**PUBLIC MEETING OF THE ARIZONA LOTTERY**

**COMMISSION MINUTES February 23, 2017**

**PRESIDING** Chair Jeff Weintraub

**COMMISSIONERS** Andy Anderson, and Debra Roth

**LOTTERY** Gregg Edgar, Executive Director, Chris Rogers, Director of Products & Marketing; Raynie Hosto, Director of Sales, and Biju Kamaleswaran, Chief Financial Officer,

Kimberly Siddall, Luanne Mansanares, David Nunn, Mary Cimaglio, Karla Henriksen, Shelby Alessi, Robin Peters, Ivy Gilio, Gaurav Deshpande, Holly Gordon, and Stacey Henderson

**GUESTS** IGT Representatives: Russ Harben and Serena Arlotta

Owen’s Harkey Representative: Dawn Kemmer
Scientific Games Representatives: Topper Wilson, Julio Dieppa and Dan Grace

Attorney General Representative: Grant Pearson

**Call to Order** - Pursuant to the Public Notice date February 23, 2018, the Public Meeting of the Arizona State Lottery Commission was called to order at 10:00 a.m. by Chair Weintraub.

A quorum was present.

Chair Weintraub entertained a motion to approve the minutes of the January 19, 2018, public meeting; Commissioner Andy Anderson moved; Commissioner Debra Roth seconded. All members voting aye, the motion carried.

**Directors Report** – Director Edgar presented the beneficiary of the month. The beneficiary focus was on the CBS Channel 5 telethon for Court Appointed Special Advocates (“CASA”). The director reported the telethon generated over 300 phone calls in an 8 hour window which resulted in over 160 applications. To put that in perspective, CASA ran an awareness campaign for three months with the Arians Foundation and generated 400 calls. In an average month CASA receives 30 applicants. The Arizona Lottery has supported the CASA program since 1993 and generated more than $59 million for the program that has assisted over 21 thousand foster children.

Director Edgar addressed the Multi-State Lottery Association (“MUSL”) Audit Committee’s findings regarding the Random Number Generator (“RNG”). He reported that RNG 2 had a hardware failure and overheated and RNG 1 was not miss-performing.

**Financial Report -** Mr. Biju Kamaleswaran presented financial information involving the total sales from instant and draw games for the past 12 months. He also provided fiscal year-to- date financial information for instant games, draw games, and price points. The presentation is attached for the official minutes.

**Marketing Report** - Mr. Chris Rogers presented financial information involving the return on investment on instant ticket games Royal Millions, Decade of Dollars and Cash Adventure. He provided information on the fiscal year 2018 marketing plan, gave a marketing update on the new draw game Fast Play, and upcoming media campaigns regarding draw games.

**New Business -** Chair Weintraub asked if any members of the public wanted to address the Commission regarding instant scratch game profiles: Fire & Ice Crossword #1165, Cash Cow #1166, Double Sided Dollars #1167, Cleopatra™ #1169, Crossword #1171, Red Hot 7s #1172, Tic Tac 2’s #1173 and Lady Luck #1177. No response 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 the new instant scratch game profiles: #1165, #1166, #1167, #1169, #1171, #1172, #1173 and #1177. Commissioner Anderson moved; Commissioner Roth seconded. All members voting aye, the motion carried.

Chair Weintraub asked if any members of the public wanted to address the Commission regarding the discussion and action on The Voice™ Second Chance Promotion Profile #85.

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 The Voice™ Second Chance Promotion Profile #85. Commissioner Roth moved; Commissioner Anderson seconded. All members voting aye, the motion carried.

Chair Weintraub advised that Commissioner Aimee Jolley’s term ended and a replacement for the fifth member of the Commission team is needed. Commissioner Roth inquired if the position required any specific qualification. Chair Weintraub advised no specific qualification is needed and it can be any member of the public; he also suggested a representative in the retail industry. In addition, Director Edgar was uncertain if the member needed to be a Democrat or an Independent. He would advise the commission at the next meeting.

**Call to the Public** Chair Weintraub invited members of the public to speak before the Commission. There were no responses from the public.

**Announcements** The next Commission meeting will be held March 23, 2018, at 10:00 a.m.

**Adjournment** Chair Weintraub entertained a motion to adjourn: Commissioner Roth moved; Commissioner Anderson seconded. All members voting aye, the motion carried. Meeting adjourned at 10:40 a.m.

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