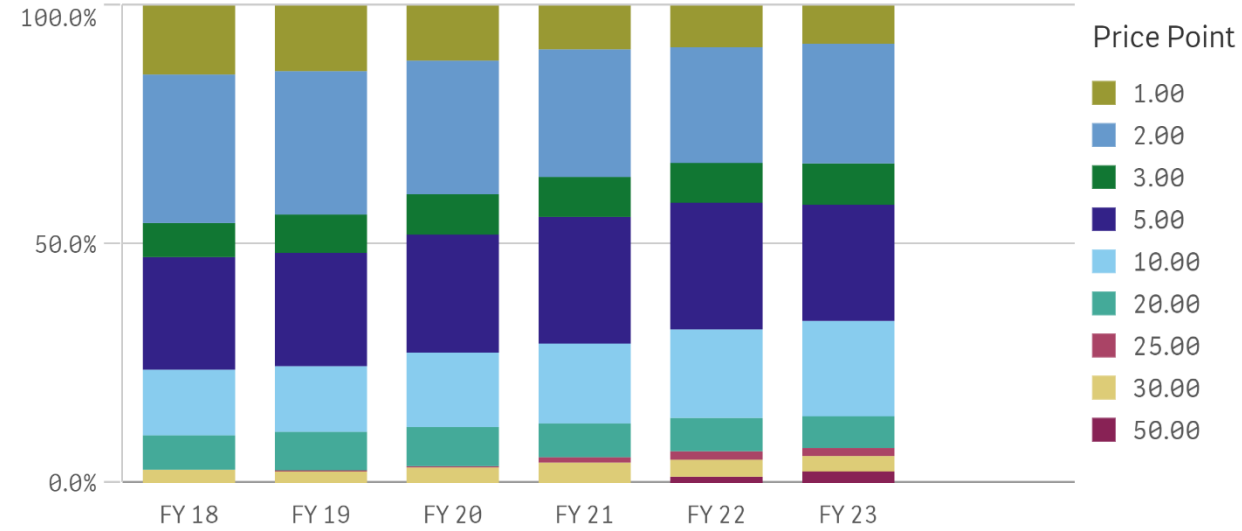


# Scratcher Sales by Price Point

Based on Dollars Sold



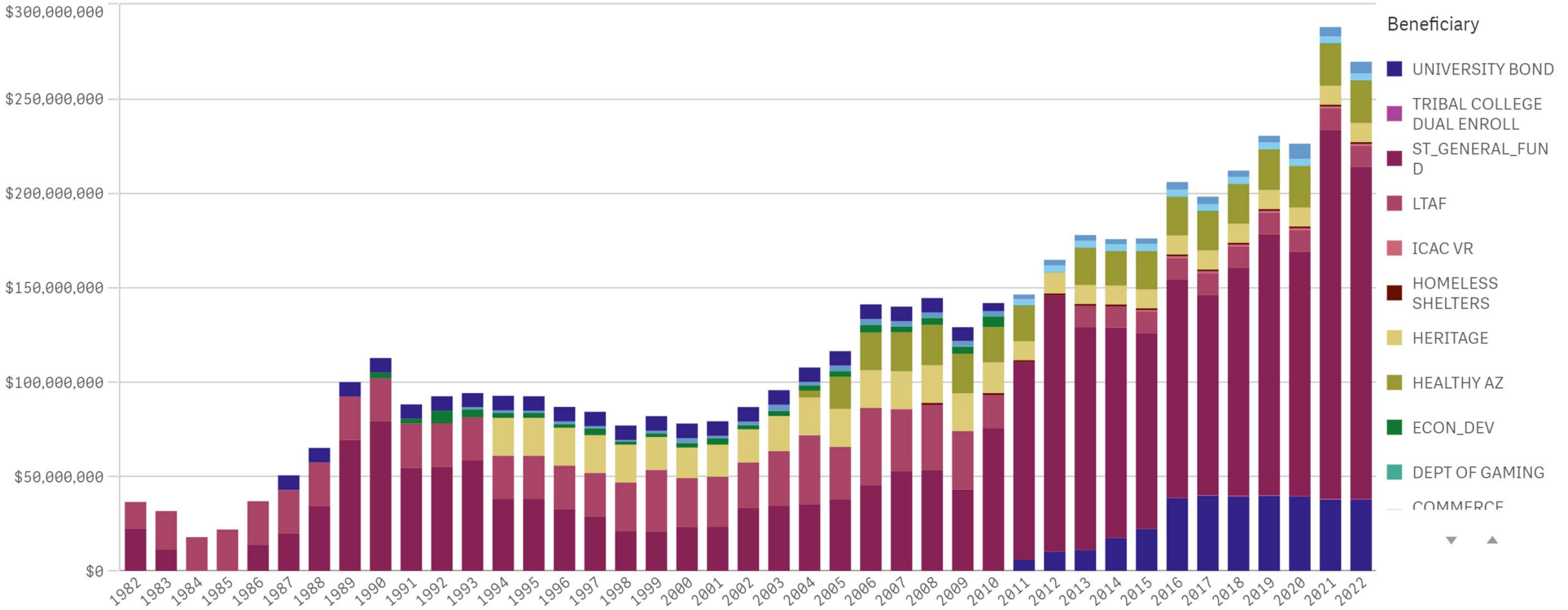
Based on Tickets Sold



Price Point	FY 19	FY 20	FY 21	FY 22	FY 23	Price Point	FY 19	FY 20	FY 21	FY 22	FY 23
1.00	\$17,327,856	\$15,243,692	\$14,836,696	\$12,025,050	\$6,159,031	1.00	17,327,856	15,243,692	14,836,696	12,025,050	6,159,031
2.00	\$76,045,580	\$74,204,632	\$86,605,472	\$67,053,928	\$38,704,504	2.00	38,022,790	37,102,316	43,302,736	33,526,964	19,352,252
3.00	\$30,416,967	\$33,795,897	\$40,770,039	\$34,325,706	\$19,950,327	3.00	10,138,989	11,265,299	13,590,013	11,441,902	6,650,109
5.00	\$150,294,810	\$163,624,105	\$214,810,495	\$183,329,755	\$93,946,855	5.00	30,058,962	32,724,821	42,962,099	36,665,951	18,789,371
10.00	\$173,763,390	\$207,204,520	\$271,076,850	\$256,301,440	\$154,038,970	10.00	17,376,339	20,720,452	27,107,685	25,630,144	15,403,897
20.00	\$204,007,420	\$217,273,740	\$228,944,840	\$192,016,600	\$102,555,380	20.00	10,200,371	10,863,687	11,447,242	9,600,830	5,127,769
25.00	\$6,504,400	\$8,628,650	\$45,939,625	\$61,671,325	\$32,327,725	25.00	260,176	345,146	1,837,585	2,466,853	1,293,109
30.00	\$91,917,900	\$128,434,380	\$206,849,550	\$147,402,630	\$74,889,720	30.00	3,063,930	4,281,146	6,894,985	4,913,421	2,496,324
50.00	\$0	\$0	\$0	\$89,036,700	\$93,214,850	50.00	0	0	0	1,780,734	1,864,297



Transfer Amount by Beneficiary







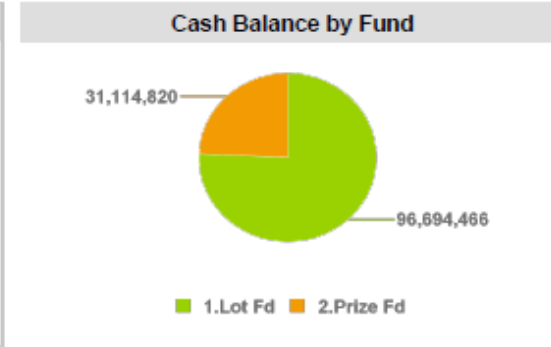
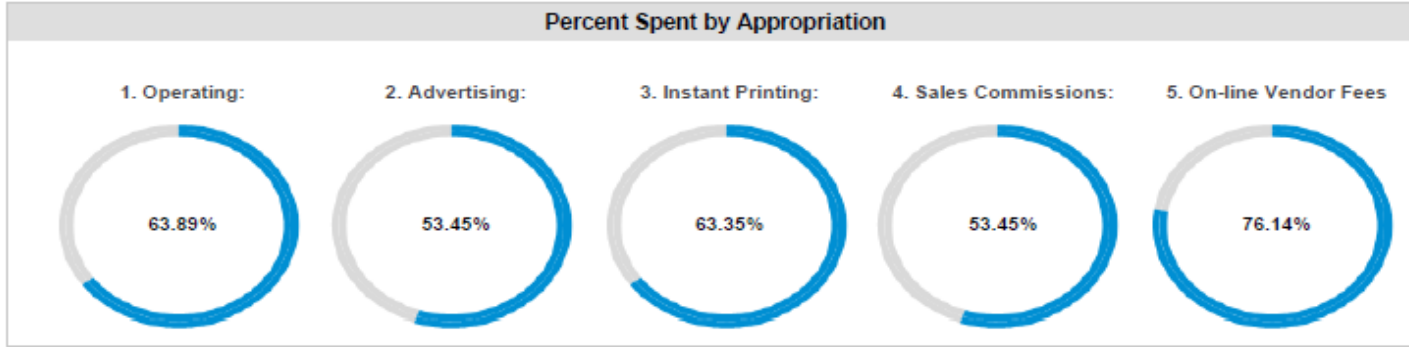
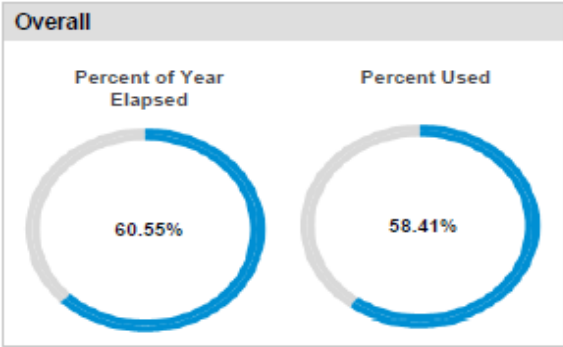
# Instant Game Monthly Sales

Month	SCRATCHERS	CHARITABLE PULL-TABS	AGE-RESTRICTED PULL-TABS	TOTAL INSTANT SALES CURRENT FY	TOTAL INSTANT SALES PREVIOUS FY	% of Change
Jul	\$85,830,540	\$725,760	\$292,680	\$86,972,100	\$87,567,671	-0.7%
Aug	\$82,719,267	\$732,240	\$363,960	\$83,921,307	\$81,430,467	3.1%
Sep	\$79,397,874	\$714,960	\$304,560	\$80,521,614	\$75,720,197	6.3%
Oct	\$83,981,140	\$710,460	\$355,320	\$85,187,320	\$80,573,893	5.7%
Nov	\$83,355,949	\$742,020	\$407,160	\$84,660,649	\$79,592,943	6.4%
Dec	\$88,094,418	\$694,680	\$395,280	\$89,363,658	\$82,643,454	8.1%
Jan	\$94,862,735	\$933,240	\$465,480	\$96,391,055	\$88,749,211	8.6%
Feb	\$17,545,439	\$89,040	\$89,640	\$17,750,039	\$94,521,006	-81.2%
Mar	\$0	\$0	\$0	\$0	\$102,981,838	-100.0%
Apr	\$0	\$0	\$0	\$0	\$97,816,671	-100.0%
May	\$0	\$0	\$0	\$0	\$98,156,659	-100.0%
Jun	\$0	\$0	\$0	\$0	\$87,464,598	-100.0%

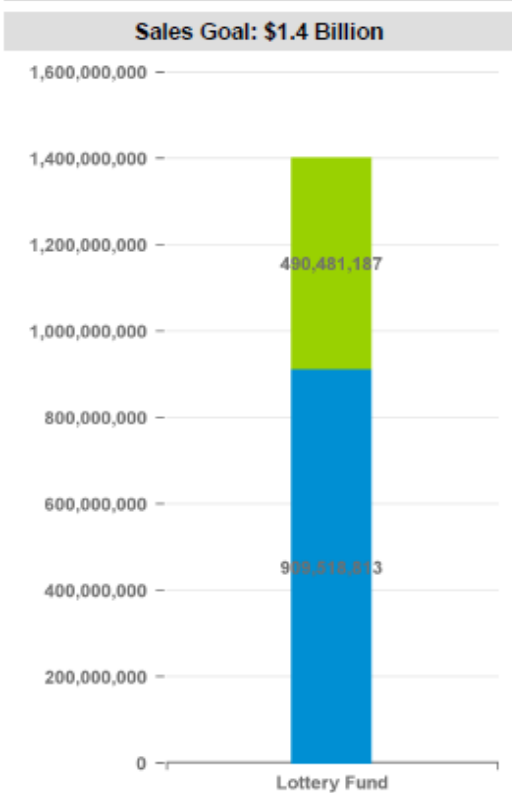




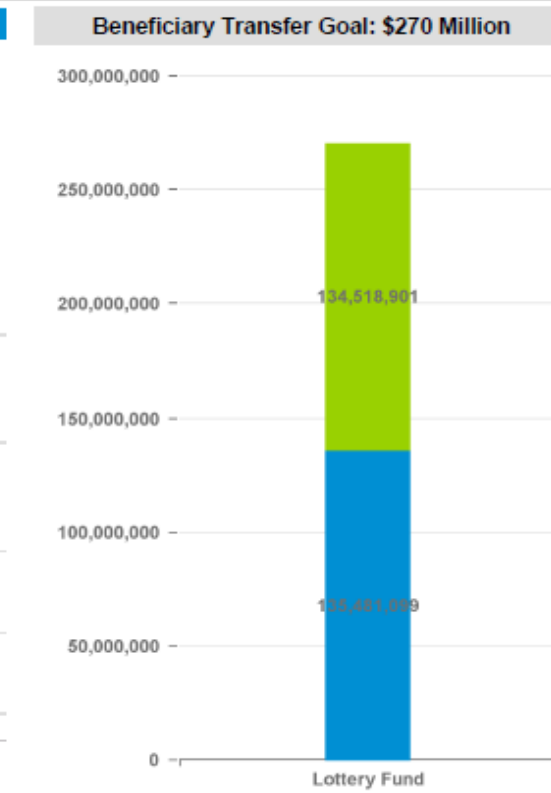
# FY23 Year-to-date Financial Status



## Budget by Appropriation Type and Object Class



Appropriation	Object Class	Budget	Expenditures	Encumbered	Remaining	% Used
1. Operating:	0000 - Appropriation Budget	10,468,900	-	-	10,468,900	
	6000 - Personal Services	-	2,740,701	-	-2,740,701	
	6100 - Employee Related Expenditures	-	1,104,185	-	-1,104,185	
	6200 - Professional And Outside Services	-	375,256	270,652	-645,908	
	6500 - Travel - In-State	-	14,819	18,706	-33,525	
	6600 - Travel - Out-Of-State	-	38,452	-	-38,452	
	7000 - Other Operating Expenditures	-	804,483	1,226,374	-2,030,857	
	8100 - Capital Outlay	-	-	-	-	
	8400 - Capital Equipment	-	-	-	-	
	8500 - Non-Capital Equipment	-	12,768	128	-12,896	
9100 - Transfers Out	-	25,000	56,690	-81,690		
<b>Total:</b>		<b>10,468,900</b>	<b>5,115,665</b>	<b>1,572,550</b>	<b>3,780,685</b>	<b>63.89%</b>
2. Advertising:	0000 - Appropriation Budget	15,500,000	-	-	15,500,000	
	7000 - Other Operating Expenditures	-	5,953,135	2,281,473	-8,234,609	
	9100 - Transfers Out	-	50,000	-	-50,000	
<b>Total:</b>		<b>15,500,000</b>	<b>6,003,135</b>	<b>2,281,473</b>	<b>7,215,391</b>	<b>53.45%</b>
3. Instant Printing:	0000 - Appropriation Budget	38,680,100	-	-	38,680,100	
	7000 - Other Operating Expenditures	-	14,788,848	9,716,103	-24,504,950	
	8400 - Capital Equipment	-	-	-	-	
<b>Total:</b>		<b>38,680,100</b>	<b>14,788,848</b>	<b>9,716,103</b>	<b>14,175,150</b>	<b>63.35%</b>
4. Sales Commissions:	0000 - Appropriation Budget	92,953,900	-	-	92,953,900	
	7000 - Other Operating Expenditures	-	49,686,179	-	-49,686,179	
<b>Total:</b>		<b>92,953,900</b>	<b>49,686,179</b>	<b>-</b>	<b>43,267,721</b>	<b>53.45%</b>
5. On-line Vendor Fees:	0000 - Appropriation Budget	16,269,011	-	-	16,269,011	
	6200 - Professional And Outside Services	-	11,093,652	1,294,084	-12,387,736	
<b>Total:</b>		<b>16,269,011</b>	<b>11,093,652</b>	<b>1,294,084</b>	<b>3,881,275</b>	<b>76.14%</b>
<b>Grand Total:</b>		<b>173,871,911</b>	<b>86,687,479</b>	<b>14,864,210</b>	<b>72,320,222</b>	



Rem. Revenue Budget YTD Revenue

Rem. Transfers Transfers

**New Business Item #1**  
Instant Scratch Game Profiles  
Report to Arizona Lottery Commission  
February 17, 2023

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This report has been provided to the Lottery Commission regarding game profiles planned for Arizona Lottery instant scratch games. The Commission is requested to approve these game profiles. After Commission approval, staff will commence with plans for printing, distribution, and sales of these games.

**NEW GAME PROFILES**

Attached for the Lottery Commission's action is new instant scratch game profiles: *Joker's Wild* #1413, *Win \$100,000* #1414, *Money Madness* #1415, and *Triple Red 7's* #1416.

**Joker's Wild #1413.** This \$5 game has a top prize of \$50,000. This game will be printed at a quantity of approximately 2.7 million tickets.

**Win \$100,000 #1414.** This \$10 game has a top prize of \$100,000. This game will be printed at a quantity of approximately 2 million tickets.

**Money Madness #1415.** This \$2 game has a top prize of \$10,000. This game will be printed at a quantity of approximately 2.1 million tickets.

**Triple Red 7's #1416.** This \$10 game has a top prize of \$100,000. This game will be printed at a quantity of approximately 3.7 million tickets.

Attachments (Commissioners only)

**New Business Item #2**  
Fast Play™ Game Profile  
Report to Arizona Lottery Commission  
February 17, 2023

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This report has been provided to the Lottery Commission regarding game profiles planned for Arizona Lottery Fast Play games. The Commission is requested to approve this game profile. After Commission approval, staff will commence with plans for game development, launch, and sales of this game.

**NEW GAME PROFILE**

Attached for the Lottery Commission's action is new Fast Play game profile: *Sevens #153*.

**Sevens #153**. This \$5 Fast Play game has a top prize of \$57,777. In this game, players match the YOUR NUMBERS to the WINNING NUMBERS to win a prize.

Attachments (Commissioners only)

**New Business Item #3**  
Players Club Promotion Profile #126  
Report to Arizona Lottery Commission  
February 17, 2023

---

This report has been provided to the Lottery Commission regarding the Hawaii Dream Getaway Promotion Profile. The Commission is requested to approve this Promotion Profile.

**NEW PROMOTION PROFILE**

Attached for the Lottery Commission's action is new Promotion Profile: Hawaii Dream Getaway #126

**Hawaii Dream Getaway Promotion Profile #126**

Starting April 4, 2023 players will be able to enter winning and non-winning eligible Instant Scratch and Fast Play™ game tickets for a chance to win a travel package (for two) to Maui, Hawaii valued at \$21,500 where they will have a chance to win additional cash prizes.

Promotion Profile. The Commission is requested to approve this Promotion Profile.

Attachments (Commissioners only)